

2002-03 UNIVERSITY OF MINNESOTA

DECEMBER 5, 2002

FACULTY SENATE MINUTES: No. 3

STUDENT SENATE MINUTES: No. 3

The third meeting of the Faculty Senate for 2002-03 was convened in 25 Mondale Hall, Minneapolis campus, on Thursday, December 5, 2002, at 2:36 p.m. Coordinate campuses were linked by telephone. Checking or signing the roll as present were 129 voting faculty/academic professional members, one ex officio member, and one non-member. President Robert H. Bruininks presided.

1. ANNOUNCEMENTS

There were no announcements.

2. TRIBUTE TO DECEASED MEMBERS OF THE UNIVERSITY COMMUNITY

FACULTY/ACADEMIC PROFESSIONALS/STAFF

Mary A. McEvoy
Professor
Educational Psychology
1953 – 2002

Paul G. McGovern
Professor
Epidemiology
1953 – 2002

3. ADMINISTRATIVE RESPONSES TO SENATE AND ASSEMBLY ACTIONS
Information

Faculty Senate

Resolution to Eliminate the Waiting Period for the Faculty Retirement Plan

Approved by the: Faculty Senate October 3, 2002

Approved by the: Administration **PENDING (Response due date January 3, 2003)**

Approved by the: Board of Regents – no action required

4. FACULTY CONSULTATIVE COMMITTEE REPORT

Professor Judith Martin, Vice Chair of the Faculty Consultative Committee (FCC), said that FCC has been working on the following issues: Academic Governance Policy, undergraduate education and graduation rates, support service accountability, AHC funding, academic freedom, stadium proposal, limiting committee absences, and committee chair stipends.

Since the last meeting, FCC also received notice that Robert Bruininks was named the next president. FCC is pleased with this announcement. Professors Martin and Feeney also attended a Big Ten governance meeting to share information on athletics, declining public financial support, copy write law, student academic integrity, and web instruction.

The Academic Governance Policy has been available for review for the last month. There has been some confusion about the process for this policy. FCC approved a policy for consultation in October, and has been meeting with various governance groups since gathering input. The draft has changed considerably since October, and even the draft at today's meeting is out-dated. At today's meeting, senators will be asked for their thoughts on the principles in the policy, not exact wording changes since a new draft is currently being written. A revised draft will then be brought to a future meeting for approval.

5. SENATE COMMITTEE ON FACULTY AFFAIRS

Policy on Voting

Action by the Faculty Senate

MOTION:

To adopt the following policy. All language is new.

POLICY ON VOTING

--Only tenured full professors may vote on whether to recommend a candidate for promotion to full professor with tenure. The tenured full professors may consult other tenured faculty, non-tenured faculty, P&A and term faculty, adjunct faculty, students, and any others they wish. The meeting at which the final deliberations and vote take place, however, shall be open only to the tenured full professors in that unit.^[1]

--Only tenured associate and full professors may vote on whether to recommend a candidate for promotion to associate professor with tenure. The tenured associate and full professors may consult other tenured faculty, non-tenured faculty, P&A and term faculty, adjunct faculty, students, and any others they wish. The meeting at which the final deliberations and vote take place, however, shall be open only to the tenured associate and full professors in that unit.

--Only tenured faculty may vote on whether to recommend a candidate for tenure. The tenured faculty may consult non-tenured faculty, P&A and term faculty, adjunct faculty, students, and any others they wish. The meeting at which the final deliberations and vote take place, however, shall be open only to the tenured faculty in that unit.

COMMENT:

The Tenure Subcommittee was asked by the Senate Committee on Faculty Affairs to consider issues associated with voting on faculty appointments, promotions, and tenure. The Subcommittee, after discussion over several meetings, recommended a proposed policy to the Committee on Faculty Affairs. The Committee on Faculty Affairs, and the Faculty Consultative Committee, offered a number of suggestions that were incorporated in the policy. The Committee on Faculty Affairs and the Tenure Subcommittee recommend that the Faculty Senate adopt the policy.

This policy is intended to be supplemental to the tenure regulations. We believe that the provisions of this policy are implicit in the tenure code but that additional clarification cannot hurt.

**DANIEL FEENEY, CHAIR
FACULTY CONSULTATIVE COMMITTEE**

**JOHN FOSSUM, CHAIR
SENATE COMMITTEE ON FACULTY AFFAIRS**

**WILLIAM GARRARD, CHAIR
TENURE SUBCOMMITTEE**

DISCUSSION:

Professor John Fossum, Chair of the Faculty Affairs Committee (SCFA), stated that this policy is meant to clarify voting rules as related to tenure and promotion appointments. This policy does not change any language in the Tenure Code, but simply clarifies voting principles.

Q: While this policy should just apply to a vote within a unit as opposed to a collegiate vote, there is nothing in the language that implies this restriction. Therefore, it does appear that even during a collegiate vote, only faculty from the unit are allowed to vote. Can this language be changed from 'whether to recommend a candidate' to 'a unit's recommendation of a candidate' in the three places it occurs in the policy?

A: This was accepted as a friendly amendment.

Q: In a unit whose department head is an associate professor, this person would be excluded from the discussion to make someone else in the department a full professor. Since the department head is responsible for making a case to the dean, would this exclusion cause problems?

A: The intention of the policy is that an associate professor who is a department head would be excluded from certain meetings. Another faculty member would need to be delegated to make the report on behalf of the department head.

A senator noted that there are two issues regarding split appointments. One is whether faculty

from both departments can be involved in the tenure process and the second is whether the faculty member with split tenure can participate in promotion and tenure decisions in both departments. This policy would not address split appointments and tenure.

Q: Some units have two kinds of meetings, one for promotion and one for hiring. At the promotion meeting, only tenured faculty are present. At meetings regarding hiring decisions, tenured and clinical faculty are present. Sometimes when a faculty is hired, they are also extended tenure at the same time. Would this policy prohibit clinical faculty from being present at hiring meetings when tenure is also being discussed, even when they do not vote on the tenure part of the hire?

A: There is nothing in the policy that would preclude clinical faculty from being at the hiring portion of the meeting, as long as a separate meeting with only tenured faculty was held to decide on tenure.

Q: Why can other 'trusted' individuals, at the discretion of the department, not be present for candidate discussions?

A: Non-tenure faculty and other individuals are excluded to permit full discussion of a candidate's qualifications.

A motion was then made and seconded to suspend the rules to consider an amendment to the policy. A vote was taken and the motion was approved.

The proposed amendment would replace the last line of each paragraph with 'Each unit may determine who may be present at the meeting at which final deliberations take place.' The amendment was seconded.

A senator noted that the proposed change is in direct contrast to the language in the Tenure Code. While other participants can be at the meeting for discussion, once they are excused the tenured faculty must have an opportunity for final deliberations prior to the vote.

Professor Fossum withdrew the policy for further clarification and discussion with the Tenure Subcommittee.

WITHDRAWN

6. AD HOC COMMITTEE ON GOVERNANCE

Academic Governance Policy Discussion by the Faculty Senate

Professor Judith Martin, Vice Chair of the Faculty Consultative Committee (FCC), said that an ad hoc committee prepared the first draft of this policy. FCC discussed it and proposed changes. The revised draft was then discussed with several governance groups on campus to elicit feedback. She asked senators for their thoughts and reactions to the general issues in the policy, noting that all language pertaining to voting should be removed from the next draft.

A senator said that a concern with the present draft was the implication that collegiality should be abandoned for formality. Since some groups might be disenfranchised by this policy, it should be explained that governance by consensus is an appropriate course of action in units and departments. The policy should establish the baseline that an tenure or tenure-track faculty has the right to state that a decision should be made by the tenure and tenure-track faculty. The issue of vote scaling, however, should not be included in the policy. Other concerns with the policy include the search process for the head of a unit, limits to the authority of a non-tenure or tenure-track department head, and the Executive Vice President and Provost ensuring that each college has a constitution. The faculty should be responsible for the college constitution.

Another senator stated that the comment to the policy notes that the intent of the policy is not to denigrate non-tenure faculty, but the policy does not succeed in this respect. The policy tries to create a unified culture at the University which has many diverse cultures and relationships. It is useful to know who plays which roles, but it proposes too much uniformity. Delegation of responsibilities to non-tenured faculty should not be considered abdication of responsibility, and no policy should prevent this practice.

A senator said that they understand the concerns that might lead to some parts of this policy, but that the policy dismisses collegiality and creates a two-tier system. The language should be changed to provide guidelines on how tenure and tenure-track faculty can share or rescind responsibilities, not eliminate sharing of responsibilities. Frequent votes to share or rescind responsibilities should also be encouraged.

Another senator stated that the Medical School has grave concerns regarding the treatment of clinical faculty. Currently these people are treated as equivalents in governance. Preclusion of the right of a unit to make decisions was troubling to many faculty. The definition of a unit also has different meanings, and the language in the policy should be changed to refer to a larger entity, such as a college.

A senator then noted that librarians are no longer awarded faculty appointments. When the current library faculty retire, the unit will cease to be an academic unit. This school also struggles to deal with two employee classes, especially when one classification can no longer grow.

Another senator commented that many units conduct international searches, so references to 'American' should be removed from the policy.

Q: What problem is trying to be solved by this policy? What principles are being upheld in this document?

A: The policy was initiated by an ad hoc committee because of the perception of wide-spread differences at the University with responsibility for academic governance. Currently, there is also no policy which defines the responsibilities and rights of tenure and tenure-track faculty with respect to governance. For these reasons, the policy was created.

A senator then said that the document tries to address two different power struggles, but one is

being fought at the expense of the other. Most tenure and tenure-track faculty are not struggling for power with non-tenure colleagues. However, there is a struggle between faculty and the deans/administration at many institutions. This document implies that deans and administrators can hire who they choose, but these people cannot have as much power as the tenure and tenure-track faculty. Faculty are concerned that their numbers are decreasing due to economics. This issue should be addressed but this document does not deal with this struggle.

Another senator stated that a good policy puts force broadly articulated principles in simple language. This policy, though, tries to impose a one-size-fits-all structure on all units in response to a situation in a few units, and this approach should be avoided so that units are not boxed into uniform structures.

A senator then commented that some units could not survive without their many clinical faculty and academic professionals. This policy can create a threatened atmosphere in a unit. Therefore it needs to be made clear why this policy is needed. These colleagues are needed to help with teaching and in curricular decisions.

Q: How much of this language is already stated in other policies, but is just not being followed?

A: There are no policies in place that cover most issues in this document.

A senator then said that unit climate will be affected by the patronizing tone in this policy. Non-tenure faculty should have certain rights to be involved in unit governance. This policy might also detract non-faculty from applying at the University.

Another senator commented that this policy does not create the two-tier system. Instead, faculty should ask why the University entrusts so much of its teaching and research mission to academic professionals. A related question might be whether this practice has started a precedent for the future in which people would be hired without a long-term commitment and with no protection for academic freedom.

7. RETIREMENT SUBCOMMITTEE Post-Retirement Health Care Savings Plan Discussion by the Faculty Senate

Draft Recommendation from the Working Group on the Faculty Post-Retirement Health Care Savings Plan

November 27, 2002

The merits of a post-retirement health care savings plan (PRHCSP) are evident. A key concern to present (and certainly future) retirees is the cost of health care, which now comes from their post-tax dollars. This is often a rude awakening for faculty entering retirement, as during employment the University not only covers the major portion of the cost, but also any additional costs come from an employee's pre-tax dollars.

A PRHCSP has the advantages that each of our present 401a, 403b and 457 plans have; all University and employee contributions come from pre-tax dollars and earnings on the balance invested are not subject to income taxes. The contributions can be invested in one or more funds chosen by the employee from a select group of investment options. A PRHCSP has another very important advantage; upon retirement or termination of employment from the University, withdrawals to pay for health insurance premiums and other appropriate health care costs are not considered to be taxable income. Thus, the PRHCSP avoids taxation of contributions as they go in, does not tax accumulating investment earnings, and does not tax post-employment distributions when used for health care. Furthermore, if one dies before exhausting the funds in the PRHCSP, the remaining balance becomes part of the decedent's estate, and if the total value of the estate is below the taxable threshold, the residue and its distribution to heirs will not be taxed.

We believe there is no question that the University should embrace this plan. However, there are questions about the amounts to go into the savings plan and the source of these funds. The rules of the program say that each individual in a given "class" must put in the same amount (\$ or % of salary). This "class" cannot be directly defined by age. However, those nearing retirement would probably want to (and certainly should) put in more than younger faculty as they have fewer years to put in funds or have the earnings accrue.

Recommendations:

- 1) For those in the Faculty Retirement Plan (FRP) the "class" is defined as the number of years employed full time at the University.
- 2) All faculty participants in the FRP would have a basic contribution each year to the PRHCSP of one and a half percent (1 1/2%) of salary. This would be over and above any other contributions by the individual or the University to a retirement plan.
- 3) All FRP participants who in fall 2003 have served seven years or more would contribute an additional amount as a catch-up provision. Additional contributions from those starting their eighth (8th) or later year in fall 2003 should be in steps of 0.2% per service year up to those in their 25th year of employment at the University when it would reach 3.6%. This additional 3.6% contribution, over and above the one and a half percent new contribution from the University, would be the same for all eligible employees with 24 or more years of service in Fall 2003. For a given individual these contributions would be frozen at the percentage dependent on their service at the U up to fall 2003. It should be clear that the contributions to the new fund would be mandatory; each member of each specific class (years of service with our definition) must contribute in the same manner. The recommended input by faculty members with different degrees of service should be reexamined at least once every three years.
- 4) Of the additional money, 0.2% to 2.0% of salary would come from the individual's present 2.5% contribution to the basic (401a) plan, reducing the input to that plan by the amount going into the PRHCSP. This is not a reduction to the individual's total retirement funds, rather a transfer to a more tax advantaged plan (PRHCSP). If the individual wishes to make up for the smaller amount going to the 401a plan, additional funds could be contributed to either of the

Optional Retirement plans (403b or 457) up to the maximum permitted. Based on years of full time employment beyond seventeen, an additional (tax sheltered) contribution, graduated from 0.2 to 1.6 % of salary, would be made by the individual to the plan.

The rationale for these contributions is to provide a reasonable sum of money at the time of an individual's retirement. Though people now very close to retirement can never completely catch up to accumulate enough money to pay for a significant fraction of their health care premiums, these additional steps will help and would perhaps be sufficient for those who still have a fair amount of time left before retirement. The goal is to have the accumulated savings in this plan reach something in the order of magnitude of an individual's last year's salary within +/-25%, though this is unrealistic for those with less than 10 to 15 years to retirement. Even one year's salary would probably not provide (based on an annuity analysis) all of the funds for health care insurance, but could provide a significant fraction.

It should be noted that reduced salary to the participants would reduce the University's Social Security and Medicare payments. These savings should be re-invested in the salary pool.

5) We also believe that a separate faculty class could consist of those in Phased Retirement. For this class we propose a significant increase in the individual's input (essentially taken from the University's contribution to the basic Faculty Retirement Plan) to the PRHCSP, tentatively 10 % of salary. This would greatly help those now approaching retirement through the Phased Retirement Plan. This contribution would be reviewed periodically when the entire plan is reviewed and may eventually be phased out.

6) For faculty in either a Phased Retirement or a Terminal Leave program, there should be a change in how the University pays the additional health care coverage after leaving the University (two or more years depending on eligibility for Medicare benefits). At the time a faculty member ends regular employment at the University, a sum equal to the University cost of faculty health care (either single or family coverage) for the total time involved should be placed in the individual's PRHCSP fund. This would not represent a change in the present University rule, which provides health care benefits for retirees during the phased retirement period.

Summary:

A recurring annual contribution of one and a half percent (1 1/2%) of salary would be made by all participants in the FRP. An additional contribution by each individual who has been here for seven years (i.e. in the eighth year of service) would be 0.2% of salary. For those who have been here longer this would rise by 0.2% for every year of service until the 25th year of service (after 24 years) when the individual's contribution would be 3.6%. This (3.6%) would be the same for those with still longer service. Thus the maximum input to an individual's PRHCSP would be 5.1% of salary. Those in phased retirement would make still larger contributions. Those leaving the University through Phased Retirement or Terminal Leave would receive whatever funds due for future health care as a lump sum into their PRHCSP account.

**RICHARD GOLDSTEIN, CHAIR
RETIREMENT SUBCOMMITTEE**

DISCUSSION:

Professor Richard Goldstein, Chair of the Retirement Subcommittee, said that the opportunity for a Post-Retirement Health Care Savings Plan (PRHCSP) comes from federal and state legislative changes. In Minnesota, state judges, state legislative employees, and school district employees have started PRHCSPs. The Subcommittee began a discussion a few months ago and now has a draft to be discussed. He noted two changes to the current draft. First, the last sentence in the second paragraph should be removed. Second, the first sentence in numbered item 4 should also be removed.

Professor Goldstein said that health care costs are covered by the University while an employee is working. Once an employee retires, they are responsible to pay for all health care costs. Benefits of the PRHCSP are that money is contributed pre-tax, gains are not taxed, and use for health care costs can be spent tax-free. The current estimate is that an employee would need \$80,000-\$100,000 in a PRHCSP at the time of retirement.

To contribute funds to a PRHCSP, every person in a given classification must contribute the same amount. The amount can either be a fixed dollar amount or a percentage of salary. Classification can be described as faculty, people in the faculty retirement plan, or years as service, but cannot be based on age. For new faculty, the contribution rate would be 1.5 percent of their salary. For faculty closer to retirement, an additional 0.2 percent could be added up to a maximum of 5.1 percent. For faculty in a phased retirement, the contribution rate would be close to 10 percent. The contribution could be taken from salary, but could also be taken from the retirement plan.

At the time of retirement or termination, the funds could be used up to a maximum of \$10,000 per year for the faculty member, their spouse, and their dependents. At the time of death, the money can still be spent tax-free by the spouse and dependents on health care cost. Once the faculty and spouse are dead, and if there are no dependents, it is unclear how the funds would be spent. If the money was given to a beneficiary, it could be spent by that person on health care costs, but the funds would now be taxable.

A final draft of the proposal would be completed early next year so that the plan could be effective July 1, 2003.

Q: Would faculty end up contributing more to their retirements plan for the PRHCSP?

A: The first 1.5 percent would be an increase, but each additional 0.2 percent would be a shift in funding from the Faculty Retirement Plan.

Q: What happens to the PRHCSP if universal health care is established?

A: If national health care was established, the plan would need to change. In the worst case scenario, the funds would be converted into a normal retirement plan. Federal legislation would be needed to allow this change. If implemented, the plan and its contribution levels would be

reconsidered at least every three years.

Q: Can classes be defined to not disadvantage people who come to the University late in their career?

A: The Subcommittee is still looking at other options to define the classification.

Q: Would foreign scholars need to contribute? Could these funds be used overseas or be passed to heirs?

A: The state plan allows for three exemptions: foreign nationals, military personnel, or a spouse who already has a PRHCSP. There are no provisions in the plan to pay expenses overseas.

Q: Can faculty choose to participate?

A: If the plan is implemented for a classification, everyone in that classification is required to participate.

Q: Does the estimate of the amount in the plan at the time of retirement cover one or two people?

A: The expectation is that the PRHCSP would not cover all health care costs until death, only most of the costs, especially if two people are being covered. There is not way to predict costs.

Q: The attraction of phased retirement and terminal leave plans is the two additional years of University-paid health care expenses. How would this proposal affect the current practice?

A: Under this proposal, both years of health care costs would be paid at once instead of seprate payments for two years.

Q: Can the PRHCSP be used for nursing home costs?

A: The PRHCSP can be used for all types of health care expenses.

Q: Does this plan affect social security reductions and benefits?

A: The only effect on social security would be the initial 1.5 percent contribution.

Q: If faculty are split on the implementation of this plan, who makes the final decision?

A: The proposal will be presented for approval to the Retirement Subcommittee, the Faculty Affairs Committee, the Faculty Consultative Committee, and the Faculty Senate before presentation to the administration. The final decision will rest with the administration.

Professor Goldstein concluded that while people might have problems with some of the details in the plan, there is general agreement on the principles in the plan. Current drafts will continue to

be posted on the web.

8. PRESIDENT'S REPORT

President Robert Bruininks stated that he was delighted to be the 15th President of the University. His inauguration will take place during Founder's Week in February. He thanked the University community for their strong sense of support, without which he would not have considered this position. He looks forward to working together on an exciting agenda for the University.

President Bruininks noted that there are several challenges within the next several months. One is the impact on the University from the state budget shortfall and possible rescission, which should be clearer when the University meets in the spring. Currently, Governor Pawlenty has proposed no new taxes and to protect K-12 education and health care. He is urging engagement with the legislature prior to the start of the legislative session so that new legislators can be educated about the possible impact to the University. Governor Pawlenty has two degrees from the University, so he has been supportive of the University's efforts and investments.

Regarding this year's request, the University needed to be a leader in reframing its request by making an honest statement of what the University needs in the context of a tight budgetary situation. The request stated that the University wants to preserve its strengths, but is willing to share the responsibility and create a partnership with the state in terms of financing.

In addition to the budget challenge, there are proposals to have funding for financial aid follow the students instead of being allotted to institutions. There is no problem with strong student financial aid, but the history and traditions of the University cannot be maintained with this model. The academic community needs to be a part of this public debate.

The University needs new language on how the University uses public resources for discussions with the outside world. The University needs to communicate that it is setting standards on accountability, is working on creative ideas to solve budget concerns, and values service to students. A grassroots campaign is also being organized to help in discussions about the University budget request.

A last issue is the stadium proposal. Throughout the process, the University learned that it made a mistake by moving to the Metrodome and that the needs of professional sports and the University are incompatible. The dilemma is that the University has been joined with the Vikings for 25 years and powerful state influences have tried to influence circumstances.

9. QUESTIONS TO THE PRESIDENT

NONE

10. OLD BUSINESS

NONE

11. NEW BUSINESS

NONE

12. ADJOURNMENT

The meeting was adjourned at 4:20 p.m.

Rebecca Hippert
Abstractor

[\[1\]](#) The provision in this and succeeding paragraphs that "the meeting at which the deliberations and vote take place, however, shall be open only to . . ." explicitly bars all others except, as a department may wish, a senior staff member, trusted and discreet, who is also responsible for academic personnel matters in the department. It is expected that ALL individuals participating in, or privy to, deliberations on these personnel matters will keep them confidential. Minnesota law requires confidentiality.

APPENDIX A MEMORIAL STATEMENTS

Paul G. McGovern

With deep sadness, The School of Public Health reports the death of Paul McGovern, 48, Professor of Epidemiology. He died peacefully at his Eagan, MN home on October 11, 2002, from complications due to his long battle with amyotrophic lateral sclerosis (ALS), also known as Lou Gehrig's disease.

Paul was born and reared in a small coastal village in County Donegal, Ireland. He completed baccalaureate and master's degrees in psychology at Trinity College, Dublin, before pursuing master's and doctoral degrees in statistics and psychology at Iowa State University, Ames. He joined the epidemiology faculty in Public Health in 1988, specializing in cardiovascular disease research, research design and methodology, and psychometrics.

Faculty and students alike remember Paul McGovern as a superb researcher and teacher, and also as a man deeply involved in his community. The School was fortunate to be able to honor his career while he was still with us. He received the Leonard Schuman Award for Excellence in Teaching in 1996, a well-deserved recognition of his legendary teaching of epidemiology. His colleagues in epidemiology also honored him in 1998 with a colloquium on cardiovascular disease research. Paul's contributions to understanding biostatistics applied in this field will also be long remembered by many fellows and faculty of the American Heart Association's Annual Seminar on the Epidemiology of Cardiovascular Disease. Paul will also be deeply missed by

many dozens of girls and young women whom he coached on soccer teams in the Eagan area, including his two daughters.

Paul McGovern's struggle with ALS began in 1994, but he remained an active teacher, researcher and student advisor for as long as his disability permitted. The School remembers him not only for the accomplishments of an all-too-brief career, but as a truly gentle man of great humor, sensibility, and kindness. In 2001, Paul wrote these words on his website:

"I'm now 48 years of age and probably entering my last year of life. There is no sense of regret however, as I've had a wonderful life. The principal recollection I have is the legions of nice people I've met. This suggests to me that simple friendship is the greatest gift of all."

He is survived by his wife, Lourdes, daughters Fiona and Tara, mother Emily, a brother and sisters.