UNIVERSITY SENATE
Third Meeting, Monday, 15 November 2010, 2:30 p.m.
Room 302, Stewart Center

AGENDA

1.	Call to order	Professor Joan R. Fulton
2.	Acceptance of Agenda	
3.	Approval of Minutes of 25 October 2010	
4.	Remarks by the President	President France A. Córdova
5.	Remarks of the Chairperson	Professor Joan R. Fulton
6.	Résumé of Items Under Consideration by Various Standing Committees	For Information Professor Morry Levy
7.	Question Time	
8.	University Senate Document 10-4 Reapportionment of the University Senate	For Discussion Professor Morris Levy
9.	Sustaining New Synergies Fiscal Plan	For Information EVPBF, T Al Diaz & Dir. of Physical & Capital Planning Ken Sandel
10.	New Business	
11.	Memorial Resolutions	
12.	Adjournment	

UNIVERSITY SENATE
Third Meeting, Monday, 15 November 2010, 2:30 p.m.
Room 302, Stewart Center

Present: *President France A. Córdova, Joan R. Fulton, (Chairperson of the Senate) presiding, Professors Walid G. Aref, Thomas W. Atkinson, Zarjon Baha, Patricia E. Bauman, Alan M. Beck, George M. Bodner, Lynn A. Bryan, Donald D. Buskirk, Joseph W. Camp Jr. (Secretary of Faculties and Parliamentarian), Natalie J. Carroll, Gary L. Carter, Ralph L. Cherry, Carlos M. Corvalan, William A. Crossley, James R. Daniel, Larry DeBoer, John (Jack) P. Denton, Alphonso V. Diaz, Brian G. Dillman, Shawn S. Donkin, Frank J. Dooley, Janusz Duzinkiewicz, Timothy B. Folta, Gabriele F. Giuliani, Chong Gu, Sally A. Hastings, L. Tony Hawkins, Peter M. Hirst, Chad T. Jafvert, Amy Keene, Harold P. Kirkwood, Stephen F. Konieczny, James S. Lehnert, Mikhails Levins, Morris Levy, Andrew U. Luescher, W. Gerry McCartney, James D. McGlothlin, William D. McInerney, Robert E. McMains, P. Jane Morris, Daniel K. Mroczek, Rabindra N. Mukerjea, James G. Ogg, Martin R. Okos, Kathryn S. Orvis, Christopher J. Pincock, Zygmunt Pizlo, Phillip E. Pope, Teri Reed-Rhoads, Andrew P. Robinson, J. Paul Robinson, Jean-Christophe Rochet, Arthur P. Schwab, Marisol S. Sepulveda, L. A. Sherman, A. Charlene Sullivan, Elizabeth J. Taparowsky, Thomas J. Templin, Lynda J. Thoman, Bert Useem, Mara H. Wasburn, Jeffrey X. Watt, David J. Williams, G. Thomas Wilson, Dwayne Woods, and Li Zhang.*

Absent: *Professors: Ozan Akkus, Janet M. Alsup, Robert A. Barrett, Mark H. Bernstein, Ernest R. Blatchley, J. Stuart Bolton, James Braun, Jeffrey L. Brewer, Sharon A. Burns, Wei K. Cui, Beverly Davenport-Sypher, Edward J. Delp III, Paul B. Dixon, Nancy E. Edwards, Peggy A. Ertmer, Melissa E. Exum, Michael J. Fosmire, Matthew D. Ginzel, Ronald J. Glotzbach, Steven G. Hallett, Stanley L. Hem, Michael A. Hill, Neal R. Houze, David B. Janes, Rosemary L. Kilmer, Joseph F. Kmec, Ravi Krishnan, Bradley Krites, Robert Kubat, Eric P. Kvam, Martin A. Lopez-de-Bertodano, Mark M. Moriarty, Mary B. Nakhleh, Douglas C. Nelson, Suzanne L. Parker, Melissa J. Remis, Alysa C. Rollock, Timothy D. Sands Jie Shen, Thomas H. Siegmund, Mark J. T. Smith, Glenn Sparks, Marion Trout, Kevin J. Vaughn, Samuel S. Wagstaff, Herbert L. Weith, Dale Whittaker, Yuehwern Yih, Howard E. Zelaznik and William J. Zinsmeister.*

Guests: *Jim Almond, Peter Dunn, Ana Juan-Garcia, Melissa Johnson, Mike Loizzo, Akil Narayan, Valerie O'Brien, Ken Sandel, Marissa Sura, Teri Lucie Thompson, and Eric Weddle.*

1. The meeting was called to order at 2:35 p.m. by Chairperson Joan R. Fulton.

2. The minutes of the meetings of the 25 October were approved as distributed.

3. The agenda was accepted as distributed.

4. President France A. Córdova presented remarks to the Senate (see Appendix A).

5. Professor Joan Fulton presented the report of the Chairperson (see Appendix B).

6. Professor Morris Levy presented, For Information, the Résumé of Items under Consideration by the various standing committees (see Appendix C). He asked for questions from the floor and invited the chairs of the standing committees to comment on their respective committees. Professor Natalie Carroll briefly described the duties of the Nominating Committee and asked the Senators to sign up for Senate standing committees and to encourage their colleagues to sign up for faculty committees.

7. At question time, Professor Levy mentioned that he and other Senate leaders had received questions and concerns about the continuation of the Voluntary Early Partial Retirement (VEPR) Program. The VEPR had been temporarily suspended while the Early Retirement Incentive Program was underway. VP Diaz ensured the Senate that the VEPR Program was fully reinstated immediately upon the cessation of the enrollment period for the Early Retirement Incentive Program.

   Professor Andrew Luescher asked about the nature of an obscure email he and other faculty members had received concerning certain optional benefits offered by Purdue. VP Luis Lewin promised to look into the matter and provide Professor Luescher with an answer to his question.

   Professor Zygmunt Pizlo asked how many people on campus actually know about the proposed Conflict of Financial Interest policy. Professor Fulton noted that the proposed policy is on Senate web site and she encouraged the Senators to inform their colleagues of this fact. In addition, she said the proposal will next be considered by the Executive Policy Review Group (EPRG) before getting final administrative approval. Professor Fulton mentioned that she serves on the EPRG in order to ensure faculty representation.

8. Professor Levy, chairperson of the Steering Committee, made a motion to suspend the rules in order to consider University Senate Document 10-4, *Reapportionment of the University Senate,* for action at today's meeting. His motion was seconded and was approved by unanimous voice vote. Following the approval to suspend the rules, Professor Levy made a motion to approve the document. His motion was seconded. There was no discussion and the document was approved by unanimous voice vote.

9. Vice President for Business and Finance, Treasurer Al Diaz presented, For Information, a budget update in light of the recommendations of the Sustaining New Synergies Task Force (see Appendix D). Following the presentation he answered several questions from the floor. Professor J. Paul Robinson asked if a plan had been created to help define, for all affected university personnel, the expectations of them in light of the upcoming budget reductions. In other words, does the administration expect a department or other unit with a 2% budget reduction to hold their employees to the same metrics as prior to the budget reduction? VP Diaz stated that budget discussions are ongoing. Decreasing costs can cover some of the expected budget shortfalls, but there also needs to be an increase in revenues. The administration will make that point to the state legislators during the budget hearings and discussions. In addition, reviews of academic programs are now occurring and the results of these reviews may suggest that Purdue cannot do as much as in the past, given the reduced funding levels from the state.

   Professor Lou Sherman mentioned that S&E budgets are currently less than they were 20 years ago. He suggested that strategic sourcing might prove useful to help deal with these reductions. VP Diaz stated that strategic sourcing is definitely under consideration and, in fact, the procurement processes for the university will now involve strategic sourcing. This should enable Purdue to get analyses of the procurement options and systems that are available to enhance efficiencies and safe money. It should also help Purdue control and manage payments at the end of the process.

Professor Larry DeBoer what is the current atmosphere in the legislature concerning tuition and fees? VP Diaz said the legislature is continuing to apply pressure to keep growth of tuition and fees in line with the cost-of-living increases in the general economy. VP Diaz hopes that discussions with the legislators will illustrate that there are few, if any, places where Purdue can cut costs and maintain the quality of education expected by the various constituencies.

Professor Charlene Sullivan asked if there was a possibility of shifting some of the costs to out-of-state students. VP Diaz said that these students are already paying, within a few hundred dollars, the full cost of their educations. It is unlikely that a significant increase in revenue will be forthcoming from this source.

Professor Peter Hirst asked how long the university could defer maintenance to its infrastructure. VP Diaz said that one current approach is to rehabilitate by replacement. For example, it will cost less to build a new Animal Science facility to than to renovate parts of Lilly Hall. In fact, it is less expensive to tear down part of Lilly Hall and move the occupants to the proposed new Animal Science building. The university maintains a small internal R&R fund to handle unavoidable maintenance jobs.

Professor Alan Beck asked if there had been discussions about privatizing higher education in Indiana. This would be in line with the privatization projects that have occurred recently in the state. VP Diaz said that these discussions do occur on occasion, but nothing of substance is likely to occur for the foreseeable future. President Córdova told the Senators that when legislators are brought to campus to actually see what we do, they are invariably impressed. She encouraged the Senators to work with the Governmental Relations Office (Tim Sanders, Director) if they wish to invite legislators to campus for tours of various facilities for teaching and research.

10. Under New Business, Professor Andrew Luescher presented two items. First, he presented, For Information, University Senate Document 10-5, *Change in Registration Procedure; Visitor to Auditor*. This document will be made available on the Senate web site when it is in its final form and will be voted on at the January 2011 Senate meeting. Professor Donald Buskirk asked if the audit fee associated with the proposed change will apply to graduate students as well as undergraduate students. Professor Luescher said that it will apply to graduate students from other universities rather than Purdue graduate students. Professor James Ogg asked if we know how many students currently are classified as visitors. Professor Luescher said he did not have a number. He mentioned that the change will help avoid liability issues as visitors may be sitting in classrooms, but if someone needs to find them, nobody can do that under the current system. If they have to register as auditors, they can be found in case of emergency.

    Professor Luescher next mentioned that the state has mandated that Purdue, and other state universities, recognize AP credit for courses and have set a March 2011 date for compliance. The Educational Policy Committee will prepare a document or report and present it at the January 2011 Senate meeting.

11. There was one Memorial Resolution for Professor Emeritus of Library Science John M. Houkes. Out of respect for their departed colleague, the Senate members stood for a moment of silence.

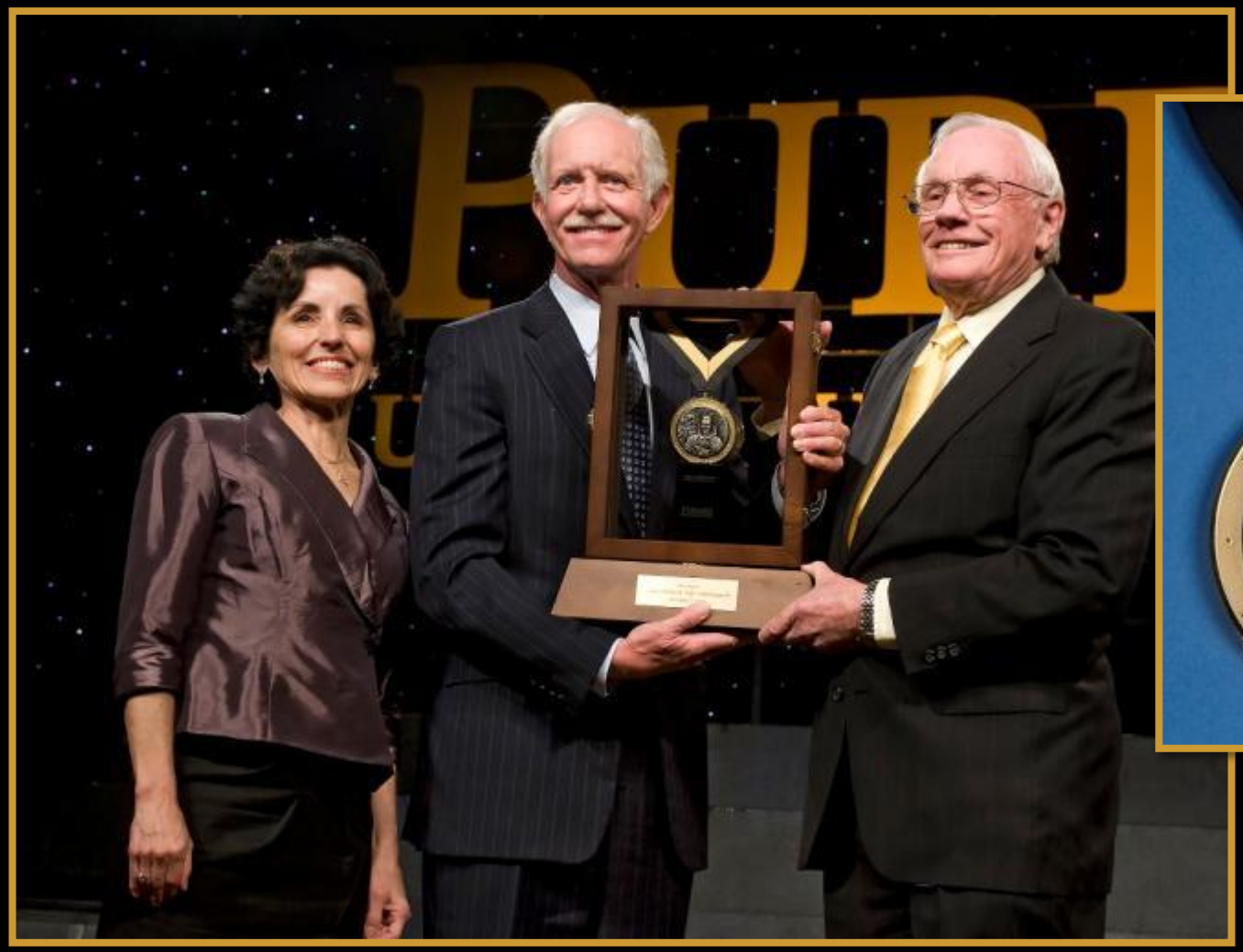
12. Having no additional business, the meeting adjourned at 4:10 p.m.

PURDUE UNIVERSITY

University Senate

November 15, 2010 • President France A. Córdova

Alumni Recognition



Neil Armstrong National Medal of Excellence

PURDUE
UNIVERSITY

Faculty Recognition

Seeds for Success

- 220+ principal investigators and co-investigators
- 80+ research programs

Inventors' Recognition

- 55% increase in patents
- 30% increase in invention disclosures

West Coast Partnership Center

Michael Ladisch, Alyssa Panitch, and Phil Low

John Boyle,
WCPC Director

Early Retirement Incentive and Budget Update

PURDUE UNIVERSITY

University Senate

November 15, 2010 • President France A. Córdova

Thank you

Appendix B
15 November 2010

REPORT TO THE UNIVERSITY SENATE - PROFESSOR JOAN R. FULTON

It has been a short time since the October Senate meeting, which is one reason why the items on today's agenda are relatively few in number. As I look at the work of the senate committees I am assured that there is lots of great work underway, some of which will come for Senate discussion and decision later. There is also important work of the Senate that is now in the implementation stage including: the move of the retirement platform to Fidelity, the Reduce, Rebalance, Require change in retirement contributions, the 2011 Health Care Plan and several policy documents. Thank you to everyone for your hard work at the committee level on these important items. There are a couple of upcoming events where I will be representing the Senate and the faculty, which I will highlight now.

Provost Sands has invited me, and I have agreed, to be part of the panel for the President's Forum on November 30. The topic of the forum will be the "Future of the Public Research University" and I will bring the faculty perspective.

The Board of Trustees will meet on campus in mid December and I will make a short report to them, representing the Senate and faculty. If you have any ideas for me as I prepare to speak to these groups I welcome all input. In conclusion I would like to remind all of the standing committees to get materials to the Steering Committee for inclusion in upcoming Senate meetings. If your committee is meeting on the same day as the Steering Committee just contact Morry Levy and arrangements can be made to ensure items come to the Senate in a timely manner. Thank you for the service that you provide to the Senate.

Appendix C
15 November 2010

TO: University Senate
FROM: Morris Levy, Chairperson, Steering Committee
SUBJECT: Résumé of Items under Consideration by the Various Standing Committees

STEERING COMMITTEE Morris Levy, Chairperson
levy0@purdue.edu

The primary responsibility of the Steering Committee is the organization and distribution of the agenda for each meeting of the University Senate. This committee also receives communications from any faculty member or group of members and directs such communications to appropriate committees or officers for attention.

ADVISORY COMMITTEE Joan R. Fulton, Chairperson of the Senate
fultonj@purdue.edu

The responsibility of the University Senate Advisory Committee is to advise the President and/or Board of Trustees on any matter of concern to the faculty.

NOMINATING COMMITTEE Kathryn S. Orvis, Chairperson
Natalie J. Carroll, Vice-Chairperson
orvis@purdue.edu
ncarroll@purdue.edu

The Nominating Committee is responsible for presenting nominations for the University Senate and University committees. In filling committee vacancies the Nominating Committee seeks to have all interested Senators serve on at least one committee.

EDUCATIONAL POLICY COMMITTEE Andrew Luescher, Chairperson
luescher@purdue.edu

1. Remedial 1-credit course for students on probation
2. Review of GPA requirements in early years
3. GPA requirements after readmission
4. Transfer credit
5. Advanced Placement Transfer Credit
6. Policy on course syllabi
7. Student Bereavement Policy

FACULTY AFFAIRS COMMITTEE David J. Williams, Chairperson
djw@purdue.edu

1. Review of Conflicts of Commitments and Outside Activities Policy Draft
2. Review of Background Check Policy Draft from Human Resources

STUDENT AFFAIRS COMMITTEE Thomas J. Templin, Chairperson
ttemplin@purdue.edu

1. Review of the Student Bill of Rights

UNIVERSITY RESOURCES POLICY COMMITTEE A. Paul Schwab, Chairperson
pschwab@purdue.edu

1. Review fiscal policies and aid in generating budget transparency and economy
2. Review of campus energy sufficiency, safety, and other Physical Facilities operations
3. Enhancing graduate education and research opportunities
4. Review of faculty committees

Chair of the Senate, Joan R. Fulton, fultonj@purdue.edu
Vice Chair of the Senate, Morris Levy, levy0@purdue.edu
Secretary of the Senate, Joseph W. Camp, Jr., jcamp@purdue.edu
University Senate Minutes; http://www.purdue.edu/faculty

Attachment A
15 November 2010

CALENDAR OF STATUS OF LEGISLATION

SENATE DOCUMENT	*TITLE*	*ORIGIN*	*SENATE*
10-1*	Nominees for University Senate Standing Committees	Approved	Professor Natalie Carroll
10-2*	Nominees for the University Censure & Dismissal Committee	Approved	Professor Natalie Carroll
10-3*	Change in the Membership of the Faculty Compensation and Benefits Committee	Approved	Professor David Williams
10-4*	Reapportionment of the University Senate	Approved	Professor Morris Levy

***Approved**

University Senate Document 10-4
15 November 2010

TO: The University Senate
FROM: University Senate Steering Committee
SUBJECT: Reapportionment of the University Senate
REFERENCE: University Senate Document 90-5; University Code D 3.00; Bylaws of the University Senate, Items 2.00 and 2.01
DISPOSITION: Faculty Units

Section D 3.00 of the University Code, and the Bylaws of the University Senate, provide that the University Senate shall be composed of one hundred two members. Eleven of these are specified in the items 1 through 11 below. The other slots will be apportioned among the West Lafayette faculty units, according to the number of faculty members, with the provision that no faculty unit shall have fewer than two senators. There are 2043 voting faculty members at the West Lafayette campus. When this number is divided by ninety-one the result is 22.45. Therefore, to qualify for more than two senators, a faculty unit should have 45 or more voting faculty members. Since no faculty unit can have fewer than two senators, the Libraries unit qualifies for two senators. The remaining units have a total of 2005 voting faculty members with eighty-nine senate seats remaining to be apportioned among them. The apportionment of senators for each of these remaining units was obtained by dividing the number of voting faculty in the faculty unit by 22.45. The results are as follows: Agriculture, 13.185; Education, 2.940; Engineering, 14.878; Health & Human Sciences, 9.310; Liberal Arts, 13.541; Management, 4.098; Pharmacy, 3.296; Science, 14.743; Technology, 8.552; Veterinary Medicine, 4.766. In order to achieve the desired 89; the College of Liberal Arts was closest to being below 0.500 and thus was assigned a value of 13 Senators. The remaining nine units were rounded to the nearest integer.

	No. Voting Fac. Members November 3, 2009	**Number of Senators 2010-2011**	**No. Voting Fac. Members November 8, 2010**	**Number of Senators 2011-2012**
Areas Represented				
1. President		1		1
2. Chief Academic Officer		1		1
3. Chief Fiscal Officer		1		1
4. Chairperson of the Senate		1		1
5. Vice-Chairperson of the Senate		1		1
6. Calumet Campus		1		1
7. Fort Wayne Campus		1		1
8. North Central Campus		1		1
9. IUPUI Campus		1		1
10. Undergraduate Student		1		1
11. Graduate Student		1		1
12. Faculty Units				
Agriculture	300	14	296	13
Consumer & Family Sci.	58	3		
Education	65	3	66	3
Engineering	336	15	334	15
Health & Human Sciences			209	9
Liberal Arts	400	18	304	13
Libraries	41	2	38	2
Management	84	4	92	4
Pharm, Nurs, & Health Sci.	101	5		
Pharmacy			74	3
Science	333	15	331	15
Technology	189	8	192	9
Veterinary Medicine	103	5	107	5
	2010	102	2043	102

Approving (via email)
Ralph Cherry
John Denton
Timothy Folta
Joan Fulton
Gabriele Giuliani
James Lehnert
Morris Levy
J. Paul Robinson
Mara Wasburn

PURDUE UNIVERSITY

Budget Update

Al V. Diaz

Executive Vice President for
Business and Finance, Treasurer

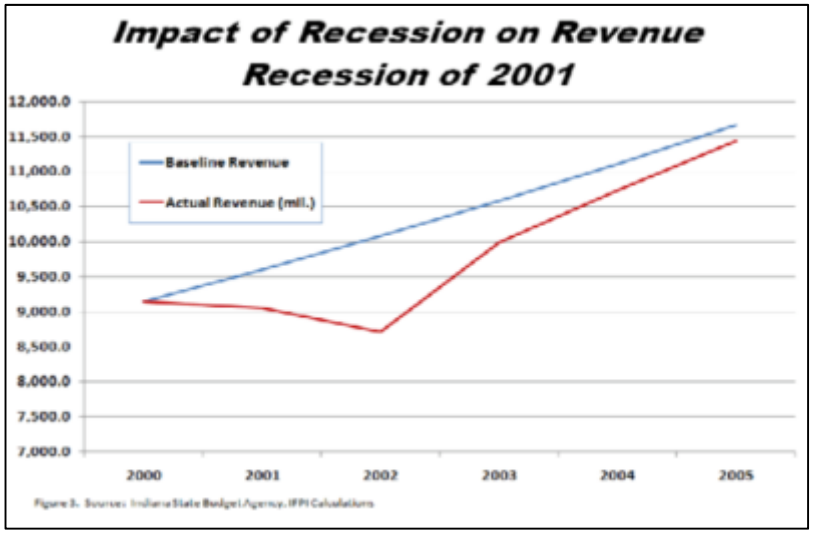
Presented to:
Purdue University Senate

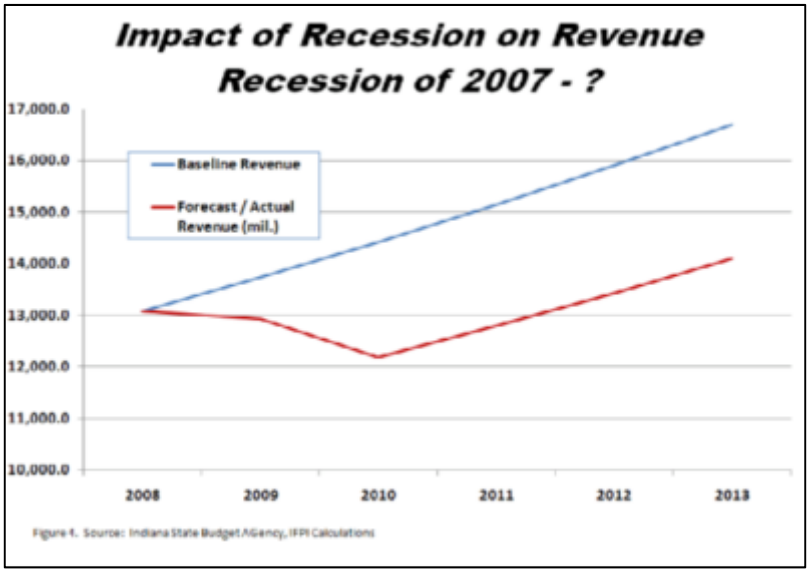
November 15, 2010

Agenda

- **Indiana State Budget**
- Purdue Budget Action
- Current Issues
- SNS Recommended Plan
- Summary

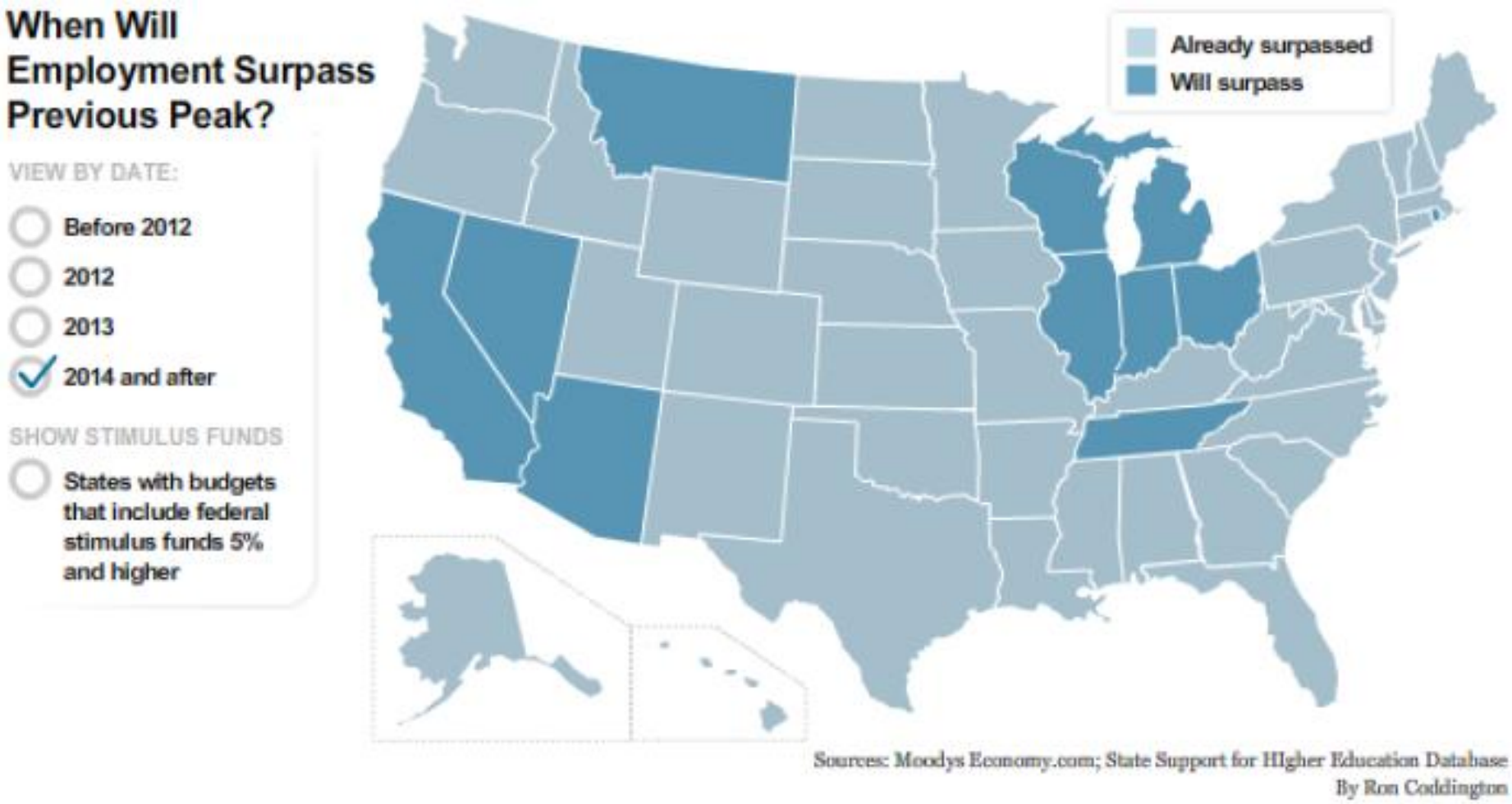
Indiana Revenue – Impact of Recession





Indiana Fiscal Policy Institute (IFPI), FY 2010 Closeout Report
"Resetting Indiana's Future: How the Recession and the State's New Fiscal Realities Will Drive the General Assembly's Budget-Making"
Figure 3. Source: Indiana State Budget Agency, IFPI Calculations
Figure 4. Source: Indiana State Budget Agency, IFPI Calculations

Financial Relief – Far Off



State of Indiana – The Next Budget

2012 Fiscal Year Base (Table 5)	
2011 Appropriations	$14,126.60
Teacher's, Police & Firefighter Pensions	85
Medicaid & Other Health Care (from Medicaid Actuary	300
Other Unavoidable Increases	75
Total	**$14,586.60**

Table 5. Source: State Budget Agency, IFPI estimates.

Structural Deficit in Anticipation of the 2012-2013 Budget (Table 6)	
Revenue Base	$13,282.90
Expenditure Base	14,586.60
Structural Deficit	**$ (1,303.70)**

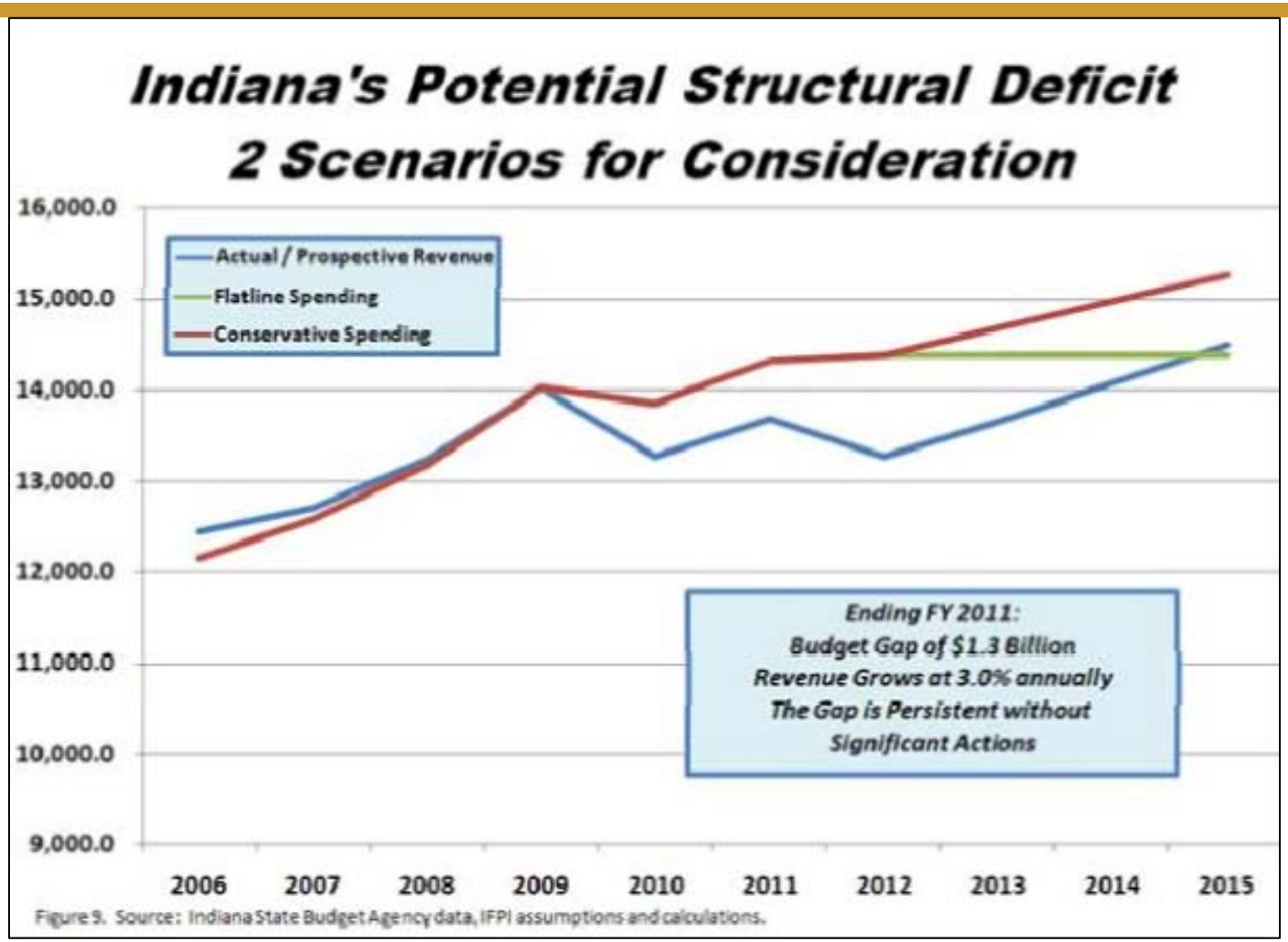
Table 6. Source: State Budget Agency, IFPI Calculations

$ in Millions

Indiana Fiscal Policy Institute (IFPI), FY 2010 Closeout Report

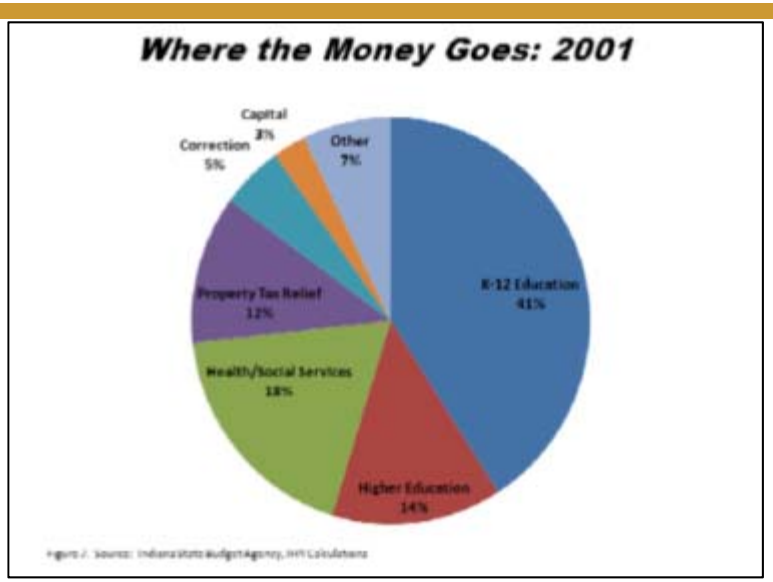
"Resetting Indiana's Future: How the Recession and the State's New Fiscal Realities Will Drive the General Assembly's Budget-Making"

Indiana – Scenarios Under Considerations



Indiana Fiscal Policy Institute (IFPI), FY 2010 Closeout Report
"Resetting Indiana's Future: How the Recession and the State's New Fiscal Realities Will Drive the General Assembly's Budget-Making"
Figure 9. Source: Indiana State Budget Agency data, IFPI assumptions and calculations.

Indiana – Expenditures 2001 vs. 2011



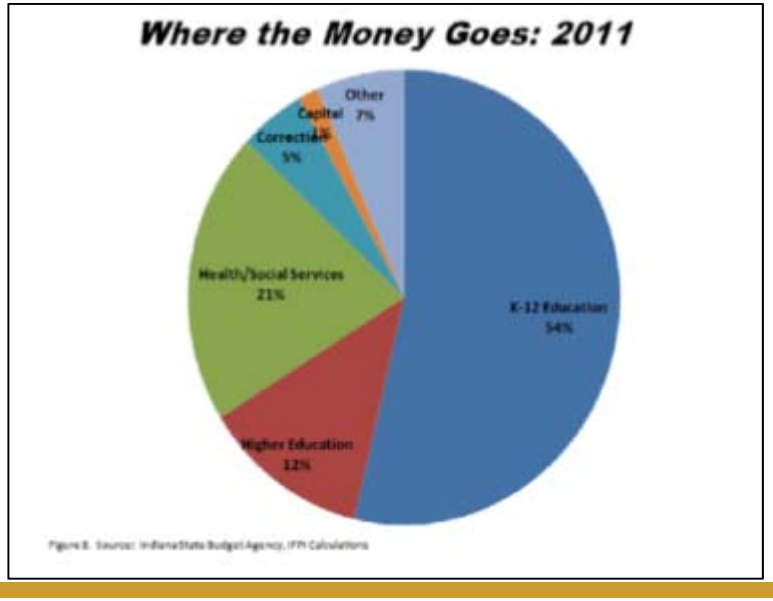


Figure 7. Source: Indiana State Budget Agency, IFPI Calculations
Figure 8. Source: Indiana State Budget Agency, IFPI Calculations
Indiana Fiscal Policy Institute (IFPI), FY 2010 Closeout Report
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Agenda

- Indiana State Budget
- **Purdue Budget Action**
- Current Issues
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Purdue – FY 2011 General Fund Budget

	West Lafayette	Total	Percent
I. Funds Available			
A. Student Fees	$ 546,357,910	$ 675,035,655	60.0%
B. State Appropriations			
Operating	241,119,044	317,985,979	28.2%
Debt Service	27,614,524	35,086,990	3.1%
C. Facilities and Admin Recovery	56,700,000	57,220,000	5.1%
D. Interest Income	16,500,000	19,025,000	1.7%
E. Other Income	19,086,705	21,887,387	1.9%
Total Funds Available	**$ 907,378,183**	**$ 1,126,241,011**	**100.0%**
II. Expenditures			
A. Salary and Wages	$ 433,511,091	$ 541,175,411	48.1%
B. Supplies and Expense	128,475,210	165,849,118	14.7%
C. Unavoidables			
Staff Benefits	165,653,237	209,623,727	18.6%
Fuel, Utilities, and Other Mandatory Costs	59,257,320	68,401,447	6.1%
Carry Forward for Future Budget Commitm	7,812,487	12,870,866	1.1%
D. Debt Service	27,614,524	35,086,990	3.1%
E. Fee Remissions	45,976,661	52,756,199	4.7%
F. Scholarships and Grants	39,077,653	40,477,253	3.6%
Total Expenditures	**$ 907,378,183**	**$ 1,126,241,011**	**100.0%**

Purdue – Appropriation History

Year	West Lafayette $	West Lafayette % Change
2004-05	240,172,228	3.1%
2005-06	239,076,505	-0.5%
2006-07	241,258,923	0.9%
2007-08	249,929,962	3.6%
2008-09	262,033,737	4.8%
2009-10	248,053,173	-5.3%
2010-11	241,119,044	-2.8%
Growth since 2004-05		0.4%
Compounded Growth Rate		0.1%

Other Universities – Addressing the Crisis

- **Compensation and Benefits**
  - University of Michigan – Committee on Sustainable Health Benefits
  - Ohio State - Your Plan for Health, sponsored by the Human Resources and the Medical Center (improving employee health as a way of reducing costs)
  - Georgia Tech – Tobacco Surcharge and new plan with more restrictive network in terms of the number of providers
- **Energy Conservation**
  - University of Iowa – Energy Conservation Investments and UI Energy Plan
  - University of Wisconsin – We Conserve campus-wide program
  - University of North Carolina – Campus Energy Reduction and Implementation goals
- **Information Technology**
  - University of Michigan – NextGen Administrative and Academic Unit IT Assessment Project
  - University of Minnesota – Data Center Modernization Program
  - UC Berkeley – Operational Excellence IT Design Team

Other Universities – Addressing the Crisis

- **Strategic Sourcing**
  - UC Berkeley - Procurement Initiative Team
  - Boston University – Commodity-Centric Sourcing/Procurement Commodity Councils
  - University of Minnesota – Strategic Sourcing Program/Strategic Procurement Advisory Committee
  - Ohio State – Strategic Purchasing partnership with Inter-University Council Purchasing Group and State of Ohio
- **Administrative and Academic Reviews**
  - Indiana University - Regional Campus Expenditure Review Committee
  - University of Illinois - Administrative Review & Restructuring Shared Services (ARR)
  - Penn State - Academic Program and Administrative Services Review Core Council
  - Michigan State - Academic Program Review
  - Cornell - Reducing management "spans and layers." (A span is the number of people a manager supervises; a layer is the number of layers between the president and a division's lowest-ranking employee.)

Purdue – Actions to Date – FY 2010

- 2010 Expenditure Reduction Plan
  - Budget Reductions 2% ($9.8M)
  - 0% Merit Increase Policy
  - 0% Supply and Expense Increase
- Sustaining New Synergies Task Force Review
- Governor's Challenge – WL ($35.8M)
  - Hiring Curtailment ($7.5M)
  - Repair and Rehabilitation ($19.3M)
  - Energy Conservation ($4.0M)
  - Information Technology ($5.0M)

Budget Assumptions – FY 2011

- FY 2011 Budget Assumptions – Anticipated December 2009
  - Flat Appropriation
  - 3% Salary increase
  - 1% supplies and expense
  - Mandatory cost increases
  - Maintain
    - Student Success Initiatives
    - Instruction
    - Scholarships/Financial Aid

- Official Guidance from the State – July 2010
  - Prescriptive and Formulaic
  - Legislative Request – Incremental Change

    Maintenance (Inflation) = $0

    Quality (Improvements) = $0

Purdue – Deficit Reduction Plan - Summary

Deficit Reduction Plan Summary		
Total Recurring Budget Plan Deficit (assumptions)		(67,400,000)
Plan Changes and Reductions		
Total Recurring Salary Policy Change	26,280,000	
1.5% Salary Increases versus 3.0% for FY 2011, FY 2012 and FY 2013		
Total Revenue and Central Expense Reductions	21,120,000	
$8M New Revenue, $13.1M Reduced Expense (Medical Cost, Energy, SP Allocations)		
Total Unit Expenses Reductions	20,000,000	
Unit Budget Reductions of 2% FY 2012 and 2% FY 2013 ($10M IT, $2.9M Strategic Sourcing, $.5M Overtime, $6.6M Unallocated Balance - Early Retirement Contribution ?)		
Total Reductions		67,400,000
	Remaining Deficit	-

Agenda

- Indiana State Budget
- Purdue Budget Action
- **Current Issues**
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Current Issues – Research Support

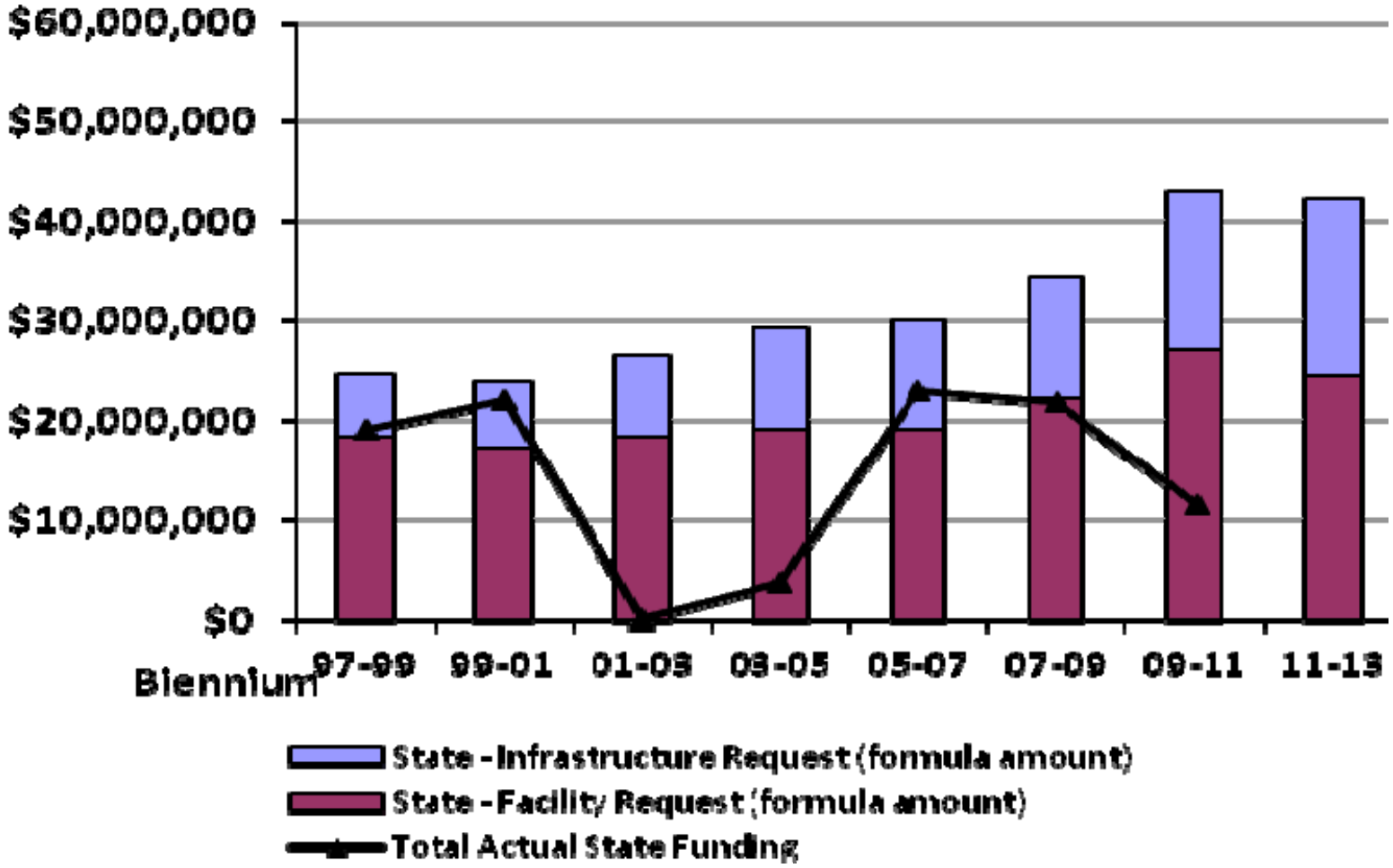
- Research Support Adjustment
  - System-wide request (2011-2013): $11,136,221
  - Calculated as incremental growth in research over a four-year period

- Recent history:

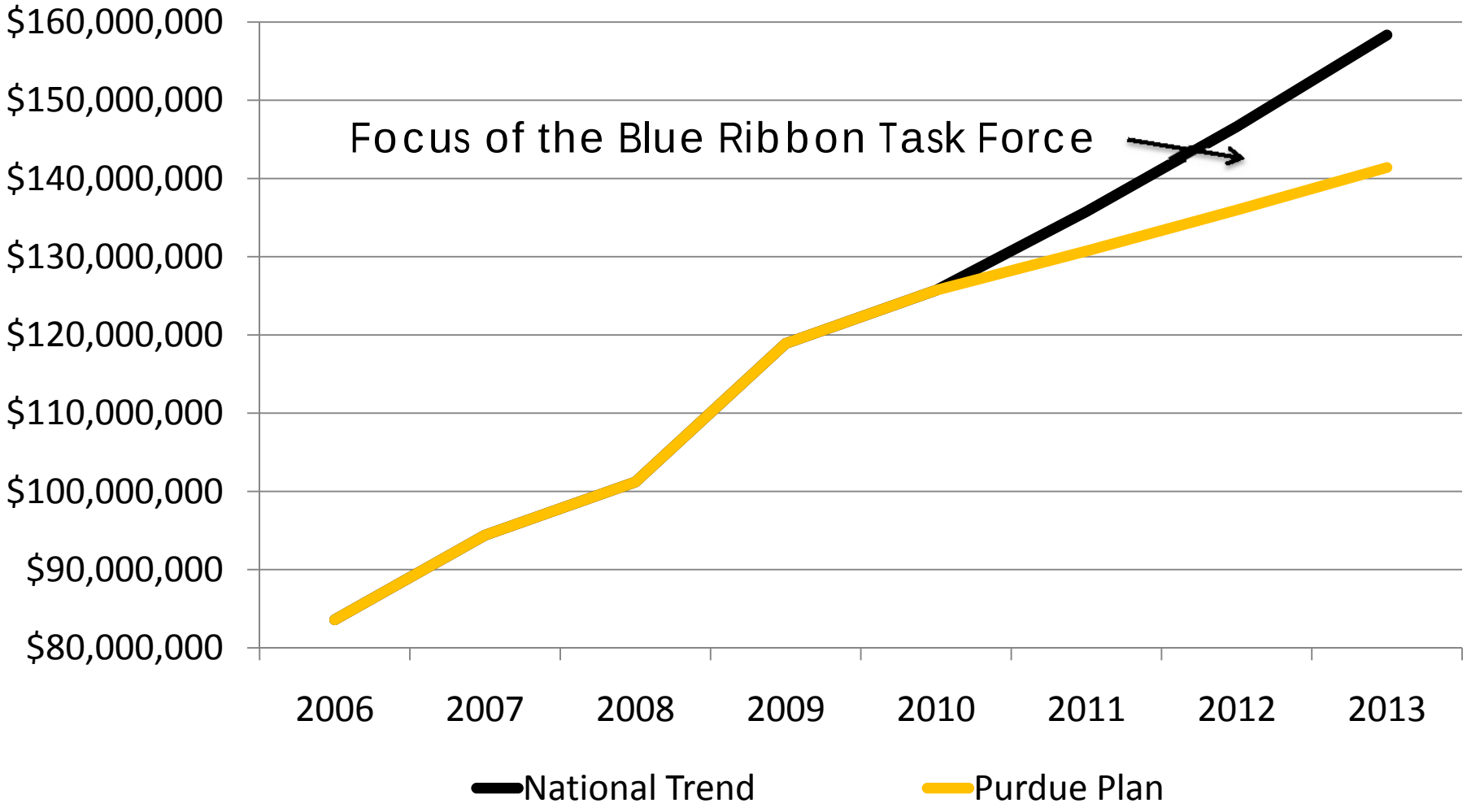
Incremental Amounts Funded per Biennium

	2003-2005	2005-2007	2007-2009	2009-2011
WL	$5,215,016	$10,787,744	$10,490,324	$0

Current Issues – R&R Support



Current Issues – Health Care Costs



Current Issue – State Structural Deficit

Structural Deficit in Anticipation of the 2012-2013 Budget (Table 6)		
Revenue Base	$	13,282.90
Expenditure Base		14,586.60
Structural Deficit	**$**	**(1,303.70)**

Table 6. Source: State Budget Agency, IFPI Calculations

- What is the size of the deficit?
- How will it impact Purdue?

Agenda

- Indiana State Budget
- Purdue Budget Action
- Current Issues
- **SNS Recommended Plan**
- Summary

SNS Recommended Plan

1. **SNS implementation and initiative oversight** – Establish a governance and oversight structure to ensure project deliverables and financial targets are achieved.

2. **An institution-wide focus on continuous improvement** – Implement a framework for the ongoing evaluation and assessment of ideas. (Administrative and Academic Program review)

3. **Structure for new initiatives** – Implement a framework for consistent, fact-based methodology, change management, transparency, and clear and frequent communication for new initiatives.

4. **Organizational Changes –** Institutionalize the governance for Strategic Sourcing and Information Technology to transform the organization and achieve the vision.

Agenda

- Indiana State Budget
- Purdue Budget Action
- Current Issues
- SNS Recommended Plan
- **Summary**

Summary

- Indiana State budget deficit persists
- Uncertain consequences to Purdue appropriations
- Progress made toward achieving ICHE guidance
- Much work left to do
- Efforts to reduce cost and increase revenue must continue
- Response to SNS proposed plan anticipated by mid-December

PURDUE UNIVERSITY

Questions?

Early Retirement Incentive Update

PARTICIPATION

	WL	Calumet	IPFW	PNC	All Campuses	Total Eligible	% Participation
Faculty	65	9	9	6	89	603	14.8%
Admin/Prof.	112	7	3	1	123	405	30.4%
Op/Tech *	34	4	0	0	38	96	39.6%
Non-Tenure Track	6	0	0	0	6	40	15.0%
Clerical/Service	222	6	17	7	252	500	50.4%
Total	**439**	**26**	**29**	**14**	**508**	**1,644**	**30.9%**

** high level non-exempt*

Memorial Resolution
for
John M. Houkes
Professor Emeritus of Library Science
1922 – 2006

John M. Houkes, Professor Emeritus of Library Science, passed away December 10, 2006, in Naples, Florida where he and his wife Maxence had lived in retirement since 1982. He was born on July 7, 1922 in the Netherlands. He received his B.A. in Philosophy in 1943 and his License in Philosophy in 1947, both from Grand Seminaire in Paris France. In 1961 he was granted an M.A. in Library Science from Indiana University.

Prior to accepting a position at Purdue University, Professor Houkes was a representative and manager of the freight department for the Dutch steamship line, Ruys & Company, in Paris France from 1954 to 1959 and export manager of the French company, Compagnie Meissonier, in Paris France from 1948 to 1954. In 1959 after immigrating to Indiana, Professor Houkes was appointed an assistant to the order librarian at Purdue University Libraries where he used his language skills to assist in the acquisition of foreign materials. In 1961 he was promoted to the position of Assistant Order Librarian with the rank of Instructor, a position he held until 1963 when he became the first Management & Economics Librarian at Purdue University. He retired from this position in 1982.

During his career, Professor Houkes focused first on the design and building of the Management & Economics Library space that opened in 1965 and on building a research level collection in management, economics and agricultural economics. To this end in 1962 he recommended purchase of a collection of company annual reports, journals, and books from Roswell & Company (formerly Pomery & Company), a private investment company. The Roswell purchase contained over seventeen tons of documents in fifty filing cabinets, including 850 corporate annual reports covering twenty-five years. With this collection as a base, Professor Houkes continued through his career to acquire and build a strong collection in support of the Krannert Graduate School's curriculum and research.

In 1964 Professor Houkes evaluated a collection of historic economics books and documents discovered by Nathan Rosenberg in London. Based on his recommendation, the Krannert Library acquired for £10,000, or $28,000, a monumental collection of over 3,000 historic economic works including Purdue's copy of the first edition of Adam Smith's *Wealth of Nations*. This collection formed the nucleus of the Krannert Special Collection which is currently housed in the Libraries' Archives & Special Collections Library. For the next twenty years Houkes groomed and developed the collection, traveling to Europe in 1965, 1969, and again in 1975 to comb through bookstores looking for more works and purchasing over 1,000 volumes. Over the next fourteen years, Professor Houkes, with the help of Ljudmila T. Mursec, prepared the book catalog of the collection*, A Catalogue of Rare Books, Pamphlets and Journals on Business & Economics in the Krannert Special Collection, 1500-1870.* The book catalog is the major finding aid to the collection. In 1982 he was awarded the first John H. Moriatry Award for Excellence in Library Science in recognition of his contribution to this collection. Using the Krannert Special Collection for his own research he compiled *An Annotated Bibliography of the History of Usury and Interest from the Earliest Times through the Eighteenth Century*, which was published by The Edwin Mellen Press in 2004.

Professor Houkes was active in the Indiana Library Association and the Special Libraries Association (SLA). He was member and chairman of the Committee of University Industrial Relations Librarians. He compiled the *Industrial Relations Theses and Dissertations, 1949-*

1969, Accepted at 57 Universities: A Cumulative Bibliography and was published by the Committee in 1972. He co-chaired a symposium on Management Information Systems and the Information Specialist held at Krannert in 1965 and edited their symposium proceedings *Management Information Systems and the Information Specialist*. He was a founding member of the Committee of University Business Librarians established in 1966. This group is now called Academic Business Library Directors.

John and Maxence Houkes had no children; he is survived by several nieces and nephews. Late in his life John Houkes wrote a biography of his wife entitled *Maxence: a Portrait of a Generous Life* (Sedona, AZ: The Memory Works Publishing Co., 2002).
Judith M. Nixon
David Hovde