Meeting call to order at 1.30 P.M.

Members of the committee introduced themselves. Unil introduced the issue of discrepancy between contribution rates, and asked Mr. Tom Lewis to discuss retirement contributions:

History & context: 10-12 years ago, there was a question of whether people could move between systems (ORP to TRS; vice versa) TRS – 14.27% system contribution; ORS = 9.24%; the separation got larger on a year over year basis – where the TRS grew in % and ORP did not. Fewer ORP employees at the time; so less emphasis put on this. If you were TRS, you could move to the ORP – people wanted to do this at the time because there was growth. This issue surfaced again w/ new chancellor. Saw the need for an effort to address the differential to try to close the gap; previous chancellor wanted to allow for people to transfer back into TRS – are we going to let faculty go from one to another (it was linked to health of economy). State auditor found that there would be a state cost, because it is based on what the employer pays – would cost the system more money.

This got pushed off the table when there were lean years of salary not getting increased; but now is back at issue. The issue is going from ORP to TRS. The system has to agree that they will raise and pay the difference. Legislature has not seemed to want to introduce this, it is not a current priority that Tom sees as driven primarily by the dollar. If you start addressing it, it would have to be over the course of years. Tom thinks that the discussion is going to be raised by the legislature – but would ultimately get left to the individual Colleges or Universities to implement. More faculty are on ORP now compared to 10-15 years ago, but it is an inequity as Tom described it. How do you begin this process: Continue to address this, and to
see if there is an appetite to increase incrementally (2%), but this will be limited by state revenues?

For TRS the system contribution is decided by TRS board. Discussion about who is responsible for the ORP? Follow up would be, as people are making the decision – it needs to be more transparent. Discussion of GM and pension costs; Chancellor pushed for this, it was not neutral –

New faculty – given very limited window; ORP more common. Discussion of how these get contributed to: two different systems. Willingness to try to increase the % was a question raised by Unil to Tom – the University would have high level conversation about this; Budget of the USG is largely driven by big 4 universities, plus GA Southern and Kennesaw. The only way this may happen in Tom’s estimation is gradual increase. But this is contingent on figuring out how to pay for it. Opportunity for this committee to address and bring this up.

Approval of minutes at 2:15, asked for questions – motion to accept, APPROVED. Unil willing to serve. He was nominated and staying as Chair. Suggestion to work between budget and faculty affairs to get into the issue of Retirement, Unil suggests cross-university collaboration. Concern is that the University would say ‘no’ even after deliberation, coordination. Suggestion at date of tenure/specific period after starting as choice for a move between the systems. Interface with faculty affairs was discussed, and a subgroup to look into this. Four budget committee members (Laura Frederick, Erin Ruel, Jowanna Tillman and Kinsuk Maitra) volunteered to be in a subcommittee to discuss the issue. Suggestion: assess level of interest and concern with this as an issue. Unil mentioned possibility of survey to address this. Question: what are we trying to do here? To get increase in contribution to the ORP? To get more people into TRS?