

# Grand Valley State University

## Minutes of the University Academic Senate

### September 16, 2005

**Present:** Majd Al-Mallah, Gayle Davis (ex officio), Kurt Fanning, Roger Ferguson, Rob Franciosi (Chair), Nancy Giardina (ex officio), Linda Goossen, Jennifer Gross, Julie Guevara (ex officio), Bill Hosterman, Hugh Jack, Jon Jellema (ex officio), Brian Kingshott, Paul Leidig, Elena Lioubimtseva, Jean Martin, Sue Martin (ex officio), Melissa Morison, Kristine Mullendore, Jean Nagelkerk (ex officio), Harvey Nikkel, Karen Novotny (Vice Chair), John Peck, Tony Purkal (student), Avi Reichert, Ross Reynolds, Barbara Rood (for Charles Baker-Clark), Jim Sanford, Ellen Schendel, Steve Schlicker, Robert Schoofs, John Slep (student), Mack Smith, Frank Sylvester (for Steve Nizielski), Kathleen Underwood, Jereon Wagendorp, Tom Willey (for Yatin Bhagwat), Don Williams, Veronica Wooten (student)

**Guest:** Teresa Beck

Agenda Items	Discussion	Action / Decisions
1. Approval of Agenda	The agenda of September 16, 2005 was reviewed.	The agenda was approved.
2. Approval of Minutes	The minutes of April 22, 2005 were reviewed.	The minutes of April 22, 2005 were approved as submitted.
3. Remarks From President Murray	<p>a) President Murray extended his thanks to everyone for helping to get the school year off to a good start, and he appreciates how much work was needed to get the extra classes and general education sections into place.</p> <p>Continuous intercultural and diversity awareness is needed, as well as increased rigor in the student life areas.</p> <p>The enrollment increase for 2005-06 is the smallest in recent times.</p>	
4. Report of Chair	<p>a) The Chair welcomed the senate members back from the summer break.</p> <p>b) The Chair reported that the Chair of FSBC resigned during the summer to assume a position in the CLAS dean's office. He recommends that contingency plans are established for all committees in case of resignation of the chair or vice chair.</p> <p>c) The Chair reported that the <u>Faculty Handbook</u> was restructured over the summer. Printed versions are expected to be delivered on September 19, 2005 and online by the end of next month.</p>	

	<p>d) The Chair reported that the bottleneck in general education theme courses was addressed over the summer, with additional classes and sections added.</p> <p>e) The Chair announced that Larry Burns, Chair of the Faculty Salary &amp; Budget Committee, will present an overview of the work done over the summer regarding medical benefits later in the meeting.</p>	
<p>5. Report of Provost</p>	<p>a) Provost Davis welcomed the faculty to the start of a new academic year.</p> <p>b) Provost Davis reported that enrollment is 22,565 students, which is a 2.3% increase from last year. The student body GPA and ACT scores are rising.</p> <p>c) The Provost introduced the new and returning members of her administrative team.  <u>Sue Martin</u> – Executive Associate Vice President.  Areas of responsibility include: Budget &amp; Resource management. Faculty Salary &amp; Budget committee.  <u>Jon Jellera</u> – Associate Vice President.  Areas of responsibility include: Health Sciences, equipment and space issues. Faculty Facilities Planning Advisory Committee. Special projects.  <u>Jean Nagelkerk</u> – Assistant Vice President.  Areas of responsibility include: Faculty Policy and Faculty Relations. Advocate for faculty. Ex office to Faculty Personnel Policy Committee.  <u>Nancy Giardina</u> – Assistant Vice President.  Areas of responsibility include: All areas of Student Advising and Student Life. Curriculum review and development.  <u>Julie Guevara</u> - Officer for Assessment and Accreditation.</p> <p>d) The next NCA Accreditation is scheduled for 2008-09.</p>	
<p>6. Report of Student Senate President</p>	<p>a) The Student Senate President, Tony Purkal, introduced two members of the Student Senate: Veronica Wooten, VP for Educational Affairs and John Seip, Executive Vice President.</p> <p>b) Mr. Purkal reported that the Student Senate will focus on three goals for upcoming year:  1. Ways to increase student participation in the Student Senate,  2. Training on being a "Servant Leader," and  3. Strategic Planning process.</p> <p>c) The Student Senate is hosting a presentation on "Ten ways to fight AIDS" on September 28.</p> <p>d) Mr. Purkal reported that the Campus Affairs committee is working</p>	

	on getting additional busses added to the Campus Connector schedule.	
7. Report of Standing Committee Chairs	No Report	
8. New Business	<p>a) Recommendations for additional Fora topics include: General Education Themes and Library Governance Structure.</p> <p>b) The Chair announced that enhanced communication between the Faculty Senate and Faculty-at-Large is needed</p> <p>c) Larry Burns, Chair of the Faculty Salary &amp; Budget Committee, distributed material and presented an overview of Medical Benefit and Plan changes. After considerable work by himself and a subcommittee, recommendations are ready for presentation to ECS, who will decide how to present the material to the Senate.</p> <p>Provost Davis thanked Dr. Burns, Dr. Marinus DeBruine, Dr. Joel Stillerman, and Dr. Sue Martin for their hard work.</p>	
9. Ideas for Future Fora	<ul style="list-style-type: none"> <li>▪ Workload equity and enlarging regular faculty</li> <li>▪ The next level</li> <li>▪ Graduate versus Undergraduate</li> <li>▪ General Education Themes</li> </ul>	
10. Adjournment	Meeting adjourned at 5:00pm	

To: FSBC Members  
From: FSBC Medical Benefits Task Force  
Subject: Medical Plan Changes  
Date: September 10, 2005

9/16/05

Dear Colleagues—

This is an update regarding the ongoing discussions regarding medical costs with the administration. The crux of the issue under discussion is whether employees should bear a higher proportion of the risk of escalating health costs, and, if so, how this risk can be shifted by reallocating total compensation rather than by decreasing overall compensation.

Let us outline briefly the background, purpose, plan, and progress of our special task force and the two special summer FSBC meetings have addressed. Below we will attempt to respond to member's questions and suggestions.

*Background—Health Care Costs Have Gone Ballistic*

Health care costs have, over the last five years, increased at a rate roughly double that of the preceding ten years. To meet these costs, the university has reallocated our total compensation. While total compensation has increased at about 4% each year, increasing amounts have been devoted to health care benefits rather than appearing as salary increases. Proportionally, salaries have decreased, while health care benefits have increased.

The administration is asking university employees to assume more of their health care costs and thereby adjust the ratio between salary and benefits.

The administration's proposal recommends a cost shift phase-in over the next three years. The shift from the current health care cost proportions, would be from where the university currently pays 97% and employees pay 3% of health care costs, to a ratio where the university would pay 90% and employees would pay 10%. This would result in faculty and staff paying an additional 1.5 million dollars (in 2006 dollars) if no compensatory increase in salary occurs. If health care costs continue to rise disproportionately, the amount of the increase passed on to employees would increase each year.

It is important that both the administration and university employees understand that FSBC is agreeing that employees should bear a higher proportion of the risk of additional increases in health care costs. Moreover, we recognize that if health care costs continue to increase at rates disproportionate to other costs, the adoption of the 90/10 model will mean that employees bear a higher portion of these increased costs. FSBC agrees that employees need to assume some of the cost. We regard this as an important concession. We ask that the shift be made in such a way that total compensation does not decrease while the shift is being made.

*FSBC's Goal: The proportion of health care costs borne by employees can be shifted without decreasing overall compensation*

FSBC has sought a solution that keeps compensation constant by offsetting the shift in health care costs with a correction in salary, a matter that we estimate would initially cost about 1.5 million dollars. FSBC is not asking for any special increase in compensation, but it is asking that the balance between salary and health care costs be adjusted in a manner that avoids a decrease in overall compensation.

*FSBC's Plan—Can Cost Shifting Be Budget Neutral?*

In the winter of 2005 FSBC requested of the Provost an additional 3% salary adjustment over the regular salary increase to make up for the anticipated loss to net wages that would be caused by shifting health care costs. The administration did not view this as viable. This summer the special task force attempted to produce an alternative proposal, and FSBC proposed that a one-year shift to a 90/10 balance on health care costs be accompanied by a special, compensatory, salary adjustment (approximately \$900 per plan participant).

*What is the Administration's Proposed Plan?*

The administration's plan involves two simultaneous considerations.

*Premium Adjustments*

Human Resources has proposed raising the participant contribution. At current rates, shifting from 97/3 to 90/10 is estimated to increase participant costs by an average of \$600 per person.

#### *Plan Coverage Adjustments*

The second, and more complex, part, involves changes in plan coverage. These shifts are referred to as co-insurance changes. For example, a particular service covered at 100%, would, in the new plan, be covered at a lesser rate, such as 90%. These co-insurance changes are estimated to cost about \$300 per plan participant in 2006. Like the other costs, they will likely increase annually.

#### *Risks in an uncapped benefits structure.*

Medical benefits at GVSU are excellent. One reason is because the costs of benefits have been capped, in that individual costs have not risen on an annual basis proportionally to the increases experienced by the university annually. This fact is key to understanding the first aspect of the plan changes—we're moving to an uncapped system. Each year whatever amount costs go up, we'll all share proportionally in that increase by paying 10% of whatever the total bill is. This is a significant change, because a larger portion of the share of the risk of future cost increases will be shifted to employees.

Introducing co-insurance changes will also shift costs and risks. FSBC has not yet been able to address this concern in informed depth, because neither the specific university demographic effects of these proposed co-insurance shifts, nor the logic behind how particular plan services were selected for changes in coverage, has been provided to FSBC.

At this point, FSBC has determined that if a 90/10 cost sharing shift must occur, the least regressive implementation will be a one year shift.

FSBC requests that HR vigorously establish a systematized program aimed at setting goals for improving health and reducing medical costs tailored as appropriate for our specific circumstances at GVSU.

#### *FSBC's Progress—A Work In Progress*

Both the administration and faculty governance have put considerable effort into resolving a serious problem regarding salary and health care cost ratios related to total compensation. FSBC has realistically considered overall university budget constraints in seeking a solution to this challenge. FSBC has been willing to agree that employees should bear a higher portion of the risks of future increases in health care costs, but FSBC also believes this shift should be made in a manner that does not initially reduce overall compensation.

FSBC received a formal response from the Provost on Thursday September 8th which offered \$450 to offset the shift to the 90/10 split with the caveat that we may be required to accept somewhat less than 3% raises over the next two years. On Thursday September 15th the Provost further clarified her position by formally indicating that her objective is to follow FSBC's recommendation with the partial offset. The Provost expressed a clear objective and preference for funding salaries as close as possible to 3% in successive years, but she still cautioned that budget constraints may require salary decreases of .5%, in each of the next two years.

FSBC in recognizing the current lean state and national economic circumstances acknowledges the possibility of salary raises of less than 3% in the next few years. However, FSBC would also like the administration, reciprocally, to agree likewise to pass any improved GF circumstances back to all employees in the form of proportionally improved salary and benefits.

The Provost has included faculty governance in working to meet the challenge of rising health care costs. FSBC remains clearly committed to seeking a solution that shifts the portion of risks but which does not include any initial decrease in overall compensation.

# Grand Valley State University

## Minutes of the University Academic Senate

### April 22, 2005

**Present:** Charles Baker-Clark, Yatin Bhagwat, Agnes Britton, Doug Busman, Jay Cooper, Rob Franciosi (Chair), Richard Hall, Hugh Jack, Gayla Jewell, Brian Kingshott, Paul Leidig, George Lundskow, Neil McDonald, Sue Martin (ex officio), Kristine Mullendore (Vice Chair), Jean Nageikerk (ex officio), Karen Novotny, John Peck, Paul Plotkowski (ex officio), Lisa Rigsby, Bill Rogers, Ellen Schendel, Don Williams

**Guests:** Maria Cimitile, John Reynolds

Agenda Items	Discussion	Action / Decisions
1. Approval of Agenda	The agenda of April 22, 2005 was reviewed.	The agenda of April 22, 2005 was approved.
2. Approval of Minutes	No Minutes.	
3. Report of Chair	<p>a) The Chair announced the election results for the 2005-06 Academic year. Rob Franciosi was re-elected Chair, and Karen Novotny was elected Vice-Chair.</p> <p>b) The Chair reported that he attended the last Board of Trustees meeting and presented an update on Faculty Governance activities.</p>	
4. Report of Provost	<p>a) Provost Davis reported that the Board of Trustees summer meeting is scheduled for early July, at which time the university budget will be approved. She also reported that EAP and Faculty members contracted for 12 months will have pay raises effective August 6, 2005.</p> <p>b) Provost Davis reported that at the Board of Trustees withdrew the charter for the Advantage Charter School at their meeting of April 22, 2005, effective at the end of the school year.</p>	
5. Report of Student Senate	No Report	
6. Report of Standing Committee Chairs	No Report	
7. New Business	<p>a) <b>Medical Benefits Update</b>            Maria Cimitile, Chair of the Faculty Salary &amp; Budget Committee (FSBC), presented an overview of the proposed changes to the medical benefit plans. She reported that FSBC cannot endorse the proposed changes without data supporting the requested increase in premiums, in what amounts to be an increase of 10% over a three-year span.</p> <ul style="list-style-type: none"> <li>• Dr. Cimitile also reported that when FSBC sent a memo to the Provost's</li> </ul>	

Office earlier in the year asking that salary compensation be prioritized, they were not aware of the proposed medical benefit premium increases. FSBC now requests that the entire compensation package be addressed as a whole, and expects to continue discussion with HR over the summer months.

- FSBC is the only group to-date that has reviewed the proposed changes.
- Dr. Cimitile presented an end-of-semester report on the FSBC activities over the past year, and will keep the ECS Chair apprised of any changes.

Provost Davis commended Dr. Cimitile for her work on FSBC this year.

b) CLAS Governance Structure

The Chair provided a brief overview of the proposed CLAS governance structure for the Election and Membership Procedures for CLAS Committees, the CLAS Personnel Committee, the CLAS Curriculum Committee, the CLAS Faculty Council, and the CLAS Faculty Development Committee. It was noted that anything in the CLAS personnel policy that violates University policy must be changed to comply. Discussion.

A motion was made and seconded to accept the governance structure(s) proposed by the College of Liberal Arts and Sciences for the Election and Membership Procedures for CLAS Committees, the CLAS Personnel Committee, the CLAS Curriculum Committee, the CLAS Faculty Council, and the CLAS Faculty Development Committee, with the understanding that anything in the CLAS Personnel Policy that is later determined to violate University policy must be changed to comply.

c) University Library Task Force Report

The University Library Task Force Report was distributed for review. A motion was made and seconded to endorse the University Library Task Force Report and forward the report to Administration. Discussion.

A motion was made and seconded to commend the University Library Task Force members for their hard work and the comprehensive report produced.

**MOTION:** UAS accepts the governance structure(s) proposed by the College of Liberal Arts and Sciences for the Election and Membership Procedures for CLAS Committees, the CLAS Personnel Committee, the CLAS Curriculum Committee, the CLAS Faculty Council, and the CLAS Faculty Development Committee, with the understanding that anything in the CLAS Personnel Policy that is later determined to violate University policy must be changed to comply.

**APPROVED: Unanimously**

**MOTION:** UAS endorses the University Library Task Force Report and recommends forwarding the report to Administration.

**APPROVED: Unanimously**

**MOTION:** UAS commends the University Library Task Force members for their hard work and the comprehensive report produced.

**APPROVED: Unanimously**

d) University Assessment Committee Philosophy & Policies

John Reynolds, Chair of the University Assessment Committee (UAC) presented an overview of the Assessment Philosophy and Policies report that was approved at the UAC on 4/18/05.

A motion was made and seconded to endorse the Assessment Philosophy and Policies report from the University Assessment Committee. Discussion.

The Provost reported that a decision has been made to not use the AQIP model for the upcoming accreditation.

e) Vision and Mission Statement of Faculty Governance

The proposed Vision and Mission Statement of Faculty Governance approved at ECS was distributed for review. The text reads:

VISION

*University Academic Governance provides leadership to ensure excellence in Grand Valley State University's undergraduate and graduate programs. A proactive governance body, it seeks to sustain its position as an exemplary model to facilitate academic initiatives and to advocate for human, financial, and physical resources necessary for their success.*

*To establish and to support educational excellence, faculty governance fosters communication among constituents and stakeholders at GVSU, as well as with external communities.*

MISSION

*Faculty Governance is the primary advocate for faculty and provides leadership in fostering excellence in educational programs, policies and standards.*

After discussion, a motion was made and seconded to accept the Vision and Mission Statement of Faculty Governance approved at ECS, as amended at this meeting. The text now reads:

VISION

*Faculty Governance provides leadership to foster excellence in Grand Valley State University's undergraduate and graduate programs. A proactive governance body, it facilitates academic initiatives and advocates for human, financial, and physical resources necessary for their success.*

*To establish and to support educational excellence, faculty governance fosters communication among constituents and stakeholders at GVSU, as well as with external communities.*

**MOTION:** UAS endorses the Assessment Philosophy and Policies report from the University Assessment Committee.  
**APPROVED: Unanimously**

**MOTION:** UAS accepts the Vision and Mission Statement of Faculty Governance approved at ECS, as amended at this meeting. The text now reads:

VISION

*The Faculty Governance process provides leadership to foster excellence in Grand Valley State University's undergraduate and graduate programs. A proactive governance body, it facilitates academic initiatives and*



	<p><b>MISSION</b>  Faculty Governance is the primary advocate for faculty and provides leadership in fostering excellence in educational programs, policies and standards.</p>	<p>advocates for human, financial, and physical resources necessary for their success.</p> <p>To establish and to support educational excellence, faculty governance fosters communication among constituents and stakeholders at GVSU, as well as with external communities.</p> <p><b>MISSION</b>  Faculty Governance is the primary advocate for faculty and provides leadership in fostering excellence in educational programs, policies and standards.</p> <p><b>APPROVED: 18 yes, 1 no</b></p>
8. Ideas for Future Fora	<p>The Goals that were identified at a previous meeting will be condensed and presented at another meeting.</p>	
10. Adjournment	<ul style="list-style-type: none"> <li>▪ Workload equity and enlarging regular faculty</li> <li>▪ The next level</li> <li>▪ Graduate versus Undergraduate</li> </ul> <p>Meeting adjourned at 5:00pm</p>	