

**THE UNIVERSITY SENATE OF
MICHIGAN TECHNOLOGICAL UNIVERSITY**

Minutes of Meeting 296

13 May 1998

Synopsis: The Senate

- (1) heard from Anne Marie LaHaie on the results of her analysis of the gender equity study.
- (2) passed Proposal 8-98, revision of scientific misconduct procedures.
- (3) heard from Jim Carstens that Peck Cho (ME-EM) has been selected as ombudsperson.
- (4) heard about proposed changes in the employee application form as it relates to changing the "at will" employment.
- (5) heard from Bruce Barna on Proposal 11-98 regarding the difficulties with using the Provost's assumptions related to replacing health care benefits with increased TIAA/CREF benefits.
- (6) heard from Barry Pegg on Proposal 12-98 regarding the difficulties with language in the Retirement Medical Benefit Plan.
- (7) passed Proposal 13-98, Senate Resolution on the University Budget..

1. CALL TO ORDER AND ROLL CALL

President Seely called University Senate Meeting 296 to order at 5:45 p.m. on Wednesday, 13 May 1998, in Room U113 of the Minerals and Materials Building.

Secretary Glime called roll. Absent were at-large Senators Tom Drummer, Harold Evensen, and David Reed, and representatives from Army/Air Force ROTC, Civil & Env. Eng., IWR, and Physical Education. Liaisons in attendance were Anthony Moretti (USG) and Ted Soldan (Staff Council).

2. RECOGNITION OF VISITORS

Guests included Renee Greenley (Information Technology), Sherry Kauppi (Affirmative Action), Anne Marie LaHaie (Analyst), and Sue Beske-Diehl (Geological. Engineering & Sciences).

3. APPROVAL OF AGENDA

President Seely proposed that item 7A, the report from Anne Marie LaHaie on the Equity Study for Professional Staff, be moved before item 5 on the open motion so that Anne Marie could leave early.

Gale MOVED and Nesbitt seconded the motion to approve the agenda as amended. 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. APPROVAL OF MINUTES FROM MEETINGS 293 AND 294

Nadgorny requested a correction of the paragraph before B on page 7505 to change "recommendations include" to "recommendations *also* include."

Nesbitt MOVED and Paxton seconded the motion to approve the minutes of Meeting 293 as amended. The motion PASSED on voice vote with no dissent.

Pickens requested that the minutes of meeting 294 relating to his comments be clarified. At the top of the right column of page 7551, he suggested retaining the statement "Without this information it is not possible to track changes from year to year." Replacement wording for the rest of the paragraph follows: "He asked about two items which were funded by new revenues that he thought had been presented by the Provost as one-time commitments. One-time commitments should become available for reallocation when the next year's budget is developed. The first item he questioned was the \$500,000 used to initiate position control rather than the previous 1% annual reduction in all unit's budgets."

The paragraph indicating Pickens' response to Dobney (two paragraphs later) should be replaced with: "Pickens next questioned whether the \$500,000 from new revenue in last year's budget to erase the previous year's \$500,000 deficit was a one-time expenditure."

Nordberg MOVED and Nesbitt seconded the motion to approve the minutes of Meeting 294 as amended. The motion PASSED on voice vote with no dissent.

7. COMMITTEE/BUSINESS REPORTS

A. Equity Study for Professional Staff

Sherry Kauppi explained that after getting the results of the survey for the MTU Faculty Equity Study they hired an analyst to analyze and interpret these data and conduct a study on staff gender equity. She introduced that analyst, Anne Marie LaHaie, who has worked on the project for two years.

LaHaie explained that she had done a quantitative analysis of the Human Resources data first. The survey of women was expanded to include the entire professional staff, which includes all full-time regular professional staff.

Areas considered in the analysis were the specialty market, administrative support, information systems, science/research, and general management. From 1996 to 1997, the proportion of females increased from 36 to 40% through the addition of 93 new females. The number of professional female employees was low in science and research and in information systems. When only these positions were analyzed, the distribution was much more even.

In the regression equation, gender was entered as a significant variable on salary. One problem is that the professional staff comprise a wide variety of positions. Often there is only one person in a very specialized position.

LaHaie used the MTU position classification system, which is based on the Hay system. Using this system was a significant step for the University; it has the advantage of being flexible while giving reliable comparisons.

The regression results indicated that gender is a significant variable. In 1996, the coefficient (B) was -1279 for gender and was significant at $\hat{A} = 0.05$. However, when the new employees were added in 1997, the coefficient for gender became -865 and was marginal to significance, with $\hat{A} = 0.10$.

She summarized the survey as showing that 63% of the female employees were mostly or very satisfied. However, some aspects were indicated as needing improvement. Female employees were more likely than male employees to perceive harassment or discrimination related to race or gender.

Senator Vanden Avond stated that usually the variable that explains the most is put into the equation first.

LaHaie explained that gender was the last variable put in. The first variable coded was based on classification, which, as expected, explained most of the variation.

Senator Gale asked if his interpretation was correct that the improvement in 1997 was because of new hires and not because of improvement of conditions (salaries) for earlier hires. LaHaie confirmed that interpretation.

Kauppi stated that the study informs us that we do have a problem, but not as much as our earlier perception had indicated.

The Office of Federal Contract Compliance Programs is currently investigating the University and asking the same kinds of questions.

The Provost has indicated that a manager can adjust for market equity; they can bring up a long-term employee by presenting a proposal to the provost to get equity money. He expects to have the problem corrected in two years.

Vice President Soldan stated that an $\hat{\alpha}$ of 0.10 is not significant and asked what number would be an acceptable level of difference from norms.

Kauppi responded that \$140,000 would solve the problem to the dollar. However, what if every manager appealed for equity pay and we ran out of money (requests beyond \$140,000). How would we explain to the auditor that we will not stop the adjustment with just the minimum. There are many explanations for inequities.

Soldan continued to question why the results were still considered marginally significant in 1997 when the $\hat{\alpha}$ level had risen to 0.10. Generally significance is set at $\hat{\alpha} = 0.05$.

LaHaie explained that it is too close to the significance level to say that it is not significant.

Soldan stated that employees should be told to talk to their supervisors to request an appeal for equity dollars.

Senator Nordberg asked where the figures were from. Kauppi explained that they had used the MTU guiding system with H. R. Wilson figures.

5. OPEN MOTION ON PROPOSAL 8-98, REVISION OF SCIENTIFIC MISCONDUCT PROCEDURES [See minutes, page 7507, for a copy of this proposal.]

Williams MOVED and Carstens seconded the motion to take Proposal 8-98 off the table.

Walck MOVED and Williams seconded the motion to amend the last sentence of 6.1.2 and add a similar sentence to 6.1.1: In 6.1.2, change the last sentence to "The Formal Committee of Investigation, if formed, shall elect their own chair and establish their own operating procedure within these guidelines." To 6.1.1, add the sentence "The Standing Committee of Inquiry shall elect their own chair and establish their own operating procedure within these guidelines."

This amendment was treated as an editorial change. The voting units were the Academic Departments and Research Units.

The amendment PASSED on voice vote with no dissent.

President Seely stated that all Senators would receive a revised copy.

Proposal 8-98 PASSED on voice vote with no opposition.

6. REPORT FROM SENATE PRESIDENT

President Seely asked Senator Carstens to report on the Ombudsperson search.

Carstens reported that Peck Cho (ME-EM) had been selected as Ombudsperson. They had about 9 candidates, but some were not qualified. Four were interviewed.

Vice President Soldan inquired if the Ombudsperson would serve professional staff as well as faculty. Carstens responded that he would; this is mandated by the Board of Control.

Cho will take office on 1 August; he has prior commitments that prevent his taking office sooner. Larry Julien will continue in that office until then.

Seely stated that committee chairs will continue in their offices until the beginning of the next academic year; any who are unable to continue should let him know. Jeanne Meyers will soon send out a letter requesting Senators to indicate their committee choices.

Seely stated that the Image Release Draft Proposal (item 9B) doesn't need a formal motion. Senators should send concerns to Dean Janners.

The Board of Control will meet next week. Seely intends to continue with the dialog he began with Chair Mitchell to educate the Board on the concept of shared governance. The Board members are from the business world and don't understand the University. They view the faculty as just employees. Seely intends to explain the historical perspective of faculty governance and present the view of the University Senate. It wastes time for faculty and staff when they work on committees if the Board ignores the forthcoming proposals.

Seely intends to bring up Proposal 11-98, which the Board, in their last meeting, refused to discuss further.

7. COMMITTEE/BUSINESS REPORTS

B. Procedures for Threatening or Violent Behavior Policy [Appendix B]

President Seely stated that the procedures were based on those of Stanford University. The Senate doesn't need to vote on these, since they do not set policy. Human Resources will use these as an addition to the Procedures Manual.

Snyder stated that the use of HDR needs to be changed to HRD.

Seely added that it had been relatively easy to find a model because almost any policy or procedure from other universities can be found on the web.

C. Employment Application Language Changes [Appendix C]

Proposal 4-97 was passed last year. President Seely presented the draft proposal. The intent is to move employees from "at will" to "satisfaction" employees. Employees still can be let go. An egregious action can cause immediate dismissal.

The probation period would last 9 months. There would be at least three feedback meetings during the probationary period. Some employees may be seasonal and three months (proposed originally) is too short for an adequate evaluation. It might lead to dismissal in doubtful cases.

Seely asked for feedback after the meeting. The procedure will be presented to the Board of Control next week.

He pointed out that on page 3, step 2 lists the arbitration process. The Board Lawyer (Vercruysee) had specified that the arbitrator be from the Michigan Panel of the National Academy of Arbitrators. However Oakland University has an internal procedure; these people know the university environment, whereas the professional arbitrators do not. The primary requirement is that the arbitrator must maintain basic neutrality. The Board was concerned that a member of the University would not be a professional arbitrator.

Vercruysee chose to provide an apparently unsolicited document in which he gave a policy statement. However, none of the statements included in it were acceptable to the committee.

Senator Nordberg asked for an email copy to Senators so they could distribute it easily to their constituents. Seely agreed.

Seely explained that the committee had put themselves both in the seat of the Administration and of the employees in attempting to draft a procedure that was fair to both parties. Vercruysee had taken only one point of view and had given his draft to the Board before the committee could see it. This put Seely (representing the committee) in the position of having to justify all the changes from the Vercruysee draft. Seely had expressed his displeasure to Chair Mitchell, who said that he would request that Vercruysee give all future drafts to the committee first. However, the damage had already been done.

Senator Gale stated that he could see only two steps, whereas Seely referred to three. Seely explained that the first step was the appeal, the second was the Human Resources review, and the third was arbitration.

Seely pointed out that under item M, the appeal is intended to be binding, but that doesn't take away the right to legal action. However, it means that to achieve court action the employee must raise new issues not covered in the appeal.

Seely had gotten advice from two legal counsels that the University may make a change in the language to cover all employees as long as they notify all affected employees of the change. However, the Administrators feel they should circulate the new language and that each employee must sign an agreement to it. If they choose not to sign, they can take a case immediately to the courts without the delay of an appeal process.

By accepting the procedure, employees must go to arbitration first and if they then go to the courts, it is more difficult because they must have new arguments not covered by the appeal.

Senator Long asked to go on record as opposing the procedure, stating that she was "not happy" with the language, which she considers to be slanted in favor of the University. She had spoken with several constituents who were "pretty darn mad."

Seely responded that satisfaction is always tilted to the University. In drafting the language, there had been compromises between employee and administrative interests throughout.

Senator Suryanarayana expressed concern that probation was left to the discretion of the supervisor and asked if the employee would be notified of the length. He also wanted to know where the governance problems reside.

Seely responded to the first question that the probationary period is nine months. However, by mutual agreement between the employee and employer, it can be shortened. Some supervisors expressed concern that they can't decide in six months, for example when the workload is seasonal, and might opt to let people go if they were undecided.

Seely, in answer to the second question, stated that the governance problems usually reside at the upper level. The Chair of the Board will, however, entertain a proposal if we can support our position. Seely pointed out that we (Senate) are a full partner; the Board doesn't need to delegate any of its authority or give up any authority.

Senator Paxton stated that the Professional Staff Policy Committee thought that the procedure was fair. They had thought that 90 days was fair, but the arguments used by the supervisors convinced the committee that nine months was reasonable.

8. NEW BUSINESS

President Seely introduced Proposal 11-98 and 12-98 and asked the appropriate committee chairs to report.

A. Proposal 11-98, Revision of Transition to Full Co-pay of Health Care Premiums for Retirees [Appendix D]

Senator Barna reported a comparison between the committee's assumptions and those of the Provost regarding the planning variables the Provost had used in defending the phase-out of the health care plan and replacing it with an increased contribution to TIAA/CREF.

av. salary \$65,511 \$30,000-100,000

sal. increment 3% 3%

TIAA/CREF return 8% 10% now, 6.5 retire

Health care prem. 0% 3%

medigap \$2151/yr \$2154/yr

Barna pointed out that the cost of health care will go up but the 6.5% interest gain at retirement will not rise. Early retirement locks one into a co-pay percentage, but we can expect an increase in cost by 3% per year.

He continued by explaining that if someone earns \$50,000 and retires in less than 15 years that person can't make up the difference. Even with a salary of \$100,000 per year and retirement in 10 years, the interest is not enough to cover the increasing co-pay cost.

There currently are 90 people 50-55 (within 15 years of retirement). The category of 55 and over is a small pool and includes administrators with high salaries. Among the employees with TIAA/CREF, 38% earn less than \$40,000 and 80% earn less than \$70,000.

He stated that the Provost's argument that many of these are two income families is an inappropriate basis of justification.

Seely stated that he intends to use the July Board of Control meeting to explain the circumstances to the Board. The Board made it clear that they are tired of hearing about health care; they have heard about it for five years. Even the Provost had no opportunity to present the arguments to the Board.

Seely anticipates that Proposals 11-98 and 12-98 will be very early items in the fall. He thanked Barna and the Finance Committee for the best job done so far on the Finance Committee. The Senate gave them a round of applause.

B. Proposal 12-98, Revision of the Retirement Medical Benefit Plan [Appendix E]

Senator Pegg reported on Proposal 12-98. The discussion began when Dick Heckel retired and had to sign the documents before he could retire. He found many loopholes that favored the administration. After reviewing the document carefully, Pegg agrees; he concluded that it is unsafe to retire.

He stated that he doesn't know where the document came from. It is not in the interest of the employees. It is written like it was intended for debate, but that did not happen. The Butzel-Long firm provides the University lawyers; the employees have no representation in matters like this.

Pegg pointed out that the bold articles allow the administration to change employee benefits without any appeal. Amendments can be slipped into the document at any time. Furthermore, if MTU fails financially, the employees are "hung out to dry." Articles 5 and 5.5 state that the Plan Administrator... can remedy any "omissions."

C. Proposal 13-98, Senate Resolution on the University Budget [Appendix F]

Carstens MOVED and Sweany seconded the motion to approve Proposal 13-98.

Senator Pegg observed that the resolution does not discuss the proposed tuition raises.

President Seely stated that he had read the USG cost of living study. It looks just at faculty, not at staff. Their conclusion is that our cost of living is 11.8% less than that in the rest of the region. They point out that this fits well with the 12% salary gap. The students blame the tuition increases on faculty salaries. Seely spoke to Board Chair Mitchell about the fundamental problems with the assumptions in the student survey. The report also ignores the problems in obtaining employment for spouses. Seely doesn't want to add credibility to the flawed study by debating it. Instead, he will ask for time to reply if the USG discusses it at the Board meeting.

Senator Pegg raised concern that the survey had been funded by members of the Board of Control.

Seely responded that one Board member had offered to pay for the survey, but that he had put strings on who could get copies of the report, so USG had chosen not to accept the support. However, several Board members had expressed extreme interest; the Provost had rebutted the report.

Seely added that Paul Nelson is working on the issue and has analyzed the student study in detail.

Senator Williams expressed concern about paragraph #5. He preferred that it be eliminated because some departments had a great need for more GTA's to teach additional laboratory sections.

Williams MOVED and Pegg seconded the motion to strike paragraph #5.

Williams argued that we use the number of Ph. D.'s graduating to score the University; if we don't spend money on Ph. D.'s, then we lose points. The Chemistry Department doesn't have enough GTA's to cover their labs.

Seely commented that the GTA issue is not addressed in this year's budget.

Secretary Glime stated that we are not sure yet what statement we, as a Senate, want to make, and it is better not to make one we might soon have to go back on.

Senator Sweany stated that using the general fund to support GTA's is a cheap way to get the job done.

Vice President Soldan asked for clarification - did the five-year plan call for 50 new GTA's?

Seely confirmed that it did.

Senator Barna questioned if this is the right use of resources.

Senator Pickens stated that the GTA issue could be included in priorities later; the Senate does not appear to be ready now to decide on priorities.

President Seely announced that the full Senate would vote on the resolution.

The motion to amend Proposal 13-98 by striking paragraph #5 PASSED on voice vote with one opposing vote.

Senator Pegg questioned whether the resolution should specifically address capital improvements (buildings), stating that these represent a humongous expenditure. It costs a great deal to keep these buildings going.

Seely explained that he had omitted it because he didn't have a sense of the Senate on this issue.

Barna asked if the reference to "reduce capital improvements" in paragraph #1 would address this.

Seely stated that he is asking for more consistent input by the Senate at all steps. Now there is a calendar laid out so that the Senate can have input, and there is a five-year process.

Williams stated that he didn't comment about several burning questions when Sellars was here, with good reason. He had looked up the salaries of fund raisers in Advancement and assumed the same average for those working for the Tech Fund. The total salaries for all the fund raisers is about \$800,000. They raised about 5% more than 20X the salaries of the fund raisers.

Pegg responded that it isn't fair to use only the salaries of the fund raisers.

Williams suggested changing the word "improvements" to "projects" in paragraph #1.

Snyder MOVED and Sweany seconded the motion to accept Proposal 13-98 as an emergency proposal.

Pegg argued that this would be in the Board of Control procedures and is an important document; it needs more discussion.

Senator Pickens asked if Seely had talked to the Provost about the resolution.

Seely responded that he had provided him a copy, which the Provost has seen, but the Provost is out of town and has provided no feedback.

The motion to treat Proposal 13-98 as an emergency proposal PASSED on secret ballot with 25 yes and 5 no votes.

The motion to approve Proposal 13-98 as amended PASSED on voice vote with dissent.

8. ADJOURNMENT

Seely stated that some matters would carry forward to fall. The carry-over of chairs from this year to begin fall term will keep the past debate on these issues from being lost.

Seely thanked all the Senators for their support.

Carstens MOVED and Nesbitt seconded the motion to adjourn. The meeting adjourned at 7:51 p.m.

Respectfully Submitted by Janice M. Glime

Secretary of the University Senate