Minutes of the Meeting of the Faculty Senate
Wednesday June 9, 2010 at 4:00 PM in Room 409L

In Attendance: Allison Beck, Bennett Amaechi, Diana Beckmann-Mendez, Margaret Brackley, Krista Bowers, Nandini Ghosh-Choudhury, V Sreenath Reddy, Sara Gill, Keith Krolick, Mark Nadeau, Barry Norling, Qitao Ran, Mark Soucy, and Rajeshwar Rao Tekmal,

Absent: Yidong Bai, Sally Combest, Joe Conner, Christopher Franka, Donna Gardner, Peter Gakunga, Daniel Johnson, Kaparaboyna Kumar, Catherine Ortega, James Roberts, and Brent Shriver.

4:10 Meeting was Called to Order by Dr Amaechi

4:10-4:25 Campus Updates on Budget Reduction

William L. Henrich, MD, MACP; President and Professor of Medicine

Dr. Henrich presented to the Faculty Senate current budget issues affecting the HSC. It was clear that these issues are complex, and that some hardship will be experienced over the next several years. However, the President reminded the Senate that these are also times of opportunity, and that appropriate assessment of our priorities should allow continued productivity even during austere financial times.

Business at the HSC has, until recently, been conducted based on the assumption that we would receive a substantial increase in our budget from the 2009 Legislative session. However, during January 2010, in response to the difficult financial and political climate, the Governor, desiring to resist tax increases and avoid deficit spending, charged all state agencies with developing mechanisms to cut their state budgets by 5% (our state budget represents approximately 21% of the total HSC budget); this money, which represents approximately 15 million dollars, would be “parked” until the Legislature acts during the 2011 session when it is expected that return of these funds would be formally requested. The President also discussed additional challenges that faces the HSC with regard to the UT Chancellor’s direction last week to develop models for further reducing the state budget by additional 5% increments for the next two years (a total, including this year’s cut, of 15%). President Henrich indicated that the additional budget cuts have not yet been mandated, only that the Chancellor has requested that we prepare a plan if such cuts are requested; it is highly likely that the requests will come.

The HSC Executive Committee will begin deliberating immediately to identify and prioritize opportunities to cut spending while maintaining our core values and missions. When asked how broad the input supporting these decisions will be, the President said that the plan will be vetted broadly including faculty, staff, and students. Difficult decisions will need to be made. Everyone must have an opportunity to look at programs to see what we can change. We cannot
afford small unproductive programs. The President will provide the Senate with the plan once it is outlined so that we will have the opportunity for input.

There was a question about our state budget (which is directly vulnerable to the mandated budget cuts) vs. other non-state funding streams that support our research and clinical missions. It was noted that making cuts across the university, regardless of which funding streams supported which activities, may not seem fair. However, the President indicated that we are a University, and that ultimately all revenues support all of us. He said that the solution will have to include revenue side solutions such as increasing clinical practice and grant support. There is some urgency in this.

Another question concerned the relationships between the impending budget cuts and the so-called "XYZ" faculty compensation plans (the institutional version as well as the school-specific versions). The President indicated that the compensation plans are intended to serve as tools to enhance, not reduce, salaries. However, there is some concern regarding interpretations associated with the provisions in the compensation plans for salary incentives, and the potential for using the plans to justify negatively "adjusting" salary expectations.

When asked how the Faculty Senate can help, the President offered no specific request. However, he reminded us that remaining “upbeat” and encouraging optimistic attitudes is very important. We need to minimize the anxiety that will predictably accompany austere budget times and the anxiety that will likely come with solutions to our financial worries that will require new ways of doing things. It is imperative that we continue to pursue our core missions. And we need to do a better job of making a case (through our administration to the Governor and to the State Legislature) that higher education is intimately connected to the state’s future, and that they need to do a better job of insuring the resources needed to guarantee the success of our missions.

4:25-4:40   Update on South Texas Research Facility

Dr. Brian Herman, Vice President for Research

Dr. Herman presented a progress report to the Faculty Senate regarding the new South Texas Research Facility (STRF) that will open in Fall 2011. This space will include the CTSA and 6 other programs. $144 million of the $150 needed has been raised. This includes $2.1 million for overhead for the building. Shuttle buses will go there every 15 minutes. The new jogging/walking trail connects to the facility. There will be an Executive Committee for the building and an administrator. The faculty at the STRF will be organized as collaborative research teams instead of in the conventional department structure. A question was asked about how the budget cut will affect the new facility? Dr. Herman said the impact will be minimal since most of the money is already in place. We may need to slow hiring of new research faculty. The plan is to place 70 research faculty into 70,000 sq ft of new research space; 60% of the space is likely to house current faculty members. We need recruitment and incentive
plans for faculty. The new facility has an open design with support services. Productivity measure probably should be higher from $350 to $500 per square foot of research productivity.

4:40-5:10 Update on Basic Services of the HSC

Michael E. Black, Senior Vice President and Chief Operating Office

Mr. Black advised the Senate to remember that the legislative promise of $40 million dollars for the year did not all come to the San Antonio campus and was not for reoccurring projects. That is, the RAC in Harlingen received some of this allotment. Therefore, of the $20 million that came to San Antonio, $15.5 million will be lost to the recent budget cut. This has required a reasonably simple process for prioritizing and adjusting expenditures so as to fit the new budget constraints. For example, even though the HSC elected to keep the ORP matching at 8.5%, in order to prevent massive staff reductions, 50% of vacant positions were eliminated. However, if additional cuts are required in upcoming years (totaling a 15% cut of our state budget), much more complex and sensitive decisions will need to be made.

Mr. Black reminded us that we are an institution; we must try to avoid the "silo" mentality and work together and talk together in order to successfully meet the challenges that are clearly in front of us. Creative ways must be identified that result in budget cuts and increased revenues, while continuing to successfully achieve our missions.

With regard to basic services at the HSC changes on campus include:
- Search for a new Chief of Police; there are 2 strong external candidates.
- Steve Lynch retired after stellar services as Executive Vice President and Chief Financial Officer. An external search by a search firm will begin to fill this important position.
- Ten IT positions have been cut.
- Forty-three positions out of Facility Management been outsourced.
- Emergency services are still available for projects under $70,000.
- HSC has integrated 370 employees from the CTRC and 142 from UT Med.
- MARC and CTRC housekeeping services have been outsourced resulting in significant cost reductions.
- Aramark will fund and upgrade Texas Cafe.
- A childcare center which was being considered has been put on hold due to budget constraints.
- Spectrum is doing well on campus. A new jogging trail will connect campuses.

The Senate was adjourned by Dr. Amaechi at 5:10 PM.