

Senate Council Minutes
November 17, 2003

The Senate Council met on Monday, November 17, 2003 at 3:00 pm in the Gallery of the W.T. Young Library and took the following actions:

1. Approval of the Minutes from November 3, 2003:

The noted his modification of the minutes to clarify Gesund's e-mail to the full Senate did not originate with the Senate Council. The Chair asked if there were any other corrections. Yanarella requested wording be added to the last page to reflect his comments were in response to statements made by Kennedy. Kennedy requested it be made clear he only suggested involving the media after planned discussions with the staff had been undertaken as a possible leverage tool for the future. Ms. Scott will adjust the wording of the section in question. Kaalund **moved** to approve the minutes as amended. Cibull **seconded** the motion. There were eleven votes in favor of the motion. Debski abstained. The motion **passed**.

Issue from University Senate Minutes:

The Chair told the Senate Council of a conversation with Gifford Blyton, University Senate Parliamentarian, in which Blyton informed the Chair of a motion from the floor having been erroneously accepted. The issue of Retiree Health Benefits was listed as a discussion item on the Senate agenda, which meant no formal action should have been accepted from the floor. The Chair said Blyton recommended changing the passing of the motion to a straw vote in the minutes. The Chair asked if there were any objections to doing so. Tagavi asked if the motion could be called into question after the fact. After brief discussion the Chair said he would consult with the Senate at the next meeting.

Other Issues:

The Chair gave a brief history of the past week's events regarding Retiree Health Benefits. He said that since the Senate meeting on Monday there had been a faculty forum on Tuesday, the President's e-mail was received Wednesday morning, the Staff Senate meeting was Thursday and the second faculty forum was Friday. He said the Staff Senate questioned why the forums were being presented after the Task Force's report was finalized rather than before. The Chair reported Samuel's response had been that he was requested to follow the process in this order by former Vice President Blanton. Cibull asked what action the Staff Senate had taken. Ms. Scott said they had formed an ad hoc committee of staff senators after voting on a motion of non-endorsement that mirrored the wording of the motion proposed at the University Senate meeting.

Retiree Health Benefits:

Cibull said he hoped everybody was aware other benefits might be cut if the Task Force's recommendations are not adopted. He said the budgetary shortfall would still need to be addressed and other, more crucial benefits might be cut in a way which might be more onerous to current UK employees.

Kaalund asked if upper level administrators were going to be affected by this potential change to the retirement benefits structure. Kennedy said the President is a special case. Kaalund asked if other administrators like Nietzel would be affected. He added there was no certainty that more draconian measures would be employed if this proposal is not adopted and cited the speculative nature of the projections utilized by the Task Force. Cibull responded that other, more draconian measures will be employed since health care costs continue to rise. He said the University might start utilizing a healthcare savings account and will provide fewer pharmacy benefits.

Saunier expressed her thought that the University might have to cut benefits or contribute less to benefits in the first few years after adopting the proposal since it will cost the University more in the first few years than it currently does. She suspected the money to cover that increase might be taken from sources currently used to fund healthcare benefits.

Kennedy made a comment about the sudden rise in cost to retirees at the 13 year mark. Tagavi said the rise was not sudden. Kennedy read some numbers from the Task Force's report to support his position. The Chair noticed Tagavi was discussing the affect on retirees who retire before the implementation date while Kennedy was discussion the impact on those who would have to use the notional account.

Tagavi noted the Senate Council seemed to be discussing this matter as being something other than an accounting issue. Cibull said the Task Force was no longer employing that argument. Cibull said he thought the faculty by-in would have been greater had the open forums occurred prior to the drafting of the Task Force's final report. He added the replacement of the accounting issue with another issue was likely.

Debski suggested addressing this issue first. Yanarella told Cibull the Provost had made mention of Cibull's comments regarding the need for further benchmark study at last Tuesday's breakfast.

The Chair relayed information to the Senate Council members regarding a phone call he received from the President last Tuesday afternoon. The Chair said the President seemed distraught and the Chair suspected the University's underlying financial problems might have been the source of the President's concern. Cibull suggested the President could put that issue on the table so it could be addressed by the University's in-house experts from the various on-campus business schools.

2. Supporting Rationale for proposed motion on the Task Force's Report:

Yanarella provided copies of rationale he drafted in preparation for this conversation. He said he incorporated the six or seven key arguments from last Monday's Senate meeting. He added he tried to include the arguments regarding technical issues of the report since the moralistic comments at the Senate meeting might shift much needed focus from the issues most resonant issues.

The Chair informed the Senate Council the President had been invited to the Senate Council meeting on the twenty-fourth of November. Ms. Scott said the President's office had not confirmed his availability. Cibull and Bailey suggested rearranging the meeting time to fit the President's schedule. Ms. Scott will communicate that sentiment to the President's office.

Kennedy said he had a conversation with the President in which the President articulated his doubt that the University would move forward in addressing this issue until other institutions of higher education followed suite. Cibull noted the Task Force's report had already been made and a very short time-table had been outlined, which indicates a decision would be made soon. Kennedy said the President thought it was prudent to get the Task Force moving, given the new GASB standards.

Jones wondered why the GASB rationale was being used when the issue was more directly related to the University's internal financial issues. Kennedy said he thought GASB would have an affect on the University's ability to levy bonds. Edgerton said he spoke with Myer, an agricultural economist, about this issue and learned that even though GASB is not a federal agency, it does have significant clout with insurers and other agencies of a non-federal nature. He also said he felt the conversation had been side-lined in the semantics of whether or not this is an accounting issue.

The Chair said the main issue seemed to be the need to include the funding of retiree health benefits against the University's assets on the balance sheet. Bailey and Cibull reiterated their interest in meeting with the President at his convenience. Kennedy suggested producing a solid piece of work before sitting down with the President.

Yanarella presented the various points of the rationale he drafted. The Senate Council members provided feedback and editorial suggestions. Ms. Scott will compile the suggestions and will circulate a revised version. A copy will be attached to these minutes.

The Chair then asked the Senate Council members to consider what action they wished to take for the future. Cibull made two suggestions. The first was to ask the Administration to frame the question at hand. The second suggestion was to appoint a blue ribbon committee to include faculty from appropriate disciplines to examine the question, once framed. Tagavi suggested the committee should include equal numbers of staff, faculty and administrators. Debski said the committee should focus on exploring options once the question was framed. Saunier hoped the newly framed question would make it clear if the retiree health benefit issue was pressing because of GASB or because of internal budgetary issues so the committee would know which issue to address. Cibull noted the GASB issue didn't come up during the Task Force's presentation to the Senate.

Edgerton suggested including a retiree on the proposed committee. Debski noted the appointment of a retiree would be premature if the issue was actually the budget rather than retiree benefits. Debski hoped the proposed committee would be able to create a

positive process. Tagavi asked the Chair to communicate the proposal at hand to the Chair of the Staff Senate. The Chair agreed to do so. Cibull suggested investigating the Staff Senate's progress on this matter.

The Chair asked who should be invited to next week's Senate Council meeting. Cibull said the President could bring anybody he liked, but suggested Siemer as a likely candidate. Jones asked how often the Chair was invited to the President's cabinet meeting. The Chair said he had attended once, but had not been specifically invited aside from the regular standing invitation. He reminded the Senate Council of the recent change in Chief of Staff and suggested that perhaps he should contact the new Chief of Staff to find out how to be included in the future.

Debski expressed her interest in inviting Siemer as well as the President. Tagavi noted the President might not be able to address the report of the Task Force since he has not officially received it from the Employee Benefits Committee yet. Cibull said he didn't think the President would stand on that protocol and suggested he would be willing to comment on the report. Saunier asked if the source of the President's information regarding the recent Senate meeting was known. No answer was given.

Kennedy said the meeting with the President should focus on the substance of the report. Various Senate Council members expressed their feelings about what transpired at the Senate meeting, with some members feeling it was as amicable a discussion as possible while others felt that at least some comments were inappropriate.

Other Business:

The Chair asked the Senate Council members to consider the upcoming Senate Council officer elections. He reminded the Senate Council of its request to hold the elections during the first week of December. He also asked the Senate Council if it would like to formalize a nomination process or continue using the system already in place.

Cibull asked if there was a process of ascension by which the vice chair becomes chair. The Chair said no such rule currently existed, but suggested the issue be examined in the future. Kennedy said he thought there was an assumption that Edgerton would ascend to the position of Chair.

After further conversation regarding the rules as to who was eligible to run for which officer position, Tagavi suggested the nomination process be conducted by secret ballot. Saunier asked how such a process would occur. The Chair reminded the Senate Council members that the candidates' willingness to serve must be ascertained, so knowing the potential slate of candidates in advance of the election might be beneficial. He asked if the Senate Council members wanted to know who the candidates are in advance of the election.

Tagavi said the process could be uncomfortable if a member were to publicly back the person who ended up losing the election. He added he would like to make the nomination process discreet.

Each Senate Council member who was then present expressed verbally his or her willingness to run for Chair. Only two members present, Tagavi and Yanarella, did not overtly state their disinterest in running. The Chair said he would contact Bailey by phone to let him know what transpired in his absence.

Kennedy **moved** to hold the nomination process at the next meeting with the election to follow at the subsequent meeting. Tagavi **seconded** the motion. During the ensuing discussion of the motion Debski expressed her preference to have both the nomination process and the election occur at the same meeting. The Chair called for a vote. The motion **passed** with Debski dissenting. Nominations will be made at next Monday's meeting and the nominees will have until Wednesday to verify their willingness to serve. It was then determined that the Vice Chair election would immediately follow the completion of the Chair election.

A brief discussion regarding proxy voting or absentee voting ensued. Tagavi spoke in favor of allowing only those who are present the opportunity to vote. The Chair noted there was no rule on this issue. Debski suggested a motion be made to allow all Senate Council members voting privileges, even if they can not attend. Kaalund noted absent members would not be able to vote in the vice-chair election since the slate of candidates will be decided in the meeting. He added the two members most likely affected by only allowing those present to vote will be Storm and Watt. Since dissension on the topic continued and the hour was late, Debski suggested deciding the issue at the next meeting.

The meeting adjourned at 5:16 pm.

Respectfully submitted by
Jeff Dembo, Chair

Members present: Ernie Bailey, Mike Cibull, Liz Debski, Jeff Dembo, Lee Edgerton, Davy Jones, Braphus Kaalund, Michael Kennedy, Peggy Saunier, Kaveh Tagavi and Ernie Yanarella.

Prepared by Rebecca Scott on November 19, 2003.