

Minutes of the
First Regular Meeting of the Twelfth Senate
Indiana University-Purdue University at Fort Wayne
September 14, 1992
Noon, Kettler G46

1. Call to order
2. Approval of the minutes of April 13, 1992
3. Acceptance of the agenda - J. Switzer
4. Reports of the Speakers of the Faculties
 - a. Purdue University - A. Finco
 - b. Indiana University - S. Hollander
5. Report of the Presiding Officer - W. Frederick
6. Committee reports requiring action
 - a. Calendar Subcommittee (SD 92-1) - S. Skekloff
 - b. Calendar Subcommittee (SD 92-2) - S. Skekloff .
7. Question time (Senate Reference No. 92-1)
8. New business
9. Committee reports "for information only"
 - a. Curriculum *Review* Subcommittee (SR No. 92-2) - A. Dirkes
 - b. Rules Committee (SR No. 92-3) - S. Hollander
10. The general good and welfare of the University
11. Adjournment

Presiding Officer W. Frederick
Parliamentarian: S. Harroff
Sergeant-at-arms: R. Barrett

Senate Members Present:

S. Argast, E. Blumenthal, F. Borelli, J. Brennan, B. Bulmahn, J. Chandler, J. Clausen, D. Cox, S. Dhawale, A. Dirkes, T Dunlap, A. Finco, E. Foley, J. Grant, J. Haw, R. Hawley, S. Hollander, R. Jeske, A. Karim, N. Kelley, F. Kirchhoff, J. Lantz, D. Kruse, L. Kuznar, C. Lawton, D. Legg, P. Lin, M. Mansfield, D. McCants, L. Meyer, J. Meyers, R. Miers, R. Pacer, A. Pugh, R. Ramsey, R. Ritchie, S. Sarratore, J. Scherz, J. Silver, S. Skekloff, J. Srnulkstys, C. Sternberger, J. Switzer, W. Unsell, W. Utesch, W. Walker, E. Waters, L. Wootton, Y. Zubovic

Senate Members Absent:

A. Chatterjea, D. Linn, A. Rassuli, W. Tsai

Representative from IPSGA: R. Suri

Faculty Members Present:

L. Balthaser, D. Cannon, V. Coufoudakis, K. O'Connell, D. Pfeffenberger, M. Souers
Visitors Present: J. Dahl, L. Johnson, N. Newell, R. Steiner

Attachments:

["Correction to Academic Calendar, Summer I, 1992-93"](#) (SD 92-1)

["Academic Calendar for 1992-93"](#) (SD 90-21, as amended)

["Amendment to Academic Calendars, 1992-93 and 1993-94 - Observance of Dr. Martin Luther King, Jr. Day"](#) (SD 92-2)

["Academic Calendar, 1993-94"](#) (SD 91-13, as amended)

Acta

1. Call to order: W. Frederick called the meeting to order at 12:06 p. m.
2. Approval of the minutes of April 3, 1992: The minutes were approved as distributed.

3. Acceptance of the agenda:

J. Switzer moved to accent the agenda as distributed. Seconded.

Motion passed on a voice vote.

4. Reports of the Speakers of the Faculties:

- a. Purdue University

A. Finco: At its April 20 meeting of the West Lafayette Senate, they passed a resolution designating Dr. Martin Luther King, Jr. Day as a Purdue University holiday. If you have looked over your agenda today, you will note that a similar resolution is on our agenda.

The Purdue University Health Plan Advisory Committee Report on the Proposed 1993 Purdue Health Plan was presented at the April 20 meeting of the West Lafayette Senate. Underlying the proposal are measures to reduce the rising cost of medical coverage from an anticipated 22 % increase during the 1993 year to 15.5 % for this period. Cost-containing proposals include a separate pharmacy benefit, the elimination of the no-deductible option for all benefits except for preventive care and for pharmacy prescriptions, and the introduction of a twelve-month, pre-existing condition clause for new employees. Yes, it is less for more. Incidentally, that last item on a "pre-existing condition clause" will save the university \$400,000 a year. One of the arguments in favor of doing this was that persons can stay on their prior employer's insurance, if they wish, for 18 months.

At its meeting today, the West Lafayette Senate is discussing a document that would cause the postponement of consideration of the cashability option for CREF for two years. I was on the president's TIAA/CREF Retirement Task Force which submitted

a report which recommended a cashability option.. There is a minority report going forward with the resolution.

Also up for discussion today at the West Lafayette Senate is a document which inserts the phrase "sexual orientation" into the "Academic Procedures Manual" on the appropriate pages.

The Intercampus Faculty Council meets this Wednesday. An update on the status of the State-wide Transfer of Credits issue is the topic of the meeting.

b. Indiana University:

S. Hollander: The IU Faculty Governance System's system has been busy on some of the same matters as the Purdue Faculty Governance System system. There was a meeting September 8 in Indianapolis with IU faculty governance leaders from seven of the eight IU campuses--Richmond didn't send anyone. President Ehrlich met with us a couple of hours after we plotted our various strategies. We did talk about the transferable 30 credits and the list that has been sent by all of the state universities to the Commission for Higher Education. The 30 approved credits are very similar to those which our EPC had discussed and approved last year.

Tenure and promotion: President Ehrlich indicated a new flexibility concerning outside letters and said he encouraged the chancellors to exercise some flexibility in requiring such letters in tenure and promotion uses. A proposal for system-As IU program reviews was discussed and is still in draft form and is going to the administrative staff. No action was taken. The policy would be system-wide and would be carried out on a campus-by-campus basis.

A proposal to amend the university's official affirmative action statement so that it, too, contains the words "sexual orientation" is undergoing review and is expected to pass.

We didn't talk about things affecting only Fort Wayne--like problems getting correct paychecks for 10-month academic appointees this year.

The other matter that received considerable discussion was fringe benefits and health insurance. Our representative for many years on the IU Fringe Benefits Committee, Mike Downs, is here and prepared to make a report.

M. Downs: Indiana University's provision for cashability upon retirement or separation from the University is in place and people have begun taking advantage of it. This allows you to cash out 100% of your CREF accumulation and 10% of your TIAA accumulation each year for 10 years. Another proposal which is pending would make it possible for you to transfer your TIAA/CREF contributions away from TIAA/CREF into other investment vehicles. The Indiana University Board of Trustees has decided that people could take advantage of the variety of investment

vehicles that TIAAICREF has already established--so that does give people additional flexibility....

In regard to another matter health insurance--there is bad news and there is even worse news. I think everybody knows that health insurance costs have gone up and Indiana University, like Purdue University, projected a 21% increase in the amount of money that would have to be spent on health care and health insurance in the next year. A task force was appointed to consider ways and means of accomplishing this and then to propose solutions which could be implemented in the future to deal with the problem. It generated a proposal which was reviewed before the Board of Trustees at its August meeting, and the projected avoidance of additional costs of \$4.7 million was connected with the proposal of the task force. Generally, what the task force did was to collapse deductibles. Indiana University faculty now have three levels of deductibles; they wanted to collapse it into two levels of deductibles. They also wanted to add a deductible on emergency room cost and they wanted to change the provision for pharmacy so that users of the pharmacy program would share the larger costs. There is also going to be a premium increase.... The proposal currently under discussion would take effect January 1. When the task force proposal was considered by the Fringe Benefits Committee, it was strongly criticized on two counts: it was a continuation of the president's policy to shift university resources away from those fringe benefits which are paid with pre-tax dollars toward salaries which are taxed. This was felt to be, during a time of shortened resources, not the best way to go for most faculty at this time. It was also criticized because the increase in the deductible was going to fall most heavily not just on employees, generally, but upon people who had need of an insurance program.... A good deal of discussion took place and the Fringe Benefits Committee made a counter proposal which is not what I thought we should have, but at least would soften the impact on people who were ill and in need of the program. We wanted to retain the three levels of deductible, but we wanted to increase them marginally. At the same time we wanted to increase the premium marginally. . We wanted to ensure that the university would continue to make the 70% contribution to the individual premium and that the employee share would remain a 30% contribution. After we had finished, the savings--or cost avoidance--that was tagged to our proposal was \$2.1 million, as opposed to the \$4.7 million that was the cost-avoidance label put on the task force's proposal. We are going to have a meeting by telephone of the University Faculty Council to discuss health insurance costs and health insurance proposals for the future. I am not sure what is going to emerge from that. The administration has not responded to the Fringe Benefits Committee's counter proposal. I would like to think that they were really looking for \$2.1 million after all and that our proposal was good enough. I would feel bad because we hadn't done less, but I wouldn't feel as bad as if they had insisted on the \$4.7 million. What I want everybody to understand is that the cost avoidance in this change is going to fall most heavily on people who use the insurance.... As you might imagine, in these negotiations the people who benefit and, therefore, in my opinion, the most responsible for the rise in the cost of health insurance--the providers--are not at the table and are not part of the

negotiations and never face what we have to face in the situation of health-care costs and rising insurance costs.

I said that I had bad news. I think this is bad news, but there is worse news to come. The same task force that recommended a program which falls heavily on users and will result in a \$4.7 million cost avoidance to the university has proposed that we begin a study which will lead *to* a managed-care program in the future. The managed-care proposal has the advantage over what we have right now in that the care providers do become part of the negotiations. But the characteristics of the plan that we have begun to study would lead, I think, *to* a situation even less happy. As a representative of this campus on the Fringe Benefits Committee, I am strongly committed to the idea that fringe benefits are a very good thing in a university community. Any health-care plan has to take into consideration the burden that is carried not just by all of us, but by those people who are sick and ill and need the care; that somehow their burden is shared by all of us, and that they ought to have access *to* the kind of health care that they need. The managed-care program that I have seen does that less well than the imperfect system that we already have. I would be willing *to* answer questions about specifics, but until we hear from the administration with a counter proposal, these specifics are ephemeral and temporary and if they are written any place they are written in water.

5. Report of the Presiding Officer: W. Frederick had no report.

6. Committee reports requiring action:

a. Calendar Subcommittee (Senate Document SD 92-1) - S Skekloff:

S. Skekloff moved to approve SD 92-1 (Correction to Academic Calendar, Summer I, 1992-93). Seconded.

Motion to approve passed on a voice vote.

b. Calendar Subcommittee (Senate Document SD 92-2) - S. Skekloff:

S. Skekloff moved to approve SD 92-2 (Amendment to Academic Calendars, 1992-93 and 1993-94 - Observance of Dr. Martin Luther King, Jr. Day). Seconded.

Motion to approve passed on a show of hands (42/5).

7. Question time (Senate Reference No. 92-1):

Q: Why wasn't the "Statement of Purpose: An Elaboration of the University *Mission Statement*" (SD 91-6) included in the latest IPFW Undergraduate *Bulletin* (1992-94)?

J. Lantz: The style of the introduction to the *Bulletin* and the style of the Mission Statement are quite different. It was a serious attempt to revise the introductory material so that it was consistent with the mission statement, but the mission statement was not included. We will include it in the next *Bulletin*.

8. New business: There was no new business.

9. Committee reports "for information only"

a. Curriculum Review Subcommittee (Senate Reference No. 92-2) - A. Dirkes:

A. Dirkes presented SR No. 92-2 (Certificate in Gerontology) for information only.

b. Rules Committee (Senate Reference No. 92-3) - S. Hollander:

S. Hollander presented SR No. 92-3 (Graduate Aides and University/Senate policies--A report for information only) for information only.

10. The general good and welfare of the University:

W. Frederick: I would like at this time to recognize Dyne Pfeffenberger, who is past chair of the Budgetary Affairs Subcommittee, and Bob Barrett, who is current chair of the Budgetary Affairs Subcommittee. They have been granted speaking privileges by the Agenda Committee to discuss the upcoming budget.

D. Pfeffenberger: The Budgetary Affairs Subcommittee last academic year had two issues before it. One was to make recommendations on the unallocated funds for the 1991-92 academic year; which we did. There was \$100,000 recommended to go for the acquisition of library books. The second recommendation spoke to the 1992-93 academic year. We recommended that focus be given to augmenting faculty salaries. You saw a 5% increase; I assume that reflects our recommendations. That was reported *to you*. At the Chancellor's invitation, our subcommittee had a representative to the campus budget meetings. I being the chair of that committee was present at everyone except one--and there were many. My one duty was simply *to* observe and to report back to our subcommittee. I have been asked today to be here *to* respond *to* any questions that you have on what I observed and my impressions of that process. I will try to do that and if I cannot respond to you, or if Bob can't, I will try and get back *to* you with a better answer.

R. Barrett: It is a shame that one budget session is this afternoon at 3:30p m. I don't know if it might be possible *to* run a second session on the budget at a different time. The impact of our student-enrollment drop is really going to start showing up in 1995, and the way the budget is from all the material I have seen, the more of us that know what is going on the better off we will be. There is one

session this afternoon at 3:30 p.m. in the basement of Walb. The Chancellor is presenting the next two-year budget and what has happened. It is fascinating material. I would urge you *to go*. If, there is interest, may be we could run another.

J. Lantz: One of the things that I think Bob made reference to which may not be clear to everyone is that in essence the new money that came into the university came because of the enrollment-change funding formula. We did not get any quality improvement money; we did not get any money for inflation. The only money that came *to us* in the last two years has been for enrollment-change money. That comes to us two years after the fact. What Bob is referring *to is* that our enrollment change is very minor this year. There are 13 more students and I forget how many credit hours--not many. That will be in the 1995-97 budget. It depends on what the legislature does; they might kill enrollment-change money, but that is where we have gotten money. If that is how they fund in 1995, there will be no new money to come to this campus because we did not have an enrollment change.

A. Finco: Bob made a comment about an enrollment drop and I keep reading in the paper about the 6th year of enrollment increases.

B. Barrett: There was a minor shortfall. We got so used to increases.

J. Lantz: We budgeted for a 1.5 % increase and it was less than that. So, in fact, because of second summer term--where we usually have a shortfall which we make up in the fall--we did not make that up. We had a long discussion about how we should project our enrollment increase. We did not quite come to the number of credit hours. We had proposed a 1.5% credit hour increase. We did not quite have that. Second summer term and this fall semester we had about a \$68,000 shortfall of income for budgeted money. We will have to address this.

J. Lantz: If the faculty and the administration and students would like us to schedule another 1993-95 budget information session, we would be happy to do that. We have five sessions on different items we will be presenting over the next two weeks. Our executive staff will work with the BAS to plan that extra session if you desire.

11. The meeting adjourned at 12:48 p.m.

Respectfully submitted,

Barbara L. Blauvelt
Secretary of the Faculty