

CASE WESTERN RESERVE UNIVERSITY
Faculty Senate
Executive Committee
Friday, October 10, 2008
1:00-3:00pm – Adelbert Hall, Room 352

AGENDA

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|------|---|-----------------------|
| 1:00 | Approval of Minutes from the September 9, 2008 Executive Committee meeting, <i>attachment</i> | G. Starkman |
| 1:05 | Chair's announcements | G. Starkman |
| 1:15 | Realignment of Senate Standing Committees | G. Starkman |
| 1:25 | Presentation of Master's of Nursing degree <i>attachments</i> | A. Levine |
| 1:35 | Discussion of Graduate Students' Mentoring Guidelines | A. Levine |
| 1:45 | Discussion of Expanded Benefits Policy
<i>Attachment</i> | S. Case
K. Ledford |
| 1:55 | Discussion of Conflict of Interest Policy | G. Starkman |
| 2:00 | Report from the ad hoc committee on Grievances/Mediation
<i>attachment</i> | G. Starkman |
| 2:20 | COACHE, Climate and Faculty Salary surveys
<i>attachment</i> | L. Singer |
| 2:40 | Faculty Senate budget priorities | G. Starkman |
| 2:45 | Replacement of Faculty Senate members on leave | G. Starkman |
| 2:50 | Faculty Recognition | G. Starkman |
| 2:55 | Approval of draft agenda for the October 21, 2008 Faculty Senate meeting | G. Starkman |



CASE WESTERN RESERVE UNIVERSITY
Faculty Senate Executive Committee
Minutes of the October 10, 2008 meeting
Adelbert Hall, Room 352

Committee Members in Attendance

Cynthia Beall	Shirley Moore
Bud Baeslack	Carol Musil
Bill Deal	Barbara Snyder
Steve Garverick	Glenn Starkman
Leonard Lynn	Terry Wolpaw
Kathryn Mercer	Liz Woyczynski

Committee Members Absent

Dave Matthiesen
Barbara Snyder

Call to Order and approval of minutes

Professor Glenn Starkman, chair of the faculty senate, called the meeting to order at 1:00 p.m. There being no corrections offered, the minutes of the September 9, 2008 Executive Committee meeting were approved as submitted.

Chair's announcements

The Faculty Senate Executive Committee approved the attached interim Conflict of Interest policy on October 7 by emergency vote by email, in time for the October 16 Board of Trustees meeting.

Resolved, whereas the existing Conflict of Interest policy of the university was last amended in 1981; and

Whereas the legal expectations that the university identify and manage conflicts of interest have increased significantly in the intervening years; and

Whereas there is a need to put in place an improved conflict of interest policy expeditiously; and

Whereas a committee led by and including mostly faculty has presented a draft policy, which has begun a process of detailed review by the committees of the Faculty Senate, and undergone significant improvement as a result; and

Whereas there remain important steps before the Faculty Senate can fully endorse the policy, including continued review by the Faculty Senate Committees on Research and on Faculty Personnel, review by the Faculty Senate Committee on By-Laws, and review by the Faculty Senate Executive Committee;

Therefore, be it resolved:

1) That the Faculty Senate Executive Committee, acting on behalf of the Faculty Senate, approves the draft Conflict of Interest policy appended to this resolution as an interim policy to be in effect from whatever date the Board of Trustees of the university determines, until such date as the Board of Trustees determines, except that that date shall not be after Feb 28, 2009.

2) That the Faculty Senate Executive Committee, speaking on behalf of the Faculty Senate, regards this draft policy as an appropriate basis for discussions leading to the approval of a regular policy.

Professor Glenn Starkman commented on the process for continued faculty senate review of the Conflict of Interest policy. The Research and Personnel Committees should submit their final edits to the policy in November. Then the By-laws Committee will make recommendations for any amendments needed to the Faculty Handbook. The aim is to have the final, approved Conflict of Interest policy presented at the February 2009 Board of Trustees meeting. Faculty senate review of the Conflict of Commitment policy will commence after the new year, with the aim of presenting a final, approved version at the June Board of Trustees meeting.

Realignment of Senate standing committees

Professor Glenn Starkman proposed that the Faculty Senate consider realigning the senate standing committees. Upon motion, duly seconded, the resolution was adopted as follows:

Resolved, whereas the Faculty Senate currently has twelve standing committees, and has received a report from an ad hoc committee recommending the creation of a thirteenth; and

Whereas there are in addition two ad hocs senate committees; and

Whereas there exist other university level faculty committees, and committees with substantial faculty membership; and

Whereas faculty effort in university service should be utilized with the greatest possible efficiency and effectiveness;

Therefore, the Executive Committee of the Faculty Senate instructs the Chair to empanel and charge an ad hoc committee on University-Level Faculty Committees to examine the number, composition, charges, and methods of nomination and selection of members of such committees and make recommendations to improve the efficiency and effectiveness of university-level faculty governance while preserving and strengthening the commitment to democracy and transparency. The Committee will provide a report to the Executive Committee no later than March 1, 2009, and, working with the Committee on By-laws, prepare appropriate amendments to the Constitution of the University and to the By-Laws of the Faculty Senate in sufficient time to be considered at the Spring meeting of the University Faculty, subject to approval of the Faculty Senate.

Presentation of the proposed Master's degree in Nursing

Professor Alan Levine, chair of the graduate studies committee, presented the new Master's in Nursing degree, which was reviewed and approved by the Graduate Studies Committee. In attendance from the School of Nursing were Patricia Underwood, associate dean, and Professor Deborah Lindell. After some discussion, the Executive Committee approved the new Master's in Nursing degree for further consideration and final approval by the Faculty Senate.

Discussion of Graduate Student Mentoring Guidelines

Professor Alan Levine related that the Graduate Studies Committee reviewed the *Graduate Student Mentoring Guidelines*, authored by Case Western Reserve University graduate students in consultation professors who had received the Diekhoff Award for graduate teaching. The student authors seek input about how best to promote the guidelines to the faculty. It was recommended that the document be distributed to faculty members who serve as graduate studies directors in each department.

Discussion of Life /Disability for Part-time Faculty

Professor Ken Ledford, chair of the budget committee, indicated that the Budget Committee reviewed and approved the proposal as submitted. It was noted that the Faculty Compensation Committee also approved the proposal as submitted. The Executive Committee approved the Life/Disability policy for further consideration and final approval by the Faculty Senate.

Report of the Chair of the Faculty Senate Budget Committee

Professor Ken Ledford reported as follows:

The past two weeks have been profoundly tumultuous ones in the credit markets of the world and have posed significant challenges to the cash management policies followed by University administration. The Chair of the FSBC has remained in close touch with the financial leadership of the University and is persuaded that the plans, procedures, positions, and reactions of those administrators have kept the University in the most secure position that is possible in a time of unprecedented crisis. The University's short term financial position is, in my view, sound and safe.

In order to fund the normal operations of the University, it is policy to maintain as working capital cash available for immediate or very short-term access in the amount of roughly 70-80 days' cash needs, some \$70-80 million. To diversify risk, the administration invests those funds in six to seven short term investments, including a commercial bank account at Keybank, a short-term fund called the Victory Fund, some very highly rated commercial paper, and multiple money market accounts. Around September 30, the University received notice that the Commonfund, a short-term investment fund managed by Wachovia bank, with some \$9.3 billion in assets invested by 900-1,000 educational institutions, was suffering liquidity problems, so that investors would be limited to immediate withdrawal of 10 percent of their deposits. The University had approximately \$19.5 million invested in Commonfund, and immediately withdrew the permitted 10 percent. By Wednesday, October 1, withdrawal limits had risen to about 40 percent of holdings, and the University withdrew all that it could, some \$7 million total, leaving some \$12 million of the University's funds still in the Commonfund. The underlying investments are sound but not liquid, because with the financial panic and collapse of confidence, all investors are fleeing to cash as the highest quality (if low yield) holding, so that there is only a very unattractive market for the assets of Commonfund. Some of those assets are short-term and mature by the end of this calendar year; by December 31, the administration anticipates recovery of 62 percent of the original investment, leaving about \$7 million, which will be recovered as the remaining assets mature, but some with maturity dates as late as 2011.

It must be stressed that because of the administration's strategy of diversifying the investment of the University's working capital, the exposure of CWRU to a liquidity freeze in a single investment vehicle, this case the Commonfund, was far lower than that of some other educational institutions, who had all their eggs in one basket.

In response to this reduction in the University's working capital, and in order to test the reliability of its short-term credit facility, on September 30 the administration drew \$20 million from the \$60 million standing line of credit that the University has with Keybank. Despite credit market uncertainties, the bank advanced that money to the University without hesitation at the contracted interest rate of LIBOR plus .25 percent. The University has then deposited that cash into secure money market accounts, so that the carrying costs are the difference between the interest paid and the interest earned. Thus, the full level of working capital reserves is restored at minimal cost, and more credit remains available in that line of credit if needed. The Keybank line of credit agreement, which requires no commitment fee from the University and permits prepayment at any time, expires on January 31, 2009. The financial administrators plan to seek multiple bids to replace this and perhaps in the future to carry two lines of credit.

In sum: Despite derangements of the local, national, and world credit markets, the University is at present liquid and hedged as a result of the foresight and planning and quick reactions of the University's financial administration. We must thank not only John Sideras, Bob Brown, and Laurie Melville, but Hossain Sadid for their management skills. Communication between the financial administrators and the Chair of the FSBC and through me with the Chair and Chair-Elect of the Senate has been swift, transparent, and complete. While neither the financial administrators nor we can predict the future course of the present panic, their skills and judgment leave us in a diversified position with regard to the credit market that appears to be the optimal that we can attain at this moment. The financial and any ensuing economic crisis will pose different challenges, to endowment and to debt management, as well as to other streams of revenue, but there will be greater time to analyze and plan to respond to those matters.

I have invited the financial leadership team to make presentations to the October 20 FSBC meeting and the October 21 Senate meeting on these matters, as well as on the happier subject of the audited close of the FY 2008 operating budget.

Discussion of the Conflict of Interest Policy

Professor Glenn Starkman urged the Research and Personnel Committees to submit their final edits to the Conflict of Interest policy to the Executive Committee by the end of November. The By-laws Committee will propose any needed amendments to the By-laws in time for the February Board of Trustees meeting. Review of the Conflict of Commitment policy will commence in January.

Discussion of Faculty Senate Budget Priorities

Professor Glenn Starkman started the discussion about how to determine this year's Faculty Senate budget priorities. Professor Starkman proposed a rating system that would weight last year's priorities against any newly proposed priorities. Some expressed concern that an annual survey would diminish previous year's priorities which are multi-year endeavors. Soliciting the entire campus through *Case Daily* was considered. Bud Baeslack, provost, asked that the Faculty Senate solicit feedback in a way that doesn't set expectations unrealistically high in a tight budget year. The faculty senate standing committees should submit their priorities by the end of October.

Discussion of the COACHE, Climate, and Faculty Salary surveys

Lynn Singer, deputy provost, presented these surveys that were originally grant funded. She indicated that the Office of Institutional Research will continue to coordinate and analyze these surveys; she asked if the Faculty Senate would annually monitor and review the results of these annual surveys. Professor Glenn Starkman offered that the Executive Committee will solicit the results of these reports each year.

Report from the *ad hoc* Grievance Process Reform Committee

Professor Bill Leatherbury, chair of the *ad hoc* grievance process reform committee, summarized the committee's report which is attached to these minutes. There was consensus that there is a need for a faster and more effective process of resolving certain sorts of disputes without resorting to a formal grievance hearing. The committee has outlined a proposed mediation process that would be implemented as a pilot program. Professor Bill Leatherbury will present the proposal to President Barbara Snyder and Provost Bud Baeslack; the details of the proposed mediation program will be submitted to the Executive Committee after the *ad hoc* committee has incorporated the administration's feedback.

New Business

A proposal, similar to one passed at Cleveland State University, to grant students permission to miss class if they are working to staff election activities on November 4 was discussed. It was decided that time constraints before Election Day and individual arrangements already made by faculty members regarding class absences made such a resolution impractical for this election year.

Approval of the Tuesday, October 21, 2008 Faculty Senate meeting agenda

The agenda for the September 24 Faculty Senate meeting was approved. The meeting was adjourned at 3:00p.m.

APPROVED
by the
FACULTY SENATE EXECUTIVE COMMITTEE



ELIZABETH H. WOYCZYNSKI
SECRETARY OF UNIVERSITY FACULTY