

MINUTES OF A MEETING OF THE FACULTY SENATE
March 8, 2000

Professor Howard Howland, Neurobiology and Behavior, Speaker: "I am to remind you that no photos or recordings will be allowed in the meeting. I will now call on Dean Cooke for remarks."

1. REMARKS BY THE DEAN

J. Robert Cooke, Dean of the Faculty: "I have only two short items to present to you. The first is on the screen [the Teaching and Learning Forum scheduled for March 15] and some of you have already read it. I want to say that I hope that you will attend and will encourage your colleagues to attend. The faculty speakers are the recent recipients of the Weiss Presidential Fellow Awards, so they have been selected and honored because of their contributions to teaching and we will have a chance to have some words of wisdom shared with us. The two student panelists are the student-elected Trustee and the other is the head of the Student Assembly. It's only a few days away, so please make a note and urge your colleagues to attend. We are going to produce a publication that will list the best practices in teaching and learning at Cornell so that we can share the good things that are happening in one department with faculty in other departments.

"The other thing I need to say is that I have ten minutes on the Trustee agenda to make a presentation on Friday afternoon and I will report whatever instructions you give as a result of the resolution today."

Speaker Howland: "Thank you. I'd like to call on Provost Randel for Questions and Answers."

2. QUESTIONS AND ANSWERS WITH THE PROVOST

Don Randel, Provost: "Professor Anton very nicely sent me an e-mail the other day warning me that he wanted to ask a question about Project 2000 and related matters, so let me just begin with that. He began by saying that he understood that we had spent \$60 million on this matter and he wanted to know where it all went and where we stood. In fact, there was never a plan to spend \$60 million of real cash money. That sum may have been used but it would have included an amount of which at least half that could be attributable to the reallocation of people in the organization. So if you added up all of the people that came from departments and devoted some or all of their time working on it, the value of that labor was thought to be about half. We have so far expended essentially the amount of cash money, in order of \$30 million, that was initially planned.

"The difficulty is that for that \$30 million of cash money that was initially planned to be spent, we have achieved some rather small fraction of the total set of systems that we

expired. So for the money we have spent we have essentially installed the HR payroll system, but not with the full functionality that was hoped for. We have done some planning for other systems, namely student information systems, the development of the Alumni Affairs system, and the Sponsored Research system, none of which has been installed.

"In light of this experiment, I mean experience . . . (laughter). . . we have clearly undertaken to rethink the entire matter fundamentally and we've been having discussions with deans and others on how to proceed with this. Polley McClure and Carolyn Ainslie have led a group to analyze our experience and see where we are and what we might reasonably hope to be able to do and we will have a discussion of all of these matters in the President's Council next week. We expect by then or shortly thereafter to be able to say what we think the alternative to the original plan should be. It will be to spend very much less money than it was turning out to cost had we stuck to the original plan. It has to be said that not only did the systems & the installations, the setting up of them & cost more than anticipated, but what we have done so far has not yielded the savings that we had anticipated. And indeed, the HR payroll system has added some ongoing costs to our operations.

"So clearly, we cannot continue on that path. We will radically alter the course. This is not to say that we will be able to do nothing about the system. We have no choice but to address our needs in that area and in particular in HR payroll, where we are still unable to do some things that we desperately need to be able to do. For example, the management of our fringe benefit program requires us to have a system, which we do not yet have in place, if we are to try to manage those costs and gain control of them in some sense. The cost of fringe benefits is a very serious part of the faculty and staff compensation budget. Our ability to control the costs of fringe benefits is important to us in terms of everything that we want to be able to do in compensation. It's not that we can do nothing.

"Most of the money, it should be said, did not go to PeopleSoft. That is, PeopleSoft sold us the software, but most of the money was spent on the installation and the consultants that were required to install the software, since PeopleSoft is not in the business of installing its software. It also has to be said that the product itself was not as robust as we had expected and had hoped it would be. They are &emdash; were &emdash; the leading company in the business of installing HR payroll kinds of systems in the corporate world. It turns out that migrating that to the academic world was much more complicated than anyone had imagined. So we have lots of company among universities and, although we are not among those people threatening to sue PeopleSoft, they certainly know very well what our problems have.

"We will persevere with the HR payroll. What we do with the rest of the system is what we're now in the process of deciding. It will, at a minimum, slow down the entire activity considerably. Your questions on that or any other matter?"

Professor Terrence Fine, Electrical Engineering: "First, a preface to the question. As you're aware, the Senate struggled with pressures of time to respond to issues that are about the proposal for Computing and Information Sciences. Over the intersession, even Vice Provost Garza struggled with time to do something like 12 drafts . . ."

Professor Peter Stein, Physics: "Professor Fine, could you stand up?"

Professor Fine: "Yes. I was saying that we have been struggling with pressures of time this past Fall to respond to issues raised by the Computing and Information Science Initiative and even Vice Provost Garza struggled with time, as I know personally, over the intersession to generate something like a dozen drafts of the proposal trying to be responsible and reach a compromise on this issue. He presented that to us at the February meeting, a month ago essentially, and I have heard nothing. I would like to know from you what progress has been made on this issue since we last heard from Vice Provost Garza."

Provost Randel: "This matter is scheduled to be taken up by the Academic Cabinet on Monday. This is a group that meets only every two to three weeks and its scheduling was such that it did not get on the agenda for their meeting immediately following your last meeting. It will be discussed in the Academic Cabinet on Monday. As you know, the document that emerged did not settle every last detail about what might not be done. There would still be things to work out. In any case, I expect we will take into account the Senate's discussion of that document. I wouldn't swear to you that on Monday an edict will be issued that crosses every 'T' and dots every 'I'."

Speaker Howland: "Are there any more questions? Yes, Professor Walcott."

Professor Charles Walcott, Neurobiology and Behavior: "In another matter of somewhat unfinished business, how is the plan for Biology proceeding?"

Provost Randel: "Where are my friends when I need them? (Laughter and someone called out 'We're all here'). There was a meeting I guess maybe two weeks ago, at which we sat with Jeff Doyle and the financial officers and deans of Arts and Sciences and CALS and I think that we have now agreed to everything that needs to be agreed to about the administrative arrangements, the finances for the Undergraduate Office, and so forth. I just received a summary of that produced by John Finamore, which I believe is now acceptable to everybody, so I think it is now possible to say that not only something has been agreed to, but what it will be. I would recommend heckling the man on your right from time to time since CALS plays a leading role in this."

Speaker Howland: "Yes?"

Professor Elizabeth Earle, Plant Breeding: "Back to Project 2000. At the time that the project was proposed and initiated, there was certainly skepticism about whether this was a good direction to go. In retrospect, do you have any comments about what we might have done better to prevent the expenditure of a lot of money on a minimal product?"

Provost Randel: "Well, there was very substantial discussion about how to proceed on a set of needs that were really inescapable, that is, the need to improve our pay system. There was no question that this was going to take some amount of money. The question was, how much money? The alternatives were to try to produce an integrated suite of systems with one vendor that would have everything talking to everything else and thus create certain kinds of dependencies and enhance our ability to manage the institution, or to go with the 'Best of Breed' model. That is, to get an HR payroll system from PeopleSoft, buy the financial system from somebody else, and buy another system from someone else. You would have a problem of compatibility but you would be going after the known manufacturer in each of the known areas. What we decided to do was to try to approach it by building more or less simultaneously an integrated suite of systems.

"If one wanted to second guess that decision now, I suppose the obvious thing would be to say that we should have taken the other approach, the 'Best of Breed', rather than attempt to do it all in one gulp and create something that would be wholly integrated. The goal is not wrong. It would be highly desirable to have what we thought we were going to get. Nobody had ever done that before, but nobody had ever done anything else either. That is to say that Harvard, for example, decided to start in with finances and they have stopped saying what they spent on their system. Everybody who has tried either approach has had some kind of trouble. Suppose we had taken the 'Best of Breed' approach and we said that we were going to do the HR payroll with PeopleSoft and not do anything else with PeopleSoft. As we now know, all by itself, that would have been plenty of trouble. The fact is that no institution had figured out what it was going to be like to undertake a strategy.

"We are ourselves the problem, to some degree. The ability to adapt things that work well in one environment is limited. We, as a community, evidently, are unprepared to make decisions without being complicated. Everybody wants their own registrar and their own way of doing things and that's very expensive. When no two colleges can agree on who ought to get to see certain kinds of data, you're talking about using something that will be much more expensive than it inherently needs to be.

"Could we have done something smarter that would have produced a different result? In retrospect, we can't point to the clear option that would have spared us the trouble

we went through. Even if we had just said that we were going to do HR payroll with the leading maker in the industry we would have gotten into all of the trouble that we got into with that one system. Fortunately, we've been able to back out."

3. APPROVAL OF THE MINUTES OF FEBRUARY 9, 2000

Speaker Howland: "Thank you Provost Randel. I'd like to call for unanimous approval of the minutes. Hearing no objections, the minutes are approved. I'd like to call on Associate Dean and Secretary of the Faculty, Kathleen Rasmussen, for a Nominations and Elections Committee Report."

4. REPORT FROM NOMINATIONS AND ELECTIONS COMMITTEE

Professor Kathleen Rasmussen, Nutritional Sciences and Associate Dean and Secretary of the University Faculty: "My report this time is short and it is entirely consistent with what you received in the call to the meeting. The Nominations and Elections Committee has made the appointments you see on this overhead ([Appendix A](#), attached) to the A.D. White Professors-at-Large Selection Committee. These are effective July 1st.

"While this may not seem like it takes a lot of effort, we have been spending our time developing slates for the at-large seats for the Senate, the Associate Dean and Secretary, and the two committees that we elect, the Nominations and Elections Committee and the University Faculty Committee."

Speaker Howland: "Thank you very much. We're now going to hear the matter of distance learning. I want to explain to you what we have in front of us. First, I'm going to call on Polley McClure for a summary of the Forum on Distance Learning. Then we're going to hear a motion by Professor Fine on the topic, but at this point we're going to be discussing only the procedure and not the substance. In order to discuss the substance of distance learning, we're going to enter in a motion to enter in to quasi-Committee of the Whole so that we can have a rather free-ranging discussion. So I'm now going to call on Polley McClure, Vice President, Information Technologies, for a summary of the February 29th Forum on Distance Learning."

5. DISTANCE LEARNING

A. Summary of Forum on Distance Learning

Polley McClure, Vice President, Information Technologies: "It's quite a challenge to summarize in five minutes the lively and complex set of ideas that were covered in the forum, so I might take six minutes to get through it.

"First of all, just a piece of context. It's been noted that in the United States we need to approximately quadruple the amount of post secondary education available over the

next decade. Virtually all of that expanded need is in the adult lifelong education arena. Minimal growth is expected in the traditional space of Cornell's traditional mission, 18-22 year old residential education. The cost of traditional education is escalating beyond the ability of many to pay. Companies, such as University of Phoenix, are attempting to provide the adult education that is part of the expanding need. Several first-rate Universities have also formed companies to compete in this space. There are two reasons for such Universities to attempt to fill this need. First, the public good of educating people who will experience dramatic changes in the knowledge and skills needed during their working life. Second, harvesting financial returns that otherwise would be taken by companies in order to redirect the proceeds to support our core missions. E-Cornell is a proposed vehicle, not to address our traditional mission, but to allow Cornell to participate in meeting these new needs, against other private ventures.

To the issues discussed in the Forum:

1. E-Cornell is one mechanism whereby Cornell faculty and colleges may be enabled to deliver distance learning products. Colleges have products that they want to deliver now.
2. E-Cornell will most likely be used only for courses/programs that require substantial capital, have the potential to make a profit, and support students at a distance or where partnerships with outside agencies need to be negotiated.
3. E-Cornell is a first, but not the only vehicle for support of technology mediated learning at Cornell. CIT will develop the technology infrastructure, support and services to enable faculty and colleges to offer the full range of distance and on-site instructional offerings independent of E-Cornell.
4. Admissions standards, academic standards, priorities for all distance learning offerings will be in the hands of faculty and colleges, whether or not E-Cornell, CIT, or some other entity provides the production, marketing, distribution and maintenance support.
5. E-Cornell is being formed to protect Cornell's name and to ensure that Cornell gains the greatest possible return on its distance learning products,
6. E-Cornell will not interfere with individual faculty distance learning products like multimedia textbooks; it will be involved only when the program is being delivered as a Cornell University program.
7. The for-profit model has been chosen to attract the capital required, to deliver additional faculty compensation, and to enable the speed and flexibility required in the internet world.

8. An over-arching agreement is being drafted to establish Cornell's position of control over programs of e-Cornell.

9. Separate status of e-Cornell provides insulation from the unique priorities and huge demands for capital that would otherwise be placed on the University.

10. E-Cornell will provide a way to distribute our learning resources to a larger student base.

11. Most of the issues raised about admissions standards and faculty control of content, credit, and degrees for non-traditional students are already issues for existing continuing education programs.

12. Courses offered by distance learning can be at least as high quality as those delivered by traditional means.

13. Revenues from e-Cornell will be split between the Provost and College, with the College providing revenue back to faculty.

14. E-Cornell will provide back to Cornell all the materials and resources it distributes off-campus for on-campus use at no cost.

"Then, the issues of concern. First, to the matter of process:

1. The proposal to establish e-Cornell is seen as an academic matter, and, as such should be subject to approval by the Faculty Senate. Consultation with the Faculty Senate has been viewed as inadequate to date.

2. The work of two previous faculty committees on this subject is not evident in the current proposal.

"Then, to the matter of content:

1. Universities are public interest institutions and must remain independent of powerful private interests. E-Cornell, as a for-profit entity, puts the independence of Cornell University at risk.

2. Academic freedom is put at risk through destruction of the wall of separation between the University and outside private interests.

3. E-Cornell may, in order to maximize profit, sell its products to anyone with the money to purchase them, without regard to their qualifications.

4. The assumed potential revenue probably will not materialize.

5. Just because other institutions are getting into distance learning isn't any reason for Cornell also to do so. We won't necessarily be left behind in any important sense.
6. It would be better for Cornell to establish a publishing business that could distribute educational materials rather than courses and certificate programs.
7. E-Cornell will draw faculty attention away from our on-campus core constituency.
8. E-Cornell will expect Cornell faculty to give them special consideration as agents for their educational products.
9. High quality distance learning materials require much faculty time and are very expensive to produce and maintain.
10. Distance learning is lower quality education than traditional learning in a classroom.
11. The economics of the proposal will inevitably distort Cornell's traditional priorities and values.
12. Why not try a PBS model for distance learning instead of the for-profit model? It would avoid almost all of the faculty concerns except those of process.

"Thank you very much."

Speaker Howland: "I would like to call on Professor Terrence Fine, the Chair of the Committee on Academic Programs and Policies, for a resolution from that committee and the University Faculty Committee."

B. Resolution from the University Faculty Committee and the Academic Programs and Policies Committee on Distance Learning

Professor Fine read the resolution:

WHEREAS, distance learning, being a form of instruction, is an academic matter and therefore a faculty prerogative requiring consultation through the system of faculty governance, and

WHEREAS, the administration has proposed to create a for-profit corporation to engage in distance learning, and whereas, a for-profit academic enterprise raises serious concerns about the maintenance of the University's fundamental public service mission and about the protection of academic freedom,

THEREFORE BE IT RESOLVED, that the Faculty Senate expects to participate with the Administration and Trustees in the development of principles and plans for distance

learning. Such plans, once formulated, should be presented to the Faculty Senate for faculty review.

Speaker Howland: "Is there a second to this? Okay."

Professor Fine: "Some of the reasons for this came from the latter part of Polley McClure's report. You were provided the rationale, but of course the rationale is not what we're voting on; the rationale is just to provide background to the motion. It's the motion we're asking you to vote on. I would just take from the rationale a couple of points. We're looking at a large-scale for-profit educational enterprise. There may be other for-profit educational enterprises in the University but they're not at the same level of academic education as the one being proposed. This is a large-scale model that exists for the purpose of making profit and the proposed for-profit organization raises potential conflicts in the goal of profit-making and the public interest. We can certainly see profit-making considerations swaying content when we find venture capitalists members of the board. This motion does not decide a position. It does not conclude one way or another and that's important. What it does conclude is that this is important enough to warrant formal consideration. One cannot just blow by the issues and assume that everything is handy and dandy. They need consideration. The motion is not asking you to decide whether, indeed, this is a reconcilable problem or not. That is one issue. The other issue is the conflict with the public service mission of the University. When we get into a for-profit enterprise in the education area, there is a potential to distort the public service mission. It may not, but it certainly warrants the consideration of the faculty. That is the motion that is being offered to you. Others may now wish to speak."

Speaker Howland: "Thank you. Is Professor McAdams here? Did you wish to speak to this?"

Associate Professor Alan McAdams, JGSM: "I want to speak to the substance of e-Cornell. I think this motion is a fine motion and I would vote for it."

Professor Stein: "I have a question of interpretation for the maker of the motion. I wonder what it means, mainly the last paragraph, if for instance the Board of Trustees should decide at its next meeting, which I think is next weekend, to go ahead with a for-profit venture and spend money doing that, would you think that would be inconsistent with this motion, assuming that the Senate passes it or would that be consistent with the motion? Are you merely asking that as this effort develops that the administration consult with the Senate?"

Professor Fine: "It would be my view that deciding on a for-profit entity at this point would be inconsistent with the motion."

Speaker Howland: "Thank you. Further discussion on the motion? Yes?"

Associate Professor Paul Velleman, ILR: "I'm not a Senator, but am I allowed to speak?"

Speaker Howland: "Of course you are."

Professor Velleman: "Peter, I would suggest, in particular, that the end of the resolution should specify that the faculty should be consulted before the establishment of this entity. I see the risk that the Trustees will establish the entity and promise to consult with us sometime in the future. If that's what's intended, I think the resolution should say that."

Speaker Howland: "I'd like to remind you that we can't entertain substantive amendments on the resolution at this point. Provost Randel?"

Provost Randel: "Let me say one thing about the assumption that is stated right off and sort of runs through the whole and that is that the Faculty Senate is somehow in a position to review the offerings of colleges and departments. I think that is simply not true. And let us suppose that e-Cornell disappeared even as the twinkle in the eye of some ruthless capitalist, colleges and units are going to do this and the Faculty Senate is not going to be consulted and, indeed, has no position from which to claim that they ought to be consulted. That is to say that the offerings of courses and programs is left entirely up to the colleges. The central administration does not intervene in that. If a college wants to offer course x or y, the Senate is not consulted about that. If college or department x or y wants to offer a course in the summer session, for example, that is not a matter for review by the Faculty Senate or the central administration. It is the responsibilities of the faculties in the units to determine what they will offer. So the argument here suggests that somehow the Senate should be reviewing the offerings of academic units and that is a wholly novel theory in the University. If e-Cornell doesn't do it, the Hotel School, the Johnson School, you name it, are going to do it anyway, and nobody is going to be consulted about it but them."

Speaker Howland: "Professor Fine?"

Professor Fine: "At best, that's a disingenuous argument. E-Cornell is not meant to be an entity that serves just one college. It has clearly spread its wings over a variety of programs. You have seen listings of Vet College, ILR School, Johnson School, Hotel School, and other courses ranging across the array of academia. I think it's quite fair to say that any program that proposes to deal with that range of colleges falls within the purview of the Senate. Elements of it may be restricted to individual colleges, but the program overall is reaching out across the colleges. That's one thing. The second thing has to do with 'They will do it anyway.' We have discussed this in the UFC. How do they get to do it anyway? Is this sort of offering another course in probability? I

shouldn't pick on Phillip Morris, but I will. Say I decide that Phillip Morris is going to sponsor my probability course. They're perfectly happy to do it and I will put on my personal website for the course a banner saying that they engage in epidemiological studies to support probability. I suspect that I will be violating some principle here. It is our understanding that the colleges that wish to make relations with private sponsors, corporate sponsors, etc., need permission from the administration. In that case, your remark causes me even greater concern and I feel even more relieved to have such a resolution if the central administration is so willing to write a blanket endorsement of their ability to engage in contractual relations with private enterprises. I don't think that's part of the normal functions of the academic operations of colleges."

Speaker Howland: "I'll let the Provost reply but then I'm going to stop the dialogue and get to a general discussion."

Provost Randel: "A number of things are stirred together in those remarks. Of course, colleges and departments are not free to enter into contractual relationships with outside entities using the name of Cornell. When I say that they're going to do it anyway, they're going to do it on their own initiative without seeking outside sponsorship at all. If they were to seek to put an advertisement next to the Cornell logo, sure we would object. But if Veterinary Medicine or ILR want to offer Executive Education on their own initiative, there is nothing to prevent that in the electronic form anymore than there is anything to prevent it in the forms in which they are now doing it. As to your first point, e-Cornell simply seeks to be the vehicle through which many colleges and units who want to engage in this will be facilitated in their doing of it. And only a piece of it at that. E-Cornell's function is only to enable those existing programs in the University to offer distance education of a kind that will require substantial investment. That will be a small fraction of what we do in distance learning. The entirety of our Extension activity, which is sure to be transformed by the Internet, is going to go on as a wholly separate matter from e-Cornell. E-Cornell is being contemplated for the sake of securing the resources to do things that parts of the University want to do anyway and that we think would be best managed by some entity to facilitate that rather than everyone having to invent it on their own terms."

Speaker Howland: "Any comments directly on the motion?"

Professor Joseph Ballantyne, Electrical Engineering: "The motion, it seems to me, is very clear in what it is stating and it refers only to principles and plans. I don't see anywhere in this motion anything about content. It seems to me that one of the previous speakers said that the Faculty Senate wants to review content. I see nothing in the motion nor have we heard anything about reviewing the content only the principles and plan. It seems to me that this Senate very recently established a University-wide committee to review all promotions to tenure and this seems to be a related to this."

Speaker Howland: "Other comments."

Professor Emeritus Donald Sola, Modern Languages and Linguistics: "I'm not a Senator, but my question is for clarification. There appear to be two things governing here. One is explicit and the other is not. One is the for-profit element. What is not unambiguous is the question of distance education by electronic means. There's a lot of background here that implies that is the intent, but there's nothing explicit that says that this is the intent. My own reaction is that this University, the faculty and the administration, is pretty naïve on the question of distance education by electronic means. So I like this and I have no right to vote on it, but I think that's one element that needs clarification."

Speaker Howland: "Additional comments?"

Professor Richard Galik, Physics: "I disagree with Professor Stein. I don't think there's any ambiguity here. I think that the development and the plan clearly indicates that, as Professor Fine said, if the Trustees were to go ahead and actually formulate this entity in a week, that would constitute a plan and that would be against the motion. I don't see the need to modify this."

Speaker Howland: "Yes sir?"

Professor Paul Hyams, History: "I'm a member of CAPP and not a member of the Senate but I would be very depressed if I thought that the Senate had no right to pass a view on an entity that was for-profit and bears the name of Cornell, whether it bears an 'e' in front of it or not. I think that there's the PBS question and if not the Senate then who? At what stage can the Senate comment on something that strikes at every one of us — if only because it involves a lot of money?"

"The e-Cornell plan has been thought about long and hard for two years. Some of the best minds of the University from Day Hall have been thinking about this, they've even occasionally talked to people from the rest of the campus. When CAPP looked at it, it found a number of items that hadn't been considered and it was possible to ask Vice Provost Sansalone what their projections were for profit, what she thought the size of the market was, and got no answer. That's depressing. The real case for consulting the Senate as a surrogate for the faculty is that if you don't do it beforehand, you'll get trouble later. What we're best at is raising awkward obstacles to clever ideas and we should be given the chance to do that if the administration wanted plans to go through."

"Let me give one example of an omission because it's rather important in the tiny constituency of humanities that I might be said to represent. The Cornell University Press controls a great mass of content which could be used in a distance learning project. It has experience in textbooks, it has textbooks, and some of those textbooks have electronic constituents. It has some experience, though limited, in electronic

textbooks and electronic publishing. That experience is limited because the amount of capital it has been allowed to use is very limited. It has brought luster to the reputation of this University. It has done a job, like a number of departments and divisions of the University, that has not been much applauded but has been valuable. And it has been sensibly administered over the last few years, by which I mean that its books more or less balance. It seems to me that there are three options within e-Cornell for the Cornell University Press. Either it should be integrated into e-Cornell in some way, since they're doing the same things, or the plans ought to have a very carefully specified boundary line between what can be done in the University's name by University Press and what is reserved for e-Cornell. Or, Cornell University Press ought to be wound up. I think that the third option would be a disaster, but I think that the administration ought to look at this and I haven't heard, outside of the CAPP meeting where I raised it, one mention of the Press. What other things are there that people in this room would have raised had they had the chance to see the plans in detail in an earlier stage, but which have not been thought about?"

Speaker Howland: "Further comments on the motion? Professor Stein?"

Professor Stein: "I wonder if it's in order to offer a non-substantive amendment? A clarifying amendment? I'm persuaded by listening to my colleagues Professor Galik and Professor Fine that they fully intended the motion to include the establishment of a for-profit corporation. I'm not sure that every fresh eye looking at that would conclude the same thing. Therefore, just to make it clear, I wonder if it would be in order to add the words 'including the establishment of a for-profit corporation' after 'once formulated.' I would argue that the words don't change the intent of the legislation, they only make it clearer. Can I ask for unanimous consent?"

Speaker Howland: "Just one second. I'm sorry Professor Stein, but I have to rule it out of order. It's not a stylistic change. It seems to change the content of the motion."

Professor Stein: "I believe it's in order for me to challenge the ruling of the chair."

Speaker Howland: "I believe that's correct." (Laughter).

Professor Stein: "Despite my deepest respect for the Chair, I believe that this is a stylistic or grammatical change in that it makes clear what the maker of the motion wished readers to conclude from it."

Speaker Howland: "Right. The ruling of the Chair has been challenged and it takes a simple majority to resolve the question. So I will ask now if the ruling of the Chair should be sustained or not? All in favor of sustaining the ruling raise your hands. All opposed please raise your hands. It clearly fails."

Professor Stein: "What?"

Speaker Howland: "My ruling fails. Does it have a second? Okay. It is in order for you to make an amendment to this motion. Would you restate your amendment?"

Professor Stein: "To add the phrase in the second line from the bottom, set off by commas, 'including the establishment of a for-profit corporation.'"

Speaker Howland: "That comes after?"

Professor Stein: "It should probably come before 'once formulated.'"

Speaker Howland: "Yes? Discussion on the amendment?"

Professor Earle: "Is it in order for me to suggest that the new words would be better placed at the end of the previous sentence? I think it might be grammatically better."

Speaker Howland: "Yes? More discussion on the amendment?"

Professor Nicholas Sturgeon, Philosophy: "I'm happy about the sentiment behind the amendment but I worry about what the words actually say now. It sounds as if we're endorsing the establishment of a for-profit corporation and that we just want to be consulted about it. It is worded to take for granted that there will be development of principles and plans for distance learning that include a for-profit corporation whereas I thought that part of what we wanted to be consulted about was whether there should be. Changing the word 'the' to 'any' might preclude that."

Speaker Howland: "Okay. Is there any more discussion? Yes?"

Associate Professor Kevin Nixon, Plant Biology: "I hate to add more, but I think maybe we should put something like, 'prior to formulation of a for-profit organization,' we should be consulted. They could consult us afterwards the way it is worded."

Speaker Howland: "Okay. Yes?"

Professor Risa Lieberwitz, ILR: "I think with regard to the last suggestion, if the intent of the writing was to make it clear that there is the initial role of the Faculty Senate and if the faculty governance were to go ahead and be a central party in formulating a plan, it would then be brought to the Faculty Senate as a whole for review and a vote. To add yet another word in the direction of clarifying as others were trying to do, I would suggest including 'any potential or any proposed establishment.' One of those would be important if we want to be clear. We're not just trying to add words, we're trying to make it clear that before anything is done we need to have full Faculty Senate

participation. Therefore in the spirit of these friendly amendments, we should say 'potential.'"

Speaker Howland: "Let's find out if it is a friendly amendment."

Professor Stein: "Sure it's friendly."

Speaker Howland: "Questions or comments? Shall we vote? Okay, we have to vote first on the amendment and then on the motion. All in favor say 'aye.' All opposed say 'nay.' The amendment clearly carries. Is there further discussion on the motion or shall we vote on it?"

Professor Earle: "I would like to hear Professor Fine explain his 'no' vote. Is there something we're missing?"

Professor Fine: "You do not wish to hear me explain my 'no' vote, actually. (Laughter). I think this became a travesty of what people think the faculty do. The intent was clear, it was well-understood. The Dean of the Faculty could have communicated it clearly to the Trustees as could the legislative history. Instead, we spent precious time that we could have used to discuss the motion doing word-smithing in Committee of the Whole. I think this sort of thing does not get us a lot of respect among the people we are addressing."

Speaker Howland: "Yes?"

Deborah Streeter, Bruce F. Failing, Sr. Professor of Personal Enterprise and Small Business Management: "I'm not a Senator, but I haven't heard a voice of opposition to the motion, so what the hell, I'll stand in front of the train. I really appreciate a lot of the viewpoints that have been spoken here and the on-line forum, and I encourage everyone to take a look at them. I teach an area of entrepreneurship so maybe I'm ready to the environment of 'ready, fire, aim' but I think we'll be missing something if we totally block any establishment of E-Cornell as opposed to getting involved with the planning process. Maybe I'm stressing the wrong thing but when I'm finished, I'll sit down. The issue as I see it is that we should not be so risk averse and we should trust ourselves and our colleagues much more. E-Cornell can't go anywhere without faculty members signing up to provide content and so forth. I'm one of the first programs that they picked, so maybe you think I'm speaking only because of self-interest but I actually trust the colleagues that I have that if E-Cornell wants to dictate the terms to us we should say 'no.' I'm not worried about that aspect. I think that the issues of intellectual property are much more serious and we should enter into a dialogue about that."

Speaker Howland: "Thank you. Are there any more comments? Yes, Professor Walcott?"

Professor Walcott: "I'd like to call the question."

Speaker Howland: "Okay the question has been called. We have a second. All of those in favor of terminating debate and moving to a vote say 'aye.' All opposed say 'nay.' Okay. We will vote on the motion before us as amended. All of those in favor of the motion say 'aye.' All of those opposed say 'nay.'

WHEREAS, distance learning, being a form of instruction, is an academic matter and therefore a faculty prerogative requiring consultation through the system of faculty governance, and

WHEREAS, the administration has proposed to create a for-profit corporation to engage in distance learning, and

WHEREAS, a for-profit academic enterprise raises serious concerns about the maintenance of the University's fundamental public service mission and about the protection of academic freedom,

THEREFORE BE IT RESOLVED, that the Faculty Senate expects to participate with the Administration and Trustees in the development of principles and plans for distance learning including any potential establishment of a for-profit corporation. Such plans, once formulated, should be presented to the Faculty Senate for faculty review.

Dean Cooke: "Can we get a counted vote for the Trustees?"

Speaker Howland: "Yes. Secretary Rasmussen will you help me? All of those in favor of the motion, please stand. I presume everyone who is standing is a Senator. Please sit down, and all of those opposed, please stand. Do we have abstentions? Okay the vote was 65 in favor, 1 opposed, and 2 abstentions. At this point, I will call on Professor Fine."

C. Quasi-Committee of the Whole to Discuss Distance Learning

Professor Fine: "I want to move that the Senate go into quasi-Committee of the Whole for the purpose of discussion only of the matter of e-Cornell and distance learning, those issues we are not free to discuss during the motion. The quasi-Committee of the Whole will terminate discussion at 6:00 p.m. I believe there's no 'Good and Welfare,' so it will be in time for the Senate to adjourn. That's the motion."

Speaker Howland: "Is there a second? Okay, it is debatable. Seeing no hands, should I move to a vote? All of those in favor of the motion say 'aye.' All opposed say 'nay.' Good, we are in quasi-Committee of the Whole. Under those rules, the Chair retains the chair. You have the topic before us, e-Cornell and Distance Learning. Does anybody wish to speak to this topic? Yes, Professor McAdams?"

Professor McAdams: "I'm the senior Senator from the Johnson School and I'd like to focus on areas where I see difficulty and where we need to have a discussion. The issues

that I see are property rights, possible conflicts of interest, and a notable shifts of ethos. I think the Senate's motion illustrates these. Then there is the absence of any clear business plan that tells us how e-Cornell would be functioning.

"I'm a member of an informal task force at the Johnson School that Dean Cooke called together. We met yesterday and we meet again tomorrow. We raised ten issues in our discussion. I don't want to do all ten, but I want to hit five. One question is, what are we really trying to achieve? What I hear is that we're trying to get there with others. I always ask how do we differentiate ourselves if we're joining a thundering herd. How does Cornell differentiate itself from others? There are some other factors that the Provost mentioned and for the first time I heard the comment that we're already doing a lot of this through Cooperative Extension. At the forum, I suggested that Cornell differentiate itself by becoming the PBS of distance learning. We're already doing that through Extension and other ways, but people say that it's impossible. I say that if it's currently taking place, it's not impossible. We're also doing it to some degree through the Cornell Press. So we're already moving in these areas; and we're already acting in these areas, maybe we could do it that way.

"A problem that I see with e-Cornell is that it seems to be a very rigid organization with solid boundaries. There is a need for a contracting facility if we're going to be participating in this area. It does not necessarily need to be for-profit. It does not necessarily have to be a major organization with rights of first refusal with everything that is available from faculty or groups of faculty. Some kind of contracting facility in that area would be useful. It should be small, elite, empowering individuals and entity groups, but be faculty initiated. What I don't see is that empowerment of people here from outside. I see an iron mask.

"Another question is will we get a clear business plan that suggests that there may actually be return to Cornell from these activities? All of the back-of-the-envelope work that I've heard suggests that it's going to be very unlikely. I would like to hear someone who really understands it say that we can make a lot of money here. If we can't make a lot of money, it is clear that there are going to be problems with conflict if it is for-profit. With the ethos that we are operating, the profit should be large. Until we see that the profit could be large, I wonder why we would go forward.

"Once we have a business plan for e-Cornell, we raise another issue. If this is going to have payoff for Cornell University, isn't it worth the commitment of some of our endowment funds rather than going outside to entrepreneurs who will come under a for-profit mechanism, requiring us to pay taxes on whatever net revenues we're able to achieve, before there's any return at all? If we were going forward and it takes capital, we might commit our own capital and that might also tend to differentiate us from some of our colleagues.

"The problems come very largely when we go for-profit, with outside investors, with their own Board of Directors, with their own fiduciary relationships to the outside investors, and their objective in a for-profit business is to make profit. It seems to me that there is a spectrum of ways in which we could function without going that far. I think it would be worthwhile for us to carry on further discussion and analysis in those directions."

Speaker Howland: "Yes?"

Professor Emeritus William Streett, Chemical Engineering: "I'd like to point out that when I was Dean in the late 1980s, the Vice Presidents of IBM, Hewlett-Packard, AT&T, and other companies came to me and said, 'Look, we have thousands of engineers and scientists whose skills are rapidly becoming obsolete. We desperately need to have those skills upgraded and you have the courses and programs to help us do that.' They said, 'We will pay you a premium on the on-campus tuition if you will deliver these courses and Master of Engineering degree programs at a distance.' The prevailing technology then was satellite technology and we attempted to get that kind of program off the ground. The initial expense was such that we didn't succeed in making it work. We could see the possibility of the Internet coming down the line, but at the time the Provost wasn't willing to fund it for long enough for us to get it going. So, we didn't. I simply want to contrast that with the experience of Stanford University. Starting a bit earlier than that, Stanford set up a microwave system to deliver courses and degree programs in Silicon Valley. That has been one of the great energizing factors of the enormous commercial success and the scientific and engineering success of Silicon Valley. They must deliver that now via the Internet.

"When I visited Hewlett-Packard some years ago, they were celebrating the occasion of the 1000th Hewlett-Packard employee who had earned an advanced degree from Stanford through that program. The off-campus students in Silicon Valley perform better, in general, than the on-campus students. Stanford has made an enormous amount of money from those programs. It has not corrupted the University and Hewlett-Packard and IBM have not attempted to influence what the University does or how it does it. In fact, it has provided a substantial stream of income that has advanced the University in a number of ways, not the least of which is faculty salaries. There are good reasons for doing this and there are institutions that have been doing it for a long time and are very successful at it."

Professor McAdams: "I'm also familiar with Stanford, I'm a Stanford graduate and I am good friends with the Dean of Engineering at Stanford. I would point out that there is no e-Stanford as an intermediary to facilitate this. The Engineering School did it and they did it well and it was run by the Dean and was done by videotape with local mentors. They're running out of local mentors because corporations are very much leaner and so they are finding difficulty with following the model that they have. A lot

of what they are doing now is in real time, satellite activity. They happen to have Silicon Valley all around them that helps facilitate the program. In any case, they didn't have some kind of iron mask to go through."

Speaker Howland: "In the back?"

Professor Ballantyne: "I have two comments. One is that I'm very confused about the status of intellectual property rights. Additionally, I heard about right of first refusal and then informally I heard that it's all been changed. I still have no idea what it is. I think that's an issue of grave importance to the faculty. The second point is just a brief comment. One of the reasons that program did not succeed in Engineering was that our faculty was not willing to give a Master of Engineering degree based only on distance learning courses. We did require that they come to campus."

Professor Richard Baer, Natural Resources: "I have a somewhat different concern. Traditionally, maybe until the last 50 or 100 years, education to a large extent has been seen in terms of moral formation, development of character, and initiating people into a community of learners and one of the things that I'm uneasy about in distance learning is an increasing number of students who will cheat if they can get away with it. In my classes, people have come right out and said that if they could get away with it and it would advance their careers, they would lie and cheat. What I'm concerned about in part is not so much the finances, but how we as faculty will assume the traditional role of not just transmitting information. I think it's dangerous to see our role as just transmitting information or even skills. Ideally, we're shaping people's character and their sense of responsibility as learners and as a part of the community. I don't see how this works well. It could work well if there was an adequate system of mentoring, but it worries me that distance learning tends to see education minimally in those terms of transmitting information. I could see ideally the distance learning in which we also receive materials from other universities that would free us up as faculty to spend more time with students, individually and in small groups, in terms of that kind of apprenticeship role and initiating into a community of learners and all of the responsibilities, duties, and privileges that entails. I'm somewhat concerned about this and I wish that we would begin to think about those aspects of the issue."

Speaker Howland: "Yes?"

Associate Professor Stephen Vavasis, Computer Science: "Many of my colleagues are also concerned about the issue of intellectual property issues in all kinds of distance learning, not only for-profit. I don't know if everyone is aware of the lawsuit at Harvard where Harvard is suing its own professor who taught a distance learning course for a different university. Harvard thought that this was a violation of its intellectual property rights. It seems to me that something like that could happen at Cornell, so I would like to propose that the Senate delegate to a small group, perhaps the University

Conflicts Committee, our wishes that they engage the administration to get a clear statement of what are the intellectual property issues associated with distance learning."

Speaker Howland: "Professor Ahl?"

Professor Fred Ahl, Classics: "I think most of us know that regardless of what we do or say here that not only will this thing go ahead, but it is in fact already going ahead. What we're going to be doing is trying to jump aboard the missile that's already been launched. I regard it as a missile because as I understand it, and I may have misunderstood, this isn't something like Open University that's being planned, where the idea is to fulfill a public service by providing a wide range of educational programs in a wide variety of programs. This comes across fairly clearly as a desire to seize the opportunity to make money. If there were an already existing view of Cornell as an elitist institution, we're actually going to damage it by turning into something of a money-grubbing place. It isn't as if we're saying we have a mission to perform for the community at large. We're not interested in doing anything in the range of this program that will not make money. I think that's the statement we'll be making about ourselves with e-Cornell. It may be that this will bring Cornell money; it may bring a great deal of wealth. I'm anxious about what it may say about the University and I rather suspect that there are others on the faculty who feel that way too."

Speaker Howland: "In the back?"

Professor Michael Todd, Leon C. Welch Professor of Engineering: "I have listened with great care to all of these discussions and I'm appreciative of the comments. I think this could work but I'm not sure for-profit is the way to go and I'm glad that we are thinking about alternatives. I would like to mention a colleague of mine and the family of Ezra Cornell, who is none too happy about having their name used in this way, and suggest that we change the 'e' in e-Cornell to a dollar sign." (Laughter).

Professor Emeritus Sola: "One thing that is being brought up here was sounded in the Corson Symposium rather clearly. Don Holcomb talked about the economics of the University and about the problem of replacing lost income in other ways. If this thing is worth it, maybe some star performers would put money on it. My own experience of distance education comes from when I taught an unusual language that most people don't study. If they did study it, they came in the summer and worked intensively and then the question was what to do next. That got me interested in distance education by electronic means. I think that the theme is relevant. Why is it that not more people are involved? I think it's because you don't think of the undergraduates or graduates who come through as a continuous stream and how to get them hooked in a way that gives them ultimate loyalty to the institution is the challenge. E-Cornell is not relevant here. I think it should be pursued and I hope that if I was a president of a corporation I could make a presentation and it might be accepted. My point really is to what extent does the

theme of loyal patronage to the institution and the money payoff that comes from that, concern you as a faculty?"

Speaker Howland: "Yes, Professor Evans."

Professor Emeritus Howard Evans, Veterinary Anatomy: "I haven't heard anyone address the issue of the dilution of faculty contact with students once this thing is in full swing or the effects on the libraries. I've heard nothing about money going to the libraries from this activity whereas the librarians will certainly be paying attention to those who are footing the bill. Assume this money starts being the major focus, the libraries will shift to supporting those courses and those activities that are bringing in the money. I'm afraid that our library facilities are already being strained and our librarians will be concentrating on the wrong things. I think it's a dilution of Cornell's effort on the part of students that are here."

Speaker Howland: "Yes?"

Professor Velleman: "I can add at least a fact to that discussion. I am a developer of asynchronous materials that have been used in distance learning, which basically means that we're not just videotaping a class or showing a class a video while it's taking place, but students work on their own time schedule. The norm in the area for developing high intensity, highly interactive asynchronous materials of the quality that we want with something with Cornell's name on it is 30 hours of authoring effort per minute of student experience. That is the official industry norm for developing materials of this quality. There are some products where we've reduced that to maybe five hours of effort per minute of student experience. That is the magnitude of effort that we're looking for to create materials of the quality that we would want, that are not just correspondence courses done by e-mail or posting your PowerPoint slides on the Web and letting students read them. This is actually having interaction with students and actually having materials that simulate situations and use the electronics to enhance education rather than being simply a means of delivering it. The impact on all of us, on any significant number of faculty deciding to devote that kind of effort, is something we have to consider. This idea that those faculty members who want to participate can without affecting the others of us, I think is misleading. It affects all of us if there is that kind of a dilution of effort. Now all of that said, I'm very much in favor of distance education. I think we do need to use electronics to enhance education and I think that we can enhance education on and off campus but I'm dubious about this particular model for doing it."

Professor William Lesser, Agricultural, Resource, and Managerial Economics: "I too have a little bit of experience producing a distance education program, a small thing on CD. As a result of that experience, I'm quite familiar with the costs indicated in the production of these materials and sufficiently realistic enough to imagine that the

people who invest in this are going to want to at least recover their investment. The notion of making this for-profit is not alien and similarly, anyone who invests is going to want to own the property rights and any rights which you would have then would be something that you would have to negotiate. That's not particularly surprising. What's troubling me about this concept is the right of first refusal. I don't understand why if I have a concept that I don't have the right to approach a number of possible sources on an even basis as I would if I had a textbook or a scholarly book. It seems to me that e-Cornell is providing a good service and a valuable one, but they can compete on merit and not have to establish themselves through some kind of specific right. I would feel much better if we could negotiate.

"In regards to dilution of effort, that's certainly an issue, but if we don't do it, somebody else is going to do it. Somebody is going to come along and take the core courses in which the syllabus doesn't change, do a good job with it, and once it's done, we'll all be using it. There will be a dilution of faculty in that case. If we want to be a part of this, we're going to need some source of funding because, as indicated, it's extremely expensive in time and financial resources. Cornell is already somewhat behind because, compared to other universities, it has not seen fit to invest in these areas, so faculty have to generate concepts and raise their own funds to see something through to completion."

Professor Graeme Bailey, Computer Science: "I think distance education is absolutely fantastic. I have memories from about 25 years ago about watching a television program produced by the Open University. It had a picture of trying to understand what movement was like in hyperbolic space, very bizarre and I won't go through the details of it. They used a camera to show somebody walking in a straight line and as the camera moved out, you could see that the line was actually curved in reality. You got a serious impression using the benefits of the means they had available. It was a real addition to a means of understanding. The point of that was that the Open University takes typically two years to prepare a course, where there's complete involvement of all the faculty together, with all of the support of the secretarial staff together, with the services of the BBC. The costs involved to do really good quality stuff are phenomenal. The advantages to Cornell's name in doing something of that quality would also be phenomenal. I understand, of course, the position of the administration that they want to do a terrific job and the problem of raising the kind of money we need to create such a high-quality exercise. Do we do it for profit? Then taxation bites in and we have to have even more financial success to reap the earnings to justify it. Do it not for profit? Then we have to lean on the people who are already providing resources and divert money from one exercise to another. I think distance education would be terrific to do, but we must do it in the right way and my sympathies to the administration to solve a really hard problem." (Laughter).

Professor Vavasis: "I just wanted to disagree with the speaker before the previous speaker. He said that he thinks faculty ought to have the right to negotiate the best deal when they want to see some kind of distance learning material, but I can foresee a problem with that. Suppose that the professor who teaches CS100 one semester negotiates the best deal that he can get and I'm teaching it the next semester and I find that our standard syllabus has been copyrighted and the copyright has been sold. I see that this as quite a complicated issue, and stating what's in the best interest of the faculty, I have trouble with that. Again, I think it's quite important that the Senate set up a small group to get this issue under discussion."

Provost Randel: "There is such a group, in fact, already working on it."

Professor Vavasis: "Who is on it?"

Provost Randel: "Dean Cooke, for one."

Dean Cooke: "I assume that the Provost is referring to the Conflicts Committee. There is a Conflicts Committee looking at distance learning aspects chaired by University Counsel. The Dean of the Faculty was added as an afterthought, unfortunately. I think that the faculty needs to form its own committee to look at all of the issues, a comprehensive review of proposals that are brought before the Faculty Senate, before the main meeting of the Trustees. I would welcome comments from you later if you think that's the right course. There are some profound issues that, if handled improperly, could cause grief for the University. It needs more attention than it's getting. The work that has been done on the Conflicts Committee at this moment, I don't have a fundamental problem with it. If you were to see a copy of it, I think it would strike you as reasonable. In fact, if I were to do anything, there are some other issues that have not been dealt with that it would be in the best interests of the University to clarify. So I'm not alarmed at what I see in terms of content, but I'm disappointed deeply that as co-chair of the existing Conflicts Committee, it was an afterthought that Bob Richardson and I have been added."

Speaker Howland: "Let's see, yes?"

Professor Joseph Hotchkiss, Food Science: "It seems to me in listening to this debate and others, the faculty is going in one of two directions. One is to say that the current proposal or initiative by the administration is not acceptable. The other is that we should stay with the status quo. We are producing these things now and let's stay with those. My own experience is that the University needs to do something. I have experience where I was asked to give a three-hour lecture to a half dozen cities. Something very expensive that I did in Oprah Winfrey's studio with twenty-two people that cost \$15,000 for three hours. What happened out of that, unbeknownst to me, is that a CD was produced that is on sale for \$400 a copy that is selling very well to companies

who send their employees out at lunch to do this. Now the University has a certain investment in me and neither of us got anything out of it. We basically let something go, I think, that the University must capture. Whether e-Cornell is the right way to capture, I don't know, but the faculty should not walk away from this area and let things go as they are. There needs to be some kind of movement."

Professor Lesser: "Just a quick comment on intellectual property rights. They can protect us as well as damage us in most cases. In the example of using a syllabus in an existing course, the department or University can simply copyright the syllabi from these classes and then anybody who tried to use it outside of the University would be in violation of the copyright and we'd have the basis for negotiation. If you use your overheads and materials for a course and copyright them and they show up on a CD, that's a violation of the copyright. You'd then have a basis by which to negotiate some sort of benefit. So intellectual property rights can go in both directions."

Speaker Howland: "We're within six seconds of 6:00 p.m. Do I hear a motion to adjourn? A second? Okay the meeting is adjourned."

The meeting was adjourned at 6:00 p.m.

Respectfully Submitted,

Kathleen Rasmussen

Associate Dean and Secretary of the University Faculty