

OPEN FORUM ON BUDGET #2

College of Liberal Arts and Sciences, Dean Michael Whiteford

College of Agriculture and Life Sciences, Dean Wendy Wintersteen

January 14, 2010—3 p.m.

Sun Room, Memorial Union

CALS Dean Wintersteen and LAS Dean Whiteford began the second joint forum with comments on budget planning for Fiscal Year 2011 and a set of slides (a PDF document of the slides is available at <http://www.ag.iastate.edu/budget/>). The deans made the following key points:

- LAS and CALS are holding a series of open forums to gather input from faculty, staff and students because of the many formal and informal linkages between the colleges, and the many shared connections, especially in the biological and social sciences.
- The colleges are planning for what could be a 20 percent state budget reduction beginning July 1, 2010 — as the 10 percent mid-year FY10 reduction is made permanent and the expectation that another 10 percent cut could be made prior to the start of FY11.
- LAS began the year (July 2009) with \$6.8 million less than the year before. It expects to begin next year (July 2010) with \$7 million to \$8 million less. CALS began the year (July 2009) with \$5.4 million less than the year before (July 2008). It expects to begin next year (July 2010) with \$7 million to \$8 million less.
- Cuts of this magnitude are unprecedented and will require vertical cuts — elimination or significant restructuring of departments, units and programs.
- The expectation is that each college will emerge from the budget crisis smaller and more focused.
- The current budget situation has been building over a long time. State appropriations have seen a general decline since 1981, when they accounted for more than 77 percent of general education funding by the Iowa Regents institutions. Today that figure is 43 percent, with tuition now making up 51 percent of general education funding.

- Both colleges are planning under similar assumptions:
 - No expectation of additional state support
 - Tuition increase won't make up for decline in state funds
 - Utilities and benefit costs are rising, increasing costs paid by colleges
- The two overall budget strategies are cost savings (including elimination or reorganization of departments and programs) and revenue generation (including growing enrollments, instituting differential tuition and course fees, and more fundraising).
- Goals of budget planning would be to continue to provide a high-quality education, maintain student credit hours, protect research excellence and reputation, and protect programs addressing critical needs of Iowa, the nation and world.
- Faculty, staff and student input and ideas are welcomed — but needed quickly. The budget planning timeline is short. The university must finalize its plan in March 2010.

The third and final CALS-LAS open forum will be held 1 to 2:30 p.m., Tuesday, Jan. 26, 2010, in the Great Hall, Memorial Union.

Send your comments, questions and ideas by e-mail to Dean Whiteford [jefe@iastate.edu] and Dean Wintersteen [wwinters@iastate.edu].

Below is an edited summary of questions, responses and comments heard at the Jan. 14 open forum:

Question: Are there discussions at the university level on college funding? It seems to take about the same number of administrative staff to operate the colleges with smaller enrollments as it does to run colleges with larger enrollments. Is there a minimum administrative size for a college?

Response: Discussions are taking place at multiple levels. We are looking at the administrative footprints, and we anticipate reducing administrative staff.

However, in the new Resource Management Model, several responsibilities, especially in accounting and finance, have moved to the college level from the university level, which take more administrative work, not less.

Comment: Some students take 150 to 180 credits when they only need 120 to graduate. Perhaps the state might subsidize those 120 credits and then students pay the full, unsubsidized cost of their education on any credits above 120.

Comment: Some students arrive at college already carrying 30 or more credits they earned in high school or at community colleges. If they're here for 120 credits, let them take 180 if they choose.

Comment: We might consider establishing research-faculty lines, making it the responsibility of the researchers to bring in all their own support.

Response: The university already has this policy, and it is something we can grow to bring in more grants and contracts. LAS has a policy in place to approve these positions and CALS is working to establish such a policy.

Comment: Can you share more detail on the document distributed to LAS faculty and staff, "Roadmap for the College of Liberal Arts and Sciences - 2010-2050" (<http://www.las.iastate.edu/news%5Fevents/budget/RoadMap2015.pdf>)? It appears to place academic programs in tiers.

Response: This is a document-in-progress that the LAS Budget Advisory Group created. It lays out some issues, priorities and strategic visioning. Departments are not listed by tiers, but grouped by similarities in teaching and research expectations. We encourage you to read the entire document, not just the page on groupings. The important thing to keep in mind with the "Roadmap" is the working document and the last column is "TBD – to be determined." We're asking how our departments can reconfigure. It should be noted, however, that some departments may not need to reconfigure. CALS is also having similar conversations with departments and programs. The rationale to hold these

discussions is that both LAS and CALS are planning for \$7 million less state dollars in July.

Question: Are there any plans to sell ISU land in Story County and buy cheaper land elsewhere to generate funds?

Response: Farmland is an essential resource for how CALS fulfills its land-grant mission. CALS is well-positioned currently with its land base to adequately conduct its teaching, research and extension programs, and there are no plans to sell property that would only generate one-time revenue at the loss of a valued long-term asset. The ISU portfolio has been carefully assembled over many decades to serve a broad set of research, teaching, extension and campus needs. Hundreds of students each year attend courses and hands-on labs at ISU teaching farms close to Ames. It is critical to have the farms close to campus for easy and timely access by students.

Question: Is there a discussion, beyond what the colleges are doing, to change the core mission of the university?

Response: No. We will remain a land-grant university with a land-grant mission. The Provost will assign differential cuts to the colleges. We are hopeful that our record in CALS and LAS and how we fit into the centrality of ISU's mission is reflected in her decisions. Also, the university is working on a new strategic plan with a vision looking at 2050. It's challenging to consider what the university or higher education will look like that far out, and how we achieve our mission.

Comment: I like the differential tuition concept. I believe we should not only charge differential tuition based on the true costs of courses, but also consider applying it to those programs and courses that produce high-demand, excellent graduates who go into high-paying jobs.

Response: That idea should be part of our rationale for a differential tuition proposal. Another factor is how differential tuition can improve the student-

faculty ratio. Both colleges will be making comprehensive recommendations on differential tuition.

Question: What is the timeline for budget recommendations?

Response: The governor will announce his budget by Jan. 31. The university might give the colleges their budget targets before Jan. 31 or wait until after the governor makes his announcement. Either way it is challenging for our departments because they need to make decisions (such as offers to graduate students) based on the amount of money they will have. We wish we had a better picture of the timeline and what budget cuts are likely to be.

Question: It seems Iowa's community colleges are favored when it comes to state funding. Has there been any thought in the state to place the community colleges under the Board of Regents and have all of higher education under one board that decides how resources are distributed?

Response: It has been mentioned before, but politically, unlikely to happen.

Question: We have heard about making vertical cuts in the colleges, but now we're also hearing about allocating cuts to departments. Can you clarify?

Response: Both of those cost-savings strategies may be needed. We must keep in mind that we are losing budget money immediately but some decisions, such as eliminating an academic program or department, will require a transition over the course of the next several years. We have been told that if we have a plan, there will be one-time, central bridge funding to pay expenses over the next few years until a transition can be completed. That is assuming there are no additional budget cuts.

Comment: The "Roadmap for the College of Liberal Arts and Sciences - 2010-2050" (<http://www.las.iastate.edu/news%5Fevents/budget/RoadMap2015.pdf>), so far, is the most fundamental document on the budget structuring. To me, the document appears to

outline a tier structure. LAS needs its own forum dedicated to this document. I thought this is what we would be discussing today.

Response: Again, this is a working document for discussion purposes. The departments are grouped by similarities in teaching and research expectations, not by tiers. The last column in the chart deals with how we expect our college to look in two or three years. We will have a discussion about the “Road Map”; however, it was just completed this week and we did not know whether it would be available for today’s discussion. Overall, it’s important to repeat that we are dealing with unprecedented budget cuts. There are no good answers or positive plans when we are dealing with cuts of this magnitude. We have difficult, painful decisions to make to address a stark reality. As President Geoffroy has said, we will not do business as usual. Our measure of success will be if we come up with a plan that protects our strengths that are core to what we do to fulfill our mission.

Question: How do we transmit to the public the news of ISU budget cuts and the resulting changes? We need a communications plan of what is happening and how it impacts the public.

Response: CALS has been communicating with diverse stakeholders, informing them of the budget reality. The message CALS has been hearing back is that they want a quality education for their children at ISU and that they will pay more for the university to deliver on quality. LAS will convey what our core strengths are and what we plan to invest in for the future. We agree the university needs to communicate information about the budget impacts to Iowans. However, there also is a segment of the population that believes the universities haven’t cut their budgets enough.

Question: What is the university’s position on laying off tenured faculty?

Response: It is a complex issue. University officials, the Faculty Senate and a university committee are reviewing the issue now. No decisions have been made. Discussions are under way to see what policies are already in place to deal with reorganizations.

Comment: I want to suggest that tenured faculty are the last to go among all the faculty levels.

Comment: This process should be about order, not chaos. This may be a far-out suggestion, but what if the university reorganized into units such as a College of Undergraduate Education, a College of Graduate Education and Research and others.

Comment: In Iowa State's history, in 1876, the legislature required faculty and students to pay for their room and board and to grow and harvest their own food.