

Approved 7-2-0
EC #13
12/15/09

UNIVERSITY FACULTY SENATE
EXECUTIVE COMMITTEE MEETING

December 8, 2009, 3:15 p.m.
HMSU 227

Present: S. Lamb, A.M. Anderson, B. Evans, C. Lunce, C. Hoffman, C. MacDonald, J. Fine, R. Guell,
V. Sheets
Ex officio: President D. Bradley, Provost J. Maynard
Guests: K. Bolinger, J. Buffington, T. Clark, C. Olsen, D. McKee, M. Sacopulos

- I. Administrative report (President Bradley):
 - a. Traveled for *March On!* Campaign to Lafayette, IN. Met with newspaper people highlighted one of our students. Met with alumni, and potential students.
 - b. Eli Lilly grant: Received \$6 million for continuation of *Networks*. This is a short-term grant. We will assess where we want to be in the next five years and submit another proposal for next year. S. Lamb stated that faculty are very pleased that *Networks* will be located on campus.
 - c. Governor has indicated he will cut higher education \$150 million. We will find out what our share will be later – that will determine what our base budget is going to be. D. McKee will meet with Teresa Lubbers to discuss the current situation. No real negotiations have occurred at this time, but McKee will make recommendations to the Board.
 - d. J. Maynard stated that we need to focus on classes and our students. There is currently much activity on campus. This is *study week*. First round of numbers on spring registration have been reviewed and are comparable to last year's numbers; changes are underway regarding the Learning Centers-South Eastern and South Central; Ivy Tech is interested in these learning centers, and we are in favor of transferring this responsibility to them.

II. Chair Report – Steve Lamb:

I want to begin by saying that the President has worked aggressively with the officers of the Faculty Senate, and has accommodated tremendous input from us, which in our minds, is one of the better examples of shared governance to this date. The end product is a retirement incentive draft that is more palatable to the entire institution. This plan will be sent to FEBC for its due diligence.

As most of you are aware, the president is prepared to put forward for university consideration an incentive plan designed to encourage faculty, EAP and staff who have at least 10 years of service and are around the age of 60 to retire. My concern in this Chair's report is with faculty perspective. Whether the initial plan would have been viewed positively or negatively would probably depend on the specifics associated with the individual. What I need to emphasize at this point is that the present draft has

evolved greatly since it was first presented to Virgil, SAMy, and me about a week ago on November 30.

The Initial Plan:

At that presentation a week ago, the incentive plan took the following shape: those who had served the University 10 years or more, and were age 60 or more, would be offered a severance package that amounted to approximately 115% of their base salary. They had until June 30 of this academic year to announce their intention, and they must retire by December 31, 2012.

If they did not take the offer, they would only receive 25% of their base salary if they had 20 or more years of service.

Let me use myself as an example. I am older than dirt and have 40 years of service to the institution. If I took this plan as originally presented, I would receive a 115% of my base salary. If I did not take this plan, I could not fall back on the existing plan, which would have entitled me to 80% of my base salary. No, I would only receive 25% of my base salary when I retired at some later date. Economic coercion came to my mind.

Not only that, the severance package that presently exists for all faculty would be eliminated. Presently that package states that after you give 20 years of service, and have achieved the age of 60, you will be entitled to 70% of your salary as a severance payment, and for every additional year of service you will receive an additional 1% of your salary up to a maximum of 80%.

Let me use Virgil as an example. He is not able to take the present incentive package, since he is a youngster. But the 16 years of service that he has accrued would no longer be applied to achieving 20 or more years of service to receive 70% or more of his base pay. Under the initial version of the new plan, he would have received only 25% of his base pay after 20 or more years of service, at the age of 60 or more.

Colleagues, Virgil, SAMy, and I saw this initial incentive plan more as a coercion plan than an "incentive" plan. Older faculty were being given little rational choice, and younger faculty were being penalized. I think that were able to convince the president at our meeting on December 7, that a large percentage of the faculty would also see the plan in this light. He was receptive to our concerns.

SAMy, Virgil, and I felt that, even given the extreme straits that the University is facing, this incentive plan would be viewed as most unjust for nearly all the faculty. We do understand that ISU has been asked to cut more than \$8 million in the next one or two years and that this cut will probably be made permanent. We also know that many an institution has had to take pay cuts, and some have had furloughs imposed upon their employees. The president is forced to make horrendous decisions.

Nevertheless, the Executive Committee officers negotiated aggressively with the president. We understand the tremendous pressures he faces, but we also understood the necessity of developing a plan that would retain as much of the present retirement plan as possible so that younger faculty would not be egregiously penalized and older faculty would not feel that they had been coerced into retirement.

Now for the Present Plan:

The end result of the officer's negotiation, which has the president's blessing, is approximately the following:

Case A: If one has reached the age of 60 or more, and has put in 20 or more years at ISU, one will receive a severance check of 115% of their base amount if one quickly chooses retirement.

Case B: If one has reached the age of 62 or more, and has put in 10 or more years at ISU, one will receive a severance check of 115% of base pay if one quickly chooses retirement.

Also, under either case A, or case B, one may take the severance check of 115% and choose to take phased retirement as well. Let me repeat: one may have both. This was the President's doing, and his alone. He was responsible for making the retirement option more positive.

On the other hand, if an individual does meet the above conditions but does not take the plan, that individual does not have to settle for 25%. All of those who presently have at least 15 years of service would receive 60% of base pay at retirement after having given 20 years of service and being 62 or older. The President made the incentive package more rewarding and also removed a significant portion of the penalty (less onerous, more positive).

If an individual presently has less than fifteen years of service, they would receive 50% of their base pay after reaching the age of 62 and 20 years of service.

Hires that occur after this plan has been accepted will receive 25% of their base pay after the age of 62, and 20 years of service. Diann will certainly correct me if I have made errors once this discussion begins.

Did SAMy, Virgil and I achieve everything we wanted? No. Were we pleased with the extent of accommodation that the President made? Yes. Given the tremendous pressures that the institution is under, the officers felt that we had achieved a great deal, and were appreciative of the efforts, of the movement, that the President made.

I want this draft of the incentive plan to go to the FEBC immediately for their input, and then to be brought to the Faculty Senate. This modified draft, and that is all we have accomplished, is now in FEBC hands. They need to determine justifications, offer criticisms and make modifications to this draft. That needs to be done quickly.

We do have this item up for discussion. It is on our agenda. I asked Kevin Bolinger, chair of FEBC, to attend so that he is fully informed as to the nature of developments, and continuing concerns.

- III. Jim Buffington's report on Dismissal Policy Charge/Resolution:
With regard to SAC's charge to "Examine the wisdom of the Fall 2008 practice of granting widespread waivers of dismissal policy to first-year students who earned a 1.0 GPA or less, and make recommendations for future implementation or retraction of this policy."

The following resolution was approved by a 6-0-1 vote at the November 16, 2009 SAC meeting:

"The policy at Indiana State University is that first-term students who earn a term grade point average of 1.0 or less will be academically dismissed and should expect to stay out of classes for one academic semester. The Student Affairs Committee strongly affirms its support for this policy, believing that a one-semester period of reflection is truly in the best interest of any freshman who has not attained an acceptable academic record. In general, poorly performing freshmen who are allowed to continue at the University do not show significant academic improvement. Hence, the majority of poorly performing freshmen allowed to continue simply accrues additional debt and a more damaging academic record. As part of its affirmation of the 1.0 policy, the Student Affairs Committee strongly counsels Deans and others in the Administration to abandon attempts at encouraging students to appeal dismissals prompted by this policy."

APPROVED RESOLUTION: (B. Evans/C. Hoffman 9-0-0). The resolution will be presented to the full Faculty Senate when it meets again on December 17, 2009.

- IV. **Approval of the Minutes** of December 1, 2009 as corrected. (C. Hoffman/A. Anderson 9-0-0)

V. Standing Committee Charges

CAAC proposal - African and African American Studies, (Afri) merger with History. Dr. Chris Olsen, Interim Chair of the History Department and T. Clark presented.

- a. The proposal is the result of a few years of discussion involving reorganization in the College of Arts & Sciences. The program has many interdisciplinary overlaps. It has always been an interdisciplinary study.
- b. Met with all faculty who teach in Afri, and all agree this is the best solution. Interdisciplinary studies have been part of their disciplines for years.
- c. S. Lamb – asked for a description of scheduling with associate faculty. Olsen - I never have been involved with scheduling. This is done in the faculty person's own department. The program committee is the body that formulates schedules (but this program does not exist yet). The Chair of African and African Studies has not been directly involved with scheduling.
- d. Share what contributed to discussion of interdisciplinary studies, why had not this route been chosen? Olsen - Afri had a much larger history as a separate department. It has a physical space. It seems to be the odd program out (different bylaws and policies). Provost - my main concern is how the program will be supported. It is an interdisciplinary program.
- e. Olsen - my main concern is in the future. After three years we could review the

program to see if it is working. My bigger concern would be that the background of a future faculty member would not be aligned with History. In the future, there may be people who have other specialties. In three years, the optimal solution may be different.

- f. Concern was express about the expediency of the proposal.
- g. Are arrangements in place for cross listing of course? Olsen – this does not address cross listing. Afri is not the only department that has cross listed courses. Provost - who is responsible for it? Olsen – it is a voluntary cooperation between departments and programs. Full time faculty may not be tenure track. Interdisciplinary programs depend on faculty and chair.
- h. There will remain some questions as to rationale of the approach; it is time to move this proposal forward.

MOTION TO APPROVE PROPOSAL: (C. MacDonald/J. Fine 7-1-1)

VI. 15 Minutes Open Discussion

- 1. University report – Financial considerations: There are many possible sources for needed funds other than the retirement incentive plan:

A. Asset Sales

- a. Land between the RR tracks and 13th street purchased in the last decade
- b. Liquid assets of the University

- i. <http://www.indstate.edu/controller/Indiana%20State%20University%20Financial%20Report%20FY08.pdf> p26-28

Issuer	Investment Type	Reported Amount
Fifth Third Bank	Certificate of deposit	\$ 10,000,000
Terre Haute First Financial Bank	Certificate of deposit	\$ 10,000,000
Irwin Union Bank	Certificate of deposit	\$ 18,145,000
Fannie Mae	Federal agency securities	\$ 5,469,231
Federal Home Loan Bank	Federal agency securities	\$ 11,414,439
Federal Home Loan Mortgage	Federal agency securities	\$ 4,876,252
Federal National Mortgage Association	Federal agency securities	\$ 5,583,135
Freddie Mac	Federal agency securities	\$ 6,105,505

B. Building changes

- a. Close both Normal Hall and Dreiser Hall moving the offices to other locations on campus and moving classes to the existing classroom buildings by extending the teaching day beyond the 10-3 when most (85% of) classes are offered (saving heat and maintenance costs).
- b. Close one (perhaps 2) of the floors in HMSU as the offices are vacant (saving janitorial at min).

C. Eliminating Duplicative or non-mission critical Administrative offices

- a. FYP can be handled within Academic Affairs by J. Boothby
- b. Center for Business Support and Economic Innovation (not mission critical)
- c. Downtown TH Inc/

- (those
- d. Center for Teaching and Learning, some positions of limited current value that once needed help in creating web-courses have gotten it).
- D. Replace football with men's soccer (or some other sport with low or zero marginal facility costs such as tennis, golf) to align numbers of opportunities for men and women.
- E. Faculty
- a. Require 12 hr loads for faculty who have no publications in 3 years thereby reducing adjunct costs.
 - b. Stop the Biology chair search until there is a clear commitment on the part of the Biology factions to work together.
 - c. Faculty travel
 - i. Freeze faculty conference travel support for conferences not already booked.
- F. Admin Travel
- a. Freeze all non-essential or non-recuped travel expense.
 - i. Require that all travelers for Jan 1, 10 to July 1, 11 demonstrate that their travel is essential to the operation of their unit or that the travels will likely result in the recouping of the travel costs in either grants or donations.

2. Guell - Two concerns: 1) Strong possibility that the Registrar will leave the University on January 4. It would be a bad thing if we can't work out issues. I don't see a current backup plan regarding the status of Registrar. Hope the absence of such a plan will impact the negotiation with the present Registrar; 2) A very angry administrator/ department chair confrontation occurred at the Mercer discussion. What I heard is a concern about no input occurred before the report was presented Can you verify this? Sheets - yes that is what I heard also. More information regarding these concerns will come forward at a later date.
3. Consultant hired to do survey on compensation. Mercer is the consultant retained back in 2007 or prior (maybe 2005). In 2003-2004 there was a compensation group and a decision then to retain Mercer for staff and EPA compensation plan to review salaries at ISU. Mercer has nothing to do with faculty compensation. Salaries needed to be reviewed to see where ISU stands on a more regional basis. The president stated that he values the Mercer study. Mercer is probably one of the top well-respected consulting firms. D. McKee will send out letters to staff soon regarding compensation. Information is presently out on website. As much information as possible will be provided. (ISU is trying to bring salaries to 80% of market minimum).
4. There is a problem with the classification system on campus. Support staff people are farther behind than EAP or faculty. At the last compensation study, greater monies were distributed to the support staff given that they were farther behind their market than were the other two groups. There are issues related to

working/generic titles. Some confusion in different employment groups is expected.

5. Concerning executive salaries/ranges - there is a different market for each one because all have different classification numbers and market salaries. Similar procedures will exist with faculty if below a certain percentage. These procedures will not solve all problems; more work will need to be done related to compensation in order to get the proper structure within each classification.

VI. Discussion Items

- a. Input for Handbook language change (suggestions)

- i. Policies did not have to be rewritten but only editorial and organizational corrections to Bylaws at this point.

- ii. S. Lamb – Suggested that EC channel editorial and organizational

corrections

through V. Sheets and that he will make sure that they are of proper caliber.

R. Guell will work together with M. Sacopulos to record changes. The suggestion was made into a motion.

MOTION APPROVED: C. Hoffman/A. Anderson 9-0-0.

- iii. C. Hoffman expressed his appreciation for V. Sheets' work on the

Handbook

reformatting.

- iv. M. Sacopulos stated that she would appreciate everyone taking a look at the Hand Book index. This is a huge task. Members received a handout showing the proposed reorganization of faculty bylaws. Completed today was the transfer table section, which will make it easier for people to transition between the old and new structures. IT section 900 is not completed yet. IT just recently developed a drop- down menu which provides context on what choices will be.

- v. Concerns/questions about privacy issues surrounding grades and SIR results. Because of privacy protections, we cannot reveal grades of individual students, but are told that faculty grade distributions are public documents. If faculty grade distributions may be posted (as public documents), why not SIRs? Do privacy protections apply only to evaluations of students? Student grades also are maintained as University "documents." If one type of document is protected, why not both (or neither)? Are SIRs public documents or personnel items? What is the legal status of faculty evaluations (SIRs, etc.), which often are considered in salary and promotion decisions? M. Sacopulos was unable to provide definitive answers, but indicated willingness to investigate further.

VII. Retirement Incentive Option – A copy of the *Proposed Transitional Retirement Incentive Plan & University Retirement Severance Plan* was distributed to members. K. Bolinger, Chair of FEBC was in attendance as an active listener to discussion.

- a. Members expressed appreciation to the administration's openness as it relates to the goals of the institution. S. Lamb, A. Anderson and V. Sheets were applauded for their dedication and hard work on behalf of all ISU faculty. The revised *Plan* appears more valid and incentives more positive. Members also expressed appreciation to the president for his willingness to review the *Plan* again.

- b. D. McKee walked everyone through the specifics of the *Plan*. It is an incentive plan that applies to EAP, faculty, and staff.
- c. A question was asked how retirement incentive packages were to be funded. We would use reserves to pay salaries from day the employee (faculty) elects to leave. Also, there would be a slow down process for rehiring. Departments may be asked to hold a particular position (new hire) for a period of time to pay for severance, but this would not apply to all positions. The president stated that he needs to have a balanced budget by July 2011. Some reserves may be needed to pay for certain things – but it is important to have base needs reduced. There is a difference between this package (if one meets the quantitative criteria, one is eligible) and Phased Retirement (an agreement which is negotiated individually and may or may not be approved.)
- d. Question about layoffs/adjuncts filling positions of people leaving against large programs. This is something that will need to be investigated further.
- e. Conversation needs to be held about the entire scope of budget costs. (ref made to NCA draft report). Although our reserves may seem excessive, these reserves are really investments. Reserves v. investments: what one is really talking about is cost flow not reserves. Discussed: Purchase of land that has no use to university, classroom/office space, high cost of travel, athletics, etc.). Do we actually have a deferred compensation package which is fully vested? President – this is a piece of the budget that takes time – so re-alignments may be needed later.
- f. Guell – Although the plan may be doing the responsible thing, will it also be doing the legal thing? Maybe faculty could sacrifice in other ways. President – the University has to move rapidly. K. Bolinger will bring this matter to FEBC immediately for input. President would like to get FEBC’s input by January 11.
- g. S. Lamb thanked President Bradley, D. McKee and M. Sacopulos for their participation. Additional discussion will be necessary.

APPROVED MOTION: (8-1-0) Hoffman and Sheets moved to send the incentive retirement issue to FEBC immediately.

VIII. Standing Committee Reports

- a. AAC – (B. Evans) her replacement on EC/FS – addressed past charges
- b. AEC – (C. Lunce) review 3 applicants – two approved, one denied. Big balance carries forward for next year.
- c. CAAC – (A. Anderson) – sub committee meeting
- d. FAC (V. Sheets) – met last Thursday.
- e. FEBC (B. Guell) – incentive plan language – appeal to provost
- f. GC – no report.
- g. SAC – (C. Hoffman) 1.0 dismissal policy response accepted by EC today. Other charges being addressed by subcommittees.
- h. URC – finish for this semester.

Meeting adjourned at 5:30 p.m.