# JOURNAL OF THE FACULTY SENATE

The University of Oklahoma (Norman campus)
Regular session - January 23, 1995 - 3:30 p.m.
Jacobson Faculty Hall 102

The Faculty Senate was called to order by Professor Tom W. Boyd, Chair.

PRESENT: Anderson, Badiru, Baker, Boyd, Bremer, Burnett, R.C. Davis, Dillon, Erdener, Fiedler, Friedrich, Fung, Greene, Havener, L. Hill, Holmes, Hutchison, Kincade, Koger, Kukreti, Laird, Landes, F. Lee, Loving, R. Miller, Mock, D. Morgan, Mouser, Nelson, Ogilvie, Patterson, Ragep, Reeder, Rhodes, Roegiers, Sankowski, Stock, Sullivan, Tepker, Tiab, Wallach, Watson, Weaver-Meyers, Weinel, Wenk, Wiegand, Williams

PSA representatives: Morrison, Spencer

ABSENT: Genova, Gutierrez, Horrell, Pauketat, Sutton, Van Gundy

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## APPROVAL OF JOURNAL

The Senate Journal for the regular session of December 12, 1994, was approved.

## ANNOUNCEMENTS

As reported in the minutes for the December 1994 meeting (see 12/94 Senate Journal, page 7), the Senate was asked to consider Student Congress' request to publish grade distributions for courses. In Legal Counsel's opinion, however, that information is available under the Open Records Act as long as the identity of the student is protected. Therefore, Associate Provost Bell plans to provide three copies of the information to the Student Association to make available in different locations on campus. This announcement is for information only and does not require any action by the Senate.

Attached as Appendix I is Vice President Jerry Farley's response to the list of faculty issues and concerns identified by the Faculty Senate (see 10/94 Journal, page 2).

A set of college and department evaluations for calendar year 1993 is available in the Faculty Senate office.

On Friday, January 27, the AAUP (Oklahoma Conference) and the Faculty Advisory Committee to the Oklahoma State Regents for Higher Education will join the Regents Education Program in co-sponsoring a conference titled "A Focus on Faculty" at the Moore-Norman Vo-Tech. Well-known speakers will discuss the topics of attracting and retaining high quality faculty, workload, and faculty contributions to effective institutional decision-making. Faculty are urged to attend all or part of this conference and to pre-register by January 24. Sessions one and three cost $5 each, and session two costs $10, including lunch. Additional information is available from the Faculty Senate office.

A Faculty Survey on Quality of Work Life is being sponsored by the Provost and administered by the Center for Economic and Management Research. Prof. Shirley Wiegand (Law) chaired a provost subcommittee which was responsible for creating the survey. The survey will be distributed to all faculty in late January or early February. Prof. Wiegand urges faculty to complete the survey.

**DISPOSITION BY THE ADMINISTRATION OF SENATE ACTIONS**

In response to the Senate's statement of philosophy/position concerning retirement benefits (11/94 Journal, page 3), President Boren said he plans to involve all faculty, staff and administrators in addressing this important issue. He held a retreat on retirement December 13.

President Boren wrote on December 19, "As my letter to the faculty indicates, I am in sympathy with the Faculty Senate resolution (on administrative raises, 12/94 Journal, page 2) and plan to use the Budget Council to help me enforce these policies."

In a memo dated December 21, President Boren stated that he appreciates the Senate's recommendations concerning the proposed academic reprieve policy (12/94 Journal, page 4) and plans to work with the Provost to implement an academic reprieve policy in the near future.

On December 21, President Boren wrote that he supports the establishment of an ad hoc committee of faculty, staff and students to develop procedures for implementing a debt policy (12/94 Journal, page 6). "A universal debt policy should be implemented to ensure that all members of the OU community are treated fairly and to provide a procedural means for the University to gain access to the funds to which it is entitled."

**UPDATE ON RETIREMENT BY PROF. TRENT GABERT, FACULTY WELFARE COMMITTEE CHAIR**

Prof. Gabert distributed a handout (Appendix II) at the meeting that included a summary of activities since the last Senate meeting and several attachments. In discussing the history of OU's retirement plan, Prof. Gabert explained that TIAA-CREF was added in 1972, and the Social Security integration level was frozen at $9,000 in 1976. Two important factors that led to the unfunded OTRS (Oklahoma Teachers' Retirement System) liability were the one-time buy-in at a very low cost and the health coverage.

Attachment a--Contributions to OTRS under Senate Bill 568--shows that in 1994-95, the University is supposed to contribute 8% to OTRS. Progressive changes occur until 2012, when the cost to the University will be 18% less the 5% wellhead gas tax. The amount the employee puts in levels out at 7% of salary plus a portion of fringe benefits.

The right-hand section of attachment b shows the annual and cumulative OTRS cost to the University. A significant increase in the budget will be necessary to offset this expense and will leave very little money for salary increases. The University is expected to receive only about $3 million in new money this July. Answering Prof. Reeder's question, Prof. Holmes explained that E&G referred to educational and general accounts, which are funded primarily by state appropriations and tuition and fees.

Attachment c is from the Foster Higgins plan. Retirement benefits in these graphs are derived from Social Security, OTRS (defined benefit), and TIAA-CREF or other defined contribution plan. The bottom part of the graphs shows the predicted amount of retirement from Social Security. Social Security provides larger wage replacement at the lower salary levels. To adjust for that problem, the University instituted TIAA-CREF in 1972, so that an increasing portion would come from TIAA-CREF as salary rose. In the top graph, with a $40,000 cap on OTRS, the percentage of OTRS benefit to total retirement declines at higher salary levels. The bottom graph shows what happens when the cap comes off OTRS in July. Social Security benefits will not change, but the OTRS benefit as a percentage of total retirement income will remain constant across salary levels, because OTRS will be based on 2% times salary times years of service. Foster Higgins says if that is the case, then TIAA-CREF can be reduced; otherwise, the wage replacement is pushed above 100%. Right now we are locked into the OTRS contribution schedule. The Faculty Senate statement calling for an 80% wage replacement, exclusive of Social Security, would allow but not force individuals to contribute to retirement on their own to achieve a higher wage replacement.

Referring back to the summary page, Prof. Gabert explained that several plans were presented at the retirement retreat December 13: Foster Higgins, Dean Richard Cosier (Business Administration), and the Faculty Senate 80% statement. All groups were represented, including the Health Sciences Center, and six faculty represented the Norman campus.

The Foster Higgins plan is a phased implementation (attachment d). Among the Foster Higgins alternatives, the University is focusing on the proposal to contribute 2.3% of all pay plus 5.7% of pay above $9000 toward a defined contribution plan. The proposal is described as a cost neutral plan to the University--as OTRS benefits go up, TIAA-CREF goes down. However, it is not cost neutral to the employee. The University would pay about 8% to TIAA-CREF, compared to the current 15%. Foster Higgins would expect the individual to pay the entire employee share of the OTRS cost. The bottom graph shows retirement income, without regard to Social Security. (In the version distributed at the meeting, the bottom graph had assumed a retirement age of 65 with 30 years of service and included Social Security.) Prof. Stock asked what would happen after 1998. Prof. Gabert said he did not have those figures.

The Cosier plan (attachment e) is generally cost neutral to the University. In plan B the University contribution to TIAA-CREF is 12%, but the assumption is made that an employee could opt out of OTRS. Plan A shows what happens if the employee cannot get out of OTRS. Very little is left for TIAA-CREF. Prof. Hutchison asked whether the figures included the buy-out amount, which he understood was about 15%. Prof. Gabert said the University had been asked to pay about 14% for individuals who opt out and the buy-out amount is included in the Cosier figures. He noted that Dean Cosier had indicated that he would want to revise Plan A if we could not get out of OTRS.

Attachment f discusses possible alternatives to allowing individuals out of OTRS. The amortization period for the unfunded OTRS liability is about 17 or 18 years now but might be lengthened to something like 40 years. Most state plans are not fully funded, but rather 85% funded. Increased revenue is difficult to achieve since little money is available in the state budget. The Staff Senate proposed that the vesting period be reduced and employees not be required to participate for three years. The legislature may not like that plan as it adds to the unfunded liability problems. Modifying the OTRS definition of compensation means that the TIAA-CREF portion would be removed from the total compensation formula on which OTRS is paid.

The Faculty Senate participants in the retirement discussions put together an alternative plan (attachment g) designed to maintain as much of the current University contribution as possible. As salary increases, the amount contributed toward retirement decreases slightly, assuming that individuals with higher salaries could supplement their retirement by contributing their own funds. The first two pages talk about problems with the Foster Higgins and Cosier plans. Page 3 shows the University contribution. For example, the University would contribute 8% to OTRS and 6% to TIAA-CREF on salaries under $60,000, which is slightly better than it is now. There would be no reduction in an employee's take-home pay. Employees could contribute additionally to TIAA-CREF if they wished.

Dr. Jerry Farley, Vice President for Administrative Affairs, is concerned that an 80% wage replacement plan would be very difficult to fund according to the current University budget. The Senate representatives argued that discussions should also focus on the cost implications to the employee. They reiterated that point to President Boren, who seems supportive of the Senate plan. Prof. Gabert commented, "We are not where we wanted to be in terms of having the choice of leaving OTRS." The meeting with the legislative retirement subcommittee was very discouraging. Legislators do not understand why we would want two plans, and they think OTRS is as good or better than TIAA-CREF. Trying to convince the legislature to allow OU/OSU employees to leave the OTRS plan will be very difficult. President Boren thinks it may take several years to achieve in total what we want.

Prof. Loving said the faculty will want to know what the bottom line is and what they can do. He asked what the time line was with the legislature. Prof. Gabert said the University is working diligently to protect us from any decrease in take-home pay, but that could be at the expense of benefits. Prof. Boyd added that, depending on the cap chosen, some people will get a raise this July as a result of the changes. Prof. Gabert noted that the employee could be given the choice of paying more OTRS and receiving less TIAA-CREF benefit, depending on how much they are investing in supplemental annuities. He reminded the group about Prof. Stock's statement that we should expect a decrease in the contribution to TIAA-CREF. Prof. Gabert said he hopes that will not go below 6%, in addition to the University paying for OTRS. The individual could then also individually contribute an additional amount to TIAA-CREF. Prof. Weaver-Meyers said the issue is current salary versus future benefit. Prof. Loving asked if the general faculty would be asked to reach some consensus. Prof. Gabert responded that no final plan had been developed yet.

Prof. Stock contended that what will probably happen is less take-home pay and less TIAA-CREF. Prof. Gabert explained that in all of the meetings, the Senate representatives urged that benefits and take-home pay should be maintained. Prof. Weaver-Meyers said the Senate plan would not result in a reduction in pay. The University would pay what the employee is now paying into OTRS, and the employee could decide whether to contribute to a supplemental plan like TIAA-CREF. In the past, wage replacement ratios have been high. Prof. Mock said that is because wages are low. Prof. Boyd remarked that Dr. Farley reminds us to keep the end in view. Prof. Boyd said the present must also be kept in view; the final program will probably be a compromise of some sort. Prof. Roegiers asked whether a plan would be taken to the legislature before the session ends. Prof. Boyd said he did not want to leave the impression that the University was not taking any course of action with the legislature. Three bills have been drafted for the legislature. The Faculty Senate representatives are looking at alternatives regardless of what the legislature does. Nothing has been decided yet. This is something that probably will be worked on for several years. Prof. Gabert said if nothing changes, the administration is leaning toward the Foster Higgins plan, and TIAA-CREF would gradually decline.

Prof. Roegiers noted that once something is implemented, it is difficult to change it. He asked whether implementation could be delayed. Prof. Boyd said SB 568 will go into effect July 1, and only the legislature can delay that.

Referring to attachment a, Prof. Magid explained that the employee contribution to OTRS is funding the employee's retirement, whereas the University contribution is paying for the unfunded OTRS liability, which the legislature incurred with its giveaways.

Prof. Hutchison said the first two alternatives of attachment f would be the least painful. He asked how much those changes would solve the problem. Prof. Holmes answered that it is a complex calculation. He said he thought the statutory amortization was 40 years. Board action reduced the period to 17 years. The typical period is about 25 or 30 years. Prof. Boyd said President Boren believes the first two options are good. Prof. Gabert said current retirement benefits should be maintained as much as possible in case these kinds of changes are implemented. Prof. Magid pointed out that those two possible changes relate to the University's contribution toward solving the past legislative giveaways; the employee would still be obligated to contribute 7% of compensation to OTRS.

Prof. Holmes asked what the administration's plan was. Prof. Gabert said the University had hired Foster Higgins to develop a plan that was cost neutral to the University, so that is the administration's plan. Prof. Holmes asked whether the administration was pushing that plan with the legislature. Prof. Weaver-Meyers said that is how the University will cope internally if legislative relief is not forthcoming. Prof. Gabert said the handout was distributed to the Faculty Senate for information but also to solicit ideas for improvement. President Boren met with Governor Keating to explain the concerns. The president thinks he made some progress. This affects OU and OSU primarily, but other institutions are also interested.

Prof. Loving asked about the bills pending in the legislature. Prof. Boyd said he would get the exact language. He said Dr. Farley and Chief Legal Counsel Fred Gipson drafted the bills, but he did not know who the authors in the legislature were. Prof. Loving suggested that a copy of the handout be sent to the general faculty so they would know what is going on and could try to influence the legislature.

**SENATE CHAIR'S REPORT**

There was no Chair's report.

**FACULTY CLASS ATTENDANCE**

Following a number of complaints by students of faculty missing and dismissing classes, Provost Kimpel requested the Faculty Senate to formulate a statement on faculty accountability for courses to include in section 3.3 of the Faculty Handbook. The Faculty Handbook does not currently contain an explicit statement. The Faculty Senate Executive Committee considered a number of proposed statements (Appendix III). The following variation of the one included in the agenda for this meeting was distributed at the meeting. The main change is the addition of the second sentence, which was recommended by Interim Provost Mergler, and which was in former versions.

> Academic units shall have a policy regarding faculty absences from teaching responsibilities and a procedure for instructors to arrange with their units plans for modifying scheduled class periods. Chairs and directors are also responsible for seeing that faculty obligations for courses are fulfilled. A faculty member's assignment to teach a course is an important element of the faculty member's professional responsibilities, including the obligation of the instructor to attend all class sessions and to teach. For medical and family emergencies, a scheduled class meeting may be cancelled. For other legitimate foreseeable obligations, the faculty member is responsible for finding a reasonable alternative way to perform teaching duties in the form of a substitute or a make-up session.

Prof. Boyd said this arose as a result of some incidents in which faculty had dismissed classes for extended periods of time and defended themselves by saying there was no statement in the Faculty Handbook.

Prof. Mouser commented that other unforeseeable emergencies might arise besides medical and family. Prof. Boyd suggested that the sentence read, "For such emergencies as medical and family..." Prof. Tepker said the next sentence, which talks about "other legitimate foreseeable obligations," should handle the concern. Prof. Fielder proposed that "seeing" be replaced with "enforcing" to eliminate any vagueness. Prof. Green suggested "ensuring." A senator proposed that "cancelled" be spelled with one "l." Prof. Loving asked what the chairs and directors would do if a faculty member did not comply. Prof. Boyd said the units are supposed to develop policies for implementation. Prof. Wallach said the phrase, "For other legitimate foreseeable obligations" implied that medical and family emergencies were foreseeable. Prof. Tepker moved that the language be changed to: "For medical and family emergencies and other unforeseeable contingencies, a scheduled class meeting may be canceled. For legitimate foreseeable obligations, ..." Prof. Holmes asked, "If a family member is sick, then why don't you have to have a make up?" Professors Wallach and Mock said it would be difficult to get students to come to a make up. Prof. Burnett said in some areas there is no time for a make up. Prof. Weinel said this was intended to be a provision for covering classes when instructors know in advance they will not be there. Prof. Tepker said the reason this was proposed by Provost Kimpel was there was nothing in the handbook to deal with faculty who repudiate their obligation to teach for months at a time. The idea was to give the University some leverage but also give the units some latitude. The details will be handled by the units. Prof. Weinel said this would only mandate a policy; it does not say what the policy is. Prof. Davis said the implication was that there should be a certain number of contact hours; care should be taken not to state a policy counter to law. Prof. Dillon said there is no hard and fast definition of a contact hour. A contact hour does not necessarily have to be a face-to-face setting with a student. Prof. Weinel said the faculty and unit may make arrangements in advance. Prof. Holmes said if this is a call for units to write policies, then the last two sentences could be eliminated. Prof. Boyd argued that certain parameters should be included. The amendment was approved on a voice vote.

Prof. Fielder moved to change "seeing" to "ensuring" in the second sentence. After a brief discussion as to how chairs would ensure compliance, the amendment was approved on a voice vote. The amended statement was approved on a voice vote. With the above changes, the statement reads:

> Academic units shall have a policy regarding faculty absences from teaching responsibilities and a procedure for instructors to arrange with their units plans for modifying scheduled class periods. Chairs and directors are also responsible for ensuring that faculty obligations for courses are fulfilled. A faculty member's assignment to teach a course is an important element of the faculty member's professional responsibilities, including the obligation of the instructor to attend all class sessions and to teach. For medical and family emergencies and other unforeseeable contingencies, a scheduled class meeting may be canceled. For legitimate foreseeable obligations, the faculty member is responsible for finding a reasonable alternative way to perform teaching duties in the form of a substitute or a make-up session.

**ROUTING OF TENURE DOSSIERS**

The Senate was asked to consider a recommended change in the routing of tenure dossiers (Appendix IV). Under the proposed plan, the dossiers would be submitted sequentially from the budget dean to the Campus Tenure Committee. Currently, the departments send dossiers simultaneously to the dean and Campus Tenure Committee. Prof. Tepker noted that the provost, deans and Campus Tenure Committee were in favor of the proposal.

Prof. Havener said some untenured faculty were concerned because the two different routes currently provide checks and balances and some protection. There have been some cases in which the dean and Campus Tenure Committee have disagreed with each other. He asked what would be gained by having one route. Prof. Mock said having as much information before the Campus Tenure Committee as possible is the largest role the faculty can have. Prof. Bremer said, as an untenured faculty member, she liked the proposal. The role of the Campus Tenure Committee is to avoid any politics. Prof. Havener asked how seeing what the dean recommends would remove the politics. Prof. Weinel said it has to do with how complete the review is when it goes to the Campus Tenure Committee. The review is on procedures, so if those have been skewed, then that comes under the scrutiny of the Campus Tenure Committee. Prof. Tepker reported that each body's decision up until the provost is advisory. He said he thought this would be a more coherent process and would not eliminate the system of checks and balances or make way for more politics. This ensures that the deans and Campus Tenure Committee do not get two different dossiers.

The proposed change in procedures was approved on a voice vote.

**CAMPUS SECURITY AND CRIMESTOPPERS BOARD**

Originally, the Department of Public Safety requested the formation of a Campus Security Committee and a Campus Crimestoppers Board with 15 members each. Following some suggestions, the President's office proposed that the two committees be combined into one Campus Security and Crimestoppers Board (Appendix V). The charge of the board would be to prevent and reduce crime and to develop ideas, programs, and vehicles through which to publicize Campus Crimestoppers. At issue was whether or not the proposed board should be included in campus committees and, if so, whether the proposed make-up was acceptable. There has been an ad hoc committee but no campus-wide standing committee.

Prof. Holmes asked what this committee would do. Prof. Boyd said campus security has little entree into the life of the University. Prof. Weinel asked why we needed such a committee. Prof. Boyd said in order to have a crimestoppers program, the University needs to have a committee. Prof. Tepker pointed out that a lot of colleges around the country are getting evaluated on the quality of their campus security. The proposed board was approved on a voice vote.

**ROLE OF DEANS**

Last year an ad hoc committee was formed jointly by the Provost's office and the Faculty Senate to address issues relating to deans parallel to those addressed in the 1993 report on the role of department chairs. Next month the Senate will discuss a proposed policy statement concerning the role of deans.

**ADJOURNMENT**

The meeting adjourned at 5:10 p.m. The next regular session of the Senate will be held at 3:30 p.m. on Monday, February 13, 1995, in Jacobson Faculty Hall 102.

Sonya Fallgatter
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# VICE PRESIDENT FOR ADMINISTRATIVE AFFAIRS
*UNIVERSITY OF OKLAHOMA*

**MEMORANDUM**

1/95 (Appendix I)

TO: Tom Boyd, Chair
Faculty Senate

FROM: Jerry B. Farley,
Vice President for Administrative Affairs

SUBJECT: Faculty Issues and Concerns

DATE: December 22, 1994

Thank you for your letter and the list of Faculty Issues and Concerns. The following is an update on the issues listed pertaining to Administrative Affairs.

***1. Retirement: potential loss of benefits that have been long-standing.***

The potential loss of retirement benefits is an issue which some faculty have been actively helping us address for over two years. If not appropriately resolved, the result could be perceived as actual loss of benefits. The goal every group which has explored the issue to date has set is to maintain comparable benefits at retirement while keeping the University's and employee's contribution for retirement at reasonable levels. President Boren has indicated that the solution he will seek is one which will meet this goal.

The retirement issue is a very complex one. The University's retirement plan has evolved through the years. Two of the plan's four components are controlled externally, Teachers' Retirement and Social Security. As mandated changes occur to those components, the University must adjust its overall plan.

When OTRS required no institutional contribution, the employee contribution was modest, and the defined contribution component was significant enough alone to be attractive as a retirement program, no one objected to mandatory OTRS participation. Now that the OTRS benefits have increased and both our employees and the University will be required to make greater contributions to OTRS, the issue of which is better becomes important. A second but equally critical issue is how much of an employee's compensation should go toward providing retirement benefits. This balance between current income and projected future retirement income is important.

President Boren plans to work with faculty, staff and others on this important issue. Your leadership at this critical time is important in helping identify a workable solution.

***5. Condition of computing facilities on campus . . .***

During Fiscal Year 94, then President Richard Van Horn assembled a task force charged with recommending the allocation of the Hero II Computer Bond Funds. On April 1, 1994, the Chair of that task force released an eight page document entitled "Report of the Norman Campus Task Force on Hero II Computer Bond Funds" which presents sixteen recommendations for the use of the four million dollars in bond funds. The sixteen recommendations would allocate approximately 2.9 million to expanding and upgrading networking and approximately 1.1 million to computing.

Before we spend the money we must have a comprehensive integrated network plan. One task force has been formed and charged with developing a plan for expanding and upgrading networking to result in a campus-wide network. The task force is currently at work developing a plan of <u>how</u> to do <u>what</u>. It is anticipated that, through the recommendations of the bond fund task force and the implementation of the plan developed by the Networking Task Force, network access will soon be available to as many areas as is economically feasible.

A second task force is charged with recommending a replacement for the IBM 3081 mainframe computer located at Merrick Computing Center. The recommended replacement computer will, by necessity, be acquired through a lease purchase arrangement due to the lack of funding for an out right purchase. The task force was given guidelines which included a requirement for transparency for existing CICS and Batch Systems plus additional capacity for development of Client/Server systems. After replacement of the 3081, extensive emphasis will be placed on Client/Server computing.

Along with the network expansion and the 3081 replacement, the VAX model 6320 (64 MB main memory and 1.5 GB disk storage) managed by Academic User Services will be replaced, before the end of 1994, by a VAX model 6520 (128 MB main memory and 2 GB disk storage). The model 6520 processing speed is four times that of the model 6320. Additionally, Academic User Services acquired a second IBM RS6000 computer in January, 1994.

### *9. Upgrade of University telephone system (when, how and who).*

We have been working on the upgrade of the University's telephone system for quite some time. The legal issues were resolved "in favor of the University," and the bid has been awarded to Southwestern Bell Telecom to install a new telephone system and voice processing system. With litigation issues resolved, we are working out the financial and contractual details necessary to proceed with implementation. Our current timeline calls for a cutover to the new system in May 1995.

Southwestern Bell Telecom will be installing a Northern Telecom Option 81 telephone system and an Octel XC1000 voice processing system. We have had the initial meetings with the Southwestern Bell Implementation Team and anticipate starting to receive equipment around the first of the year. The actual installation and cutover will require a great deal of planning and coordination as the new equipment will be installed in the same physical location as the existing equipment. We will work to develop a plan that minimizes service outages and that will allow us to keep end users well informed as to how and when their service will be affected.

Once installed, we will begin enjoying the enhanced capabilities of the new systems. Some of the new features of the new telephone equipment will include Answer Supervision, Call Waiting, Forced Authorization Codes, and More Efficient Attendant Consoles. Answer Supervision will allow us to bill only for completed Long Distance calls rather than relying on timing intervals. Forced Authorization Codes will allow selected phones to be programmed such that toll calls cannot be placed without entering a code thus adding security for phones in "public" areas as well as an efficient means for sharing resources such as a fax machine. The attendant consoles will allow our operators answering the main University number to answer and transfer calls more efficiently.

The voice processing system will provide Voice Mail, Automated Attendant, and Interactive Voice Response (IVR). Voice mail, the feature we are all most familiar with provides "personalized" coverage for our phones when we are unable to answer. A message such as "Hello, this is Professor Smith, it is Monday October 31, my office hours are one to four p.m., please leave a message at the tone and I will return your call as soon as possible or press 0 to talk to the department secretary. Thank you!" Voice Mail also allows a single message to be simultaneously sent to a pre-selected group of people such as department heads, an entire class, etc., thus providing an efficient means to disseminate information to a large group. Automated Attendant provides a means to direct phone calls to the appropriate person or department within an organization. The system provides options such as "Hello, you have reached the OU Telecommunications Department, Please press 1 if you are a Student or 2 if Faculty or Staff." Interactive Voice Response provides an interface to computer systems to allow access from a touchtone telephone to information contained in the computer's database. Applications such as account balance information, loan status, etc. are common. Many of you may have this capability at your bank or other financial institution.

JBF:clh

FACULTY SENATE 1/23/95

UPDATE ON RETIREMENT ISSUE

I. Review of cost to employee (a) and university (b), and benefit graph (c) if SB568 is implemented on July 1, 1995

II. 12/13/94 President Boren holds retreat for small group of individuals, representing most areas of the university. Senate was represented.

- major emphasis was to be sure all areas have a common understanding of the history and issues;
- VP Farley presented the Foster Higgins plan (d)
- Dean Cosier presented the `Cosier' plan (e)
- Faculty Welfare Chair Gabert presented Senate Position Statement
- Staff Senate Chair Moyer presented Senate items
- Discussion of possible changes to OTRS as a moderation of cost to employee and university (f)
- President Boren asks VP Farley to work with University representatives to develop strategic plans- legislative changes and revised university retirement plan

III. 12/21/94 Senate Welfare and Executive members draft a Faculty Plan (g) as an alternative to Foster Higgins and Cosier Plans

- maintains major percentage of current university contribution to employee retirement plan
- has element of progression as salary levels increase
- eliminates potential decrease in take-home pay as currently proposed in SB568

IV. 12/21/94 Senate Chair-Elect Weaver-Meyers, Welfare Committee Chair Gabert, VP Farley, Personnel Director Flegal, and President Assistant Burrage attend House Legislative Retirement Sub-committee meeting

- Sub-committee presents strong support of OTRS
- Sub-committee asks university representatives why it is advantageous for OU/OSU to leave OTRS
- Other universities within state indicate a desire to be included in discussions/possible plan to leave OTRS
- major thrust of meeting was discussion of value of OTRS and protecting the liability of OTRS (if allowed to leave OTRS, buy-out must be sufficient so as to not harm OTRS)

V. 1/10/95 VP Farley meets with Senate Chair Boyd, Senate Chair-Elect Weaver-Meyers, and Welfare Chair Gabert to discuss ways to meet wage replacement goal of 80% as described in Faculty Senate Position Paper

- Emphasis by VP Farley was a review of Foster Higgins plan as means to achieve the goal. Plan maintains good benefits, however, employee pays 50% of the benefit cost. Plan also is cost neutral to university.
- Senate representatives argued for a cost neutral plan for employee and the value of maintaining a strong portion of TIAA
- Discussion of pro-con issues of university paying employee portion of OTRS SB568 plan

VI. 1/12/95 Senate Chair Boyd, Chair-Elect Weaver-Meyers, and Welfare Chair Gabert present faculty plan and concerns to President Boren

- Senate Representatives present need for employee cost neutrality, 80% wage replacement benefit, and faculty plan as developed on 12/21/94
- President Boren indicates a strong interest in Faculty Senate ideas and pledges strong support of maintaining 80% wage replacement and cost neutrality if at all possible.
- President Boren and Chair Boyd agree to work together in developing a satisfactory retirement plan and in trying to achieve adjustments to SB568

VII. 1/19/95 Monthly Senate Executive Committee meeting with President Boren

- Senate Representatives again push for cost neutrality for employee and a strong retirement plan
- President Boren reaffirms support for ideas as presented by Faculty Senate Representatives

VIII. 1/23/95 The Faculty Senate Executive Committee and Faculty Welfare Committee are actively working on the retirement issue. We expect it to be a long-term project that will not be solved this year. We plan to maintain an ongoing effort to represent the interests of the faculty.

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Handouts:

History
a - percentage contributions by employee and university to teacher retirement (table)
b - $ cost contributions by university to OTRS
c - benefit chart portraying OTRS and TIAA from Foster Higgins
d - Foster Higgins table of benefits and costs to employee and university
e - Cosier plan as presented at Boren retreat
f - Possible changes to OTRS as discussed at retreat
g - Faculty Senate alternative plan

# History of OU Retirement Plan

- TRS began in 1943; OU has participated since inception
- Added Retirement Addition (TIAA-CREF) in 1972 to integrate with Social Security
- Froze Social Security integration level at $9,000 in 1976
- TRS implemented $40,000 cap in FY 87-88 with a one time buy-in
- Health coverage for TRS retirees provided through State Health Plan in 1989
- S.B. 568 passed effective 7/1/92 to resolve TRS unfunded liability

# CONTRIBUTIONS TO TEACHERS' RETIREMENT

| | Contributions for Salaries Under $25,000 | | | Contributions for Salaries $25,000 to $40,000 | | | Contributions for Salaries Over $40,000 | | |
|---|---|---|---|---|---|---|---|---|---|
| Year | University* | Employee | Total | University | Employee | Total | University | Employee | Total |
| 1991-1992 | 1.5% | 6.0% | 7.5% | 1.5% | 11.0% | 12.5% | | | |
| 1992-1993* | 7.0% | 6.0% | 13.0% | 7.0% | 11.0% | 18.0% | | | |
| 1993-1994 | 7.5% | 6.0% | 13.5% | 7.5% | 9.0% | 16.5% | | | |
| 1994-1995 | 8.0% | 6.0% | 14.0% | 8.0% | 8.0% | 16.0% | | | |
| 1995-1996 | 9.0% | 6.0% | 15.0% | 9.0% | 7.0% | 16.0% | 9.0% | 7.0% | 16.0% |
| 1996-1997 | 10.0% | 6.5% | 16.5% | 10.0% | 7.0% | 17.0% | 10.0% | 7.0% | 17.0% |
| 1997-1998 | 11.0% | 7.0% | 18.0% | 11.0% | 7.0% | 18.0% | 11.0% | 7.0% | 18.0% |
| 1998-1999 | 12.0% | 7.0% | 19.0% | 12.0% | 7.0% | 19.0% | 12.0% | 7.0% | 19.0% |
| 1999-2000 | 13.0% | 7.0% | 20.0% | 13.0% | 7.0% | 20.0% | 13.0% | 7.0% | 20.0% |
| 2000-2001 | 14.0% | 7.0% | 21.0% | 14.0% | 7.0% | 21.0% | 14.0% | 7.0% | 21.0% |
| 2001-2002 | 15.0% | 7.0% | 22.0% | 15.0% | 7.0% | 22.0% | 15.0% | 7.0% | 22.0% |
| 2002-2003 | 16.0% | 7.0% | 23.0% | 16.0% | 7.0% | 23.0% | 16.0% | 7.0% | 23.0% |
| 2003-2004 | 17.0% | 7.0% | 24.0% | 17.0% | 7.0% | 24.0% | 17.0% | 7.0% | 24.0% |
| 2004-2005 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |
| 2005-2006 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |
| 2006-2007 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |
| 2007-2008 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |
| 2008-2009 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |
| [illegible]9-2010 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |
| 2010-2011 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |
| 2011-2012 | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% | 18.0% | 7.0% | 25.0% |

*In FY93 a 5% contribution by the wellhead gas tax will be applied to the percentage contributed by the employer Any increase or decrease in the offset of gas tax contributions will cause a corresponding increase or decreas in the employer's contribution. For instance, after deducting 5% for the gas tax contribution, OU's contributic for 1992-93 will be 2% of the $40,000 employee salary maximum.

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The University of Oklahoma
Norman Campus

# Annual TRS Cost to the University FY90 - FY2005

26-Aug-94

| | | E&G | | Agency Accounts | | Total | |
|---|---|---|---|---|---|---|---|
| | | Annual Increase | Cumulative Cost | Annual Increase | Cumulative Cost | Annual Increase | Cumulative Cost |
| FY90 | 0.5% | $204,972 | $204,972 | $90,236 | $90,236 | $295,208 | $295,208 |
| FY91 | 0.5% | $225,806 | $430,778 | $93,735 | $183,971 | $319,541 | $614,749 |
| FY92 | 0.5% | $231,933 | $662,711 | $101,783 | $285,754 | $333,716 | $948,465 |
| FY93 | 0.5% | $236,362 | $899,073 | $108,810 | $394,564 | $345,172 | $1,293,637 |
| FY94 | 0.0% | $15,729 | $914,802 | $10,561 | $405,125 | $26,290 | $1,319,927 |
| FY95 * | 0.0% | $16,358 | $930,807 | $10,984 | $418,593 | $27,342 | $1,349,399 |
| (Cap removed) | | | | | | | |
| FY96 * | 1.0% | $964,728 | $1,895,535 | $350,223 | $768,815 | $1,314,951 | $2,664,350 |
| FY97 * | 1.0% | $707,666 | $2,603,201 | $287,024 | $1,055,840 | $994,691 | $3,659,041 |
| FY98 * | 1.0% | $748,420 | $3,351,622 | $303,554 | $1,359,394 | $1,051,974 | $4,711,015 |
| FY99 * | 1.0% | $790,983 | $4,142,604 | $320,817 | $1,680,210 | $1,111,800 | $5,822,815 |
| FY00 * | 1.0% | $835,425 | $4,978,029 | $338,842 | $2,019,053 | $1,174,268 | $6,997,082 |
| FY01 * | 1.0% | $881,822 | $5,859,852 | $357,661 | $2,376,714 | $1,239,483 | $8,236,566 |
| FY02 * | 1.0% | $930,251 | $6,790,103 | $377,303 | $2,754,017 | $1,307,555 | $9,544,120 |
| FY03 * | 1.0% | $980,793 | $7,770,896 | $397,802 | $3,151,820 | $1,378,595 | $10,922,715 |
| FY04 * | 1.0% | $1,033,529 | $8,804,425 | $419,192 | $3,571,012 | $1,452,721 | $12,375,437 |
| FY05 * | 1.0% | $1,088,547 | $9,892,972 | $441,507 | $4,012,518 | $1,530,054 | $13,905,491 |
| Totals | 12.0% | $9,893,326 | $60,132,382 | $4,010,034 | $24,527,635 | $13,903,361 | $84,660,017 |

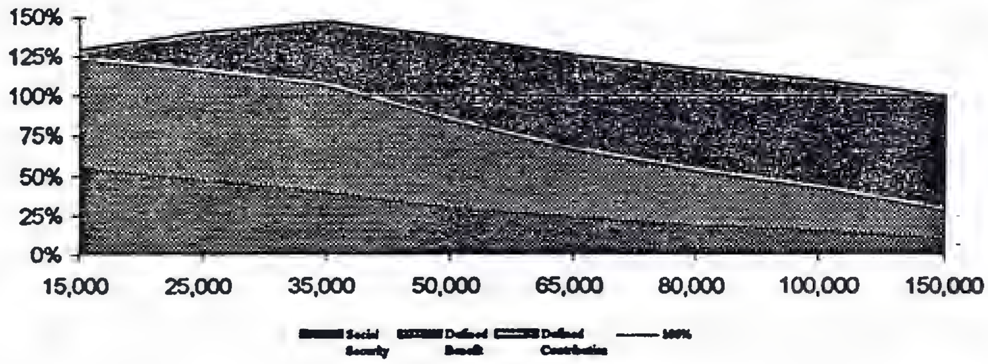
* *Estimated*

ASSUMPTIONS:

- Payroll base includes only salaries of employees currently enrolled in TRS. Calculations include an estimated increase of 3% per year in the payroll base.
- Current wellhead gas tax provides an offset for the employer portion of the TRS contribution. For FY95, the gas tax provides 5.5% and the university provides 2% of the total 7.5% contribution. The total contribution will increase to 18% by FY2005. The university's contributions are not scheduled to change after FY2005.

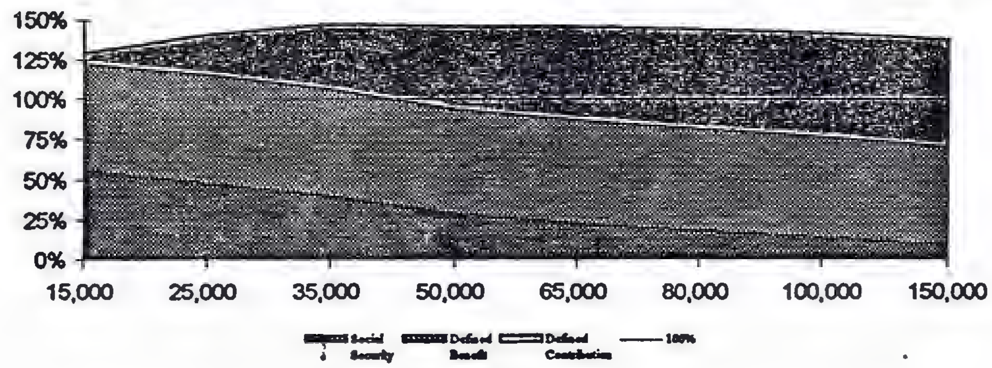
## 30 Years of Service — Age 65 — $40,000 Cap on TRS

| Preretirement Salary | Derived Monthly Annuities: Social Security | Defined Benefit | Defined Contribution | Pretax Annual Income | Taxable Income | Federal Tax | Spendable Income | Benefit Adequacy Index |
|---|---|---|---|---|---|---|---|---|
| *15,000* | 606 | 722 | 75 | *16,832* | *0* | 0 | 16,832 | 1.297 |
| *25,000* | 856 | 1,203 | 460 | *30,223* | *7,551* | (1,133) | 29,091 | 1.416 |
| *35,000* | 1,022 | 1,684 | 1,064 | *45,236* | *24,123* | (3,619) | 41,617 | 1.480 |
| *50,000* | 1,100 | 2,000 | 1,981 | *60,976* | *41,976* | (6,956) | 54,020 | 1.374 |
| *65,000* | 1,122 | 2,000 | 2,899 | *72,248* | *53,116* | (10,075) | 62,173 | 1.264 |
| *80,000* | 1,122 | 2,000 | 3,816 | *83,256* | *64,124* | (13,158) | 70,098 | 1.177 |
| *100,000* | 1,122 | 2,000 | 5,039 | *97,933* | *78,801* | (17,267) | 80,666 | 1.099 |
| *150,000* | 1,122 | 2,000 | 8,097 | *134,626* | *115,494* | (28,332) | 106,294 | 0.996 |




## 30 Years of Service — Age 65 — No Cap on TRS

| Preretirement Salary | Derived Monthly Annuities: Social Security | Defined Benefit | Defined Contribution | Pretax Annual Income | Taxable Income | Federal Tax | Spendable Income | Benefit Adequacy Index |
|---|---|---|---|---|---|---|---|---|
| *15,000* | 606 | 722 | 75 | *16,832* | *0* | 0 | 16,832 | 1.297 |
| *25,000* | 856 | 1,203 | 460 | *30,223* | *7,551* | (1,133) | 29,091 | 1.416 |
| *35,000* | 1,022 | 1,684 | 1,064 | *45,236* | *24,123* | (3,619) | 41,617 | 1.480 |
| *50,000* | 1,100 | 2,405 | 1,981 | *65,837* | *46,837* | (8,317) | 57,520 | 1.463 |
| *65,000* | 1,122 | 3,127 | 2,899 | *85,767* | *66,635* | (13,861) | 71,906 | 1.462 |
| *80,000* | 1,122 | 3,848 | 3,816 | *105,434* | *86,302* | (19,367) | 86,066 | 1.445 |
| *100,000* | 1,122 | 4,810 | 5,039 | *131,655* | *112,523* | (27,411) | 104,244 | 1.420 |
| *150,000* | 1,122 | 7,215 | 8,097 | *197,209* | *178,077* | (49,636) | 147,573 | 1.382 |



# FOSTER HIGGINS TABLE OF BENEFITS AND COSTS
# TO EMPLOYEE AND UNIVERSITY

## Phased Implementation

| Fiscal Year | Percent of All Pay | Percent Above $9,000 |
|---|---|---|
| 1994 | 0.0% | 15.0% |
| 1995 | 0.5 | 13.5 |
| 1996 | 1.0 | 10.5 |
| 1997 | 1.5 | 9.0 |
| 1998 | 2.3 | 5.7 |

## Expected Contributions
(Thousands of Dollars)

| Year | Current | 1.6%+5.7% | 2.0%+5.7% | 2.3%+5.7% | 7.3% | 7.7% | 8.0% |
|---|---|---|---|---|---|---|---|
| 1994 | $24,190 | $14,249 | $14,885 | $15,361 | $13,753 | $14,265 | $14,648 |
| 1995 | 26,612 | 15,686 | 16,341 | 16,831 | 15,190 | 15,720 | 16,118 |
| 1996 | 31,544 | 19,482 | 20,156 | 20,661 | 18,986 | 19,535 | 19,948 |
| 1997 | 34,103 | 21,593 | 22,287 | 22,807 | 21,096 | 21,666 | 22,094 |
| 1998 | 41,552 | 28,580 | 29,295 | 29,832 | 28,084 | 28,674 | 29,117 |

## Wage Replacement Ratios
(25 years of service, age 62, excluding Social Security)

| Pay | Plan | 2.3% of All Pay Plus 5.7% Above $9,000 |
|---|---|---|
| 15,000 | 0.510 | 0.492 |
| 25,000 | 0.689 | 0.624 |
| 35,000 | 0.780 | 0.653 |
| 50,000 | 0.784 | 0.678 |
| 65,000 | 0.764 | 0.710 |
| 80,000 | 0.739 | 0.723 |
| 100,000 | 0.703 | 0.715 |
| 150,000 | 0.662 | 0.710 |

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COSIER PLAN

**Plan A**

| | To State* | To TIAA-CREF | Wellhead Gas Tax** | Net University Contribution |
|---|---|---|---|---|
| 1995-96 | 16% | 4% | (5%) | 15% |
| 1996-97 | 17% | 3% | (5%) | 15% |
| 1997-98 | 18% | 2% | (5%) | 15% |
| 1998-99 | 19% | 2% | (5%) | 16% |
| 1999-2000 | 20% | 2% | (5%) | 17% |
| 2000-2001 | 21% | 2% | (5%) | 18% |
| 2001-2002 | 22% | 2% | (5%) | 19% |
| 2002-2003 | 23% | 2% | (5%) | 20% |
| 2003-2004 | 24% | 2% | (5%) | 21% |
| 2004-2005 | 25% | 1% | (5%) | 21% |

* includes University paying 7% for employees
** estimated for Plans A and B

**Plan B**

| | To State | To TIAA-CREF | Wellhead Gas Tax | Net University Contribution |
|---|---|---|---|---|
| 1995-96 | 8% | 12% | (5%) | 15% |
| 1996-97 | 8% | 12% | (5%) | 15% |
| 1997-98 | 8% | 12% | (5%) | 15% |
| 1998-99 | 9% | 12% | (5%) | 16% |
| 1999-2000 | 10% | 12% | (5%) | 17% |
| 2000-2001 | 11% | 12% | (5%) | 18% |
| 2001-2002 | 12% | 12% | (5%) | 19% |
| 2002-2003 | 13% | 12% | (5%) | 20% |
| 2003-2004 | 14% | 12% | (5%) | 21% |
| 2004-2005 | 14% | 12% | (5%) | 21% |

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# POSSIBLE CHANGES TO OTRS

Lengthen Amortization of Unfunded Liability

Reduce Ultimate OTRS Funding Goal

Increase Revenue Sources

- Dedicated Gas Tax
- Other

Reduce Vesting Period

Modify OTRS Definition of Compensation

- Remove TIAA from Computation

## Proposed Alternate Retirement Program:

The current crisis in the OU retirement plan has generated several proposed alternatives. The most developed are the Cosier plan and the Foster Higgens plan. Both plans take into account the university's new higher obligation to fund the unfunded OTRS liability. In order to do so the plans assume that it is necessary that the university cut the TIAA/CREF benefits of faculty. Brief summaries and critiques of both plans follow. Then a new alternative retirement plan is proposed.

### Foster-Higgens:

Foster Higgens recommendations are:

TRS should be made optional. For employees who choose TRS the university will pay 2.3% of all pay plus 5.7% of salary over $9,000 to a defined contribution plan. Non-TRS participants would continue with defined contribution at current levels (15% over $9,000).

Problems:
The difficulty with the Foster Higgens recommendation is that this plan represents a direct cut in salaries for employees earning less than $40,000 who are members of TRS. Foster Higgens note this in their report (p.14). These employees will see no difference in TRS contributions or benefits but their defined contribution benefits will change. Foster Higgens propose several solutions to this problem and suggest that depending on the solution chosen a phase in strategy for these employees would be appropriate. Another problem is that the chance that TRS will be made optional does not appear high at present.

### Cosier Plan:

The Cosier plan is broadly consistent with Foster Higgens and also assumes that employees have an option to leave OTRS. However, the benefit structure is somewhat lower than that suggested by Foster Higgens. The Cosier plan recommends that employees have an option to choose between one of two plans- OTRS or defined contribution. Employees who choose a defined contribution plan would have 12% of salary paid to TIAA CREF by the university. Employees who choose OTRS would have OTRS benefits paid by the university and would have a decreasing amount of payments made to TIAA CREF from 4% to 1%.

Problems:
The Cosier plan also assumes that employees have an option to choose between the defined benefit (plan A) or the defined benefit (plan B). The Cosier plan is also similar to the Foster Higgens plan in that it poses inequities for employees currently making $40,000 and under. Even if the plan is fully paid by the University, these employees would see a cut in their retirement benefits.

**Proposed alternate retirement plan (proposed as an alternate to Cosier plan A).** The plan proposed below is intended to address inequities in the above plans and to maintain consistency with the retirement philosophy statement recently approved by the faculty senate. Some key assumptions underlying the plan are noted below.

1. A plan such as OTRS can be purchased for a cost of approximately 8% of salary. Employees should not be penalized because of past errors made by the state in funding the plan. That is, no payments made to OTRS in excess of 8% whether paid by the employee for by the employer should be viewed as a fringe benefit for salary to current employees.

2. If possible, employees should have an option to leave OTRS. Should this option be made available, the Cosier plan B appears acceptable. The proposed plan is suggested as a substitute for plan A for employees who choose to remain in OTRS.

3. The plan should provide an equitable retirement program for current employees who have accepted and remained in employ of the university. The retirement program that has been in effect for over 20 years constitutes an implicit contractual arrangement that should be honored.

4. An attractive retirement option should also exist for new employees. The retirement system has been an important part of our recruiting and retention efforts. To maintain an attractive plan requires that a competitive level of TIAA CREF be made available to new employees. (Note this may require regents action).

5. Statements have been made that the university is funding 2 retirement plans. **This is incorrect.** OTRS has been an employee paid plan. Depending on the calculations used employees may have paid somewhat under market for this plan in the past. However, a substantial proportion of the cost was funded by a dedicated tax. Comparing the cost of the plan to its market value indicates that only 1% of future university contributions actually benefit current employees. The rest is payment for the unfunded liability of OTRS. Until recently the university has paid only for TIAA CREF at a rate of approximately 13% on average.

6. The plan should allow employees to maintain their current level take home pay.

7. The plans below do not take into account the University's contribution to OTRS over and above 8% for the reasons noted above. The plans focus on benefits to the employees.

Employees remain in OTRS and receive a level of TIAA CREF that is consistent with an average 80% wage replacement paid by the university. The plan provides a higher level of benefits for lower paid salary. The plan is based on a fixed dollar sliding scale. While it is recognized that the proportionate benefits to lower paid employees will erode over time, this provides a reasonable means of phasing in a retirement program that is more consistent with national norms.

CURRENT EMPLOYEES:

| Salary | Employee Contribution To OTRS | Employee cont. TIAA CREF | University cont. To TIAA-CREF up to 8% | Univ. cont. to OTRS |
|---|---|---|---|---|
| under $60,000 | 0 | 2% min | 6% of salary | 8% |
| 60,000-100,000 | 0 | 2% min. | 4% of salary over $60,000 + $3600.[1] [Matching on a 2 for 1 basis up to an additional 2% university contribution.] | 8% |
| $100,000-160,000 | 0 | 2% min. | 2% of salary over 100,000 + $5,200.[2] [Matching on a 1 for 1 basis up to an additional 2% university contribution.] | 8% |
| over 160,000 | 0 | 2% min | 4% of salary | 8% |

[1] 60,000 x.06.

[2] (100,000 -60000) x .04 + 40,000 x .06

NEW EMPLOYEES (faculty and salaried staff)

| | | | | |
|---|---|---|---|---|
| all salaries | 0 | 2% min. | 4% of all salary [Matching on a 1 to 1 basis up to an additional 2% university contribution] | 8% |

The above plan has the effect of maintaining an approximate 80% wage replacement ratio on average but that it is higher at the lower levels. The plan pays 14% (8% OTRS, 6% TIAA) for faculty members earning $60,000 and under and is slightly over an 80% plan for this group. For a faculty member making $90,000 the plan would pay 13.3% (8% OTRS,5.3% TIAA), and for a faculty member making $140,000 the plan would pay 12.3% (8% OTRS, 4.3 % TIAA). It should also be noted that because of the fixed salary levels used in the plan the benefits paid will become less if average salaries increase. An adjustment is needed to assure that average TIAA/CREF contributions made by the university do not fall below 4%.

This avoids an effective pay cut on employees who can least afford it. In addition, it provides a university paid benefit that is consistent with national norms and maintains the benefits of a flexible retirement plan. While an 80% university paid plan might appear above average it is important to recognize that if the option to leave OTRS does not appear, the university will be severely disadvantaged if we do not maintain a significant TIAA CREF component to the retirement plan. Note that we still believe that the best option is to phase out OTRS in the long run or convert it to a defined contribution plan.

**Cost considerations:** The proposed plan does not directly address the issue of the tax being charged to the university to make the OTRS plan solvent. This is not a faculty issue, but is a state issue and one the university administration must address. However, the plan does provide for much lower TIAA CREF benefits than have been paid in the past while still retaining a substantial TIAA CREF component to the retirement plan. Over time, the plan would evolve into an 80% university retirement plan for all employees (13% university paid contributions).

This leaves the university with the cost of approximately 12% to pay for the unfunded TIAA/CREF liability. We recommend that the university draft legislation that lessens the severity of this burden (longer amortization, changing the definition of salary, and looking for additional funding relief).

Proposed Statement for the Faculty Handbook (Section 3.3)
Regarding Faculty Accountability

November 1994 Executive Committee Proposal:

Courses of study offered through the University may be organized in a variety of ways. Once the organization is established, however, the University expects faculty to fulfill all basic assigned duties of teaching. These duties include the obligation to instruct according to the prevailing standards of professional responsibility in higher education and, specifically, to attend and direct classes as scheduled. Emergencies may occur, as in medical or family crises, and exceptions may be made for such contingencies. Likewise, faculty may have other legitimate obligations which keep them from fulfilling particular teaching duties. Under these conditions, the faculty member is responsible to see that a reasonable alternative is found for meeting those duties.

Chairs and directors are also responsible for seeing that faculty obligations for courses are fulfilled. Accordingly, academic units should have a policy regarding appropriate faculty absences from teaching responsibilities and a procedure for faculty to arrange with the unit any plans for modifying those responsibilities.

December 1994 Dan Snell Proposal:

Faculty members shall attend and direct classes as scheduled and shall instruct according to the prevailing standards of professional responsibility in higher education. For medical and family emergencies and for other legitimate obligations which may keep faculty from fulfilling particular teaching duties, the faculty member is responsible to find a reasonable alternative to perform those duties.

Chairs and directors are responsible for seeing that faculty obligations for courses are fulfilled. Accordingly, academic units should have a policy regarding faculty absences from teaching responsibilities and a procedure for instructors to arrange with the unit plans for modifying those responsibilities.

Consolidated Proposal in January 1995 Faculty Senate Agenda:

Academic units shall have a policy regarding faculty absences from teaching responsibilities and a procedure for instructors to arrange with the unit plans for modifying scheduled class periods. A faculty member's assignment to teach a course is an important element of the faculty member's professional responsibilities, which include the obligation of the instructor to attend all class sessions and to teach. For medical and family emergencies, a scheduled class meeting may be cancelled. But for legitimate foreseeable obligations, the faculty member is responsible for finding a reasonable alternative way to perform teaching duties in the form of a substitute or a make-up session.

The University of Oklahoma

OFFICE OF THE SENIOR VICE PRESIDENT AND PROVOST

To: Tom Boyd, Chair, Faculty Senate

From: Gus Friedrich, Faculty Fellow

Subject: Procedures for the Tenure Decision

Date: September 2, 1994

At the end of each academic year, Senior Vice President and Provost Kimpel meets with the Campus Tenure Committee to obtain their advice on how the process might be improved. Among the suggestions to emerge from these discussions is a recommendation to change the routing of faculty tenure candidate dossiers. Currently, they go from (1) the candidate to (2) the department to (3) the budget dean and the Campus Tenure Committee (simultaneously) to (4) the Provost to (5) the President to (6) the Regents. A straw poll of the Campus Tenure Committee produced unanimous agreement that step three ought to be separated such that dossiers go sequentially from the budget dean to the Campus Tenure Committee. Senior Vice President and Provost Kimpel has discussed this idea with the Deans who are supportive of the change. The change keeps everyone in the process informed and allows the Campus Tenure Committee to make their recommendation with full information.

Described below are the two changes in the **Faculty Handbook** that are necessary to implement this change. These changes require action of the Faculty Senate. I am also including a diagram of the current tenure process and a copy of Section 3.7.5 which describes "Procedures for the Tenure Decision." Please let me know if I can provide additional information.

**Current version of Faculty Handbook Section 3.7.5 Procedures for the Tenure Decision:**

(j) Copies of the academic unit recommendations and all appropriate documentation upon which recommendations were based will be forwarded separately to the appropriate dean and to the Campus Tenure Committee.

(l) The Campus Tenure Committee and the dean will attach their recommendations to the tenure materials and separately forward all materials to the Senior Vice President and Provost with supporting reasons and will notify the candidate and the chair of the unit of their recommendations.

**Proposed revision:**

(j) Copies of the academic unit recommendations and all appropriate documentation upon which recommendations were based will be forwarded to the appropriate dean. The dean will attach a recommendation to the tenure materials and forward all materials to the Campus Tenure Committee with supporting reasons and will notify the candidate and the chair of the unit of the recommendation.

(l) The Campus Tenure Committee will attach its recommendations to the tenure materials and forward all materials to the Senior Vice President and Provost with supporting reasons and will notify the candidate, the chair of the unit, and the college dean of its recommendations.

c: James F. Kimpel, Senior Vice President and Provost
A. Ravindran, Associate Provost
Dianne Bystrom, Assistant Provost

OVERVIEW OF TENURE PROCESS

| TIME FRAME | PROCESS | RESULTS |
|---|---|---|
| September | Dossier Prepared<br>- Candidate<br>- Department | |
| October | Department Review and Evaluation | Faculty Vote<br>Chairs Rec.<br>Comm. A Rec. |
| Early November | Campus Tenure Committee<br>- Process<br>- Substance<br><br>Budget Dean | Separate Recommendations to Provost |
| February 1 | Provost | Recommendation to President |
| March 1 | President | Recommendation to Regents |
| April | Regents | Tenure ganted or denied |

# OFFICE OF THE PRESIDENT

## UNIVERSITY OF OKLAHOMA

## MEMORANDUM

1/95 (Appendix V)

TO: Tom Boyd, Faculty Senate Chair
Terri Moyer, Staff Senate Chair
Scott Martin, UOSA President

FROM: Jay Parmley
Office of the President

DATE: October 20, 1994

SUBJECT: Campus Security and Crimestoppers Board

After reviewing each of your comments concerning the Campus Security Committee and the Crimestoppers Board, I propose the following:

There will be only one committee. The Campus Security and Crimestoppers Board will consist of 16 members, 12 voting and 4 ex-officio.

| Membership | Method of Selection | Term |
|---|---|---|
| 6 Students | UOSA appoints 4 students and the President appoints 2 | 1 year |
| 3 Faculty | Faculty Senate appoints 2 and the President appoints 1 | 3 years |
| 3 Staff | Staff Senate appoints 2 staff and the President appoints 1 | 3 years |

| | |
|---|---|
| Vice President for Student Affairs | Ex-officio, non-voting |
| Vice President for Administrative Affairs | Ex-officio, non-voting |
| Director, OU Department of Public Safety | Ex-officio, non-voting |
| Deputy Chief, OUDPS | Ex-officio, non-voting |

The OU Department of Public Safety will serve as staff support for the Campus Security and Crimestoppers Board.

The Chair shall be elected at the last meeting of the spring semester and will serve the following academic year.

Please let me know as soon as possible if your governance group supports this proposal.