Lehigh University
Minutes of the Faculty Meeting held on November 19, 2020, 4:30 pm
Via Zoom

1. Remarks by Professor Kathy Iovine, Chair of the Lehigh Faculty Senate

Professor Kathy Iovine initiated a discussion on the university budget. Salient points mentioned by her are listed below.

- We are in unprecedented times with challenges in the economy and health.
- While some universities are cutting Faculty, we are fortunate at Lehigh.
- Today's discussion is the first of several conversations about how the Faculty can help Lehigh in making difficult decisions.
- Faculty, staff, and administration have the common goal of Lehigh doing well in the long run.

2. Discussion on the University Budget

Several pre-read materials and a set of slides were provided on the Faculty Senate Website for faculty review before the meeting. The materials are available at https://facultysenate.lehigh.edu/meeting-documents

Provost Nathan Urban provided an update on the COVID-19 situation and referenced a memo that went out to the Lehigh community earlier that day. The message is available at


Provost Nathan Urban provided an overview of the budget. The slides used by him are available in Appendix 1.

[Appendix 1 available at https://facultysenate.lehigh.edu/meeting-minutes]
The following are the salient points made during the discussion.

- The specific details of resolving the budget shortfall depend upon the deficit's actual scale during the academic year. Retention of people and limited staff furloughs are the operating principles followed so far. Across-the-board salary cuts are not planned at this time due to their disproportionate impact on staff with relatively lower income. The university is on a growth trajectory in graduate and undergraduate education [Provost Nathan Urban in response to Professor Kathy Iovine]

- The discussions related to the merit pool and tuition rates are not taking place this year. [Vice President for Finance and Administration Patricia Johnson]

- The retirement plan offered to Faculty should be uniform. We will explore means of helping early-career faculty members. [Provost Nathan Urban in response to Professor Mary Beth Deily's comment that restoration of retirement contribution to younger Faculty should be given priority; Vice President Patricia Johnson concurred]

- It is not possible to predict the time of restoration of retirement contributions due to enrollment uncertainty. [Provost Nathan Urban in response to Professors Jesus Salas and Haibei Zhao]

- College deans were given discretion about budget cuts without specific pointers from the Provost's Office. [Provost Nathan Urban in response to Professor Josh Pepper about the impact of budget cuts on graduate students]

- It is not prudent to use reserves for short term expenses; furthermore, we do not know how long the current situation would last. Reserves in some accounts can only be used for specified purposes, and some reserves are being used for addressing budget shortfalls in the respective domains. [Provost Nathan Urban and Vice President Patricia Johnson in response to Professor Clay Naito]

- Resources to advance diversity and inclusion are being increased (recruiting a diverse student body, supporting the Diversity and Inclusion initiatives, increased financial aid, etc. [Provost Nathan Urban]

- Requests for exceptions from the hiring freeze are approved by Provost Nathan Urban and Vice President Patricia Johnson using the criteria of demonstrated need and strategic opportunities (e.g., College of Health hiring will proceed because the number of students is going to double next year). [Provost Nathan Urban in response to Ms. Emma Satin from the Brown & White]

- Budget adjustments are being made after evaluating the cost of stopping a project, the interest cost, strategic priorities, and the uncertainty in the financial situation. [Provost Nathan Urban and Vice President Patricia Johnson in
response to Professor Kathy Iovine]

- Allowing athletic training for spring sports is a risky decision. [Professor Jennifer Swann]

3. Discussion on Shared Governance

Professor Kathy Iovine initiated a discussion on shared governance between the Faculty and the administration. She sought ideas from the Faculty for consideration by Provost Nathan Urban and Vice President Patricia Johnson. Key points discussed are summarized below.

- Shifting funding to critical educational initiatives, not filling the vacant senior administrative positions, focusing on revenue-generating academic programs, auditing programs to decide where to add money and which programs to be phased out, and participation by a small group of Faculty to advise the administration on long-term budget planning are some of the suggestions made by the faculty members (in response to the survey sent out before the meeting) [Professor Kathy Iovine]

- What is the best way for Faculty to provide inputs in the planning process before the budgeting priorities are announced? [Professor Frank Gunter]

- Faculty involvement in the budgeting process needs some thought and a systematic approach. We should decide if faculty involvement should be at the top level or the lower levels. Faculty members are on the financial planning committee at Lehigh. Other avenues will be considered. [Vice President Patricia Johnson]

- Traditional university budgets are incremental with small changes every year with additional allocations based on evaluating specific requests. Typically, budgeting for the undergraduate programs is more centralized, and the budgeting for the graduate programs is formulaic. [Provost Nathan Urban]

- Small marginal changes in Lehigh’s budget does not take us to where we want to be. 60% of the salary budget is going toward non-faculty salaries. Is this intentional? [Professor Frank Gunter]

- The incremental budgeting process is a recipe for stagnation. The goal was to begin a strategic planning process to guide resource allocation. The strategic planning process did not start because of Covid-19 and the presidential transition. But thinking strategically about our needs cannot wait. [Provost Nathan Urban]

- Detailed program reviews can help in the budgeting process. [Provost Nathan Urban]
• Rather than focusing on year-to-year changes, program reviews should focus on the long-term budgeting needs of Lehigh, including resource allocation decisions. [Professor Kathy Iovine]

• Due to the $40M shortfall, we had to make across-the-board cuts such as suspension of retirement contributions. However, a uniform reduction of resources across the board may not benefit Lehigh since some areas deserve expansion. Lehigh is well-positioned to overcome the current budget situation, but we must make some difficult decisions, including reassigning people to make Lehigh more competitive in research and education. [Provost Nathan Urban]

• This year has been an anomaly, and we had to make decisions quickly. Going forward, we need a 2-3 year budget planning horizon. [Vice President Patricia Johnson]

Respectfully submitted by

K. Sivakumar ("Siva")
Arthur Tauck Chair and Professor of Marketing

Secretary of the Faculty