

The University Senate of Michigan Technological University

Proposal 7-14

(Voting Units: Full Senate)

“Proposal to Amend Senate Proposal 22-00: Recommendations on Medical and Health Insurance Benefits”

I. Responsibility of the University Senate Fringe Benefits Committee

Section III.F.4.b.1 of the University Senate Constitution assigns to the University Senate responsibility for reviewing, making recommendations, initiating, and participating in the formulation of fringe benefits policy and procedures. Section D7 of the Senate’s Bylaws assigns this responsibility to the Senate’s Fringe Benefits Committee.

The current version of the Senate Constitution was approved by the Board of Control on April 27, 2012; hence, the Senate Constitution is, in effect, Board of Control Policy.

II. Authorization of the Benefits Liaison Group (BLG): A Second Source of Benefits Recommendations

Among other things, University Senate Proposal 22-00 recommends that, “The Benefits Liaison Group, which consists of members of the University Senate, the Budget Office, and Human Resources, should become a permanent vehicle for open communication and information distribution, as well as exchanges of views, on benefits issues.”

The proposal was adopted by the University Senate on May 10, 2000 and approved by the administration on November 29, 2001.

III. Problems with Proposal 22-00

Current practice is inconsistent with policy established by Proposal 22-00. In addition, the lack of specificity in Proposal 22-00 leaves the proposal open to potentially unintended and undesirable interpretation.

A. Apparent Noncompliance

1. Item 1 in Proposal 22-00 indicates that the Benefits Liaison Group (BLG) will be “a permanent vehicle for open communication and information distribution, as well as exchanges of views, on benefits issues.” It is not clear that the BLG currently functions in this open manner.

The rationale for secrecy seems to be that faculty and staff cannot be trusted not to become alarmed by ideas about possible changes in benefits when those ideas are still in the formative stages. However, in an 1820 letter to William Jarvis, Thomas Jefferson wrote “I know of no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise

their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion by education.” This suggests a different approach to informing people about and involving people in decisions that may have significant impacts on their lives.

2. Items 2a, 2b, and 2c describe three sets of fringe-benefits reports that will be required of the administration. The proposal says nothing about a Senate representative on the BLG reporting on BLG discussions and recommendations, which has often been the case in the past. Such reports could present three possible problems:

a. Reports by a Senator could leave the potentially false impression that the Senator played a meaningful role in the ultimate recommendations made to the University President and that he or she agreed with these recommendations.

b. It could potentially be confusing for the chair of the Senate’s Fringe Benefits Committee to report—possibly at the same meeting—on the conclusions of both the BLG and the FBC, which, in some cases, may be at odds with one another.

c. Since current practice is to hold BLG discussions in confidence, it is not clear how any given Senator would know what he or she was at liberty to report about BLG meetings.

3. Item 3 reads as follows: “The administration shall provide employees and retirees at least 90 days notice of any change in the available fringe benefits, especially co-payments, along with complete explanations and justifications of the changes.” Currently, this policy is not being followed.

B. Lack of Specificity

In his *Rhetoric*, Aristotle says,

Now, it is of great moment that well-drawn laws should themselves define all the points they possibly can and leave as few as may be to the decision of the judges; and this for several reasons. . . . The weightiest reason of all is that the decision of the lawgiver is not particular but prospective and general, whereas members of the assembly and the jury find it their duty to decide on definite cases brought before them. They will often have allowed themselves to be so much influenced by feelings of friendship or hatred or self-interest that they lose any clear vision of the truth and have their judgment obscured by considerations of personal pleasure or pain. (I.1.1354b)

1. Item 3 in Proposal 22-00 indicates that the BLG will consist of “members of the University Senate, the Budget Office, and Human Resources,” but it fails to specify how many members of each of these groups will be appointed, who will appoint these members, how long members will serve, etc. Consequently, at the October 9, 2013 meeting, one member of the BLG was able to unilaterally deny a request to invite a retired faculty member to join the group.

2. Proposal 22-00 also fails to specify who will set the agenda for the BLG, who will call meetings, who controls the BLG’s budget, who will decide what questions any consultant (such as Aon) will be charge with researching, how the ultimate recommendations of the group will be formulated and conveyed to the University President, what rules of order will apply to group decision making, etc. Consequently, there is the potential for the person or people in the group with the most administrative power to make all of these decisions, and participation by Senators is, potentially, little more than an empty show of shared governance.

3. Former Senate President (2009-2012) Rudy Luck reports that he “initiated the policy that the chairs of the Fringe Benefits Committee and the Finance Committee should be standing members of the Benefits

Liaison Group since it made no sense to have this group discuss fringe benefits without Senate involvement, and those assignments are also not defined in the constitution or in the by-laws. Furthermore, the Senate's Fringe Benefits Committee itself should really do the entire job of the Benefits Liaison Group since it is difficult to function as a group without any power to change anything.”

Senate Proposal 22-00 shall be amended to include the following items:

1. The Benefits Liaison Group shall consist of eight members appointed by the University Administration and eight members appointed by the University Senate.
2. Senate members of the BLG will include the President of the Senate, the Chair of the Senate's Fringe Benefits Committee, and the Chair of the Senate's Finance Committee. The five at-large members will be appointed for staggered, three-year terms and may include persons not currently serving on the Senate, including retirees. Candidates for these positions should present to the Senate—either in person or in writing—a statement of interest in the position.
3. Since the purpose of the BLG is to advise the Executive Team, no member of the Executive Team shall also be a member of the BLG; however, Executive Team members may attend BLG meetings at the invitation of the BLG.
4. If a benefits consultant—such as Aon Hewitt—is contracted to advise the university on possible changes in benefits, the Senate will have an opportunity to review in advance the questions that the consultant will be asked to research as well as to propose additional questions that are in need of research.
5. The agenda for BLG meetings will be set collaboratively by the President of the Senate and the ~~Director of Human Resources~~ **administrative designee**.
6. BLG meetings will be chaired, alternately, by the President of the Senate and the ~~Director of Human Resources~~ **administrative designee**.
7. Members of the BLG shall decide on appropriate parliamentary procedures, such as whether or not to adopt Robert's Rules of Order.
8. When possible, BLG recommendations shall be made on the basis of consensus (defined as broad, general agreement, but not necessarily unanimous agreement). When consensus is not possible, a vote may be taken (either by secret ballot or by show of hands). When consensus is not achieved, the BLG will also provide an opportunity for a minority report.
9. BLG recommendations will be drafted collaboratively by the President of the Senate and the ~~Director of Human Resources~~ **administrative designee**.
10. Reports on BLG meetings will be presented to the University Senate by the Chair of the Senate's Fringe Benefits Committee and by the ~~Director of Human Resources~~ **administrative designee**.
11. Reports to the Senate shall include the substance of proposals under discussion within the BLG, thereby allowing Senators and their constituents time to respond to such proposals before the proposals become firmly established.

12. Item 3 in Proposal 22-00 reads as follows: “The administration shall provide employees and retirees at least 90 days notice of any change in the available fringe benefits, especially co-payments, along with complete explanations and justifications of the changes.” This item is to be amended to read as follows: “The administration shall provide employees and retirees at least 30 days notice of any change in the available fringe benefits, especially co-payments, along with complete explanations and justifications of the changes.”

Introduced to Senate: 20 November 2013

Friendly Amendment added in **Red: 11 December 2013**

Approved by Senate: 11 December 2013

Administration Approved Only Item 12 with [Comments](#): 06 February 2014

Senate Rejected Proposal with Administration's Comments: 26 March 2014