

## EXECUTIVE COMMITTEE MINUTES

**Present:** Baesu, Boudreau, Dawes, Eklund, Leiter, Shrader, Tschetter, Vakilzadian, VanderPlas

**Absent:** Bearnes, Bouma, Kopocis, Lott

**Date:** Tuesday, August 6, 2024

**Location:** 203 Alexander Building

**Note:** These are not verbatim minutes. They are a summary of the discussions at the Executive Committee meeting as corrected by those participating.

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### 1.0 Call (*Eklund*)

Eklund called the meeting to order at 2:30 p.m.

### 2.0 Chancellor Bennett/EVC Ankerson/VC Boehm/VC Zeleny

#### 2.1 What is UNL's portion of the \$11.8 million budget deficit? Will Central Administration start to cover the cost of NIC?

Chancellor Bennett reported that he has met with President Gold and is very happy to be working with him. He noted that he is encouraged that the President has been a Chancellor at several other universities as well as a dean and faculty member. He stated that President Gold assured him that his goal is to support and build higher education in Nebraska and to do this correctly.

Chancellor Bennett stated that he is working in partnership with President Gold on the budget and told him that he was very disappointed about the communications that came out previously from Central Administration regarding the university's deficit because they did not reflect UNL's numbers. He noted that while it was reported that the University only had an \$11.8 million deficit, of which UNL usually must deal with half of it, we are also carrying forward a budget shortfall as are the other campuses. He pointed out that he has had several good meetings with President Gold who now has a clear understanding of where UNL's budget currently stands, but he pointed out that he has not yet received the final budget numbers.

Eklund noted that the structural deficit proceeded Chancellor Bennett's time at UNL and asked if the campus must retire all the structural deficit this year. VC Zeleny pointed out that 2017 was our last good year of enrollment and then after that our enrollment began to decline which impacted our budget. Chancellor Bennett reported that previous Chancellors tried to address the budget shortfall with cash rather than addressing the structural problems that we had. He noted that he would like to avoid using our cash reserves to address the structural deficit because the reserve is dwindling. He stated that hopefully next summer we will not be in the position of needing to address budget reductions.

Chancellor Bennett reported that he and the Executive Leadership of UNL will be meeting with President Gold this week to walk the President through our budget to show him what the implications will be if we must reduce our budget significantly more. He noted that he will also show him what the implications of a budget reduction will be to the process of rejoining the AAU. He stated that he would like to ask the NU system for an increase in our budget and ask if UNL could be allowed to address the structural deficit over a period of time so that we don't have such a dramatic reduction at one time. He noted that severe cuts will impede our ability to be successful which will impact our reputation. He pointed out that last spring we transferred nearly \$12 million to Central Administration as part of our rescission, noting that we were told that if we hit certain benchmarks that the \$12 million would be returned to us.

Chancellor Bennett stated that both AVC Volkmer and ASEM are optimistic that our freshmen numbers will be up slightly but pointed out that graduate student enrollment might be flat. He pointed out that pre-Covid we had close to three thousand international students, and we now have around 1,500, which impacts our budget significantly, but we are working hard to establish relationships with some of our international markets.

Chancellor Bennett reported that early last fall he received a communication from Athletics informing him that they would not be transferring the \$10 million to UNL. He pointed out that there was no conversation with the Athletics Director about this decision nor any opportunity to ask any questions about the decision. He stated that he has been concerned about how this could happen without any involvement with the campus leadership and noted that this is a violation of UNL's policy that auxiliary units are to pay 5% of their revenue to the campus. He reported that UNL provides services to Athletics and we need to be compensated for all of the costs associated with Athletics. He noted that the Board of Regents is creating an Athletics Affairs Committee. VC Zeleny stated that this new Regents' committee will parallel the other existing committees and will meet every other month. He pointed out that this takes a critical department away from the campus.

Leiter stated that one concern he has with taking athletics away from UNL is that the Cornhuskers have been the UNL mascot for decades and that Varner Hall does not have a mascot. He noted that Husker Athletics has been firmly identified with UNL and believes that UNL should charge Varner Hall a licensing fee for the use of our mascot. Eklund stated that the Executive Committee is deeply concerned about the oversight of the Athletics department. He pointed out that it is the faculty that deal with the student-athletes and their problems with academics every day, noting that these problems cannot be dealt with every other month by a remote committee. Griffin reported that UNL has the Intercollegiate Athletics Committee that was created by the Faculty Senate decades ago to "review and make recommendations on all Athletics Department policies, programs, and practices to ensure that they are consistent with the educational mission of the university and that they are supportive of student-athletes in their academic as well as athletic endeavors." She questioned how the Regents' athletics committee would interface with UNL's committee.

## **2.2 Refreshing our Strategic Plan. Who will be involved in the process and what are the plans for moving forward on it?**

Chancellor Bennett stated that he is waiting to see what President Gold's visions are for the University before we start moving on refreshing our strategic plan. He noted that he wants to make sure we are in alignment with the President's visions but believes that sometime this fall we will begin work on it.

## **2.3 Can you provide a breakdown of the salary increases, how much was slated for faculty salaries and staff salaries? What amount was held back for the Chancellor's Office, EVC and VCIANR offices and what percentage did the colleges get?**

VC Zeleny reported that for fiscal year 2025 UNL salary increases for each of the divisions led by the Chancellor, Vice Chancellors and colleges received the same allocation and guidance: faculty/administrative salaries 2.65%, faculty promotion and tenure 0.35%, and staff 3.00%. EVC Ankerson pointed out that all of the salary increase funds are distributed and none of it remains in her office except the amount allotted for employees in the EVC Office.

Vakilzadian said he thought the staff were to receive a 5% salary increase. He pointed out that staff salaries are very low, and the staff are leaving because of the low salaries and the increased workload. He asked how the staff can be encouraged to stay. VC Boehm stated that IANR has been looking at staff compensation across the platform looking at staff family groups (same positions) and a comparative salary study was done, noting that this occurs regularly across the university platform. VC Zeleny pointed out that some units do not have the budget to be able to increase staff salaries yet, but when they have the opportunity to adjust them, they will be made. VC Boehm noted that sometimes decisions are made to create the needed resources, but it requires cannibalizing of the unit's budget. VC Zeleny stated that creating career ladders can help staff employees see that if they improve their skills they can grow within an organization, but he said that leaders on campus need to prioritize these opportunities for staff members.

## **2.4 Campus safety concerns with scooters on campus**

VC Zeleny reported that there have been a number of questions over the summer about students driving quickly on the sidewalks on campus. He noted that the complaints have come in through the anonymous tip line but also through Campus Police and Parking and Transit services. He stated that in 2019 the city of Lincoln began making scooters available, but these can only be used on city sidewalks, not campus sidewalks. He noted that they are geo-fenced and prohibited from the inner campus. However, he pointed out that if people have their own scooter, it would not be geo-fenced. He stated that complaints of excessive speed or endangerment to others should be reported to campus police. He reported that the campus police are committed to safety on campus and plans on providing safety warnings to the students.

## **2.5 Fall Enrollment Update (Ankerson)**

EVC Ankerson stated that she is cautiously optimistic about the fall enrollment and barring any unforeseen circumstances, we should be on target to have one of the three largest freshmen classes this fall. She noted that anticipation for the overall enrollment numbers is positive, but we will not know the actual numbers until after the six-day census. She reported that if we do see the predicted enrollment, it will reverse a six-year trend of decreased enrollment and stated that everyone's help in recruiting students to attend UNL helps us to be successful.

EVC Ankerson reported that retention rates are up significantly due to a lot of hard work that has been occurring across the campus. She pointed out that graduate enrollment continues to change, but we will have the actual numbers by the six-day census. She noted that international enrollment is still a bit challenging, but we have agents on the ground in Asia and India to help recruit students. She stated that it takes time to develop our international student population, noting that we need to build trust and to have someone there that can offer assistance and help address questions. She reported that a number of administrators and faculty have traveled overseas so they can meet with prospective student's parents and answer questions.

Boudreau asked if the problems with FAFSA have any effect on our enrollment. EVC Ankerson stated that it did have some impact, but our financial aid office was staying on top of things and sent out approximately 5,000 packets to students. She stated that all of the changes with FAFSA and the delays it caused created difficulties.

**2.6 Has there been any change with differential tuition? The revenue gained from differential tuition was meant for instruction, but departments are not receiving much of the revenue. (Ankerson)**

EVC Ankerson stated that the differential tuition rate was originally approved for the College of Business, and the College of Engineering, and later for the College of Architecture. She noted that the purpose of the differential tuition was to recognize the increased costs and the need to invest in additional resources to provide students with a quality education. She pointed out that these funds are to support the entire instructional mission in that college, and they can be used on a variety of things that support teaching including supporting faculty, additional student support staff, additional personnel in shop or lab spaces, and remissions for students. VC Zeleny noted that these funds and how they are used are audited carefully.

Vakilzadian stated that he thought some departments were charging higher differential rates. EVC Ankerson pointed out that the original request for differential tuition rates was to provide funds for the education of students. She stated that the differential rates are set for the college, not for the departments.

Eklund stated that Kopocis originally raised the question wondering where the funds were being used, and pointed out that there is no oversight in the college of how these funds are used. EVC Ankerson stated that the college uses the funds to address college-wide instruction support for the students and each college determines how it will be used within the college.

Eklund asked what procedures must be followed for a college to have differential tuition and whether the Board of Regents needs to approve it. EVC Ankerson stated that the last college to receive approval for a differential tuition rate was the College of Architecture in 2012 and the Board of Regents must approve it because it is a change in tuition for that college. She reported that there is a process at the campus level which needs to be adhered to first before the request would be sent to Central Administration. VC Zeleny noted that there is a process in place for differential tuition at UNO as well.

Eklund asked if the new tuition rate will go into effect for this fall semester. EVC Ankerson stated that it will.

EVC Ankerson pointed out that there are also course fees that can be put forward through a rigorous process. The request must first go through the college and be approved and then a campus-level committee will review the requests. VC Zeleny noted that the course fees are the same rate for all of the undergraduate courses.

## **2.7 Search for Dean of the College of Education and Human Sciences Update (Ankerson)**

EVC Ankerson reported that the search will begin in the fall and Dean Belser from the Hixson-Lied College of Fine and Performing Arts will be chair of the search committee.

## **2.8 What are the strategies for removing IANR's responsibility for covering the cost of Nebraska Innovation Campus? (Boehm)**

VC Boehm reported that UNL is basically facing an annual deficit when it comes to NIC lease agreements. He noted that when NIC was created a strategy was developed which included the creation of a standalone board, the Nebraska Innovation Campus Development Corporation (NICDC). The NICDC partnered with a third-party developer to develop the buildings at NIC, and the university signed long-term leases, two of which were 35-year master leases. He noted that the developer would then front-load the costs associated with creating Innovation Campus and the University would pay rent or lease payments to the developer over 35 years. He reported that these leases were signed and went into effect by Chancellor Perlman and there was a plan put forth of how the University would pay the lease payments. However, the plan never came to fruition because ConAgra, one of the main partners for NIC, left Nebraska and the decision was made for the lease payments to be put on IANR's books.

VC Boehm noted that he quickly became aware of the lease payments when he arrived at UNL and discussed the issue with Chancellor Green. The University was unable to address the problem and now IANR is having to pay for the entire lease payment. As a result, IANR has essentially burned through its discretionary cash and cash reserves to make these payments. He pointed out that the Executive Leadership Team has visited with Chancellor Bennett about this issue and the Chancellor is very clear about including this liability in UNL's budget planning. He stated that we need to figure out how to sustainably make these lease payments. He noted that IANR is a heavy user of the NIC

facilities and IANR will continue to have some responsibility for the lease payment, but it cannot continue to cover the entire burden of the payments.

VC Zeleny reported that there could be several things that we could do to help with the situation. He stated that currently it is not likely that we could renegotiate the lease, but there are some operating costs associated with NIC that we can probably save money on such as parking, property management, landscape and snow removal which are currently being done by for profit companies. He stated that there is also some space that could be leased out.

VanderPlas asked if ConAgra had any kind of legal commitment to the development. VC Zeleny noted that ConAgra was a very willing company, and they had no idea that they would be leaving Nebraska.

Eklund asked if the new USDA Center for Resilient and Regenerative Precision Agriculture could act like an incubator for NIC. VC Boehm pointed out that we are the third largest agriculture producing state in the country but most of the 500 Fortune companies are making corporate decisions to move their headquarters to large cities. He stated that hopefully the USDA Center will help bring in some big partners and there are on-going efforts to get more partners.

VC Boehm pointed out that Chancellor Bennett is committed to trying to resolve this issue.

### **3.0 VC Zeleny (3:15 p.m.)**

#### **3.1 Faculty Senate Budget Committee**

VC Zeleny reported that he read the charge for the Faculty Senate Budget Committee, and he was confused about how it would interface with the Academic Planning Committee pointing out that it does not seem to be in balance with the APC. He asked what the goals of the FBC are and how it would work. He suggested that if it was about having more transparency this could be accomplished through periodic townhall meetings where more information could be provided.

VC Zeleny pointed out that there are some processes, such as budget reductions, that must go through the Academic Planning Committee, and he is unclear what problem the FBC would be solving. He noted that there was a similar committee, the Budget Model Advisory Committee, that was similar to the FBC, but when the incentive budget model failed, the BMAC ceased.

Leiter reported that questions were raised in the Faculty Senate about the budget and how faculty want more of a voice in the budgeting process. He suggested having a standing item on the agenda to provide a budget update, and pointed out that the Executive Committee could interface with the APC more since the Past President serves as the Senate representative on the APC. Eklund pointed out that there was a lack of transparency on what was being cut and information was not being provided during the

academic year. He stated that he is hoping that we will have more transparency moving forward.

VanderPlas stated that one of the FBC's goals is to encourage greater transparency at the department and college levels and to start building faculty education on the budget by getting them involved with things that affect them from day to day.

VC Zeleny noted that if the Executive Committee would like to get more data on the college and IANR budgets his office would need to work with the EVC and VCIANR's office to get that information. He suggested having a summary process that looks at the state-aided budget and research funding. VanderPlas pointed out that it was clear that the APC could not get the detailed data it was asking for and the Faculty Senate wanted to make the data more transparent. VC Zeleny noted that in previous budget reductions more detailed information was provided not only to the APC but to the campus and suggested that doing this again might be more helpful. He stated that he could provide the Executive Committee with more data. Dawes stated that the creation of the FBC seems to be a reaction to try to deal with a problem that has only occurred at one time, and she questioned whether it merits creating a new committee.

VC Zeleny stated that he would be happy to work with the Executive Committee to help provide more transparency.

#### **4.0 Announcements**

No announcements were made.

#### **5.0 Approval of July 22, 2024 Minutes**

Approval of the minutes postponed to allow President Gold to review the minutes.

#### **6.0 Unfinished Business**

##### **6.1 Executive Committee Goals 2024-2025**

Agenda item postponed due to lack of time.

#### **7.0 New Business**

No new business was discussed.

The meeting was adjourned at 5:27 p.m. The next meeting of the Executive Committee will be on Tuesday, August 20, 2024, at 2:30 pm. The meeting will be held in 203 Alexander Building. The minutes are respectfully submitted by Karen Griffin, Coordinator and Signe Boudreau, Secretary.