

**Senate Committee on Faculty Affairs (SCFA)
May 10, 2016
Minutes of the Meeting**

These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions or actions reported in these minutes represents the views of, nor are they binding on, the Senate, the Administration or the Board of Regents.

[In these minutes: Retirement Subcommittee Update; Data on Salary Equity Review Committee Process; Agenda Item Ideas for the 2016 – 2017 Academic Year]

PRESENT: Monica Luciana (chair pro tem), Rebecca Ropers-Huilman, Theodor Litman, Sophia Gladding, Tabitha Grier-Reed, Robert Kudrle, Peh Ng, Lori Rhudy, Aks Zaheer, Leah Reinert

REGRETS: Christina Bourland, Phil Buhlmann, Teresa Kimberley, Joseph Konstan, Ruth Okediji, Juanjuan Wu

ABSENT: Joe Price, Kathy Brown, Ken Horstman, Christine Blue, Geoff Rojas, Sam Stern

GUESTS: Professor Al Tims, chair, Retirement Subcommittee

OTHERS ATTENDING: Ole Gram, assistant vice provost, Office of the Vice Provost for Faculty and Academic Affairs; Ben Intoy, physics post doctoral associate

1. **Call to order:** Professor Luciana, chair pro tem, called the meeting to order and welcomed those present. She then reported that Professor Lanyon has stepped down as SCFA chair because he has accepted an administrative position as vice provost and dean of graduate education. Even though he will not assume his new position until later in June, he has decided to step down from SCFA immediately given the unionization efforts that are underway because he wants to avoid any suggestion that governance is being controlled/influenced by the administration.

2. **SCFA Retirement Subcommittee update:** Professor Luciana welcomed Professor Al Tims, chair, Retirement Subcommittee, who was invited to provide a report to SCFA, the parent committee to the Retirement Subcommittee, on what the Retirement Subcommittee has been working on this year. Before beginning, however, Professor Luciana called for a round of introductions.

Professor Tims said the Retirement Subcommittee had a good and productive year and proceed to highlight the issues and topics the committee worked on during the 2015 – 2016 academic year:

- Provided input to the Office of Human Resources' (OHR) staff on the redesign of the OHR website and its benefit communications plan, particularly as it relates to retirement benefits. The new OHR website will launch on May 12 and it promises to be more user-friendly than the current site. The Retirement Subcommittee engaged with OHR throughout the year and talked about the kind of information employees need for

retirement planning and education. There was an emphasis on financial wellness and the importance of engaging faculty and staff in planning for retirement.

- Received information about the recommendations from Jeffrey Slocum and Associates following their review of the University's Retirement Program. Slocum is a consulting firm that provides investment advice to institutions, helping them to be conscientious stewards of their assets. An outcome of Slocum's review of the University's Retirement Program was a recommendation that the governance structure be changed. As a result, the University will move from a single fiduciary (currently Richard Pfitzenreuter, vice president and chief financial officer, University Budget and Finance) to a fiduciary committee, the Retirement Plan Committee, which will be comprised of the chief financial officer, vice president of human resources, chief investment officer, chair of the retirement subcommittee, and a presidential appointment. With that said, it will be critically important that the chair of the Retirement Subcommittee has the skills and knowledge to serve in this capacity. Professor Tims recommended that SCFA, as the parent committee to the Retirement Subcommittee, initiate a review of the Retirement Subcommittee's mission, composition, reporting relationship to SCFA, etc. given these significant changes.
- Looked at participation rates of the voluntary retirement plans, and strategized how to increase participation and engage employees in planning for their retirement. As a result, the Retirement Subcommittee has requested that Employee Benefits ramp up its communication about the availability of these plans (Optional Retirement Plan, and Section 457 Deferred Compensation Plan). Education on retirement planning has been a big theme for the committee the past few years.
- Received information and provided input to Securian on two new retirement planning calculators: 1) a retirement planner that calculates how much people need to save for retirement, and 2) a distribution planner that calculates how much people can withdraw in retirement. Securian is also working on moving toward mobile-friendly platforms as well as a new website.
- Looked at the phased retirement option as well as the terminal agreement option, which will be sun-setting July 1, 2016.
- Monitored quarterly period-ending plan performance results for the Faculty Retirement Plan, Optional Retirement Plan, and Section 457 Deferred Compensation Plan. Additionally, along these same lines, the committee conducted Securian's annual review.

In Professor Tims' opinion, the Retirement Subcommittee chair should report to SCFA more frequently, particularly given what is at stake with the aging faculty, etc., and suggested once during the fall semester and once during spring semester. He said it would be good if SCFA would talk about what it sees as important issues related to retirement and share this information with the Retirement Subcommittee chair so the Retirement Subcommittee's agenda is first informed by SCFA's priorities, and then by the issues and initiatives coming to the committee from Employee Benefits, the Retirement Plan Committee, and the retirement plan providers. Professor Tims also repeated his earlier invitation for SCFA to entertain a review of the Retirement Subcommittee.

Professor Zaheer asked for an example or two of where faculty interests may conflict with the plans interest. Professor Tims said while he is not sure, an example might be that faculty may

want to preserve or see new investment options, and the administration, in the interest of efficiency or cost, may seek to reduce the number of investment providers or funds. The chair of the Retirement Subcommittee going forward will have a dual role with being one of the plans fiduciaries, but also a chair of one of the Senate committees. With the new structure, it will be important that the chair's roles and responsibilities are clearly articulated and understood.

Hearing no other questions, Professor Luciana thanked Professor Tims for the update.

3. Data on Salary Equity Review Committee (SERC) process: Next, Professor Luciana called on Rebecca Ropers-Huilman, vice provost for faculty and academic affairs, Office of the Executive Vice President for Academic Affairs and Provost, to provide a SERC update. Vice Provost Ropers-Huilman began by distributing a memo that is being sent to the Women's Faculty Cabinet, the Faculty Consultative Committee, the Senate Committee on Faculty Affairs, and the Council of Faculty Associate Deans, and is a reporting of the SERC process that was initiated a couple of years ago. She then took a couple of minutes to walk members through the memo and turned members' attention to a table in the memo that showed that 83 faculty members' salaries were adjusted during the 2014 – 2015 academic year as part of this process.

Professor Zaheer noted that while the memo talks about there being a salary gap favoring men, the table in the memo indicates 29 male faculty members had their salaries adjusted, and asked Vice Provost Ropers-Huilman to explain this. Vice Provost Ropers-Huilman said the Clayton Report by Professor Murray Clayton, an external consultant, did not recommend an across the board salary increase for women because he did not find inequities to be evenly distributed across units. Therefore, the SERCs were formed at the college level and people were reviewed as individuals to determine if an inequity existed.

Vice Provost Ropers-Huilman reported that the preliminary recommendations outlined in the memo resulting from the first cycle of the SERC process are meant to inform subsequent cycles of this review process. She also pointed out that there are other complementary efforts underway in addition to the work carried out by the collegiate SERCs and deans' offices that are expected to address related structural issues pertaining to equity among faculty, and these include the 4-year associate professor promotional reviews, for example.

Acknowledging that this is the beginning of a long-range process, commented Professor Luciana, is the University keeping track of the 2.2% differential that motivated the SERC process to see if the salary gap is narrowing over time? Assistant Vice Provost Ole Gram responded that the regression analysis that Professor Clayton did was fairly complex, but it would be wise to replicate this analysis in a few years to see if the gap is continuing to narrow. Vice Provost Ropers-Huilman indicated that she definitely plans to advocate for a review of the process, but recognized that this is something that cannot be done every year.

Ms. Reinert, graduate student member, noted that in previous discussions about the SERC process, the committee learned that the colleges were conducting the reviews in their own way and there was no standardization in the process. She said this leads her to be concerned about the methodology and the conclusions that were reached. Will any effort be put into standardizing and streamlining the process for consistency purposes? Vice Provost Ropers-

Huilman said it is her sense that it will be a combination of both. While there is already some standardization in place, the merit piece has to be thought about at a local level. Professor Luciana said she can see both sides of this issue. It is clear a one-size-fits-all approach will not work across colleges and departments.

How is the membership of the SERCs chosen, asked Professor Ng? Assistant Vice Provost Gram said they were appointed by the collegiate deans and were comprised of four men and four women with some attention to professorial different ranks; however, appointments to the SERCs varied from college to college.

Hearing no other comments or questions, Professor Luciana thanked Vice Provost Ropers-Huilman and Assistant Vice Provost Gram for the information.

4. Agenda item ideas for 2016 – 2017 academic year: Professor Luciana asked members to take some time and take stock of what the committee worked on this past year and brainstorm ideas for agenda items going forward. Ideas that were mentioned included:

- Review of the Retirement Subcommittee charge.
- Discuss implications for the SCFA charge if the University faculty votes to unionize.
- Receive facilities and retirement plan reports.
- Stay apprised of the status of topics/issues the committee has worked on e.g., sabbatical policy and parental leave policy changes.
- Revisit the issues related to contract faculty.
- Hear about what the plans are in terms of health care costs, etc. if the Cadillac Tax is not going to be implemented. A lot of planning went into what health care plan changes had to be made in order for the University to avoid paying the tax so now that it is not, what are the plans?
- Revisit implementation of a Health Care Savings Plan (HCSP) for faculty.
- Address postdoctoral student issues.
- Explore reinstating a terminal agreement option.
- Stay connected with other Senate committees that have issues that intersect with SCFA, e.g., Academic Freedom and Tenure and Senate Committee on Educational Policy.
- Receive an update on the Student Rating of Teaching (<http://oms.umn.edu/srt/>).
- Learn about and discuss the Fair Labor Standards Act (FLSA) and its implications on postdocs.
- Invite Scott Lanyon, vice provost and dean of graduate education, to provide information on the issues he is dealing with in the Graduate School and their impact on faculty.
- Invite representatives from the Women's Faculty Cabinet to hear about what they are working on.
- Receive an update on spousal hires and family-friendly policies.
- Get an update on wellness programming initiatives and their effectiveness.
- Hear about the progress being made as it relates to exit interviews for faculty.
- Look at various faculty survey results with an eye toward what can be done to improve the research and teaching environment for faculty.

Professor Zaheer said he sees SCFA's role as not just learning about what is happening at the University, but being a sounding board for proposed initiatives. The administration should use SCFA as an advisory body.

Hearing no further ideas, Professor Luciana thanked members for a good discussion.

5. **Adjournment:** Hearing no further business, Professor Luciana adjourned the meeting.

Renee Dempsey
University Senate Office