Faculty Senate Minutes  
Tuesday December 1, 2009  
Rm. 217A, School of Dentistry, 3-5pm


Visitors: Chancellor Morton, Provost Hackett, Vice-Chancellor Anderson, Bob Simmons, Susan Gardner

Excused: McArthur, Fincham,

Absent: Stancel, Plamann, Ziskin, Madison-Cannon, Humrichouser, Nilsson,

Welcome-3:04, Called to order by the Chair Gary Ebersole

Chancellor’s Report
Chancellor Morton handed out a document that proposes how to address budget changes from the State. For the previous year, State funding was flat, but this was partially due to stimulus funds. This document accounts for a cut from stimulus funding and the salary increase. Other costs are also included to total $9.3 million. This does not include some unfunded commitments like fee waivers. This document was put together in response to a question from President Forsee and includes input from all over campus. This is for 2011. The University is currently running 3.3% favorable, so a 5% cut should be okay.

Another option is increasing enrollment by 4%. This includes increasing student credit hours, increasing retention, and maybe something with waivers. A net impact of 4% should be worth about $5.6 million. Putting everything together we should be able to meet the challenge from the President. This doesn’t say anything about anything like layoffs or other things. If we manage expenses correctly, then we should be okay. Other scenarios that were examined include not increasing the Missouri undergraduate tuition. If tuition is increased by 2.5% and then discounted for Missouri students, then is worth some money. Vice-Chancellor Tyler is reviewing student fees.

A new facility is being proposed and Chancellor Morton wanted to explain the logic behind the proposal. Some of initial words came from meeting with the Kansas City Young Matrons. They are currently in a building across from the Administrative Center. The project on the table is being proposed by DST. The CEO of DST is Tom McDonald. McDonald said that this idea emerged several years ago and Chancellor Morton first became aware of it a couple of years ago. The proposal is for DST to obtain a grocery store that faces Brookside. It was only this summer when a grocery store became visible as part of this project. In order to make it work they would have to talk to the University since we own the property and the Kansas City Young Matrons would have to move. The problem is that they are housed in a facility on the local historic register. Young Matrons heard rumors that UMKC may take their building and it was noted that the building could be relocated. Benefits to the University are facilities to increase classroom
space on campus and a key part of the strategic plan is to grow the university. There is capacity to grow. Chancellor Morton believes that there are a lot of people in area that are not aware of UMKC but one short-fall is limited classroom space. In talking with the Provost it was noted that in order to grow we need larger classes. One place that could this could have occurred was with the Miller Nichols expansion, but it needs $40 million from the State. In order to make the new proposal work the Young Matrons (a group of about 300 young ladies) would need to be moved. They are excited about prospects. They wanted to keep it quiet until they had talked to their membership. They have done so and their membership has approved the move. They would move to an area behind the School of Education which would let them put everything on one level and have better parking.

The proposed building is about 80,000 square feet and would be about 4 stories high, with 2 levels of parking. The grocery store would face Brookside and have a green roof which could be walked onto. The parking facilities would have a green screen. Bob Simmons further explained that they are still drawing on input from community. There will be a step down from the big building to the grocery store on Brookside. The benefits to moving the house is that it would restore it to more of its original design.

The initial plan for the facility would be to move administrative offices to the new building and renovate 60,000 sq. ft. in the Administrative Center as classroom space. The challenges are the costs. We need to have classroom space to accommodate students. Senator Rice asked why not make the new facility into classroom space? Chancellor Morton noted that it is currently designed for office space and Mr. Simmons responded that there is a premium in constructing classrooms in the new structures. Another point is that there are currently issues with increased pedestrian traffic crossing Oak Street. This would move classroom space into the core area of campus. For many Arts and Sciences functions, the Administrative Center is within walking distance. Chair Ebersole noted that he would like to see comparative costs and asked if the plan would cover the costs for rehabbing the Administrative Center? Mr. Simmons said that they would not. Chancellor Morton said that a ball park figure of about $10 million is what it would take to rehab the first two floors of the Administrative Center for about 1600 seats. Mr. Simmons noted that this is a lower cost than Miller Nichols addition for more seats, but there are some other costs that are included in the Miller Nichols space. There is more in this proposal and more costs. If it is going to be pursued, then it needs to be pursued actively. Chair Ebersole asked about what kind of lease period this proposal would have? Vice-Chancellor Anderson said that financing issues still to be worked out. As it is currently the project would cost about $30 million and the rehab would be about another $10 million for a total of about $40 million. He was asked if they are looking for “a rent to own” situation, or possibly issuing debt? Vice-Chancellor Anderson said they are examining the Universities debt capacity, how they want to structure the deal, looking at the developer taking a risk with non-recourse financing, and all are options which should be considered. The question centers on what kind of impact this would have on our financial statement.

Senator Davies asked if it cost more to build new than renovate, and why not include the third floor of the Administrative Center? Mr. Simmons said that it does, but the third floor is not constructed well for this type of project. One of the advantages for this is that having a building on a hill also keeps on a grade the access. Senator Davies asked if it is worth rehabbing? Mr.
Simmons said that the building is in good repair, but the HVAC needs work. The HVAC will be tied to the new union. Senator Wyckoff asked if the renovation would be able to accommodate a 400-seat audiorium? Mr. Simmons said that it is still something they are looking at. In terms of the Administrative Center, they are looking at a lecture hall of 100-125. In discussing this with Deans, 100-125 is good size. Senator Wyckoff noted that this would be insufficient for an Introduction to Biology class.

Senator Alleman noted that this $40 million project is the same cost as the Miller Nichols. Chancellor Morton noted that the Miller Nichols addition is State funded. Senator Alleman asked what would happen with respect to the addition to Miller Nichols that is already underway? Chancellor Morton said that they are completing the high-density storage. They are also talking to the Nichols family and other donors about using funds to renovate the library. We are not sure when we are going to have funds coming from the State. Mr. Simmons said that the addition is not going away; we just can’t do it at this time. What happens now would address what the addition would look like in Miller Nichols and would result in very large classrooms in the core. Senator Fieldman asked if the annex has to be built before the Administrative Center can be renovated, and what do you do with programs that need the space? Mr. Simmons said that there are plans and that they are looking at alternatives. There is an initiative underway to talk about a student success center, but that they need a better sense of program needs before committing any space.

Senator Fieldman asked about a sense of time from beginning to end? Chancellor Morton said that if they find a way to finance the project, then the Young Matrons would have to move this summer, and then this facility would be available for the 2012 school year.

Bob Schubert asked about the existing barracks building. Mr. Simmons said that the existing barracks building would disappear as soon as space is freed up in the library. Vice-Chancellor Anderson said that in terms of parking, on a short term basis, they would proceed with mass releasing of the Oak Street parking facilities for students as well as faculty and staff. This would allow space in the near term to complete other facilities. Mr. Simmons said, assuming the students pass the bus-pass program, this would give us time to assess its effectiveness. Senator Krause asked if we are going to have more stuff on campus, would it be possible to have a biking path to Oak St. without having to go way out of the way? Mr. Simmons said that they would take that under advisement.

Senator Davies asked if 1600 seats is enough, and what does that represent in terms of overall enrollment? Chancellor Morton said that right now enrollment is about 13,500, so this represents about 10%. This is more than what would have obtained in The Miller Nichols expansion. This also helps better utilize existing spaces. Vice-Chancellor Anderson noted that the library project had about a 2200 seat increase. Senator Davies asked that if we continue to grow, then does this help us keep up? Chancellor Morton said that he hopes not, but with a 4% growth rate, then it gets us close. Mr. Simmons noted that the classroom technology initiative has had a big impact on classroom scheduling and that they are looking for more things to do with classroom scheduling. The cheapest growth in classroom space is to use existing space better. There is still room for improvement in that area, and it might help in interim times as well.
Dr. Honigberg noted that there seems to be pressure to get a decision made quickly. The cost he heard on the facilities committee was $2 million per year to lease, which did not include the Administrative Center rehab. How do we deal with these costs? Chancellor Morton said that this is high on our agenda. We won’t take it unless there is a path, and the curators won’t accept it if there isn’t a financially sound path. Chancellor Morton noted that he is happy to have people who will put proposals on table, but we still have to be able to pay for it.

Senator Wyckoff asked what DST is getting out of this deal? Chancellor Morton noted that they are doing a lot of development on Main Street and their CEO Tom McDonald lives on the Plaza and residents want a grocery store. It also enhances the whole area. Vice-Chancellor Anderson noted that a potential deal has not been worked out yet. Senator Wyckoff also noted that the University owns the land, so we should get some money in the deal. Vice-Chancellor Anderson said that in a 2006 appraisal the land was worth about $1 million and a building adds more value. The parking lot is another $1 million, but those are merely ballpark figures.

Senator Carbone asked about the estimated impact of additional traffic in area? Mr. Simmons said that they are addressing this and that with everyone they talk to it is a known issue. They have been advocating the creation of a three-way stop at the intersection.

Senator Hopkins noted that this seems like it has been developing for a while and asked if this is an orderly process? Chancellor Morton said that he is trying to figure out what the process is? We have a master plan and this area is identified as mixed use. He noted that the question is when should we bring the proposal out? They have been discussing a prospective grocery store for a while. Finally this summer they said “yes,” and they also had to wait on the Young Matrons. Chair Ebersole said that he had looked at the master plan on the website and that this proposal didn’t appear on there anywhere. Vice-Chancellor Anderson said that until the Young Matrons had considered moving that this was only a concept. Mr. Simmons noted that even though this project had been talked about a long time ago, there was long period of time when they heard nothing. It didn’t have any legs until now. Senator Luppino said that vetting major projects was talked about by the University Budget Committee in August and that this project is an example of how things sometimes happen. The budget committee had been given some heads up three weeks ago. He further noted that the process is working correctly and there are lots of options for discussion at this point.

Senator Hopkins said that he has heard a couple of rumors and asked for clarification. He heard that the new housing is not filled, and someone else said that the room and board is comparatively high. Vice-Chancellor Anderson said that there is a lot of discussion on this. For the Oak Place apartments, part of deal was demolition and tightness of the site. That project also ended up as deck-parking and not surface parking, which drove costs onto the high side. Based on a market-demand study, it would have accommodated those changes, but then the economy went sour. The four-bedroom units are not attractive to the market right now and they are working on how to market and lower the price on four-bedroom apartments. UMKC in general is a late adopter in enrolling in housing. They are taking steps on the expense side, which include taking over management to lower expenses. Right now there is an 84% occupancy rate with the difference mostly due to available four-resident rooms. Mr. Simmons
noted that the resident halls are fully occupied. He further noted that UMKC does have high housing costs, but that it is because we have 100% new housing. Comparing the cost of our housing to other regional campuses new housing, our rates are equivalent. A lot of other systems have older housing.

Dr. Honigberg said that both projects are on a lease-to-own basis and was wondering what this meant in terms of the new project? He asked what kind of protections we would have that the building will not fall down six months after the lease is up? Vice-Chancellor Anderson said that part of the operating agreement would specify maintenance. Chair Ebersole asked about bonding for this project which would be the University owning the building? Vice-Chancellor Anderson said that when we are talking about building and then taking on a non-profit debt as the cheapest route, but leasing may limit the University’s liability. A lot of it depends on the structure of the deal. If something is more important to the core mission, then more debt financing is appropriate.

Senator Davies asked if this would be a Leed-certified building? Mr. Simmons said that this would be our intent. Senator Rice said that it was his understanding that after 9/11 the parking below the Health Sciences building was removed. Mr. Simmons said that it was not due to 9/11, but that the space was needed.

Senator Wyckoff asked what the lease rate for something like this would be like? Vice-Chancellor Anderson said that the figure could be up to $2 million annually on 80,000 sq. ft. Senator Wyckoff asked if that is the market value for the area? Vice-Chancellor Anderson said that it is $25-30/sq. ft. for office space. Senator Luppino said the core thinking is to increase enrollment, and that we need more class space to do this. He asked what it would cost to get this space elsewhere and what would the costs be that could be recouped from increased enrollment. Senator Wyckoff noted that this is an opportunity cost we don’t know about yet. Chair Ebersole said this was put on the Senate agenda due to the short time table. Vice-Chancellor Anderson said that they will have more clarity by the next meeting. They haven’t answered all of the questions yet, and purposefully so, because they didn’t know what would be happening. Chair Ebersole asked them to share numbers when they get them.

**Information Items**

Chair Ebersole thanked Senator Rice and others for arranging for the room today.

Chair Ebersole explained more of the process of how today’s presentation took place. He had heard about the proposed project on November 19th, the day after a presentation had been made to the Volker Neighborhood Association. Ebersole sent an email to Mr. Simmons and Vice-Chancellor Anderson asking them to come to today’s meeting, but then didn’t hear anything from them. Monday, when he came to campus and saw the article in U-News on the project, he sent an email to the Chancellor and pointed out the possible political problems of not having shared this with the Faculty Senate or the Deans. Chair Ebersole noted that he thinks it is very good that the Senate had a long discussion with them today. He suggested that we need to move more formally, realizing that confidentiality is a concern. Senator Luppino noted a policy adopted last fall that asked Facilities to distribute information to the Senate, Dean’s Council, student groups, and others that address specific areas. This project, though, involved a very
short time period. Senator Fieldman said one thing that concerns her is at what point in a process a body like the Senate should be asked about something like this. Is it appropriate that the idea of “should we do something” be broached much sooner? Provost Hackett again noted that this plan is different from typical plans. Normally the faculty would be informed sooner. Part of the problem is that no one could be told about this any sooner. Sensitivity, even to the Young Matrons and the interested grocery store, makes this very complicated. Senator Fieldman noted that at some point someone came to someone else and broached an idea, even in a hypothetical stage. Provost Hackett noted that we are still in that stage. Chair Ebersole agreed that we do have to keep details in confidence, but that presentations had been made to other groups. Senator Luppino said that he agrees with the Provost. The difference is, understanding we can never know when the right point is, in years past we saw some projects appear very far down the path before seeing anything. What we don’t want to happen is someone coming in a month from now and say that the University is committed to a course of action. Senator Beard said there are times when the Faculty Senate Executive Committee is consulted and not everyone else and that he is comfortable with that. Provost Hackett noted that even the events with the Young Matrons were recent developments. Senator Hopkins said that this is a strange deal, but we are a strange institution and the neighborhoods should understand that.

**Agenda Items**
The Chancellor’s Report was moved to the beginning of the meeting.

Senator Davies mentioned a topic that can be carried over to the next meeting about a report in the Tribune where President Forsee came out against cap-and-trade environmental legislation for the University System. Chair Ebersole noted that the real concern is that the Columbia campus has an old heating unit and it could cost the university millions. Senator Davies said President Forsee also talks about coal in Missouri. Senator Hopkins said that this is a contravention of the agreement he signed last spring on working towards green campuses. Chair Ebersole said he will alert President Forsee that this is a faculty concern. Senator Hopkins noted that faculty across campuses have a lot to say on this issue. Senator Fieldman further noted that even if he had campus-specific reasons for saying this, he is saying it for everyone without adequate consultation.

**Minutes**
One correction to the previous minutes was to add that students are being universally treated as employees in the discussion on student inventions. The minutes were accepted with the changes.

**Provost Report**
Provost Hackett said that they have received nominations for all of the faculty and staff awards. However, they are still waiting on names for referees from all of the schools. Their intention is to form a well-rounded diverse committee.

We finally have a draft position description for the ombudsperson, which will be electronically shared with the Senate.

Senator Fieldman asked why the flags on the Volker campus are at half staff? The following
discussion did not find an answer to this question.

**Academic Issues**

Senator Holsinger reintroduced the motion from the Academic Issues Committee. The committee recommends that the NR grade designation be subject to the normal grade change policy. The other part is that from this point forward the NR grade designation be factored into a grade as a “W” so that it has no impact on a student’s GPA. In response to previous Senate discussion, they would give students a two-year period of time to clear it up, otherwise it would lapse into an “F.” Senator Krause asked what happens when a student gets ready to graduate? Senator Holsinger said that this is only effective while they are an enrolled student. Otherwise it would get factored in as an “F.” Senator Hopkins moved and Senator Krause seconded the motion. All were in favor.

**Student Inventions and Ownership Rights**

Senator Luppino reported on ad hoc committee that was looking into this issue. As he understands the issue, Senator Stancel brought back a request from the IFC to comment on the student inventions policy. To the committee, it seemed that the System policy is aggressive towards students. It was noted that Susan Gardner is the new director of Technology Transfer at UMKC and was present at the meeting. The committee tried to look only at student rules, but also looked at the System rules, which seemed weak. Their solution was a two-part approach: one looks to the scenarios; the other is more general in regards to the definition of a student as an employee. Policies from other universities make more comments about the specialized resources that students use. One thing proposed is to have an on-campus source of information that helps students from the beginning. What they really want to do is to talk with more faculty and the Entrepreneurship institute, as well as student governments. Chair Ebersole asked if the ad hoc committee was also committed to leading into the next step?

Senator Carbone asked if there was any empirical research on what kind of effect these types of policies have on innovation and if it discouraged students? Senator Luppino said that he was not aware that students even know of this policy. He asked if this is a big deal and noted that Fed-Ex was originally a class project. In terms of tech transfer for faculty, there has been an up-tick since Bayh-Dole Act. The benefit of making the policy more student-friendly and clarifying the policy is to show more numbers. Senator Wyckoff noted that there has been only one invention registered, and that from the website it is hard to understand what the policy is. Senator Fieldman asked about student innovations that started as class projects and make considerable use of the ways an instructor puts ideas together and should we be worried about this. Senator Luppino said that we should. One example he came across was from Oregon that addresses this. He noted that the problem is that we can address tangible resources, but intangible resources become harder to address.

Adjourned at 5:02, next mtg. on December 15 in the Plaza Room.