

Minutes of 6 February 2006
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THE UNIVERSITY OF MICHIGAN
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MINUTES OF THE SACUA MEETING OF 6 FEBRUARY 2006

Present: Combi, Gull, Lehman, Meerkov, Seabury, Smith, Younker, Zorn; Schneider

Absent: Giordani

Guests: R. Lomax

MATERIALS DISTRIBUTED:

1. Draft Agenda
2. Draft minutes of 30 January 2006
3. "Socratic guidance for faculty grievances," by Eugene McCormack. *The Chronicle for Higher Education*, 3 Feb 2006.
4. "Black students file discrimination complaint against U. of Michigan at Ann Arbor," by Eric Hoover. *The Chronicle for Higher Education*, 6 Feb 2006.
5. Electronic mail exchanges regarding General Counsel Advisory Committee meeting scheduled for 8 February 2006
6. [Rules of the University Senate, the Senate Assembly and the Senate Advisory Committee on University Affairs](#), dated April 1997.
7. Voted Actions of SACUA, updated 31 January 2006
8. SACUA/Senate Assembly Planning Schedule, updated 6 February 2006
9. Proposal to SACUA for the University of Michigan Weekend School for Low Income Gifted Children (UMWS), undated

Vice-Chair Gull convened the meeting at 2:05 P.M.; the draft agenda was approved.

CONSIDERATION OF MINUTES

The minutes of 30 January were approved as submitted.

ANNOUNCEMENTS/UPDATES

Professor Gull announced

1. Distributed items 3 and 4 are provided for information; no action is proposed.
2. Three faculty grievances are now active.
3. Information is being sought (distributed item 5) about practices for follow-up regarding outcomes of GRB recommendations at a time three months after they were issued. This

topic is in addition to SACUA's planned review and potential revision of the grievance policy and practices. Professor Smith will report next week on developments at the upcoming meeting of the General Counsel Advisory Committee.

ACTION OF SACUA 020606-1 Professor Lehman moved that the election of SACUA chair and vice chair shall occur according to the Rules of the Senate, Senate Assembly, and SACUA subsequent to the election of new SACUA members in March (Seabury seconded).

Discussion- Professor Lehman cited distributed item 6 as stating: "This election shall take place in the Winter term, not later than the final SACUA meeting in April." Members discussed the merits of the timing for officer elections. On the one hand, early elections allow chairs to arrange teaching responsibilities because one-half of their salaries are paid directly from the office of the provost. On the other hand, basic democratic principles suggest that a group should elect its own chair, and later elections could allow the new year-class of SACUA members to participate in the choice.

Vote on the Active Motion- Number Approving- 5 Number Disapproving - 0 Number Abstaining- 1

COMMITTEE LIAISON REPORTS

Development- Professor Younker said there had been an informative meeting about sources of funding other than the state.

Pharmacy Benefits Oversight Committee- Professor Smith reported that he has been welcomed to the committee and invited to its next meeting.

Tenure Probationary Period Data Review- Professor Smith reported that he and Mr. Lee met with members of the provost's staff and with an HR data manager on Friday. He said that the data manager does not think there will be any significant changes in the basic data set.

Professor Zorn joined the meeting at 2:50 P.M.

VISIT OF BUDGET STUDY CHAIR R. LOMAX

Professor Lomax joined the meeting at 2:50 P.M. He reported that the BSC had been trying for more than a year to obtain data about CareMark, but now the U-M administration has changed the pharmacy benefits manager. In particular, he said, the committee is trying to learn more about rebates from the PBM to the U-M and what happens to the money. Paybacks from the PBM to the U-M are derived from drug co-pays by employees and retirees. The payments evidently exceed \$1 million. He said it appears that the rebates are passed in some measure to departments, but that it is not clear that the funds are used to reduce drug costs to the people who paid the co-pays. Professor Smith pointed out that the practice could create a motive to select drugs for formulary lists that yield the biggest kickback rather than being the safest or with least side effects.

Professor Lehman asked whether the necessary information could be obtained from university audits. Professor Lomax replied that the audit reports so far obtained by the BSC contain highly aggregated categories which do not resolve to the level of the rebates. Professor Seabury expressed concern that millions of dollars were involved, but that tracking them lacked transparency. Professor Younker said that accountability should be especially important considering the source of the money and the fact that they are labeled “rebates.”

Professor Lomax said that the BSC now proposes to review the costs and funding support for instruction at the U-M. He remarked that the loss of Ms. Mandeville from the Senate Office has been deeply felt by the committee, and the lack of someone with her research skill has hampered their activities.

Professor Meerkov remarked that during the past 10 years, his observation has been that the rate of growth of salaries to executive officers and deans has outpaced those of the regular faculty. Professor Smith responded that the published data are incomplete and do not include supplemental payments to the administrators. Professor Meerkov said that he understood that, but that an analysis could still be done using whatever is publicly known. He asked if any of the Assembly committees would be appropriate for the task. Professor Smith suggested that the CESF would be appropriate. Professor Seabury pointed out that a data archive may be found in the *Ann Arbor News* dating back to the 1980s from November of each year.

Professor Lomax reported that BSC analyses so far indicate that the U-M currently holds net assets of about \$11 billion with listed liabilities of about \$2 billion. He said the liabilities include bonds and payments for buildings; they will be identified more fully in the pending BSC report. He noted further that within 2 years the U-M will be required by law to include unfunded future health care benefits among its listed liabilities.

Professor Lehman asked what SACUA could do to help further the work of the committee. Professor Lomax replied that the committee needs specialized staff support for research from the Senate Office.

The guest left the meeting at 3:20 P.M.

WEEK-END SCHOOL FOR MATH AND SCIENCE

Professor Meerkov called attention to distributed item 9. He said that by making this proposal he was seeking to create a free school for children with evidence of intellectual ability plus family income below a threshold. He suggested that the school should be run by faculty governance, with teaching done by faculty. He said that he has already enlisted several faculty colleagues who are willing to donate their talent and time during weekends over the academic year. He said he envisioned the program as serving a small number of high school students at first, pending experience. He said that his objective was to produce graduates who would go on to the U-M or other fine schools such as Harvard or MIT.

Professor Smith commented that there was a precedent for such a program from a number of years ago. He said that Professor Evans from the Department of Chemistry had pioneered an intensive program for motivated but disadvantaged high school students. He said the object was

to produce academic professionals. He cited resulting high school graduation rates of 95%, college graduation rates of 85%, and said that most went on to postgraduate work. Unfortunately, he said, the U-M administration withdrew funding from the program and it ceased. Professor Gull inquired about funding and space needs for the program Professor Meerkov envisioned. Meerkov replied that funding needs should be minimal; he suggested that faculty could count their participation against expected participation in committee work. He said that a U-M budget source would have to contribute funds for travel. He added that ample space currently stands unused over weekends.

ACTION OF SACUA 020606-2 Professor Lehman moved that SACUA authorizes establishment of a Weekend School Committee (WSC) as a working group charged (1) with developing a plan for a weekend school for motivated and intellectually able low income children in math and the sciences, and (2) with presenting the proposal to the Senate Assembly (Smith seconded).

Vote on the Active Motion: Number approving - unanimous

ACTION OF SACUA 020606-3 Professor Smith moved that that Professor Meerkov is named chair of the WSC and is charged (1) with developing nominations for membership on the committee, and (2) with reporting back to SACUA at the earliest convenience (multiple seconds).

Vote on the Active Motion: Number approving- 6 Opposing - 0 Abstaining - 1

FACULTY FUND FOR UNDERGRADUATE MERIT SCHOLARSHIPS

Professor Meerkov stated that he plans to develop a proposal on this topic in greater detail for a future meeting. Further discussion of the agenda item was postponed.

TERM OF SACUA CHAIR The topic was postponed.

The meeting adjourned at 4:10 P.M.

Respectfully submitted,

John 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.

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