**Faculty ECONOMICS and Benefits Committee (FEBC)**

Minutes, Thursday Sept 8, 2011

Present: B. Guell (filling in for J. Conant as liaison from Senate Exec.), N. Corey, T. Mulkey, L. Maule, L.Phillips, D. Richards, S. Shure

Absent: R. McGiverin

1. Tabled the approval of minutes from the April 22 meeting
2. Mr. Richards will serve as chair of FEBC; Mr. Corey as Vice-Chair.
3. Meetings will be held every other Thursday at 9:30.
4. Senate Liaison Report: Mr. Guell discussed the Senate Executive Committee’s hopes for the FEBC’s “ambitious” agenda for the new academic year and clarified some of the FEBC’s new charges. Mr. Guell talked about the FEBC’s need to negotiate, delicately, its “new role” as the Faculty Economics and Benefits Committee. The FEBC should now be taking on the role the Administrative Affairs Committee played previously in maintaining an advisory role on how budgetary matters are decided upon. FEBC will be losing some of its prior advisory function on benefits to the new University Health Benefits Committee.

Mr. Guell advised FEBC members to avoid thinking that the committee has an “implied audit function” on the budget but, rather, that FEBC take a more formative role. FEBC members should, he advised, gather as much information as they can, make suggestions, but avoid being too intrusive. The goal is to develop a collaborative relationship with the President, the University Treasurer, and the Office of Business Affairs and “grow” the faculty’s role in the process. To that end, Mr. Guell suggested that FEBC be proactive and contact Diann McKee now to get a better sense of upcoming budgetary matters.

1. With regard to FEBC’s new charges, 3.4.1 and 3.4.7 in particular were discussed at length (section 3.4 of the charges is reprinted here in its entirety):

3.4 Plan an integral and formative role on budgetary matters by

3.4.1 becoming well informed of ISU’s financial status and on the broad structure of the University budget.

3.4.2 advising the Faculty Senate and Senate Executive Committee on proposals for significant changes in expenditures and revenue sources.

3.4.3 providing expert advice to the faculty leadership on budgetary and financial matters.

3.4.4 analyzing and evaluating policies on faculty compensation (salaries and benefits) and making recommendations to the Faculty Senate and to the ISU administration on such policies.

3.4.5 providing regular consultation to the Vice President for Business Affairs about on-going budgetary and financial matters as well as the development of long term budgets.

3.4.6 Examining, on behalf of the faculty, at the joint direction of the Faculty Senate Executive Committee and President, budgets of particular units or activities

3.4.7 Inform Faculty Senate about University financial matters and practices.

Mr. Richards suggested that there’s a perception that charge 3.4.1 is a discretionary rather than a permanent charge. Mr. Guell responded that, if it the collaborative process goes well this year, FEBC can move to make 3.4.1 a permanent charge. Ms. Maule suggested that FEBC add to its list of charges to make 3.4.1 a permanent charge, including necessary changes to the handbook, by the end of the year (assuming the FEBC establishes a good working relationship with Diann McKee over the year).

With regard to charge 3.4.7, Mr. Richards is responsible for reporting FEBC’s activities to the Faculty Senate. Meeting minutes are to be forwarded to Bob Guell and Patricia Kennedy.

1. Mr. Guell suggested that FEBC members begin formulating a faculty position on changes that are being discussed at the Board level to the University’s health insurance plan, specifically the amount faculty will be asked to pay for health insurance premiums. Currently, faculty pay about 20% of the total cost of all health care premiums. The President proposes that the percentage be increased to 33%, which will constitute a significant increase in monthly health insurance premiums (15-20%) to take effect in increments over the next three years. This increase is being proposed to offset the projected rise in the costs associated with maintaining the VEEBA (a pool of $75-100 million, at this point fully funded, to cover the costs of retirees who are not yet eligible for full Medicare coverage).

Mr. Richards, as FEBC chair, will contact Diann McKee to see if she is available to attend the Sept 22 meeting to provide further explanation.

1. Ms. Maule suggested that relocation assistance for new faculty be added to FEBC’s list of charges for the year.
2. Mr. Guell informed the committee that the Board passed changes to the titles of non t/tt faculty to “Instructor” “full” or “part” time. Instructors receive the same benefits package that t/tt faculty do.
3. The charge regarding flexible work alternatives was highlighted.

Meeting adjourned at 10:54

Respectfully submitted,

Lisa Phillips