Speaker Steven Beer: “I would like to remind the members of the body that you should turn off or silence your cell phone and there will be no recording either audio or visual of the proceedings. We have one Good and Welfare speaker. I’m told that he will require only a couple of minutes. Therefore the balance will be available for Professor Peter Stein who may require more than the ten minutes that the agenda provides for him.

“At this point I doubt that we have a quorum, but in any case I think we can proceed with remarks from Interim Provost David Harris, who is also prepared to answer questions.

1. REMARKS BY AND QUESTIONS FOR INTERIM PROVOST DAVID HARRIS

Interim Provost David Harris: “Welcome. What I want to do today is I want to deviate from the notion of a report from the provost and what I want to do is really have a discussion with the provost (you and me, not me and me) about an issue that I think is one of the critical issues facing Cornell University right now – an issue that I don’t know what the answer is. I’m not standing and saying this is what we’re doing for sure. I’m going to tell you, here is something really important and I’m going to tell you that we’re interested in your thoughts about how best to solve it. As Bill and I talked about, this is something where I think there is an opportunity to imagine some sustained conversations between some subcommittee of this body and the provost’s office and admissions. There are handouts on the table that you should have picked up. I’ll tell you what they are quickly. What you have in your hand is the 1998 policy passed by the Board on need-blind admission and need-based financial. You also have in front of you, a chart that compares financial aid policies at the Ivy League schools. That’s all public information and it’s on the website. We actually just went through and pulled it all off and you can see all the figures when you go to the websites.

“Overview. First, Cornell has a commitment to need-blind admission and need-based aid. We’ve had that commitment for decades. That’s the statement you have in front of you. Please take a moment to read it when you get a chance. It basically says, and this is really important, important to what Cornell is – it says that when we admit students to the university, we’re not thinking about whether they can afford it or not. We’re first going to see whose done the work, them, their parents, their community and so forth to be able to succeed at Cornell and then we’re going to take the second step with their financial aid incentive. How much need do they have and let’s figure out with these various pools out there and how we can meet their need.

“Point two: Cornell is committed to recruiting students from priority groups. Another way of saying this is that Cornell has a commitment to having a diverse class where diverse is broadly defined. We don’t just pick students and line them up purely on academic horsepower, if you will, and say let’s admit them. We say there are other things that matter. We want to have diversity by class, sometimes by economic status. Some of you say that race and ethnicity matter. Some say athletics matter. There are others who think club activities. There is
geographic diversity with New York State residency being important issue. There is a bunch of things that matter.

“Third point. We know that our peers have radically redefined financial aid, financial need and self help loans. That’s what you have in front of you. What you can see in these charts is something you would not have seen five years ago. You can see that schools have said, ‘Well the self help level, schools have done thing to rapidly reduce their self help, that’s the part that students pay through loans and work-study. You will also see that many schools have gone to no loan for students. You would further find that schools have done things with parent contribution not staying with the 568 agreement we used to have that said we would all use basically the same method for determining how much a family would pay, but now they have radically deviated from that. Harvard, for example said that 10% of $200,000 family income, $20,000. That’s all they’d say. The old model would have been different.”

Unidentified: “Is that the maximum self help per year?”

Provost Harris: “Yes it is. So it’s possible to graduate with loans in excess of $40K at Cornell.

“And last, and this is an issue we’re grappling with. We’re truly grappling and I don’t know how many conversations today and through this week and will be the rest of the week; but, how to reconcile these things. How to remain true to our historical, traditional position on need-blind admission, particularly need-based aid, and how to continue to think about shaping that class; to think about a level of diversity in the class on so many dimensions; and how to think about doing this in a context in which our peers have radically changed the rules of the game. You want to see part of why this is so difficult for Cornell - I’ll refer to this slide. It was just this week - I thought ok, this is the way you tell the story. What you have here is Pell Grants. To start with the Pell Grant, just in general is a deviation, but think about families under about $45-50K a year being eligible for those Pell Grants. The Pell Grants provides almost $5K a year. What you have here along the X-axis is Cornell’s peer group broadly defined, so you have your Ivy’s but you also have your Northwestern and Michigan. In parenthesis you have the number of Pell Grant recipients in each school and what this is telling you is that each of these schools said, we have got to do something about financial aid. They said, we ought to increase grant aid, our support, our dollars to kids who have Pell grants, on the order of $5K a kid and this is an easy way to start thinking about increasing it. This is how much it would cost the school. You see it would cost Michigan over $15M; Cornell is here around $9M and look at some of your other schools: Yale – under $2M, Harvard is about $4M. Because we’re so large and we have so many poor kids, our percentage is higher but then our base is so much larger. Doing anything at Cornell costs a lot more than other schools and that’s a big part of our count – just more expensive. We’re victims, if you will, by the fact that we’ve been economically diverse much more so than some of our peers and we’re larger. So that’s what we’re grappling with. Yes?”

Professor Peter Stein, Physics: “What is the number in the parentheses?”

Provost Harris: “I’m sorry, this number is the number of Pell Grant recipients. We have 1,834 at Cornell University. We take the number and multiply that by 5,000 and you get that. Other questions? So, hopefully it’s clear what challenges we’re having at Cornell.
“What have we done? Last January, we added some new financial aid measures. We said that we’re going to reduce student loan to zero if the family income is under $60K. We said that we were going to increase that threshold for need-based loans to $75K starting next fall. We said we were going to cap need-based student loans to $3K if your family comes between $60K and $120K. We’re excited about that. I’ve just literally a couple of hours ago seen the first numbers of how many students are benefiting from this and there is a huge increase, more than double the number of students at Cornell who have no student loan. This number of students far more than doubled actually. The number of students who have loans under $3K is also more than doubled so we feel pretty good about that. We feel good that we were able to do it. It’s a big stretch financially for Cornell. But at that time, in the end, Biddy, Carolyn and me said we feel great and we also feel concerned because we know we’re not doing enough. We know we need to do something about parent contribution, which we didn’t touch. We know that over $120K there is this cliff where you have that standard loan of $10,900. We knew we needed to do more, but we just couldn’t afford to at that time.

What Biddy did was say, OK since we’re feeling good but we know we need to do more, let’s look at this more in depth, let’s try to understand what our own priorities are at Cornell, what are the groups that matter to us, if you will. Among the potential students who come here - what do we actually do from the very first stage of getting those kids interested in Cornell, getting them to apply to Cornell, getting them to finish their application to Cornell, admitting them, reviewing their application, financial aid and getting them to actually come in the fall. The motivations, I’ve said some of them already, parent contributions and standard student loan levels, we thought they were too high and we knew they were much higher than our competitors – the Ivy plus competitors.

Second – we had a declining number of black students last year. This year the black student class is a little under 140. Last year it was closer to 190 and that was a one year drop. There was also a drop from the previous year. So this is our lowest number of black students, I’ve heard, in twenty years perhaps, a long time. And we think some of this could well be due to financial aid. The fact is that our peers only have to pick up a few kids, but if they all do that contributes to our drop.

“Third, we have seen the number of program recipients declining over time. It hasn’t been huge increases every year and some of it is definitional differences but there is a decline in the number of Pell grants students at Cornell.

“Last – Challenges in athletics recruiting. I mentioned this last time I was here. That athletics, since they are getting beat up by basically Harvard, Yale and Princeton in particular, but other schools as well. We just can’t compete with the financial packages the schools are offering these kids. It’s not like the old days when there was colluding. It used to be we were basically offering comparable packages to kids and decisions were made based on how they felt about the coach, how they felt about the school and a range of other issues. Many kids today can’t choose that way today because the packages aren’t the same.
“As I’ll say later, but I’ll say it first now, there’s a concern about this being the canary in the coal mine. Things we are hearing from athletics now are likely the same kinds of things that other students will be facing as they go through the processes. We have defined the highest university priorities as four groups and this is actually based on the way things had been defined at Cornell, as well as our agreeing with it.

“We have identified high academic ability kids, underrepresented minorities, low socio-economic status students, and recruited athletes as being our four highest university priority groups. There are other groups too. I’m going to talk about these four today.

“The first thing we did was to say, if these are our four highest priority groups, what do we do for these students and are we doing the same things across the groups and the answer is no, we’re not. In fact, we’re doing a lot more for some of these groups than we’re doing for others – despite the fact that they are all supposed to be high priority groups. One example – early credential review is something we use for athletes. We are not the only ones, other Ivy school do it as well. Athletic recruits can get an early read from admissions and financial aid. They don’t get admitted but they get an early read to give them some sense of their probabilities. That’s something that’s very helpful for certain athletes who maybe thought I can’t afford Cornell and I don’t know if I can get in. It’s an indication that you’re encouraged. It’s something to think about. For some other groups that doesn’t happen.

“We looked internally. Then we looked externally. We saw that we are already falling re falling behind many of our peers and the challenge has been trying to balance these two concerns. One of the things I talk about a lot is, if you have two roommates who are comparable in terms of financial resources, they should have comparable packages, at least comparable parent contributions. Athletics will push their students and will say that’s all fine and good but we’re not trying to recruit this roommate over that roommate. We’re trying to recruit this kid and Yale is also trying to recruit this kid to play football. We need to be able to compete.”

Professor Greg Poe, Applied Economics & Management: Your two roommates or three roommates situation – what happens if they attend different units at Cornell and they have different costs?

Provost Harris: “What we do to figure this out is - the way financial aid works- is we start with the cost of attendance. We say, how much can this parent pay and we use what’s called the 568 Agreement. It used to be all Ivy were in and they’ve been falling out. Harvard, Yale, Princeton and others, do things to deviate from the 568 formula for figuring out how much parents are supposed to pay for their kid to go to college. The formula is based on formulas for home equity, a whole bunch of things factored in, how many kids in college and so forth. After that, then you say, they can pay whatever it is, but it’s also the cost of attendance. If it’s lower, you say, well great, no need. If it’s higher then you say, how are we going to make up the difference? As so we start with work-study and you have student loans, you have student contributions from summer work and the last dollar in is grant aid, Cornell money will come in. That’s how it works.
“We have proposed a number of changes and this is a funny story. Biddy asked me to write the plan and to chair the committee. When it was done, I thought this is pretty complicated. I’m glad I get to give it to Biddy to make the decisions and then she left! So here I am and the things I was proposing as really great idea I now think this is a challenge. The standard financial aid package and all of this would be easy of course if we had infinite resources. Obviously, with no budget constraint this would be easy.

“Standard financial aid packages. I mentioned before there is a cliff at $120,000 of family income. So you go from $3K annual loan cap, no more than $3K, to a loan potentially of $10,900, so there is a huge cliff there. The concern is that there is what is called need-based loans out there so things like Perkins and Stafford, you can only add those things up to $7,500 for freshmen. What actually happens is the loans in the freshman standard packages are about $3K higher than what they can get from need-based loans.

“Now what is special about need-based loans? They have favorable terms and rates and when the interest starts accruing. So what happens when you end up with private loans. Private loans mean you go out to a bank with someone else who can vouch for you with collateral and so forth and you have to get a loan from that bank so that’s what students are having to do in order to meet their financial aid in freshman year, in standard packages.

“We think that’s not right. It’s not consistent with this implicit agreement we made which is, you worked hard to get here; we’ll review you and if we accept you, we’ll make it possible for you to come. We’re not going to package with these loans where interest rates are higher and starting to accrue immediately – that’s not consistent with it, we don’t believe, so we recommending capping student loans $7,500 for kids under $120K.

“Second – cost of attendance. All this rests, in many cases, as I said to Greg on how much it costs to attend Cornell. We wrestle with how much it costs to go to Cornell. The cost of attendance assumption is not in the financial aid formula. The concern is that we don’t go back every year and consider what goes into that market basket and say, well, here are some of the things you have to buy, price them up. Instead what happens is we say, well, here’s what it was, let’s look at what happens with tuition and increase for inflation and so forth. But there are other concerns. I’ll give you two examples. One – there are things now you now consider a necessity for college that weren’t in there before and one example that many think is, is a laptop. You might say well, you go to college these days, having a laptop isn’t a pure option it’s something that’s quite critical – group projects, taking notes, doing various things, you need a computer or some kind of laptop. Maybe that should be in the cost of attendance. It’s debatable but that’s the kinds of need that happen.

“The other thing we think about is, what are those factors that are those middle class assumptions about financial aid. About paying for college, for example you come from Arizona you need a winter coat. Where does that come from? Well Mom and Dad, and the LLBean catalog. But what if you’re poor? Where does that money come from? It’s nowhere in our student aid formula. Uncle dies and you have to fly back to LA to the funeral. Where is that? It’s not in here. So there are questions about the cost of attendance. We want that reviewed on a biannual basis by the Director of Admissions/Financial Aid.
“In terms of highest priorities. There are college priorities out there and I didn’t mean to skip over that. Each college can identify 2% of its enrollment as college priorities. Those kids, if there is financial need, will end up with less loan and more grant aid than they’d otherwise have. They would have more attractive packages. But colleges vary tremendously in how they identify need and so one of the things we’re doing is that we’re encouraging colleges to think about academic ability as important factors when they’re thinking about college priorities. We want to provide all college priority admits resources if needed for one campus visit. We hear that it seems to be a big factor whether kids come. I think there’s some positive activity there, but I still this it’s problematic.

“Underrepresented Minorities (URM) -- The overall approach here is that everything we do around underrepresented minorities we should think of them as students first, URMs second. We’re very concerned about the number of URMs. But I fear that we can turn off some kids off who may be thinking, “I want to come to Cornell because I love English; I want to be an English major” and if they feel that they’re not having those avenues open to them and they’re getting channeled more as a URM. We need worry about that kind of negative impact on our ability to recruit and so we want to think about a range of things that people see and feel.

“Advocates are the second one. Athletes actually have a huge advantage over just about every other kid who is coming to Cornell. Legacies are in that range perhaps. They have advocates. They have individuals who identify them, who meet with them often in their homes, who call them frequently, email them and so forth, tell them about Cornell to help them understand that it’s someplace that they can afford, some place that they can get in, someplace they’d be happy. That’s very different from other students. URMs for instance, tend not to have that, since that’s a group that’s disproportionately first generation. There’s all sorts of things that Doris Davis, head of Admission and Financial Aid, tells me she’s hears in her conversations with parents and with kids some of it has been really bad advise. They think they can’t afford it. There’s one story that says if you don’t go after financial aid, they’ll give you some default financial aid and default financial aid is better than what you would have gotten otherwise. There’s a whole lot of things out there that if there was somebody, an advocate, they could dispel these myths and give folks good information. So we’re talking about ways to provide this information and to get closer to URMs and other students who need help. Campus visits I mention again and we have already started to talk about this and how we can make that work better.

“Recruited athletes. Here the big challenge I mentioned already is, and this is a really important point, it’s not that Cornell does less for athletes than we did three years ago. That’s not what’s happening. It’s not why we’re less competitive. We’re less competitive because there has been a relative change in what we do for athletes – not an absolute change what we do for athletes. Harvard, Yale and Princeton and in particular Harvard, has gone way beyond in what it they can offer kids in terms of parent contributions and in terms of loans in terms of how much summer savings is expected – a whole range of things. There are a number of our peer institutions who are matching Harvard, Yale and Princeton on these terms in ways that are hard to reconcile with Ivy League rules in many cases.”
Professor Abigail Cohn, Linguistics and At-Large Member: “Isn’t that in direct violation of, unlike financial aid agreements where they can opt out, isn’t this in direct violation of what it means to be part of the Ivy League?”

Provost Harris: “For Harvard, Yale and Princeton, clearly no. They can do it. The reason they get away with it is that they are not doing anything special for athletes. They have so much money and are doing it for everybody. They’re not doing anything special athletes. The question is how…”

Professor Cohn: Is it just that the relative number of other students that they are doing it for is relatively smaller than the number of students than we would have to ”

Provost Harris: “Well, it’s two things. One they have fewer kids they’re covering, for example. There aren’t as many enrollments, not as many raw dollars. They also have tons of more money that we do and they can afford to do things we only dream of. We can’t imagine actually pulling off. For some other schools it’s hard to understand how they are doing this and being able to provide the same budget relief, if you will, to other kids.”

Professor Howard Howland, Neurobiology & Behavior: “Could I ask you about the relative amounts that are going to the various groups. Are we paying about the same for the athletes as we are for other students?”

Provost Harris: “It’s important to realize that everything I am talking about that Cornell does is all about loans vs. grant aid. There is nothing that we’re doing that affects the parent contribution. I’ll use Greg Poe as an example. We start by saying Poe can pay this much and that’s it. From now on we say well if he is in one of the priority groups we might give them less loan and more grant aid. It’s on the order of magnitude of dropping that student loan from somewhere around $10,900 to somewhere around $5K.”

Professor Howland: “I mean are we spending most of our money on athletes or underrepresented minorities? What is going on?”

Provost Harris: “We are not spending most of our budget on underrepresented minorities. You’d be surprised; maybe you wouldn’t – this is a harder question to answer than you might expect. I was surprised this last June when I started working with Admissions and Financial Aid because they code the data such that a black, poor, athlete won’t show up in all those categories. The categories are mutually exclusive so they’ll code him maybe as an athlete and then he gets dropped out and from then on he’ll only show up as an athlete. URM if you were not an athlete so our financial aid data makes it very hard for me to answer the question you ask, which I have tried to get answers. Other questions?”

Associate Professor Shawkat Toorawa, Near Eastern Studies: “What are considered underrepresented minorities? What is the definition? When I read applications, I find it troubling when some of them apply… so if you were born in Nigeria to the Vice President and his wife you can designate yourself as an African American and qualify for all kinds of designations that we do not intend?”
Provost Harris: “This is what I used to do prior to doing the provost thing - trying to address these things around race classifications, census and so forth. The answer is in this country, the way we do things is through self-identification, not observer identification. If I want to identify myself as Asian when I apply for a job, I can do that by law. There is nothing wrong with me doing self-identification. That’s what happens when you apply to Cornell. It’s self-identity. The groups that we think of as URMs are Black, Latino, American Indians, that’s your group.

Professor Toorawa: “Is this just for US Citizens?”

Provost Harris: Yes, everything I’ve talked about in aid is US citizens. We have very few dollars available for international financial aid and the international financial aid dollars that we do have are overwhelmingly for Canada and Mexico, with most of it for Canada.”

Professor Ronald Ehrenberg: “I think the categories are very different. Athletes are very different than the other categories. So, the quality of athletics is a concern. I presume that we’re losing all the time on the athletic side. That information is being published and I think it would be very interesting to have some historical figures, to have the staff go back and look at statistics.”

Provost Harris: “Exactly, I have done two things in the last couple of weeks trying to get data. One is to ask Athletics… tell them I don’t just want to know about the kids that they feel they’re losing compared to Harvard or Yale or whoever gets them. I actually want to see full population. I want to see the information on every kid who has been recruited. I want to know whom we’re competing with. I want to know when we did we win and when did we lose so that I can go back and look at that question for the current year and see how big of a deal this is. That data won’t be available for a week or two because the six week data is just coming in as of this past Friday, Doris Davis or someone from Day Hall is going out and trying to get the information. There was a guy who used to be here in Carolyn’s operation who was an expert – I can’t remember his name now. We can send him unique identifiers on every kid whom we’ve accepted at Cornell and didn’t come and then he can tell us if those kids ended up at one of the very many schools where he has data. I want to know – the kids that didn’t come last year which is the first year we saw this explosion of financial aid packages – I want to know where they went. Who did we lose them to? Those two things will partly address the concern. This is a big deal – if it were just Harvard, Princeton and Yale, I would have one level of concern. It’s that you’re seeing other schools which have better programs than we do (Columbia, Penn etc.) And you are seeing them match Harvard, Princeton and Yale in a lot of the cases. Is the sky falling? No, but it is something to be concerned about.”

Unidentified: “Concerning the international students – U.S. citizens and green card holders (permanent residents.)”

Provost Harris: “Yes, this is something we grapple with. There is this question, why is it that we should restrict that to US citizens? How much of our financial aid should go to international students and on what basis? How do you make those kinds of decisions? Those are the kinds of things we continue to grapple with. Should we have a admission policy that says international
are great as long as they are wealthy because those are the students who can afford to come? What should we be doing about the poorer students who are qualified but can’t afford it. Those are some of the many issues here.”

“Recruited athletes – as I’ve already said the issue here is parental contribution which makes it harder. In the past financial aid was more on loans instead of parental contribution and this is difficult. I don’t have an answer for what we’re going to do. We talk about it everyday and evenings and then some, it seems.”

Socio-economic status – here we are starting to target high performing high school students from low-income neighborhoods and use things like census data and college board data to identify these kids, and talking about how to effectively packaging those kids. You figure out using standard formulas – this family whose income is $50K a year, they can pay $5K or $7K a year and say actually we’re going to reduce that by $2K or so in part because I feel strong and some others do, there is nonlinearities in these formulas. At the very low end, there are things that aren’t in the cost of attendance that we talked about that actually have more need than you think they did. There are more things going on that probably would not be quite as good at the very low end of the distribution.

“Last thing - health insurance. This is not a trivial matter here at Cornell. This should be in the financial need analysis. The last slide is marketing. The greatest policy in the world is of no use if no one knows about our policy. Has anybody been to our Admissions and Financial Aid websites lately? They’re not so good. They look like they’ve been around for quite a while and so we have to improve those at a minimum. We may not have policies that are as good as some places, but we have to at least sell ourselves as best we possibility can. We can create recruitment materials. Some of that can talk about financial aid. Instead of saying, tuition is $37K we should really say up front, X percent of kids get financial aid for many kids the cost is so important and so on. We can do a better job on that. We need to communicate better. I don’t think a lot of people even know the changes we made in January.

“Lastly, we have to have financial aid policies that are easy to understand. So, I’ll stop there and leave you with this challenge – need-based financial aid is critical. We’re trying to figure out what shape the class of priorities groups. We face incredible competition from peers – a range of sets, not a narrow set and lastly how to do this and stay within budget.”

Speaker Beer: “Let me remind members of the body during discussions if you would kindly identify yourself and your department or administrative unit and please speak loudly. I would ask Provost Harris if the questions seem to be voiced in a low voice please repeat it for us.”

Associate Professor Risa Lieberwitz, ILR and Senator-At-Large: “You had the working group up there and I wanted to ask you about the working group that has been involved with this. Have you been consulting with faculty senate committees on this? For example, the financial policies committee? And if you have, how? If you haven’t, then why not? A And more importantly perhaps, is what can be done?”
Provost Harris: “When this was all done back in January when we first started, I think Carolyn did talk to Financial Aid Policies Committee.”

Acting Associate Dean Charles Walcott: “Yes, she did.”

Provost Harris: “I thought that happened. Thanks. So there was some involvement there. This working group really operated between say April/May and finished work the first two weeks of June. I had conversations with Charlie a little bit, here and there about some of these issues – and Bill. Bill and I talked and part of his vision for what’s going to happen with the senate is to have involvement before decisions are made. Things that are of some matter, some consequence. I think this is certainly in that category. I’m here today in part to find some people out there who say, “this is a really important issue and I’d love to know more and see how I can help. There used to be faculty senate committee on admissions and financial aid and it hasn’t been in operational for some period of time. Bill and I talked about putting that back together. I talked with Doris about putting the committee back together having them get together to address questions such as this.”

Professor Lieberwitz: “I wanted to say that I really think that’s important because it is great to have the information when you’re here but obviously very difficult as a whole body to have a full discussion.”

Provost Harris: “Yes, it’s taken me a year to figure out the rules of financial aid. It’s very complicated.”

Professor Cohn: “The thing that I’ve been hearing from students directly about is what happens to the group that was initially over $60Ks then over $120K family incomes and I’ve seen a lot of really excellent students in recent years who really are middle class who are not getting financial aid who are really struggling. I have an outstanding student who has decided to graduate in three years because her family literally cannot afford it. I understand that all these things need to be addressed but I think that’s also a pretty critical group, these are some of our bread and butter students. These are our top academic achievers who don’t fall into any of these special pots. The thing that’s really worrisome is not only are they being penalized financially, psychologically they feel penalized as well.”

Provost Harris: “You’re talking about kids who are over limit, no longer $60K and loan cap of $3K but over $120,000. This is the cliff issue and that’s a group we knew, we knew needed to be worked on – that was one of the things we talked about and I think this is a huge problem in part because as I said earlier I believe that there is this compact, this agreement, which is really, if you work really hard to get to a place like Cornell, we will give your application a fair review and if we admit you, we will make it possible for you to come here. I don’t think a $10,900 loan the first year is consistent with that and it goes up in future years. I think it’s too high. There are two things that are absolutely necessary. One is addressing this by bring it down at least to the level where you can get need based loan for $7,500 year, $3K a year per kid we have to drop that. The second one is to do something about the parent contribution at the low end. If you look at the families with an income under $60K a year at Cornell and there are some under some $60K but they’re much richer than that, but family income under $60K, I just got this number
today, 40% of those families have zero parent contribution. The median parent contribution for those who don’t have zero is $6K/year. That’s a lot when you only make $60K so I would like to find some way to reduce PC. This clearly is an issue. Trust me you’ll hear more about this cliff issue.”

Professor Stein: “Unfortunately I never got past the second slide. It was about the Pell Grants. I was just sitting here musing about the low income students because if you win that race, it’s a disaster because we can’t pay for it and it looked to me like we were winning that race in spades that our numbers are way up there. Why are winning that if in fact the others – what is it that we are doing that gives us that large number of Pell Grants?”

Provost Harris: “There is a slight increase in our number since 1988. Our percentage, I didn’t show you our percentage, is higher this year, but not that much higher. It’s because we have such a large base that’s why we have so many students. Someone asked at one point is the goal here to dramatically increase the number of poor students at Cornell. No, that’s not the goal. The goal is to try to keep roughly where we are, to not lose ground and this is one indicator but there is other data you can see as well. If you look at the family income, I’ve seen some histograms of family income over time, and you can see us slipping in terms of this and so that’s what we’re trying to do. Part of why you see this is because we have a pretty good deal state side for NY residents, so historically that’s been a much better deal than going to Penn, Columbia, etc.”

Professor Ehrenberg: “I just want to respond to Peter’s question: our share of Pell grant recipients is roughly the same in the endowed as the statutory colleges so there really isn’t a difference. Why do we do better than our Ivy League competitors? One, we sincerely try to recruit low income students and secondly our economic profiles are lower than our competitors our tests scores are correlated with are family income. It’s harder for low income students to make it to some of the other Ivy leagues.”

Associate Professor David Delchamps, Electrical and Computer Engineering: “Harvard has a sliding scale. We have a sliding scale, why do we have a cliff? Second question: Are athletes our top priority – do we have a significantly different grant to loan ratio packages?”

Provost Harris: “First question – why do we have a cliff? Because, we don’t have the money. We didn’t like having the cliff. It’s often the case, you start saying, this is what you’d like to do and then you say the budget constraints intervenes – what can we do? We didn’t like having the cliff. We felt we were going to try first to do as much as we could and we still weren’t meeting our peers for the poorest kids, poor being under $120K. $120K is still pretty good income for this country and so we didn’t want to leave them behind but initially that’s what ended up happening. We talked about phasing in and so forth, the cost issue. The second part of the question was about how big a benefit do you get for being an athlete vs. high academic achievement?

Professor Delchamps:” Don’t you mean grant? And does that vary depending on the desirability on the scale?”
Provost Harris: “Yes, there is something called preferential packaging and the kids who get preferential packages have lower student loans then the kids who aren’t preferentially packaged. There’s URMs – it’s not mechanical but it’s URMs, athletes, low incomes, which means under $25K/year which is pitifully low income, college priority which is about 2% and add significantly to the diversity of the campus or some such thing.”

Speaker Beer: “We’ve reached the end of the question period, so I’d like to thank Provost Harris. I’d like to call on the Dean of Faculty, Bill Fry, for a few remarks.”

2. REMARKS BY DEAN OF FACULTY BILL FRY

Dean Fry: “I have talked with both David Harris and David Skorton about interacting with the faculty. They have both indicated they will be bringing discussion items to the Senate and working with the University Faculty Committee.

“I want to limit my comments today to two areas. The first is rather important and that is as Risa mentioned that a lot of the work is done through faculty committees and I wanted to give you a little update on the committees and second I want to talk a little about faculty involvement in some of the financial issues facing the university.

“The Office of the Dean of Faculty supports the various faculty committees. There is Diane and Sandie doing a wonderful job of supporting a wide range of these committees. The Dean of Faculty has been charged with the responsibility of making sure that each committee has a chair and I am pleased to report all the committees now have chairs. I would like to list some of those for you. Academic Freedom and Professional Status of the Faculty is Jerry Hass, the Committee on Academic Programs Policies - Bill Crepet, The Faculty Advisory Committee on Athletics and Physical Education is Susan Ashdown, the University Benefits Committee, Will White. Educational Policy Committee, Georg Hoffstaetter, the Faculty Advisory Board on the Information and Technology is Evan Cooch. The Financial Policy Committee is Charlie Walcott, University Lectures Committee is Shelley Feldman and Library Board is John Hermanson, the Local Advisory Committee is David Caughey, the Music Committee Jerrold Meinwald, the Faculty Committee on Program Review is Brian Chabot and the University ROTC Relationship Committee is Mark Psiaki. We do appreciate what they’ve do. Charlie and I have met with several of the chairs and also with several committees. You will hear reports from three of them today.

“The second issue I wanted to address concerns faculty involvement in the financial issues. I think we’re all aware of what’s happening here and globally and there and of course there are implications for Cornell University. Certainly central administration is aware of these happenings and you’ve seen messages from the president who has been very helpful in that regard. Both David Skorton and David Harris are very consultative and because of that I feel privileged to have been in on some of the senior staff meetings with the president. They’ve dealt with some of the issues that are facing the university. I have not participated in all the nitty-gritty. What I have learned is that the senior staff will be meeting with the Financial Policies Committee. Some of those conversations are likely to be confidential and I think members of that committee will not be able to share what those details are. But I did want the faculty to
know that those conversations are taking place and there is faculty discussion as the university goes forward in looking at the financial issues.

“I also want to say that the university faculty committee is aware of several of the recommendations from the governance committee report and in response to one of those the UFC will report at each Senate meeting on its activities. The report today will be done by Vicki Meyers-Wallen.”

3. REMARKS FROM THE UNIVERSITY FACULTY COMMITTEE

Associate Professor Vicki Meyers-Wallen, Baker Institute and UFC Member: “As Bill told you, I’m report on the activities of the University Faculty Committee. I want to mention that one of the things that the UFC is doing is we’re working with the Dean of Faculty and discussing further recommendations for the Governance Report. We suggest that you look at the University Faculty Website to see the final report and the recommendations. The UFC will be working through these recommendations during the year. We would like you to inform any member of UFC if you think there are issues that need to come before the university faculty as part of that recommendation. The other thing that I want to update you on is the president meeting with the UFC in the late summer and we talked about the provost search process. He asked for advice and several people gave advise and one of the things that came out of that was the UFC asked that the number of faculty proposed for the committee be increased and he did that. They also asked that the distribution on the committee be changed by adding more faculty and that was done. The UFC has also met with president and provost together and discussed several things. Primarily the president talked the budget situation and how it would be affecting Cornell. He also stated that there is an ad hoc committee that he has appointed that is providing him with advice. The senior staff is working through this recommendation of the ad hoc committee so that’s all I can say about that. You should have received an email letter from the president which points out these discussions about the financial situation that’s going on.

“The provost talked about financial aid issues as you heard about today and the low number of underrepresented minorities in the entering class. We have also met with Peter Stein about the recent survey concerning a university club, which he will report on later today. There will be a resolution coming forward. Tonight the UFC members will be meeting with members of the Board of Trustees. UFC has been doing this for the last two years. Obviously it is too late for tonight but we will meet again in the spring so please contact us if you have things you would like us to discuss with them.“

4. APPROVAL OF MINUTES OF THE SEPTEMBER 17, 2008 SENATE MEETING

Speaker Beer: “We have reached the point of the agenda where we consider the minutes of the previous meeting. Any comments? I will entertain a motion to accept the minutes as prepared.”

Professor Stein: “So moved.”
Speaker Beer: “Any opposition? Accepted by unanimous consent. I now would like to call on Charles Walcott, officially acting Associate Dean and Secretary of Faculty and acting Chair of the Committee on Nominations and Elections”

5. REPORT FROM NOMINATIONS AND ELECTIONS COMMITTEE

Associate Dean Walcott: “Here are the suggestions from Nominations and Elections and I would urge the body to approve these nominations. That’s my report.

Report from Nominations & Elections Committee
October 15, 2008

Educational Policies Committee
George Boyer, ILR

Faculty Advisory Board on Information Technologies
Kevin Ernste, A&S

Financial Policies Committee
Donald Rutz, CALS

University Benefits Committee
Roger Battistella, CHE
David Lewis, AAP

Speaker Beer: “Thank you very much. Is there a motion to approve the report of the Nominations Committee?”

Professor Stein: “So moved and what’s more, I’ve read it.”

Speaker Beer: “Thank you. Any discussion? All those in favor of approving the report say “aye.” Opposed? The report is approved. Now I would like to call on Professor Jerry Hass, Chair of the Committee on Academic Freedom and Professional Status of the Faculty for a report regarding an email we all received some time ago.”

6. REPORT FROM THE COMMITTEE ON ACADEMIC FREEDOM AND PROFESSIONAL STATUS OF THE FACULTY REGARDING BRUCE/JOHNSON EXPRESSION OF PERSONAL AND INSTITUTIONAL OPINION E-MAIL

Professor Jerome Hass, Johnson Graduate School of Management, Chair, AFPS: “Good afternoon. I’m here to report factually what’s happened with the Academic Freedom and Professional Status Committee regarding an email distributed by Thomas Bruce and Stephen Johnson entitled, “Expression of Personal and Institutional Opinion.” The email was distributed on September 19th. A number of faculty members expressed concerns to the authors and to the President and to the Dean of Faculty. At a meeting of the AFPS on October 3rd, the AFPS
discussed the issue and it was agreed to meet with Misters Johnson and Bruce to discuss the email and a potential response. The AFPS met with Misters Bruce and Johnson on October 10th, last Friday, and the meeting was also attended by Professor Steven Shiffrin from the Law School. The discussion began with Mr. Johnson describing the rationale behind the email and he stated that the administration had received several responses regarding academic freedom. At the meeting several facets were discussed including a policy statement adopted by the Board of Trustees in the fall of 1970 entitled, “University and Political Process” that prohibits the use of university funds and facilities for partisan political purposes and established guidelines for such political activity on campus. The Bruce/Johnson email cited that particular statement. That 1970 statement references a statement of guidelines for colleges and universities with respect to involvement in political activity in the forthcoming general election in 1970. So whether this statement applies beyond 1970 general election begs certain questions. The second thing we discussed is a statement adopted by the University Faculty on 11 May 1960 entitled, “Principles of Academic Freedom and Responsibility” which is found in Section 5.0 of the Faculty Handbook, the 2002 edition. Whether this statement constitutes university policy was questioned. Another part of Section 5.0 the Faculty Handbook discusses “policy relating to faculty consulting” and provides guidelines regarding use of university equipment for such purposes. Finally, more general consensus regarding the use of office telephones, computers, internet connections and when conducting activities deemed “political or personal in nature” and the implications associated with cornell.edu and academic titles and correspondence were all brought to the table as issues to be discussed. Misters Bruce and Johnson circulated the draft of an email to be sent to the Cornell Community. Copies are being handed out. We looked at that draft at the meeting last Friday and decided that we need updates subject to qualifications was appropriate. We had agreed to provide copies to this body for you to take a look at before they distribute it the entire community which they intend to do. Mr. Bruce stated that he believed the 1970 statement policy regarding the use of university resources was outdated. There was general agreement on that issue. There was also a discussion regarding a need for the university to provide policy guidance regarding the broader issue of academic freedom. Misters Bruce and Johnson indicated that the administration has undertaken the task of drafting a policy statement. The breadth of that statement of course will be revealed when we see that draft. At this time, the AFPS anticipates no further actions.”

Professor Locksley Edmondson, Africana Studies: Could you shed a little more light? Has this been reissued each year since then and if not, why not?”

Professor Hass: “We did not particularly discuss that. We did talk about things such as that in 1970 there was not the use of the internet, not the use of personal computers.”

Professor Edmondson: “There has been other elections and no one has raised any fuss about it. I am surprised. I speak to this as a scientist because I take extra precaution always to preface my remarks – students you understand I am not speaking on behalf of Cornell University, it is my judgment, my personal opinion. I find it very intriguing and wonder why this comes into center stage at this time. I would really like to know. Has there been other inquiries?”

Professor Hass: “I think you’d have to ask Misters Bruce and Johnson who wrote the memo.”
Professor Stein: “Yes. The same question, if my memory is correct, that same question was raised. We were given the following answer. This policy had been distributed every election year since 1970 by campus mail and this was the first year it had ever been distributed by email.”

Professor Eric Cheyfitz, English Department and Director of the American Indian Program: “I’m wondering about partisan or political and catchall phrases. I do a lot of expert testimony. I’ve also been working on national academic freedom cases as well, so is this just directed at elections and that sort of thing which, if it is, you ought to specify that or because virtually, I can’t… everything I do in some ways is political and so this is potentially pretty dangerous in its current state.”

Professor Hass: “I accept your statement and believe that it would be appropriate to contact the authors of that memo and bring that to their attention. Whether or not they wish to specify it for particular purpose or for general use?”

Professor Cheyfitz: “Let me ask you this then: why are they drafting this memo which impinges on everybody’s academic freedom and why aren’t we drafting this memo? Since when has this become an administrative policing operation rather than that of the faculty?”

Professor Hass: The faculty has addressed matters of academic freedom. There is a May 1960 statement adopted by the faculty, ‘principles of academic freedom.’

Professor Cheyfitz: “This seems to me to be really dangerous. They just passed a rule, an administrative rule for The University of Chicago, Champaign-Urbana that doesn’t allow faculty or staff to attend political rallies on campus. The AAUP has sent out a broad memo about that and of course we’re existing in a time that a lot of people are losing their jobs over issues of academic freedom and that sort of thing so this strikes me as potentially, if not actually…….”

Professor Bill Arms, Computer Science: “Since I was one of the people that initially raised questions, I think we should ask that the first sentence of this draft message actually reflects what we wrote in the memo. If I can read the sentence that several of my colleagues disliked, “Administrative facilities, equipment and services of the university (e.g. campus mail, e-mail, telephones, computers, duplicating and addressograph machines) may not be used for political or other non-university purposes,” Not use discretion or take care but don’t use them for any purposes It’s that phrase that I think has to be reversed.

Professor Hass: “I think you have to bring that to their attention.”

Professor Arms: “We have. Several times.”

Professor Hass: “At this stage, I can’t draft their memo.”

Professor Cohn: “It seems to me that the issue here is whether, as being individual faculty members, we by definition are agents of Cornell or not. It seems to me that the standard interpretation and practice for many years has been that we’re not. That’s the whole notion of
academic freedom and having the right to function as individuals within an academic community. What I find worrisome is this notion that they’re playing on that particular thing and I think it’s something that we as a senate either through the Academic Freedom Committee or otherwise should take up. I think it’s a serious shift in the understanding of what our jobs are.”

Professor Lieberwitz: “I thought one of the reasons we had an academic freedom committee was to address the substance of academic freedom issues. It goes back to one of the things that Eric was saying, it doesn’t seem to me that it’s up to Misters Johnson and Bruce to tell faculty what academic freedom is and that if we think that the way they’re defining academic freedom and freedom of speech is overly restrictive then it’s up to our committee on academic freedom or some other committee that’s willing to look at it, to actually look the breadth of these definitions. So perhaps you could just tell us a little bit to begin with about whether your committee to discuss, the actual…. I brought the email from Bruce and Johnson, I have the language in front of me, and when I got it, I think a lot of people got it, I think it was quite shocking to me to see this kind of meat axe approach was used to tell us that we couldn’t express our personal opinions using any university facilities and whether there was some statement before all this all sort was ignored because it came in a pile of papers is neither here nor there. The fact that we’re looking at it now and what they said now is shocking in its over-breadth in relation, to compare it to our understanding I would say to a person of what our freedom of speeches is within academic freedom. So perhaps you could tell us what the content of the discussion was on these issues.”

Professor Stein: “I was a member of that committee and I take second place to no one in my paranoid responses. Let me just calibrate myself. I had the impression at that meeting that this language which Bill Arms read, which is outrageous if you take it at face value – nobody really thought very much about it. One thing that occurred to me is that in 1970 the word computer meant something entirely different then it means today. It was a huge big machine where you went over with a huge bunch of cards and ran them through and paid money for the use of it and obviously if you were doing some partisan political activity and were running it through the Cornell computer you ought to think twice about that, that’s reasonable. But I felt that no one had thought very seriously about this and sent this out in a routine way. When we pointed out all of those things about a computer is now just a part of communication, a telephone. You really can make local calls. Of course you can, you can’t make long distance calls and charge them to Cornell to do party politics. There was general agreement about all of those things and no body argued with any of these statements and I left believing that they were going rethink this and draft it in terms of a 2008 perspective and that there wouldn’t be any disagreement with even this paranoid person what the answer was going to be, but we’ll wait and see. There wasn’t a whole lot of disagreement in the room and the expressions that I’ve said and others have said also at the same meeting – Tommy Bruce and Steve Johnson didn’t argue with it. That’s my impression.”

Professor Hass: “Just to reiterate – there wasn’t a lot of discussion about it because there was general agreement about all of those things and nobody argued with any of these statements and I left believing that they were going rethink this and draft it in terms of a 2008 perspective and that there wouldn’t be any disagreement with even this paranoid person what the answer was going to be, but we’ll wait and see. There wasn’t a whole lot of disagreement in the room and the expressions that I’ve said and others have said also at the same meeting – Tommy Bruce and Steve Johnson didn’t argue with it. That’s my impression.”

Unidentified: “I want to know the status of the policy mentioned in the original email. Is it meant to represent Cornell policy which is the way it certainly was expressed or is it mainly the
Professor Hass: “My response about directing it to them with respect your having an argument about words they used. My point is that this is their memo, not ours. So if you have questions about words they’ve used and it seems to me the first place is to go to them and not to us. You’re seeing this memo in draft form. They agreed to have distributed here. We agreed that this was a good idea. We don’t necessarily agree with the memo or disagree with the memo, we have not taken a position on that. Regarding the memo, I believe, it’s their belief its university policy. I don’t think they’re speaking as just two individuals that happened to decide to send an email out. I think they are articulating what they believe is the university policy. They also believe that they did not do a particularly good job of articulating the first time and hence the second memo.”

Assistant Professor Tarleton Gillespie, Communications: Maybe this has put you in a bad situation because it seems like the draft has come to us, but there is no idea about how communications about the draft is to be returned to them. So it’s left that each one of us is going to email these guys. Who do I send it to? Could we agree that the notes from this section of the discussion could go back to them with some sort of advisory format that there had been discussion with four or five concerns raised. Circulating a draft is a means by which they asked for feedback. I think for our committee to discuss it. I would say the one I’d pinpoint was the question on email because I think email is the most familiar and casual mechanism by which we can make contact on campus but it is the one that has Cornell attached to it. I can see why we have problem with it. I think it then raises questions of where would professional use of our email addresses and our political/personal use of our email. I think that raises a very particular problem more so then any other technologies that might be at issue.”

Speaker Beer: “Thank you Professor Hass for bring this issue to the Senate. I would like to go ahead with the agenda and call Professor Peter Stein for a report.”

7. REPORT ON SURVEY OF THE DEMAND FOR A UNIVERSITY CLUB

Professor Stein: This is not the first time I’ve talked to you about the university club. I’ve brought this issue up over the past six years, but there have been some changes and I would like to discuss them with you. Approximately six years ago, the provost appointed a task force to look at the re-establishment of a faculty club at Cornell. That quickly changed to the establishment of the University Club and the difference between the two words is University Club encompasses faculty and staff. That task force wrote a report and gave it to the provost and president and urged the university to re-establish a club. That hasn’t taken place over the past six years. Discussions have taken place on a fairly regular basis about this. The last time I had such a discussion is when Charlie Walcott and I went to talk to the president about it and the president said that he believed that there was three problems: there was no money, no site, no need. Well, that pretty much killed it. It was the first time I’d heard there was no need for it and he said that he came to the conclusion in talking to people that there really was no demand for it. And out of that came a discussion with Charlie and the Provost. We asked the provost to fund a survey to
see if there was a demand for it or not and that was done and I’m here to report to you about the results of that survey. (Appendix 1 – power point slides.)

The survey on the demand for a university club - this was a survey that was done by the Survey Research Institute. They designed it. It was a real survey, not an amateur job and the provost paid a big bill to have this survey take place and the projections and analyses that I’m going to talk about were derived from the results of that survey but they were carried out only by me.

“This are the details of the survey. I hope you picked up a copy of this, because I’m going to have to hurry through a couple of these slides, but I’d like you to be able to look at it. This gives the details and the point of this slide is to show you that this is a good survey. A lot of people, a wonderful rate of response, 97% response is unheard of in the survey business and roughly 20% of the population and 800 people interviewed. So what does that mean? It means simply this: that if you look at the results, they represent the views of the entire population that was surveyed. If you ask every single person in the groups who answered they would give you the same answers, more or less, we received on the survey.

“They were five questions. What services do you want to see in a club? How far would you walk? Do you think you would join it? What would you be willing to pay? How often do you think you’d use it? These are the crucial questions on whether or not there is a demand and I would like to take you through all these, one at a time. Now, in this slide, it’s really important in surveys to know exactly how you phrase the question because you get lots of different answers if you phrase it in a biased way. I’m not going to read that. By the way, the phrasing was worked out between me. the head of the survey research institute and Deputy Provost David Harris and we all agreed that these were reasonable ways to pose the questions.

“These are the results. It’s a little hard to read but I hope you can see them good enough. There were 22 services. The services were more or less common at university clubs at our peer institutions. The question here is how important are these services to the people that responded. They were asked to rate it on a scale of one to ten, where ten was as important as it could be and one was of no importance whatsoever. You look at that and you realize that the x-axis there is a ten, the only way you could get a ten here if everyone of the 800 people surveyed wrote down ten for that. So that’s the absolute maximum demand and if you think of it that way the importance response of 7.5 or 7.25 is a very high response. Curiously enough, I don’t want to go through the 22 but I would like to point out the following: I have divided them into three groups. If you’re interested in statistical error, the distance between two vertical lines is a two standard deviation affect. I divided into three parts. The top third where there was the most interest. The bottom third is where there was the least interest and the middle third. I think it’s instructive to compare the items in top third to the items in the bottom third.

“Charge options. What that means is the most important thing to people was the ability to charge something to departmental accounts. I think it really explains why people answered that way is that they find it’s important to do business at this place; that’s what they were thinking of as being what they wanted in a club.
“So, if you look at the top third and I’m going to read them - charge options, having lunch, meeting other Cornell university faculty and staff, being open weekends and evenings, have coffee house, meeting rooms and have privileges of other clubs. The bottom third, a fitness center, weekend hours, childcare, interest groups, breakfasts is the only anomaly, family focused activities and single focused activities. The message I get from looking at that, is that the things most important combine a social infrastructure with doing business and the things that are least important have nothing to do with being a professor at Cornell or someone whose on the staff at Cornell just wanting something for your own personal enjoyment and so it does seem to me that it’s not just a perk for the members it’s something that the university might think seriously about supporting because it’s doing business in that setting.

“How far would you walk to this club? The answer is clear: people will walk ten minutes; people will not walk twenty minutes. About 85% of the people are willing to walk ten minutes and only 10% of the people are willing to walk 20 minutes. This is a pedestrian campus. People are not going to drive to this. As you all know, that means to serve potential members, that it must be located not much farther than ten minutes from their office.

“Will you join the club? If we look at the next slide, I’ll show you something that’s a little hard to understand but that’s what the actual raw data looks like where the bars represent what percent answered, etc. If you’re looking at that and you’re looking at what you expect it to look like when there is a high interest, you’re expecting to see the big bars on the right hand side of the scale. If there is no interest you expect to see a lot of the bars on the left hand side of the scale. If you just glance at this you see there’s a lot of interest in it. There’s not much difference between the professors, the postdocs, and the senior staff but one that there is difference from is oddly enough, the emeriti. The emeriti, when you get old you make your mind up about things, so the emeriti are divided into three groups – one is no, yes, and don’t care. How do you turn that data into an estimate of what in fact the membership will be. There are a lot of different ways of running that data, of turning that data that I showed you into a projection of membership. We did it three different ways. One way is to assume a probability of 100% for everyone that said ten, 0% for everyone that said one and a linear scale for the other folks. Another one that someone suggested to me was to take the top three as absolute yes, the bottom three as absolute no and then take the rest of the people to be 50%, so that’s what’s numbered “B”. “C” was sort of the same thing, something similar. When you look at you see it doesn’t matter what you do. Those are A, B and C and essentially what you get is that roughly 60% of the professors, the researchers and the staff say that the probability is that 60% of the people would join the club and once again a little surprising is the emeriti are lower. People think of the emeriti as being the dominant group. So that gives you projected membership if you look at it that way: 2,600, 2,700, 3,000 – that’s a huge demand. There are roughly 4,000 people in the population.

What club dues would you be willing to pay? I heard it said that Cornell faculty and staff are cheapskates – they’re not going to pay for this. I’ve heard this time and time again – if it’s free, they’ll come, but they’re not going to pay anything for it. So we asked them. There are a lot of words here, but it’s to define what dues are. Next slide. These are the results.
“Willingness to pay dues. It was quoted in monthly dues, note that $25/month is $300/year and 50% of the people are willing to pay $300/year. As you can see, everyone is willing to pay $60/year and 90% of the people are willing to pay $140/year. It is not true that people are not willing to pay. Next slide.

“How often would you use the club? If the club is going to be financially viable it has to have two things. 1) It is going to need members and 2) the members have to come. The question was, assuming that you would join it, this was only asked of the people who said they would be willing to join it, how often would you use the club? Next slide.

“This is a plot of the answers to that and done the usual way by folding only the number of people into the number of people that would use the club.

“There is a chance that one out of four on any given day is going to be there taking part in some activity at this particular place. Again, it is a very large usage of it and that again is more or less constant between the professors, the postdocs, the research associates and the senior staff. A little bit less for the emeriti.

“There is a term of art in the restaurant business called “covers.” Covers are the number of times you would make a charge at a place. This translates into more than a thousand covers and if you have no sense of what that is – look at Banfi’s. That is real data on Banfi’s, the number of covers, and the other thing is real data on that little residual faculty club we have in the basement at the Statler. Banfi’s will not answer this demand. This demand is eight times the demand of Banfi’s. Skip next two slides.

“Financial viability. By the way, those two things I skipped are that you have to deflate the numbers because of the fact that not everyone is willing to walk ten minutes. The assumption was we put it at the intersection of Garden Road and Tower Road, which places everyone, except the faculty at the Vet School within a ten-minute walk. The financial independence and viability is possible with a thousand members and two hundred daily covers. What we’re predicting when we make those adjustments for the fact that some people won’t walk and some people won’t pay dues is something like 2,000 members and 800 covers and so it’s four times more eating than you need to support it and twice as many members. Next slide.

“There are several objections that you could raise to this. The most important of these is number 3 – will respondents do what they say they will do? Projections are an art not a science. You can get very good statistics on how people answer a survey but not such good reliability on whether they’ll do what they say they’ll do. I know a little about this now. I’ve talked to a couple of professors of management. I have talked to a couple of people who are managers of clubs of peer institutions. I talked to a restaurant owner, trying to answer that question “will people do what they say” and the answer is – it depends. It depends on the situation and you can find examples where one professor of marketing says you are 2,000 members too high in that estimate. How high? The right answer is 80 and that’s a very particular set of assumptions. It’s like I’m trying to sell a new detergent. I went through a big campaign and I’ll end up with 4% of the market. This is a different situation. I’ve got results that you could argue that the correct demand is between 1,400 and 2,700 making various assumptions. That concludes my
presentation. I want to say just one more thing. I would hope that we could have some discussion about this on the campus and the thought just occurred to me and I just want to say it: It’s important to hear not only a survey. A survey is very constrained. People can only answer a certain number of things. It would be nice, if you went back to your departments, you could talk a little about this and perhaps you would like someone to come talk about and listen to people saying what it is they want in such an organization. I volunteer to do that. Thank you very much.”

Speaker Beer: “Thank you very much, Professor Stein. Dean Fry reminds us that there are copies of Peter’s report and the draft memo on the table. We now have reached the Good and Welfare section and Professor Georg Hoffstaetter, Chair of the Educational Policy Committee will use that time.

8. GOOD AND WELFARE

George Hoffstaetter, Associate Professor, Physics and Chair, Educational Policy Committee: “Probably the most important subject that we will be concerned with this year will be revising the academic calendar. About two years ago, the people in charge of orientation made a proposal to shorten the orientations time by one day and start classes one day earlier. About one year ago it was supported by the Associate Dean, by the Deans of the College, by the Vice Provost and by Biddy Martin. Now the next stage is review by the Education Policy Committee. We are going to discuss the idea, formulate a proposal and bring it before this body. This is going to be a very open process. We will consult many people and update you periodically on the process. I hope that towards the end of next spring we are ready to bring you proposal. People and groups we want to consult with are the Student Assembly, the Assembly of Professional and Graduate Students, Instructors of large classes. There may be others suggested as the process continues. The issue at hand is that if you add a day of instruction, you might be free to take one other day off and the question is which day?”

Speaker Beer: “Thank you very much. I declare the Faculty Senate adjourned.”

Adjournment at 6:00 p.m.

Respectfully submitted,

Charles Walcott
Acting Associate Dean and Secretary of the Faculty