

JOURNAL OF THE FACULTY SENATE

The University of Oklahoma (Norman campus)

Regular session – September 12, 2011 – 3:30 p.m. – Jacobson Faculty Hall 102

office: Jacobson Faculty Hall 206 phone: 325-6789

e-mail: facsen@ou.edu web site: <http://www.ou.edu/admin/facsen/>

The Faculty Senate was called to order by Professor Georgia Kosmopoulou, Chair.

PRESENT: Adams, Apanasov, Ayres, Baer, Bembem, Bergey, Buckley, Burns, Cox-Fuenzalida, Devegowda, Fagg, Grady, Gramoll, Hahn, Jean-Marie, Keresztesi, Klein, Kosmopoulou, Loon, Marsh-Matthews, McPherson, Minter, Morrissey, Morvant, Moses, Moxley, Natale, Nelson, A. Palmer, G. Palmer, Ransom, Soreghan, Stock, Stoltenberg, Taylor, Vehik, Verma, Williams, Zhang

Provost's office representative: Mergler

Graduate College liaison: Griffith

ISA representatives: Cook, Crawford, Hough

ABSENT: Chang, Chapple, Chiodo, Kimball, Leseney, Park, Tabb, Wydra, Xiao, Zhu

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APPROVAL OF JOURNAL

The Faculty Senate Journal for the regular session of May 9, 2011 was approved.

ANNOUNCEMENTS

A list of the Faculty Senate members is [attached](#). The new members were introduced at the meeting.

The regular meetings of the Faculty Senate for 2011-12 will be held at 3:30 p.m. on the following Mondays in Jacobson Faculty Hall 102: September 12, October 10, November 14, December 12, January 23, February 13, March 12, April 9, and

May 7.

The Senate Executive Committee elected Prof. W. Murray Tabb (Law) as parliamentarian of the Faculty Senate and Regular Faculty.

The compilation of the 2010-11 annual reports of University councils was e-mailed July 28 to the Faculty Senate members and to chairs, directors and deans to make available to the general faculty. The reports are available online at <http://www.ou.edu/admin/facsen/cnclrep11.htm>.

The 2011-12 list of faculty appointments to committees is available on the Faculty Senate web site at <http://www.ou.edu/admin/facsen/commem11.htm>.

Summary record of the disposition by the administration of Faculty Senate actions for September 2010 to August 2011:

	Date of Senate meeting	Item*	Origin	Disposition by administration; Date
1	10-11-10	Faculty appointments to councils/committees	Faculty Senate	Appointed; 10-15-10
2	10-11-10	Academic integrity policy	Provost office	Welcomed and encouraged dialog; 10-15-10
3	2-14-11	Resolution, Roth contribution option for 403(b) and 457(b)	Faculty Welfare Comm.	RPMC agreed to incorporate, 3 21-11
4	3-21-11	Resolution of sympathy, Regent Larry Wade	Faculty Senate	Thanked; 4-1-11
5	4-11-11	Student Enrollment Changes (withdrawals)	Graduation & Retention Task Force, Academic Regulations Comm.	Approved; 4-15-11
6	4-11-11	Honors Council dissolution	Honors Council	Approved; 4-15-11
7	5-9-11	Resolution, wellness	Faculty Welfare Comm.	Approved; 5-11-11
8	5-9-11	Faculty appointments to councils/committees	Faculty Senate	Appointed; 5-26-11

*Full text of recommendation can be found in Faculty Senate Journal for date indicated at left

The Faculty Senate is sad to report the deaths of retired faculty members Walter Dillard (Zoology) on May 7, Dan Gibbens (Law) on June 5, Mel Tolson (Modern Languages, Lit., & Ling.) on July 31, and David Whitney (Sociology) on July 31.

The Faculty Senate nominated two faculty members for the faculty-at-large position on the Library dean search committee. From the nominations, the administration selected Prof. Cecelia Brown (Library & Information Studies) to serve. The search committee will be chaired by Provost Nancy Mergler.

Faculty members who like to sing are invited to join the OU Choral Union, an ensemble for faculty, staff, and community members. Rehearsals usually are in the evenings. An information meeting will be held Tuesday, September 13, at 7:00 p.m. in Catlett Music Center, room 128. For further information, contact Steve Rice at sing@ou.edu or 325-3993 or visit <http://choirs.ou.edu/>.

Students 8th grade and under are invited to join the OU Sooner Kids Club. By joining this exclusive club they can receive the following benefits: FREE admission to select OU Athletic events, Official Membership Package (includes Sooner Kids Club t-shirt, membership credential, and OU themed gifts), monthly SKC updates via e-mail, free gifts when attending selected events, free admission to the Spring Football Game, birthday cards from Boomer and Sooner, the opportunity to meet OU student-athletes and coaches, and early admission to "Meet the Sooners Day." Membership is \$30 per child (each additional child is \$25) for July 1, 2011 through June 1, 2012. For further information, contact the OU Athletics Department at 325-6353 or e-mail soonerkidsclub@ou.edu.

STATE OF THE UNIVERSITY ADDRESS BY PRESIDENT DAVID BOREN

Prof. Kosmopoulou thanked President Boren for making possible the renovation of the Faculty Senate meeting room (Jacobson 102), which includes videoconferencing equipment.

President Boren said he thinks these are the best of times and the most challenging of times. We have achieved a high point in terms of intellectual vitality on campus. Last year, we reached the Carnegie Foundation's highest tier of research activity, which has been a goal for a long time. The number of national and international awards and recognitions received by our faculty this last year was extraordinary. On the student side, the average ACT for incoming freshmen is slightly above 26 for the first time in OU history, while we were having the largest freshman enrollment—over 4,000 students. We have strengthened our lead in the total number of national merit scholars and are number one among public universities in the country in terms of the National Merit Scholars enrolled. We are feeling greater intellectual vitality because of the percentage of students who are studying abroad. Nationally, only 1-2 percent of college students study abroad, and five percent take a language. This year, around 25 percent of OU's students will have a study abroad experience during their OU career. That number has been growing about 16 percent each year. Within 5-6 years, we will approach 50 percent. The Honors College continues to expand its book clubs and is spreading beyond the boundaries of the Honors College. Some of our new studies programs and institutes have been putting on interesting events, seminars and public forums, which increase the intellectual vitality on campus. The awards won by our students have been incredible. We just announced our 28th Rhodes Scholar. This has been a high water mark for OU in terms of the quality of the faculty and the student body, together with an excellent supporting staff. President Boren's goal is to keep that kind of momentum moving forward.

In terms of challenges, we have absorbed almost \$100 million over the last three years in cuts by the state of Oklahoma and fixed cost increases that were not covered. The fact that we have been able to move forward is really incredible. He said, "My thanks go to you, because without the extra effort to squeeze out more and to do more with less, we certainly could not have made the progress we have made." He said in spite of the cutbacks, we provided compensation increases in the three percent area. There comes a time, however, when we really cannot keep squeezing out more with fewer resources.

Referring to charts he distributed at the meeting (available from the Faculty Senate office), President Boren said public higher education across the country is in a fight for its survival. Only seven percent of Virginia's budget comes from the state. Our percentage of the budget coming from the state has declined consistently. State appropriations were 31.3 percent in FY95 and now are 18 percent in FY12. Tuition and fees have gone from 16.2 percent of the budget in 1995 to 27.6 percent now (\$44.3 million to \$224.5 million). It is almost a direct shift from state appropriations to student tuition and fees as a percentage of our budget. This shift is causing us to decline internationally in the percentage of this age group that is going to college. In eight years the U.S. has gone from first to twelfth. If we are going to maintain our position in the world, we must be the best educated and trained. If we are reducing access to that population, we are doing tremendous damage to the future of this country. We have had some increase in Grants & Contracts -- from \$46.6 million to \$140.1 million -- at a time when federal funding of research has fallen. Other E&G (private gifts) went from \$20 million in FY95 to \$70 million in FY12. State appropriations as a percentage of the total budget were 38.6 percent in FY85 and have fallen to 18 percent now. That really tells what is happening in terms of the disinvestment in public higher education. At what point are you no longer a public university? Our Health Sciences Center is down to 11.7 percent, and the medical school has only 8 percent coming from the state. This should be of tremendous concern to all of us. One of the great things is that a lot of dollars that came in privately were for scholarships. That has helped our students cope with increasing costs for tuition and fees, but many of the best and brightest are being pushed out before they receive their college degrees. Public higher education has always been far more affordable than private higher education. What happens when public universities become private universities all across this country? It will have a dramatic impact on opportunities for the next generation.

Budgeted administrative overhead costs, which are figures kept by the state regents, have been cut in half since 1994. Annual giving as of June 30 was \$144.1 million. In the 1980s we were averaging about \$15 million per year. We have been able to keep the momentum going through the additional work by the faculty and staff, research overhead reimbursement, and increases in private gifts. That is not a sustainable solution. Over the last 17 years, \$1.6 billion has been given to this University in private donations. President Boren said, "Think where we would be in terms of the quality of our programs had it not been for the generosity of the supporters of this University." Overall, most donors allow the University to use the funds for our central academic mission. Permanent endowment funds are above \$1.2 billion. Endowed chairs and professorships continue to grow. We still have approximately \$100 million in donations for endowed chairs waiting to be matched by the state. We continue to hold up in total library volumes and expenditures in the digital areas of our library. We had the largest jump ever in graduation rates. Now we are at 67 percent, which is high for a public University, but we want to keep moving. We made dramatic improvement over the last five years in the student-faculty ratio; for this fall it is still below 17. Faculty salaries and benefits, adjusted for cost of living, rank fourth in the Big 12. Compensation remains very important. If we are going to attract and keep quality faculty, we have to keep doing our best to get increased appropriations. Revenue collections

for the state are going up. There is every reason to believe the legislature will give priority to funding higher education and common education. We cannot have quality higher education without quality common education. The hope is for modest increases in appropriations this year. OU is 12th in terms of nonresident tuition and fees and 11th in resident tuition and fees in the Big 12. The system of public higher education in the country is the biggest overall, overarching challenge we face. OU's growth in research not only helps our budget but has a huge impact on the economy of the state. In central Oklahoma, in university biomedical research alone, 40,000 new jobs were created directly and indirectly over the last 20 years, according to the state Chamber of Commerce. People who are doing research are advancing knowledge, bringing their results with excitement into the classroom, and providing an enormous economic benefit to the state. Even undergraduates are actively involved in research projects with members of the faculty. Unfortunately, in some states, faculty members are punished for using their time in research activities. President Boren said he hopes we can turn this around and begin to make progress.

The president commended the Faculty Senate for bringing to his attention the issue of smoking on campus. He said there seems to be an increase in cigarette butts on campus. It is not only unsightly but expensive. In an email, Mr. Allen King, Landscape director, wrote that the University is now paying \$156,000 a year for cleaning up litter; \$45,000 directly related to cleaning up cigarette butts. In terms of wellness, smoking is a serious problem. It is the largest preventable cause of disease, disability, and death in this country. One out of five deaths last year was attributable to cigarette smoking. A report on CNN indicated that 600 more campuses across American have gone tobacco free in the last three years. Public understanding of the health issues has increased. It is time for us to take action. His intention is to appoint a committee with representation from faculty, staff, and students to make recommendations on implementing a policy to move us to a tobacco-free campus. The policy would go into effect the first day of next semester. The cigarette butts around campus are shocking aesthetically and financially. Our Health Sciences Center already is a tobacco free environment. He said he would appreciate the Faculty Senate's help and support in how to implement the changes.

In closing, President Boren noted that these are challenging times, not only for us, but for the future of our country if we do not continue to provide access to quality higher education. We will do lasting damage to this country if we undercut the opportunities for the next generation. OU has been able to maintain its courses and not cut back significantly on course offerings or lay off faculty. Any shrinkage in staff has been through attrition. He said he knows how much the faculty energy is directly responsible for the increase in intellectual vitality on campus.

Prof. Burns asked whether state revenues had bottomed out. President Boren replied that state revenues have increased close to 20 percent over last year. Oil and gas still play a very great role in the state economy. Even \$85 oil is bringing in additional state revenues. The first obligation is to get the budget balanced before further revenue changes are considered. We are \$100 million below our benchmark of four years ago. We cannot continue to have cuts without sacrificing both quality and access for our students. He said he was guardedly optimistic about the revenue figures.

Mr. Chase Cook, managing editor of *The Oklahoma Daily*, asked whether the conference realignment would have any effect on the issues the president had mentioned. President Boren said he did not think it would cause any difference. The tuition law says we cannot be above the average of the Big 12. It is what the Big 12 was when the statute was written, which included Nebraska, Colorado, and Texas A&M. He said he would not ask our legislature to change what we use as a comparative group. The states around us have similar costs of living, per capita income, and so on. It makes sense, for the purpose of tuition and fees, to be a bargain in our own region. Mr. Cook asked whether legislators might advocate for a different comparative group to bring in higher tuition since they have cut out budget. President Boren answered that he would not think the legislators would take it out on our students. Over half of the college graduates in the state are from OU and OSU. The two schools have the same approach to this question. OU will not go one way and OSU another. We have been fortunate that the University's academic budget continues to receive \$3-4 million a year from the athletics department. Football season ticket holders pay an academic surcharge. While we face these challenges, it has been one incredible year. Prof. Kosmopoulou pointed out that the Faculty Senate executive committee has open communication with the president. She encouraged the senators to bring issues, and the committee could discuss them with President Boren. President Boren urged the senators to pass along any concerns.

UNITED WAY

Mr. Daniel Pullin, vice president for Strategic Planning and Economic Development and co-chair of OU's United Way campaign, said he was aware that the faculty had been very active in the past in supporting the campaign. He said he appreciated everyone's past contributions. United Way kicked off September 9 with a Walk-a-Thon and concludes November 11 with a chili cook-off. The goal this year is \$215,000. Additional information will be sent by way of the divisions and

departments.

BENEFITS

Human Resources Director Julius Hilburn said he would update the senate on the group insurance renewal for 2012, retiree medical, changes that have occurred with the Oklahoma Teachers Retirement System (OTRS), and the transition to a consolidated program for our defined contribution plans managed by Fidelity (slides available from the Faculty Senate office).

The health insurance renewal for 2012 is very favorable. Our contract with Blue Cross Blue Shield (BCBS) was through this year. We chose to negotiate with BCBS rather than go to the market place. With a combination of good experience plus some modest changes in the plan, the premium for the PPO will go down about two percent. The good experience results from our employees being thoughtful consumers of health care and the benefits from our wellness initiatives. The HMO is going up one percent and will now be more expensive than the PPO option. Usually the annual increase is in the 7-10 percent range. There will be no change in the premiums for the Community Care HMO on the Tulsa campus. Currently, two-thirds of our employees are in the PPO and one-third are in the HMO. A couple of plan design changes will occur in 2012. In the PPO, BCBS will introduce a point of service option in which employees can elect to use a new, smaller network and receive an enhanced benefit. Many employees will be able to use the same providers and have lower co-pays and deductibles. The prescription drug benefit will be standardized for the PPO and HMO. The fee for generic drugs will be reduced from \$15 to \$10. Because the HMO has the most generous benefits, some changes were made in order to keep the rate increase to one percent. The HMO will have a \$300 deductible, and the co-pay on expensive imaging procedures will increase from \$35 to \$100. Because the premiums for the HMO will be more expensive than the PPO and the plan design will be changed, it will be important to communicate the differences in the options so that employees will make decisions based on what makes the most sense for them, not just on premiums. The premiums for dental will go up six percent, vision will go down five percent, long-term disability will be reduced up to 50 percent, and supplemental life and long-term care will not change. The annual enrollment period will be the end of October and beginning of November.

The reason the retiree medical plan is being reviewed is from 2008 to 2010, retiree medical costs increased from \$6.3 million to \$9.2 million, and the number of retirees increased 16 percent, from 1767 to 2056 retirees. We have to pay attention to our spending in all areas because we are getting less public support and the credit rating agencies look at our ability to pay for our post-retirement benefit obligation. In 2008 President Boren appointed a committee that issued a report in fall 2009. The recommendations were thoughtful but complex, and there were sharp distinctions in what was being borne by certain groups of employees. Based on the feedback from the campus community, Human Resources and OU's benefit consultants modified the original proposal to make it simpler, spread the impact more evenly, and make moderate changes that affect a broad number of people rather than significant changes that impact only a few. There were seven unique groups in the original report. The proposal is to have two groups, those who become eligible to retire before December 31, 2014 and those become eligible after that date. The only difference is the second group would pay part of the premium once they retire, and the premium would be based on age and length of OU service. A guiding principle has been to shield those who have retired or are close to retirement from significant change but introduce a change for those who have time to prepare. Pre-65 retirees have the same medical plan as current employees. At age 65 Medicare becomes the primary insurer for retirees, and the OU plan supplements the Medicare coverage. Currently OU pays anything that Medicare does not pay. It is a very expensive plan for the University to support. Human Resources (HR) is proposing some modest changes as of January 1, 2013: introduce a \$300 deductible, reduce the out-of-pocket maximum from \$3000 to \$1500, and change to the exclusion method of coordinating with Medicare. With the exclusion method, after Medicare pays, OU would apply its plan provisions, currently 80 percent, to the balance. This method pays better than what the committee recommended (carve-out method). Retirees would have a one-time opt-out option if other coverage was available. Mr. Hilburn has made presentations to the retiree associations for the Norman campus and Health Sciences Center, and they had record attendance at both meetings. President Boren has encouraged HR to share this alternate proposal with the campus community and solicit feedback. Over the next couple of months, HR will have town hall meetings to try to refine the proposal and then make a recommendation to President Boren by the end of the year.

Prof. Kosmopoulou clarified that the out-of-pocket maximum for retirees has to do with the original recommendation, not the current plan, because now everything is paid. Mr. Hilburn said that was correct. Prof. Kosmopoulou asked for information on the age and service table that will be used to calculate the amount people will pay on a monthly basis. Mr. Hilburn said he did not bring the matrix with him but it is the same as the one in the original recommendation. The longer the OU service and the later the employee starts participating in the retiree medical benefit, the more subsidy the University will provide.

One issue that will bear some discussion is whether December 31, 2014 is the right date to make the cut off. Participation will be based on when employees become eligible to retire, not when they leave the University. The University does not want to do anything that will motivate employees to leave by a certain date.

Prof. Apanasov noted that these recommendations were quite different from the committee's recommendations. He asked whether Mr. Hilburn expected to work with the committee to make adjustments. Mr. Hilburn said he did not plan to re-establish the committee. The committee met over three years and ended with a thoughtful set of recommendations but difficult to implement. He said we are trying to satisfy the motivations of the committee with a much simpler recommendation. The revised proposal will be taken directly to employees and to the Employment Benefits Committee and Faculty Welfare Committee, and their feedback will be used to refine the final proposal. Prof. Apanasov said he thought it was more effective to work with a committee that could look at details, get feedback from the community, and be a voice of the whole community. Mr. Hilburn said he was not averse to sharing with the original committee, but this issue has been studied for 3-4 years, the HR staff believes it understands the issues and options well, and we need to move on.

The legislature made some changes this year to the Oklahoma Teachers Retirement System (OTRS) because public pension plans in Oklahoma are underfunded. Effective for people who join OTRS on or after November 1, normal retirement age increases from 62 to 65, and the age for drawing early reduced retirement increases from 55 to 60. Hourly employees, who are not mandated to make an immediate decision about whether to join OTRS, are being notified that if they want to join OTRS, they should understand the benefit of joining by November 1. Employees who are over age 45 when hired must make an irrevocable election within 90 days of employment as to whether they want to be in the Optional Retirement Plan or OTRS. The 600 employees who never made an election have been notified that they must do so by October 11, or they will be put in OTRS. OTRS provides a great option, but it requires a contribution by employees.

Mr. Nick Kelly, HR Assistant Director, discussed the transition to Fidelity Investments as the record keeper for our defined contribution plans. HR has had meetings in more than 90 departments across all three campuses. About 2000 employees have met individually with Fidelity representatives. The deadline to make decisions is October 26, and the migration to Fidelity is effective November 1. The transition guide explains whether account balances can stay where they are or need to be transferred depending on the investment company. Going forward, employees need to make choices on where their new investments will go. A lot of information is on the HR web site, and Fidelity representatives are on campus to meet with employees. Prof. Apanasov noted that the Fidelity target date retirement fund is the default choice. If someone is near retirement age but plans to work longer, his/her assets will be put into an option he/she may not want. Mr. Kelly explained that HR will do all it can to communicate to people that they need to make a choice. Target date retirement funds are a good choice for some people. Employees who do not make a choice and are defaulted to a target date fund maintain the option to move their funds any time they want. Prof. Burns asked whether it would be possible to put funds in a Roth. Mr. Kelly said there will be a Roth 403b option as of November 1. Prof. Natale asked about the hardship plan. Mr. Kelly answered that hardship withdrawals and loans now will be available in the 403b plan as of November 1. Prof. Ayres pointed out that people in TIAA-CREF do not have to change their existing balances. Mr. Kelly said the money in TIAA-CREF can stay there or be transferred. Going forward, the TIAA-CREF choice in the core line up will be a traditional annuity that has a 7-year restriction on withdrawal instead of the current 10-year restriction. Prof. Ransom said some people seem to think OTRS is going to be under the Fidelity umbrella. Mr. Kelly said that is not possible. It is a separate pension program.

ELECTION, FACULTY SENATE SECRETARY

The Faculty Senate approved the nomination of Fran Ayres (Accounting) to replace Abi Asojo (Interior Design) as the Faculty Senate Secretary for 2011-12.

SENATE CHAIR'S REPORT, by Prof. Georgia Kosmopoulou

OU's IRB opened up access to its new university-wide electronic submission system, iRIS, on the Norman campus October 3, 2011. iRIS is web based and accessible through any browser. For additional information, contact Donna Lewis, donna.j.lewis-1@ou.edu or irb@ou.edu. Ms. Lewis will come to the October Faculty Senate meeting to explain the new system.

The Provost's Advisory Committee for Women's Issues (PACWI) has developed a series of peer mentoring opportunities during the fall semester directed toward female faculty and administrators. Based on survey responses, the committee is

focusing initially on three broad areas: work-life balance, navigating professional relationships in academia, and peer writing. Contact Prof. Megan Elwood Madden, melwood@ou.edu, for more details, or send an e-mail to Prof. Kosmopoulou, and she will forward the information.

In the summer, Prof. Kosmopoulou visited with Vice President for Research (VPR) Kelvin Droegemeier to discuss the residual funds policy. According to this policy, funds associated with accounts moving into residual status after July 1, 2010 must be spent within a year from entering residual status. Responding to a concern that this policy would lead to hasty and inefficient spending by investigators, the Faculty Senate executive committee and the VPR discussed the possibility of a time extension so that anyone having such funds would have to spend them not within one but within three years from the time they enter into residual status. Contact Prof. Kosmopoulou with comments or questions. The senate's liaison with the VPR's office on this is now Prof. Liz Bergey, and she will let the executive committee and the VPR know about the issues.

Prof. Kosmopoulou attended the May meeting of the Faculty Advisory Council to the Oklahoma State Regents for Higher Education, and the council heard from Executive Director of OTRS James Wilbanks. Prof. Kosmopoulou invited him to tell the Faculty Senate about the changes in November.

ISSUES FOR 2011-12

Prof. Kosmopoulou noted that the Faculty Senate is a forum for active dialog. She urged the senators to gather issues from their constituents and send them to her. Concerns will be discussed with the Faculty Senate executive committee and in the senate. The Faculty Senate's Faculty Welfare Committee and Faculty Compensation Committee would like to hear about any issues or concerns that the faculty may have.

ADJOURNMENT

The meeting adjourned at 5:17 p.m. The next regular session of the Faculty Senate will be held at 3:30 p.m. on Monday, October 10, 2011, in Jacobson Faculty Hall 102.

Sonya Fallgatter, Administrative Coordinator

Fran Ayres, Faculty Secretary