

**Financial Affairs Committee
Minutes and Report
(Meeting Date: 9/5/2000)
(Reporting Date: 9/14/2000)**

UA Faculty Senate

The Financial Affairs Committee met Tuesday 9/5/2000.

Members Present: Keith Woodbury, Deborah Martin, Wythe Holt, Anup Agrawal, Lee Pike, Terry Royed.
Members Absent: None.

Several topics were discussed:

1) Rec Center access as a true benefit for Faculty/Staff

This is a follow up item from this summer's discussions with George Brown. We reviewed the actions with the committee, and Wythe Holt and Keith Woodbury promised to bring it up at the Faculty/Staff Benefits Committee meeting (which was subsequently held 9/6/2000)

2) University Budget - Faculty/Staff raises

We agreed that we will extend an invitation to the Provost to share her budget planning process with us as early in the Spring semester as she feels will be appropriate.

We discussed the possibility of revisiting the salary compression/equity issue and updating that report. After discussion, the group felt this activity should be done every two years, not every year. However, we did perceive the need to determine if there was a formal response from the administration from the compression study submitted last year to the Provost. Terry Royed promised to check with Norm Baldwin about this (they are in the same department). Terry later confirmed that Norm did in fact receive a letter from the Provost acknowledging the report (see attachment [CompressionStudyAcknowledgement.pdf](#)).

3) "Sweatshop" issue

Keith Woodbury presented some of the documents that Norm Baldwin forwarded to the Committee at the end of last year (see attached files [FairLaborAssociation-LaborCodeConduct-UATenents.pdf](#) and [FairLaborAssociation-WhatIs.pdf](#)). Apparently, Dr. Sorenson appointed a task force, chaired by Daniel Arce of Economics, that met throughout all of last academic year to deal with this issue. There exists a national group, the Fair Labor Association (FLA), which acts on behalf of member universities precisely for the purpose of monitoring activities of manufacturers. The Task Force recommended that the University join this association, and adopt two riders to the basic tenants of the group: Women's rights and factory location disclosure. Keith Woodbury promised to follow up and check with the Athletic Department to see if the recommendations were adopted. A later contact with Finus Gaston confirmed that the University did join the FLA with the two riders as recommended by the Task Force (see attachment [FairLaborAssociation-UAPressRelease.pdf](#)).

One problem that was highlighted by this was that, according to the Faculty Handbook, any task force appointed

by the President is supposed to have a representative from the Faculty Senate. In looking over the list of people that served on the task force, it was not clear that one of them was representing the Senate. Financial Affairs would like to have the Steering Committee and/or Senate President address this discrepancy with the administration.

4) Medical insurance costs

This issue was discussed as an advisory in light of some information forwarded by Rob Ingram concerning skyrocketing health care costs at UAB. Wythe Holt and Keith Woodbury promised to raise this issue at the Faculty/Staff Benefits Committee meeting (9/6/2000). Subsequent information disseminated at the Faculty/Staff Benefits Committee meeting indicated that the University is taking proactive measures to delay the need for increased premiums for our health care plan. A list of 16 cost cutting measures, approved by the F/S Benefits Committee last Spring, have been adopted and will go into effect in the new year (2001).

5) Domestic partner benefits

This was discussed as a "heads up" and a review of the summer discussion of this topic. Financial Affairs expects that this issue may be re-referred to them at some time in the future, and we are prepared to analyze the proposal on financial grounds. We expect that the likely impact of an adoption of wider benefits for domestic partners will not represent a significant financial burden on the University.

6) Vestment time for the Alabama Retirement System

This issue was raised by Anup Agrawal. The University, and indeed the entire State of Alabama, requires 10 years for full vestment in the Retirement System of Alabama. According to Anup, the industry standard (for Universities) is more like 5 years. Terry Royed recounted that in their recent Department Head search, this had in fact been a negative consideration by one of their candidates of our university. Wythe Holt promised to raise this concern at the Faculty/Staff Benefits Committee meeting (9/6/2000). Financial Affairs will provide some research on this topic, and will bring it forward to the Senate, asking the Administration to petition the State of Alabama for a change in this policy, and to work with other bodies at sister institutions to exert more pressure on this issue.

Attachments:

1. [CompressionStudyAcknowledgement.pdf](#)
 2. [FairLaborAssociation-LaborCodeConduct-UATenents.pdf](#)
 3. [FairLaborAssociation-WhatIs.pdf](#)
 4. [FairLaborAssociation-UAPressRelease.pdf](#)
-