FORDHAM UNIVERSITY
THE JESUIT UNIVERSITY OF NEW YORK

Faculty Senate

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Meeting: 12th Floor Lounge of the Lowenstein Building on the Lincoln Center Campus

Guests: Mr. John Lordan, Senior Vice President and Chief Financial Officer
Dr. Stephen Freedman, Provost
Dr. Jonathan Crystal, Associate Vice-President and Associate Chief Academic Officer

Excused: Senators Dominic Balestra, Diana Bray, Tracy Higgins, Christine Hinze, Judith Jones, Barbara Porco, Joel Reidenberg, Henry Schwalbenberg

1. **Call to Order**

At 1:00 pm Senate President Grace Vernon called the meeting to order in the 12th Floor Lounge of the Lowenstein Building on the Lincoln Center Campus.

2. **Invocation**

Senator Gregory Acevedo offered the invocation.

3. **Matters Presented by the President of the University**

Rev. Joseph M. McShane, S.J., President of the University, presented on the following topics:

Hurricane Sandy: the university campus was relatively unscathed by the storm, although the offices and students in midtown and along Broadway were evacuated because of the building crane damaged on 57th Street. Nonetheless, the Fordham community faced challenges from the widespread loss of power, gasoline shortages, and transit problems, which led to cancelling classes for the week. A significant number of students had substantial damage at home, and about sixty students, principally Lincoln Center commuters, were affected in a major way. The governor has offered leniency on loans, and the university will be as flexible as possible with aid for students who have lost homes.

The state is rigid on meeting requirements, so the lost week of classes will be made up. Fr. McShane was deeply grateful to Dr. Freedman, the Provost, and the deans and faculty for working to deal with the class deficit.

Admissions: November 1st is the annual deadline for early action applications, but the pool is down significantly because of the hurricane. The main decline in applications is from New York, New Jersey, and Pennsylvania, areas hit by the hurricane in the week before the deadline, so the deadline was extended. For the junior open houses on November 10th and 11th, the numbers are up, modestly at Lincoln Center and more so at Rose Hill.

Applications for the Graduate School of Business Administration are strong, those for the Graduate School of Education are steady, and there is a slight decline for the Graduate School of Social Service. The School of Law is anticipating diminishing admissions over the next years, part of a national trend, and has targets less than the current 460. Nationally, most law schools are anticipating 10% reductions, which are likely also at Fordham.

Fr. McShane reported also on meeting with David A. Bergeron, the Acting Assistant Secretary for Postsecondary Education, at the recent meeting of the Commission on Independent Colleges and

Universities. The Assistant Secretary is seeking more scrutiny of higher education, reduced costs, and reductions in tuition increases, at first by half, and then with lower costs to students. He is also proposing a "race to the top" for colleges. In discussion with the Assistant Secretary, Fr. McShane pointed out that their philosophical goals are at odds. Although Fr. McShane is committed to eradicating age-old inequalities, the department of education cannot tell universities to have large classes plus expect research. Mr. Bergeron was not moved. On these issues, the recent election was not relevant. The federal agenda is set, and includes cost-cutting and an emphasis on job preparation.

Speaker invited by the College Republicans: Fr. McShane reported that he was informed late the previous evening that the College Republicans had invited Ann Coulter to speak. Given her narrow-minded and repugnant tone and rhetoric, Fr. McShane is trying to talk the College Republicans out of their decision. However, the invitation was extended. Even though Ann Coulter's views are antithetical to Jesuit education, if the College Republicans hold fast, Fr. McShane will issue a statement protesting the decision, but cannot rescind the invitation himself because it stifles debate. He will expect, however, a commitment to robust discussion. He then asked the Senate if such a step is supported.

Senators responded that some were asking that Ann Coulter be disinvited, but faculty generally argued that her presentation should be allowed with a parallel engagement. They supported a presidential statement on the issue. Fr. McShane welcomed political speakers and active engagement, but expected civility, especially in the context of last year's incidence of anti-Semitic, homophobic, and anti-black statements on campus, and his response then. In response to questions, Fr. McShane explained that the funds to pay the speaker were from student activity fees. These are administered by the United Student Government, from which the College Republicans receive a grant without specifying in advance for whom.

After the discussion, Fr. McShane sent an announcement to the university community protesting the invitation. Senators noted its arrival in their e-mailboxes.

Senators then asked about the status of faculty salary negotiations and related financial issues. Fr. McShane called in Mr. John Lordan, Senior Vice President and Chief Financial Officer, to join the discussion.

Senators noted that the 2014 budget proposed 3-4.5% for undergrad tuition increases, but 1.5-3% for salary increases, and 10 million dollars from operating surpluses for a campus reserve fund. Mr. Lordan explained that the percentage increases were discussion points in a budgetary process. Fr. McShane was unsure, however, that the tuition increases of 4.5% will hold, since such increases are resisted by families. Senators asked whether downward pressure on tuition meant also future downward pressure on salary increases. Fr. McShane replied that the budget items least likely to change are the 4.5% tuition and 3% salary increases. If need be, financial goals can be achieved through expanding the student body, which is the federal administration's goal; or by becoming a school for the wealthy (e.g., 7% of the students at Fordham pay full tuition, versus 60% at Barnard); or by relying more on the endowment for financial aid when the campaign is done.

Mr. Lordan added that the campus reserve fund is a quasi-endowment. It serves as a stepping stone to provide for on-going costs associated with the new Law building after 2016, which, as Fr. McShane noted, will be hard to create from an operating budget once the building is online if the campus development fund is not in place. In discussion of the campus reserve, senators understood that the fund needed to cover ongoing costs of the new Law building has a fixed target ($125,000,000), and is being provided in part from better-than-budget funds. Salary goals are, however, a range (1.5-3%) and thus more flexible and presumably a lower priority than the fixed goal. Mr. Lordan agreed that it will indeed be difficult to reach the target even with annual increments and despite the funds from the sale of the lot at 62nd and Amsterdam, which provide the bulk of the fund. Before the recession, plans to cover these costs had relied more on endowment earnings; these plans were optimistic and appear ludicrous in hindsight. The plan now is to build the fund through better-than-budget contributions, which are difficult to predict. The more substantial these surpluses are, the less anxiety there will be. Nonetheless, although education is the priority, the fixed costs for building must still be met, even if the better-than-budget funds contribute less than planned.

Mr. Lordan also stated, however, that faculty is the priority, more important than the reserve. Fr. McShane emphasized that faculty salary increases have not been below 3% during his tenure as president, except in the recession. Unless the university is in crisis, total salary increases are not likely to go below 3%, a level he considered to be set in stone, and the capital reserve is important to help maintain future increases.

On specific salary issues, a couple of questions raised at the faculty fora were presented to Fr. McShane for comment: is Fr. McShane aware of the fact that should the Senate accept the salary offer that Mr. Lordan has presented to the Senate, the consequence will be that approximately 50% of the faculty will have less purchasing power this year than they had last year? And does Fr. McShane feel that the awarding of a merit increment of $800 will serve to encourage faculty to pursue scholarly activities and perform extraordinary service for the university?

Fr. McShane and Mr. Lordan explained that the administration's offer is in fact 3.6% total, and the division of the total is the responsibility of the faculty senate. Senators affirmed the long-standing principle of the Senate's responsibility to disburse the total salary increment and merit pool. Senators noted, however, that the administration's current offer required that the Senate could choose either to match the annual New York-area cost of living reported in December 2011 and provide merit below $600, or it could provide less than cost of living and merit of $800. The total offered by the administration was not sufficient to provide both cost of living and a reasonable merit increment..

Fr. McShane replied that 86% of the budget is from fees and tuition, but 75-80% of budget is personnel salary and financial aid, so people, in particular faculty and students, are the top priority. Fordham came through the downturn well, and is achieving beyond the expectations of the outside world. The university is, for instance, building academic buildings for the first time in forty years. During Fr. McShane's tenure, despite many competing visions, concern about people has been at the center, witness the lowered teaching load.

While senators appreciated the long-term plans and concerns, they reported that new faculty members see the choice between maintaining purchasing power or rewarding merit as an outrage. Because the Senate has to modify the merit amount every year to balance across-the-board salary increments, merit disbursement over a period of years is problematic, becomes unfair, and often seems arbitrary. It is not clear to faculty that capital reserves should be created from current revenue instead of from the endowment. The faculty is upset and perplexed that the small differences at the last offer, reported as about $56,000, are stumbling blocks to an agreement.

Fr. McShane also felt the inability to agree was perplexing, but the differences depend on the vantage point. Mr. Lordan was less sure that the monetary difference was as small as reported. He noted further that the cost-of-living numbers were artificial not absolute, and could fluctuate, as they did in the spring 2012 when they were better.

Senators recognized the different perspectives: that faculty may appear to be quibbling, and the administration may appear stalled by a minor difference. Faculty wants to maximize the opportunities for students, and considers the faculty contribution primary for increasing value. Faculty will help with new programs, and is prepared to work together, so it is unclear to faculty why there are difficulties in reaching an agreement this year. The question becomes whether there is a better educational return than investing in faculty.

Fr. McShane responded that scholarships provide a better return. Fr. McShane added that on salary, one issue is that faculty does not want to yield its power to decide how the total sum is divided. Moreover, faculty increases will have an impact on increases in other salaries.

Senators confirmed that the faculty determines the division of total sums provided for faculty salary increases, but the breakdown has always been part of the discussion with the administration. It was also unclear why faculty salary increases were the benchmark for university salaries, instead of, for instance, law faculty salaries or vice-presidential salaries. Fr. McShane explained that law and vice-presidential salary increases were different, and market based.

In closing the discussion, senators expressed their concern about the situation, and the administration's offer of a total that forced the senate to decide between essential goods. The ill-will that results will easily spiral out of control.

Fr. McShane agreed that the situation was painful, and appeared already to be out of control. Both sides need to bend. Given his love for Fordham, considering faculty and administration as two sides is painful. All are together in educating men and women, and need to get past salary issues and work together instead on faculty development. There has been key progress on fellowships and merit, but some departments appear to have accepted the stagnation of their colleagues. He did not want to talk about petty differences or fight with each other, when all need to keep establishing Fordham and protecting the quality of faculty and students.

Senators appreciated that the discussion was at a better point than at the start of the session. They noted, however, that there has been a long history of antagonism over salary agreements.

Fr. McShane and the guests then left and the Senate went into executive session to discuss the salary issues. On leaving executive session, the Senate adopted the following resolution on funding capital reserves from tuition revenue (Clark/Saharia, approved 16-0-0):

The Faculty Senate moves that the administration shall not allocate money from better than budget tuition revenues to fund campus facility reserves or any other capital fund reserves. In the context of the President of the University's priority on faculty development and program development, the Senate believes that it is the responsibility of the university to raise adequate funds for the endowment through traditional fundraising, and that it is irresponsible and harmful to the university to allocate tuition-generated surpluses now and for the foreseeable future to supplement capital reserve funds.

On merit, the Senate adopted the following resolution (Clark/Jackson, approved 15-1-0):

The Faculty Senate moves to have merit awards (currently granted to 50% of the faculty) fixed to a set amount of $1200 and to be increased each year by the rate of inflation as measured by the CPI for the Metropolitan New York (Manhattan/NJ) area, in order to avoid an arbitrary windfall or shortfall to the recipient of merit in a given year. In years in which budget shortfalls might make paying such a sum impossible, recipients of merit for that given year will be awarded whatever amount is responsibly feasible and the rest of the sum as soon as budget conditions permit it.

After further discussion, the Senate directed the Executive Committee to ask Mr. Lordan what the administration was prepared to offer in the spirit of bending proposed by Fr. McShane. The Executive Committee left to consult with Mr. Lordan.

When the committee returned, they reported that the administration was offering to split the difference of the $56,000 presented by the Senate as dividing the positions. The administration continued to offer up to $400 in research funds for those receiving merit, with the total of merit and research funds not to exceed $1200. It was further understood that if an across-the-board percentage was agreed upon, it applied also to promotion increments and the floors for each rank. On Work Load Relief, the administration was committed in principle, needing only to resolve several logistical questions before implementation.

The Executive Committee explained that if the Senate accepted the total offered by the administration, there were several possible divisions:

•3.3% across the board, with $700 merit and $400 in a one-year research fund for those receiving merit;

•3.25% across the board, $800 merit and a $400 research fund;

•3.2% across the board, $900 merit and a $300 research fund;

•3.1% across the board, $1100 merit and a $100 research fund; and so on.

After a brief discussion, the senate resolved to accept the offer on the following terms (Jackson/GoGwilt, approved 14-0-0):

The Senate accepts an offer from the administration of a total for salary increases for 2012-13 that the Senate will allocate as an across the board increase of 3.25% of the average for each rank, merit of $800 for half the tenured and tenure-track non-law faculty, and $400 in one-year research funds for those receiving merit.

At 4:00 the Senate adjourned because of a lack of quorum.

Minutes submitted by Dr. Richard Gyug.