MINUTES OF THE FACULTY SENATORS COUNCIL MEETING OF FEBRUARY 17, 2011

The New York University Faculty Senators Council (FSC) met at noon on Thursday, February 17, 2011 in Room 405 in the Kimmel Center for University Life.

In attendance were Senators Anton, Bogart, Capan, Cappell, David, Fernandez, Gale, Goldman, Hammack, Harrington, Hutchins, John, Jones, Karl, Kovner, Magder, Monaco, Moran, Nolan, Phillips, Raiken, Schacht, Simon, Sternhell, Sundaram, Thompson, Tranchina, and Zwanziger and Alternate Senators Deneys-Tunney, Hendin, Jelinek, Newman, Reiss, Tannenbaum and Thurston.

APPROVAL OF THE MINUTES OF THE MEETING HELD FEBRUARY 3, 2011

Upon a motion duly made and seconded, the minutes of the February 3, 2011 meeting were approved unanimously with changes recommended by Senator Jones and Alternate Senator Reiss.

REPORT FROM THE CHAIRPERSON: ROBERT SCHACHT

Chairperson Schacht reported the Executive Committee (EC) will be meeting with Executive Vice Provost (EVP) Alfano immediately following the FSC meeting regarding the resolution passed at the last meeting concerning changes to the NYU Faculty Retirement Plan. See attached Document A.

Schacht noted Faculty Family Day at Coles was a success with an attendance of over 250. He also reminded the Council of the upcoming co-sponsored event with NYU Family Care, the documentary film screening and discussion of “Race to Nowhere: The Dark Side of America’s Achievement Culture.” See attached Document B.

Schacht informed the Council that the immediate past chair of the Steinhardt Faculty Council and current chair of the Steinhardt Planning and Budget Committee requested a copy of the data of all Steinhardt responses from the FSC Survey. The Council approved sending this information.

Schacht stated at the meeting with President Sexton on Feb. 9, the EC discussed the resolution regarding faculty senators’ access to NYU School faculty email distribution lists. See attached Document C. Hutchins clarified that Sexton seemed supportive of this action. If a response is not received soon regarding this issue, the Communications Committee will again follow-up with the Provost’s office.

Schacht stated that two representatives from NYU Poly, John Iacono and Avi Ulman, and one representative from NYU Abu Dhabi (AD), Shamoon Zamir, will attend the March FSC meeting as guests. Senator Harrington asked how these individuals were chosen and Coordinator Ridder responded the NYU Poly representatives are members of the elected Poly faculty executive committee (FEC) and the NYU AD representative was suggested by Ron Robin. Senator Karl stated she was informed that Shamoon Zamir was to be elected by the AD faculty as their official
representative. Senator Harrington clarified that the Governance Committee is examining the issue of representation of these schools and will present their findings at the March FSC meeting. Alternate Senator Tannenbaum stated that only tenured or tenure-track faculty at NYU AD should vote in the election of a senator. Karl confirmed the voting was by the tenured or tenure-track faculty, although there are also non-tenure track faculty (NTTF) in AD. Senator Nolan commented the Personnel and Affirmative Action Committee, as well as the Governance Committee, is working on examining the issue of representation of NTTF but is waiting on a report from the Office of the Provost on their numbers across all NYU schools. The representation of NYU Poly is a different situation because it is not yet an official school. Senator Jones asked if NYU AD representatives will travel to New York City for every monthly meeting of the Council. Senator Goldman suggested using Abu Dhabi House to conduct web meeting with those in Abu Dhabi.

The Nominating Committee announced the slate of candidates for the position of Chairperson 2011-2012: Ted Magder (Steinhardt) and Robert Schacht (School of Medicine). The Council is invited to nominate additional candidates or vote for a senator not on the slate. The election will take place by secret ballot at the March FSC meeting.

**FSC COMMITTEE REPORTS**

**Faculty Benefits: Senator Jones**

Senator Jones presented on NYU’s proposed changes to retiree medical benefits. See attached Documents D and E. These documents outline the details of the new premium reimbursement account (PRA). Document D is Jones’ prepared background to supplement Document E, which was prepared by Katie Casey and Linda Woodruff. These compile issues raised in two different briefings by the AMC and FSC Benefits Committee. The document was prepared to voice these concerns to EVP Alfano. Jones reported the Board of Trustees (BOT) will vote on this new plan in February. Senator Karl reminded the Council this is a trustee-driven project for the achievement of cost-avoidance and cost-control.

Senator Bogart stated that with this change to retiree medical benefits, which will not affect current retirees or active faculty 50 years of age or over but will affect all new hires regardless of age and those under 50, will create two divisive groups. He suggested that if cuts need to be made, the Council should advocate for raising co-pays on less expensive items but still provide coverage for very expensive items. Jones responded this comment pertains to the existing retiree medical plan. With the PRA, the account holder purchases medical insurance of their choice and is reimbursed up to the amount of the account. In the first year the account will total $3,000. Jones stated they arrived at the figure by taking the total NYU costs of retiree medical benefits and dividing by the number of retirees. Bogart argued that the institution has the ability to better negotiate plans and Harrington stated this removes the advantages of institutional weight. A group plan would be better than an individual plan. Karl replied the change is moving from a defined benefit to a defined contribution and mentioned that NYU will offer a health advocate.

Senators Magder and Nolan requested data on current costs of supplementary insurance and more information on which peer universities are making similar cuts. Bogart asked for more information on how these financial decisions were reached. Senator Tranchina called for a moratorium on the retiree benefit change. Karl interjected that at the Benefits Committee briefing, Katie Casey stated the issue was trustee-driven and out of the hands of the administration. Alternate Senator Newman suggested if a resolution is developed then it should be sent directly to the trustees. Alternate Senator Reiss suggested getting the Administrative Management Council (AMC) involved in this issue.

Jones highlighted the two issues being discussed: the substance of the proposed changes and the issue of shared governance. Immediate Past Chair Hammack reminded the Council that the BOT is singularly responsible for the fiduciary standing of the university, and they will argue this is
not a matter for shared governance. Jones suggested collecting the Council's questions and concerns to present at the meeting with Alfano. She also stated her interest in having the consulting firm used to create this new proposal also evaluate the possibilities of a group plan and develop an alternate proposal.

Upon a motion duly made and seconded the following resolution was approved by a vote of 28 senators in favor with 2 abstentions:

Whereas, Based on concerns regarding the proposed changes in retiree medical benefits: Premium Reimbursement Account (PRA);

Resolved, That the FSC requests a moratorium and time to examine other cost-saving options.

ADJOURNMENT

The meeting adjourned at 1:50 PM.
MEMORANDUM

TO:        President John Sexton
            Provost David McLaughlin
            Executive Vice President Michael Alfano

FROM:      Robert Schacht
            Chairperson, Faculty Senators Council
            A/Y 2010-2011

RE:        Faculty Senators Council Resolution regarding the
            Changes to the NYU Faculty Retirement Plan

At the February 3, 2011 meeting of the Faculty Senators Council, the attached resolution was approved.

CC:         Ron Robin, Senior Vice Provost
            Carol Morrow, Associate Provost
            Diane Yu, Chief of Staff and Deputy to the President
            Robert Schacht, FSC Chairperson
            Daniel Zwanziger, FSC Vice Chairperson
            Carol Hutchins, FSC Secretary
            Floyd Hammack, FSC Immediate Past Chair
Resolution of the Faculty Senators Council
Regarding the Changes to the NYU Faculty Retirement Plan
Approved 2/3/11

At the February 3, 2011 meeting of the Faculty Senators Council, the Council approved by a unanimous vote of 33 senators in favor of the following resolution:

Resolution:

Whereas, The FSC objects that significant changes to the Faculty Retirement Plan have been undertaken with no meaningful faculty consultation;

Resolved, That we urge the Senior Executive Officers and the Board of Trustees to show greater respect for shared governance, now and in the future.
“Race to Nowhere” highlights the pressures young people are under to build a standout resume for college admissions, often at the expense of real learning. The emphasis on test scores and competition which begins as early as elementary school is affecting not only the intellectual development of our young people, but also is inhibiting healthy emotional development, and in many cases, having negative effects on the health of our children. In the film, physicians, researchers, policy makers, educators, parents, and students examine the impact this pressure to achieve high levels of academic and extra-curricular success is having on the lives of young people.

Join us to discuss this problem and possible solutions to protect our students, our future workforce, and our citizenry.

Open to faculty, researchers, graduate students, plus one guest. Refreshments will be provided.

Space is limited.

Click here to RSVP
www.nyu.edu/rsvp/event.php?e_id=3356

This session is jointly sponsored by NYU Family Care, the Office of Faculty Resources, Faculty Senators Council, NYU Steinhardt, NYU Stern, and NYU Chapter-Council of Exceptional Children.
MEMORANDUM

TO: Provost David McLaughlin

FROM: Robert Schacht
Chairperson, Faculty Senators Council
A/Y 2010-2011

RE: Faculty Senators Council Resolution regarding
Faculty Senators’ Access to NYU School Faculty Email Distribution Lists

At the Thursday, February 3, 2011 meeting of the Faculty Senators Council, the attached resolution was approved.

CC: Ron Robin, Senior Vice Provost
Carol Morrow, Associate Provost
Diane Yu, Chief of Staff and Deputy to the President
Daniel Zwanziger, FSC Vice Chairperson
Carol Hutchins, FSC Secretary
Floyd Hammack, FSC Immediate Past Chair
Carol Hutchins, FSC Communications Committee Chair
Resolution of the Faculty Senators Council
Regarding Faculty Senators’ Access
to NYU School Faculty Email Distribution Lists
Approved 2/3/11

At the February 3, 2011 meeting of the Faculty Senators Council, the Council approved by a unanimous vote of 33 senators in favor of the following resolution:

Background:

It has come to the attention of the Faculty Senators Council (FSC) that not all current elected faculty senators have the authority to send emails regarding Council matters to their constituencies; i.e. the faculty members at their school. This creates a disparity in the ability of faculty senators to communicate Council updates, including resolutions, FSC minutes and summaries, and other important FSC business.

Resolution:

Whereas, The current elected senators of the Faculty Senators Council do not uniformly have the authority to send emails to all faculty members of their school;

Resolved, That all current elected senators of the Faculty Senators Council have the access and authority to send emails regarding Council matters to their school’s faculty members by means of their respective school’s faculty email distribution list, to be used in a reasonable and responsible manner without limit to the number of emails sent.
TO: Faculty Senators Council

FROM: Mary Ann Jones, Chair
       Faculty Benefits Committee (FBC)

RE: NYU’s Proposed Changes in Retiree Medical Benefits: a Premium Reimbursement Account (PRA)

DATE: February 15, 2011

In the February 3, 2011, FSC meeting, on behalf of the FBC, I reported on NYU’s proposed changes for retiree medical benefits. The discussion that ensued led to the faculty governance resolution that was voted on and passed at the same meeting.

Since that meeting, Katie Casey, the VP of Human Resources for all of NYU (including global campuses) except the Medical Center, and Linda Woodruff, the Associate VP of Human Resources, have sent me a document entitled “NYU Retiree Medical Proposed Changes, December 2010 FBC & AMC Briefings” that contains concerns raised by the FBC and the AMC (Administrative Management Council) to the proposed plan at the time of their respective briefings. That document, which is attached, contains 6 concerns and responses to those concerns labeled “Key Messages for Board of Trustees” and 26 Q’s and A’s labeled “Concerns/Questions/Answers.” The document does not, however, include a background piece, so I’ll provide a bit of background here.

Background on proposed changes in retiree medical benefits (based on the 12/2/10 briefing of FBC by KC, LW, and a representative of the consulting firm that has designed the new plan; we were not permitted to retain the briefing document, so this account is based on memory, notes, and the attached document)

The NYU Board of Trustees has charged the university administration with the task of altering retiree medical benefits in a manner that would result in cost savings of a given amount (I don’t recall the amount) over the next 25 years. It is in this way that the proposed plan is “trustee driven.”

The proposed retiree medical benefits plan has been designed to achieve that goal and will soon—probably by the end of February—be presented to the NYU Board of Trustees for approval. The plan will go into effect upon approval.
The type of plan that is being proposed is called a “Premium Reimbursement Account” (PRA), and the consultant assured the FBC that we will be hearing this term frequently as it is the direction that universities and others are turning to in order to control and predict the costs of retiree medical benefits going forward. (I do not know if PRAs are also being implemented for still active employees by universities and other employers). The NYU retiree PRA will not affect current retirees or current active faculty who are 50 or over at the time the new plan is approved. It will affect all new hires regardless of age and current active faculty who are not 50 or over at the time the plan is approved.

Retirees covered by the new plan will have a medical premium reimbursement account that is funded by NYU on an annual basis. For the first year of the plan, i.e. 2011, the amount of the account will be around $3000 for the year. This figure was arrived at by totaling the cost to NYU of retiree medical benefits in 2010-- including prescription drug costs and the administration of the benefits-- and dividing by the number of retirees receiving medical benefits in that year. The amount of money funding the accounts can increase by a maximum of 3% a year.

Retirees will then enter the marketplace and purchase the amount and kind of medical, dental, and vision insurance they desire and be reimbursed for the premiums up to the amount they have in their account. Unexpended funds in their account can be rolled over to the next year.

This pretty much exhausts my knowledge, but there are additional bits of information in the attached document.