

SAGINAW VALLEY STATE UNIVERSITY

BOARD OF CONTROL

SEPTEMBER 10, 1990

SPECIAL MEETING

INDEX OF ACTIONS

BM-791      MOTION TO APPROVE ADOPTION OF COLLECTIVE  
BARGAINING AGREEMENT WITH FACULTY ASSOCIATION  
APPROVED

2

MINUTES

BOARD OF CONTROL

SAGINAW VALLEY STATE UNIVERSITY

Special Meeting

1:30 p.m.

Board of Control Room -- Wickes Hall

September 10, 1990

Present: Curtiss  
Gilbertson  
Hornsby  
Klykylo  
Revilla  
Saltzman  
Ward  
Woods

Absent: Clark

Others

Present: G. Carrington  
B. Clark  
J. Fallon  
L. Fitzpatrick  
M. Frahm  
C. Lange  
J. Lyddon  
J. Muladore  
R. Payne  
R. Ruffin  
P. Saft  
J. Stanley  
R. Thompson  
J. Woodcock  
R. Yien  
Press (3)  
Student (1)

I. CALL TO ORDER

Chairperson Woods called the meeting to order at 1:31 p.m.

II. ACTION ITEMS

1) Board Motion to Approve Ratification of the Collective Bargaining Agreement

BM-791 Mr. Ward moved that the ratification of the Collective Bargaining Agreement with the Faculty Association be approved. Mr. Hornsby seconded the motion.

Chairperson Woods asked for discussion.

President Gilbertson stated that the Faculty Association had ratified the tentative three-year agreement at a meeting on September 6th. He distributed and reviewed a document which detailed the terms of the settlement (see Appendix One: Settlement).

President Gilbertson thanked the bargaining teams on both sides. He stated, "Again, I want to especially thank Basil Clark, David Weaver, and the members of their (Faculty Association) team for the very thoughtful and constructive way they represented not just the interests of their members, but the interests of the institution."

Dr. Gilbertson told the Board that during negotiations the teams had been operating under the premise that our Blue Cross/Blue Shield subscriber rates would be going up 5-6 percent. On September 5th (the day before the ratification meeting), Blue Cross/Blue Shield notified Mr. Larry Fitzpatrick, Director of Personnel, that our rates would be increased by approximately 28 percent. This unexpectedly large increase was precipitated by the

fact that there were several very large claims filed by University personnel (one for \$120,000; one for \$80,000; several others over \$40,000). The University is exploring ways to try to bring down the rate of increase.

Upon learning of the unexpectedly large increase, the bargaining teams met and agreed to hold the Faculty Association harmless against the increased rates, so that the amount of the University's contribution for that benefit would be increased to put the faculty back in the same place they would have been had the basic premise of the agreement (5-6 percent increase in rates) materialized. Dr. Gilbertson added, "The University -- at some considerable expense -- will take on that additional cost. With our increased enrollments this year we should be able to manage that with the budget, although again, that kind of expense deprives the institution of opportunities it would have had. However, we believe this is the right thing to do -- both in terms of fulfilling the spirit of our negotiations and the agreement, and to avoid having to go back and start from scratch, which would have been time consuming and expensive and would have needlessly protracted the negotiations."

Regarding the Professorial Merit Increases, President Gilbertson stated, "This essentially provides another rank. Following a procedure that parallels the one we currently use for faculty promotions, this will permit those who are already at the highest academic rank (Full Professor) to seek an additional increase in their compensation by voluntarily submitting to a

performance review....This would fund ten such increases per year at \$2,500 per increase. I think this is one of those instances where both the Faculty Association and the University agreed something needed to be done to provide incentives for more than half of our faculty."

Chairperson Woods asked Dr. Basil Clark, President of the Faculty Association, if he wished to comment. Dr. Clark stated, "I can certainly confirm the President's impression of the spirit of the negotiations. I should, perhaps, point out that there are features of this contract which are experimental -- that is, they are new. One of these is the provision for Professorial Merit Compensation. We have had provisions for merit awards in the contract before. However, those -- if I remember correctly -- have been at the discretion of the administration and they have been helpful, but in lesser amounts than we are talking about with this Professorial Merit provision. This proposal will require a full review process, as President Gilbertson just mentioned. There will be representation from both faculty and administration on that committee. Those who receive these awards will be rewarded a considerable amount. Some of our members, perhaps, feel differently about merit recognition than other members of the faculty. This was one issue which was discussed on the floor at the (ratification) meeting last Thursday. Those who see the matter a little differently than some of the rest of us were speaking in terms of being egalitarian -- instead of spending the money this way, to put it into the general raise for the faculty. I am

enthusiastic about the Professorial Merit approach, as were the other members of the team. The faculty as a whole seem to be willing to give it a try. It is something new, and it did elicit some discussion."

Dr. Clark continued, "There was also a question about the financial settlement. We feel that the settlement represents an acceptable settlement for a majority of the faculty and the vote suggested that. It was necessary that this be ratified by a two-thirds majority of the membership present at the meeting. However, there were presentations made at the ratification meeting to the effect that faculty compensation at Saginaw Valley is still low for institutions of its size and mission in the State -- these are perceptions people derive from various places, various lists and reports -- what have you. Some thought six percent (the increase received last time) was a desirable figure....However, we felt that the figure we settled on would be acceptable and, as it turned out, it was -- because the contract was ratified....We realize that there are other costly provisions in the contract as well. Last week I received a call from the President to alert the Faculty Association to the most recent news that had only come in that day about the increase in the health care costs, along with an invitation to discuss the matter with the administration team. This was certainly appreciated by the Association negotiating team. We made that clear at our ratification meeting. This was a costly provision and it seems as though it was handled just right. I think that whenever we talk about costs, settlements, wages, so-on,

that sort of thing has to be included also."

Dr. Clark concluded, "Yes, there are those who would like to have gotten more -- I suppose that is true, regardless. The vote on the contract was split: it was not unanimous. But we did receive our necessary two-thirds majority ratification of those present at the meeting, with a few votes to spare. Personally I think this is a good contract. I look forward to the innovative features of the contract. I would also like to say that the Association team appreciated the efforts of the University's team. We worked cordially together and I think that we did make strides toward a kind of win-win approach to negotiations."

Chairperson Woods thanked the members of both bargaining teams for their excellent work on the settlement and asked for comments from the Board.

In response to a question regarding health care costs, Mr. Jerry Woodcock, Vice President for Administration and Business Affairs, stated that insurance carriers use experience through June 30th to set rates, thereby making it difficult to ascertain insurance costs when negotiating wage settlements. Mr. Fitzpatrick told the Board that SVSU has 425 employees who are eligible for health care coverage. Approximately 255 (a relatively small group) are in the Blue Cross plan. Blue Cross pools us with other comparably sized institutions which have -- hopefully -- comparable experience. Some received the kind of increase we received: some had smaller increases. President Gilbertson noted that the situation is being studied since it is such an extraordinary

increase.

In response to a question from the Board, Dr. Crystal Lange, Dean of the College of Nursing and Allied Health Sciences and Associate Vice President for Academic Affairs, stated that the new instructional rank of "Lecturer" would call for a person who is less than Doctorate-prepared -- probably Masters-prepared -- with teaching expertise, who would teach in courses that are primarily less than 100 level (remedial types of English and entry level Math and some assistance in labs). These would be full-time positions without tenure track. The "Teaching Associate" would work in conjunction with full-time faculty and would teach at 200, 300, and 400 levels, but would teach under the supervision and guidance of full-time faculty. The "Teaching Associate" would be Masters-prepared and non-tenure track.

President Gilbertson noted that universities with significant graduate programs have certain economies they can effect by using graduate assistants and people at ranks other than the standard Assistant, Associate, and Full Professors. Teaching institutions like ours don't have those options. This is an effort to find some people who may not be as well academically trained as our full-time faculty at the Assistant, Associate, and Full Professor rank, but who have certainly more than adequate levels of preparation to teach courses at certain levels -- and in fact would do a superb job in those courses at that level.

President Gilbertson added, "This is, again, experimental, but it does open up some other options that will have some economizing



aspects, without a diminution in quality instruction."

Dr. Lange noted that these people would be in a full-time category. They are members of the departments, but they do not vote on curricular or promotion and tenure matters.

President Gilbertson stated that Year #1 of the settlement would cost an additional \$110,000 over the preliminary budget. It is expected that additional tuition revenues above those anticipated (owing to increased enrollments) will help to manage that, probably without going back into the budget and significantly altering the other allocations which have been made. He noted that there is an ongoing practice of treating administrative /professional employees equal to negotiated agreements with faculty for purposes of benefits.

Chairperson Woods asked for further comments or questions. There were none.

The motion was APPROVED unanimously.

### III. ADJOURNMENT

Chairperson Woods adjourned the meeting at 2:03 p.m.

Respectfully Submitted:

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Joyce K. Woods  
Chairperson

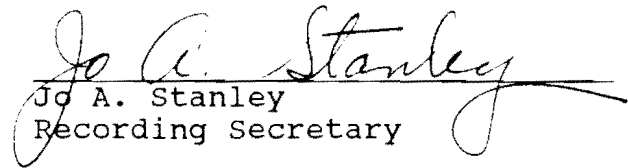
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Terry Clark  
Secretary

BOARD OF CONTROL  
Special Meeting

September 10, 1990

1990-91

  
Jo A. Stanley  
Recording Secretary

TENTATIVE SETTLEMENT -- SAGINAW VALLEY STATE UNIVERSITY  
AND FACULTY ASSOCIATION

KEY TERMS IN AGREEMENT

ECONOMIC ISSUES:

	<u>Year # 1</u>	
<u>Salaries --</u>		Cost to SVSU
Across-the-board increases (5.5)		\$330,000
Equity allocation increases		13,000
Promotion increases (est. on basis of 89-90 promotion rates)		<u>3,500</u>
Total salary increases		<u>\$346,500</u>
Increases as % of 1989-90 salary base		<u>5.78%</u>
<u>Benefits --</u>		
Health Insurance (increases maximum coverage from \$270 per month to \$366.00 maximum per month)		\$111,000
Vision/Dental Coverage increase		3,500
Employer's contribution to TIAA/CREF (retirement) and FICA (calculated on increased salary base) increases		64,000
Life and Disability Insurance increases		<u>2,500</u>
Total increase in benefits cost		<u>\$181,000</u>
Increase in benefits as % of 89-90 benefits base		<u>11.23%</u>
Total cost of increases in compensation		<u>\$527,500</u>
Compensation increases as % of 89-90 compensation base		<u>6.93%</u>

Year #2

<u>Salaries --</u>		
Across-the-board increases (5.25%)		\$333,000
Professorial Merit Increases		<u>25,000</u>
Total salary increases		<u>\$358,000</u>
Increases as % of 1990-91 salary base		<u>5.64%</u>

Benefits --

Health Insurance (increases maximum coverage from \$366.00 per month to \$383.50 per month)	\$ 26,500
Vision/Dental Coverage increases	3,500
Employer's contribution to TIAA/CREF & FICA (calculated on increased salary base) increases	67,000
Life and Disability Insurance increases	<u>2,500</u>
Total increase in benefits cost	<u>\$ 99,500</u>
Increase in benefits as % of 90-91 benefits base	<u>5.55%</u>
Total cost of increases in compensation	<u>\$457,500</u>
Compensation increases as % of 90-91 compensation base	<u>5.62%</u>

Year #3Salaries --

Across-the-board increases (5.25%)	\$352,000
Professorial Merit Increases	<u>25,000</u>
Total salary increases	<u>\$377,000</u>
Increases as % of 1991-92 salary base	<u>5.62%</u>

Benefits --

Health Insurance (increases maximum coverage from \$383.50 per month to \$403.50 per month) increases	\$ 35,000
Vision/Dental Coverage increases	3,500
Employer's contribution to TIAA/CREF & FICA (calculated on increased salary base)	70,000
Life and Disability Insurance increases	<u>2,500</u>
Total increase in benefits cost	<u>\$111,000</u>
Increase in benefits as % of 91-92 benefits base	<u>5.87%</u>
Total cost of increases in compensation	<u>\$488,000</u>
Compensation increases as % of 91-92 compensation base	<u>5.67%</u>

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Other economic implications -- Year #1

Cost (at adjunct replacement rate) of increases in release time (for Department Chairs)	1,500
Cost (in Year One) of reduced workload provision	12,500
Cost of increase in Professional Development Pool	3,000
Cost of increase in secretarial support for faculty	<u>18,600</u>
Total other costs	<u>\$ 35,600</u>
Other costs as % of faculty compensation	<u>0.47%</u>

## MAJOR POLICY PROVISIONS:

- 1) Professorial Merit Program -- provides for voluntary performance review of eligible faculty at full Professor rank, incentive of salary increase for superior performance -- faculty at this rank currently have no opportunity to improve compensation beyond across-the-board increases (Note: approximately 50% of all full-time faculty are now at this rank).
- 2) Improvements in Promotion/Tenure Process -- provides agreed weights to teaching performance (50%) and research and service activities (20-30%), standardizes forms, etc.
- 3) Instructional Initiatives Memorandum -- parties agree to support creative and innovative instructional developments, University agrees to seek support from outside General Fund, faculty involved will not be penalized if results are unsatisfactory.
- 4) Workload Relief -- provides for alternative means of compensation through workload reduction for faculty who produce excess student credit hours.
- 5) New Instructional Rank -- position of "Lecturer" and "Teaching Associate" created to assist with lower level or remedial courses -- subject to department approval.

09-06-90