

THE UNIVERSITY OF MICHIGAN

SENATE ASSEMBLY

Minutes of Assembly Meeting, May 17, 1976

- ATTENDANCE Present: Professors Aupperle, Brazer, Browder, Cartwright, Christensen, Rucknagel, Crichton, Diamond, Downen, Edwards, A., Eisley, Elving, Faulkner, Gordon, Gray, Guinn, Harris, J., Harris, R., Hildebrandt, Horsley, Jones, Kachaturoff, Lands, George, Lehmann, Lindberg, Livermore, Lytle, Merte, Kelsey, Olson, Portman, Rabkin, Scott, Seger, Sherman, Soucek, Van der Voo, Votaw, Weeks, Hoch, Colburn, Williams
- Absent: Professors Adams, Angus, Baublis, Bornstein, Child, Coon, Cornell, Corpron, Cosand, Browne, DeKornfeld, Deskins, Edwards, O., Fekety, Flynn, Smith, Johnson, Kessler, Kish, Mullen, Murphey, Nesbitt, Proctor, Simonds, Stross, West, Matovinovic, Zorn
- Guest: Professor Saul Hymans
- CALL TO ORDER Chairman Williams called the meeting to order at 3:17 p.m.
- APPROVAL OF MINUTES The minutes of the Assembly meeting of April 19, 1976 were approved.
- ANNOUNCEMENTS Chairman Williams took pleasure in introducing the new members of SACUA, Professors Jones, Leary, and Livermore, who had been elected by the Assembly to three-year terms, as well as Professor Corpron, elected to replace Professor Kaplan during his period of leave. The Assembly was reminded, too, that Professor Lehmann was serving as SACUA Vice-chairman and Mrs. Downs as the committee's Administrative Associate.
- BOARD IN CONTROL OF INTERCOLLEGIATE ATHLETICS SACUA had supported the nomination of Professor Marcus Plant, by the Board in Control of Intercollegiate Athletics, for a three-year term as Michigan's Faculty Representative to the Intercollegiate Conference. A motion by Professor Lehmann to approve the nomination having been seconded, the Assembly voted unanimously in favor of the appointment.
- NOMINATIONS AND APPOINTMENTS On nomination by SACUA, and with motions having been made and seconded, the following appointments were approved unanimously by the Assembly:
- Professor Peter W. Ferran for a three-year term on the Board for Student Publications, replacing Professor Klaver;
- Professor Frithjof Bergmann for a three-year term on the Michigan Union Board of Directors, replacing Professor Wiley;
- Professor Shaw Livermore as Assembly representative to the Steering Committee of the Office of Budgets and Planning, replacing Professor Williams (who will, however, continue to serve on the committee as SACUA Chairman);
- Professors Tony Tripodi, Rose Vainstein, and Robert Marans for three-year terms on the Program Evaluation Committee, replacing Professors Jackson, Rauch, and Spivey.

COMMITTEE ON
THE ECONOMIC
STATUS OF
THE FACULTY

Professor Williams was pleased to welcome Professor Hymans, who had been invited to present a report on the activities of the Committee on the Economic Status of the Faculty. The opportunity to have served as chairman for the past two years was appreciated, Professor Hymans declared, though serving during a period when economic conditions were more benign would have helped make the job a more enjoyable one.

In any case, CESF had met as a full committee at least once, and more often twice, a month, with subcommittees, ad hoc committees, and delegations having held additional sessions. It should be noted, too, that the committee had met three times with the Regents, about seven times with President Fleming, and many more times with either or both Vice-Presidents Rhodes and Pierpont. He himself had met on numerous occasions with President Fleming and Vice-President Rhodes, Professor Hymans added. In all of this, it was suggested, the committee and the administration had, in effect, operated as competing strategists rather than as adversaries.

Proceeding to outline the major substantive matters that had occupied CESF during the past two years, Professor Hymans turned first to the financial problems of retired faculty. Primarily as the result of the committee's efforts, 35 members of the faculty (or their survivors), who retired prior to 1956, when the University entered the Social Security program, were now receiving annuity supplements averaging \$213 per month, the size of the supplement being a function of the annuitant's salary level at retirement as well as years of service. Since the administration had opted to include all retirees, faculty and staff, in the same program, 47 staff retirees or their survivors were now also receiving supplements averaging \$70 per month. Having felt the need for a retired faculty member as an ex officio member of CESF, the committee was pleased to have had Professor Norman Nelson serving in this role during the past year.

Fringe benefits had remained, as always, a continuing concern of the committee, and Professor Hymans was pleased to remind his audience that during the past month they had received from the Office of Staff Benefits an account of their respective fringe benefits. CESF had been instrumental in bringing this reporting procedure into being, and faculty could now count on receiving an updated report of this kind annually. At the same time, he added, the committee was continuing to study the feasibility of establishing a flexible fringe benefits program for the faculty. Though rapid progress was not expected in this area, involving as it does some complex legal and actuarial problems, the committee was continuing to gather data needed to arrive at an informed judgment concerning the feasibility of such a plan.

Health benefits, too, had been a focus of continuing attention, Professor Hymans informed his audience, both the periodic health examination and health insurance coverage meriting review. The committee had participated in an essential way in reviewing the report and recommendations of the committee appointed by Vice-President Rhodes to assess the operation of the Periodic Health Appraisal Unit, a topic to be treated fully in the annual report of CESF. With respect to health insurance coverage as such, Professor Hymans reported that the Blue Cross/Blue Shield premium costs, almost all of which the University bears, were likely to show a 25-30% rise. Given the increase, together with the difficulty people find in

obtaining quality primary medical care, Professor Hymans noted the growing interest in the possible availability of a Health Maintenance Organization. An ad hoc committee, organized under Professor Loomis, was actively studying the matter with the cooperation of CESF, the administration had been so informed, and, in fact, CESF had suggested that the \$250,000, which would otherwise have gone into increased University contributions for faculty Blue Cross/Blue Shield premiums, be made available to help finance start-up costs when, and if, it appears that an HMO can come into being.

Turning to the matter of faculty salaries, Professor Hymans emphasized the position constantly held by his committee, namely, that a sound faculty compensation program must take account of the realities of the marketplace. If Michigan is to continue to attract and maintain a first-rate faculty, it must take cognizance of salary levels at its peer institutions, he insisted. On this score, CESF had turned up a number of relevant facts. For one, while its relative salary position had improved over the last two years, the University was not yet back to the position it held in the mid-1960's, having lost ground in the academic marketplace from the late 1960's through the early 1970's. True, some significant gains had been achieved in the past few years, the salary levels of our Assistant and Associate Professors now ranking first among salaries in our peer institutions. On the other hand, the University had not done nearly as well in the case of full Professors, whose average salaries rank at best eighth among our top 10 or 12 peer institutions.

Given these circumstances, Professor Hymans declared, his committee had worked to persuade the administration to adopt a salary policy that recognizes not only the priority position of the faculty among job families but also the importance of closing the gap existing between senior salary levels here and at the institutions of our major competitors. Not only has CESF argued for separate salary treatment of the faculty vis-a-vis other job families, but it also urged that there be a reward system based on academic merit rather than simply across-the-board pay increases. As the result of such insistence, Professor Hymans noted, President Fleming, in announcing the compensation program for 1975-76, had stressed the importance of basing salary increases on merit while also urging Deans and Directors to give special consideration to senior faculty as a group suffering the largest relative disadvantage.

Apropos of the latter, Professor Hymans was pleased to report that the administration was earmarking \$5,000,000 of non-general funds as an endowment fund for the purpose of instituting a special program designed to reward academic merit. The plan currently under discussion was a program of University professorships under which 10-15 full Professors, selected on the basis of academic distinction, would be accorded this special title yearly and rewarded with a sizable stipend, perhaps in the neighborhood of \$25,000. While such remuneration would not close the existing gap at senior ranks, it would, Professor Hymans felt, set an important precedent. It should be noted, he hastened to add, that the University Professorship program was being undertaken in addition to whatever general compensation program is announced. Thus, while various

inequities remain to be corrected, faculty salaries did seem to be gaining their full share of attention, and, Professor Hymans was pleased to indicate, his committee continued to have access to the good ear of the administration.

In closing, Professor Hymans expressed appreciation to all who had had a hand in the undertaking--particularly the members of his committee for their conscientious service, Professors Harold Johnson, Hart Wright, and Harvey Brazer, who had been particularly helpful when he assumed the chairmanship, and the members of the staff--Betty Radcliffe and Olivia Birdsall--on whom the committee had relied heavily throughout. Professor Williams, in turn, expressed the appreciation of the Assembly to its Committee on the Economic Status of the Faculty and especially to Professor Hymans, as its chairman, for the continuing role which this group has played so effectively in protecting the interests of the faculty in a central area of concern.

The meeting having been opened to discussion, Professor Gordon sought clarification concerning the amount of the stipend associated with a University Professorship. The \$25,000 figure, Professor Hymans explained, was approximately a year's pay, though it should be understood that the stipend was in addition to one's regular salary and would not be considered part of the departmental salary budget. Professor Brazer wondered, therefore, whether such stipends might be considered gifts or prizes for tax purposes. Not very likely, Professor Hymans felt. The possibility had been raised with Vice-President Rhodes, but his consultants doubted that such would be feasible.

On another front Professor Jones remained concerned about a disparity among job families that placed faculty at a disadvantage. It should be remembered, he pointed out, that the amount allotted to faculty compensation needed to cover promotions as well as merit increases in a period when retirements and junior appointments are at a minimum. Some of the tables issued by CESF could therefore be misleading, he cautioned. Further, since several staff groups were organized and could therefore bring pressure to bear when compensation levels were determined, the faculty might well get short shrift. The administration had faced the situation candidly, Professor Hymans insisted. The basic issue remained one of insuring, on the one hand, that no invidious distinctions are drawn among job families and that, on the other, the criterion for determining faculty compensation levels remain that of salaries in peer institutions. While Professor Jones recalled the desire of some of his colleagues for collective bargaining as a way of insuring their rightful share of compensation, Professor Hymans found comfort in the fact that the University Professorships program represented a good omen.

Reacting to quite another aspect of the foregoing presentation, Professor Hildebrandt wondered whether options would be available, should the Loomis committee achieve a viable solution approved by the Regents. Professor Hymans had no doubt on this account, since the committee was working in close cooperation with the administration and since, in fact, an employer is legally required to offer an appropriate option where an HMO is available in the local community.

Returning to the question of compensation, Professor Elving reminded the Assembly that what helps recruit and maintain a leading faculty is not only compensation level as such but also the adequacy of facilities vital to research and scholarship--libraries, laboratories, and support personnel. The University has lagged behind in this area, he pointed out. Indeed, it has lost some good people not because of its compensation program but because of inadequate facilities. Chairman Williams noted in this connection that, in addressing the Assembly, President Fleming had in fact expressed regret over the same situation. The latter is, indeed, a matter for concern, Professor Hymans agreed, not only to his committee but to the Budget Priorities Committee as well. Funds available at any time can be devoted to salaries and/or less tangible benefits (among them the facilities in question); the tradeoff between the two involves some critical decisions on which the voice of the faculty is sought. One should remember, however, Professor Rabkin cautioned, that the faculty does not necessarily speak with one voice. To a well paid Professor, for example, secretarial needs might not be paramount; his junior colleague, who desperately needs his manuscripts typed, has quite other priorities.

Thanking Professor Hymans again for his presentation, Chairman Williams hoped the gratitude of the Assembly would be conveyed to the members of the Committee on the Economic Status of the Faculty for their dedicated service in an area of obvious interest to the faculty.

EPILOGUE

One would do well, Professor Weeks exhorted his colleagues, to reflect on the significance of something he had observed on the present occasion, namely, that one-third of the Assembly members present were women and that one-third of the observers were also women. That their presence was now much more in evidence than in former years might serve as a fitting footnote to history, possibly leading one to conclude that women are, indeed, more concerned than are men and that perhaps faculty electing them are better served than are those electing their male colleagues.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:07 p.m.

Erasmus L. Hoch
Secretary

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