

Minutes of the General Meeting of the Academic Senate March 25, 2004

1. The meeting was called to order by Chairperson Penny Washbourn at 3:00 p.m. March 25, 2004. Roll was called and the following Senators were present: Chair Penny Washbourn, Vice-Chair Jim Sauerberg, Past-Chair Charles Hamaker, Theo Carlile, Richard Courtney, Robert Gorsch, Wayne Harter, Rye Huber, Yung Jae Lee, Sam Lind, Patrizia Longo, Susan Marston, Keith Ogawa, Tom Poundstone, James Temple, Mindy Thomas, and Parliamentarian Michael Barram. Absent was James Hawley.

Also present were: Carolyn Bailey, Ed Biglin, Carla Bossard, Dave Bowen, Joel Burley, Dan Cawthon, Jeanne DeMatteo, Abby Heydman, Ann Kelly, Lidia Luquet, Frank Murray, Phil Perry, Rosemary Peterson, Ellen Rigsby, Jane Sangwine-Yager, Ted Tsukahara, Ed Tywoniak, and Dean Steve Woolpert.

2. The Minutes of the March 11, 2004 meeting were approved as amended with, one abstention.

REPORTS

3. Chairperson's Report - Chair Washbourn reported that two items were approved on the Senate's Consent Agenda: 1) Pass/Fail Grading System for Graduate Programs, 2) Procedure for Programs Requiring Collaboration Between two Programs/Departments.

Chair Washbourn announced that Provost Stampf will attend the Senate's next executive meeting to discuss Senate Actions regarding Votes of No Confidence and the Termination of Programs. Barry VanderKelen will give a presentation on April 1, 2004 regarding the plans for facilities. The Senate sponsored presentation will be open to all faculty and staff.

4. Emeriti Retirement Program - Pete Michell reported on the Emeriti Retirement Program. The college has been reviewing the issue retirement benefits for several years. The Mellon Foundation found that the number one issue of concern regarding retirement is the access to health insurance. SMC currently offers health coverage for five years upon retirement, or faculty have the option of a reduced service model. The Emeriti program is a contribution model and would require contribution during the employee's working career. It would allow for the purchase of a supplemental health insurance program at a group rate. The start date is scheduled for January 1, 2005. Six colleges or universities have signed to participate at this point. TIAA-CREF is also looking into the development of a similar program.

Pete Michell briefly described the program. He said that in the contribution model, in order to be a pretax contribution, it must be required by the program. Any contributions beyond that amount will be post-tax. Fidelity Investments has been chosen as the administrator of the program. Pacific Care has been chosen as the insurance provider, particularly because it is available nationally. The account balances can be used tax free for health care expenses. Upon death, the balances become part of the retiree's estate. Individual participation in the program will be voluntary. In addition to the national availability of the health care provider, additional guiding principles were to require joint funding by the faculty/staff member and to accomplish the task within the existing budget resources of the college. Employees hired prior to January 1, 2005 will have a one-time option to choose between the Emeriti program, or to stay with the existing programs. The Emeriti program will replace the two existing programs for those hired after January 1, 2005. The funding period will be 25 years starting at age 40. The employee must participate in the plan for 15 years to be vested, however, the employer contribution is only available upon retirement.

The program offers three levels of coverage (varying deductibles). The employee will have the option at the time of retirement to purchase the health insurance plan of their choice. The type of coverage can be changed each year. The plan assumes a 4% increase in premiums each year. The initial faculty/staff members' contribution will be \$1250 per year. Employees can contribute additional amounts, after tax. There currently is no limit as to the amount of money that can be contributed into the account. Employee contributions will be immediately vested. A plan is still being developed for older employees who have not received college contributions for 25 years. It is possible there may be a one-time catch up contribution based on the value of what the college would have been contributing over a 25 year period. The employees would not be required to match the employer contribution.

Several questions were offered for consideration. Would it be available to a faculty member currently on reduced service? Does it include domestic partnerships? What counts as a year of service? How realistic is the 4% increase? What about faculty who retire with less than 15 years of service? Does it include a spouse?

Dean Woolpert asked about the pros and cons of a defined contribution and a defined benefit model. Pete Michell answered that from an employee perspective, the defined benefit model is probably preferable, the employee will know exactly what they will get upon retirement. Under the defined contribution, the employee knows what is going into the account, but must make decisions about how to invest it. Under the defined benefit model the employers take on all the risk.

Pete Michell stated that at this point, the College has not focused on optional programs; e.g. continuing health benefits beyond five years. There are also different models with various levels of contribution. The model chosen is the "level funding approach" where everyone receives the same amount. Another choice is based on years of service, and with varying amounts of contribution (less at age 40, increasing in later years.)

It was announced that toward the end of April a presentation about the program will be held for faculty and staff. Additional presentations will be made available throughout the fall semester, as well as individual consultation sessions, to help individual faculty/staff members understand the decisions they must make.

Vice-Chair Sauerberg noted that the program is very complicated and the committee has already made many decisions. Are the decisions made 'set in stone'? He explained that faculty are used to participating in the decision making process, much like the faculty participation in the salary policy. For example, it is possible that the faculty would prefer a 5% increase with a graded contribution model. He asked if the presentation will include various options? Pete Michell answered that it is possible to present several key models and key decisions.

Professor Luquet commented that one faculty member sitting on the Emeriti committee is not sufficient faculty representation for a program of this magnitude. She would like to see more faculty participation in major decisions.

Chair Washbourn suggested that faculty would like to see more information about the decision points around vesting and transition. What are the numbers being discussed and what sort of a plan would this mean if someone participated from age 40 - 65, what would they end up with in real dollars? What happens in retirement? Are many decisions made at that time? Do the funds come out of the college's budget and get reinvested into another financial instrument? Are we comfortable moving forward with this model when TIAA CREF is developing a similar program?

Senator Temple asked if the January 1 date was "written in stone"? He suggested that there is much to learn about this process before making a "one-time" decision regarding the election of a retirement program. Senator Poundstone asked about those faculty that will be on leave or on sabbatical during the fall semester and will not be able to participate in the conversations, will the deadline be extended for those folks?

Chair Washbourn said this is the first public opportunity for comment. The goal is for the faculty to have a prewarning about what is being considered. She thanked Pete Michell and Carla Bossard for their work on this program and said she will look forward to the presentation in April.

OLD BUSINESS

5. Senate action regarding Scholarly Leave - Chair Washbourn explained that Provost Stamp returned the Senate action proposing to amend the definition of scholarly leave. It was **MOVED** by Senator Gorsch and **SECONDED** by Senator Courtney to approve. Provost Stamp proposed amending the sentence as follows (added language in bold): "Ranked faculty shall be eligible to apply for a one-term Scholarly Leave of Absence, not to exceed one semester every four years, to pursue a scholarly or creative project?" The new language was approved unanimously.

6. Report on Academic Administrators Evaluation Committee (AAEC) - Professor Nancy Struthers reported that the committee members are: Joan Peterson representing the School of Education, Hugh McAllister representing the School of Extended Education, Br. Charles Hilken representing the School of Liberal Arts, Don Snyder representing the School of Economics and Business Administration, and Nancy Struthers, Chair, representing the School of Science. Professor Struthers said she has completed her third and final year on the committee. Last year evaluations were completed for the Deans of the Schools of Liberal Arts and Extended Education as well as the Academic Vice President. This year evaluations for the President and the Deans of the Schools of Science and Economics and Business Administration were distributed in the fall. Recently completed is the evaluation of the Dean of the School of Education. Over the last two years evaluations have been completed for all of the deans and academic administrators outlined in the charge of the committee. Professor Struthers suggested that the Senate may wish to consider evaluating the newly created positions of Vice-Provost and Assistant Deans.

Professor Struthers reported that 36 evaluations were sent out for the Dean of the School of Education this spring, 25 of which were ranked faculty and 11 were adjunct faculty. Out of the 36 sent out, 26 were returned, which is a 72% return. This is incredibly high. In the past the return rates have ranged from 23-45%. She will meet with Dean Sorensen to review the results, and several days later she will meet with Provost Stampf. Professor Struthers said return rates for the deans of Science and Economics and Business Administration were 43-45%, 40% for the President, and 23% for the Provost.

Professor Struthers said the results are discussed with the individual and their immediate supervisor only. They are encouraged to share the results with their faculty, but it is not required.

Senator Lind said that Dean Carter has requested an evaluation be conducted on his position. Professor Struthers explained that the AAEC is only charged with the evaluation of academic deans. Chair Washbourn commented that there is an interest to consider moving the evaluation process down to another level.

Chair Washbourn thanked Professor Struthers for her years of incredible work on the AAEC.

NEW BUSINESS

7. Faculty Salary Policy: Revision of Handbook Language - Professor Joel Burley, as a representative of the Faculty Welfare Committee, introduced the proposal to add Section 2.15, Faculty Salary Policy to the Faculty Handbook. He explained that the Handbook contains language regarding Salary Goals, but currently does not contain the Salary Administration procedures which were approved by the Trustees. A MOTION was made by Senator Courtney and SECONDED by Senator Longo to approve. Professor Burley suggested the new section of the Handbook is needed because the procedures have not been followed by the administration. The proposal shifts the responsibility from the

Budget Committee to the Faculty Welfare Committee. The motion was approved unanimously.

8. Budget Resolution - Senator Gorsch introduced Senator Hawley's resolution in his absence. He explained that the Senate approved a proposal in February for increased library staff and collection. The Senate was very uncomfortable approving a resolution with fiscal implications without a working knowledge of the budget. Senator Hawley suggested that in order for the Senate to fully understand the fiscal impact of its decisions, the Senate should receive detailed budget information on an ongoing basis. A MOTION was made by Senator Gorsch and SECONDED by Senator Longo to approve. The resolution was amended as follows.

WHEREAS the Academic Senate on February 26, 2004 passed a Resolution endorsing a request for increased library staff and collection, and

WHEREAS the Senate wishes to help ensure responsible implementation of its February 26, 2004 Resolution,

IT IS HEREBY RESOLVED THAT the Academic Senate shall take the following steps:

To appoint a Subcommittee of two (2) Senators to meet with the College CFO and other relevant members of the Budget Committee and initiate a process of obtaining disaggregated budget information on an ongoing basis,

To direct the Subcommittee to work with the CFO and other relevant members of the Budget Committee to obtain disaggregated budget information necessary to facilitate full Senate discussion concerning such matters as the library Resolution of February 26, 2004, and

After such Subcommittee meeting with the CFO and other relevant members of the Budget Committee, To request that the CFO and other relevant members of the Budget Committee meet with the full Senate at various times regarding implementation of the library plan and all other matters with fiscal implications.

The consideration of the fiscal implications of Senate resolutions and recommendations will in all future deliberations be considered a normal and necessary part of Senate due diligence.

Professor Luquet said the Faculty Welfare Committee used to have full access to budget information. Jane Sangwine-Yager said there was a period of time in the 1980's when faculty were fully involved with the budget in detail and recommendations were made by the committee. Chair Washbourn said it would be appropriate for both the outgoing and incoming chairs of the Faculty Welfare Committee and the Senate to meet with the CFO in the early fall to analyze the budget information from the preceding year. The current budget process is an "incremental" process. The budget committee decides how much more it will cost next year for the same budget items. The current process does not allow

for decisions regarding where the monies are spent overall, or what areas might be more important.

Vice-Chair Sauerberg said the key point is that two Senators will open a conversation with the College CFO regarding budget issues. The Senate approved the motion with one abstention.

9. The meeting was adjourned at 5:05 p.m.

Respectfully submitted,
Cathe Michalosky
Academic Senate Secretary