

## THE SENATE OF MICHIGAN TECHNOLOGICAL UNIVERSITY

Minutes of Meeting No. 257

8 May 1996

## Synopsis: The Senate

- (1) Approved Proposal 23-96 on Faculty Availability.
- (2) Approved Proposal 32-96 on Policies and Procedures Regarding Tenure-track Appointments, as an emergency proposal.
- (3) Heard that policies regarding use of social security numbers for identification would be revised.
- (4) Thanked Senator Thayer (Metallurgy and Materials Engineering) for his many years of service to MTU [he is retiring].
- (5) Heard that President Tompkins has approved the Associate Degree in Chemical Engineering (Proposal 13-96).
- (6) Heard that President Tompkins will ask the Board of Control to suspend prefunding of TIAA/CREF for another year.
- (7) Referred Proposal 22-96 on Childcare Benefits back to the Fringe Benefits Committee.
- (8) Requested Senators to make their committee choices for 1996-97.
- (9) Gave President Bornhorst the authority to write a letter to Bresnan Communications, on behalf of the Senate, requesting that Senate meetings be televised.
- (10) Heard a report from Shalini Rudak on the Staff Handbook.
- (11) Heard a report from Linda Ott on the Faculty Handbook and learned that it would go to the Board of Control in July.
- (12) Heard a year-end report on Shared Governance, given by Carol MacLennan.
- (13) Amended Proposal 20-96 on Campus Activities Benefit to eliminate the SDC Box Office and Bookstore and sent the proposal back to the Fringe Benefits Committee.
- (14) Passed Proposal 24-96 on Health Insurance Benefits, recommending continuation of 80 points or 65 years for eligibility.
- (15) Approved as an emergency proposal an amended Proposal 25-96, Recommendation on Retirement Income Program.

## 1. CALL TO ORDER AND ROLL CALL

President Bornhorst called the Senate Meeting 257 to order at 5:45 p.m. on Wednesday, 8 May 1996, in Room B37 of the Electrical Energy Resources Center.

Secretary Glime called roll. Absent were at-large senators Robert Filer and Harold Evensen, and representatives from Army/AF ROTC, Student Affairs/Educational Opportunity, and Academic Services/Engineering. Liaison in attendance was Geoff Roelant (USG) and Ted Soldan (Staff Council).

## 2. RECOGNITION OF VISITORS

Guests included Fred Dobney (Provost), Debbie Lassila (Provost's Office), Dennis Walikainen (Tech Topics), Freydoon Arbabi (Civil & Environmental Engineering), Carol MacLennan (Social Sciences), Linda Ott (Computer Science), Shalini Rudak (Educational Opportunity), N. V. Suryanarayna (ME-EM), Carl Nesbitt (Met and Mat Eng), Dave Ouillette (Enrollment Management), and Ellen Horsch (Human Resources).

## 3. APPROVAL OF AGENDA

Mroz MOVED and Sweany seconded the motion to approve the agenda. The motion to approve 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. APPROVAL OF MINUTES FROM MEETING 254

Senator Beck asked that the wording in item 5, paragraph 2, sentences 4-6, be changed to read "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]."

Beck asked that the first full sentence on page 6378, column 2, be changed to read, "Senator Beck suggested that there needs to be an independent outside organization to substantiate the financial difficulties."

Beck asked that the 9th paragraph on page 6380 be clarified to read, "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."

Senator Flynn corrected the fifth full paragraph on page 6379 to read Northern Michigan University instead of Northern University.

Leifer stated that any proposal that the provost saw, he had seen. The only person who would get \$50,000 is a person who has been here for 40 years and will retire after 45 years. That person would get \$50,000. There is no one in that category, so it becomes a null set.

Walck MOVED and Mroz seconded the motion to approve the minutes as corrected. The motion to approve PASSED on voice vote with one dissent.

#### 5. OPEN MOTION TO APPROVE PROPOSAL 23-96: POLICY ON FACULTY AVAILABILITY. [Appendix B]

Senator Arici asked if the proposal implies that faculty must be here at all times or only during office hours. Senator Keen responded that he is not sure what is implied by the change in wording to "will." Arici asked

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who would enforce the requirement. Provost Dobney responded "no one." Arici stated that we all do what this proposal requires already; if someone is not available, the student can go to the faculty member or department head or dean. He will vote against the proposal because it seems to accomplish nothing.

Senator Sandberg responded that this is a reason to vote for the proposal because now there is no policy. Senator Thayer added that the policy just says "should," so it adds nothing new. Senator Soldan said that as a student it was frustrating to go to a person's office and find no one there during office hours. There should be an enforceable policy. Thayer stated that he tells students to leave a message and he will call them; 50% of the students do not show up for the appointments.

Senator Fynewever stated that we are here for the students; the proposal lacks a statement that ensures that availability is carried out. Arici asked what she would do if someone did not care and did not do this. Fynewever responded that a chair could give a person a lower raise or no raise as a means of enforcement; it should be part of the annual review.

Senator Leifer argued that the proposal background states that there is a widespread perception that a policy exists; this is inaccurate. This proposal does not provide policy, so it doesn't really do anything.

Vice President Walck countered that it does set a policy that faculty will be available; it just doesn't state the way they will be available.

Arci stated that faculty can post office hours; he is available at all times for the convenience of the students; he does not need a stick to make him maintain availability.

Suryanarayna (ME-EM) added that if faculty don't want to see students, they can be obnoxious so students won't bother them. A policy won't change that.

Sandberg MOVED and Mroz seconded the motion to call the question. The voting units are academic degree and course offering units. The motion to call the question PASSED on voice vote with no dissent. The motion to approve Proposal 23-96 PASSED on voice vote with dissent.

## 6. NEW BUSINESS

### A. Proposal 30-96: Ad Hoc Committees. [Appendix C]

There was no discussion.

### B. Proposal 31-96: Social Security Numbers as Student Identification Numbers. [Appendix D]

There was no discussion.

### C. Proposal 32-96: Policies and Procedures Regarding Tenure-track Appointments. [Appendix E]

Vice President Walck stated that the Senate had already seen this proposal [as a recommendation] the previous week and that this was a very important policy. There had been two cases already this year in which such a policy would have been helpful. Therefore, she MOVED and Soldan seconded the motion to treat Proposal 32-96 as an emergency proposal.

Dobney commented that the situation in Forestry mentioned last week had been resolved to the satisfaction of Forestry and asked Forestry Senator Mroz if that was accurate. Mroz responded "pretty accurate."

Senator Bradley stated that he had not had time to see examine the proposal and it differs somewhat from the report.

While ballots on treating it as an emergency proposal were being counted, Senator Pegg commented that Proposal 31-96 seemed to have strange wording, "it is so resolved that...." Keen responded that the strange wording was part of the Background, not of the proposal. Pegg suggested that the proposal should address what should be done, not what should not be done, like the suggestion in the Background. Bornhorst responded that he had talked to Sharron Paris (Enrollment Management) and that there are many issues we need to understand relative to the social security number proposal and we will address these in the fall.

The motion to treat Proposal 32-96 as an emergency proposal PASSED by secret ballot with 22 yes and 10 no.

Secretary Glime stated that she could not support the 4th point of the proposal because she did not know the rest of the spousal policy to be developed in a forthcoming proposal and how the restriction to follow "all University guidelines" might prevent us from coming up with a flexible but fair procedure. She argued that the proposal assumes there is no alternative that could possibly be better, but she felt that it could be better. More women are becoming highly educated professional people, and both male and female hires are likely to have highly trained professional spouses. The community lacks other professional job opportunities, thus narrowing our pool of potential hires, in many cases, to people who do not have spouses needing employment, or we will lose them at the first opportunity they have to get a job for both. This will not provide some of the needed role models for our students and will give us an unbalanced representation of intellectual society. Although we might ultimately decide that we can provide a good plan within current hiring guidelines, she would like to see that whole plan before restricting it.

Glime MOVED and Thayer seconded the motion to replace item 4 of the proposal with "A policy regarding spousal hiring should be created. Until that policy is established, university guidelines for tenure-track hiring should be followed."

Walck countered the motion to amend by stating that it would create

internal inconsistencies within the proposal. The first item in the proposal states that university procedures should be followed in all hires. She stated that if a professional position is needed for the spouse, the usual procedure would be to give the person a temporary appointment. Then an ad would go out nationwide and the person would compete for that

position. Usually the incumbent has a good chance of getting that position. If the department has a plan in place that establishes need for that kind of appointment, a shorter search could occur.

Senator Flynn stated that the university policy and procedures are also flexible and could be changed.

Vice President Pro Tem Soldan stated that this proposed policy seems to preclude a policy on spousal hiring. Glime stated that Walck's suggestion to carry out a shorter search would also seem to violate the policy. Senator Mroz stated that if someone is good and you want them, you don't want to bring them in at half a load or into a lecture position. That is a half-hearted attempt. Walck suggested that it could be a "visiting" position but not tenure-track.

Senator Brokaw stated that he felt the amendment was better wording and was really a clarification of the procedure. Item 4 of the original proposal seems to be redundant. The amendment says that if we develop a spousal policy, we need to think carefully about how to do it.

Senator Flynn stated that if the spousal policy is different, it violates university policy.

Walck stated that if #4 is redundant, she would be happy to accept the interpretation that the policy regarding spousal hiring must follow point #1. Her interpretation of the amendment is that the spousal hiring policy could be different from the university guidelines, and that is unacceptable to her. Bornhorst stated that the university guidelines could be changed to be consistent with any new spousal hiring policy developed.

Bornhorst interpreted that this was a full Senate issue because of the allocation and utilization of the university's human, fiscal, and physical resources. Flynn stated that the committee talked about staff issues and decided that they should not be considered because the charge was tenure-track. Bornhorst considered this an objection to the voting units. Bradley stated that the wording says "all hires." Bornhorst stated that the intended interpretation was "all hires of tenure-track appointments." The objection was over-ruled by a roll call vote of 22 in favor of the full Senate and 10 opposed. Those voting to support the ruling of the full Senate were as follows:

|          |     |            |         |
|----------|-----|------------|---------|
| Glime    | no  | Beck       | no      |
| Flynn    | no  | Heyman     | yes     |
| Walck    | yes | Carstens   | yes     |
| Whitt    | yes | Goldstein  | yes     |
| Keen     | yes | Moore      | yes     |
| Brokaw   | yes | Fynenever  | yes     |
| Leifer   | no  | McKimpson  | yes     |
| Shonnard | no  | Diebel     | yes     |
| Sandberg | yes | Bradley    | yes     |
| Sweany   | no  | Lambert    | yes     |
| Sloan    | no  | Lutzke     | yes     |
| Mroz     | yes | McKilligan | yes     |
| Pegg     | no  | Soldan     | yes     |
| Gopal    | yes | Little     | abstain |
| Arici    | no  | Ekdahl     | yes     |
| Thayer   | no  | Kitalong   | yes     |
| Greuer   | yes |            |         |

The amendment to change item #4 was defeated 18:13 by roll call vote:

|          |         |            |         |
|----------|---------|------------|---------|
| Glime    | yes     | Beck       | no      |
| Flynn    | no      | Heyman     | no      |
| Walck    | no      | Carstens   | no      |
| Whitt    | no      | Goldstein  | no      |
| Keen     | no      | Moore      | no      |
| Brokaw   | yes     | Fynewever  | no      |
| Leifer   | no      | McKimpson  | yes     |
| Shonnard | no      | Diebel     | yes     |
| Sandberg | abstain | Bradley    | no      |
| Sweany   | no      | Lambert    | yes     |
| Sloan    | yes     | Lutzke     | no      |
| Mroz     | yes     | McKilligan | yes     |
| Pegg     | no      | Soldan     | yes     |
| Gopal    | no      | Little     | abstain |
| Arici    | no      | Ekdahl     | yes     |
| Thayer   | yes     | Kitalong   | yes     |
| Greuer   | yes     |            |         |

Senator Keen asked for a sense from the ad hoc committee on item # 4 as to whether they intended it to mean all current guidelines should be followed. This would focus on the issue of whether or not the new spousal hiring procedures could also bring to us a revision of the current university guidelines and procedures to make them fit the new spousal hiring policy. Walck responded that the intent was that the spousal hiring policy and procedures should follow the guidelines at any given time. If the spousal hiring committee wants to change the spousal hiring policy and procedures, then the university hiring policy should change for all hires to be consistent. The goal was to be consistent. Keen stated that it needs to be clear in the charge that it is in the purview of the committee to consider all tenure-track hiring in developing new guidelines.

Bornhorst stated that we will put in the charge that the university tenure-track hiring policy could change to be consistent with any new policies and procedures developed for spousal hiring.

Mroz pointed out that in #1, the President is bound only by US law. He would like the spousal guidelines developed so that the President can't do as he/she feels. Bornhorst stated that we need to try to write a policy that the Board of Control and President could agree with. Mroz also would like to see a policy that the President and Board of Control would agree with.

There was no further discussion. The motion to approve Proposal 32-96 on procedures regarding tenure-track appointments PASSED on voice vote with no dissent.

7. REPORT FROM SENATE PRESIDENT

President Bornhorst asked the Senate to recognize Senator Thayer for his many years of service to the University and to the Senate. This was Thayer's last Senate meeting because he was retiring. The Senate applauded Thayer in appreciation for his service.

Bornhorst reported that Proposal 18-96 on Basic Benefits has been forwarded to the Administration. Proposal 13-96, Associate Degree in Chemical Engineering, has been approved by President Tompkins. [Appendices F and G]

The administrative Evaluation Commission is scheduled to complete its report by the end of finals week. The report will go to all Senate constituents.

Bornhorst read from a memo. [Appendix H] At its 16 June 1995 meeting, the Board of Control suspended the prefunding of TIAA/CREF for one year. On 1 November a task force was formed and on 12 April 1996

the task force recommended several changes. In order to provide adequate time for discussion of these recommended changes, Dobney is recommending that the Board continue the moratorium on prefunding for a period of one year, and President Tompkins has approved this recommendation.

Proposal 22-96, Recommendation on Childcare Benefits, was tabled at our last meeting. Therefore, according to Robert's Rules, that proposal is dead unless it is brought off the table at this meeting. Leifer MOVED and McKimpson seconded the motion to bring the motion off the table. The motion to bring it off the table PASSED on voice vote with no dissent. Mroz MOVED and McKimpson seconded the motion to refer Proposal 22-96 back to the Fringe Benefits Committee for further review. The motion PASSED on voice vote with no dissent.

Bornhorst informed the Senate that it is time for Senators to make their choices for 1996-97 committee membership. He will request first, second and third choices, which he will need back by 31 May. The Officers will prepare a draft list and will try to bring it to the Executive Committee before the beginning of fall quarter. The list will be presented at the first Senate meeting in the fall. He would like to have the committee assignments approved by the second meeting.

Bornhorst asked the Senate for authority to send a letter to Bresnan requesting that they televise the Senate meetings. There were no objections.

## 8. COMMITTEE BUSINESS/REPORTS

### A. Staff Handbook - Shalini Rudak

Rudak (Educational Opportunity) presented the progress on the Staff Handbook. There will be more detail in the fall. In November of 1994, they surveyed the staff to determine if staff want a handbook and asked who would be interested in serving on a committee to develop one. More than 90% of the staff said they did want a handbook. The provost appointed a committee representing staff, academic, and administrative interests. Sharron Paris, Jim Heikkinen, Karen Salo, Patty Kyllonen, Marianne Brokaw, and Shalini Rudak (Chair) comprised the committee. The Handbook is not a contract or procedures manual. It is a reference guide, a resource guide. It is basically a restatement of existing policy. There were a few areas with no current policy, so three task forces were formed to deal with these: leaves, discipline, and grievance. In preparing the handbook, the committee met with the Senate Committee for Staff Issues, the Staff Council, and the university lawyer. The Handbook has a casual approach with lots of information such as things you can get involved with, how to get time away from your job, K-day, the culture of the university, involvement with United Way. One member of each task force serves as a liaison to the Senate Committee for Staff Issues.

Senator McKimpson asked what the staff group has done on the retrenchment policy. Rudak stated that representatives on the new committee on retrenchment would be from faculty, staff, and administration; the Staff Handbook Committee has not done much on that issue yet.

### B. Faculty Handbook Committee - Linda Ott

Ott reported that the Faculty handbook would contain only policies now in existence, either previously existing or those recently passed as Senate proposals that have become Board Policy. Senator Flynn asked why non-tenure track policies were not included and Ott responded that those would go in a separate handbook. The last handbook was updated in 1989. As the steering committee worked on the handbook, they found that several policies or procedures needed revision. These were referred to task forces. Four task forces were needed: tenure-track task force, non-tenure-track task force, separation task force, and grievance task force. These task forces resulted in the new rank definitions and the grievance policy that came to the Senate.

Ott presented the table of contents:

1. Mission Vision,

2. Appointment,
  3. Faculty Rights and Responsibilities,
  4. Faculty Development,
  5. Compensation Policies,
  6. Fringe Benefits,
  7. Separation,
  8. Grievance,
  9. University Policies and Services,
- Appendices (such as complex procedures, Senate Constitution, Senate Standing Committees).

The Handbook, as presented, plus a more complete index with more synonyms, will go to the Board of Control for their acceptance in July. The Board does not need to approve the Handbook since they have already approved all the policies that are in it. The final Handbook will be looseleaf and will go on line, where it will be updated periodically. Ott gave copies of the Handbook to all tenure-track faculty at the Senate meeting.

The new Handbook includes the Senate proposal number and indicates what is Board of Control policy so that everyone will know the process needed to revise it.

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Ott needs comments and editorial corrections by 15 June so that any corrections can be made before it goes to press for the Board of Control.

A few topics in the Handbook are different than the proposals passed by the Senate. These include the weather policy change. The current wording is not legal because it requires professional staff to take a day of vacation if school is closed or there is a weather advisory. The second area is that the wording of "due process" in the misconduct policy needs to be changed and approved in the Senate, then go to the Board of Control; "due process" has a particular legal meaning, whereas the intention within the policy was that the process outlined in the procedures should be followed. Provost Dobney stated that even if the Handbook has new wording, it is not binding until it has been approved by the Board of Control as policy [which would be preceded by Senate approval].

Senator Pegg asked what the purpose is for the Handbook. Dobney responded that it is so every faculty member knows what is expected, what is available, the rules, policies, and procedures that govern their employment. It is a tool, not a contract. You can be in violation of a policy, but not in violation of the Handbook. Lassila (Provost's Office) added that the procedures manual needs to be updated. Flynn asked if the Handbook has the old promotion and tenure guidelines. Bornhorst responded that it does; we hope to see the new ones in the fall. Ott added that the Handbook will be updated by providing new or replacement pages.

C. Ad Hoc Committee on Shared Governance - Carol MacLennan substituting for Laurie Whitt.

MacLennan provided the Senators with a copy of the committee's Year-end Report [Appendix I] . She stated that the Committee began by investigating other universities (including discussions with people at UC Berkeley), using the World Wide Web, and contacting the AAUP. They first concentrated on the origin of the idea (Berkeley claims to have developed this idea in 1868). They paid attention to the different strategies by which shared governance was instituted and to the features of shared governance. In some places, students are very much a part of the shared governance; in other places, only faculty are involved. The report of these findings will be on reserve in the library. The committee has several recommendations they feel should be considered.

These involve the degree to which students should be involved and the interaction between the Senate and Board of Control (there is little information on that topic).

Bornhorst stated that we can further discuss these recommendations at the first meeting in September. The Committee also recommended that MTU should send someone to the AAUP Conference on Faculty Governance to be held 6-8 September 1996 in Ann Arbor. Bornhorst agreed to follow up on this matter.

9. OLD BUSINESS

A. Proposal 20-96: Recommendation on Campus Activities Benefit

[Appendix J ]

Proposal 20-96 was brought to the floor during Meeting 255 but due to a non-editorial amendment, it could not be voted on at that meeting. Senator Pegg observed that the intent of the motion was to improve health and that the SDC Box Office and Bookstore did not provide health benefits.

Pegg MOVED and, after Bradley's statement, Glime seconded the motion to remove the SDC Box Office and Bookstore from the proposal.

Senator Bradley stated that the intent of including the SDC Box Office and Bookstore was to spur university spirit. When the 2/3 coverage provision was part of the proposal, it could have caused additional revenue because more people might take advantage of these resources and might bring their families. Senator Sandberg asked to be put on record that he will use all his share for cigars and Twinkies if the convenience store is included.

Senator Arici stated that excluding the Bookstore and SDC Box Office would discriminate against those who were unable to use the facilities at the SDC.

Secretary Glime stated that because of the amendment to strike the 2/3, the University could no longer anticipate increased revenue, as stated in the third advantage accompanying the proposal. Instead, it could suffer a loss of revenue because those who formerly paid for these privileges no longer need to. By including credit at the bookstore, we would further reduce that revenue and in fact inflict a real cost to the bookstore that would be realized by the University budget through reduced "one-time revenues" from auxiliary enterprises. Sales of tickets at the SDC Box Office must be reimbursed by the University to the organization sponsoring the performance. Furthermore, inclusion of the bookstore would give students the perception that they are subsidizing faculty purchases through increased costs of books and other items, even if that is not the case.

Senator Brokaw asked if the proposal was intended to include all faculty and staff, including temporary. He said that Bradley said the SDC was under-utilized, but the weight room was often full. Bradley countered that the multipurpose room was not in heavy use.

Bradley stated that the cost would come out of the University budget, but it might spark added membership since the family was not included. You could buy more books or pay for more performances. Senator Gilles stated that he agreed with Bradley; if the employee gets in free, that person is likely to bring along the family.

The proposed voting units were the full Senate; there were no objections.

A voice vote was taken on the motion to amend; President Bornhorst ruled that it passed on voice vote with dissent. However, there were objections, so a show of hands vote was taken. The motion to amend Proposal 20-

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96 by striking "SDC Box Office, Bookstore" PASSED by show of hands, 18 to 12.

To save time, Bornhorst ruled the change to be editorial; there



were no objections. Bornhorst also ruled that the addition of the word "following" should be inserted before the word "units" so that the proposal would read "at any of the following units under MTU Auxiliary Enterprises..." This change was also ruled editorial.

Brokaw MOVED and Mroz seconded the motion to refer the proposal back to the Fringe Benefits Committee for clarification. Keen asked for clarification on whether one could buy \$135 worth of T-shirts at the SDC concessions. Provost Dobney asked the committee to address how this proposal would affect the current wellness program; would we be giving money to people who take advantage of this benefit? Mroz asked for inclusion of comments from Auxiliary Enterprises on the anticipated effects on them. Vice President Pro Tem Soldan stated that we need to know the anticipated cost and the source of funds. Senator Fynewever suggested it would be beneficial to look at research on the anticipated reduction in health costs; the program may pay for itself. Bornhorst asked that any further recommendations be sent to the Committee. The motion to send Proposal 20-96 back to committee PASSED on voice vote with no dissent.

B. Proposal 24-96: Recommendation on Health Insurance Benefits [See minutes, page 6383, for a copy of this proposal.]

President Bornhorst pointed out that the RATIONALE should not be considered part of the proposal.

Brokaw MOVED and Mroz seconded the motion to adjourn. Bradley argued that the meeting should continue because it started 20 minutes late. Vice President Walck stated that she would like the Senate to decide on the sabbatical leave recommendations (Proposal 29-96) before adjourning. The motion to adjourn could not be decided on voice vote, so a roll call vote was taken. The motion to adjourn FAILED on roll call vote, 14 to 17, with the following votes to adjourn:

Bradley MOVED and Carstens seconded the motion to approve Proposal 24-96 on Health Insurance Benefits.

Bradley argued that 80 points for retirement is an industry standard for engineering and is also a state standard. If that were to change, we could only get health benefits when we reach 65. The assumption made by the Chief Financial Officer was that all 65 people eligible would retire enmasse in one year. If we were to eliminate the 80-point eligibility, then we would have mass retirement before that opportunity expired. In the last three years that it has been available, only 11 people have retired. It is ridiculous to assume that all eligible people would retire in one year if the 80 points were continued. Senator Arici asked how could we possibly gain money by keeping expensive people like Stein here for another 5 years?

There was no further discussion. The suggested voting units were the full Senate; there was no objection. The motion to approve Proposal 24-96 on Health Insurance Benefits PASSED on voice vote with no dissent.

C. Proposal 25-96: Recommendation on Retirement Income Programs [See minutes, page 6384, for a copy of this proposal.]

President Bornhorst pointed out that the RATIONALE was not part of the proposal.

Thayer MOVED and Flynn seconded the motion to approve Proposal 25-96.

Senator Heyman stated that his department disagreed with item B in the proposal related to the years-of-service retirement bonus. He stated that the increase in the University policy for TIAA/CREF is a policy change and can't be retroactive. It is like salary; younger faculty get more, but we chose that life. He would opt for A only.

Heyman MOVED and Mroz seconded the motion to delete item B and reword the second sentence of the introductory paragraph appropriately to read, "In an effort to bring about this adjustment, all TIAA/CREF participants shall have the following option:"

Senator Carstens asked why this is an option and Heyman responded that faculty can choose not to contribute 2%. Senator Thayer stated that he strongly recommended that we don't amend the proposal. It says

nothing about how it would be funded; most of the funding has come from the departments and it is being divisive of the faculty if it is not equitable.

Senator Arbabi stated that faculty who have only 10-15 years of service do not have enough money in retirement, so some cannot afford to retire. Senator Mroz stated that it should be an administrative decision whether faculty must contribute 2% to be eligible for the proposed money. Vice President Walck stated that those with the higher salaries and who needed the added money least would be the ones who also could afford the matching 2% the most.

Senator Leifer stated that he sits and listens to those who have not studied the problem as thoroughly as this committee; the committee has members aged 35 to 67,

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and they were unanimous in this proposal. This proposal is equitable. He calculated that the average age of MTU staff and faculty is 44. If they work 26 years until they retire, because retirement age for social security will be 70 years by then, with this 2+2, they will get close to \$400,000 from the University contribution alone. He assumed a 4% salary increase and 10% TIAA/CREF rate of return on their money. If the average MTU retiree now has 20 years of service, that person would get \$150,000, which is taxable, reducing it to a little over \$100,000. AAUP guidelines suggest you need to pay 2-3 years of salary. He claimed it is affordable, but we might have to hire one less administrator. Those who haven't studied the problem should not be making changes to a proposal drafted by those who have studied it carefully.

Heyman agreed that it is equitable but that it is a bad idea; it is an enormous amount of money going to a limited number of individuals.

Walck stated that having choice A without B makes it inequitable.

Leifer questioned the legality of having only A. He stated that if we were to propose giving raises only to those 55 and over, Ellen Horsch would be at his throat. The federal government declared illegal the University contribution to TIAA/CREF when the University's contribution to social security for employees on higher salaries reached the limit. The choices in this proposal would be a one-time choice. This would work its way out of the system in 5-10 years. AAUP suggests you need 15% to be able to retire at age 65. The committee worked hard and has done a responsible job. The Provost says that his top priority is salaries and benefits, but it never seems to be his top priority.

More than 65 people are past 80 points. Heyman stated that cutting off the 80 points could drive people to retire. He stated that payments of \$150,000-200,000 could induce a lot more people to retire. That is \$6.5 million over a 5-10 year-period. Senator Bradley stated that there are 24 people with between 75 and 80 points. Senator Carstens stated that it would be about half a million dollars per year over a 10-year period. Heyman said that this [B] would be a big inducement for people to retire. Mroz didn't think the administration would go along with this. People who are around for a long time would suffer inflation considerably.

Vice President Walck called the question. Leifer answered Mroz that he made the calculations with the assumptions as stated before. Mroz questioned that 4% was not what one might expect as an investment interest. Sweany seconded the motion to call the question. The motion to call the question PASSED on voice vote with no dissent.

The suggested voting units were the full senate; there was no objection so voting units stood.

Keen requested a secret ballot. The motion to amend Proposal 25-96 on retirement benefits by striking option B PASSED by secret ballot, 17 yes to 14 no.

The President ruled that the change was more than editorial; there was no objection to the ruling, so voting on the proposal will not take place until fall.

Bradley stated that the last time the committee got no feedback and he would like to know any other changes now. Bornhorst reminded him that only voting was postponed - it was not sent back to committee.

Senator Sloan objected to the ruling that it was non-editorial for the same reason that Bornhorst had ruled the change to Proposal 20-96 to be editorial. Keen stated that the change does not qualify as an editorial change, so to follow the rules, we should consider it as an emergency proposal. Senators voted on the ruling to consider the change as non-editorial; the ruling was SUPPORTED on voice vote. Sloan MOVED and Bradley seconded the motion to consider Proposal 25-96 as an emergency proposal. The motion to consider it as an emergency proposal PASSED by secret ballot, 26 to 5.

Bornhorst ruled that we would strike the letter A preceding the option as an editorial change. There was no objection. The current proposal now reads "All TIAA/CREF participants shall have the following option: A 2% increase in TIAA/CREF contribution by the University coupled with a 2% participant contribution."

Bradley questioned whether we would be required to match if we only got 1%. Heyman reminded us that we are only making a recommendation to the Administration and they can iron out the matching requirement. Provost Dobney stated that we could not afford to put the full 2% in immediately, so it would probably be phased in 1% at a time. The Administration can fix the language.

McKimpson asked what the cost estimate is. Arbabi responded that they had estimated the cost several years earlier, but that it would no longer be accurate. McKimpson questioned whether we should vote on this without any cost estimate.

Leifer stated that he has done the calculations. The plan is tax-deferred and would cost \$250,000 per 1%. Dobney corrected him; there is a \$32 million salary base for TIAA/CREF employees and that would cost \$320,000 per year. Sloan stated that we don't know what participation would be; in industry it is not likely to go above 75%. Higher salaried people would be more likely to take the 2%; it is not likely to be 100% participation. Leifer pointed out that 75% would cost \$240,000 per year. There was no further discussion.

The motion to approve the amended Proposal 25-96 PASSED on voice vote with no dissent. Soldan MOVED and Sandberg seconded the motion to adjourn. Bradley objected because we had not yet dealt with Proposal 29-96 on sabbatical leaves. Walck, who had requested that the meeting be continued so we could act on that proposal, responded "forget it."

The motion to adjourn PASSED on voice vote with dissent. The meeting adjourned at 8:12 p.m.

Respectfully Submitted by Janice M. Glime  
Secretary of the Senate

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