

AAUP Report

Spring 1992

American Association of University Professors
Bloomington Chapter

PRESIDENT'S LETTER TO AAUP MEMBERS

1991-92 was another active year for the Bloomington AAUP. We began the year with our first-ever *Welcome for New IU Faculty*. The September reception at Bill and Mary Burgan's house attracted about two-dozen faculty who had recently come to Bloomington. We were able to share information about campus tenure guidelines, various campus services, and, of course, the AAUP's functions. These are contained in a cogent statement Ed Greenebaum prepared called *Why Join the AAUP?* We gained some new members and expect to continue holding annual or semiannual new-faculty receptions.

In October, the Chapter held an *AAUP Faculty Forum on the IU Presidency*, occasioned by President Ehrlich's first fifth-year review. Four speakers delivered their visions of the IU presidency, reflecting on such characteristics as a president's functions, style, goals, authority, and implementation, followed by discussion and comment from those attending. Jim Patterson prepared a booklet of these thoughtful faculty views on the role of an IU president for general distribution.

As always, the AAUP actively participated in issues before the Bloomington Faculty Council and the University Faculty Council, including--but not limited to--early retirement, fringe benefits, teaching evaluation, and constitutional revision. We wrote to President Ehrlich and the Trustees condemning rumored changes in 18-20 benefits. The Chapter also suggested candidates for the Bloomington Faculty Council elections. And we sought action by the national office on behalf of a candidate unfairly denied tenure on this campus.

Newsletters are one of the ways we communicate with the membership. This is the second of two newsletters to the members distributed this year. The fall issue contained Paul Strohm's speech from the *Spring 1991 Forum on Teaching and Research*. The current issue contains Ed Greenebaum's summary of issues facing the faculty in the year ahead.

We urge you to attend this year's annual meeting. And we urge you to bring an untenured colleague. The luncheon speakers will look at *The Junior Faculty and University Governance*, and your comments are encouraged. The annual meeting is also your chance to give us feedback, share your views, and vote on the next Executive Committee. Come and eat lunch with us on Tuesday, April 28 in the Coronation Room of the Union and welcome next year's Chapter President.

--Susan Eastman, Telecommunications
1991-92 President, AAUP-IUB

For AAUP Membership Information

Please call Dick Carr (855-1134)

or write

Richard Carr, Treasurer AAUP-IUB
Department of French and Italian
Ballantine Hall 642

LOOKING FORWARD

Traditionally, the Chapter's Vice-President has borne a risk of becoming the President for the following year. When I was Vice-President in 1989-90, I escaped the hazard by fleeing the country. But I see little opportunity for evasion this year. I would like to encourage you, therefore, to give some thought to issues which may need the Chapter's attention next year and to call to my attention issues which my following survey omits.

Before identifying the species of trees, I would like to say a word about the forest. We all want our University to be an excellent academic institution of which we can be proud members, but as we "strive" for excellence, we are in danger of losing sight of some necessary conditions. As a colleague has recently said, each of the issues we face "in its own way leads to morale problems that threaten the ambiance of the campus and dilutes the joy of living and working at IUB." In the increasingly Hobbesian world of higher education, we must not lose sight of the fact that we cannot be a great university without being a good one.

1. Faculty Benefits

Our Faculty Councils and their Fringe Benefits Committees are representing us valiantly and deserve our support. See Chris Lohmann's report elsewhere in this Newsletter. The Chapter Executive Committee wrote President Ehrlich a letter in February which played a significant role, along with the efforts of UFC leaders and the FBC, in allaying the danger that the 18/20 plan would be rescinded by unilateral action of the Trustees. We will continue to be vigilant next year.

Low salaries on our campus are a serious problem, but boosting salaries at the expense of fringe benefits is a debatable strategy. To the extent it shifts benefits from tax exempt to taxable forms, compensation actually decreases. Further, it shifts compensation from forms which benefit all faculty to forms for which faculty must compete. In financially

stringent times fringe benefits as well as salaries will be pinched, but the University interests in allocating resources to different forms of compensation are complex, and decisions in these matters must come as a result of consultation with the faculty's authorized representatives.

2. Faculty Governance / Academic Freedom

If the pending amendments to the University Faculty Constitution are proposed by the UFC and ratified by the University faculty, the UFC Bylaws will require revision and campus faculties will need to review their own constitution and bylaws. But that will be the easier part (although there will be significant issues, such as administration representation in council membership). More challenging will be questions of University structure -- especially the relations of schools to campuses -- and of faculty governance in the schools. Regarding University structure, the pending amendments assert faculty legislative authority regarding "Standards and procedures for determining the authority of academic units and the relationship between them." Regarding faculty governance in schools, the amendments would provide that a "faculty may exercise its authority as a whole faculty or through institutions of representative faculty governance established pursuant to the faculty's constitution or bylaws," and that the "faculty of any unit [whether school or department] to which faculty authority is delegated shall have the right of self-governance over the unit's major functions and responsibilities" There is serious work to be done in these areas.

Other matters relating to faculty governance and academic freedom that will concern us:

- * The functions of the Bloomington campus administration and of the Bloomington Faculty Council are inextricably tied together. We must be concerned, then, with maintenance of the authority of the Bloomington Vice-president/Chancellor.

- * The increased role of the President's office in promotion and tenure matters has thrown off-kilter the traditional mechanisms of administration accountability to the faculty in promotion and tenure.
- * The Faculty Board of Review and the Faculty Grievance Committee have had an increasing number of matters brought to them. Why is this? Our tradition has been that recommendations of the Faculty Board of Review are usually accepted by the administration. Is this still the case? We should perhaps have fuller reporting of the results of the Faculty Board of Review's work so the BFC can know how effectively the faculty review function is being accomplished.

3. Academic Mission

The faculty has further work ahead regarding the agenda placed before us by the Commission on Teaching. There is widespread concern that teaching does not receive the support and reward that is necessary for fulfilling our full academic mission. But service is an orphan as well, which is in part the subject of the presentation at our Annual Meeting on April 28, announced in this Newsletter. We must see that the work on these issues commenced this year is not dropped.

4. Budgeting

We now have had a couple of year's decisions made under the influence of Responsibility Center Management. Next year is the time to begin developing the picture of how RCM is working and thinking about the adjustments that should be made in this new budgeting world. How is the state subsidy being (re)distributed under RCM? In what ways is RCM budgeting driving decisions affecting the academic mission? How are the distinct academic disciplines surviving RCM in the larger schools?

5. The Presidency

The review of Tom Ehrlich's four years

as IU President will be completed at the end of this academic year. The AAUP Forum on the IU Presidency last fall helped direct the review committee's attention to significant issues, and the committee has been laboring to gather data and opinion. The faculty must be ready to collaborate with the President to follow-up on issues and recommendations emanating from the review. Reviews of the President (and other administrators) should not be received and put on a shelf.

In the coming year, your executive committee will hold its watch on these issues and invites your participation in significant discussions and events. We ask your support and hope those of you who have not yet joined AAUP will consider this a good time to do so.

--Ed Greenebaum, School of Law
1991-92 Vice President, AAUP-IUB

UPDATE ON FRINGE BENEFITS

1. 18-20 Early Retirement Plan

It appears that for the moment the immediate threat of a cutback in 18-20 benefits has been removed. Between the two meetings of the Board of Trustees on Dec. 6, 1991 and February 20, 1992, the University was rife with rumors that some drastic action was imminent. What will happen in the long run is difficult to predict.

Vice President Terry Clapacs had been asked by the Trustees to prepare for the February meeting (1) an exact breakdown of the current costs of all fringe benefits and (2) a projection of these costs over the next five years. Clapacs and the Human Resources staff presented a draft of their report to the Fringe Benefits Committee (FBC) and agreed to significant changes proposed by faculty.

In the days leading up to the February Board meeting new cost projections were worked out (with continuing input from Ben Brabson and Richard Heinz--both in Physics) based on more realistic assumptions about

how many faculty in any age group are likely to participate in 18-20 benefits. This led to far less dramatic cost projections, leading Trustee Harry Gonzo to state publicly that no changes in 18-20 are contemplated at present.

"At present" may be the operative phrase here. Hence, the faculty should remain vigilant regarding this matter since some Trustees (and possibly some administrators) continue to see 18-20 as a plum to be picked--or at least to be sliced.

2. Other Retirement Program Issues

It is important to remember that just about a year ago--after nearly a three-year battle waged by the FBC--the Trustees approved a new Full Early Retirement Plan (FERP). It is to take the place of 18-20 for all those friends and colleagues who (by action of the Trustees in 1988) became ineligible for 18-20 if they were hired on or after after Jan. 1, 1989. FERP is a pretty good plan, though (obviously) with lower benefits than 18-20. Ask the Office of Insurance and Retirement for details.

The related not-so-good news is that four other features recommended by the FBC and the various Faculty Councils together with FERP were not even presented to the Trustees by then Vice President John Hackett. These are: (1) lowering eligibility age for 18-20 from 64 to 62; (2) a provision that individuals currently eligible for 18-20 may choose FERP instead; (3) a phased early retirement program (PERP); and (4) TIAA-CREF payments on summer teaching and contract research.

Earlier this year, the University Faculty Council once again voted in favor of placing these items on the Trustees' agenda, recommending that the Board act favorably on them. It remains to be seen what will happen on that front, but the prospects are none too bright.

3. Health Care Issues

Vice President Clapacs' report to the February Trustees' meeting (see above),

made it very clear that the fringe cost most dramatically climbing is health insurance. He projected that the University's share of health insurance premiums will go from the current 26.3 M to 72.7 M (employees' share from 11.3 M to 31.1 M).

Given this projected jump of 175% over a five-year period, one can see why there is now much interest and activity concerning what to do about healthcare. Of course, IU shares this problem with virtually every employer in the country. That's why Washington has begun to spin its wheels, though there is little hope that effective relief will come via national legislation--at least not this year.

The FBC and the Human Resources staff have begun to discuss options and possibilities. At their most recent meeting on Friday, March 27, they heard about the pros and cons of Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), and Indemnity Plans (like our "Acordia" plan)--all three of which, by the way, exist in the IU system. They talked about new cost saving measures that are being tried out within Acordia (the administrator of our insurance plan). They also began thinking about the pros and cons of the current premium structure as compared to a structure in which premiums are in some way related to salary levels.

No telling yet where this will lead. But one thing seems pretty sure: don't hold your breath for better benefits or lower costs.

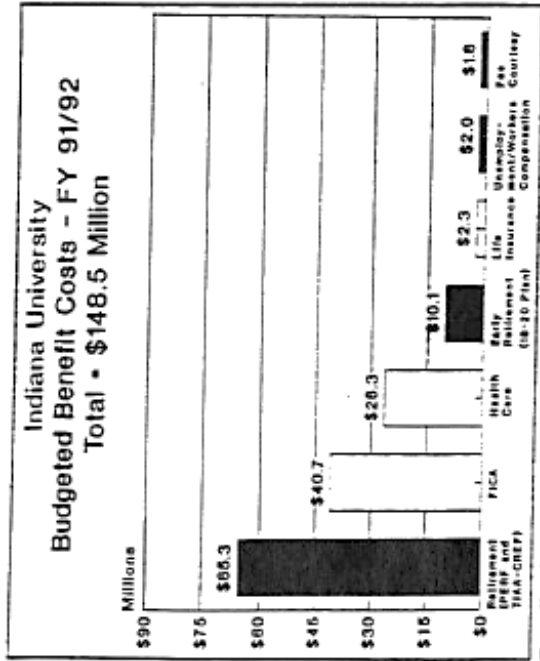
AAUP ANNUAL MEETING

**TUESDAY, APRIL 28
12 NOON--1:30 P.M.**

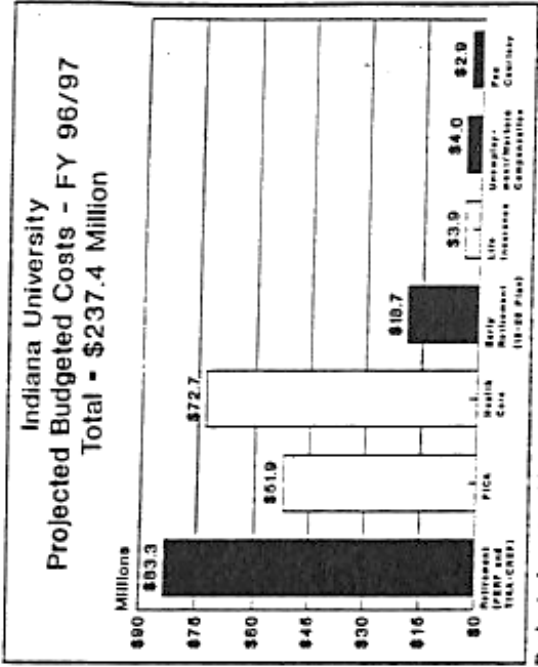
CORONATION ROOM, IMU

Special Topic:

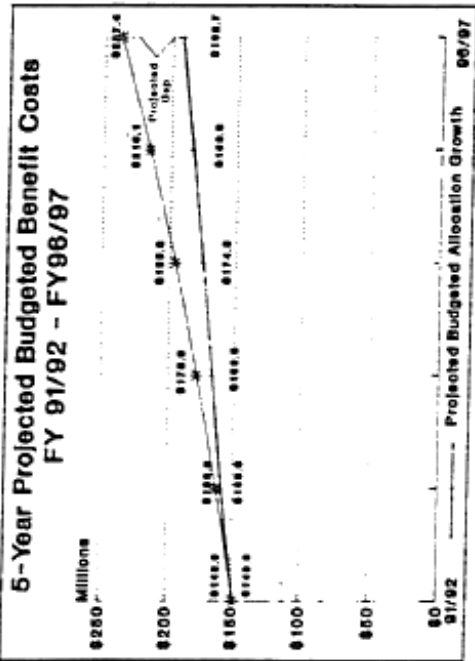
**JUNIOR FACULTY AND
UNIVERSITY GOVERNANCE**



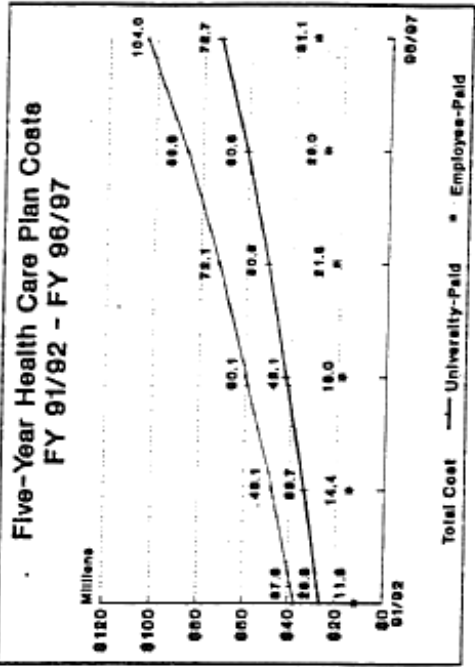
Benefit plan costs for the current fiscal year, with each plan in descending order, based on cost



Projected costs of benefit plans for fiscal year 1996-97, with each plan in descending order based on cost



Total costs for benefit plans, projected for the next five years, indicating gap between predicted costs (top line) and allocation growth (bottom line)



Projected total health care plan costs for the next five years, showing the total cost (top line), University-paid cost (middle line) and employee-paid cost (bottom line)

AAUP ANNUAL MEETING

TUESDAY, APRIL 28
12 NOON—1:30 P.M.

CORONATION ROOM, IMU

Special Topic:

JUNIOR FACULTY AND
UNIVERSITY GOVERNANCE

Speakers:

Margo Gray, French & Italian
"Service and the Humanities Faculty:
The View from Below"

Jeff Stake, Law
"Building a Professional Faculty
From the Bottom Up"

AAUP
IUB
REPORT

Spring 1992