

4 December 1995

TO: Members, University Senate

The University Senate will meet in regular session on Monday, December 11, 1995, at 3:00 PM in room 115 of the Nursing Building (CON/HSLC).

AGENDA:

1. Minutes.
2. Chair's Announcements
3. Resolutions
4. Consideration of and Action on Proposed Position Paper, Coalition of Senate and Faculty Leadership (COSFL) (circulated under date of 29 November 1995).
5. Consideration and action on proposal to amend University Senate Rules, Section V - 5.3.1.1 (Repeat Option). (Circulated under date of 30 November 1995).
6. Proposal to amend the University calendar to designate two mid-term reading days the first Monday and Tuesday of October (circulated under date of 27 November 1995).
7. FOR DISCUSSION ONLY: a discussion of recommendations related to retirement. Issues such as support services, incentives, and phased-in retirement plans will be addressed. (Circulated under date of 1 December 1995)
8. New Business

Betty J. Huff
Secretary

US Agenda:12.11.95

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MINUTES OF THE UNIVERSITY SENATE, DECEMBER 11, 1995

The University Senate met in regular session at 3:00 p.m., Monday, December 11, 1995 in Room 115 of the Nursing Health Sciences Building.

Professor Gretchen LaGodna, Chairperson of the Senate Council, presided.

Members absent were: Debra Aaron*, Gary Anglin, Patricia Arnold, Benny Ray Bailey, John Ballantine, Michael Bardo, Terry Birdwhistell, Thomas Blues, Douglas Boyd, Bill Brassine, Joseph Burch, Allan Butterfield, Johnny Cailleteau, Joan Callahan, Berry Campbell*, Dennis Carpenter, Ben Carr, Edward Carter, Louis Chow, Jordan Cohen*, Scott Coovert, Raymond Cox, Carla Craycraft, Charles Davis, Virginia Davis-Nordin, Philip DeSimone, Larry Dickson*, Richard Edwards, Robert Farquhar, Joseph Fink, Donald Frazier, Richard Furst, Hans Gesund, J. Russell Groves, Lynne Hall, Issam Harik*, S. Zafar Hasan*, Christine Havice, James Holsinger, Raleigh Jones, Craig Koontz, Thomas Lester, Thomas Lillich, C. Oran Little, Jeff Lowe, Jan McCulloch, M. Pinar Menguc*, A. Lee Meyer, David Mohney, Maurice Morrison, Wolfgang Natter*, Anthony Newberry, Michael Nietzel*, William O'Connor, Rhoda-Gale Pollack*, Tom Pratt, Shirley Raines, Karl Raitz, Elaine Reed, Daniel Reedy, Thomas Robinson, John Rogers, Michael Rohmiller, Scott Safford, Rosetta Sandidage*, David Shipley, Todd Shock, Sheldon Steiner, William Stober*, David Stockham, Michael Thomlin, Michael Uyhelji, Retia Walker*, Craig Wallace, Charles Wethington*, Chad Willet, Carolyn Williams*, Eugene Williams, Paul Willis, Emery Wilson, Mary Witt*, Linda Worley, Arthur Wrobel.

Chairperson Gretchen LaGodna made the following announcements:

The third person to join Tom Blues and Dan Fulks as the newly elected Senate Council member is Virginia Davis-Nordin from the College of Education.

You are aware of the charge and ongoing activities of the Ad Hoc Graduate Education Committee chaired by Professor Jim Boling. The Senate Council's representative on the committee, Jim Applegate, has kept the Senate Council regularly informed of what the committee is doing. Most of you have provided input to the committee. In addition the Senate Ad Hoc Committee on the status of Women met with the committee to discuss issues of representation, distribution, retention, success, and support of women. That committee is continuing its work and should be completed sometime in the Spring.

The Senate Council between meetings has met with Connie Christian of the University's Institutional Planning and Budget Office to discuss accountability reporting for the Council on Higher Education, in particular problems related to faculty/student contact hours. They are working on a system that will systematically report contact hours across campus. This goes into a lot of different areas, one of which is the way in which courses are described and the type of format used when introducing new courses.

* Absence Explained

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There is some concern about the level of activity of elected senate members in regard to faculty involvement and attendance at Senate Meetings. We hoped that we would raise the level of dialogue by instituting the FACGO list serve, but to date there are only ten people that have signed up, which says that there is not much dialogue going on. I bring that to your attention because I feel that is a valuable method for discussion of ideas about some of the academic issues coming up. The attendance at Senate Meeting by elected faculty was only 60% at the November meeting and only 24% of the student senators were present. If we are going to accomplish what we set out to accomplish we are going to have to turn this around in the Spring and take this problem seriously.

There was a very productive breakfast meeting that the Senate Council hosted for the local legislative delegation last week. It was well attended by Senators Moloney and Philpot and Representatives Scorson, Fletcher, Brandstetter, and Cave, which is almost the entire delegation. It was a wonderful opportunity to share our concerns and opinions regarding health care, funding issues, impact of decreasing resources on students, facilities, teaching and research. We were really able to bring up a lot of things that we believe faculty are concerned about and had an open and productive discussion. Senator Moloney suggested that we do this again in January. If you have any input please let us know.

December 12, 1995 is the Senate Board of Trustees Social, it is going to be held from 4:00 - 6:00 pm at the Alumni House.

AGENDA ITEM 1: Consideration of and Action on Position Paper, Coalition of Senate and Faculty Leadership (COSFL)

Professor Jan Schach, Chair-elect of the Senate Council moved approval of the item on behalf of the Senate Council. Professor Schach reviewed the background of the proposal and asked Professor Mather, President of COSFL to comment.

Professor Loys Mather (Agriculture), President of COSFL, stated the primary reason for the statement goes back to the session that COSFL had with state legislators last spring when concerns about funding for higher education were being discussed. One of the prime messages was that when matters concerning higher education were on the table in the legislature, rarely if ever do they hear from faculty and faculty senates. This is a chance for Senates to express concerns about the funding for higher education.

The position paper reads as follows:

Statement of Support for Higher Education
by the
Coalition of Senate and Faculty Leadership (COSFL)

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Support for higher education in Kentucky has seriously eroded in the recent past. While state tax revenues have increased by 40% over the last decade and enrollment in state institutions has increased by 34%, state general funding for higher education has decreased by 3%. Faculty members at Kentucky's public institutions of higher education, speaking through their respective faculties/senates, endorse the position paper of the Kentucky Advocates for Higher Education and applaud their efforts. In addition, we endorse the Council on Higher Education's funding proposal for 1996-98. We encourage consideration of the needs of higher education in any governmental discussion of budget surplus or restructuring of tax laws.

As faculty members of Kentucky's public institutions of higher education, we welcome the opportunity to work closely with the new administration in its efforts to gain broad support for higher education in the Commonwealth of Kentucky.

Background:

The above statement was developed by the Coalition of Senate and Faculty Leadership (COSFL). The Coalition of Senate and Faculty Leadership for Higher Education in Kentucky (COSFL) is cooperating the Advocates for Higher Education in encouraging support for the revised formula for funding higher education in the 1996-98 biennium. Accordingly, COSFL is asking all faculty senates at public universities and community colleges in Kentucky to endorse the statement of support.

COSFL is composed of senate chairs, faculty trustees/regents, and other designated faculty leaders from Kentucky's public universities and community colleges. One of its functions is to serve as an advocacy body on behalf of its collective membership before the Council on Higher Education, the governor, the legislature, and the general public. This statement is but one part of COSFL's advocacy efforts.

The Senate Council approved the statement unanimously and recommends it to the Senate.

If approved, the statement will be forwarded to Professor Loys Mather, current President of COSFL.

Support of the position paper passed in an unanimous voice vote.

AGENDA ITEM 2: Proposal to amend University Senate Rules, Section V - 5.3.1.1 (Repeat Option).

Proposal: (add underlined section)

Section V - 5.3.1.1

* A student may exercise a repeat option using a correspondence course taken at the University of Kentucky. For students previously matriculated at the University of

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Kentucky (UK) but who are now enrolled solely in UK correspondence courses, the repeat option may be applied for and approved by the Dean of University Extension, in coordination with the student's prior UK college. For students whose sole UK enrollments have been in UK correspondence coursework, the repeat option may be applied for and administered through the Dean of University Extension.

* Indicates a Rules Committee interpretation

Background:

The original proposal was submitted by the Academic Ombud last spring. The Admissions and Academic Standards Committee considered the proposed change to Senate Rule 5.3.1.1 (repeat option) at a meeting held April 28, 1995. The committee decided to delay making a recommendation regarding the proposal until it had time to confer with University Extension on correspondence courses in general.

This year's committee met with Dr. Phil Greasley (Dean of University Extension) and Dr. Earl Pfanstiel (Independent Study Program) on October 16, 1995. Based on the discussions held, the Committee agreed with, in principle, the policy of permitting students to exercise the repeat option using a correspondence course, but felt that the working of the proposed statement did not describe accurately the two categories of students to which the policy would apply. The amended working (above) was approved by the Committee. At its meeting on November 27, the Senate Council approved the Committee's report.

Rationale:

Presently a student exercises a repeat option by notifying "in writing the dean of the college in which the student is enrolled". Thus a student who has transferred to another institution and who does not have a major or direct involvement with a college needs an administrative unit to process the repeat option.

This would also include students who have transferred to another school but wish to repeat a course by UK correspondence for one taken earlier at UK.

Implementation Date: Spring Semester, 1996.

Note: If approved the proposed change will be sent to the Rules Committee for codification.

Professor Jan Schach introduced the proposal and reviewed the background, she moved approval of the item on behalf of the Senate Council.

Professor Dan Fulks (Business and Economics) asked what was meant by in coordination with the student's prior college?

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Phil Greasley (University Extension) stated they felt each student should have recourse and access to the repeat option. They will handle that for the University, however in the event a prior UK student has been affiliated with a given college they will give that college the option at exercising jurisdiction, otherwise University Extension will handle it.

Professor Jess Weil (Physics) asked if University Extension would have access to the records of students concerning the number of repeat options a student had used? Professor Schach said if not that would be handled by the Registrar's Office.

The proposal passed unanimously in a voice vote.

AGENDA ITEM 3: Proposal to change the University calendar to designate two midterm reading days the first Monday and Tuesday of October.

Professor Jan Schach reviewed the background of the proposal and recommended approval on behalf of the Senate Council. The proposal reads as follows:

Proposal:

Change the University Calendar (University Senate Rules, Section II) to designate the first Monday and Tuesday of October as mid-term reading days. No classes will be held.

Background

On February 8, 1995, the Student Government Association (SGA) Senate overwhelmingly approved two resolutions requesting the University of Kentucky create two new reading periods in the calendar. The first was to be a mid-term reading period in the Fall Semester. The second was a proposed two-day addition to the current reading period preceding final examination week in both the Fall and Spring semesters. To accommodate the lost teaching days, it was proposed that classes begin on a Monday rather than a Wednesday. Following their approval by the SGA, the proposals were forwarded to the Senate Council with a request for consideration and action.

The Senate Council considered these proposals at several meetings, and on September 25, 1995, approved them on academic merit with a proviso that they be reconsidered after the students had contacted non-academic offices to determine the impact of the proposals on other areas of the University. The students contacted Dr. Jack Blanton, Vice Chancellor for Administration, Dr. James Kuder, Vice President for Student Services, and Ms. Betty J. Huff, University Registrar, with a request that they review the proposals and "flag" problem areas. Blanton reported having no unresolvable difficulties with his schedule or the services his area provides if the calendar were changed: Kuder pointed out several problems, including effects on residence hall occupancy changes, earlier orientation scheduling, loss of some college orientation time, and changes in band and sorority rush. Huff cited similar issues. As a result of a subsequent meeting with Huff, Kuder and SGA representatives, a compromise was reached to withdraw the proposal for two additional reading days before final examinations and to go forward with the proposal for

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establishing two mid-term reading days in the Fall Semester. At its meeting on 20 November 1995, the Senate Council approved the proposed compromise. That proposal is before the Senate now.

Rationale

The members of SGA point out the following rationale for the proposed fall semester reading days: First, the fall semester currently has three more teaching days than the spring. They therefore do not find it unreasonable to request a two day break during the fall semester, particularly given the justifications that follow.

As the academic calendar stands, there are no breaks between Labor Day and Thanksgiving (12 weeks) in the Fall Semester. In contrast the spring semester has a break the ninth week of classes.

In addition, the students feel that the absence of a reading period prior to midterm exams during the fall semester is detrimental to both the students' psyche and grades. A midterm reading period would provide students with adequate study time prior to midterm exams and adequate reflection time prior to the midterm withdrawal date.

The SGA does not believe the students will use this time as a "party break" such as spring break. Given that the period includes only 2 weekdays, they feel that this time would be responsibly spent by students in either going home or preparing for midterms. Further, we do not believe that the University should shut down in any respect. Residence halls should remain open, as should the eating facilities, and other university buildings (e.g., libraries). These reading days would be quite worthwhile and a practical intermission.

And finally, there are numerous schools that have midterm breaks. Some examples include Transylvania University (3 days in October), Centre College (4 days in October), University of Virginia (4 days in October), Purdue (4 days in October), Duke University (6 days in October), and Washington and Lee University (4 days in October).

Note: If approved the proposal will be forwarded to the Rules Committee for codification.

Implementation: Fall, 1997

Professor Jesse Weil (Physics) made a motion to amend the proposal to a one break day on the second Friday of October. The motion was seconded. Professor Bradley Canon said he felt the second Friday was too late, he made a motion to amend the amendment to the first Friday of October. The amendment passed - 24 yes, 22 no in a show of hands.

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Professor Dan Fulks (Business and Economics) made a motion to amend the amendment to Thursday and Friday instead of just Friday. The motion failed in a show of hands.

The proposal to have a fall academic break on the first Friday of October passed. 28 in favor of, 25 opposed.

AGENDA ITEM 4: Retirement Report and Recommendations - For Discussion Only.

Chairperson LaGodna invited the selected members of the Ad Hoc Retirement Committee to come to the podium for discussion and questions. Those present were; Chet Holmquist, Chair, T. Lynn Williamson, and Kathryn Moore. The Chair said with this particular issue the Senate Council is seeking general endorsement of the recommendations that were circulated. Allowing the Council the discretion to forward separate issues to the most appropriate groups or individuals for study and/or action. The Ad Hoc Committee was appointed in July 1994 by then Council Chair, Ray Cox and was composed of both faculty and staff, bringing a wealth of experience to the job. They are from a variety of backgrounds. Their charge was to review and evaluate the current program and study possibilities for new options. The Committee submitted its report to the Senate Council in April 1995 and it was accepted and endorsed by the Council. It was a very comprehensive and substantial report. Since this issue was identified as a priority by both the Senate Council and the Administration for the 1995-96 academic year they delayed bringing it to the full Senate hoping that they could work collaboratively and bring a joint proposal for consideration. Unfortunately they have not been able to realize that goal and agree that the importance of the issue dictated bringing these recommendations to the full Senate now for their consideration, suggestions, and hopefully endorsement. As they go through the recommendations, the members of the committee will speak to recommendations, answer questions, or take suggestions.

The proposal reads as follows:

Attached is the report of the Senate ad hoc Committee on Retirement, which was chaired by Professor Chet Holmquist. The recommendations were endorsed by the Senate Council on 10 July 1995.

The report and a summary of previous UK proposals (prepared by Robert Lawson) are enclosed for your information.

The intent of the Senate discussion is to elicit opinions and suggestions on key issues and needs of the academic community in response to the ad hoc Committee's recommendations. The Senate Council is seeking general endorsement (or not) of the recommendations, allowing the Council discretion to forward separate issues to the most appropriate groups or individuals for study and/or action.

Please urge other interested faculty to attend the meetings and to voice their opinions.

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Ad Hoc Committee on Retirement
University of Kentucky Senate Council

Summary of Recommendations

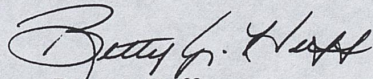
1. At the time of appointment and throughout tenure, information about retirement policies, written in clear, easily understood language, should be readily available.
2. A skilled financial planner should be hired to replace Clay Maupin who has retired.
3. An additional retirement counselor should be hired for employees on the south side of the campus, the Agricultural Cooperative Extension offices and the Community Colleges.
4. Retirement counselors should be skilled in health care issues to clarify for the retirees the confusing patterns of health care services and costs.
5. A long-term care insurance program should be offered to employees and retirees on an employee paid, payroll deduction basis.
6. Individuals who retire before 65 under the "Rule of 75" program should be permitted to take courses at the University without cost.
7. The "Faculty Retirement Guide" and a Retiree Handbook should be published and distributed to all faculty approaching retirement.
8. The staff of the Benefits Office should develop an advocacy role and be skilled in relating to the many outside agencies that have dealings with the retiree.
9. The University should initiate an incentive phased retirement plan for faculty.
10. Retirees should have continuing contact with the University, in such areas as volunteer activities, fund raising, benefits and privileges, health care, financial planning, separation anxieties and leisure time activities.

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A senator moved that the Senate adopt the Ad Hoc Committee's report and take the appropriate action. The motion passed in an unanimous voice vote.

Chairperson LaGodna said she hoped the Senate would think about each of the recommendations or any unanswered questions and either call, e-mail or get on the listserv and discuss the issue.

The meeting was adjourned at 4:56 p.m.



Betty J. Huff
Secretary, University Senate

Paul Willis **FEB 27 1996**
Director of Libraries
127 King Library Annex
Campus 0039 -

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**Ad Hoc Committee on Retirement
University of Kentucky Senate Council**

Dr. R. H. Cox
Chair, University Senate Council

Dear Dr. Cox:

This document is the Report of the Ad Hoc Committee that was appointed in July, 1994. The Committee has met regularly with very few absences, has worked hard on the responsibilities each member assumed, and everyone has contributed. The Committee was composed of both faculty, active and retired, and staff. If there are questions or other concerns about the Report, please let us know.

We are interested, as a Committee, in offering our services if there is any way in which we can assist with the implementation of the recommendations.

Thank you for the privilege of working on this most important project.

Donald C. Leigh
Peter Bosomworth
Angela Back
Kathryn L. Moore
Dennis T. Officer
T. Lynn Williamson
Edgar Sagan
Richard Anderson
Jean Pival
Louise J. Zegeer
Chet Holmquist, Chair

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**Ad Hoc Committee on Retirement
University of Kentucky Senate Council**

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Ad Hoc Committee on Retirement University of Kentucky Senate Council

In July, 1994, Dr. R. H. Cox, Chair of the University Senate Council, appointed an Ad Hoc Committee on Retirement. The Committee included staff and faculty from Law, Medicine, Finance, Educational Policy Studies, Human Resource Development, Engineering Mechanics, Affirmative Action Office and the Emeriti Faculty. The Committee was to review and evaluate all aspects of the University's current retirement program for faculty and staff.

The Charge: The Committee was charged with not only reviewing and evaluating the current program but studying the possibilities for expanding the available options. The expanded options might include, but need not be limited to an incentive phased-retirement program. The phased-retirement option is especially pertinent in light of the recent lifting of the cap on mandatory retirement. To anticipate the problems which may arise from the recent emphasis on post-tenure review, programs which allow for retirement before age 62 might also be examined. The Committee should also study the effectiveness of current pre-retirement counseling offered by the University and consider the feasibility of individualized advising on matters such as TIAA/CREF options, estate planning, long-term care insurance, medical/health issues and the inevitable social and emotional adjustment problems attendant to retirement from a lifetime work or profession.

The Process: The Committee formed three subcommittees: Pre-Retirement, Retirement and Post-Retirement. These subcommittees met regularly and submitted reports to the full Committee for review and editing.

The Ad Hoc Committee appreciates the cooperation and support of the Human Resource Services Department of the University. The Committee commends that staff for the excellent and conscientious service it has given over the years. This Report of the Ad Hoc Committee is intended to offer suggestions for ways to make that service more helpful to those who retire, both faculty and staff, after years of dedication and loyal service.

I. PRE-RETIREMENT

When reviewing the concerns about pre-retirement, the Committee considered it necessary to examine separately the Long Range and Short Range aspects of pre-retirement. The long range aspects mean that planning for retirement should begin with the commencement of employment and should continue throughout one's career. The short range aspects refer to the activities engaged in the one year period immediately preceding retirement.

Long Range

1) *Recommendation:* Any revisions of the Governing and/or Administrative Regulations on retirement should be written in lay terms. Simplicity of language should be a major consideration for all printed materials. There should be an index of all numbers in the Administrative Regulations (AR) and Governing Regulations (GR), especially in relation to retirement matters.

Rationale: Although not all members agreed, most members of the Committee believe that there are sufficient materials and information available to employees; one Committee member even thought that there was an 'overload' of materials which 'bombard' employees. Currently, information is available about the three retirement carriers, the Employee Benefits Office, and the University Governing and Administrative Regulations in blue binders in the offices of the President, the Vice Presidents, the Chancellors, and King Library, the Faculty and Staff Handbooks, and on line from the UK Computing Center in "View". The Committee feels that a detailed index would enhance one's ability to find the needed information.

Costs: There are no specific financial implications for this recommendation, although revisions of the AR's and GR's and the writing of the index would take a significant portion of a staff employee's annual assignment.

2) *Recommendation:* Clay Maupin's replacement should be hired as soon as possible. That person should be extremely knowledgeable about all aspects of long range retirement planning.

Rationale: The Committee agrees that the amount and availability of one-on-one counseling in relation to retirement, particularly long range, is not sufficient. With the recent retirement of Clay Maupin, there are only two retirement counselors in the Benefits Office. They spend most of their time with employees concerned about short range retirement planning.

Costs: A person with appropriate qualifications would require a salary in the \$40,000 to \$50,000 range. All funds from Mr. Maupin's salary line should be used for this purpose and the amount should be supplemented, if necessary. The probable extra cost, beyond funds now in that line, would be \$5,000 to \$10,000.

3) *Recommendation:* A retirement counselor should be available for one-on-one meetings with employees on the south side of the campus, at Cooperative Extension offices and at the community colleges. This additional counselor should spend an average of two days a week on the south side of the campus and three days a week at community colleges and/or Cooperative Extension sites.

Rationale: The Committee believed that employees on the south side of the campus and the community colleges and at the Agriculture Cooperative Extension offices have less opportunity and contact with the retirement counselors than those employees in the center of the Lexington campus.

Costs: This recommendation would require that an additional retirement counselor be hired. The cost of a counselor with benefits would be approximately \$30-33,000 of recurring funds and approximately \$10,000 on a non-recurring basis for office needs: desk, computer, telephone and other supplies.

4) *Recommendation:* As the Human Resources Communications Team formulates its objectives and recommendations, a copy of this Committee's Report should be shared with the members of the Communications Team and a communications campaign should be part of that Team's initiatives.

Rationale: The two major problems in relation to long-range retirement issues are (1) communications and (2) involvement of employees. T. Lynn Williamson of Human Resource Services, to whom the Employee Benefits Program staff report, stated that one of the eight major initiatives of Human Resources (HR) is "communications". The HR Communications Team needs to realize the importance of clearly communicating retirement matters to employees. The Pre-retirement subcommittee proposes that the University formulate a continuously running communications campaign about (1) retirement benefits and (2) employees' responsibilities for their own retirement planning. It is imperative that employees develop a better understanding of their own role in securing their financial future.

Costs: Implementing the results of the HR Communications Team may have cost implications, which the Committee would recommend funding.

5) *Recommendation:* Retirement counselors should have expertise on health care matters and, in particular, Medicare interrelationships. If the retirement counselors do not have the expertise, retirees should be advised as to who the proper authority is and where that person is located.

Rationale: Health care is a complex, technical subject which most persons seem to have difficulty understanding. With the ever increasing cost of health care and with the complications of Medicare and other health care services, health care matters seem to be more confusing as retirement nears.

Costs: This recommendation raises no cost implications unless another staff person will be needed in the office for counseling on these matters.

6) *Recommendation:* A long-term-care insurance program should be offered to employees and retirees on an employee paid, payroll deduction basis. Present retirees should be eligible to participate in this program.

Rationale: Long-term care is a significant concern of retirees. Since long term care facilities generally are not covered by health insurance or Medicare, because the costs of long-term care are significant, and because a long term care product could be offered at a better price for a group, the Committee encourages the University to add to its Benefits package a long term care product. The Committee understands that the HR officials have plans to offer such a product in the future, on an employee paid, payroll deduction basis. This subcommittee believes that many retirees would also be interested in this Benefits offering. (It should be noted that retirees do not have a payroll deduction possibility).

Costs: There are no cost implications to this program other than minor administrative expenses. The program will be offered through payroll deductions or retiree payments; therefore, the University will not pay any portion of the premium costs.

Short Range

1) *Recommendation:* As noted earlier, simplicity of language for all written communications needs to be a high priority when revisions are made.

Rationale: Again, the Committee believes that communication is a major consideration for the short range aspects of retirement. Although we understand that materials are available from the Retirement Counselors and in the Employee Benefits Office, the Committee believes that the need for simplicity of language continues to exist. More visibility for the retirement counselors is a concern of the Committee. Employees who are considering retirement must know where to go and whom they need to see.

Costs: There are no cost implications to this recommendation, other than support of the HR Communications Team's final recommendations.

2) *Recommendations:* The Committee recommends an amendment to the Employee Education Program or to the Retirement Regulations. This amendment would provide that retirees who opt for the "Rule of 75" retirement program would be eligible to take courses free at the University. This subcommittee understands that there may be some legal implications to this recommendation; the subcommittee requests that this recommendation be reviewed by the University Legal Counsel.

Rationale: One segment of the retiree population seems to have been overlooked by present University policy. Retirees at age 65 and older are eligible to continue their academic growth through the Donovan Scholars Program. Regular full time employees are eligible to take courses under the Employee Education Program until they retire. However, employees who retire under the "Rule of 75" program are NOT eligible to take courses between the time that they retire and the date on which they turn 65. The number of persons involved here is very small, but the Committee believes that the present policies are unfair to those persons.

Costs: There would be a small cost for this additional offering; however, since the number of persons who actually take the "Rule of 75" retirement is small, the cost would be insignificant.

3) *Recommendations:* The "Faculty Retirement Guide" (in Appendix F) should be revised and expanded in simple, easy to understand language and distributed to all employees beginning the retirement process, or to all employees who reach a specific age (perhaps 55).

Rationale: A document similar to the "Faculty Retirement Guide" developed by the Association of Emeriti Faculty would be a valuable aid to persons who are preparing to retire. (See Appendix F).

Costs: The cost of printing and distributing a similar document should be approximately \$500 annually.

4) *Recommendation:* The committee recommends that a Handbook for retirees be written, published and distributed to employees nearing retirement.

Rationale: The University publishes a Faculty Handbook and a Staff Handbook. A Retiree Handbook is a logical next development. Such a Handbook would be a valuable source of information to those who are near retirement age. A Retiree Handbook could result in a lesser number of inquiries to the two retirement counselors.

Costs: The first cost would be the staff time involved in writing and publishing the Retiree Handbook; it is estimated that the task would take approximately a half of a year for one staff employee. The second cost is the actual printing of a Retiree Handbook; that cost would be about \$2,000 annually.

II. RETIREMENT

This phase of the process is the time to carry out the necessary procedures by completing the official termination papers and making the decisions about finances, health care, and other matters that need attention.

Decision Making Facilitation

1) *Recommendations:* The staff of the Benefits Office should have special training, not only in the legal and official process of retirement, but should be aware of and competent to discuss alternatives, as these relate to outside agencies, such as Social Security, which play a major role in the many decisions that need to be made at this time.

Rationale: The staff needs to have an advocacy and/or assertive concern for the retiree with a staff person with special expertise, not only as an institutional representative but as a staff and faculty advocate.

2) *Recommendations:* All options available to provide the maximum financial future for the retiree need to be explored with the assistance of skilled financial counselors. Group meetings with retirees as well as individual counseling should be established to discuss in depth all alternative financial options.

Rationale: The decisions made at time of retirement will often determine the financial future throughout retirement. It is often impossible to make the appropriate decisions without skilled assistance.

3) *Recommendation:* There should be documents that clarify the confusing patterns of health care available, including all indemnity plans, HMOs, Preferred Provider organizations, Medicare, and others. There should be a staff person with special skills and experience in the health care maze to counsel on health care concerns, including types of service and costs. These documents must be upgraded regularly as conditions change.

Rationale: There seems to be no central source of information about health care availability, costs, who pays what and other similar questions.

Incentive-Phased-Retirement for Faculty

In the late 1980's, the Commission on College Recruitments recommended that all institutions of higher learning develop plans for partial or phased retirement. Even before then, but particularly in the last decade, a large number of universities have adopted such a retirement plan. Although the plans vary greatly depending upon the needs of individual institutions, they all share the same basic characteristics: all are voluntary; employment continues on a part-time basis; there is an agreement mutually satisfactory to both faculty and administration; and usually some incentives for the employee and/or salary benefits are offered.

The University of Kentucky's present retirement options permit only full retirement at the "normal" retirement age or earlier, both based on scale of age plus years of full-time service (with a minimum of 15 years) equal to 75 or over (AR II-1,6,6-1). The Committee, in compliance with one of the charges to seek other options, has investigated numerous phased plans already in operation. It has also given close attention to the plan developed by a committee of University Deans. Consequently, the recommendation plan includes aspects of all of these, but it is tailored to the particular needs of our university. If adopted, the present age/service scale will need to be liberalized, following the recent tendency of universities, such as Cornell and Nebraska, to give greater flexibility and open-mindedness to their programs.

Although the Committee found mention of phased-retirement plans at a large number of universities, we limited ourselves primarily to state-funded institutions similar to ours and with a TIAA/CREF annuity plan. They include Florida State, Oregon, Iowa, Virginia, Purdue, Northern Kentucky, and Michigan. (See the Comparison Chart in the Appendix).^A The phased plan most similar to the one recommended here is that offered by the University of Nebraska, as that plan was liberalized in 1991.

Since the Committee feels that phased retirement may prove difficult for many staff positions, the recommended plan is limited to full-time faculty, although some universities extend this option to administrative and professional staff.

Recommendation:

The University of Kentucky should initiate an incentive phased-retirement plan for faculty with the following seven principles as guidelines.

- 1) All tenured faculty who are age 55 or older and have a minimum of 10 years of full time service are eligible.
- 2) An irrevocable letter of agreement to retire within seven years of the date of implementation of the agreement or at age seventy, whichever comes first, must be signed by the faculty member. The letter of agreement can only be revoked in the event of severe financial hardship and the faculty member must bear the burden of proof that the agreed-upon retirement will impose a severe and irreparable financial hardship.
- 3) Faculty members shall have two options from which to choose:
 - a. Members agree to carry a regular workload in the fall or spring semester. There will be no teaching or service responsibilities in the alternate semester. The choice of which semester the faculty member will teach will be determined jointly by the faculty member and the appropriate Chair and the approval of the Dean.
 - b. Faculty members agree to fulfill 50% of their normal workload in both the fall and spring semesters. This option must be determined by the special needs of the department and the college.
- 4) Faculty members will receive compensation equal to 50% of the full-time base salary calculated on the salary of the year the retirement option was started. In addition, partially-retired faculty members are eligible for merit or discretionary salary adjustments.
- 5) Participating faculty will receive employee benefits (health, life insurance, etc.) for the entire academic year as if they were a full time faculty member, excluding retirement benefits. Retirement benefits will be paid as follows:

Plan a. Retirement benefits will be paid on the appropriate match based on one semester of employment and 50% of full time compensation during the semester of employment. During the non-teaching semester, the faculty member may voluntarily elect to contribute up to 5% of the half year compensation which the University will match on a two-for-one basis or some other appropriate match. In this case, the University is obligated to contribute only if the faculty member chooses to do so. The faculty member must make such an election six months prior to the non-teaching semester and must make such election for each semester of non-teaching.

Plan b. Retirement benefits will be paid on the appropriate match based on one semester of employment, plus 50% of full time compensation. In addition, as in plan a., the faculty member may voluntarily elect to contribute up to 5% of a half year compensation. The same constraints for University contributions would apply as in a.

6) If full retirement is selected in years 2 through 5 of the agreement, the faculty member can be granted a release from regular duties for the teaching semester prior to retirement. The faculty member must request such leave in writing from the appropriate department chairs and Dean at least one year prior to the proposed retirement date.

7) The faculty member will be provided the same support services as other faculty including travel to professional meetings. Participants may use their office during the entire academic year.

Rationale:

There are a number of tenured faculty age 55 or over who have served the University in a full-time capacity for at least 10 years and who are interested in a phased retirement plan. Such a plan can help to alleviate the emotional or financial trauma associated with an abrupt cessation of full employment. It allows faculty members to continue teaching on a part-time basis in areas where they are most qualified, without the burden of extra institutional demands. For those persons still actively engaged in research and writing, phased retirement can release unfettered time for part of the year for those activities. For senior faculty members, it can provide a way to continue teaching and/or research on a schedule less strenuous than that for a full load.

The benefits to the University include an orderly process for workload planning and generation of salary savings for the respective Colleges. It will also generate the monetary resources to recruit new faculty while continuing to utilize the specialized expertise and skills of senior faculty. In addition, a phased retirement plan can help to solve the problems which may be attendant upon the loss of the age cap or the implications of a post-tenure review process.

Cost:

The exact savings or costs to the University are difficult to predict given the variations in salaries, number of people who might choose the phased retirement options, and the ages of those electing it. An in-depth task force study on faculty retirement at the University of Chicago (1972), however, predicts a substantial saving over a projected 17-year period. Mainly concerned with the age uncapping, their study looked at the possible results of phased retirement for faculty of 70 and older, based on two-thirds full time salary plus full benefits. Their first year projection indicated a first year savings of \$753,000 to a seventeenth year saving of three to four million dollars. No such analysis was found for phased retirement at earlier ages, but we can hypothesize from this study that the savings would be substantial.

III. POST-RETIREMENT

It is important to maintain the retirees' relationship with the University. Not only does this continuing contact yield public relations benefits for the university, but it also provides an avenue to engage retirees in political support, fund raising, and volunteer activities. Conversely, services from the University are essential support elements that help guide retirees through the complexities of health care, financial management and anxieties associated with life status changes. This relationship can be accomplished through four categories of services.

1) *Recommendation:* Retirees should be provided with information about post-retirement University benefits and privileges, health care issues, such as, long-term care, Medicare/Medicaid, relationship to the UK health insurance program, especially in the coverage of spouses.

Rationale: Retirees should integrate information and services from a variety of agencies, such as retirement plans, health care providers, and insurance carriers, as well as benefits and privileges provided by the University. It is not always readily apparent where this information can be found, and it is sometimes offered in diverse formats. This recommendation suggests that the information be centrally available and well-indexed and that the University be aggressive in its information outreach to retirees.

2) *Recommendation:* There should be facilitation of retiree decision making and activation of benefits, options and privileges in such areas as financial planning and management, health care issues, office space, library privileges, computing privileges, parking and mailing lists.

Rationale: Retirees need information about and direct assistance with initiating benefits. Contacts with the multiple UK offices can be complex and should be facilitated; counseling should be available to assist with option selections.

3) *Recommendation:* It is essential that direct assistance and counseling should be provided for financial planning (e.g., investing, estate planning, trusts/wills, and budget management), health care, alternate career options, life-purpose analysis, separation anxiety and leisure activities.

Rationale: Retirees are faced regularly with vital decisions and life choices in areas in which they have had little expertise. In addition, some retirees experience emotional problems, resulting from changes in career and lifestyle. Competent, professional counseling should be readily available. This recommendation suggests that retirees should have access to appropriate existing counseling services on campus or specialized personnel should be employed specifically to meet this need. Consideration should also be given to support groups under the direction of qualified leadership.

4) *Recommendation:* It is essential that retiree participation should be encouraged and facilitated in such University activities as College events, University public relations, fund raising, continuing education programs (at no charge), Donovan Scholars Program, faculty and student recruiting, political support for the University, the Emeriti Faculty Association and consulting opportunities.

Rationale: Retirees are often "cut loose" from the University, leaving them with few or no ongoing formal contacts. Unlike student graduates who are courted regularly by departments, colleges, and the Alumni Association, retirees in most cases have not been perceived as having much to offer. Current retirees report a strong, lasting interest in the University—an interest that should be nourished by participation in many kinds of activities that could benefit both the University and the retirees. This recommendation suggests the establishment of more formal procedures by colleges and the University for encouraging this interaction.

Related to the menu of University services described above, the Committee envisions two additional dimensions. One is the development, maintenance and distribution of information pertaining to benefits, options and privileges available to retirees. This has, to some measure, already been accomplished but needs tighter organization. A second dimension is the provision of specific step-by-step directions for accomplishing each of the activities in the UK services to retirees categories.

In summary, the Committee recommends that the University maintain the good will of, and obtain the benefits from, retirees by facilitating continuing interaction through four categories of services: (1) provision of information, (2) facilitation of post-retirement decisions, (3) assistance and counseling for special needs, and (4) facilitation of continuing connections and contributions to the University,

Health care issues and financial planning and management are the foremost concerns of retirees. Regarding financial matters, the Committee recommends that the University continue to provide financial planning assistance at a level of sophistication similar to that which was provided by Clay Maupin (retired).

Proposed Model

The attached model depicts activity categories that faculty and staff should address throughout their careers in order to improve their opportunities for a satisfying retirement. Third and fourth dimensions of the model are envisioned to be the actual forms/policies and "how to" steps for accomplishing the activities, respectively.

This model could serve as a comprehensive system to (1) guide the personnel office in the planning and provision of retirement-related services and (2) provide a blueprint for pre- and post-retirees to plan and access pertinent services from the University at appropriate career stages. The two-dimensional model matrix (activity categories and career stages) shown here would be supplemented by a third dimension (the actual forms, policies, and "things" that have to be dealt with) and a fourth dimension (series of check lists or "how to" steps for accomplishing the activities).

Items in each cell are illustrative activities—these menus to be expanded eventually (possibly by the Personnel Division). Advisory committees and planners would be able to address the problems and needs in any particular cell by recommending/instituting new or modified policies and/or procedures. For example, this ad hoc committee has developed and is recommending a phased retirement option to be added to the "options and selections" activity category under the "retirement" phase column. Retirees considering such an option can enter the model and obtain: (1) a detailed description and forms and (2) a description of the steps and process for activating that option.

Activity Categories	Phases			
	Pre-Retirement		Retirement	Post-Retirement
	Long-Range	Short-Range		
Information and Data Collection	Descriptions of: - Benefits - Services - Retirement plans	Descriptions of: - Pay-out options - Retirement options		Obtain information on (e.g.): - Wills - Trusts - Health care issues
Options and Selections	- Premium allocations	- Accumulation re-allocation - Life insurance option	- Phased retirement - Standard retirement	Select options as needed
Benefits/Privileges Enrollment and Activation	- Retirement plan - Health insurance plan - Life insurance plan	- Medicare enrollment - Social Security notification - Life insurance conversion - Long-term care		Select and activate benefits (e.g.): - Parking - Office space - Library privileges
Standard Operational Procedures		- Submit letter of intent to retire - Medicare before age 65	- Clear out office - "Good-byes" to colleagues - Turn in keys	Complete forms and applications
Financial: • Planning • Counseling	- Planning of overall financial strategy - Development of financial goals	- Determine retirement financial strategies		Obtain financial planning assistance (e.g.): - Investing - Estate planning - Budget management
Personal Counseling				Obtain counseling related to post-retirement issues (e.g.): - separation anxiety - Identity anchors
Recognition/Involvement	- Promotion/tenure - Merit pay		- Receptions - Service pins	Participate in University events and initiatives (e.g.): - Fund raising - Faculty and student recruiting

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RETIREMENT PROGRAMS

I. UK PROPOSALS.

A. Furst Proposal:

1. Elements: Allows faculty to teach nine hours (or its equivalent) in one semester of an academic year, with no teaching or service assignment for the other. Faculty member will get compensation equal to 50% of full salary for nine months, employee benefits (except that contribution to retirement is reduced to 50%), and office space and support services for entire year. Faculty agrees irrevocably to retire at a specified date within five years of agreement.

2. Eligible: Covers only faculty. Has no minimal age or service requirement. Can be elected at any time. Requires approval of Department Chair and Dean.

B. Ad-Hoc Faculty Committee Proposal:

1. Elements: Allows faculty two options: (i) to teach normal load in fall or spring semester with no teaching or service assignment for the other; or (ii) to do 50% of normal workload in in both semesters. Faculty member will get compensation equal to 50% of full salary for nine months, is eligible for merit or discretionary salary increases, employee benefits for full year as if full-time faculty (except that retirement contributions for the "off semester" or "half-time" will be made only if the faculty member elects to make his/her 5% contribution), and office space and support services for the full year. Faculty member agrees irrevocably to retire within 7 years of agreement, except that there is a severe financial hardship exception.

2. Bonus: If faculty member elects full retirement in years 2 through 5, his/her last teaching semester prior to retirement will be a sabbatical leave.

2. Eligible: Covers only faculty. Become eligible at 55 and 10 years full-time service. Can be elected at any time. No agreement of department chair or dean required.

C. 1988 UK Tentative Full Retirement Proposal:

1. Elements: Employee elects voluntary retirement. UK pays employee's retirement contributions (8% or 10%) for number of years retiree is under 70 but not to exceed five years. (The employee has choice of direct payments in lieu of retirement contributions.) (Payments would go to estate in case of a premature death.) In addition, employee would be paid upon retirement a sum not to exceed \$25,000, depending upon years

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of service and annual salary. Employee would receive other retirement benefits, including normal contribution toward health insurance coverage.

2. Eligible: All employees eligible. Employee had to be at least 64 and have no less than 15 years of service.

D. 1988 UK Tentative Phased Retirement Proposal:

1. Elements: Faculty teaches two courses in fall of two separate years. Annuals compensation would be equal to Social Security limit (\$ 8,460 in 1988) or 25% of full-time salary (increased to 30% in second year) had retirement not occurred, whichever is less. Continue paying retirement contribution on full salary for both years without employee contribution. At end of the two year part-time teaching, the faculty member receives what would have been paid under the "full retirement proposal" had he/she retired immediately plus a 15% bonus, with this to go to estate in event of death. University will make normal contributions to health plan. Other retirement benefits also available.

2. Eligible: Only faculty. Must be at least 64 years of age and have no less than 15 years of service.

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II. OTHER UNIVERSITY PLANS

A. Central Michigan U:

1. Elements: Employee submits retirement and executes an agreement in return for a retirement incentive service award. After retirement, the employee will be recommended for emeritus status, with all privileges and rights thereto. (Not sure what these are.) Incentive service award is a cash payment equal to 2% of base salary multiplied by the number of year of service at the University.
2. Eligible: Members of faculty bargaining unit who have at least 15 years service and who is at least 50 years of age.

B. Loyola University of Chicago:

1. Elements: Voluntary severance program with incentive payments spread over 2 years (24 months). Employee must resign position with university to participate. The University agrees to pay monthly benefit for 24 months (or until employee dies), calculated as follows: 1% for each year of service (not to exceed 30) plus 50% multiplied by employee's compensation and divided by 12. (What this comes to is about 80% of last salary for a period of two years.) However, upon participant's attainment of age 65 and for all periods thereafter, the monthly payment will be reduced by the amount received in social security payments and pension payments under TIAA/CREF. Provided, however, that the monthly payment would never fall below 30% of what it would be without any reductions. In addition, retiree would have cost-free life insurance for 24 months in amount equal to the total of one-year's monthly incentive payments, and cost-free health and dental benefits for 24 months, but no additional contributions to retirement system.
2. Available to all employees who are 62 years of age and have 10 years of service. Part-time employees not eligible. Eligible employees had a two-month window of opportunity to elect to participate.

Note: This one is obviously designed to encourage retirement at age 65, because it is at this age that the monthly supplement begins to decline because of payments due under social security or TIAA/CREF, a reduction that occurs even though the person does not elect to receive them in fact.

C. Clemson University:

1. Elements: Irrevocable voluntary retirement by faculty member is required. University will provide one-time lump sum payment equal to 2.5% of base salary for each year of

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service, not to exceed a total of 50% of base salary at the time of retirement.

2. Eligible: Only faculty are eligible. Must have either (i) 30 years of service credit under state retirement system or a 403(b) plan; (ii) be 60 years of age; or (iii) be 55 years of age and have 25 years of service under state retirement system or a 403(b) plan. This was a one-time offer to eligible employees, with warning that it might not be offered again, with a two-month window of opportunity for electing to participate.

D. Temple University:

1. Elements: Voluntary retirement is prerequisite (i.e., a signed resignation and relinquishment of tenure). The retiree receives monthly severance payments for two years (or until death) in these amounts: \$24,000 per year for persons with at least 10 but not 20 years of continuous service; \$33,000 per year for persons with at least 20 but not more than 30 years of continuous service; \$40,000 per year for persons with at least 30 years of continuous service. In addition, University will continue making its retirement fund contributions for two years (or until death), will provide health and life insurance benefits for two years, and will provide faculty with library privileges, free parking, and faculty discounts at bookstore.

2. Eligible: Tenured faculty covered by bargaining unit, 60 years of age, and 10 years of continuous full-time service at the University.

E. Nebraska:

1. Elements: This is a phased retirement program, which requires election by employee and approval by dean. It extends for a maximum of seven years (but can be for a lesser period) from the time of the agreement and has some agreed-upon percentage of full-time assignment (e.g., 3/4ths, 2/3ds, 1/2, etc.), which can be changed from year to year (but increased only upon a finding of "best interest of University"). A unique feature of this plan is a one-year trial period at the end of which the faculty member could return to full-time status. There is a salary supplement incentive that (as best I can figure) is equivalent to what the University would be contributing to the retirement program if the faculty member had not elected to go to phased retirement. Also, they retain full employment benefits while in this phased retirement period.

2. Eligible: Faculty only. At least 10 years of service at the University and 55 years of age.

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III. ANOTHER GROUP OF PLANS

A. Purdue University:

1. Elements: This is a phased retirement system. Allows individual to reduce employment with an equal reduction in pay; reduction is normally 50%, although other levels of partial employment are possible. Full retirement must occur within 5 years of partial retirement. University will pay retirement fund contributions on full salary during the period of partial retirement and employee will qualify for all employee benefits as though on full time salary.

2. Eligible: Faculty and administrative/professional staff members. Must be at least 55 and have a combination of age and years of service of no less than 70.

B. Oregon:

1. Elements: Faculty may elect reduced employed with reduced pay; reduction seems to be to one-third of full time. Must agree to full retirement at end of five years. University will provide a 6% pay increase at time of agreement, plus any across-the-board increases in year of agreement and years of part-time employment and any merit increases in any year.

2. Eligible: Full time tenured faculty between ages of 55 and 64.

C. Northern Kentucky:

1. Elements: This is a phased retirement program which allows faculty (with approval) to reduce employment by agreed-upon amounts (normally 50%) for a period of two or three years. Pay is reduced proportionally as are payments to retirement system. Other employee benefits equal those which are provided full time faculty. Faculty have rights to return to full-time status with six months notice. It seems somewhat unclear as to how resignation occurs, though the plan seems to contemplate that employment will end at the conclusion of the phase-down period.

2. Eligible: Tenured faculty only. Ten years of continuous service. No age requirement.

D. University of Iowa

1. Elements: Employee may elect for reduced employment at no more than 65% of full time, with phase down to end after five years. Full retirement to occur at end of five years. Compensation will be pro-rated by reduction of assignment, except that 10% of full-time salary will be paid in addition during each of the first four year of phased retirement.

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Also, University will make retirement contributions on basis of a full-time salary during period of phased retirement. All employee benefits will continue during this five-year period. No return to full time after election.

2. Eligible: Faculty and professional staff with 15 years of service and 57 years of age; merit system staff members with 20 years of service and 60 years of age.

E. Cornell University:

1. Elements: Faculty reduces work assignment by agreement, without any commitment to retire fully at any specified time in the future. The reduction is either to half-time or to less than half-time. If the assignment is to be half-time, the faculty members gets employee benefits equivalent to what would follow from full time assignment (including a full time retirement fund contribution); if assignment is for less than half-time, benefits are based on actual salary, except that retirement contribution is 20% of salary.

2. Eligible: Tenured faculty between 60 and 70 years of age who have 10 years of service.

F. University of California System:

1. Elements: Phased retirement by agreement, at levels of 2/3rds, 1/2, 1/3rd, with full retirement required on June 30 of the year in which employee becomes 70. Compensation is reduced by amount that work assignment is reduced, with employee eligible for merit increases during phase-down period. Employee benefits generally continue during this period, with retirement contributions and service credit being based on a full-time salary (unless the employee takes retirement benefits during the phase-down period in which case contributions are based on part-time salary).

2. Eligible: All full-time employees with 20 years of service and 60 years of age.