

Minutes
Senate Budget Policies Committee
Friday, November 17, 2–4 p.m.
CL 817

Members in attendance: Tyler Bickford (secretary), Panos Chrysanthis, Laura Fenimore, Emily Murphy, Wesley Rohrer (chair), Maddie Guido (SGB), Adriana Maguina-Ugarte (SAC), Phil Wion, Richard Henderson, Art Ramicone, Frank Wilson (Senate President), Amanda Brodish, Katie Fike (University Times), Steve Wisniewski, Thurman Wingrove, Brian Smith (SAC)

Absent: Elia Beniash, Anthony Bledsoe, Mackey Friedman, David Rowe, Shreyas Vamburkar (GPSG), John Baker, Stephen Carr, Sean Hughes, Richard Pratt, David DeJong

Meeting called to order by Chair Rohrer at 2:00pm

1. Minutes from October 20, 2017 meeting approved

2. Matters arising

- Rohrer: US Tax Reform Efforts
 - email statement from Chancellor today (Nov 17) encouraged us to contact our legislators about our concerns about implications for higher education
 - Stand with Pitt web portal allows you to directly contact legislators (<https://www.with.pitt.edu>)
 - Chrysanthis: SCI graduate student organization has initiated conversation
 - some have considered major changes, like dropping from PhD to Masters to finish before changes go through

3. Update on Titusville Campus—Lawrence Feick, Vice Provost for Special Projects (presentation slides available in BPC Box folder)

- "Special projects" includes regional campuses because they don't neatly fit into other colleagues' portfolios
- Basic information about regionals
 - Oakland campus 19000 UG in FTE terms
 - Johnstown founded 90 years ago, Greensburg, Bradford, and Titusville all founded in early 1960s
 - all four regional campuses set up to be two-year feeder schools for Oakland campus, over time evolved away from that, now UPJ, UPG, and UPB offer four-year degrees
 - Greensburg
 - town of approx 15000 people
 - 1400 FTE students
 - Johnstown
 - oldest regional campus
 - 2700 FTE students
 - 18000 people in Johnstown
 - Bradford

- most distant from Pittsburgh
 - 1400 students
 - 8-9000 population
 - current search for new president
 - Titusville
 - smallest campus
 - 5-6000 population
 - 271 FTEs
 - high water mark was 500 students
 - only campus that only offers 2-year programs
 - All campuses undergraduate only
 - 6000 students total across regional campuses
- Titusville campus
 - 2-blocks deep, 1 block wide
 - very tightly built, attractive campus
 - built on old estate given to university in early 1960s
 - 5 buildings
 - some buildings out of date
- FTE enrollment Fall 2009 to Fall 2017
 - 497 decrease to 271
 - steep decline through 2012, slower but consistent after that
 - more recent decline consistently 6-7%/year
- Rohrer: what is the major issue? Population decline?
 - yes primarily population decline
 - nearby areas all faced with declining number of high school graduates
 - Headwind is hitting all smaller institutions in Western PA
 - 3 kinds of institutions in region: PASSHE, PSU, Pitt
 - all small rural institution have declining enrollment in Western PA
 - Regional competition (many similar institutions in Northwestern PA)
 - 2-year programs are becoming less popular
 - demographic effects disproportionately affecting smaller, more rural schools
- Financial situation (FY16)
 - total revenue (primarily tuition): \$4M
 - Direct expenses (salaries and other): \$5.5M
 - Attributed costs from FY15 attribution study: \$1M
 - Attributed Commonwealth appropriation: \$825k
 - Net income FY16: loss of \$1,649,000
- problem is structural. If additional enrollment were the solution, others would have solved it.
- Fall 2017 capsule
 - 271 FTE students, half commuters (no nearby residences)
 - 24 FT faculty, 21 PT faculty, 32 FT staff
 - 14 programs, all two year associate or transfer. Largest program is Nursing
 - Rohrer: where do nursing student do clinical training?
 - Meadville hospital, two nursing homes in town, some doctor's offices, UPMC Hamot, UPMC Northwest

- Alignment with UPB in spring 2012, since then slower declines and improvements in key student success measures (retention, graduation rates)
 - big admin functions eliminated in UPT, added to UPB administration duties
- Process: critical dates:
 - September 2016: Board of Trustees meeting
 - January 2017: all campus meeting in Titusville with Provost; formation of faculty task force
 - January – April 2017: faculty task force meets
 - April 2017: faculty task force delivers report to Provost
 - April 2017: UP-T advisory board meeting with Chancellor and Provost
 - April – May, 2017: Titusville Options Report written
 - May 30, 2017: UP-T faculty task force meetings with Chancellor and Provost
 - May 30 – June 12, 2017: report draft available for written comments
 - June 9, 2017: Provost on campus to receive oral comments from campus and local community
 - June 30, 2017: ‘Options Report’ delivered to BOT with five options
 - BOT asked Feick to build two options out this fall (see below)
- Options summary
 - Option 1: status quo, long slow grinding decline
 - Option 2: Close campus immediately
 - hold students blameless, allow them to finish or move to other campus
 - Option 3: refocus programs to meet regional needs
 - Option 3a: local-only students, no residential
 - Option 4: Higher Education Hub: share campus with community college and training center
 - Option 5: Transfer ownership
- BOT requested that we develop two options
 - Option 2: close campus
 - Option 4: create higher education hub
 - includes Pitt components of option 3 (refocus programs on local needs), but adds partners because of fixed costs
- Process since June
 - provide more concrete detail
 - are there interested partners, etc
 - determine financial implications
 - build the business model
 - gauge community support
- This could be a model that we might have to use in other places. Decline is affecting other campuses less, but still affecting them. This is experimental option that may have future applications.
- Process: meetings and interviews
 - Faculty/staff task forces
 - Advisory board
 - Community Steering Committee

- Titusville Community Development Agency (TCDA)—regional economic development organization
- Titusville business community
- Hospital presidents, health sciences deans, UPMC community experts
- Potential partners:
 - Butler County Community College (have satellite operations outside Butler, including Brockway)
 - Rural Regional Colleges (no community colleges north of I-80, new initiative to have virtual community college in this area)
 - Manchester-Bidwell—entry level workforce skills
 - Rohrer: have there been conversations to date?
 - Feick: yes, many
 - Brockway has shared facility with BCCC, Manchester-Bidwell, doctor practices, that use shared facilities, cafeteria, etc
- Discussion
 - Maguina-Ugarte: any possibility of attracting enrollment from Erie?
 - already colleges in Erie: PSU, Mercyhurst (two-year campus in Northeast)
 - Maguina-Ugarte: Can we compete in cost?
 - Feick: we're already cheaper
 - Wilson: PSU are nearby, they also have problematic campuses (Shenango and Dubois)—do we know what they are doing? Game of chicken, who is going to close first so other can pick up few hundred students
 - Feick: PSU is not going to do anything (they're playing chicken)
 - if I were a student at PSU main campus, I would be concerned that I was subsidizing other campuses
 - PASSHE system hired a consultant, recommended administrative realignment, campuses decided not to make changes. Mansfield University is in desperate straits, hard to imagine they are not going to have to do something
 - Bickford: if we kept status quo, where would we level out?
 - Feick: we can make some assumptions, out to 2035 there is continual decline
 - Chrysanthis: there must be a crossover point where even with community partners we do not have enough students to salvage the campus
 - Feick: this is more of a political question than a numerical one
 - Chrysanthis: are we still thinking around traditional classrooms and degrees? Or are we still thinking about certificates, training, etc, to pick up that slack?
 - Feick: UPB has a moderately robust executive training program. Situation at the moment is trying to figure out what would be a baseline of more traditional kinds of programs, not only degree programs, marketed to a combination of traditional and non-traditional students. UPT campus could be a hub for online courses students could take from main campus, because high-speed internet not widely available in area. Once had oil and steel, now the economy is mostly 80–120-person small firms, small manufacturing—not a big continual demand for continual training.

- Rohrer: looking at the scenario that the fiscal realities would lead the BOT to shut down Titusville, what is the impact on the community?
 - Feick: 5500 people in the town, staff of 35, 24 FT faculty, 21 PT. Impact on town would be substantial. More importantly they leverage the University of Pittsburgh when they attract businesses, community uses gym, campus
 - R: given that do you expect that you can leverage that to get the kind of institutional partnering that you need to have?
 - Feick: Manchester-Bidwell is very interested. We have to act in our own interest, but I think we can align our interest with the community's
- Chrysanthis: can we leverage nursing school to join with UPMC?
 - Feick: if UPMC Northwest were right in Titusville it would be a different story
 - Chrysanthis: can start a center, not a hospital
 - Feick: UPMC has strong interest in telemedicine, how to support rural community health care
- Bickford: many cross-subsidies within University, not all units pay for themselves, what elicits a decision that a unit is too unsustainable to subsidize?
 - Feick: units should pay for their own costs and contribute to overall overhead. Expectation is that it is more than your own costs that are being generated. The trend line for Titusville keeps going down
- Rohrer: what is the timeline?
 - hoping to have a report to act on at February 2018 BOT meeting

4. PBS survey of unit heads—Thurman Wingrove, Controller (2012 survey information available in BPC Box folder)

- Wingrove
 - goals of 2012 survey
 - 1. we want to ensure that unit have PBCs
 - 2. what is the process for salary increases and discrepancies
 - First part of survey asked each unit to list all members of PBCs, how long served, elect/appointed, ex officio, how many times met/year
 - Second part aligned with formal university policy on salary administration
 - we can carry forward existing survey, scrap and start over, revise
 - committee can discuss, and we can handle the coordination
- Rohrer: I was surprised by the focus on salary administration. I am interested in to what extent to members of PBCs have access to relevant information?
- Maguina-Ugarte: I think around that time the committee had a concern about salary appeals
- Wilson: what I would like to see is a survey that goes deeper than just providing a report that says “we have a PBC”. I would ask when did the PBC meet? what kind of meeting did they have? Committees are supposed to have more than faculty. At UPG we would have meetings only if there was specific requirement from a process. When I was on committee, for long stretches of time none of us had access to data. Committees should work as they are designed to, including providing data and giving members an

understanding of how things work. At my campus we have started to meet, I would argue that we need to meet monthly given the situation we find ourselves in. It would be BPC's job to get a better sense of that.

- Wion: Wilson is asking about the functioning of the PBS. The 2012 survey is two different issues (PBCs and salary administration) that were just combined into one survey. Revealed that some units did not have PBCs and prompted them to do it. This committee used to send a letter every year to University Times to inform community about PBS process. We might add something about part-time faculty.
- Rohrer: I would like to know what is the actual scope of the committees—what data do they get and what decisions are they making. It would be useful to get some sense from the participants about the effectiveness of their participation in that committee. I have no predisposition to know whether they are ineffective or effective.
- Chrysanthis: if you want to judge something you have to have goals, and evaluate those
- Bickford: possible to survey PBC members in addition to unit heads?
- Brodish: PBS was revised, so we should also update the memo and survey to reflect those changes
- Rohrer: as I understand it there are two separate data captures, is the process being followed, and also are the members fully participatory
- Wion: propose subcommittee to revise survey
 - Rohrer nominates self and Bickford; Wion, Maguina-Ugarte, and Murphy nominate selves
 - subcommittee charged to draft a list of survey items, modifications to existing survey, and separate/parallel one with PBC members, while reviewing revised PBS

Next meeting Ramicone will provide information about closure of defined benefit pension, Brodish will present salary benchmarking and cost-of-living adjustment report

Meeting adjourned at 3:27pm