

THE SENATE OF MICHIGAN TECHNOLOGICAL UNIVERSITY

Minutes of Meeting No. 254
17 April 1996

Synopsis: The Senate

- (1) Learned that Bresnan would no longer carry the Senate meetings.
- (2) Heard that the Instructional Policy Committee recommends no change in the drop policy for another year.
- (3) decided that petitioners for Senate constituency would be requested to provide a narrative if they wish.
- (4) heard that Glime and Shapton were elected for Senator-at-large.
- (5) heard a budget presentation from Provost Dobney.

1. CALL TO ORDER AND ROLL CALL

President Bornhorst called the Senate Meeting 254 to order at 5:30 p.m. on Wednesday, 17 April 1996, in Room B37 of the Electrical Energy Resources Center.

Secretary Glime called roll. Absent were at-large senator Robert Filer, and representatives from Business & Engineering Administration, Chemical Engineering, Student Affairs/Educational Opportunities, and Human Resources/Facilities Management. Liaisons in attendance were Steve Hellmann (USG) , Yadu Dar (GSC), and Ted Soldan (Staff Council).

2. RECOGNITION OF VISITORS

Guests included Fred Dobney (Provost), Debbie Lassila (Provost's Office), Mike Gilles (Research/Communications Services/Administrative Offices), Dennis Walikainen (Communication Services), and Ellen Horsch (Human Resources).

3. APPROVAL OF AGENDA

President Bornhorst announced a correction to the agenda. Bresnan will not broadcast the Senate meeting. Dobney added that this meeting was not broadcast; our channel has been turned into a travel channel. Bresnan claims that MTU has deprived Bresnan of revenue by creating its own campus channel. Bresnan would continue us for \$60,000 a year. We need to impress on them the need for community access, particularly for Senate meetings and the convocation. It would be helpful to have a resolution from the Senate to ask Bresnan to reconsider.

Vice president Pro Tem Soldan asked what individuals can do. Dobney suggested people can write to Kestner and to Bresnan. The administration has already written to our state senators. Senator Beck asked how the Hancock City Council gets on channel 5 and Dobney responded that Bresnan is mad at the University for providing their own services and hopes to put similar pressures on other universities as well.

Leifer MOVED and Carstens seconded the motion to approve the agenda. The motion PASSED on voice vote with no dissent. [Appendix A. NOTE: only official Senate and Library archival copies of the minutes will contain a full complement of appendices.]

4. NEW BUSINESS

New business proposals were introduced, including Proposal 23-96, Policy on Faculty Availability; Proposal 24-96, Recommendation on Health Insurance Benefits; Proposal 25-96, Recommendation on Retirement Income Programs; Proposal 26-96, Recommendation on Life Insurance. [Appendices B-E]

5. PRESIDENT'S REPORT

President Bornhorst reported that two memos from Chief Financial Officer McGarry were attached to the agenda. [Appendices F and G] One is a report from the Graduate Student Tuition Task Force and one is a report from the TIAA/CREF Retirement Health Benefits Task Force. The Senate needs to decide what to do with these recommendations - concur or send to a Senate committee.

The statement from Anita Quinn, distributed campus-wide, indicating that the graduate student tuition increase has been approved, is in error. It is an estimate of the new tuition rates. The Provost has assured us that the recommendation for increase will come to the Senate for input. Senator Beck stated that the implications of the wrong memo are that if we can estimate a 4% increase in stipends for graduate students, we should do no less for the faculty and staff salaries. It also implies a 5% increase in tuition for undergraduates. Dobney commented that the administration is actually using an estimate of 5% for faculty and staff salaries.

Senator Leifer recommended that what the Senate voted on the last time is what we should do. The Senate referred the Graduate Student Tuition Task Force report to the Research Policy Committee and the TIAA /CREF Retirement Health Benefits Task Force report to the Fringe Benefits Committee.

A memo from Bob Keen regarding the current drop policy is attached to the agenda; the Instructional Policy Committee recommends no change for another year, at which time we should re-evaluate the effect of moving the W grade ahead from week 6 to week 4. [Appendix H]

The Faculty Handbook will be ready to come to the Senate to examine on 1 or 8 May. The Professional Staff Handbook will be ready by the end of May or early fall term. Senator Pegg asked if the work on the handbook is just from the Administration. Bornhorst replied that it has been put together by the faculty and administration. The non-information (policy) items are either existing Board of Control or University policies and procedures or policies and procedures recently approved by the Senate. The information items are being handled by the Administration and the committee. Pegg asked if we can see the handbook now; Debbie Lassila and Provost Dobney responded that we can.

The charter for the Mining Department has been accepted by President Tompkins. [Appendix I]

The three elected representatives on the Charter School Committee drew lots to determine the length of their terms. Gary Agin will be a member for 6 years, Dallas Bates for 4, and Faith Morrison for 2.

President Bornhorst reported that the officers felt that a petition for Senate Constituency should state reasons for becoming constituents, not just state that the person meets the minimum requirements, and he asked for comments from the floor. Senator Sloan asked why there needs to be any more information; Bornhorst replied that these are guidelines, not criteria. Senator Pegg stated that any change in constituency status should be up to the Senate, not the Executive Committee. Senator McKimpson stated that the Senate had significant concern over the criterion of long-term commitment to the university, so if no narrative is provided with the petition, the Officers should ask for more. Senator Moore asked what we would do if some were short and some were long. Senator Whitt asked what else was discussed regarding this issue. Bornhorst stated that we should probably throw out the guidelines. Moore stated that other officers might decide differently on the same petition. Bornhorst reminded the Senate that the entire Senate would decide on who was to be admitted [the officers could send petitions back

for more information].

Senator Carstens asked what we are looking for. Pegg asked if those two minimal guidelines are enough, why should we ask for more information. Vice President Walck stated that we have criteria in the bylaws; some people may fall through the cracks; this is a mechanism to permit them consideration; these are not criteria; if these were criteria, there would be no need to require a petition at all and we could put the criteria in the bylaws.

Senator Leifer questioned what committee might be appropriate and recommended that the Executive Committee come back to the Senate with a statement of what is sufficient. Whitt asked if these were presented singly as requirements or were they intended as the kind of thing we could argue. Bornhorst responded that they were presented as something that the Senate could argue. McKimpson suggested that the Senate consider the requirement of a short narrative to accompany the request. Bornhorst stated that we will request petitioners to provide a narrative if they wish and the Executive Committee will move the petition forward. There were no objections to that ruling, so that will be the procedure.

President Bornhorst announced the nominees for the Senate Ad Hoc Committee for Separation of Faculty. These are Mary Ann Beckwith (Fine Arts), Jim Carstens (Technology), Bill McKilligan (Operations), Bruce Pletka (Metallurgy & Materials), George Trevino (ME-EM), ID Wijayaratne (Technology), and Dae Young (Mining). The committee especially needs to address cases of program elimination and financial exigency, since there currently are no policies for these events. Senator Soldan recommended that the Senate accept the slate as the committee members. Senator Pegg asked about the charge; would they recommend a proposal to the Senate, then the proposal would go to the administration and the Board of Control; what exists now? Senator Bornhorst responded that nothing exists now; in the mid 70's a proposal was rejected by the University President. Senator Beck suggested that there needs to be an independent outside organization to substantiate the financial difficulties. Provost Dobney commented that the committee can look just at single faculty or address the larger issue of a programmatic shift; the University needs a way to deal with the larger issue.

Senator Whitt questioned whether the policy should include staff; Horsch (Human Resources) responded that the staff are dealing with this issue in their own handbook.

Senator Lutzke pointed out that a woman at another major university had sued the university and won; the university claimed financial problems; the court found that the university had a contingency fund that had not been depleted and that others who were kept got raises.

Dobney stated that there would be no sense to have a different policy for the faculty and staff - there needs to be a joint task force, including administrators. Senator Carstens asked what is meant by reconfiguration and Dobney responded by saying that it is a nice way of saying we are changing the shape of the University. Senator Mroz supported Dobney by saying that the policy would come to closure sooner with Dobney's suggestion for joint efforts. Bornhorst stated that he would bring the issue up again at the next meeting; the officers will discuss it and get names of the staff committee members.

President Bornhorst announced the results of the election for Senators-at-large: Glime (154) and Shapton (141) are the new Senators-at-large. First runner-up is Kunz (100) and second is Flynn (89).

President Bornhorst announced that he would run for President again if someone nominates him.

6. COMMITTEE/BUSINESS REPORTS

MTU Budget Update - Provost Dobney [Appendix J]

Provost Dobney presented the MTU Budget Update. We anticipate a 150-200 student decline in 96-97. The percent of students choosing engineering is declining on a national basis, from a high of 12% to the present 7%. MTU follows the national trend. The University of Michigan is not falling as much. Other Michigan schools are fairly stable. MTU

could be affected by the three institutions that have added ABET accredited programs, and Ferris is adding more engineering programs.

There is an inverse correlation between the required ACT score and enrollment. The MTU average is 25.9 whereas schools with an average of 23.3 have a higher enrollment. Studies indicate that the likelihood of success is the same for 23 as for 27. When departments limit the ACT scores, the enrollment is low. We are still suffering the reputation of turning away very good students such as valedictorians; one student was turned down by MTU and went to MIT. We need to have people spreading the message that you can succeed to get in and graduate. Assistant Dean Bowen is using novel recruiting techniques for Sciences and Arts - giving coffee cups to high school counselors. We are increasing recruiting efforts in the UP. Forestry has a TQE team that has implemented new recruiting

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methods. We are holding Tech Nights downstate and recruiting fairs in New York, New Jersey, Boston, and Pittsburgh. We are using Gold Carpet alumni recruiting where alumni go to high school award ceremonies and talk to awardees.

The exceptional student award has been extended to all states and provinces. Thirty Wisconsin high school counselors are being hosted. Better financial aid packaging should attract better students and get us the most for the money.

The number of high school graduates is increasing faster in New England and is slow in Michigan. However, Michigan is fourth in engineering enrollment, after California, Texas, and New York.

Dobney addressed the tuition question. If the increment drives away students, it defeats its purpose. We need to consider access/affordability, market value, return of educational investment, and financial need. Possible structures include different undergraduate and graduate tuitions, but only 20% of the graduate students are unsupported; others are supported internally, so the increase would be a wash and might drive away the unsupported students. We could change the charges to non-resident students to cover costs, but 70% of the non-resident students are in the exceptional student program. Neither the Provost nor the Comprehensive Tuition Committee supports charging different tuition for lower and upper division students; lab fees help to pay the greater cost of upper division courses; financial aid would be more complicated.

Currently, enrollments come mostly from Michigan (4728), Wisconsin (599), Minnesota (259), and Illinois (123).

Northern Michigan University charges \$1000 per year less tuition than MTU. Ours is approximately the same as at Wayne State.

The state appropriation to MTU should increase by about 6%. Indirect cost return should increase about 10%; Auxiliaries should be able to contribute \$1.5 million; and the state's appropriation to deferred maintenance should contribute \$750,000.

Expenditures for faculty and staff include a 3% increase in fringe benefit costs, 4% for salaries and wages, a continued moratorium on prefunding TIAA/CREF, enhancement of the advancement effort, and the 1% realignment. Supplies and services include \$1,000,000 one-time appropriation from the state for technology upgrades. Financial aid will increase consistent with tuition increase and has a \$350,000 shortfall from this year. Lab fees will increase 5% and there will be return on overhead.

Senator Lutzke asked what will happen if there is no state budget approved by the time of the Board of Control meeting. Dobney responded that there would be a special meeting in June in that case. The state money is premised on the federal budget going through.

Senator Pegg stated that we need to explain the internal

investment to students and parents; approximately 90% of the students are employed by graduation and have high starting salaries - there is a good return on the investment. Dobney said we can sell them on the average starting salary - the freshmen already know what to expect in the job salaries; Engler has stated that we're 10,000 to 12,000 short on needed engineers, so student interest in that field should increase.

Senator Heyman asked if the \$1,000,000 for technology will be for "stuff." Dobney responded that it would, but that it could free some of the money that should have been used for other things in the past but needed to be used for that "stuff." Heyman responded that computerizing has a huge overhead and we need support for existing equipment. Dobney stated that we need start-up money for new faculty and would probably not use the money for computers; money is available through computer awards to faculty and student fees.

Senator Whitt asked what is covered in the base budgets. Dobney responded that it includes administrative and departmental budgets; these were made available to the finance committee.

Senator Beck asked if any golden parachutes are still unopened. Dobney responded that none have been cut since he arrived and no more previous commitments are known.

Senator Arici asked about possible cost savings in switching from quarters to semesters and Dobney responded about \$100,000 could be saved - it could not be justified on cost savings and should only be considered on the basis of educational value.

7. OLD BUSINESS

A. Proposal 18-96, Recommendation on Basic Benefits Package

[Appendix K]

Thayer moved and Arici seconded the motion to approve Proposal 18-96. Senator Sweany asked the cost of the proposal. Senator Arbabi stated that the proposal was developed in response to the survey and that the committee tried to watch the cost. Only four people had taken the 80 point option, so there was not much cost to include it. Sweany responded that the option might give some people an incentive to retire early.

Provost Dobney stated that 21 people are currently under this program and at least 12 of these are under the age of 65; the liability is much greater than for those over 65 [who are eligible for Medicare].

Arbabi stated that these people could have a higher copay rate. Senator Bradley stated that if the 80 point option were to be dropped, the decision could drive eligible people to retire before the option was lost. Horsch (Human Resources) pointed out that we now have the option of 80 points or age 65. Dobney stated that there is a flaw in the cost comparison because when people retire early it is possible to replace them with an assistant professor at a lower salary and this could offset the cost of retirement benefits.

Senator Gilles stated that we should keep it because it is fair and other universities have it. There are currently 65 people who are eligible with 80 points. Why should we force people to stay if they are unproductive and drawing a high salary?

President Bornhorst suggested that we could keep the 80 point retirement but not provide health care until age 65. Dobney said that the 80 points would be a tradeoff to a guarantee of retirement health benefits.

Bradley stated that the 80 point system and retirement plan included the recognition that retiring people need three things: health benefits, retirement income, and life insurance. Senator Heyman stated that he does not want to vote for all three in the same package because it is too expensive. Arbabi stated that the committee wanted to provide

an orderly retirement that guaranteed the three parts. Thayer asked what's wrong, why would anyone vote against the proposal?

Bradley stated that the proposal provided no details, so it was possible to meet its requirements with little cost. Dobney stated that the recommendation had no meaning because it had no financial analysis. Sweany stated that he is upset because there is no detail; we cannot assess what we are giving up to obtain this.

Senator Leifer stated that it is interesting to hear the provost argue both sides of the coin. The Provost said no to a similar proposal costed out in detail; therefore, they chose to give the philosophy first. If the philosophy is not accepted, then there is no point in costing out the program. If the philosophy is supported, then it is worth costing it out.

Senator Carstens pointed out that people in industry are losing their benefits; therefore, it is good to support the philosophical statement.

Dobney pointed out that Leifer's statement is accurate, but he omitted one part of the previous proposal, that there would be a retirement payment of \$250,000 over salary. Therefore, Dobney had rejected the proposal. We need to know the cost so we can make a decision.

Gilles stated that the only reason for including the 80 points in a new proposal is that there had been discussion of taking that option away. He is willing to negotiate in a lot of areas. For example, copayment is not laid out. If no costing is included, the recommendation should be only philosophical. Bradley compared the proposal to a baby step. Heyman said there were pieces he could accept and pieces he could not. There are succeeding proposals in the present agenda new business and he "doesn't buy" some. Senator Mroz stated that these are key issues and he doesn't agree with all.

Senator Whitt stated that she is the only philosopher in the room and she has no objection to voting on a philosophical statement, but the recommendations are not philosophy. She is interested in understanding the arguments for and against each.

Beck stated that one of the new proposals suggested an enhanced salary of \$5,000 each year; Dobney corrected him, that it was actually \$50,000 each year for 5 years.

Bradley MOVED and Walck seconded the motion to drop the recommendations from the proposal. The motion to amend PASSED on voice vote with dissent.

Bornhorst ruled that the change was not editorial.

Leifer MOVED and Thayer seconded the motion to consider the proposal as an emergency measure. Secretary Glime stated that it was pointless to vote on it as an emergency measure because it would be 7:30 before the vote could be counted.

Soldan MOVED and Lutzke seconded the motion to adjourn. The meeting was adjourned at 7:28 p.m. with the open motion to approve the amended Proposal 18-96 on the floor.

Respectfully Submitted by Janice M. Glime
Secretary of the Senate

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