

FACULTY ADVISORY COUNCIL
to the
Oklahoma State Regents for Higher Education

MINUTES

1. CALL TO ORDER. The Faculty Advisory Council to the Oklahoma State Regents for Higher Education met at 5:30 p.m. on Thursday, September 4, 2003, in the State Regents' Library Conference Room. Members present for the meeting were: Al Schwarzkopf, Chuck Edgley, Nancy Osborn, Jim Lambert, Judy Colwell, Claudia Buckmaster, and Hal Cauthron. Chairman Colwell called the meeting to order and presided.

2. MINUTES. The minutes were approved as presented.

2.1 HIGHER EDUCATION EVENTS UPDATE. Chancellor Risser discussed the search for a Vice Chancellor for Academic Affairs. He stated that several candidates had been interviewed, but the search committee felt that the best individual for the position had not yet been found. He indicated that more candidates would be interviewed informally before another formal interview is held. Chancellor asked FAC for recommendations for the position.

Chancellor Risser discussed the Economic Development Generating Excellence (EDGE) project. He explained that the project is designed to pinpoint specific actions that the state's government, businesses, and higher education institutions can take to strengthen Oklahoma's economy. Twenty-three separate expert panels have been formed, comprised of government, business, and higher education leaders from across the state. These panels will submit a few key recommendations to the EDGE Steering Committee by October 1. The Steering Committee will then forward the most effective recommendations to the Governor for consideration. Chancellor stated that a summary of the key recommendations would be presented to the public before the final recommendations are forwarded to the Governor, giving the community a chance to express opinions on these recommendations. He stated that several public information sessions would also be hosted around the state. The Governor will review the recommended actions and will announce the outcome of the EDGE project on December 3, 2003.

3. RETIREMENT ISSUES. Chuck Edgley presented an update on faculty retirement issues. He stated that retirement benefits were one of the most important benefits provided by an institution to its faculty. He noted that ideal retirement benefits should be portable and vest early rather than late. He stated that the Oklahoma Teachers' Retirement System (OTRS) is only about 56 percent funded, making it one of the lowest funded retirement systems in the nation. He also noted that OTRS was originally designed for public school teachers and not for the higher education system. Maryanne Maletz stated that the Business Officers had been looking at all faculty benefits provided by institutions. Ms. Maletz stated that she would provide a copy of the last faculty benefits report to the FAC and invited their input on the next survey. FAC asked if any EDGE panels were considering faculty benefits, particularly the portability of the Oklahoma Teachers' Retirement System, as an issue. Chancellor Risser indicated that to his knowledge none of the panels were discussing OTRS.

4. HEALTH INSURANCE ISSUES. Chairman Colwell stated that representatives from Health Choice were present to discuss faculty health insurance issues. Bill Crane indicated that insurance premiums for 2004 are expected to increase; however, they are not expected to increase as much as plans in other states and in the private sector. Paul King addressed physician reimbursement concerns expressed by FAC regarding dental benefits. He stated that an increased fee schedule had recently been passed and

will come into effect for 2004. FAC asked about the portability of Health Choice. Mr. Crane indicated that in those states where the Health Choice fee schedule is equal to or better than the Medicare fee schedule for that state, that contracts with health care providers are more likely to be successful. He stated that while there are many providers across the nation, Health Choice has been looking to gain more providers regionally. Al Schwarzkopf asked whether Health Choice would provide an amended fee schedule for members near states with higher Medicare fee schedules, such as the Oklahoma and Texas panhandle area. Mr. Crane indicated that ideally the Health Choice plan would be able to adjust the fee schedule based on area, but that realistically such adjustments are not possible because of population differences, availability of health care specialists, and other variables. FAC also discussed the possibility of international portability. Mr. Crane stated that the issue of international portability would be considered. FAC asked Mr. Crane to meet with a faculty group in the spring so that issues could be discussed before the renewal period offered next fall.

5. SELF-INSURANCE. Al Schwarzkopf discussed health self-insurance possibilities for higher education faculty members. He stated that self-insurance would be a bigger risk because of the possibility of one or two large claims affecting the rates. He indicated that the need for a self-insurance option may not be necessary due to recent changes in Health Choice, particularly the increased lifetime cap on prescription medication to \$2 million and the adjusted low-option plan. Chancellor Risser agreed that a larger population for an insurance option will decrease the risk involved and noted that other options to Health Choice were still being considered, such as partnerships with neighboring states.

6. ACADEMIC INTEGRITY STATEMENT. Dr. Ruth Ann Dreyer discussed the Academic Integrity Statement. She indicated that the Student Advisory Board and the Council on Student Affairs supported the statement but addressed concerns about the feasibility of having each student sign such a statement. She stated that SAB and COSA were discussing the opportunity of co-sponsoring the initiative. She also indicated that the Council on Instruction would also be discussing the initiative.

7. PLANNING FOR UPCOMING MEETINGS.

a. Chairman Colwell stated that representatives from the Oklahoma Teachers Retirement System were scheduled to speak at the October meeting, and the FAC outlined OTRS questions that could be sent in advance to Tommy Beavers. FAC asked Chancellor Risser if there were any legislative issues that should be discussed before speaking with OTRS representatives. Chancellor responded that funding will continue to be the primary legislative concern of higher education. He stated that higher education's involvement with the EDGE initiative would provide a second opportunity to address funding issues. He indicated that tuition and mandatory fees will continue to be an important issue for funding higher education.

b. FAC discussed the annual faculty opinion questionnaire and the upcoming Fall Faculty Assembly. The upcoming Faculty Assembly is scheduled for 10 a.m. on Saturday, November 1, 2003, in the State Regents' Conference Room. Dr. Dreyer stated that she would send the Faculty Senate list to FAC for updates and the faculty opinion questionnaire for review.

8. FAC WORKPLAN FOR 2003. FAC discussed the following workplan topics:

- a. Faculty Compensation.
- b. Governance/Legislative Issues.
- c. Student Performance.
- d. Technology.

9. ADJOURNMENT. With no further items to discuss, the meeting was adjourned.