

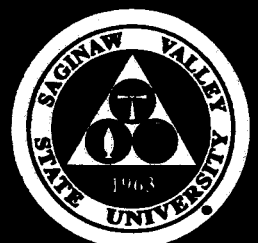
**SVSU.**

---

**BOARD OF CONTROL**

**MINUTES**

**OCTOBER 19, 2005**



**SAGINAW VALLEY STATE UNIVERSITY  
BOARD OF CONTROL  
OCTOBER 19, 2005  
SPECIAL FORMAL SESSION  
INDEX OF ACTIONS**

<b>RES-1664</b>	<b>RESOLUTION TO APPROVE SVSU FACULTY ASSOCIATION, MEA/NEA, COLLECTIVE BARGAINING AGREEMENT REJECTED .....</b>	<b>1</b>
<b>RES-1665</b>	<b>RESOLUTION TO APPROVE CONTRACT BETWEEN SAGINAW VALLEY STATE UNIVERSITY AND THE UNIVERSITY POLICE OFFICERS UNION APPROVED .....</b>	<b>3</b>
<b>BM-1028</b>	<b>MOTION TO RECESS APPROVED .....</b>	<b>4</b>
<b>BM-1029</b>	<b>MOTION TO MOVE TO INFORMAL SESSION TO DISCUSS COLLECTIVE BARGAINING AGREEMENT APPROVED .....</b>	<b>4</b>
<b>BM-1030</b>	<b>MOTION TO RECONVENE IN FORMAL SESSION APPROVED .....</b>	<b>4</b>
<b>BM-1031</b>	<b>MOTION TO RECONSIDER APPROVAL OF SVSU FACULTY ASSOCIATION, MEA/NEA, COLLECTIVE BARGAINING AGREEMENT APPROVED .....</b>	<b>5</b>
<b>BM-1032</b>	<b>MOTION TO APPROVE THE SVSU FACULTY ASSOCIATION, MEA/NEA, COLLECTIVE BARGAINING AGREEMENT APPROVED .....</b>	<b>5</b>
<b>BM-1033</b>	<b>MOTION TO ADJOURN APPROVED .....</b>	<b>5</b>

MINUTES  
BOARD OF CONTROL  
Special Formal Session  
October 19, 2005  
Board of Control Room, Third Floor Wickes Hall

Present:      Abbs  
                 Braun  
                 Gamez  
                 Gilbertson  
                 Karu  
                 Law (via conference call)  
                 Wilson  
                 Yantz

Absent:       Sedrowski

Others

Present:      L. Beuthin  
                 G. Hamilton  
                 J. Boehm  
                 J. Gushow  
                 E. Hammerbacher  
                 R. Maurovich  
                 J. Muladore  
                 C. Ramet  
                 M. Shannon  
                 J. Stanley  
                 M. Thorns  
                 R. Yien  
                 Press (1)

I. CALL TO ORDER

Chairman Yantz called the meeting to order at 11:04 a.m. with Board members Braun, Gamez, Karu, Law (via conference call), and Wilson present.

President Gilbertson noted that Trustee Abbs was expected to arrive shortly, and that the University had been advised by legal counsel that if a quorum of the Board is present in person, other members may be linked to the Board meeting and be entitled to vote by electronic medium.

Chairman Yantz recognized Professor Marcia Shannon, President of the Faculty Association, who stated that she was certainly relieved that a tentative agreement had been reached and that she would be glad to answer any questions the Board might have.

II. ACTION ITEMS

1. Resolution to Approve SVSU Faculty Association, MEA/NEA, Collective Bargaining Agreement

**RES-1664 It was moved and supported that the following resolution be adopted:**

**WHEREAS, Representatives of the Administration of Saginaw Valley State University and the SVSU Faculty Association, MEA/NEA, reached a tentative agreement to replace the 2002-2005 agreement between the University and the Association on September 30, 2005; and**

**WHEREAS, The SVSU Faculty Association, MEA/NEA, ratified the proposed agreement on October 13, 2005;**

**NOW, THEREFORE, BE IT RESOLVED, That the Board of Control does hereby approve the collective bargaining agreement between Saginaw Valley State University and the SVSU Faculty Association, MEA/NEA, covering the period from July 1, 2005 through July 1, 2008.**

Trustee Braun read the attached statement. (See Appendix One: Braun.)

President Gilbertson stated: "I very much respect Trustee Braun's position and her articulating it. Collective bargaining agreements come in bundles, as you know. They also always

contain provisions we like and provisions we don't like. I recommend the contract to you because on balance I believe it is a good contract for the faculty and for the institution. There are certainly provisions in it that I don't like. There are provisions that I suspect some of our colleagues in the Faculty Association don't like. But on balance I think it's a fair and reasonable contract. I think the institution has been able to contain its costs through this contract, as has been discussed with the Board, and for that reason I recommend it to you."

President Gilbertson noted that faculty members were previously offered the option of a Health Plus plan, not a Blue Cross plan. Approximately 60 faculty had chosen that plan under the previous contract. A total of approximately 258 faculty are covered by health insurance by the University.

Trustee Gamez asked what would happen if the Board voted against the contract.

President Gilbertson answered that in such an event the University wouldn't have an agreement and would probably have to go back to square one.

Trustee Gamez asked if this would be based just on the health care benefits issue.

President Gilbertson responded: "The agreement comes as a whole package. As I'm sure you're aware, in collective bargaining agreements there are compromises. You give and you get – so it comes as a bundle. It really can't be unbundled by either side: It has to be accepted in whole or it goes back to negotiations. I think that would be unfortunate."

Trustee Law thanked Trustee Braun for her comments and noted that he strongly supported her sentiments about the health care issue, but would vote to ratify the contract.

Chairman Yantz called for the vote.

The motion was REJECTED by a vote of four to two.

President Gilbertson stated that five positive votes are required to pass a motion. He suggested the Board recess until after Trustee Abbs arrived.

Trustee Law suggested that the Board address the resolution related to the Police Officers contract, and then return to the matter of the Faculty Association contract.

Chairman Yantz asked for a motion to discuss the resolution to approve the contract between Saginaw Valley State University and the Police Officers Union.

2. Resolution to Approve Contract Between Saginaw Valley State University and the University Police Officers Union

RES-1665     **It was moved and supported that the following resolution be adopted:**

**WHEREAS, Representatives of the Administration of Saginaw Valley State University and the University Police Officers Union reached a tentative agreement between the University and the Union on October 13, 2005; and**

**WHEREAS, The University Police Officers Union ratified the proposed agreement on October 14, 2005;**

**NOW, THEREFORE, BE IT RESOLVED, That the Board of Control does hereby approve the collective bargaining agreement between Saginaw Valley State University and the University Police Officers Union covering the period from October 19, 2005 to June 30, 2008.**

James Muladore, Vice President for Administration and Business Affairs, told the Board that the University had negotiated its first labor agreement with the University Police Officers several weeks ago. Negotiations began in January of this year. The contract includes a merit pay clause and across-the-board increases of 3% in the first year, 1.25% in the second, and 1.25% in the third year. Total compensation cost of the contract over the three years is 12.6%. SVSU's officers rank about

mid-point in terms of comparative pay to other agencies. The contract also addresses a number of working condition clauses including subcontracting, release time, and disciplinary action.

Mr. Muladore noted that the contract was fair to both the officers and the University.

Ms. Jill Gushow, Director of Staff Relations, added that the University has a very good relationship with the Police Officers, and looks forward to that continuing. She reviewed the issues of subcontracting, and layoff and recall.

The motion was APPROVED unanimously.

Chairman Yantz asked for a motion to recess.

3. Motion to Recess

BM-1028 **It was moved and supported that the Board recess.**

The motion was APPROVED unanimously.

President Gilbertson suggested that the Board move to Informal Session during the recess.

4. Motion to Move to Informal Session to Discuss the Collective Bargaining Agreement

BM-1029 **It was moved and supported that the Board move to Informal Session to discuss the collective bargaining agreement.**

The motion was APPROVED unanimously.

(Trustee Abbs joined the meeting at 11:20 a.m.)

The Board moved to Informal Session at 11:20 a.m.

5. Motion to Reconvene in Formal Session

BM-1030 **It was moved and supported that the Board reconvene in Formal Session.**

The motion was APPROVED unanimously.

The Board reconvened in Formal Session at 11:43 a.m.

6. Motion to Reconsider Resolution to Approve SVSU Faculty Association, MEA/NEA, Collective Bargaining Agreement

**BM-1031 It was moved and supported that the Board reconsider the resolution to approve the SVSU Faculty Association, MEA/NEA, Collective Bargaining Agreement.**

Trustees Braun and Gamez stated that they could not support the motion.

The motion was APPROVED by a vote of five to two.

7. Motion to Approve the SVSU Faculty Association, MEA/NEA Collective Bargaining Agreement

**BM-1032 It was moved and supported that the Board approve the SVSU Faculty Association, MEA/NEA Collective Bargaining Agreement.**

Trustee Wilson asked for a roll call vote.

Trustee Karu	yes
Trustee Wilson	yes
Trustee Abbs	yes
Trustee Braun	no
Trustee Gamez	no
Trustee Yantz	yes
Trustee Law	yes

The motion was APPROVED by a vote of five to two.

### III. INFORMATION AND DISCUSSION ITEMS

There were no Information or Discussion Items.

### IV. ADJOURNMENT



8. Motion to Adjourn

BM-1033 It was moved and supported that the meeting be adjourned.

The motion was APPROVED unanimously.

The meeting was adjourned at 11:45 a.m.

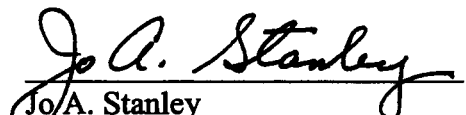
Respectfully submitted:

---

Jerome L. Yantz  
Chair

---

K.P. Karunakaran  
Secretary



---

Jo A. Stanley  
Recording Secretary  
Secretary to the Board of Control

SVSU FACULTY ASSOCIATION, MEA/NEA  
COLLECTIVE BARGAINING AGREEMENT

October 19, 2005

I have reviewed the contract with the Faculty Association and enthusiastically approve the agreement - except for one very important issue. It is because of this issue that I cannot vote in favor of this resolution

The issue I refer to addresses the health care benefits that this University so generously offers its faculty. This contract limits the University to just one provider which is the Michigan Education Special Services Association, more often referred to as MESSA. MESSA has dictated that if they can't be the sole health care provider then they simply will not participate at all. They refuse to allow any other bid -- it's their way or NO way. I find that repugnant and agreement to this condition is totally unacceptable.

When we stop to look around our University grounds and admire the beautiful transformation that's taken place in almost every corner of our campus, including the new education building, the library, Doan Center, Arbury Art Gallery, the new dormitories, and much, much more, I am reminded of how that process evolved.

The Board followed the best generally accepted practices, just like most other responsible Universities and businesses. One of those practices means that we require bids, whether for contracts with electricians, plumbers, landscapers, food service, or general contractors, and also such purchases as computers or furniture.

The fact of the matter is that for any major purchase over \$25,000.00 this Board has required the administration to solicit bids. And yet this Board is willing to spend over \$2,100,000.00 with absolutely no competitive bid whatsoever? It is shocking and unacceptable.

I realize that times change and we must change along with the times, and when I'm convinced that change is necessary, I'm more than willing to do so. As far as I know, however, seeking competitive bids in this budget-crunching world we live in, hasn't changed one whit and I'm not willing to start now. Not only would it be inadvisable, it would be totally irresponsible to do so.

The rising cost of health care is eating into school budgets like never before. Now I have nothing against MESSA. Perhaps real price competition WOULD show that the company owned by the teacher union and administering all health care claims for the teachers is offering the best deal --- but we'll never know.

Of course it does make one a bit suspicious when MESSA makes demands that eliminate all other bids. They won't even release their health claims history information that would make it easier to seek alternative bids. Interestingly enough, MESSA isn't even an insurance underwriter. It contracts out its own claims made administration to Blue Cross. Isn't it ironic that, while they, themselves, use Blue Cross, they refuse to let Blue Cross or any other provider, submit bids.

It is my understanding that a fairly large number of faculty members presently choose one of the Blue Cross programs for their health care coverage. If this resolution passes, I sincerely regret that those members will no longer have the opportunity to make the health care choices that best meet their own special needs.

I further regret that the salary increase settlement of this contract, may quite possibly be wiped out by the increase in the cost of the health care coverage they will be forced to accept.

It seems outrageous to me that the people paying for health care benefits, directly or indirectly, whether it's the taxpayers or the students through their tuition, aren't allowed to get the lowest cost possible through competitive bidding.

I take my responsibility as a Board Member very seriously, especially my fiscal responsibility, and I cannot in good conscience vote in favor of this resolution.

*Ruth A. Braun*