Lehigh University

MINUTES OF THE FACULTY MEETING

21 October 2002

Presiding: Gregory Farrington (University Center 308)

President Farrington called the meeting to order at 4:10 PM.

1. Minutes. The minutes of the September 23, 2002 faculty meeting were APPROVED.

2. Committee Motions. None.


5. Committee Reports. Professor Tina Richardson, on behalf of the Faculty Compensation Committee provided a report [see Attachment 1]

She highlighted two priority issues: the salary adjustment process; and, changes in health care benefit plans. With respect to the salary adjustment process, FCC is meeting with the president and provost, and have received their assurances that the administration has an ongoing commitment to continuing the process. FCC has been diligent and persistent while making a concerted effort to influence the process.

6. President’s Report. President Farrington began by discussing the various construction projects on campus including Coppee Hall, Lower Grace and street lighting along Packer and Webster Avenues, among others. The pasta shop at Campus Square will open shortly and the Wilbur powerhouse project is on track.

The board of trustees meeting went smoothly. Trustees Chair Jim Tanenbaum is primarily focused on academics. The February board meeting will center on two items: presentations from faculty on the main academic thrusts of the university; and, fraternity life on campus.

This fall marks the first year in which women pledging sororities outnumbered men pledging fraternities. Fraternity pledging is down 40%.

With regard to faculty compensation, the president said the administration is working hard to be as generous as possible but many factors make
being generous challenging, among them the stock market and the inability to significantly raise tuition rates. The government has capped Medicare reimbursement rates translating into higher costs for private insurers. This will be an especially challenging year for the budget with preliminary figures to the board of trustees by January and a final budget decision by February.

7. **Provost's Report.** Provost Ron Yoshida began by noting he had visited Wilbur Powerhouse and was excited by the renovations underway.

There are 41 faculty searches in progress as well as the search for the new dean of Arts and Sciences. He encouraged faculty to submit names to Nancy Speck (Dean Durand's secretary) with the assurance that the search committee will follow-up on every name submitted.

The provost spoke of the possibility that academic departments may become isolated from other departments and encouraged the faculty to adopt "out-of-department" thinking as a successful strategy. He cited the collaborations among departments involved in chemical sciences as a positive example.

The provost is working with deans and associate deans on enrollment management with several goals: increasing applications and retention rates; better long-term course planning; better class size balancing; and, more effective scheduling.

He is working on a memo on budget decisions in academic affairs. He has allocated funds for the start-up of a minor in business. Looking at the Rhodes, Marshall and Goldwater Scholarship competitions, he is funding enrichment dollars to prepare Lehigh students to be better candidates for these scholarships.

President Farrington observed that the university is learning a great deal about fire safety codes given the rash of fire alarms on campus this fall.

The president also noted that the trustees endorsed the university’s diversity document. He reported that he had received a rash of hate mail from the broader world in response to the diversity document, primarily via three media: e-mail; e-mail from anonymous e-mail addresses; and, snail mail.

The president said he was encouraged by the tremendous amount of support he has received from a variety of sources and also noted the strong, positive editorial published in *The Morning Call* today.
The meeting stood adjourned at 4:45 PM

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Faculty Compensation Committee
Report to Faculty for
2002-2003

Members: Tina Richardson (Chair), Laura Olson (Vice Chair), Richard Roberts, Parveen Gupta, Dawn Keetley, April Metzler, Ken Sawyers, Constance Cook, Lee Stanley

Committee Responsibilities. The FCC's responsibility according to R&F 1.2.2.5 indicates ... "The committee investigates the level of faculty compensation and benefits relative to market conditions, peer institutions, university priorities, and faculty need. It meets regularly with the administration to participate in the formation of compensation policy and the distribution of fringe benefits. The committee reports regularly to the faculty on its findings and recommendations. The committee chairperson represents the faculty compensation committee as a member of the faculty steering committee." The Committee was committed to this charter and worked hard to represent faculty interests in spite of certain challenging dynamics associated with organizational change in general and administrative prerogatives.

The committee has been actively involved in tracking the evolution of compensation overtime via the benchmarking data and peer institution comparisons. Additionally we have been involved in reviewing the salary adjustment process and merit pay increase processes. Another major issue FCC directly provided input into is the changes in Lehigh University's health care benefits given national realities. What follows is an overview of compensation and benefits issues that the committee has been involved with for the academic year 2002-2003.

Health Care Benefits

FCC was represented on the Advisory Committee on Employee Health Care Benefits. The recommendations of that Advisory Committee resulted in the decision to offer employees multiple healthcare plan options. The national trends associated with health care cost increases resulted increased employee contributions and increase University contributions to health care which significantly offset some of employee expenses.

Plan options and Changes to Benefits include
1. ClassicBlue (the S600 deductible fee for service plan)
2. PPOBlue - the preferred provider organization
3. SelectBlue (the point of service plan)
4. Keystone Health Plan Central (HMO)
5. Integrated Behavioral Health (IBH) benefits which mirrors the benefits previously available through Magellan. IBH specializes in behavioral health plan
administration, employee assistance program, psychiatric disability management and work-life services.

Eligibility Dates for Benefits

FCC reviewed and supported recommendations of the staff in Human Resources that effective July 1, 2003 the eligibility start dates for many of the University’s benefits programs be changed from its current requirement of “first of the month following” and employee’s first work day and benefits end dates defined as “the last day of the month in which an employment ends” to an alternative policy. The proposed policy change will eliminate the waiting period to begin participation in the flexible benefits plan and its affiliated plans and extend first day benefits coverage. Additionally, the ending date for benefits will be the employee’s last day of work. A possible exception to the termination of medical benefits on the last day of work may be permitted for those transferring from Lehigh’s medical plan to Medicare. Individuals in that transition may be allowed coverage through Lehigh through the end of the month in which their employment ends.

Merit and Salary Adjustment

Salary Adjustment Process (SAP)

The University’s Administration continues to support the SAP and makes some of the salary adjustments necessary each year. This task is complex and difficult. Initially, the salary study and benchmarking data were used to assist in this process. That has remained unchanged in this year of the process; the CUPA-HR data along with other data sets available in specific disciplines will be used again, but the actual list of universities in the sample will be different because participation in the CUPA-HR salary survey varies from year to year. This has implications for salary comparisons as salary targets vaclate each year. The Administration contends that the CUPA-HR and other data sets will be used to provide general guidelines only.

In order to determine relative performance of Lehigh faculty with that of colleagues in peer institutions, data from the NRC 1993 study will be used as a guide for making such comparisons. Merit, which focuses on individuals and individual performance, is based upon performance in three areas: teaching (40%), research and scholarship (40%), and service to the university (20%).

Peer Institutions

Lehigh’s AY 2002-2003 CUPA peer institutions list of comparable universities has been modified from the previous year. The Administration describes the change as slight and due to the fact that participation in the CUPA-HR salary survey varies
from year to year. This position was the source of spirited discussion and debate during the year.

The peer set from all the institutions participating in the CUPA-HR survey includes private universities classified as “Doctoral” under the new Carnegie classification scheme and ranked as “Tier 1” or “Tier 2” “National Universities” by U.S. News & World Report. Of about 75 good universities in this scheme only 31 participated in the most recent CUPA-HR faculty salary survey.

Changes to the Peer Institutions List for the AY 2002-2003 included the following:
Institutions dropped: Washington University, Illinois Institute of Technology, Georgetown, and Johns Hopkins
Institutions added: Duke, Duquesne, Howard, University of Dayton, University of St. Thomas and University of Tulsa.
This resulted in the following Comprehensive list of institutions: Baylor University, Boston University, Brown University, Case Western Reserve University, Catholic University of America, Clarkson University, Duke University, Emory University, Fordham University, George Washington University, Howard University, Massachusetts Institute of Technology, Pepperdine University, Saint Louis University, Southern Methodist University, Stanford University, Texas Christian University, Tulane University, University of Dayton, University of Miami, University of Saint Thomas, University of San Diego, University of San Francisco, University of the Pacific, University of Tulsa, Vanderbilt University and Worcester Polytechnic Institute.

FCC in Upcoming Academic Year

Given the FCC committee’s responsibility to investigate the level of faculty compensation and benefits relative to market conditions, peer institutions, university priorities, and faculty need, a major task for the upcoming academic year is to work toward increasing the committee’s ability to influence decisions that increase benefits that meet the needs of faculty (such as issues regarding life insurance options, health insurance options, the merit review process, and SAP).

The major benefits concerns that will top the agenda for the committee include a review of the healthcare plan options the are currently in place, the SAP, make faculty aware of that next year the three year financial streams may reflect the downturn in the market which means salary raises are likely to be smaller and determine how to best monitor and track the changes in all additional benefits over time. In order to do this the committee will develop a formalized communication system with the faculty to ensure that faculty concerns are addressed and more input is received. This may be done through open meetings with the faculty, brown bag lunch discussions, electronic surveys regarding benefits and/or other communication mechanisms.