FACULTY MEETING AGENDA
20 October 1997

Call to order at 4:10 pm, Sinclair Auditorium
(Refreshments will be served at 3:30 pm, in Sinclair Lab.)

1. Professor Oles Smolansky will give the memorial resolution for
   Professor Emeritus of International Relations, Henderson B. Braddock.

2. Corrections or approval of the 15 September 1997 Faculty Meeting

3. Unfinished Business

4. New Business

5. Committee Reports
   - Faculty Compensation Committee Report - Phased Retirement - Professor Frank Gunter
   - Faculty Financial Planning and Operations Committee Report - Professor Neal Simon
   - Graduate Research Committee - Graduate Program Field Test - Ward Cates

6. President’s Report

7. Adjournment

The meetings for 1997-98 will take place on Monday, 20 October, 1 December,
2 February, 23 March, 27 April. All meetings will begin at 4:10 pm, in Sinclair
Auditorium.
Lehigh University

MINUTES OF THE FACULTY MEETING

20 October 1997

Presiding: William Hittinger (Sinclair Lab Auditorium)

President Hittinger called the meeting to order at 4:13 PM.

1. Memorial Resolution. A tribute to Henderson B. Braddick, late Professor Emeritus of International Relations, was read by Professor Oles Smolansky who then MOVED that his remarks be incorporated in these minutes [see Attachment 1] and that a copy be sent to the family. The President declared the motion APPROVED by acclamation and the faculty STOOD for a moment of silence in memory of Henderson Braddick.

2. Minutes. The minutes of the September 15, 1997 faculty meeting were APPROVED without corrections.


5. Faculty Compensation Committee. Professor Frank Gunter provided the background for a presentation on the Proposed Enhanced Voluntary Phased Retirement Program. He also noted that the Faculty Facilities Planning and Operations Committee is actively seeking faculty input to the budget process. Faculty should provide input no later than October 24.

Professor Ed Shapiro made a presentation on the Proposed Enhanced Voluntary Phased Retirement Program, first cautioning the faculty that not all the details have been settled. He assured the faculty that a more thorough presentation would be made when the details are finalized.

As background, Professor Shapiro noted that the proposal was first put together several years ago, and, working with Rhonda Gross’s office, a plan has been crafted. Professor Shapiro proceeded with a slide presentation which is attached to these minutes [see Attachment 2]. He noted that a complete description of the details of the program would be provided, in writing, at a subsequent faculty meeting.

Professor Shapiro concluded by opening the discussion to questions.
Professor Russell Shaffer inquired about faculty receiving 70 per cent of their salary as opposed to the proposed 60 per cent of their salary. Professor Roger Simon inquired about the “gross-up” assumption, since it is likely everyone will be at 6 per cent gross-up. He also asked whether the proposal meant 50 per cent effort for each of the three years, or are other mechanisms possible. Professor Shapiro responded to both Professors Shaffer and Simon by noting that the particulars of an individual faculty member’s phased retirement could be negotiated on an individual basis.

6. **FFPOC.** Professor Neal Simon, on behalf of FFPOC, outlined his presentation to the faculty by stating he would cover four items: 1) Process; 2) Preliminary Budget Models; 3) Major Budget Factors; and, 4) Changes Occurring in Revenue Streams.

Process. The Planning and Budgeting Working Group, consisting of twelve members, has been constituted to insure representation across all university constituent groups. The Working Group has a genuine commitment to getting a sense of budget priorities.

Preliminary Budget Models. Professor Simon distributed the attached handout [see Attachment 3] which illustrates budget projections based on several different sets of assumptions.

Professor Gunter raised 2 issues. First, does an assumed 1 percent increase in compensation imply that faculty compensation increases will be tied “lockstep” to compensation increases for other employees? Second, Professor Gunter alluded to a previous “promise” that, as the decline in the number of faculty accelerated, there would be a similar reduction in exempt staff. He asked if this was going to happen.

Professor Simon replied that he did not know.

Professor Gatewood asked for a clarification of what constituted “contracted services.”

Rhonda Gross indicated this included ISS, Brickman, Honeywell, and other multi-year contracts which comprise $7 million.

Professor Barry Bean wondered whether granting these contracts to for-profit companies was costing the university money as opposed to reverting back to university employees.
Rhonda Gross said that could be looked at.

7. **Graduate Research Committee**  Professor Ward Cates reported that the Graduate Program Evaluation Field Test of all graduate programs will take place this fall. There will be an open forum from 3-5 PM on October 28 in Neville Hall.

Professor Shapiro thanked the committee for its work. He wondered whether there would be any outcomes attached to the current test as opposed to the 1994 report which produced no perceptible outputs.

Professor Cates stated that he could not explain why the 1994 report produced so little. However, he hopes times have changed, especially given more pressure with respect to financial matters. He suggested that it is crucial that funding be attached to insure changes can be made. He concluded by stating his hope that such a widespread effort will reward programs doing well.

8. **President’s Report**  President Hittinger commented on the budget process, noting that he has put together a fine group to collect, evaluate, and determine budget parameters. The outcome of the budget process will depend on the inputs received. He stated that all involved believe tradeoffs in the budget will move the university ahead. Implicit in the budget process is the need to cut back so that the university can afford those things which are necessary. Although President Hittinger is not sure where the cutbacks will take place, at this point, he encouraged the faculty to work with the administration. He stated he is enthusiastic and looks forward to the opportunity to capture the faculty’s thoughts.

President Hittinger summarized the October 10 Board of Trustees meeting. The budget process was mentioned. The trustees are committed to making Lehigh more successful and competitive with the capability to move ahead. At this point in the university’s existence, the emphasis is on teaching excellence. The physical plant needs have been well-attended to - it is time to address needs in student learning and faculty quality.

He also addressed the faculty salary situation. While no proposal is on the table, he did acknowledge that there is a genuine view among the trustees that faculty compensation is slipping relative to peer institutions. Efforts will be made to close the gap. The university’s next round of fundraising will include initiatives for faculty chairs, grants, and student scholarships.
The trustees are dedicated to bringing in additional resources. He believes his conversation with the trustees went well. He is encouraged by the cooperation among faculty and staff.

President Hittinger also spoke about the planning process. Middle States Accreditation review is underway. He encouraged the faculty to re-read the 1997 operating plan. Another operating plan will be released in January. He suggested the faculty think about the guidance contained in the plans and, provide feedback and suggested corrections.

Finally, President Hittinger put in a “plug” for the United Way campaign which runs through November 1. Wrap-up occurs on November 17. The goal is to increase participation by all university employees. Current participation level is slightly above 30 percent. He said the university doesn’t look very wholesome compared to industry where participation rates are much higher.

The meeting stood adjourned at 5:07 PM.

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Secretary to the Faculty
304 Rauch Business Center
758-4557
FAX: 882-9415
e-mail: SFT@
MEMORIAL RESOLUTION
FOR
HENDERSON B. BRADDICK
LEHIGH UNIVERSITY

October 20, 1997

The Faculty of Lehigh University mourns the death of Professor Henderson Braddock and offers its deepest sympathy to members of his family.

Henderson Braddock was born in Denver, Colorado in 1920. He did his undergraduate work at the University of Washington and after graduation in 1942 he served in the U.S. Army as a lieutenant. During the desperate battle for the Gothic Line in Italy he was seriously wounded in the chest. Operated on by a German surgeon on the battlefield, he survived his wound and spent the remainder of the war in a German prison camp.

After the war, Professor Braddock entered Harvard Law School where he received his LL.B. in 1949. While practicing as an attorney with a leading Seattle law firm, he developed an interest in international affairs. He became Executive Secretary of the Institute of International Affairs at the University of Washington from 1951 to 1956 while studying for his Ph.D. in International Relations, a degree he completed in 1957.

Professor Braddock served Lehigh as an Assistant Professor (1956-60), an Associate Professor (1960-1972) and a full Professor from 1972 until his retirement in 1984.

As a scholar of European diplomacy, Henderson Braddock specialized in the terrible decade of the 1930's and was a master of the Italian, French, English and German archives for that period. Two of his articles, "A New Look at American Policy during the Italo-Ethiopian Crisis, 1935-36", published in The Journal of Modern History and "The Hoare-Laval Plan: A Study in International Posture", published in The Review of Politics, are regarded as definitive works on their respective topics. The latter article was reprinted both in W. Laird Kleine - Ahlbrandt's The Appeasement of the Dictators (Holt, Rinehart and Winston, 1970) and Hans W. Gotzke's European Diplomacy between Two Wars, 1919-1939 (Quadrangle Books, 1972). Professor Braddock prepared a major study of the Rhineland Crisis of 1936 and a documentary casebook of European International Relations, 1919-39 but, for health reasons, was not able to complete them.
Henderson Braddock liked students and spent a great deal of time in intense discussions with those who were serious about the study of international affairs. Many of his students can testify to his important influence upon them and, indeed, many of them were inspired to go on to graduate studies as a result of his inspiration.

“Brad”, as his friends and colleagues called him, was a very private person, deeply committed to his wife Leli -- a distinguished portrait painter -- and his son Robert. His talents ranged over a wide area of music and art. An accomplished pianist, in recent years Brad began composing music for piano -- an interest he had originally acquired as an undergraduate student at the University of Washington -- working closely with his friend, Professor Paul Salerni who provided much appreciated guidance and inspiration. Some of Brad’s compositions were performed by Professor Salerni at a musical soiree, held at Brad’s house in May, and at the Memorial Service, held at the Cathedral Church of Nativity in September. In addition, the concert of the Lehigh University Very Modern Ensemble (LUVEME), held in Baker Hall on October 18, has been dedicated to Brad’s memory.

Henderson Braddock was a man who served his country with valor in one of the most decisive struggles in history. He subsequently served Lehigh University with distinction for almost thirty years. He knew of his approaching death for many months, but, sustained by the son he loved so much, he faced it with courage and gallantry. He will be greatly missed by his many friends and colleagues.

Respectfully submitted,

Carey B Joynt
Rajan Menon
Oles Smolansky
Raymond Wylie
Proposed Enhanced Voluntary Phased Retirement Program

- Provide opportunity for faculty to move into retirement without stark shift of ties with the University
- Importance of faculty renewal
- Impact of phased retirement on quality of education delivered
- Provide opportunity to maintain medical coverage in process of moving toward retirement
- Consideration of budget impact on institution
Key Components

- Eligible faculty: 55 yrs + 10 yrs service
- Faculty reduce effort to 50% for 3 year period
- Faculty receive 60% salary (plus gross up) for effort
- Faculty receive full medical benefits for 3 year period
- Nature of 50% effort is negotiated with chair and dean, and agreed to by provost
- At end of 3 year period, faculty gives up tenure
Key Components

- Participants are permitted to begin drawing down on TIAA/CREF funds during 3-year period
- Budget reductions remain within college during the 3 year phased-in retirement period
- Does not preclude individually negotiated arrangements
- Working on additional enhancements to medical coverage for those who end phased retirement before age 65.
# Comparison with Existing Program Over 3-Year Period

<table>
<thead>
<tr>
<th></th>
<th>Current R &amp; P Benefits</th>
<th>Proposed Enhancements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effort</strong></td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Salary</strong></td>
<td>50% of base</td>
<td>60% of base</td>
</tr>
<tr>
<td><strong>Base Salary</strong></td>
<td>40,000/yr</td>
<td>48,000/yr</td>
</tr>
<tr>
<td>(based on 9 month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>salary of $80,000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross-up (2%/yr)</strong></td>
<td>800/yr</td>
<td>960/yr</td>
</tr>
<tr>
<td><strong>Pension Contribution</strong></td>
<td>4,000/yr</td>
<td>4,800/yr</td>
</tr>
<tr>
<td><strong>Flexible Benefits Access</strong></td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
PLANNING AND BUDGETING WORKING GROUP

- Bill Hittinger, President
- Nelson Markley, Provost
- Rhonda Gross, VP Finance/Administration
- Jim Tiefenbrunn, AVP Resource Management
- Jill Sherman, VP Development
- Ken Smith, VP Public Affairs
- Bobb Carson, Dean, Arts & Science
- Patti Ota, Dean, Business & Economics
- Harvey Stenger, Dean, Engineering & Physical Science
- Ron Yoshida, Dean, Education
- Neal Simon, Chair, FFPOC
- Al Moe, Representative, FSC
### 1998-99 Budget Projections
#### Preliminary Models C3, C2, C1

**Bottom Line Surplus (Deficit)**
- **$ -**
- **$ (1,741,000)**
- **$ 2,270,000**
- **$ 706,000**

**Key Revenue Assumptions:**
- **Tuition:** $850, 3.96%
  - **$ 21,350**
  - **$ 22,200**
  - **$ 22,200**
  - **$ 22,200**
- **Undergraduate Enrollment (FTE)**
  - **4,210**
  - **4,245**
  - **4,245**
  - **4,245**
- **Net Tuition Revenue**
  - **$ 66,777,000**
  - **$ 69,853,000**
  - **$ 69,853,000**
  - **$ 69,853,000**
- **Graduate Enrollment (credit hours)**
  - **11,430**
  - **11,305 w/3% reserve**
  - **11,305 w/3% reserve**
  - **11,305 w/3% reserve**
- **Net Tuition Revenue**
  - **$ 6,788,000**
  - **$ 6,874,000**
  - **$ 6,874,000**
  - **$ 6,874,000**

**Endowment Spending:**
- **Unrestricted**
  - **$ 8,890,000**
  - **$ 9,471,000**
  - **$ 9,471,000**
  - **$ 9,471,000**
- **Financial Aid Restricted**
  - **$ 6,615,000**
  - **$ 7,121,000**
  - **$ 7,121,000**
  - **$ 7,121,000**
- **Other Restricted**
  - **$ 4,682,000**
  - **$ 5,072,000**
  - **$ 5,072,000**
  - **$ 5,072,000**

**Indirect Cost Recovery**
- **$ 5,609,000**
- **$ 4,853,000**
- **$ 4,853,000**
- **$ 4,853,000**

**Key Expense Assumptions:**
- **Compensation** 2.9%
  - **2.5%**
  - **0.0%**
- **General/Office Expenses** 3.0%
  - **3.0%**
  - **0.0%**
- **Library Acquisitions** 10.0%
  - **11.2%**
  - **0.0%**
- **Utilities** 6.4%
  - **2.7%**
  - **2.7%**
- **Contracted Services (facilities)** 3.5%
  - **2.75%**
  - **2.75%**
- **Building Maintenance** 4.0%
  - **3.0%**
  - **3.0%**

**Individually Identified Items:**
- **Plant Preservation** $150,000
  - **$ 150,000**
  - **$ 150,000**
  - **$ 150,000**
- **Development Campaign Surcharge** $100,000
  - **$ 100,000**
  - **$ 100,000**
  - **$ 100,000**
- **A&S Faculty expansion**
  - **$ 130,000**
  - **$ 130,000**
  - **$ 130,000**
- **Past commitments of AWP/PL**
  - **$ 623,000**
  - **$ 623,000**
  - **$ 623,000**
- **Academic**
  - **$ 462,720**
  - **$ 462,720**
  - **$ 462,720**
- **Development**
  - **$ 155,000**
  - **$ 155,000**
  - **$ 155,000**
- **Student Services**
  - **$ 208,400**
  - **$ 208,400**
  - **$ 208,400**
- **Physical Plant**
  - **$ 322,000**
  - **$ 322,000**
  - **$ 322,000**
- **Finance Administration**
  - **$ 22,000**
  - **$ 22,000**
  - **$ 22,000**
- **Reductions due to cutting**
  - **$ (1,578,715)**
  - **$ (1,578,715)**
  - **$ (1,578,715)**
- **Reductions due to endow shifting**
  - **$ (584,800)**
  - **$ (584,800)**
  - **$ (584,800)**

**Model C1**
5yr89Ccomp
**ONE ITERATION**
1% BUDGET FACTORS

**REVENUE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Net Undergraduate Tuition</td>
<td>668,000</td>
</tr>
<tr>
<td>Net Graduate Tuition</td>
<td>68,000</td>
</tr>
<tr>
<td>Endowment Revenue (currently at 6% ceiling)</td>
<td>138,000</td>
</tr>
<tr>
<td>Indirect Cost Recovery</td>
<td>48,000</td>
</tr>
<tr>
<td>Short-term Investment Income (currently at 5% of $62 M)</td>
<td>31,000</td>
</tr>
<tr>
<td>Annual Fund Unrestricted</td>
<td>29,000</td>
</tr>
</tbody>
</table>

**EXPENSE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>680,000</td>
</tr>
<tr>
<td>General / Office</td>
<td>151,000</td>
</tr>
<tr>
<td>Library Acquisitions</td>
<td>33,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>60,000</td>
</tr>
<tr>
<td>Contracted Services</td>
<td>70,000</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>50,000</td>
</tr>
</tbody>
</table>
# MAJOR UNRESTRICTED REVENUE SOURCES
## HISTORICAL PERSPECTIVE TO 96-97

<table>
<thead>
<tr>
<th>Source</th>
<th>1991-92</th>
<th>1996-97</th>
<th>% Growth 5 yr/Compounded</th>
</tr>
</thead>
<tbody>
<tr>
<td>UG Net Tuition</td>
<td>58,409,618</td>
<td>65,510,478</td>
<td>2.3%</td>
</tr>
<tr>
<td>Grad Net Tuition</td>
<td>7,958,556</td>
<td>6,823,345</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Ind Cost Recovery</td>
<td>6,882,078</td>
<td>5,377,595</td>
<td>-4.8%</td>
</tr>
<tr>
<td>Gifts for Operations</td>
<td>2,900,000</td>
<td>2,750,000</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Endowment Spending</td>
<td>6,541,156</td>
<td>7,945,229</td>
<td>4.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>82,691,408</td>
<td>88,406,647</td>
<td>1.3%</td>
</tr>
<tr>
<td>Source</td>
<td>1996-97 Actual</td>
<td>1998-99 Estimated</td>
<td>2 yr/Compounded Annual</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-----------------</td>
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<td>2,750,000</td>
<td>2,900,000</td>
<td>2.7%</td>
</tr>
<tr>
<td>Endowment Spending</td>
<td>7,945,229</td>
<td>9,471,000</td>
<td><strong>9.2%</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>88,406,647</strong></td>
<td><strong>93,951,000</strong></td>
<td><strong>3.1%</strong></td>
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