

STEPHEN F. AUSTIN STATE UNIVERSITY
Faculty Senate
Meeting #173
October 8, 1986

1. The meeting was called to order at 2:30 p.m. by Chairman Eastman.
2. Announcements:
 - a. The Chairman announced he would be attending the fall meeting of COFGO on October 10, and 11, along with Drs. Devine, Mace, Russell, and Russell.
 - b. Chairman Eastman asked that senators who work with campus student groups be mindful of the change in the drinking law and to remind constituents that the legal age is now 21.
3. Chairman Eastman welcomed President Johnson, who then spoke to the Senate about the present state of financial affairs.

Dr. Johnson outlined the present budget and compared it to the budget for 1987. It was explained that legislation passed during the special session necessitated some budget revisions. According to Dr. Johnson, a significant victory during the special session was the Senate's creation of a 39 million dollar reserve fund for those institutions which suffered from the short fall on local tuition last year.

During the special session, Higher Education had very fine help and support from a number of people including Senator Roy Blake. It was noted that Representative Bill Haley voted with Higher Education on the important and most critical issues.

There are 24 fewer permanent positions filled with regular people this year. Nine of these positions have been filled with part-time people. Dr. Johnson and Vice-President Reese are currently reviewing needs for next year, but these will depend on what the Legislature does.

In response to questions, Dr. Reese said the summer budget for 1987 is essentially the same as last year. Dr. Johnson explained the limited use of Proposition II funds and that the amount of those funds transferred into the library budget were equal to or greater than the appropriated funds transferred to general funds.

Dr. Johnson mentioned two riders recently approved by the legislature that are of interest to faculty members. The first rider is the reinstatement of faculty sick leave retroactive to September 1, 1985. Guidelines are now being developed for the keeping of records on sick leave which must be approved by the state auditors.

The second rider had to do with the financial exigency bill. Due to much opposition statewide from colleges and universities, the word "exigency" has been changed to "distress."

Summer school will be two five-week sessions with the usual number of class hours. Offices will be open 9 hrs. per day and from 7:00-11:00 a.m. on Friday. No office personnel will work Friday afternoons but classes will meet.

Regarding the 3% pay increase, as a state agency, Stephen F. Austin must conform to state regulations. Rescinding the raise statewide by the legislature is legal and a similar issue has previously been upheld by the Supreme Court.

Dr. Johnson closed his remarks to the Senate by acknowledging that it has been a difficult summer and fall with fewer faculty members and staff doing the same amount of work for which they receive little thanks. He asked that we remember we have many friends in the state legislature. He also expressed his appreciation for the efforts of the faculty and asked that we remember we have an obligation to do the best we can for our students.

After a brief discussion as to what, if anything, the Faculty Senate should do to inform the public of the seriousness of the financial state of higher education, it was agreed to delay further discussions to a future meeting.

4. Special Report:

Chairman Eastman introduced David Fry, Business Manager, who was invited by the Professional Welfare Committee to give information concerning changes in the Blue Cross/Blue Shield hospitalization plan for university employees.

Mr. Fry explained there is a University Insurance Committee that reviews the insurance plan before making recommendations. Recently, several changes occurred that directly affected the offerings of insurance companies. A state insurance act was passed which covers all Higher Education and gives authority to the Coordinating Board to set standards. There is also an Advisory Council that makes recommendations to the Coordinating Board. The COBRA legislation, passed in the Spring of 1986, includes insurance coverage of former state employees after separation from a state agency and retired state employees.

Insurance claims from SFA last year were \$1,600,000. The total from premiums paid was approximately the same. This explains how employees set their own insurance rates. Due to this and a 20% cost of business increase for Blue Cross, insurance coverage this year was predicted to increase 10%. By selecting the current insurance plan and having insured credit of 6% to Blue Cross, the increase in coverage amounted to only 4%.

Fry explained that insurance carriers are reviewed every six years and that claims are paid only if they are legitimate. In order to determine the amount paid for claims, the company checks fees charged by doctors who customarily do a particular work and the amount at the 90th percentile is paid.

The possibility of including dental care has been explored. At this time, Blue Cross will not allow it to be separated from other medical insurance and the increase in premiums would be too great.

Mr. Fry suggested that if anyone has a question, they should contact one of the Insurance Committee members. They are:

Mr. Otto Ehrlich, Comptroller
 Mr. James Burns, Bldg. Maintenance
 Dr. J. Malcolm Graham, Univ. Physician
 Dr. Jerry Irons, Elem. Ed.
 Mr. Johnny Long, Mgt/Mkt
 Mr. David Martinson, Purchasing & Inventory
 Dr. Patricia Russell, Eng & Phil.
 Dr. Wayne Slagle, Biology

5. Approval of Minutes:

The minutes of meeting #172 were approved as distributed.

6. Officer Reports:

Senator Ballenger reported the balance on hand is the same as last month.

Balance in	
Student Assistant	\$ 565.97
O & M	1,043.89
Travel	(24.53)
	<u>\$1,585.33</u>

Appropriations for 1987 are:	
(H.W.) Student Assistant	\$1,236.00
O & M	2,369.00
Travel	188.00

7. Old Business:

- A. 1. The Professional Welfare Committee reported the letter on financial exigency had been mailed.
2. Insurance questions were given to David Fry prior to his appearance today.

3. A list of faculty members, from which a committee will be selected to investigate student retention, has been submitted to Vice-President Reese.
- B. The Administration and Finance Committee reported that Mr. Robert Provan, Legal Counsel for the University, will attend the November Senate meeting. At that time, he will answer those questions submitted to him prior to that date. Senator Graves asked that questions be sent to her at Box 13005 by October 29.
- C.
 1. A progress report from the Faculty Government and Involvement Committee concerning the revision of standing rules regarding the Executive Committee was tabled.
 2. Also tabled was a progress report on a perspective position statement on investment support of South Africa.
 3. Recommendations proposed for selecting a Committee to determine University-level merit were discussed. Senator Dean, moved and Senator DiNucci seconded that each school's Academic Council elect from their membership, two members to serve on the University Merit Committee. Motion carried.
 4. The progress report on smoking policy was tabled.
8. New Business:
New business was tabled due to the length of the meeting.
9. The meeting adjourned at 4:36 p.m.

Excused Absences:
Dr. Donice McCune
Dr. George Thompson
Dr. Linda White
Dr. Andrew Parr

Absences:
Maj. Randall Fain

Ex Officio Members:
President William Johnson
Dr. James Reese

Visitors:
Dr. Langston Kerr
Dr. Connie Spreadbury
Mr. David Fry



MARY ELLA LOWE
Secretary, 1986-87 Faculty Senate