These minutes were approved by the General Faculty on September 18, 2015.

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Prof. David Schmidt called the meeting to order at 2:05 p.m.

1. Announcements

GFS Susan Rakowitz thanked former Faculty Chair Schmidt for filling in for Prof. Terry-Ann Jones, who was unable to be at today’s meeting.

2. Report from the Faculty Salary Committee

Prof. Irene Mulvey, chair of the Faculty Salary Committee (FSC) began by thanking the faculty for coming to a meeting after Commencement. Her choice would not have been to meet today. She then expressed heartfelt thanks to: the other members of the FSC- Profs. Chris Bernhardt, Bryan Crandall, Bob Epstein and Sonya Huber; the other members of the Healthcare Committee (HCC)- Profs. Chris Bernhardt, Walt Hlawitschka, and Michael Tucker; the other members of the FWC Executive Committee- Profs. Rona Preli, Joceyln Boryczka, Bill Abbott, Betsy Bowen, Sonya Huber, Anna Lawrence, and Deb Strauss; and GFS Susan Rakowitz.

She apologized for the materials having been sent at the last minute. That shouldn’t be how things work. The FSC (though the GFS) sent a memo less than two hours ago with an update and electronic copies of a Memo of Understanding (MOU) and Benefits Plan Overview (BPO) with changes shown and changes incorporated. Those materials will be discussed today. She noted that she would explain all details carefully for those who had not had time to read the documents.

She said that this has been a terrible year from start to finish. She was not expressing a personal opinion- she was referring to the contractual documents and agreed upon processes that have been ignored and violated. That has made it a very difficult year for the elected representatives on the FSC.

Working through the attached slides, she provided an outline of today’s presentation, noting that Prof. Hlawitschka would talk about healthcare. They will be presenting an MOU/BPO, which the administration has not agreed to.

To provide context for an overview of this year’s timeline, she presented the charge to the FSC from the Faculty Handbook. In the Fall, the FSC’s work was taken up by exorbitant increases to our cost share premiums. The university’s share of the premiums was increased by 2.5%, while the employees’ share was increased by 14.9%. That activated the Trigger Committee, which ultimately determined that the increase for employees was not justified. Those issues delayed discussion of terms of compensation until the Spring.

The first proposal regarding terms of compensation was made by the FSC in early February, already much later than optimal. The administration responded on February 25. Prof. Mulvey reminded the faculty that we should reach agreement on an MOU before the meeting in early March when the Board of Trustees approves
the budget. The administration’s response was much too late for that timeline. The FSC met weekly with the administration, but saw no movement until April 16, ie, one day before the last scheduled General Faculty meeting at which an MOU could be presented.

There was then back and forth as outlined in the FSC memos to the General Faculty on May 20 and May 22. She said, I know what it feels like when people are engaging in collegial discussions trying to reach an agreement in good faith. Everything about this was wrong. We had no idea what the administration's objectives are. We have no idea what they are trying to achieve. They gave us proposals with vague language on "sustainability" but never clearly saying what they mean by that. We had absolutely no satisfaction in trying to engage the administration is meaningful discussions.

She went on, as we wrote in a memo, when their proposal continued to include items that had the potential to cause individuals serious financial hardship, we drafted questions in order to find out what the effects would be. As far as we can tell, the administration was basing their decisions solely on how much money would be saved for the University. They had no idea how this might affect actual employees. We asked for information from their consultant, Mercer, (whose fee we pay 20% of). We don’t have direct access to their consultant even though, when I asked the President about this at his address to the Faculty, he said the FSC didn’t need our own consultant because the university has a consultant. When we asked EVP Lawlor for the data that their proposal had have been based on, we didn't get any kind of a useful response. VP Reed said that they asked Mercer to run some scenarios, but then he didn' t answer the question of what guidelines Mercer was given for scenarios. We feel that faculty are being deliberately and systematically left in the dark.

At this point, Prof. Hlawitschka, member of the HCC and Trigger Committee, took over with a report for the HCC. His slides are also attached. He said that the administration was very helpful in supplying some data, but seems to have screened out other data. He noted that the national talk of a healthcare crisis is also part of the conversation at the university. Then he presented some data regarding the “crisis” at Fairfield. In the 12-month period ending in March 2015, over $15 million was budgeted for healthcare while the actual costs were under $14 million. In fact, over those 12 months, the amount budgeted for healthcare increased while the healthcare costs decreased. In the first 3 months of 2015 (the most recent period for which we have data), the actual costs were lower than in the first 3 months of 2014 by $436,704- that’s the “crisis”. For those same 3 months, we’ve over-budgeted for healthcare by $1.2 million. If that trend continues, that would be an annualized over-budgeted amount of $4.8 million. He speculated that this might be a better source of income that the endowment going forward.

In the Fall, the Trigger Committee was informed that employees’ contributions to healthcare premiums would be increasing by 14.9% while the university’s contribution would be increasing by 2.5%. We objected, asked for an explanation, and were told that the Mercer model said that costs would go up. The administration didn’t share Mercer’s report or model with us. They imposed the increases over our objections.

Last year we set up the HCC with terms carefully crafted with the administration. The FSC immediately staffed it, but the administration made it difficult to schedule meetings. And they didn’t bring a single proposal for healthcare changes to this committee, even though they proposed very significant changes to the FSC. Those changes still haven’t been explained. The premiums indicate that the PPO and HSA cost exactly the same amount, down to the penny. There’s no explanation of how those costs are determined and, if they’re accurate, if they truly cost the same, there has been no explanation of why the administration wanted to eliminate the PPO and push everyone on to the HSA. There was some talk, however, of "behavioral changes" that will help in the future, but that doesn’t make sense to us. Most behavioral changes happen in the first year after a switch. From that point on, they’re insignificant.

With regard to information sharing, the administration provided information about plan costs and budgets. But when we asked specific questions for Mercer, we got the administration’s interpretation of Mercer’s responses. We should be getting unfiltered, contemporaneous sharing of information.
He also noted that one of the faculty’s guiding principles is that if a change creates hardship for a single individual, that individual should be given reasonable time to change their behavior in order to avoid that hardship. The administration’s proposal could cost an additional $4600 out of pocket for some individuals. Yet the FSC and HCC haven’t been able to get information about how many people might be affected by the proposed changes and to what extent.

Prof. Hlawitschka noted that he may have been the most optimistic of the faculty on the FSC and HCC. He feels that we’re very close, in economic terms, to an agreement. Yesterday the FSC proposed a two-year contract, agreeing to most of the administration’s proposed changes to healthcare, and a salary increase of only 1.5% in year two. The administration rejected this proposal and stated that they may want to increase the cost share over 20% in the coming year.

For years we’ve accepted salary increases below inflation because our healthcare benefits were rising faster than inflation. Now the administration wants us to accept a decrease in healthcare benefits with no offset in salary. The FSC’s principle is that any decrease in benefits must be offset by an increase in compensation. The administration disagrees with that principle.

He concluded by summarizing some key points of the MOU being presented today. We’re agreeing to increase deductibles in all plans by $500 for individuals and $1000 for families. This is a very significant change and we don’t favor it, but we see it as a compromise. In addition to a 1.5% salary increase, the proposed MOU has a 1% across the board increase to base salary. The administration says it’s to make up for the 1% cut in retirement we agreed to several years ago. We see it as an offset for healthcare. Unfortunately some people will face much higher increases than others because of their use of out of network services. We’re recommending that the FWC set up a hardship fund to help people during the transition year.

Prof. Tucker, another member of the HCC, offered the point of clarification that our 20% cost share of premiums is 20% of the over-budgeted amount that Mercer sets as the premium.

Prof. Beth Boquet asked whether there had been any conversation about the point at which it no longer makes sense for us to be self-insured. Prof. Mulvey said that we ask about that every year and the administration’s response is that the consultant says it makes sense to be self-insured.

Prof. John McDermott asked what happens to funds that are budgeted for healthcare and not spent on healthcare. Prof. Mulvey said that they go back into the operating budget.

With no further questions at this point, Prof. Mulvey returned to her presentation. She reiterated the FSC and HCC's principles that 1) any decrease in benefits must be offset by an increase in salary and 2) that no individual should suffer an undue hardship due to a decrease in benefits. She said that it's unclear what the administration's principles are other than a focus on the bottom line.

Reviewing recent proposals, she reminded the faculty that initially the administration wanted to move everyone on to the HSA. The FSC has been fighting that and she appreciated the faculty making it clear to the President during his address how much they valued choice in health insurance options. After that meeting, the administration put the PPO back on the table, but now with a deductible.

Yesterday the FSC proposed a two-year contract. In the first year, the salary increase would be 1.5%, all distributed as standard merit, and 1% added to base salary as an offset for the healthcare changes. The salary increase in year 2 would be 1.5%. She noted that for that year, the unionized workers on campus in Local 30 have a contract calling for the higher of a 1.5% increase or whatever increase the faculty get.

The FSC's proposal also agreed to a variety of healthcare changes. Currently there are two PPO options, the second of which has unlimited pharmacy coverage and covers adult hearing aids. Caps on pharmacy coverage are no longer allowed under the Affordable Care Act (ACA), so the current PPO options will be combined. The FSC proposal clarifies that PPO 2 will form the framework of the new single PPO option.
This option will add a deductible of $500 for individuals and $1000 for families of two or more. In-network out of pocket maximums will be lowered as required by the ACA. The administration wanted large increases to out-of-network out of pocket limits; the FSC’s proposal agreed to increases of $500 (individuals) and $1000 (families). Likewise, all deductibles and out of pockets maximums for the HSA would increase by $500/$1000. Furthermore, the proposal specified that the HCC would continue to meet and seek mutually advantageous changes to plan design.

Finally, the proposal said that Paragraph F in the MOU would revert to the text of the 2011-2012 MOU. She explained that this paragraph lays out the institution's commitment to compensation at least at the 95th percentile of AAUP IIA institutions, and how that commitment is implemented. For several years, we have been fighting attempts to eliminate or change this commitment. The administration did reaffirm the commitment but then wanted to talk about the true-up system. Paragraph F in the current MOU says we would conclude talks about the true-up system this year, but we haven't done so. We want to eliminate that language about discussing a new system for implementing the commitment.

We met yesterday, presented and discussed our proposal, both groups caucused, and then the administration came back with an oral proposal. Their proposal was for a 1-year contract. They reduced the salary increase from 2.5% to 2% (on conditions that had been included all along- to agree to talk about post-tenure review and that all claims to retirement catch-up will have been met), agreed to the healthcare changes in the FSC's proposal, agreed to returning Paragraph F to the 2011-2012 text, and agreed to re-engage the HCC. They said they would send the terms in writing within the hour. When the FSC asked whether we should make plans to reconvene the groups after the FSC had received the administration's offer in writing, EVP Lawlor said, "no, absolutely not, we're done".

Surprisingly, the written terms differed in several ways from what the administration had presented orally. The proposal was still for a 1-year contract with a 2% salary increase all distributed as standard merit. Their written terms fully spelled out that this increase distributed as standard merit was conditioned on two things. The faculty had to agree to discuss a post-tenure review system to potentially replace the current merit system. Prof. Mulvey noted that the language around this process was much weaker than the administration had proposed earlier in the year. The other condition was that the faculty had to drop all claims regarding reinstatement for the reduction in retirement benefits we agreed to several years ago. Prof. Mulvey explained that the FSC has been arguing that faculty are owed a 1% increase in compensation because we took a 1% cut when we agreed to no raise and a decrease in the university's retirement contribution from 10% to 9%. At the same time, the other employees of the university received a 1% raise and saw their retirement contribution go from 10% to 8% (i.e, a net 1% reduction in benefits, like the faculty). This year, the retirement contribution for staff was returned to 9%, but faculty have not seen a restoration of the 1% we're owed. In other words, earlier this year the administration took actions that paid the 1% back to everyone except the faculty.

The most significant change in terms concerned the out-of-network out of pocket maximums for the PPO. The FSC proposal (to which the administration had orally agreed) was for an increase from $1200/$2400 to $1700/$3400. The administration's written proposal changed the increase to $2500/$5000. The administration's proposal also included details for the other HSA option (currently option 5), but Prof. Mulvey explained that the FSC had no position on that option because no faculty have opted for that plan. Finally, although the FSC was under the impression that the administration had orally agreed to changing Paragraph F as proposed by the FSC, their written proposal was to maintain the language in the current MOU.

Returning to process concerns, Prof. Mulvey said that despite all of the focus on changes in health insurance, the HCC was underused, bypassed, and ignored, in a deliberate violation of an agreed upon process. When pushed about sending proposals to the HCC, VP Reed said that it was not required. Now we're in a situation where faculty are about to go off contract. The FSC won't ask for a General Faculty meeting in June, July, or August, so this is our last chance to approve an MOU before September. The administration knows this.
They told us a proposal yesterday, and then refused to meet with us to discuss it after we were able to review the written terms. And the FSC hasn't been able to get the data from Mercer that would allow us to evaluate the proposal in a conscientious way.

In the absence of the necessary data, the FSC put together an MOU that's very close to the administration's proposal. Prof. Mulvey made it clear that the administration has not said that they will accept these terms of compensation. The FSC's MOU includes a 1.5% salary increase, all distributed as standard merit, and a 1% across the board salary increase. The per course pay for adjuncts and full-time faculty teaching overloads is increased by 1.5%. Changes to health insurance match the administration's final written proposal, i.e., everything goes up by $500/$1000 except for the out-of-network out of pocket maximums which go up by more. Paragraph F wording remains unchanged, as the administration wanted.

Prof. Mulvey said, I am deeply concerned about the lack of understanding on the part of some of our senior administrators about the enterprise of higher education we are engaged in. I am concerned they see only customers to be satisfied and employees to be managed and a bottom line as the be all and end all of our reason for being. The faculty are not employees of the University. We are the university. We are not satisfying customers, we are making deep and life-long connections with our students. They see us on a glide path to some undefined notion of sustainability. I see us on a glide path to mediocrity. Of course, we must live within our budget in a responsible way, but if we don't do it in the context of academic excellence and all that requires to maintain the reputation we've all worked so hard to achieve, we may as well close up shop.

She continued, from what I see, everything is under attack. Healthcare is under attack. Tenure is under attack. The 95th percentile is under attack. This year, I asked the FWC to stand down and at Commencement only to wear buttons. Perhaps that was a mistake. I don't know. But we all know the enormous amount of faculty time and energy and volunteerism that went into Fairfield 2020, core revision, and the deep discussions within departments to promote academic excellence in a new framework. But, everything that is important to our core academic mission is under attack. And, while I will be on sabbatical in the fall, my message to the FWC at this point is - everything that is important to our academic mission is under attack and we need to begin fighting back on day one next year - job actions, protests, work stoppages. My tactic of quietly working as hard as we can to reach agreement with the administration this year didn't work. We got a bad deal. They reject our principles. And, apparently it's also important to the administrators we are working with that the FSC carries this message to you: post-tenure review is on the horizon, the 95th percentile is still not entirely secure, benefits are under attack. They plan to attack everything that is important to our academic mission.

She then reviewed the motions they would present today. Motion 1 accepts the MOU/BPO as put together by the FSC. The FSC has decided to withdraw what's listed on the slide as Motion 2. Motion 3 is based on advice from the FWC attorney about what happens if we don't have an agreed upon MOU. The contracts continue, and faculty expect a 1.5% salary increase as that was in the budget approved by the Board of Trustees.

At this point the floor was again opened to questions.

Prof. Dawn Massey said that she had two questions. She heard SVPAA Babington say in a meeting that the university expected to be facing a "Cadillac tax" (ACA excise tax) of $2.5 million. She asked whether the administration had provided data to support that expectation. Prof. Mulvey noted that we're aware of the tax and of the fact that it's unclear how or whether it will take effect. One of the charges to the HCC is to monitor the tax. Prof. Tucker said that the tax is based on the value of the benefits and they have given us some data about the value of our benefits, but not the full picture. Our response to concerns about this tax is to match any reduction in benefits (which would reduce tax liability) with an offset in salary. Prof. Massey continued with a question about the description of the second HSA option on page 5 of the BPO and why it doesn't exactly match the description of HSA 1. Prof. Mulvey explained that the BPO didn't have any text about HSA 2 so she added the pieces from the administration's proposal.
Prof. Boquet said she was most surprised by the language of post-tenure review. She served on the FSC when a lot of the work around merit was going on. That was clearly connected to compensation. Without any sense of the purpose of post-tenure review, it's not clear how it's connected to the charge of the FSC. Why would it be appropriate for language about post-tenure review to be in documents that govern our compensation? Prof. Mulvey explained that language about post-tenure review was not in the MOU. She also noted that it's simply too late to review for additional merit this year. In response to Prof. Boquet's central question, she said that when the administration first raised this issue, the FSC asked VP Reed whether post-tenure review would be tied to money. VP Reed said that that was a good question, he didn't know, but probably yes.

The FSC will agree to the language of talking about the feasibility of post-tenure review; they're not asking the General Faculty to formally do so. Prof. Hlawitschka added that the FSC tried to make it clear to the administration what a hot button issue this is. Given that the FSC always stands ready to discuss anything, it would be in the administration's best interest to put this issue on next year's agenda instead of making it part of this year's documents. The administration insisted on acknowledgement of their desire to discuss this issue. The FSC is acknowledging it and will not object to the administration putting it on the agenda in the Fall.

Prof. Jocelyn Boryczka thanked the FSC and HCC for their hard work and for modeling collegial and civil engagement when confronted with incivility and sidestepping of processes. She asked about the implications for governance of accepting an MOU that the administration has not agreed to. She wondered whether this could open a window for the administration to further disregard the processes for reaching agreement. Prof. Mulvey said she did not know.

Prof. Phil Lane asked whether it was time to put a motion on the floor for a vote of no confidence in our president. Prof. Mulvey said that was up to the faculty. When pushed for her opinion she said, I have very little confidence in the president's leadership at this time. She added that the FSC had contacted President von Arx this morning asking if they could meet with him. He replied that he was unavailable but urged the FSC to continue working with the administration and to present an MOU to the General Faculty for a vote.

Prof. Patricia Behre said that the process seems to represent adversarial brinksmanship at best and the continuing presumption that faculty time isn't meaningful, that we're always available. Noting that she was a historian rather than a finance person, she thanked all the people with financial expertise for contributing their expertise. She added that sometimes a historian's view is important and said that she was hired right after a contentious standoff that entailed significant job actions and resulted in a major settlement. Since then our annual salary has rarely kept up with inflation or our tuition increases. She wondered what happened in 1989-1990, what actions were taken and what settlement occurred. Prof. Mulvey said this might be a good question for the FWC to explore further.

Prof. Joe Dennin said that he has been here for a long time and has been struck over the last 5-10 years by the tremendous hypocrisy from the administration. For example, they speak about controlling healthcare costs but they just mean shifting costs to employees. They say the pool of potential students is shrinking, but we're increasing the size of our student body. They often talk of financial crisis, but we regularly run a surplus. So why are we trying to appease them? Do they really think they can run the institution efficiently and maintain quality without us? He applauded the FSC for putting up with all they have this year. It seems like we're making constant compromises and getting nothing in return.

Prof. Tucker, picking up on points made in previous questions, said we've been told that it is the Board of Trustees that wants post-tenure review. He thinks it's the latest fad, as merit was 10 years ago. He also said that the staff salary pool is going up by 3% next year while the faculty pool is going down slightly. We've asked for an actuarial approximation of various costs, for example, how many people would have exceeded the PPO deductible if it had been in place this year. We've gotten no response.
Prof. Ron Salafia said he didn't want to put anybody on the spot or make life more difficult for the FSC, but he wondered what would happen if we voted against these motions and sent a message to the administration that it's time for them to bend a bit to the needs of the faculty. Prof. Mulvey said that we don't know, we can't control what the administration will do. The current MOU has language about what happens in the absence of an agreement. She's not sure voting down an MOU helps us. The FSC is presenting an MOU we're willing to recommend you accept and a motion about what happens if the administration rejects the MOU. There could be a nuclear response from the administration and Board of Trustees; they could try to impose all of the changes they want. Prof. Bob Epstein, from the FSC, pointed out that the MOU we're bringing forward includes a 2.5% increase, whereas without an MOU we're entitled to the budgeted 1.5% increase. Despite the frustrations around the process and some remarkable bad faith, we're still very close. We thought we had an agreement yesterday, we were just waiting for it in writing. We're still remarkably close. Prof. Mulvey added that the only difference between what they sent and what we're proposing is that we bumped the salary back to 2.5% (vs. 2%).

Prof. Kathy Nantz said, it's 3:30 on May 27th and I don't understand why we're sitting here any longer, having this conversation. It needs to stop and the faculty need to step up. I'm not sure what we need to step up to, but having our FSC continuing this way next year isn't an option for me. Each year we're warned that something bad will happen next year, but something bad happens every year no matter what we do. We could vote for this MOU but not send our colleagues to the table next year. Each person could bargain individually with the administration even though that's not efficient for anyone. Or we could form a union so our people don't have to spend all their time doing this. It's offensive to me that you're having to do this right now. Whatever we want to do, I'm ready to do it. If we want to move no confidence in the President, I'll make that motion. If we want to move that we won't do this next year without guarantees of collegiality and transparency, I'll make that motion. Let's figure out what we want to do and let's vote.

Prof. John McDermott, considering the administration's motives, said they're usually trying to take our money and/or disempower us. We ought to resist attempts to further disempower us. He continued, I've been in the military for over 20 years, I know about bullying, and we're being bullied. My question is, when you say we're so close, so close to what? What are we anchoring to? Is it where we would have liked to have been at the beginning of the year? Prof. Mulvey responded that we're close to an agreement that adheres to the FSC's principles that any decrease in benefits has to be offset by an increase in salary. She said she has been here for 30 years and served on the FSC for seven. This is the worst year yet. The people running the show have no understanding of our core academic mission. With regard to Prof. Nantz's comments, she said that she would like to approve the two motions from the FSC and then would welcome some motion condemning this year's process.

Motion [Preli/Salafia]: The General Faculty accepts the MOU/BPO that was attached to the email from the General Faculty Secretary at 12:14 PM on May 27, 2015.

Prof. Dennin pointed out that the MOU doesn't meet the FSC's stated principle of salary offsets to compensate for a loss in benefits. Initially the 1% over the 1.5% salary increase was to make up for the cut in the retirement contribution. Now it's being presented as an offset for the changes in healthcare. We should be getting 1% to make up for the retirement cut and another $1000 for the healthcare changes. Prof. Mulvey said that they had considered putting precisely those terms in the MOU, but the majority decision was to remove them in order to be more reasonable.

Prof. Paul Lakeland spoke in favor of the motion on the longstanding tradition that even in the darkest of days we support our committees.

Prof. David McFadden agreed with Prof. Lakeland. He said that no matter what we think about what the FSC should do next year, they've worked like hell this year and we should support them. He emphasized the importance of unity going into the summer.
Motion [Hohl/Bayne]: to amend the MOU by adding an additional salary increase of $1000 as item C.3 in the proposed MOU.

Prof. Rona Preli spoke against the motion because it's a point of contention that could stop agreement; we're trying to force an agreement.

Prof. Tucker concurred with Prof. Preli.

Motion [Lane/Davidson]: to call the question on the amendment. Motion to call the question passed.

Motion to amend failed.

Motion [Davidson/McFadden]: to call the question on the main motion. Motion to call the question passed.

Main motion passed 93-19

Motion [Nantz/Lane]: that the General Faculty has no confidence in the administration's ability to engage in collegial conversations leading to satisfactory terms of compensation.

Prof. David Downie suggested that we amend the motion to a vote of no confidence writ large. He said that's a better headline as opposed to a discussion that looks like we only care about money. His informal conversations with members of the Board of Trustees suggest that they think we're all about money rather than the long term viability of the institution.

Prof. Epstein said that there already is a tabled motion about a vote of no confidence in the President. That could be untabled, but it seems to be a separate thing from Prof. Nantz's motion. Prof. Nantz said that she understood Prof. Downie's point and would be willing to withdraw her motion as long as we proceeded with some motion.

Chair Schmidt sought advice from his appointed parliamentarian, Prof. Mulvey. She explained that once a motion has been made and seconded, it belongs to the body, not to the maker.

Motion [Salafia/Davidson]: to withdraw Prof. Nantz's motion

Prof. Hlawitschka said that we (FSC and HCC) spent a lot of time over the last few days thinking about the best strategy. Their judgment is that if we reach agreement on an MOU now we're in a stronger position to fight in the Fall. He favors withdrawing the motion and maybe untabling the other motion in September.

Prof. McFadden suggested that proceeding with these kinds of motions undermines our approval of the MOU. We should return in the Fall when we're better organized.

Prof. Boryczka spoke in favor of Prof. Nantz's motion because we have been put on notice and we should put others on notice. We've been extremely collegial and should send a message about the administration's lack of collegiality. She referred to an FWC brown bag about the new legal environment for faculty unionization. The standards focus on the role of faculty in governance processes of the university. When we considered the issue in February, we didn't seem to be a good candidate for unionization. Now we seem to be moving from red lights to at least yellow lights.

Prof. Downie said he would not disagree with his department chair. This seems to be devolving into a strategy session. Maybe we should vote on Prof. Nantz's motion now and consider further motions in the Fall.
Prof. Lakeland spoke against withdrawing Prof. Nantz's motion because it focuses on process and that makes perfectly good sense alongside our approve of the MOU.

Prof. Salafia said that he made the motion to withdraw on the assumption that we would replace Prof. Nantz's motion with a stronger motion.

As we moved to a vote, there was some debate over whether it was appropriate to have a motion to withdraw rather than simply voting on the motion under consideration for withdrawal. Chair Schmidt ruled that we should vote on the original motion.

**Motion [Nantz/Lane]:** that the General Faculty has no confidence in the administration's ability to engage in collegial conversations leading to satisfactory terms of compensation.

Motion passed 90-7.

**Motion [Mulvey/McFadden]:** The General Faculty’s position is that current faculty contracts continue in force until superseded by a new mutually approved MOU and new faculty contracts for the 2015-16 academic year based on that MOU. The faculty will continue to perform their job duties under the terms of their 2014-2015 faculty contracts. Furthermore, the faculty fully expect a 1.5% salary increase beginning 9/1/2015 based on the budget passed by the Board of Trustees and the fact that minimum salaries for new contracts issued for 2015-16 have included a 1.5% increase.

Motion passed, 114-0.

**Motion [Dennin/Davidson] to adjourn.**

Motion failed.

**Motion [Boryczka/Behre]:** that the General Faculty will fight, by any means necessary, to protect academic excellence at Fairfield University.

Motion passed unanimously.

3. Adjournment

A motion to adjourn [Massey/Carolan] passed without objection at 4:07 p.m.

Respectfully submitted,

Prof. Susan Rakowitz
Secretary of the General Faculty
Health Care Review Committee

Purpose
The purpose of this committee is to address on an ongoing basis the growth in the total cost of health care, which is of concern to both the faculty and the administration. Using all relevant and reasonably available data, including data on projected as well as actual health care costs in the aggregate, changing demographics, employee usage patterns and changes in stop-loss insurance cost, and with the help of the University's consultant and other consultants as mutually agreed to and needed, the Committee is charged to:

1. Consider and make recommendations to the FSC and administration on ways to make plan participants more economically efficient users of health care;
2. Consider and make recommendations to the FSC and the administration on ways to reduce the increases to the cost of health care, and to monitor developments regarding the health care industry and make any recommendations deemed necessary and appropriate.
3. In any year when contributors of health care premiums increase at any rate, consider and make recommendations to the FSC and the administration as to the appropriateness of said increases.

Outline for today’s presentation:

1. Timeline/Process
2. Health Care
3. Principles
4. Most Recent Proposals
5. 2015-16 MOU/BPO
6. Discussion
7. Motions for today’s business
8. Moving Forward

3. Principles

FSC principles:
- Any decrease in benefits must be offset by an increase to salary.
- No individual employee should suffer undue hardship due to a decrease in benefits.

Administration’s principles:
- None have been articulated to us.
- The administration’s sole concern appears to be the bottom line.

Faculty Salary Committee (from Faculty Handbook)

General Purpose
To engage annually in collegial discussions regarding faculty salary and benefits with an administrative team appointed by the President.

Specific Duties
- To start collegial discussions with the administrative team by October 1 of each year with the shared goal of reaching agreement on a Memo of Understanding to present to the General Faculty for approval.
- To review the Benefits Plan Overview for Full-Time Faculty, recommending changes to the General Faculty as appropriate.
- To review the text of the annual contract letter before it is sent to faculty.

4. Most Recent Proposals

FSC Proposal for two-year contract (1/3):

Salary year 1: 1.5% standard merit
   1% added to base
Salary year 2: 1.5%
4. Most Recent Proposals

FSC Proposal for two-year contract (2/3)

**HEALTH CARE CHANGES:**
- Current PPO 2 becomes framework for single PPO option.
- Introduce deductible to PPO: $500/$1,000
- Lower in-network OOP maximum to $2500/$5000
- PPO: OON deductible increase from $200/$400 to $700/$1400
- PPO: OON OOP maximum increase $1200/$2400 to $1700/$3400
- HSA: increase in-network deductible $1500/$3000 to $2000/$4000
- HSA: increase OOP deductible $1500/$3000 to $2000/$4000
- HSA: increase OOP maximum from $3000/$6000 to $3500/$7000

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4. Most Recent Proposals

FSC Proposal for two-year contract (3/3)

- HCC continues to meet and seek mutually advantageous changes to plan design.
- Paragraph F: back to 2011-12 language

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4. Most Recent Proposals

Administration's proposal (1/4) when we got it in writing

**Terms:** One-year contract

**Salary:** 2.0% increase distributed all as standard merit conditioned on (a) the acknowledgement that all claims regarding past retirement contribution reductions and/or other undocumented claims are resolved and that going forward, any materials commitments be reduced to writing, and (b) the agreement to form an appropriate group made up of faculty and administration to discuss in earnest the feasibility of a post-tenure review system that could replace the current merit system and be in place for FY17 (2016-2017). If no change is mutually recommended by this group, it is understood that the current system for distribution of merit remains in full force and effect.

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4. Most Recent Proposals

- Administration's proposal (2/4) when we got it in writing
- Health Care
  - Current PPO 2 becomes framework for the single PPO option.
  - Introduce deductible to PPO: $500/$1,000
  - Lower in-network OOP maximum to $2,500/$5,000
  - PPO: OON deductible increase from $200/$400 to $700/$1,400
  - PPO: OON OOP maximum increase from $1,200/$4,000 to $2,500/$5,000 (FSC had increase to $1,700/$3,400)
  - HSA (current Option 4) increase the in-network deductible from $1,500/$3,000 to $2,000/$4,000
  - HSA (current Option 4) increase the out of pocket maximum from $1,500/$3,000 to $2,000/$4,000
  - HSA (current Option 4) increase the out of network deductible from $1,500/$3,000 to $2,000/$4,000
  - HSA (current Option 4) increase the out of network OOP maximum from $3,000/$6,000 to $3,500/$7,000

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4. Most Recent Proposals

- Administration's proposal (3/4) when we got it in writing
- Health Care
  - HSA (current Option 5) increase the in-network deductible to $2,500/$5,000
  - HSA (current Option 5) increase the out of pocket maximum to $3,500/$7,000
  - HSA (current Option 5) increase the out of network deductible to $3,000/$6,000
  - HSA (current Option 5) increase the out of network OOP Max. to $3,500/$11,000
4. Most Recent Proposals

- Administration’s proposal (4/4 when we got it in writing)
- Health Care Committee continues to meet and seek mutually advantageous changes to plan design
- Paragraph F Language. The administration proposes that the language of Paragraph F of the 2014-2015 MOU (i.e., the current MOU) remain in effect for 2015-2016

5. MOU/BPO

The terms of compensation in the 2015-16 MOU/BPO we have drafted are as follows:

- 1.5% salary increase distributed as standard merit
- 1% salary increase for each faculty member
- Adjunct salary/overload pay increased by 1.5%
- Changes to health insurance as in administration’s proposal (slides 12 & 13)
- Language for Paragraph F as in administration’s proposal.

6. Motions

Motion 2: [Like good children,] the GF acknowledge the administration’s position that distribution of the 1.5% salary increase as standard merit and the 1% salary increase to each individual is conditioned on (a) the acknowledgement that all claims regarding past retirement contribution reductions and/or other undocumented claims are resolved and that going forward, any materials commitments be reduced to writing, and (b) the agreement to form an appropriate group made up of faculty and administration to discuss in earnest the feasibility of a post-tenure review system that could replace the current merit system and be in place for FY17 (2016-2017). If no change is mutually recommended by this group, it is understood that the current system for distribution of merit remains in full force and effect.

6. Motions

Background for Motion 3.

Current faculty contracts run through June 1, 2015 and, traditionally, new faculty contracts, based on a new Memo of Understanding (MOU) are sent to faculty in June. Given that the parties have not yet reached agreement on a successor MOU, and based on the advice of our attorney:

Motion 3: The General Faculty’s position is that current faculty contracts continue in force until superseded by a new mutually approved MOU and new faculty contracts for the 2015-16 academic year based on that MOU. The faculty will continue to perform their job duties under the terms of their 2014-2015 faculty contracts. Furthermore, the faculty fully expect a 1.5% salary increase beginning 9/1/2015 based on the budget passed by the Board of Trustees and the fact that minimum salaries for new contracts issued for 2015-16 have included a 1.5% increase.
Healthcare Review Committee

Report to General Faculty May 27, 2015

Financial Status of Current Healthcare Plan

Most Recent 3-month Experience
Actual costs first 3 months 2015: $2,643,187

Decrease in costs of healthcare from 2014 to 2015 (first 3 months)
$436,704

*annualized decrease in costs $1,746,816

Financial Status of Current Healthcare Plan

Most Recent 12-month Experience
Budgeted amount first 3 months 2015: $3,855,263

Amount over budgeted for 2015 $1,212,076

*Budgeted amount is 46% over actual amount yrld 2015
**annualized amount over budgeted for 2015 $4,848,304

Financial Status of Current Healthcare Plan

Most Recent 12-month Experience
Amount budgeted for 12 months ending March 2015: $15,061,835
Actual costs 12 months ending March 2015: $13,688,447

Increase in budgeted amount = $953,760
Decrease in actual costs = $1,071,529

Healthcare Trigger Committee

In November, the administration informed the Faculty Salary Committee that healthcare premiums for faculty would increase by 14.9% in 2015. Healthcare premiums for the university would increase by only 2.9%. This was the case even though the actual healthcare costs for 2014 were about 10% below the budgeted amount. The administration’s explanation for this increase was that their consultant, Mercer, told them it was necessary. They never shared Mercer’s report or an explanation of Mercer’s methods to the Trigger Committee or the Healthcare Review Committee and imposed the premium increases over the objections of the Trigger Committee.

Healthcare Review Committee

The launch year for the Healthcare Review Committee (HRC), which was established to allow for more concentrated efforts towards reasoned and data-driven changes to our healthcare plan, was a dud. The administration did not bring a single proposed change to this committee and made meeting difficult to schedule.
No Answers to Questions

The administration circumvented the Healthcare Review Committee and made multiple proposed changes to our healthcare benefits very late in the year. The proposals were significant including the proposed elimination of the PPO options.

The administration has not been able to answer some very simple questions about the proposed changes put forth by the FSC including, “How much money is saved?” and “How many people are affected by the change?”

Limited Information Sharing

While the administration has been great in sharing information on plan costs and budgets, they have withheld some information. Specifically, responses from Mercer to questions posed by the FSC were not forwarded to the FSC. The FSC requests contemporaneous sharing of all information regarding our healthcare plans.

Disagreement of Principles

The administrative team vehemently rejected the FSC’s principle that whenever the administration seeks to cut a benefit, the FSC will seek receive offsetting compensation.

After years of accepting below inflation salary increases to offset above inflation healthcare costs, the administration is asking us to now take cuts in healthcare benefits with no offset in salary. This is a win-win for the administration and a lose-lose for the faculty.

Disregard for the Individual

Yesterday morning’s proposal by the administration would have some people’s out-of-pocket healthcare costs go up by over $4,600 next year. The FSC/HRC thought that even if this was a reasonable modification to the plan, the sudden change in costs to some individuals was too high. The administration did not have any idea how many people would fall into this category or whether these individuals had options to reduce these out-of-pocket costs. While costly to the individual, the administration could not quantify the savings to the university.

Today’s Proposal (highlights)

1. All plan participants will have an increased annual deductible of $500 per individual and $1,000 per family. Out-of-pocket maximums will also increase by this amount.
2. The proposed MOU has a 1% increase to base salary that should cover the additional costs of the increased deductible for most plan participants.
3. Unfortunately, a handful of people (specifically PPO participants using maximum out-of-network services) will see their costs increase by $1,300 for individuals and $3,600 for families. We regret this change and this hardship for these individuals. The FSC has asked the FWC to create a “hardship fund” to assist these people transition over the next year. Members of the FSC have already committed over $1,300 to this fund. We are sorry that a few are being asked to bear an unreasonable burden for the benefit of many. [Note: the administration had been insisting on an even greater burden for these individuals.]