

## **MINUTES OF THE FACULTY SENATE MEETING OF MAY 2, 2002**

The regular meeting of the Faculty Senate was called to order at 3:00 p.m. in Room 201 of the Buckingham Center for Continuing Education on Thursday, May 2, 2002.

Forty-five of the seventy Faculty Senators were in attendance. Senators Dechambeau, Drew, Fenwick, Hajjafar, Harp, Hoo Fatt, Marino, and R.Pope were absent with notice. Senators Anderson, Binienda, Broadway, Calvo, Chafin, First, Gunn, S.Pope, Purdy, Rasor-Greenhalgh, Sakezles, Stinner, Trotter, Turning, and Wallace were absent without notice.

### **SENATE ACTIONS**

- \* **APPROVED THE SUMMER 2002 COMMENCEMENT CANDIDATES.**
- \* **APPOINTED THE EXECUTIVE COMMITTEE TO CONDUCT SENATE BUSINESS OVER THE SUMMER.**
- \* **APPROVED RECOMMENDATIONS FROM UNIVERSITY WELL-BEING COMMITTEE REGARDING HEALTH CARE.**

**I. APPROVAL OF THE AGENDA** – Chair Dan Sheffer began the meeting by asking for a motion to approve the agenda. Senator Yoder made the motion; Senator Robert Huff seconded it. Chair Sheffer then stated he had one addition to the agenda and that was to add the minutes of the April 4 meeting to consideration of the minutes along with the special meeting of March 21. The Senate then voted its approval of the agenda.

**II. CONSIDERATION OF THE MINUTES OF MARCH 21 AND APRIL 4, 2002**- Secretary Kennedy stated she had received several corrections and comments from Dr. Midha and would take those into consideration.

**III. REMARKS OF THE CHAIRPERSON** – Chair Sheffer began his remarks by stating that we had had a very busy semester, a very busy year in the Senate, and he would like to thank everybody for their extreme efforts in the running of the Senate and the running of the University this entire year. This summer the Executive Committee was going to be working on a project looking at Senate bylaws and reviewing the functions of all of the committees that report to the Senate. We had been a Senate now for nine years, and we were still working on the first set of bylaws. It was time now to look at the missions of some of the committees, composition of the committees, and some of the bylaws, and the Executive Committee was going to start working on that this summer. A great deal of this was spurred by discussion about the structure and function of the PBC. The Executive Committee was requesting from the chairs of the standing committees of the Senate some information about how their committees were working, i.e., the way in which business was conducted in those committees, the work they were doing in those committees, and the ways they addressed the work. That gave us some basis to begin to

examine how the bylaws might need to be revised.

Secondly, Senate needed to approve the Summer 2002 commencement candidates. (The list was with Mrs. Marilyn Quillin). The Chair called for a motion to approve the list. Senator Lyons made the motion; Senator Qammar seconded it. The body then voted its approval of the Summer 2002 commencement candidates.

Chair Sheffer then provided Senators with an update regarding two letters that were sent to the Executive Committee regarding legislation passed in the Senate and sent forward to the President. Normally, the President wrote to the Executive Committee. In regards to the Faculty Senate actions passed at the special meeting on March 21, President Proenza said he had accepted the resolution and had shared it with the Board of Trustees. In his letter to the Executive Committee, he discussed three additional areas in which he was working with the Executive Committee on the planning and budgeting process in efforts to improve communication between the different units on campus. Secondly, there had been concern about what happened to the amended Senate recommendations from the PBC that were passed on to the President as the budget recommendations from the Faculty Senate. President Proenza said that he supported recommendations 1-6 and had recommended them to the Board of Trustees at their meeting last week. But recommendations 7 and 8, the ones that dealt primarily with differential tuition in the College of Business Administration and the reallocation of funds should there be a shortfall, would require additional discussion. He would then inform us his decision with those two sections of the recommendation. In essence, the Senate's version of 1-6 went to the Board, but 7 and 8 did not.

President Proenza then stated that all of the resolutions had gone to the Board, but they did not act on 7 and 8.

The Chair noted the death of Darius Rastomji, a University of Akron professor in computer information systems in the Community & Technical College, who passed away on April 27. Dr. Rastomji began his teaching career in the Community & Technical College in 1980. In 1997 he became the associate chair of business technology. He received his associate, bachelor's and master's degrees from The University of Pune, Pune, India. He earned a M.S. degree in technical education and a Ph.D. in education at The University of Akron. A recipient of the University's Outstanding Teaching Award from the Evening College in 1982-83, Dr. Rastomji was an accomplished violinist, studying at the Royal School of Music in London, England, and The Rubin Academy of Music, Tel Aviv, Israel. A scholarship has been established in Dr. Rastomji's memory within The University of Akron Foundation. The body then stood for a moment of silence.

**IV. SPECIAL ANNOUNCEMENTS** - The Chair asked that chairs of Senate committees were to send their final reports to the Senate office as soon as possible to Marilyn. The second special announcement was to introduce two new Senators from the Association of The University of Akron Retirees - Professor Emeritus Don Gerlach, and Assistant Professor Emeritus Linda Sugarman, who would be serving as representatives from that association and were taking their seats in the Senate today. The Senate welcomed these new members with a round of applause.

Senator Gerlach then asked for the Chair's indulgence for a moment. He stated he was honored to be admitted to the Senate as a representative of the Faculty Retirees Association. Since he had retired in 1994 as the first chairman of this body, he had tried to keep abreast of University business as Parliamentarian for eight years. He thought it was to the Senate's advantage that Mrs. Sugarman and he

had some perspectives to offer as veterans whose interests remained still in the welfare of the University faculty. But he did find it a bit peculiar that it had been deemed necessary to deprive us emeriti members of the ability to be elected to the Executive Committee or to serve as chairmen of any of the committees. He watched this proceeding and wondered whether we were deemed less than qualified or perhaps so dangerous that the two of us might create incalculable chaos or mischief. He thought Senator Sugarman and himself were no less talented than other members of the University community, nor any less trustworthy. At any rate, he was here to be of whatever help he could after 32 years on the faculty and participating all that time in departmental collusion and University governance.

## **V. REPORTS**

EXECUTIVE COMMITTEE – Secretary Kennedy began her report by stating that the Executive Committee had met several times since our April 11 special meeting. We met three times with committee members only present. At these meetings we determined that the Executive Committee was going to address the Faculty Senate bylaws and standing committees of the Faculty Senate. Relatedly, the Executive Committee was also going to examine structure and function of the PBC, again examining members, terms, composition, mission, etc., this review of the PBC has already begun. She then presented a proposed Faculty Senate Bylaw change as a motion to the floor. The Executive Committee was making the motion that Faculty Senate Bylaw 3359-10-02(E)(4)(d) and (f) be changed to upgrade the position of vice chair to co-chair and to extend the co-chair's term to two years.

Chair Sheffer called for discussion. He pointed out that since it was a change to the bylaw, it must lie over for one month before being voted on. This necessitated yet one more special meeting on Thurs., June 6, at 3:00 p.m. in this room to address that issue only to change that bylaw. There needed to be a quorum present for the meeting, which was 30 members; to pass that vote required 60% of the voting members approving.

Senator Louscher then questioned the reason for a special meeting. He pointed out that the Executive Committee had already indicated that it wants to review the structure of PBC, consider the role of the Senate and PBC over the summer. Why would the Senate at this point take action on co-chair position at this time? Secondly, the Executive Committee was going to review all of this for action in the fall.

Secretary Kennedy pointed out that review of the PBC had already begun and had hoped to have the special meeting so that we could have that change put into place. There was a rationale that was included regarding why we felt this change was necessary. The PBC and the Executive Committee were going to be very busy this summer, so we were hoping to implement that change as soon as possible rather than waiting till the fall and then actually losing another month.

Chair Sheffer pointed out that the bylaw change would have to go to the President for action to be accepted by the Board, and that would put it off yet one more month in the fall, at least for that change.

Senator Qammar then asked whether part of this was to have the individual to serve as co-chair for two years? Were there any roles within Faculty Senate bylaws that speak to the point of how to reelect the chair? For instance, there could be one group of PBC members where the co-chair worked very well with that individual, but as the members changed perhaps there could be a conflict between an existing chair and a new set of PBC members that started to become a nonworkable situation. If we got an

unworkable co-chair, was there a rule that allowed a committee to by some voting mechanism change the chair? This wording here would not necessarily supersede that kind of privilege within the committee?

Chair Sheffer replied that this was a position that requires a considerable amount of learning, and to have that change every year was a disadvantage. One of the other things we were going to look at in Executive Committee was the length of time that individuals are on the PBC. Why were we changing all Senators every year? These were issues we were going to talk about, because there was a tremendous learning curve in this.

Senator Lyons then asked if there were precluded discussion on June 6 of having only a Senator as the chair and not having the Provost as a voting member and co-chair? Chair Sheffer replied that that would have to be another motion that would be dealt with. It was in the bylaws that the chair of the PBC was the Senior Vice President and Provost. We could amend any of the bylaws, but that would require quite a bit of discussion.

Senator Lyons then questioned the Executive Committee's logic for having our committee co-chaired by someone who was not a Senator. Chair Sheffer replied that a review of the history and formation of the PBC might help. It had started as the Long Range Planning Committee chaired by the President, and the Budget & Planning Coordinating Committee was chaired by the Provost at that time. In 1994 there was a change in which we thought those two committees, instead of meeting once a year together, should be working together at the same time. When those rules were made, the President was made chair of the PBC. An amendment then came from President Proenza who said he had a difficult time being chair of a committee that would report to himself, so he wanted to change it naming the Provost as the chair. When those committees were formed, they were committees of the Senate. (Dr. Midha provided this last piece of information, stating that he was vice-chair of PBC for 2 years.)

Senator Erickson differed in her recollection. The complication with PBC was that it was not purely a Senate committee. Its membership was not just elected Senators. Though it had a majority of Senators, it also had representatives that included deans and the Provost. Those made it a University committee.

Chair Sheffer agreed that it was in the bylaws of the Senate that it was a University committee, along with the Faculty Rights & Responsibilities, and University Well-Being. Then we had the permanent committees, which were Senate only. So it was a complicated combination; it was in our bylaws but it was a University committee. In our bylaws it stated that the Faculty Senate acted on the recommendations of the Planning & Budgeting Committee, and that was under our duties. We debated and amended by our bylaws any of the recommendations that came by PBC. That was what we had done.

Senator Louscher then asked what was in a name change? If the Executive Committee was not looking at the recruiting structure, the organizational structure, the voting structure, the membership structure, but then decided to call the vice chair the co-chair, and then on top of that looking at the whole thing then asking a special session of the Senate to deal with an issue that was going to be temporary and only involved a name change, was an extreme waste of his time.

Senator Yoder then presented some of the argument for why the Executive Committee was proceeding

in this way. The first step was the chair arrangement. That was a major change that needed to be made first. Also, if we delayed this particular aspect of the change until September, by the time that got passed on to the Board and became a realized change we would be well into the fall semester and the implications of this change would not be realized. The reasoning was to make this major change with the idea that it would open the doors for subsequent structural changes.

Senator Steiner then asked, if the name change to co-chair for the Senate leader of that committee took place, were the duties of that position going to be any different than what they were currently with vice chair? Was that part of this resolution he was not hearing? Chair Sheffer replied that it did differ with respect to setting agendas and so forth for PBC.

Senator Lyons wanted to say he was a strong supporter of the Provost and of the RTP changes and the ROI model, but he believed that the Senate needed to have a more independent voice. He did not think it was appropriate having the Provost as the vice chair, co-chair or chair. He would be proposing language to that effect in the June 6 meeting. PBC was the heart and soul of the Senate and that should be an independent committee where we deliberated as Senators. Then we participated after that in shared leadership.

Senator Franks agreed with Senator Louscher to the extent that we were going to look at this whole thing. From his perspective, the process and ability to have data on time, etc., was much more important than who is chair or vice chair. Senate might want to consider waiting on this. As far as setting the agendas, he wanted it on the record that this Provost allowed him to set the agendas with no interference whatsoever.

Senator Lyons added that, for the record as well, it was a Senate committee that had to wait for the Provost to allow him to set the agenda. It should be the Senate that sets the agenda for the PBC. And he added that we might not always have this particular Provost.

Secretary Kennedy continued her report by stating that the Executive Committee had also certified the election of our two new Senators. We did determine the need for the special Senate meeting the first Thursday in June at 3:00 at this venue. She then brought another motion to the floor which was to **appoint the Executive Committee to conduct its business over the summer.**

The body voted its approval of this motion.

Secretary Kennedy continued by stating that the Executive Committee also met with the committee of chairs where we shared information regarding future plans and agendas as well as current issues and concerns. We met with the President, Provost Hickey, and Mrs. Herrnstein and discussed the following issues: One issue was student service. There had been reports and a suggestion that students believed the quality of student services had diminished. Several problems were discussed in both a narrow and broad focus, and it was suggested that perhaps a student survey with information on students' perceptions might be helpful. Regarding the budget, the Executive Committee had inquired about the status of the budget, as mentioned earlier by the Chair. We also discussed the differential tuition with the Provost, and discussed the need for a policy on tuition differentials to determine what extent we had those tuition differentials. What was the process for determining whether this occurred, and how were the proceeds determined? As far as the CBA tuition differential, as Senators knew, that had been referred to PBC for further examination. Another issue addressed regarded salary issues. As Senators had seen in an email that was sent out last week, rumors had been flying regarding what across-the-board salary increases were. As was clarified for the Executive Committee, the term across-the-board

was not that, but a more accurate phrase to capture what the administration had in mind was minimum merit which would then be coupled with the merit as we know it to make up the salary increase. However, as indicated in the email sent out, this change in salary increase policy would not happen during this current round. The Provost had indicated that this would be brought for debate and consideration in the fall with input from appropriate Senate committees. Finally, the Executive Committee met yesterday with President Proenza, Mrs. Herrnstein, and Dr. John Green to begin a dialogue of issues related to communication and governance. Chair Sheffer, Dr. Green, and Mrs. Herrnstein would serve on a task force to develop a project charter as well as identify the mission's interactions and interrelationships among The University of Akron standing committees, advisory groups, and their structure within the administration and various VP offices.

Other issues we discussed at this meeting included training for chairs, orientation for new Senators, as well as other faculty-development opportunities.

REMARKS OF THE PRESIDENT - Chair Sheffer invited the President to address the body.

"Thank you, Mr. Chairman, and good afternoon colleagues. As the year draws to an end, it's always tempting, if not mandatory, to list our accomplishments. Certainly, when one begins to do that, one is sure to miss a few or at least one. It's often required that we offer an expression of heartfelt gratitude, and that certainly is something I want to do and most sincerely on behalf of a grateful University of Akron and the entire campus community. We've done a lot of work during this year.

At the same time, at this juncture it may be equally worthwhile to ask, where do we go from here? You've heard both from your chairman, Professor Sheffer, and your secretary, Senator Kennedy, of some of the steps that we are taking and certainly we will keep you apprised and have opportunity for further discussion in the fall. But we do want to get started and applaud the efforts of your Executive Committee and indeed many of you to join us in this effort. It has indeed been a challenging year for all of us and for a variety of reasons. But we have managed together to address our challenges, while at the same time continuing to make important individual contributions in teaching, research, scholarship, service, creative activity, advising, recruitment, and so on across the wide spectrum of our University. Just over a week from now we will be graduating one of the largest classes in recent history. We have continued to add to our long record of student success. Just last week, for example, the new President of the Johnson & Johnson Co. was announced and he happens to be a University of Akron graduate, as many other exceptional success stories show. We have early indications, as you know, that enrollment will grow again this fall and we need to continue to be focused on that.

We've had our differences as individuals and still I think that we can all gratefully say that we've managed to grow as a university community and as a university. We've shared our hopes, our concerns, ideas, and criticisms quite frankly and openly and I think we're the better for having done so. A great deal of work is starting as a result of that. Some of it was a great surprise to some of us; some is reflective of things that were started and need now to be reviewed and improved, and some certainly reflect many things that we need to have done and simply hadn't taken the time to do. We have certainly developed a sense that we need to control our destiny, and I hope you are persuaded that no one else will do it for us, certainly not even the state. Deciding and controlling our destiny requires hard work, dedication, discipline, and ambitious goals and a focus from each of us.

We must continue to focus first on our students, including enrollment and retention. Those factors will

help measure effective student engagement, as well as providing the ongoing revenue that we will need and which is the only basis that we have under our control at the present time to make our faculty salaries competitive to carry out other important initiatives and to continue to make our staff and contract professional salaries equally at market.

We also must be focused and pay attention to forming sound and efficient ways to conduct our business, and your chairman and secretary have reflected on some of what we're doing in planning and budgeting and communication and in other important processes which we will review. Certainly, the Balanced Scorecard project will allow each of you working with your chairs and deans to further refine these processes and other aspects of our University's goals and directions. So I believe that we have taken important steps together in many of these regards, and I hope that you shared my sense of some beginning hard-earned progress.

Now briefly let me just highlight the actions that our Board took this past week. In regard to the budget, a 4% salary pool was approved. Secondly, the action with regard to any employee health care contributions was deferred, and I look forward to hearing the more specific recommendations from our Well-Being Committee. Thirdly, \$1.2 million was set aside to address faculty salary equity and compression issues, and I know you are attendant to the progress of our task force to continue. In some, these actions and others reflect 75% of new budgeted items going to compensation of faculty, staff, and contract professionals.

Finally, let me just share two pieces of good news and move to a close. Yesterday Governor Taft spoke here in Akron at the Press Club luncheon. Some of you were perhaps there; you will have a chance to see his remarks on TV, as they are broadcast regularly and I urge you to look at them. Because certainly in my experience in coming to Ohio just 3-1/2 years ago, this is the first time that I've seen our Governor and in talking with other colleagues, any governor in recent history of the state of Ohio, spend nearly an hour focusing on things that are happening right here at the University that add to his agenda, that add to our comprehensive agenda in Ohio, and compliment those efforts and look forward to the leadership that this University is providing. So that was good news and I urge you to review those comments. By the way, my question to the Governor, if you read this morning's paper, was poorly reported but some of the gist was there, but not the details.

You may be aware, if you again read the paper from last week, that one of our faculty, Becky Erickson, in our department of sociology, was invited by Congressman Regula to testify at a major committee of the House, which she did so ably, and we should be very proud of those contributions. She was addressing a very important topic regarding the nursing profession and to the stresses and strains related not only to the recruitment but most importantly to the discharge of their responsibilities. Topics that will almost surely result in some funding for her project from the U.S. Congress.

In closing, ladies and gentlemen, I know that you share my commitment for the future of The University of Akron. Let us then continue to learn together; let us move forward with a shared commitment to seize the destiny that I believe is rightfully that of The University of Akron, and let us move forward with an increased commitment to work together to enable the trust in each other's good intentions provided that our good work earns us each respectively that trust. This is something that we must do together and something that I believe we will do together. Thank you, and I welcome your questions."

REMARKS OF THE PROVOST - As there were no questions for the President, the Chair invited the Provost to address the body.

"I need to tell you that for those of you who are keeping count, and those of you who may be in the pool of how long will he last and had anything less than two years, you've now lost your money. Because Tuesday was my second year anniversary at the University. So those of you with three years still have hope. The only remarks I want to make today is, first of all, I do want to thank you all for what has been a productive albeit somewhat hectic year, and wish you all the best for the summer. Those of you who are going to be here, we'll still see plenty of each other; those of you who are going to be doing other things this summer, I wish you the best.

I want to take just a moment to really thank the PBC; after today's comments I may not be seeing much more of you. The PBC has worked very, very hard not only this year but last year as well. The ROI model that you put into place over an 18-month period of time I think is a huge step forward for the institution. There have been many other issues that you've worked on over the past year, so I want to express a particular thanks to that body. For those of you who don't know, they have met two hours every Thursday of this year that classes were in session, and that's been quite a commitment on their part and I thank you very much. Those are my only remarks, but I will be happy to answer questions."

There were no questions for the Provost.

WELL-BEING COMMITTEE - Senator Erickson began her report by stating that the Well-Being Committee, as requested by the President, had brought to the floor of the Senate its report relating to its recommendations on health insurance (**Appendix A**). She wanted to bring up a few things that had been added to the recommendations. The committee had invited Senator Buckenmeyer to its meeting and had expanded the possibility of the wellness program; we looked at what could be done in house to deal with disease management and wellness. Apart from running an exercise program for the University, the Senator's department also worked with heart patients from Summa, which fit with the whole notion of disease management. The committee was excited about the possibilities of what we could do, especially if we included the space that might well be organized as part of the new rec center that could be for a wellness center. Something less than 20% of people actually used serious amounts of health care and therefore made up most of the costs. It was managing whether we could stop getting ill, and also for those who had chronic illnesses. She thought it would be of great benefit to all of us to improve the wellness for both ourselves and for the rest of the faculty and staff and also students on the campus.

The other issue the committee looked at was the change in the bidding method. We could not go back to the kind of bidding we used to have when we were working with one provider and changing it each year. According to Vice President Nettling, the Board had been adamant about putting contracts for over \$150,000 out to bid. The bidding process was every two years, and had problems that the committee had discussed with a consultant. We decided at this stage that it was not worth putting in the recommendations. We may still want to examine this some more because the private sector was able to save some money in this way.

The committee's recommendations were on the last page of the report (**pgs. 27 and 28**). The committee was given the responsibility to evaluate health care costs and benefits in light of the major increase in health care costs (22%) in the last budget. To help offset these increases and lower costs, the committee was recommending that an ad hoc group representing appropriate departments and units



bring forth and develop an effective wellness program.

The second thing the committee looked at and talked about at the special meeting was the changes in retiree dependent plans. The committee recognized that the University needed to provide a comprehensive health plan for retiree dependents. We noted in the report that we were the only state university that provided this benefit. However, we considered retiree dependents who had the equivalent benefits and costs as present employees rather than traditional indemnity. Traditional indemnity was a system that was being phased out across the nation; only 15% of employers used it. The committee was recommending, first, for dependents under 65 who did not have medicare, for Jan. 2003 we wanted them to have the same options - that was, traditional indemnity, PPO, Summa, and Kaiser HMO's. (Hometown was left out because they came in with a bid which stated that if the University changed in the middle of a 2-yr. contract, they were going to increase their rates, thus making it prohibitive.) This would allow retirees and their dependents to shift out to one of the less expensive options, and a number of them would like to do that. This particular reduction could save as much as \$115,000. Then for Jan. 2004, the committee recommended that retiree dependents with traditional indemnity should pay the same contribution for the plan as the present employees, for those under 65. For those over 65 we were recommending for 2003 one alternative to the traditional indemnity which was the medicare plus, which were HMO's with Summa and Kaiser to be made available.

The third recommendation was a suggestion that Vice President Nettling explore the possibility of providing retiree dependent coverage with the appropriate Ohio state retirement schemes with payments made by The University of Akron (less costly than at present). The state retirement schemes did have retiree benefits for which people had to pay. Their payments were less than the payments our program had to make. The point was, instead of us running a retiree dependent system, it should be done like all the rest. By doing that we could also save money. That would be a legitimate possibility. We talked to Vice President Nettling who felt it had to be done through the retirement systems, but he was certainly prepared to explore it. That was one of the alternatives.

President Proenza then asked whether the committee were able to establish either through Mr. Nettling or General Counsel what the University's legal requirements were in light of what was offered.

Senator Erickson replied that the commitment was to provide a comprehensive health plan, not a comprehensive and free health plan. A comprehensive health plan would mean there were a range of plans. The committee was saying we feel the retirees should pay any contribution required of active employees. She pointed out to the President that this recommendation was made under the assumption that this could be done legally. The position of this committee was that this particular benefit was a huge benefit and expanding; anybody hired before 1992 was covered by this system, and that would include a lot of people. All of our health care had changed. This would prepare future retirees.

The third recommendation, given the national problem of health care cost increases in the double digits, was that PBC take into account likely major health care cost increases in planning for its future budgets.

Chair Sheffer then interrupted Senator Erickson, stating that the Senate needed to deal with each of the committee's recommendations separately. Each of these recommendations to the Senate had different end points. With no. 1, the changes in retiree dependents plan came from the committee and did not need a second. So if the Senate acted on this, it would then go to the President as a recommendation from the Faculty Senate. He then opened the floor for discussion.

Senator Sugarman stated she was glad to be here so she could talk about one of the things most important to her regarding 1(d), which stated that retirees would pay any contribution required of active employees. She did not know whether it was legal or not, but she thought it to be morally wrong to change post-retirement benefits for those who had already retired. Just as current faculty might see a trade-off between their salaries and their benefits, retired faculty probably looked upon these retiree dependent benefits as deferred compensation, compensation they earned while they were working but did not receive until they retired. Therefore, she did not think retiree dependents should be charged for these benefits. She asked the Senate to consider, with knowledge that there are budget shortages in all cases and when money came from one place it went to another, that Senate not cut retiree dependent benefits as a way to have more money available for other things such as additional salaries for current employees. Under 4(d), the recommendation stated that any contributions made by current employees should only be initiated after the University reaches a median annual salary for Ohio universities. Retirees were going to be asked to pay and they were not going to get any increases. She might not change Senators' minds, but she hoped she made all feel very, very guilty if this was implemented.

Senator Franks then asked whether we were the only state university to provide this kind of health care? Did Senator Erickson mean in the state of Ohio or in the nation? Senator Erickson replied that in Ohio we were the only state university that provided free retiree dependent coverage. Senator Franks asked whether national data was available to see what other states were doing. Senator Erickson replied that, regrettably, no, the committee had not looked at that because the details on all the plans were too difficult to obtain.

Senator Qammar had questions regarding 1 a) and d). Item a) was for dependents, less than 65. Then only if they chose the traditional indemnity would eventually some formula kick in. But in d) if retiree dependents were retained (i.e., we could not push them into an Ohio state-wide plan), they were going to pay some contributions as active employees pay. Was not that still just the traditional indemnity? Then wouldn't a) and d) essentially be the same?

Senator Erickson replied that d) really related to 4. It applied if and only if we were asked to pay contributions for anything but traditional indemnity; that would be the issue. The first one, a), and she noticed that Senator Sugarman did not address a), was the one with the option of choosing all the other alternatives. For 2003 this would be free to all employees and retirees under 65 would have essentially the same options as the present employees. The committee was saying that in Jan. 2004 we would want the retiree dependents under 65 to do that.

Provost Hickey then stated that, in meeting with provosts from around the country, he had asked the question, described our situation, and asked whether any of them had a similar situation for the dependents of retirees. Asked whether they had heard of any. Universally, he had been looked at in amazement. He had not found anyone from any university in the country (this was a pretty broad sample) who had a program that covered dependents of retirees.

Senator Sugarman stated that she agreed it was probably unique, but did that make it right to take it away from people who were promised it when they retired?

Provost Hickey replied that he was simply responding to the question of were we aware of others who had it. No value judgments here.

Senator Kahl asked whether the committee had looked at the potential cost if the retirees took legal action versus potential savings if the university charged them, just on cost benefit analysis? To which Senator Erickson pointed out that the committee's recommendation was based on the premise that this could be done legally. Senator Kahl then suggested that answering the question of whether or not it was legal he thought could involve some very substantial legal costs. There were people from the Law School here who would know better than he did.

President Proenza then added that Senator Kahl was quite correct in that context, and obviously two questions and many more needed to be answered. But the first one the Board was concerned with was the circumstances under which that pledge was made. We needed to take these recommendations in that context, as it applied beyond the simple sentence as noted. The other questions were deeply of concern to us.

Senator Erickson added that there were possibilities of modifying this to take into account only people who retired now. The committee felt that, due to costs, 20 years from now there might not be traditional indemnity plans for us to have to worry about meeting the legal requirements. The committee felt at this point that it was important enough that some charge should be made to the retiree dependents.

Provost Hickey stated that that benefit ended in '92; it was not available to people who retired now. To which Senator Erickson added that it applied to most in the room. Senator Sugarman's problem was definitely with people who retired and could not do anything about it. But it would be a different situation for those people who were still working at The University of Akron.

Senator Gerlach then stated that in view of what his colleague Senator Sugarman had warned about, he would like to propose an amendment to the motion on the floor and that was to strike out item d) of the first part. Senator Steiner seconded this motion. The amendment passed (22 members voting for the amendment; 19 voting against).

Senator Erickson then added to Senator Qammar's earlier comment by stating that in a), the committee had meant that the retirees who chose the traditional indemnity should pay the same contribution for the present employees. That was a separate issue.

The Chair then called for a vote on the first recommendation regarding changes to retiree dependent plans. The motion passed.

Chair Sheffer then addressed recommendation 2). The committee recommended that an ad hoc group representing appropriate departments and units be formed to develop an effective wellness program for UA. We should investigate possibilities of using resources at UA for some aspects of the program as well as evaluating vendors to be paid by UA. The Chair asked Senator Erickson whether she were asking the Executive Committee and the Well-Being Committee to form this committee. Senator Erickson replied that she was.

Chair Sheffer called for discussion of the motion that the Executive Committee and the Well-Being committee act together to form the ad hoc committee to address no. 2) Wellness and Disease management program. None forthcoming, a vote was taken. The motion passed.

The discussion continued with recommendation no. 3). Senator Erickson stated that this motion asked

for a direction by the Senate to PBC for this recommendation. Chair Sheffer called for discussion. None forthcoming, a vote was taken. The motion passed.

Senator Erickson then addressed recommendation no. 4). If PBC should determine that cost sharing of health insurance increases by employees was necessary, (a call to be made by the PBC), the Well-Being Committee recommended: 1) There should be a cap on the percentage of total medical costs to be paid by the employees, a percentage to be determined by the Well-Being Committee when such cost sharing was recommended. Any contributions should only be initiated as The University of Akron reached a median annual salary for Ohio universities and should then be phased in concurrent with steps towards achieving the 75th percentile in salaries. And d) For some cost sharing there should be premiums, but for others by reduced benefits; that is, the committee recommended that there should be at least one limited but free plan. An example was an EPO, which was deductibles but only in network. Item e) represented a simplification in plans. The committee was recommending that traditional indemnity in its present form should not add new enrollees after Jan. 2004. It should not be maintained if the numbers in the program drop below a minimum (the number to be specified by Well-Being before 2004). This was something that the University of Cincinnati had been doing. We were giving people enough warning. Then the premiums should be proportional to income, and they should be costed for employee/employee+one/employee+two. It was a slightly different system that the committee thought was fair.

Chair Sheffer then clarified Senator Erickson's statement by asking whether this were a motion that the Senate would be directing PBC to deal with.

Senator Qammar then stated she was confused about the wording. Could she suggest some alternative wording? In regards to d) (on the bottom of the first page – correctly numbered as c), she suggested that it should read, "There should be cost sharing options including by premiums, by reduced benefits..." This was made as a friendly amendment.

Senator Redle then stated he had some concern about information flows, given the fact that he had spent a wonderful year on PBC and had seen some of the frustrations. In acquiring information he would hope that we took into consideration that we needed those information flows and that perhaps the Well-Being Committee ought to make itself a part of this process and report directly to the PBC. Otherwise, he would have to oppose it because of the way the information flows had been in the past. We would be asked to make decisions on which we would not have effective information.

Senator Erickson stated that she felt Senator Redle's concerns were dealt with in item 3) because it asks that the PBC stay in contact with the Well-Being committee on these issues.

Senator Redle stated that that did not sound as though the Well-Being Committee intended to remain in contact with PBC. He would be willing to accept the addition of that same sentence to the current consideration if the body felt that that would be appropriate.

Chair Sheffer then clarified by stating that part h) would state that the Faculty Senate ask the PBC to stay in contact with the Well-Being Committee on these issues. Senator Redle replied that that was acceptable.

Senator Jordan then asked for an explanation of f) (which should become h), - "costing for E, E plus one unit..." What did that mean?

Senator Erickson provided clarification by stating that it meant to make it employee/employee plus one extra, which could be a child or a spouse. Then employee plus two or more, just three categories. It was taking out the difference between a spouse and child. The committee figured we were dealing with units rather than the cost of units.

Senator Riley then asked, as we looked to the future of what was happening in this area, whether we were looking at offering coverage for non-married partners or homosexual partners.

Senator Erickson replied that as she had been chair of the committee the previous year, she knew that that issue had been under discussion in a sub-committee of the Well-Being Committee.

Given the time needed to complete this task, the Well-Being Committee had not been able to go to the next stage of exploring this issue.

Senator Riley then added that it was with the terminology, with E, E plus one, E plus two. It sounded like it would lend itself toward that. Senator Erickson stated that it would, but that was not what it was there for. It was talking about the difference between costing on the basis of units or on the actual cost of each unit.

Senator Graham then stated he had a question about a) "There should be a cap on the percentage of total medical costs to be paid by employees..." Did that mean that the first time, perhaps in 2005, we would have to have cost sharing? At that point was the Well-Being Committee going to say cost sharing would never exceed this percentage, or were they simply saying that for this cycle it would not exceed this percentage?

Senator Erickson replied that the committee would put it on as a cap. When the committee discussed the cap, we discussed it as the "nose under the tent" and we could be paying all of our health care costs. It was a clear notion that we would put a specific cap on that saying it should be no more than.

Senator Graham then asked whether it would be a once and for all kind of cap. To which Senator Erickson replied that, as much as could be done, yes. The point was that it was not saying from then on just increase it; there was a cap. The committee did not come up with the exact numbers. Look at the range that existed at the other universities; it was a big range.

Senator Kahl then referred to the E plus one/E plus two issue. Had the committee checked with the insurers to see whether that would change their bids for the programs?

Senator Erickson replied that the question here was how the cost was shared for the University. The committee had not actually gone back on that one. Other programs may indeed put their costs the other way, but we were going to charge our premiums that way. If we had to pay some kind of contribution, that did not affect the system that the University was charged for its units. The committee was not trying to change what the insurance companies did; we were changing what we ourselves would pay as part of that.

Senator Qammar then asked whether Senator Erickson would accept a friendly amendment, to include on the bottom of h) the definition of a unit - "A unit is defined to mean either spouse or all dependents."

Senator Erickson asked whether Senator Qammar wanted to change to spouse or dependent. It was stated in units because a specific person on the committee had said we wanted to think of a person as a unit. Senator Qammar replied it could be changed to "all dependents." Someone might construe this to mean that each dependent was a unit.

Senator Erickson stated that it really should be two or more units. This was a mistake on her part because the first version of this said two or more but she had typed it incorrectly.

Senator Qammar then asked what would happen if someone had six dependents? Senator Erickson replied that it counted as two, just as it did now. To which Senator Qammar replied that she wanted to say a unit was defined to mean either spouse or all dependents and Senator Erickson agreed.

Senator Gunn inquired as to why the committee would not give people the choice of the indemnity plan if they're willing to pay the difference in price. Senator Erickson replied that when the numbers got really, really low it became an extraordinarily costly alternative. Senator Gunn added that they would definitely get low if no one else was accepted in the plan. Senator Erickson stated that the point was, we were trying to phase out the plan because of its expense.

Senator Steiner stated he did not see how it was greater expense to the University if employees were paying the difference between traditional indemnity and the PPO. Their cost would go up, but how would additional cost be incurred by the University?

Senator Erickson replied that it was the administrative costs. It was a more complicated program that required extra administrative costs. Did we want a specific option that was chosen by less than ten people?

Senator Gunn stated that she did not disagree with that, but that the committee was forcing the number to go down by not giving people the choice. If they did not make the choice and the number went down, then the number went down. It was not us deciding that it was supposed to go down.

Chair Sheffer then asked Senator Gunn if she had any language to amend it. Senator Gunn replied that it would not be maintained if it dropped below a minimum, but that new enrollees would still have the choice. Senator Erickson then asked whether Senator Gunn would like to amend it to say that it should be removed. Senator Gunn stated that the TI should not be maintained if the numbers in the program drop; her **amendment was to remove that first sentence**. This was seconded by Senator Steiner. A vote was taken by division of the house. With a 19 –to 19 tie, the Chair voted in favor of the amendment. The amendment passed.

Senator Lee stated he was still confused by the unit issue. If a person was a unit, that meant a family with two children was now E plus two? Senator Erickson replied that no, it was not. Senator Lee then asked whether a unit meant any number of children? Senator Erickson replied that one unit is a spouse or any number of dependents.

Senator Steiner then asked, regarding the E plus one, plus two again - was the reason for that to simplify the structure and administration of this, or was there a cost implication with this as well?

Senator Erickson replied that there was a slight cost implication. The notion here was that in every other part of our system we had dealt with this as units of people. On this one we looked at what the insurance charged us. So in this case we're saying let's make it just the same. Whether there was a cost issue, the committee did not know. It could be because employee plus children was cheaper than employee plus spouse at the moment. What that would mean and whether the cost would make a difference was not clear because of the way people might change their insurance coverage.

Senator Steiner then followed up by stating that what Senator Erickson was saying was that the only potential place for a cost difference would be in the parent plus children versus employee plus spouse. The charge might be different under this proposal than it currently was.

Senator R. Huff then stated he believed the body had just voted to strike the first sentence from e), the second item on the second page, but the last part of the second sentence said the number to be specified by Well-Being before 2004. Did that still stand?

Chair Sheffer replied that it did.

Senator Jordan stated that he must oppose no. f) as it was currently written. It provided that plan premiums should be proportional to income. The logic stated on page 5 was the issue of fairness. In general we considered that a fair contribution was one proportional to income. It seemed to him that on its face what was fair was that people who purchased the same product paid the same amount. So if we began with that general premise, the question was what justifies some people paying different amounts for the same thing? There were a number of public policy possibilities - one was that some people with health care; in particular, people with low resources, should not be denied health care or should not have to pay too much for health care because of their income. To him the question of fairness was one of why people had the income that they had. As a matter of opportunity, of background, of choices that people made, those who did not have the choices to give themselves higher incomes, he would view as a matter of where fairness justified others of us making payments to contribute to that. Where others had had the opportunities, as all members of this faculty had, to have considerable education and to make economic choices, it seemed to him there was no justification for having others carry the burdens of their economic choices. That was not fair under most understandings of fairness. He would by the way contrast the situation with contributions that we decided upon some time ago for the indemnity plan. There the contributions were according to income level. The logic behind that was that we were seeking to create a deterrent or incentive not to use the indemnity plan. In order to do that, you had to graduate payments by income to have roughly equivalent incentives. For these reasons he would move that no. f) be amended as follows: "Plan premiums for staff should be proportional to income," and keep the rest of the sentence the same. A second sentence, plan premiums for faculty should be level. The reason he had drawn the distinction between faculty and staff was that the odds were much higher where staff were concerned that they did not have the educational background, the economic background and so on to make choices, and thus it was appropriate to have those premiums distributed according to income but was not appropriate for faculty to do that with respect to faculty.

Chair Sheffer asked whether Senator Jordan were making that a motion. Senator Jordan replied that he was. Senator Khal seconded the motion.

Senator Graham then said that if he understood the motion correctly, it was based then in part on the product being bought. One might argue that higher paid employees who often tend to be older

employees might also be placing higher burdens on the health care system. With all due respect, he would suggest that what was compensated for in one area may in fact be compensated for in another area in terms of the relative incomes and years of service for employees in question. He would oppose the amendment for that reason.

Senator Qammar then stated she would also like to speak against this amendment. For exactly the same argument that staff perhaps had chosen career paths that led to smaller wages, (certainly not universal for all staff as we had well-paid staff because of their qualifications), so also faculty had chosen careers or had family situations in which their options were for lower paid wages. She did not understand the distinction of why the argument worked for classification of all staff and the argument failed to work for classification of all faculty. There were very low faculty on this campus, and there were very highly paid faculty on this campus. The fact that that was the way we had marketed these people really did not mean a heck of a lot to these people to state that, "Some had made some poor choices in their careers. It was just the way it was."

Senator Brouthers then added that the idea of proportional to income had an adverse impact on single-income families where the income was based on The University of Akron. If it was going to be based on income, was it going to be total family income and then do it proportional to that? If somebody had made a lifestyle choice to be the sole support of their family and they had been successful, you were going to take a disproportionate amount from them? Was that our idea of fair? The way that this fella (Senator Jordan) suggested was the common way in which things were done at most universities. Staff usually pay a flat amount, but the University usually kicked in for incomes that were below a certain level which was similar to his proportional idea. So his idea was not so unconventional; it was actually very conventional.

Senator Erickson replied that usually it was progressive; usually the notion of fairness in this society was progressive. She was not going to comment on Senator Jordan's particular comment.

Senator Lee stated that since he had in his hand the notice that his forthcoming tenure was granted, he rose to oppose his senior colleague on fairness grounds similar to those stated.

A vote was then taken on the amendment, and it failed.

The Chair then stated he would like to entertain a motion if a senator would make it. **Under part f) plan premium should be proportional to salary.** Senator Qammar made the motion. No discussion forthcoming, the motion was voted on and passed.

Senator Erickson then directed discussion to recommendation no. 5) - Monitoring issues: This was also an action item for the Senate. The committee recommended that the UA health consultant report every four months to the Well-Being Committee, Human Resources, Vice President for Business and Finance on likely health cost increases and health insurance issues. The Well-Being Committee should report this information immediately to PBC and the Senate.

Senator Norfolk then inquired about the cost of this. Senator Erickson reminded him that not having done this before had caused us a huge problem.



Senator Kendra offered a friendly amendment that prior to the words, "4 months," add "at least" every 4 months. Just in case there was something that really had a significant impact.

Senator John then asked whether there were someone on staff at the University that possibly could keep abreast of these things, so we did not have to bring outside consultants. Senator Erickson replied that Human Resources had people there but had an awful lot of work to do to ask them to keep abreast of all of the national stuff when a consultant had that at his fingertips. If she thought it was going to take a huge amount of consultant time, she would be so inclined.

President Proenza then commented that there was a person who did this and this suggestion was an added measure that he thought was very prudent and helpful. Let it be understood that in the end result, no advanced planning could change the ultimate bids, and clearly there would be a better understanding. But the final result was what the bids came in at and obviously we had taken the lower bid, etc. That was where the "rubber met the road," since we are in Akron.

Senator Sterns pointed out that the other important factor was the actual experience of the group on an annual basis. Senator Erickson replied that that part could be done on campus.

Chair Sheffer called for further discussion. None forthcoming, a vote was taken. The recommendation was passed.

Chair Sheffer then directed the body's attention to no. 6) Long-term issues for study. This was a motion that the Senate would instruct the Well-Being Committee to continue to monitor longer term issues including IUC initiatives for coverage and health savings plans and the ongoing experience with defined contributions. He called for discussion of the motion. None forthcoming, a vote was taken. The recommendation passed.

Senator Riley had one more question. What had happened to the discussions on increasing monies toward the buyout option? At one point in time there was discussion where Senator

Erickson had talked about the option for buyout. Senator Erickson replied that it had been left out of this version, but actually was there.

FACULTY RIGHTS & RESPONSIBILITIES COMMITTEE - See (**Appendix B**) for annual report.

GRADUATE COUNCIL - See (**Appendix C**) for final report.

FACULTY RESEARCH COMMITTEE - See (**Appendix D**) for final 2002 report.

OHIO FACULTY COUNCIL - See (**Appendix E**) for minutes of February OFC meeting.

Chair Sheffer stated that because the Senate had already scheduled a special meeting for June 6, the agenda would be finished at that time. He then recessed the Senate until that meeting.

Senator Gerlach requested the indulgence of the Senate on a point or two about business to be conducted without him, as he would be out of town in May. He was concerned about the report of the Campus Facilities Planning Committee, and he wanted to draw your attention to the resolution concerning naming the College of Arts & Sciences building. He was very aware of the importance of

names. That College of Arts & Sciences building was forever to be called the Buchtel College of Arts & Sciences. The very least that could be done was to make sure that Buchtel was in there. He knew we had a Buchtel Hall, but on our stationery, the last he knew, it was called the Buchtel College. Actually, he thought we ought to think in terms of naming this building "such and such" hall. The other thing he would like to draw to the body's attention and perhaps we would charge the Facilities Planning Committee with, was looking into the advisability of doing something vis-a-vi the Board of Trustees, so that the name Simmons Hall was not lost. That building was gone. When the Olin Hall went down we named a new building Olin Hall, and he begged the body to continue this effort and to ask the Trustees to follow it. He alerted all to that business that he felt very strongly about.

Chair Sheffer then called for a motion to recess. This was made and seconded. The meeting recessed at 4:45 p.m.

**Transcript prepared by Marilyn Quillin**