

**The University Senate
of Michigan Technological University**

Corrected Minutes of Meeting 493
21 April 2010

Synopsis:
The Senate

- Presentation by President Glenn Mroz

1. Call to order and roll call. President Rudy Luck called the University Senate Meeting 493 to order at 5:30 pm on Wednesday, April 21, 2010. The Senate Secretary Marty Thompson called roll. Absent were Senators Marilyn Vogler, and representatives of Biological Sciences, Biomedical Engineering, Civil and Environmental Engineering, Computer Science, Materials Science and Engineering, Mechanical Engineering and Engineering Mechanics, Physics, School of Technology, Visual and Performing Arts, Academic Services B, Auxiliaries and Cultural Enrichment, Advancement, USG and the Graduate Student Council.

2. Recognition of visitors. Guests included Max Seel (Provost Office), Joe Herbig (Accounting Services), Glenn Mroz (Presidents Office), Paul Tomasi (Counsel) and Benjamin Depew (Graduate Student Government).

3. Approval of agenda. Hamlin **moved** approval of the agenda; ~~Mallet~~ Malette seconded the motion; it **passed** unanimously on a voice vote.

4. Presentation: “[Presidents Address to the Senate](#)” by President Glenn Mroz

President Mroz started by discussing the organizational and operational relationships of the University. He mentioned the goal of getting certain university policies up to date and ensuring consistency between Senate and Board policies. Tomasi said that each new administration made changes and, as such changes accumulated, inconsistencies appeared. He added that many policy changes the administration is making are technical corrections and negligible substantive changes. Luck asked what exactly he was changing. Tomasi stated that changes to the policy need to reflect the current organizational and operational structure of the administration. Luck asked if there were any changes to promotion and tenure policies. Tomasi affirmed no changes to P&T procedures were made. His goal was getting the boards function consistent with policy. Seel added that many activities throughout campus need to be made consistent with current practices. Mroz then discussed a university policy review initiated by staff members. Under review are handbooks and procedures. The goal is to ensure the documents are current and consistent. Mroz closed his presentation with a discussion of various governance scenarios. Hamlin asked where Tech would appear on the graph correlating administration and senate engagement. Mroz speculated it was in the center, with overall constructive interactions by both administration and senate. Luck asked President Mroz to cite several decisions that represent his key contributions to the University. Mroz felt the financial decisions that were employee-centered. He added that the sound financial state prevented more serious decisions from having to be made. Luck then asked about the library space being given to the mineral museum. Mroz stated he is doing what he can to permit the expansion of the academic programs, and has lined up donors to fund new plans for the mineral museum. He noted the third floor of the library looked like a plausible solution, although there were some issues with the original donors that had to be worked out. He also added that the issue is not finalized, but is still being dealt with. Luck inquired about the library director's feeling about moving the museum into the library. Seel noted that he has been in talks with the incoming and interim director of the library regarding this issue. He noted that the library is involved in the talks and there is not an unlimited pot of money to move the museum to its own location. Williams asked if this museum relocation to the library would be temporary. Mroz said everyone hoped it would be moved up to Quincy hill, but that funding was the limitation. Williams cited several reasons in which the library brings in money to the university. Mroz affirms the comments and noted that the state is cutting support for buildings and is cancelling bond issues. This means building will occur by philanthropy or bonding using general funds. Mullins stated that education and training are core issues of the university. He added that we are the lowest in the State of Michigan at 27% of total budget spent on instruction. He added that spending for academic support fell from \$11.5 to \$10 million. He asked how the core mission fits into the strategic decisions. Luck estimated the loss of \$4 million attributed to the decrease in state appropriations, stimulus and scholarship money. He asked if Mroz has changed his transforming vision. Mroz acknowledged the financial strains and the challenge to his vision for the university. He noted the bright spots of help from ARRA money, and support in the governor's budget. Mroz called special attention to sponsored program money from research, the enterprise program, and women in engineering. He cited the high number of new faculty hired in the past few years and the increase in money from alternate funding sources. Luck asked what benefits the university will receive from the reorganization of retirement and medical benefits. Mroz said the fringe rate came down from 45 to 38.2% to be comparable to benchmark universities. Hamlin asked if the fringe rate was based on actual costs or based on a full match contribution. Mroz said the fringe rate assumes full contribution to retirement. Hamlin said it might actually be less due to some not maximizing the contributions. Mroz cited individual reasons for variations in the retirement contributions. Mullins noted the cost of the past service liability. Mroz acknowledged this issue and sent a letter to the governor regarding the MIPS system because taxes are still being paid on employees no longer collecting. Tech ended new enrolments in MIPS in 1996. Currently, it costs \$3.5 million per year which translates to \$514 per student for past service liability in the MIPS program. Storer asked about midyear salary increases and how changes to the fringe benefits impacted faculty. Mroz noted the increase in Social Security, Medicare and retirement contributions went up with the increase in pay. Luck asked how the success of SFHI will be evaluated and whether this is the best investment for Tech. Mroz said the initial outlook is pretty good. He noted that his responsibility is to make faculty as a group advance. Luck noted that 85% of respondents in survey were aware of the strategic plan, but 25% were guided by it in their daily decision-making. Mroz said that getting most people moving

in the same direction is a challenge. He cited improved credentials of the incoming students, which did not just happen, it took a lot of effort by faculty and staff. Luck's last question focused on the low survey rating of the change in health care provider to Aetna. Mroz noted that Blue Cross is a well known standard, but they could not help with health savings accounts (HSA). Because of the limitations, we made the decision to change providers. More people changed to HSAs this year, validating the decision. Mullins asked how the Capital Campaign was proceeding. Mroz put the number at \$114 million in gifts and pledges. He cited the difficulty in philanthropic fund raising in these difficult economic times. He was apprehensive of doubling the funding goal in this financial climate. Mroz raised the issue of the new administration building. He noted there were enough renters to make payments on the Lakeshore Center. He added that under consideration is which academic units can best use the old administration building. Mallet noted the tuition rates will be set at the next BOC meeting. Mroz affirmed this and noted that resetting tuition rates has moved ~~to~~ from July. He added that state appropriations will not be known by the July meeting. Herbig cited the declining high-school graduation rates and then asked if an overcapacity is occurring in higher education. Mroz noted this as an area of significant concern in Michigan. Tech has been fortunate in using aid to select for higher qualifications for incoming student. Luck thanked President Mroz.

6. Adjournment. Hamlin **moved** to adjourn; Storer seconded the motion. President Luck adjourned the meeting at 6.44pm

Respectfully submitted
by Marty Thompson
Secretary of the University Senate