

Minutes of 28 January 2008  
Circulated 28 January 2008  
Re-Circulated 15 February 2008  
Approved 18 February 2008

THE UNIVERSITY OF MICHIGAN  
SENATE ASSEMBLY MEETING  
28 JANUARY 2008

**Present:** Abdoo, Altschuler, Becker, Brock, Brown, Ensminger, Fitzgerald, Fossum, Fraser, Friedman, Frier, Frost, Garton, Geary, Gull, Hirshorn, Karni, Ketefian, Lehman, Li, Lomax, Maddock, Mahalingam, Moore, Mueggler, Navvab, Ottaviani, Potter, Powell, Queen, Riles, Rothman, Smith (chair), Stark, Thornton, Thouless, Volling, von Buelow, Wakefield, Ziff

**Requested Alternate, none available:** Graham-Bermann (LSA-Soc Sci)

**Alternates:** Koopmann (Boxer-Medicine), Highfill (Sweeney-LSA-Humanities), Zhang (Brock-Medicine)

**Absent:** Adriaens, Andjelkovic-Zochowska, Anspach, Avi-Yonah, Brophy, Carson, Currie, Denver, Dey, Eagle, Fossum, Frier, George, Green, Hesseltine, Jackson, Kabamba, Kosch, Maher, Maybaum, Mehta, Patil, Peters, Poe, Primus, Rahme, Reisch, Roe, Sabel, Samson, Sellers, Stoolman, Thompson, Tropman, Younger

#### MATERIALS DISTRIBUTED

1. Draft Senate Assembly Agenda
2. Draft minutes of the Senate Assembly meeting of 17 December 2007
3. Discussion Memorandum Concerning Joint Appointments from the SACUA Ad hoc Subcommittee on Joint Appointments (Potter, Thouless and Friedman), dated 23 January 2008 sent to Senate Assembly.
4. ["Guidelines for Joint Academic Appointments at the University of Michigan", Office of the Provost and Executive Vice President for Academic Affairs, September 2004.](#)

Chair Smith convened the meeting at 3:25 P.M. The draft agenda was approved.

#### CONSIDERATION OF MINUTES

The minutes of 19 December 2007 were approved as submitted.

#### ANNOUNCEMENTS

Chair Smith announced:

1. The next meeting of the Assembly will be on 18 February 2008. It will feature a report from the Committee on the Multicultural University. The Director of Human Resources may also make her annual presentation on benefits.
2. Negotiations over the Shared University Governance document have come to an end. The document may be brought to the Assembly in February for its consideration.

## CANDIDATES FOR SACUA

Chair Smith invited Senate Assembly members to consider volunteering their names to the Nominating Committee.

## VISIT OF VICE PRESIDENT FOR FINANCIAL AFFAIRS AND CHIEF FINANCIAL OFFICER T. SLOTTOW

The guest arrived at 3:30 P.M. Chair Smith introduced him to the faculty, and CFO Slottow delivered a presentation titled "[Debt Capacity Update. Structure, Policy, Capacity.](#)" He concluded his prepared remarks at 4:18 P.M.

A member of the Assembly asked if hospital debt is separate from rest of the UM. Vice president Slottow said that they were informally accounted differentially, but that in the final analysis they are not separated, and the UM stands behind the hospital debt. VP Slottow also pointed out that there are strong policies in place that require a business plan to service the debt whenever any debt is considered for construction of a building, for example. He stated that most of the UM debt traces to the Ann Arbor campus, and that Flint and Dearborn have very little debt.

Professor Koopmann asked where retirement obligations fit into the financial plan. VP Slottow replied that retiree liabilities are paid in cash at the rate of circa \$20 to 30 million per year.

VP Slottow pointed out that recent decreases in Federal fund rates have saved the UM substantial amounts in debt service and anticipated debt for the stadium renovation.

Professor Fraser asked whether there are any planned changes in health care benefits. VP Slottow replied that the executive officers are looking at lots of options, but that they would certainly consult with the Senate Assembly at least 6 months before anything is implemented.

A member of the Assembly suggested that in the projections presented by Slottow, the UM was getting close to its debt capacity limit. VP Slottow replied that debt was \$200 million less than capacity, but that if the capacity were exceeded, the institution's debt rating would drop, but such an eventuality may be appropriate if doing so contributes to the university mission.

The guest left the meeting at 4:25 P.M.

## POLICY ON JOINT APPOINTMENTS

Chair Smith invited Professor Potter to lead a discussion about the president's proposal to add 100 new assistant professors in multidisciplinary studies. Professor Potter called attention to distributed item 4 and outlined its major points. He asked Senate Assembly members to send their comments to SACUA by e-mail.

Professor Navvab asked about the indirect cost sharing among units on external grant applications. Professor Potter replied that it was an excellent question and should be discussed

with the provost. Professor Thouless added that the provost's office has developed a Memorandum of Understanding document that is intended to address some of the obvious ambiguities.

Professor Friedman pointed out that problems could arise if one unit ultimately votes to grant tenure but the second unit declines. He said that it was important to have an understanding articulated in advance. Professor Navvab said that such a situation could endanger an individual's benefits.

Professor Ketefian pointed out that the provost is already soliciting proposals for positions, so what influence will the Assembly have on policy. Professors Potter and Thouless responded that the policy is evolving, and that input will be beneficial in revising the policy.

#### OLD/NEW BUSINESS

There was no other business.

The meeting was adjourned at 4:45 P.M.

Respectfully submitted

John T. Lehman  
Senate Secretary

---

#### **University of Michigan Bylaws of the Board of Regents, Sec. 5.02:**

##### *Governing Bodies in Schools and Colleges*

In each school, college, or degree granting division of the University, including those at the University of Michigan-Dearborn and at the University of Michigan-Flint, the governing faculty shall be in charge of the affairs of the school, college, or division, except as delegated to the executive committee, if any, and except that in the School of Graduate Studies the governing board shall be the executive board, and in the Medical School shall be the executive faculty.

---