1. Approve September minutes
   a. No corrections, minutes approved

2. Matters arising
   a. PA Labor Board voted on Tuesday, and this vote will likely impact this committee as faculty can now unionize.
   b. PBS states that Commonwealth Budget is prepared in August and September. Consultation with this committee happens later in the process; likely in November.

3. Further Outlier Discussion
   a. Committee is joined by Vice Provost for Undergraduate Studies, Joe McCarthy as well as a contingency from Pitt-Johnstown including President Jem Spectar, Janet Grady and Patty Michael.
   b. Tyler Bickford opened this portion of the meeting to set the record on the report which Joe McCarthy categorized as misleading. This section discusses the methodology behind the report:
      i. The report was carefully created over seven months through talks with faculty from Dietrich and Pitt-Johnstown. Multiple requests to speak with Pitt-Johnstown administrators received an email reply. An hour-long meeting between Bickford, Wisniewski, and McCarthy occurred. A draft was sent for corrections to faculty and administrators. Administrators sent back a corrected version six weeks after the request on July 19th. All updates requested are reflected in the report itself. Interpretive disagreements from administrators are also quoted in the report.
   c. McCarthy and the Pitt-Johnstown contingency clarified points as questions arose from the committee.
   d. First were concerns about the characterization of the courses and worry that courses are being foisted upon the departments who will have a difficult time being able to turn down credit for classes that do not meet their standards.
      i. McCarthy: It is a mischaracterization that the courses were created outside of the faculty. Done before each Outlier class launched for credit. This was an academic
decision made on a program-to-program basis on whether these courses can count for credit.

ii. Prompted by pushback from Dr. Ciccioppo that the Psych department was not fully informed about these courses prior to rollout and that the rollout forces the hand of departments to accept these credits, McCarthy responded that each academic unit handles within their own walls and within their own way. He is not aware of how departments approve. Communication was with the Dean of Dietrich. Dean suggested it was approved for Pitt credit. Took it on good faith that the right people were involved in the decision. Dr. Iverson (from the Psychology Department) did have a meeting in October, and said she was happy with the course. Second term, that is when Psych asked for it to be terminated.

iii. Middle states accreditation says we cannot decide on advanced standing of courses based on anything beyond learning outcomes: “As a point of order for PSY to consider, the following is an accreditation criterion: The acceptance or denial of transfer credit is not determined exclusively on the basis of the accreditation of the sending institution or the mode of delivery, but, rather, will consider course equivalencies, including expected learning outcomes, with those of the receiving institution’s curricula and standards. (Characteristics of Excellence, Standard 11)”

iv. Pitt-Johnstown asked to stop using the 6000 numbers on the courses, and instead show on PeopleSoft that it is an Outlier course. Still communicated but not through the course number.

v. Nontraditional courses are often accepted at Pitt anyway. (ex. Medicine professors teaching a course for honors students.)

e. Concerns were brought forth about the vetting procedure being ad hoc and that students do not pay for courses if they do not pass causing a conflict of interest.

i. McCarthy: It is good that certain department has a vetting procedure, but the University is against having mandatory process that any unit uses. He sees no issue with the practice of refunding students because it allows for uncharged course repeats if student doesn’t achieve a passing grade. Conversely, suggested that professors have an incentive to not pass students to bring in more money to the university. The structure and assessment of Outlier courses are vetted by faculty, not a 3rd party delivering the content and deciding the grading, that is not how it is structured.

ii. Dr. Spectar: At Pitt-Johnstown the division of business and enterprise (school of business) issue raised here. 11/12 faculty indicated willingness to engage in the Outlier program. Agreement said that faculty oversight was paramount. Town hall meeting of 1.5 hours talked about this oversight. If quality of courses was questionable, they could pull the plug. No objections were raised.

iii. Janet Grady: Outlier courses are not a program. They are individual courses. Faculty always worried about transferrable courses. Satisfied in that a review process existed that allowed faculty to give recommendations. Outlier has taken the recommendations given and the courses have been revised to reflect input of faculty. Outlier courses are able to be vetoed as needed by the departments. These are courses not programs. Very different.

f. Question of mission and reason for offering the Outlier courses was brought forth. There were concerns that with the new RCM model this would complicate increasing revenue to ensure departments are well funded.

i. Pitt-Johnstown: Mission of access seemed promising to Johnstown. Many people cannot afford a Pitt education, but they can access higher education through this portal at Outlier. Helping to reduce debt for student cohorts. The general sense
coming away from this is that the type of student who pursues credits through Outlier are not likely to be the typical Pitt student. Outlier is not allowed to market courses to Pitt students, so it is not a competitive issue.

g. The final question was basic: Why aren’t these classes going through the established process, why is there a new process that is confusing. Why not run the Outlier courses through the existing and established process that other courses go through at Johnstown etc.

i. Grady: Similar to existing developed courses in collaboration with experts in these areas. Whether people agree or not on if the course meets objects, they were developed in collaboration with experts at other universities.

ii. McCarthy: These are simply different versions of the same courses. It is similar to giving community college students access to Pitt courses. We can’t do this outside the walls of the PA commonwealth. Partnership with Outlier requires Pitt to not interfere on their process.

h. Final comments:

i. There is pressure on department to approve credits. They say they’re Pitt credits, so students have reasonable expectation for these to count the same way as a normal Pitt course. Primary reason to not accept these in Psych is because of fundamental differences in course delivery. No instructor exists for the course. It is just lectures recorded which have never been evaluated by PittMain. Heartened by Johnstown review process, but recommends a pause to ensure courses are actually up to our standards before continuing.

ii. Agreement that Dietrich will feel pressure to accept credits. Serious question about budget implications. No need for new faculty when you can get this online cheaply. Creates a justification to not hire new faculty knowing ‘experts outside the university’ provide their knowledge and put students in front of a screen to teach them something.

iii. Written comment: “I am unsure if this comment is outside the scope of BPC: I feel we need consistent messaging and mission statement from our University. I find it difficult to explain to students why in one hand, we got rid of Flex@Pitt (such that they have to come to class in person), and in the other hand are trying to create more online courses.”

i. Dr. Kear brought forth for the committee to consider whether or not to bring this to the Educational Policies Committee with their limited role in this. EPC did not vote to endorse the report created by the SBPC. No question of whether this harms the university. Discussed for a while about if it would become a program, and since it won’t and shouldn’t become one it isn’t in the purview. Asking if we can take a vote on whether to bring this forward to the assembly at large.

j. Motion to bring the report forward to Faculty Assembly in November:

i. Motion passed. The report is to be forwarded to the Faculty Assembly for the November meeting.

4. Budget model reform updates, initial discussion of governance structures (May 2021 resolution)

a. Paused due to Tuesday’s for collective bargaining.

b. The structure for shared governance may need to be completely redone in light of this change. This is not stopping the conversation, but pausing it to allow for time to discuss with attorneys and find the correct path forward.

c. Chair, Tyler Bickford notes that a pause is reasonable given that the vote passed three days ago. Bickford will consult with Robin Kear in two weeks to see where everything stands.
i. Things will probably change and may realistically take more than a month to go forward.

5. Final Fall 2021 enrollments
   a. Report given by Stephen Wisniewski
   b. Slightly over 32,000 students are enrolled this year. This is up about 600 from last year, but is still historically down because of the dip in enrollment last year from COVID. Relative to three years ago, enrollment remains down roughly 300 students.
   c. The undergraduates are just over 19,500 students. This is driven by the record-breaking freshman year class, and rising retention rates from freshman to sophomore year.
      i. Over 35,000 applications came in for the freshman class. This is the highest number ever, and 6.5% higher in a test optional year. Admissions rose this year as well.
      ii. Fresh-Soph retention was at 93.4%, down slightly from last year’s all-time high of 93.5%. Pell retention is at 90.6% and non-Pell at 94%.
      iii. Regional campus retention is down because of COVID across the board. Down roughly 400 this year, and 1,200 over the last 5 years.
   d. The undergraduate graduation rate is over 70% for the first time.
   e. Masters’ student enrollment is up roughly 200 students from last year. Dips last year were especially large in SCI due to international student hurdles from COVID.
   f. PhD enrollment is slightly down from last year, but remains flat over a 5-year period. There were 2,615 PhD students last year and are 2,584 this year.

6. Proposed updates to format of Faculty Salaries Peer-group Analysis
   b. Historically, this analysis is provided in two reports. These reports are the Average Salaries of Faculty Peer Group Analysis and the Cost-of-Living Adjustment for the report. The proposal is to combine the two reports into one.
   c. Floor opened to discuss what a combination of these reports may look like. This change would not change the methodology. It would only change the matter of presentation and sharing. Since the Office of Institutional Research is moving into the Office of the Provost the combination makes sense.
   d. To combine, adjusted salaries column would be reported on the same sheet as the non-adjusted salaries and rank. The report would still be sorted by unadjusted rank. Percentile rank should also be included for adjusted and unadjusted.
      i. Though there will not be cost-of-living for AAU Private institutions, they should not be dropped off the report. Both AAU Public and Private institutions will remain on the report with this understanding because the actual policy target requires this committee to consider both private and public.
   e. Motion to approve condensing the two aforementioned reports into one.
      i. Motion passed.
   f. Full report coming in the December meeting.

7. Budget Primer
   a. Presented by Thurman Wingrove. The slides from Thurman’s presentation on Friday are available to committee members here: https://pitt.box.com/s/gtq5cuhi9e871u9aehbccj91l95yzk4
   b. Questions about the slide deck will be addressed at a future meeting.
   c. Revenue funds come from a variety of sources, and these are sorted into multiple buckets to ensure that they are used appropriately based on their restrictions. Restrictions to funds depend on the source of the funding.
i. Conversion into budgetary system:
1. Education and General or G&E is broken into unrestricted, restricted, and research funds. Unrestricted and restricted are the main sources of G&E funding. Research is the third type and carries the expectation of scientific outcome or discovery through the use of those funds.
2. Auxiliary funds include room and board, bookstore revenue, and parking revenue. Any revenue generated by this sort of funding goes directly back into auxiliary functions.
3. School of Medicine Division is broken out separately from G&E. This division is made of three units: the School of Medicine, Western Psych, and the cancer center formerly PCI. Like G&E funding comes from unrestricted, restricted, and research sources.
   a. This division receives a small portion of the commonwealth appropriation given to G&E. It also receives unrestricted funds from UPMC support to be used for various initiatives within the School of Medicine.
   b. Research funds are a large contributor here given that 2/3 of Pitt’s research is through the School of Medicine.
4. Plant funds include gifts and commonwealth construction grants.
5. Endowment funds include gifts and endowment distributions returned to the principal.

ii. Breakdown of budget revenue for FY2021:
1. FY21 revenue is skewed because of COVID. Auxiliaries are usually a larger portion, but took a hit from COVID due to reduced room and board, parking, etcetera.
   a. Auxiliaries include the regional campuses, and they are 22% of this sector.
2. Unrestricted E&G accounted for 41% or roughly $1 billion. Within that 41%, 62% of that comes from tuition and the rest is from sales and services (athletics) and endowment distributions.
3. The majority of research funding for E&G and School of Medicine Division comes through federal sources. Most of this is from NIH.

Adjournment at 4:00 pm