

THE SENATE OF MICHIGAN TECHNOLOGICAL
UNIVERSITY

Minutes of Meeting 270
19 February 1997

Synopsis: The Senate

- (1) heard Fred Dobney's proposal to add a Vice Provost for Instruction and to upgrade the position of Dean of students to Vice Provost and the Director of Information Technology to Vice Provost.
- (2) passed Proposal 6-97, Recommendation to Change Retirement Medical Benefit Plan, to expunge the retirement medical benefit "plan" as modified, presumably by the University lawyer, and to re-instate it as the "program" approved by the Board of Control.
- (3) passed an amended Proposal 8-97, Recommended Amendment to Proposed New TIAA-CREF Retiree Health Care Benefits, as an emergency proposal. This amended proposal endorsed the Provost's TIAA-CREF health care benefits program and 2+2 plan with a recommendation to include a sliding scale health care benefits designed to phase out retiree health care, with the scale to be determined later after cost analysis to keep the costs comparable to the Provost's program. Proposal 8-97 would eliminate IRS costs by removing any choice.

1. CALL TO ORDER AND ROLL CALL

President Bornhorst called Senate Meeting 270 to order at 5:33 p.m. on Wednesday, 19 February 1997, in Room B45 of the Electrical Energy Resources Center.

Secretary Glime called roll. Absent were representatives from Met & Mat Eng, Army/Air Force ROTC, and Student Affairs/Ed Opportunities. Liaisons in attendance were Evan Schemm (GSC) and Ted Soldan (Staff Council).

2. RECOGNITION OF VISITORS

Guests included Duane Thayer (Met & Mat Eng), Mike Gilles (Research Serv), Les Leifer (Chemistry), Fred Dobney (Provost), and Marcia Goodrich (Tech Topics).

3. APPROVAL OF AGENDA

Leifer requested that item 8C be moved up in the agenda. Vichich asked that item 8C be moved prior to the new business after item 6. There was no objection.

Pegg MOVED and Vichich seconded the motion to approve the agenda as amended. 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 269

Senator Sloan requested that roll call votes be consistent in use of first and last names.

Mroz MOVED and Richter seconded the motion to approve the minutes of meeting 269 as amended. The motion PASSED on voice vote with no dissent.

5. REPORT FROM SENATE PRESIDENT

President Bornhorst has received approval of Proposal 2-97, Trial Use of Alternate Student Evaluations.

President Bornhorst sent letters to the three individuals who had been voted in to the Senate as

constituents. [Appendices B and C]

The officers met with the Provost on 18 February. After discussions among the officers, Provost, and Kurt Pregitzer, President Bornhorst suggested that the Research Policy Committee should meet with Sung Lee to decide on any follow up on the defeated Proposal 3-97, which was rejected by a close vote.

6. COMMITTEE BUSINESS/REPORTS

A. Administrative Structure - Provost Dobney

[Appendix D]

Provost Dobney asked for feedback on a proposal he plans to take to the Board of Control regarding the Administrative structure. He has 23 direct reports, with about 95% of the University reporting to him. Using 1% realignment money, the Provost has been able to move \$400,000 from administrative budgets to academic budgets. He is concerned, however, that he cannot give enough time to some issues, especially undergraduate education. There is no-one to devote full time to the broad picture. His proposal is to create a new position at the level of Vice Provost and fill it internally. The position would have responsibility for International Programs; the Center for Teaching, Learning, and Faculty Development; University Curriculum Review; Rhodes, Marshall, and Fulbright Scholarships; General Education Committee; Pre-Professional Programs; Distance Education; Educational Opportunities; Assessment; Innovation Center.

In addition to this new position, he proposed two title changes to Vice Provost: Director of Information Technology (Jim Cross), Dean of Student Affairs (Marty Janners).

This set of changes would make a statement of what is important at MTU (undergraduate education). It would also increase the diversity in the central administration. The upgrade would make Jim Cross more effective in presentations among other professionals in his field and would make the position more attractive.

In this hierarchy scheme, the new Vice Provost positions would be at the same level as a Dean.

The Provost does not anticipate any additional cost due to these two position upgrades.

Senator Gale expressed concerns over the increase of bureaucracy. Four years ago several positions were combined to create one position of Provost and Vice President. This move was intended to streamline costs.

Senator Leifer stated that he wanted to see a cost analysis.

Dobney stated that the cost would be about that of a new Assistant Professor due to a trickle-down effect. Any increase in salary depends on the present appointment of the person who is awarded the position, including issues of 9 vs 12 month appointment. When asked about secretarial support, he stated that the secretary in the Center for Learning, Teaching, and Faculty Development could handle the secretarial needs. Dobney then asked for Senators to address the philosophical issue of giving direction to the undergraduate program.

Senator Suryanarayana asked for clarification that the Provost controls 95% of the University budget, which Dobney verified. Suryanarayana then asked if other persons already holding positions within the University could handle some of the responsibilities now handled by the Provost leaving the Provost more time for undergraduate instruction. Dobney responded that even

half time is not enough.

Senator Walck stated that at present undergraduate education is decentralized. It needs one person to focus on it. She doesn't like adding positions. However, we bill ourselves as primarily an undergraduate university but no one oversees the undergraduate program.

Senator Santeford stated that we must do something with budgeting to improve the undergraduate education. Faculty have gotten the message that research counts because that is what funds the departments. He asked why limit the distance education to undergraduates.

Dobney responded that he did not intend to limit that to undergraduates, but he wanted to emphasize undergraduates in the new position.

Senator Williams stated that such a change in organization should be presented to the entire University. Dobney responded that he had presented it to the Deans, the Senate officers, the USG, some members of the Board of Control, and now he is presenting it to the Senate.

Thayer (Met & Mat Eng) stated that this has been primarily an undergraduate university. Excellence in undergraduate education happens in the classroom, not in a Board room. Putting more on the "top end" takes away from the undergraduate budget.

Dobney responded that we are a more complex institution than we were 30 years ago and that more offices are required to support that complexity.

Senator Seely stated that most institutions have a Vice President for Academic Planning and keep this person out of the daily "brush fires." We need someone to look more broadly.

Dobney stated that such was his intent in creating the position. The Academic Forum helps; it would be ideal if some one person is responsible for this.

Senator Co voiced concern that if this person does not teach he/she won't know what goes on.

Dobney responded that this person would continue to teach; there would probably be a turnover in the position every 3-5 years.

Senator Williams asked why we should raise the level of two positions; the Dean of Students should report to this new position because of the involvement in undergraduate education.

Senator Arbabi stated that in his experience an upgrade of title ultimately involves more funding.

Senator Lutzke stated that he couldn't see why anyone would want the job of Provost without delegating. Therefore if one person concentrates on the undergraduate issues, it would decentralize some of these functions.

Dobney responded that he worries about the undergraduate education program the most.

Walck stated that her work with assessment has pointed out the need for money in undergraduate education and the person in the new position should work with the Vice President for Advancement to get more money for undergraduate education.

Dobney added that the position would place an advocate for undergraduate funding in the Provost's office. The new Director of the Center for Teaching, Learning, and Faculty Development has asked the Provost to prioritize Learning Centers for budget considerations; no one has given them priority previously. A single person with undergraduate

education as sole responsibility is more likely to seek external support for that program.

Senator Pegg asked if the Senate Curricular Policy Committee would cease to function. Dobney responded that the committee would probably have more work. Pegg asked if that Committee has ever approached the need for support for Learning Centers and Dobney responded that he was not aware that they ever had.

Gale stated that the University is experiencing an increase in undergraduate applications and that these are the result of work by many faculty who have made phone calls, etc. These things must be done by the faculty.

Dobney agreed and stated that the addition of this position would not make a quantum leap. But at present there is no one to look at the global picture, issues related to scheduling or 210 vs 192 credits required for graduation.

Mroz stated that we have a Vice President for Research, but not one for education. Therefore, this position would put more focus on education. We haven't exploited the advantages of our locality for summer school.

B. Ad Hoc Constitution Committee

President Bornhorst reported that the Constitution Committee consisted of Keen, Lutzke, Heyman, and Bornhorst. He credited Keen with a large portion of the work. He pointed out that the Constitution needs two separate votes within a 6-month period and must pass by a 2/3 majority of the Senate in order to be changed, followed by a majority vote of all the Senate Constituents (as they were based on the 1993 Constitution). The bylaws require only one 2/3 vote of the Senate and no constituent vote.

He pointed out that there is some urgency because the Senate had voted to include the professional staff for one more year of trial. Therefore, the Senate must decide by the end of spring quarter (14 May) so that there can be a referendum of constituents by the end of final exam week.

Bornhorst then reviewed the major changes proposed for the Constitution. The 1993 Constitution accorded the Senate a central role. The inclusion of certain staff in the constituency was a compromise. In redrafting the Constitution, the Committee focused on sharpening of the constituent status and in clearly defining the roles of the various units on academic issues by defining each unit as academic or non-academic and making clear which units have responsibility (and voting rights) for each type of issue. Item III in the new draft precludes the expansion of voting units at the time of voting - voting units are defined based on the issue. All Senators can debate all issues; an issue can be stopped by filibuster; debate can be stopped only by a 2/3 vote of all Senators. The new draft also clarifies the committee structure and functions.

Bornhorst proposed that the Senate discuss the draft on 12 March, that we cancel the meeting scheduled for 26 March, but that if more time is needed to discuss the Constitution we should have a special meeting in April.

Senator Nordberg asked what would happen if we don't approve the new Constitution.

Bornhorst replied that the constituency would go back to what it was two years ago when only a segment of the staff was considered in the constituency (1993 Constitution).

Senator Leifer suggested that Keen and Heuvers (Math Sci) be invited to a Senate meeting to comment on the new draft of the Constitution.

Senator Williams stated that we could vote to continue the status quo for another year if we are unable to bring this issue to a vote by the needed date.

Bornhorst responded that it was true, but that it probably was not in the best interest of the Senate to delay the vote.

Leifer reminded the Senate that since another year has passed the staff may no longer want to remain in the Senate.

8. OLD BUSINESS

C. Proposal 6-97: Recommendation to Change Retirement Medical Benefit Plan [Appendix E]

Arbabi MOVED and Pegg seconded the motion to approve Proposal 6-97.

Senator Leifer stated that he would speak as an individual and not as a member of the Fringe Benefits Committee. He raised the issue to expunge "the plan." It is designed to kick out the people with higher medical costs, and that is contrary to the central purpose of medical insurance. A marvelous program isn't worth the powder to blow it away with "the plan" in place. "The plan" is adversarial and is ethically and morally wrong. Such a philosophy shouldn't be fostered on this campus. If we keep this "plan," our next step should be adversarial. "The plan" doesn't protect the Board or the Administration; it only hurts the employees. The new Board member, Robert Thompson, has complimented the faculty on their hard work. How could anyone retire under that "plan?" Crying that there are no funds is nonsense. Expunging "the plan" would build morale.

Provost Dobney stated flatly that he agreed with Leifer.

Senator Whitt stated that she was interested to know the history of "the plan."

Dobney responded that he didn't know about "the plan" until a year ago. The committee who negotiated "the program" hadn't seen it. Things were added after the Board of Control approved "the program," probably by the Board's attorney.

Whitt asked if the Board had approved the additions. Does the Board's attorney have this kind of power to change an approved program?

Dobney answered that someone must have approved the changes, but it certainly was not him. He wants to reduce the power and influence of external agents. Until the Board changes its relationship with its attorney, however, he must work with the Board attorney.

Senator Mroz asked if there must be further negotiation [since the Board had not approved "the plan"]; what is the next step? If we do expunge "the plan," what would happen, for example, if Leifer were to marry an 18-year-old?

Leifer stated that the Fringe Benefits Committee was always diligent in stating "at time of retirement." Since "the plan" was not passed by the Board, the Administration can remove it "in a heartbeat." The additions made to "the program" by "the plan" should be taken out promptly.

Senator Vichich stated that there were two documents, one passed by the Board and referred to as "the program," and one with later additions called "the plan."

Dobney stated that the attorney has convinced the Board that they have passed "the plan." However, he will NOT enforce it while he is here.

Senator Arbabi stated that the Board of Control had approved "the program;" the word "plan" crept in later and the Board never saw "the plan," nor did the Fringe Benefits Committee.

Pegg asked if those who retire during the period of "the plan" and signed "the plan" would be released from it.

Leifer stated that if it is expunged, it would have no effect and they would use "the program."

There was no further discussion. Bornhorst ruled that the voting units included the entire Senate. There was no objection.

Proposal 6-97 to expunge "the plan" PASSED on voice vote with no dissent.

7. NEW BUSINESS

A. Proposal 7-97: Recommendation to Change Section 6.3.1 of Faculty Handbook [Appendix F] The proposal was introduced.

B. Proposal 8-97: Recommended Amendment to Proposed New TIAA-CREF Retiree Health Care Benefits [Appendix G]

The proposal was introduced.

Arbabi MOVED and Vichich seconded the motion to consider Proposal 8-97 as an emergency measure. The Board of Control will decide on the health care package for retirees at its next meeting.

Bornhorst ruled that the voting units included the full Senate. There was no objection.

Provost Dobney raised concern that there was no cost analysis so that it would be difficult to vote responsibly.

Senator Arbabi responded that the Fringe Benefits Committee had deliberately left the scale for a later decision so that it could be made cost-effective. The reason for the change was to remove IRS costs by removing the choice.

President Bornhorst responded that we haven't yet approved the sense of the Provost's program and that we should agree to it first before providing our input on desired modifications. Because of the sentiment expressed at the last Board meeting, we should make it clear if we do not want an arbitrary cutoff age.

Dobney asked where the committee got the percent tax figure they stated in their communications [since it was a higher percentage than should be paid by anyone on an MTU salary].

Leifer responded that if we pay 28% federal tax plus 5% state tax, we would pay 33% tax. This offers no advantage to anyone (employee or University). Therefore, the University should get the benefit, not the IRS.

Senator Sloan stated that the Senate has procedures. There is no motion on the Provost's plan. However, we always do amendments before the main motion is passed, but there is no main motion.

Senator Suryanarayana asked if the Medical insurance issue had to be decided at the March meeting, or could it be delayed to give closer consideration to the new proposal from the Fringe Benefits Committee.

Dobney responded that this issue has been on the Board agenda for the last five meetings. The Board is sick of it and they are ready to decide.

Senator Sweany stated that it looks like it is a way to have a program that has the same cost as Dobney's

program and to save money from going to the IRS. However, we have a moving target every time the issue goes to the Board. Has the Provost exceeded the number of changes or can he slip in one more.

Dobney replied, tongue in cheek, "anything is possible when you have the kind of power I have."

Senator Gilles stated that taxability was a concern to the Board; this proposal puts the dollars back to the University and reduces the cost; the Committee tried to avoid specifics. We can't anticipate retiree ages. As an example, however, if he retires in 8 years at age 63, then he would have 100% premium paid by the University for 2 years. If he lives to be 90, the cost to the University, under the Provost's plan, would be \$1640 per year (\$41,000 total), bringing the total cost to \$49,200. Under the proposal suggested by the Fringe Benefits Committee as Bulletin #1, there would be an immediate implementation of the 2+2 plan that would cost the University approximately \$8000. During the two years of retirement prior to age 65, the University would pay out \$6560 to cover health care premiums because he would have a 20% copay. The end cost to the University would be \$47,360. This is roughly \$2000 less cost to the University; he would get the same benefits and the University would save the IRS money. He concludes that the University would save money with the amendment.

There was no further discussion.

A secret ballot on treating this as an emergency proposal PASSED with 24 yes and 12 no votes.

Vichich stated that since we do not have all the information needed to do a financial analysis, we can decide on the sliding scale later.

Mroz MOVED and Vichich seconded the motion that the Senate endorses the Provost's TIAA-CREF Retiree Health Care Benefits Program as presented to the Senate on February 5, 1997, with the following amendment: [this amendment is proposal 8-97].

Arbabi expressed concern about the lack of prefunding. The Committee did not decide to endorse the Provost's program; there may be additional concerns.

Leifer explained that they did not decide to endorse the Provost's program, but that if it is approved, they would recommend that these additional provisions be added to it.

Sweany stated that we need to support the program and endorse the latest proposal from the Provost. He questioned whether there was any hidden agenda, based on comments made by Arbabi.

Gilles stated that he agreed wholeheartedly that we need to support the Provost's proposal. The Board is feeling shaky at best; if we don't support the Provost, the Board may decide on a cut off.

Arbabi stated that there was no hidden agenda. The problem is that the Fringe Benefits Committee can't keep up with the changes, so they are not ready to endorse the Program presented by the Provost.

Sloan MOVED and Reed seconded the motion to call the question. Bornhorst ruled that we would move forward to vote on the amendment proposed by Mroz. The motion to modify Proposal 8-97 to include support of the Provost's proposal PASSED on voice vote with no dissent.

Bornhorst ruled that the change was not editorial. Senator Nordberg objected. Senator Suryanarayana argued that there were so many questions raised that the

change was not trivial. Vichich stated that the terminology of the amendment in Proposal 8-97 implies approval of the Provost's program. Reed MOVED and Mroz seconded the motion to call the question. The motion to stop debate PASSED with some dissent.

Bornhorst asked for a vote to determine if the Senate wished to consider the amendment as an editorial change. The Senate VOTED YES with no dissent.

Sloan MOVED and Vichich seconded the motion to call the question on Proposal 8-97. The motion to call the question PASSED with no dissent.

The motion to approve Proposal 8-97 as amended PASSED on voice vote with no dissent.

Vichich MOVED and Lutzke seconded the motion to adjourn. The meeting adjourned at 7:30 p.m.

Respectfully Submitted by Janice M. Glime
Secretary of the Senate