

Minutes*

SENATE COMMITTEE ON FACULTY AFFAIRS
Thursday, March 4, 1993
3:15 p.m.
238 Morrill Hall, Regents Room

Present: Carl Adams (chair), Carol Carrier, Ann Fallon, Roger Feldman, Richard Goldstein, Audrey Grosch, Steve Laursen, Richard McGehee, Dianne Mulvihill, Roger Paschke, Michael Sadowsky, George Seltzer, Bernard Selzler, W. Donald Spring, Michael Wade,

Absent: Daniel Canafax, Mary Dempsey, Ann Erickson, Judith Younger

Guests: Marjorie Cowmeadow, Chair, Select Committee on Gay, Lesbian, and Bisexual Concerns; John Felipe, Equal Opportunity and Affirmative Action; June Nobbe, Student Affairs

Minutes

The January 28 and February 11 minutes were approved.

Faculty Retirement Program Subcommittee Report

Professor Goldstein, chair of the subcommittee, distributed a number of handouts, including: 1) an outline of assets in the faculty retirement plan, 2) the faculty retirement plan investment performance ratings for periods ending December 31, 1992, and 3) the optional retirement plan investment performance ratings for the same ending periods. Professor Goldstein said that 403(B) assets were invested before 1989 and the 401(A) assets after that time. He noted that a large percentage of the funds (approximately 65%) are invested in the General Account, a very conservative investment, earning approximately 7.5%. The performance ratings, he said, are published in a newsletter distributed by the Employee Benefits Department and periodically in the *MN Daily*.

Besides monitoring the faculty retirement plan, the subcommittee has addressed a number of other issues this year, including a non-discrimination rule established by the federal government that will affect the faculty retirement plan. In particular, the subcommittee is reviewing the costs associated with changing the plan's waiting period and the inclusion of part-time faculty.

The subcommittee is also reviewing the rules relating to distribution at the time of retirement. One factor, Professor Goldstein noted, is that money invested before December 1986 does not require withdrawal at age 70 1/2, which is typical for IRAs. The money does not have to be drawn on until age 75. Active employees over the age of 70 do not need to withdraw any funds (old or new) until retirement.

One member said he understood that pre-1987 monies need not be withdrawn at 75 and suggested

*These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Campus Assembly; none of the comments, conclusions, or actions reported in these minutes represent the views of, nor are they binding on, the Senate or Assembly, the Administration, or the Board of Regents.

contacting the IRS for clarification.

Another item under review is the uncapping of mandatory retirement. The subcommittee is exploring potential incentives for retirement, bearing in mind the costs involved, and will be reporting to SCFA on that issue in the future. They are currently soliciting information from other universities that uncapped mandatory retirement a few years ago, including Wisconsin and Texas, to review the impact it had on their institutions.

A final item being reviewed by the subcommittee has to do with the potential changes in the insurance companies guarantees for annuities. As Professor Goldstein understands it, the present rule is that the pool of insurance companies guarantees funds in the General Account up to \$100,000 per participant during the time the annuity is building up. For individuals already drawing on their annuities the funds are guaranteed up to \$300,000. The subcommittee has discussed trying to get those limits increased because a significant number of faculty have over \$100,000 invested in the General Account. There is some concern about proposed legislation (by the insurance companies) to have a \$5 million limit per company.

Ms. Mulvihill responded that she believes the investment vehicles for the University's accounts would not be affected by the \$5 million cap.

A motion was then approved authorizing Professor Goldstein to prepare a letter to Vice President Erickson, the Faculty Consultative Committee, and the two faculty legislative liaisons identifying SCFA's concerns regarding the proposed legislation on limits of guarantees.

The Retirement Subcommittee will follow the situation and provide SCFA with an update at one of its Spring quarter meetings.

Professor Adams asked whether the subcommittee had had an opportunity to review the issue of faculty having access to their retirement dollars while retaining a part-time tenured position. Professor Goldstein will bring that issue to the subcommittee's attention.

Chair's Report

Professor Adams asked for a volunteer to serve on a committee to review the faculty mortgage banker. The committee, Mr. Paschke said, will be asked to review the RFP (Request for Proposal) form, interview firms, and recommend whether the University should retain its current user or select a new firm. Seeing no volunteers, he said he would seek someone from outside the committee.

Select Committee on Gay, Lesbian, and Bisexual Concerns

Professor Adams introduced and welcomed Associate Dean Marjorie Cowmeadow, Chair of the Select Committee; Ms. June Nobbe, Chair of the Gay, Lesbian, Bixexual, and Transgender Emergency Response Team; and Mr. John Felipe, Chair of the Select Committee's Subcommittee on Benefits.

The Select Committee (a subcommittee of the Senate's Social Concerns Committee) was established approximately two years ago to evaluate the campus climate as experienced by lesbians, gays, and bisexuals at the University of Minnesota. During the past two years, the Committee has collected written and oral

testimonies, conducted ten structured focus group discussions, and conducted a curriculum survey. In November 1992, the President asked the Committee to prepare an interim report (the final report is due in the Fall of 1993) in response to a number of incidents that occurred in the gay, lesbian, and bisexual student association. At the time of the incidents, the Emergency Response Team, lead by Ms. Nobbe, was formed to address the safety and security issues facing the students in the gay, lesbian, and bi student association. Harassment to the students ranged from intimidation to death threats. The Response Team and the Select Committee joined forces and worked collaboratively on the Interim Report.

The Interim Report, Dean Cowmeadow told the committee, calls for five action recommendations:

- Establish an Office for Gay, Lesbian, and Bisexual Concerns
- Provide a full benefit package for gay and lesbian families
- Establish a gay and lesbian studies program
- Develop a training program on gay, lesbian, and bisexual concerns
- Update all printed publications and materials

It is not expected, she said, that these recommendations will change in the final report. Professor Adams said SCFA was asked to review the particular recommendation concerning benefits.

Ms. Nobbe briefly outlined the other four recommendations:

- The Office for Gay, Lesbian, and Bisexual Concerns would serve the entire University community providing educational programs and training, and function as a resource office.
- The gay and lesbian studies program was addressed by the Senate's Educational Policy Committee which recommended it more appropriately be discussed within colleges and curriculum committees.
- The Select Committee has recommended that a training program be developed that specifically deals with the issues related to the gay, lesbian, and bisexual community and educating the broader University community about those issues, and to ensure that the diversity training being provided at the University includes gay, lesbian, and bisexual issues.
- The President has asked Ms. Patricia Mullen, Director of the Equal Opportunity and Affirmative Action Office and Associate Vice President Carol Carrier to review the recommendation regarding updating printed publications and materials.

With regard to the benefits proposal, Dean Cowmeadow directed SCFA's attention to an audit the Select Committee conducted on benefits offered by the University. After each benefit, it was identified whether it is University driven or State driven (with regard to policy control) and whether it is available to an employee's spouse or gay/lesbian partner. In some situations, such as the mortgage program, spousal hire, and long term disability, employees are treated the same. In other situations, such as health benefits, retirement benefits, and housing, gay and lesbian partners are not recognized. The Select Committee has recommended that the University develop an affidavit whereby domestic partnership is recognized in the same way that legally married couples are.

Mr. Felipe, chair of the Select Committee's Benefits Subcommittee and co-chair of the Domestic

Partners Work Group, which was charged by the President's Cabinet, reminded committee members that as employees of the University of Minnesota they are entitled to certain inherent benefits. These benefits range from use of the recreational center to receiving health benefits. The primary mission of the Domestic Partners Work Group was to discuss the working definition of domestic partners and to address such questions as who should be included, how do you recognize domestic partners, and how do you implement such a policy, etc? A result of the Work Group's deliberations was the development of a proposed Affidavit of Domestic Partnership. The City of Minneapolis, he said, currently recognizes domestic partners but not in the area of health benefits, perhaps because of cost factors. The definition of domestic partners developed by the Work Group is limited to same sex partners because of the potential cost implications if it were to be expanded to include heterosexual couples who are not legally married. Further, Mr. Felipe said, of the various municipalities and three universities that have incorporated domestic partnership into their health benefit policies, all have limited the definition to same sex partners primarily for the same reasons the University is proposing to limit it.

Further, Mr. Felipe said, AFSCME Council 6, which represents approximately 22,000 State and University employees, has endorsed a proposal to include domestic partners in the health care benefit package. They, however, extended their definition to include opposite gender couples.

Individuals involved with the recreational facilities, housing, and child care center have participated in the Work Group's deliberations and support same treatment for gay, lesbian, and bisexual partners, and in most cases are waiting for direction from the administration.

Associate Vice President Carrier clarified that the State Health Plan currently does not allow for coverage of domestic partners.

When asked how many individuals might choose to enter into a domestic partnership contract for purposes of health care benefits, Dean Cowmeadow estimated the number to be 30 based on the Select Committee's survey response. The other primary area of interest was equity in retirement, she said.

SCFA suggested the Select Committee contact the three universities currently recognizing domestic partnerships to inquire how many individuals have taken advantage of the program and what the costs have been.

One person raised the possibility of two individuals of the same sex who are committed to each other for the necessities of life entering into the Affidavit for economic purposes. This could happen, Dean Cowmeadow said, however, as a legal document any misrepresentation on it constitutes a felony.

Another member posed two questions: 1) Wouldn't the University be in violation of its discrimination policy if it excludes heterosexual couples? 2) How does the University face the issue of fairness if it excludes heterosexual domestic partners?

Associate Vice President Carrier responded that the points were well taken and that the University needs to move ahead in manageable steps.

The SCFA Benefits Subcommittee will give further study to the issue and bring its recommendations back to the full committee.

Senate Committee on Faculty Affairs
March 4, 1993

5

The meeting was then adjourned at 5:15 p.m.

-- Martha Kvanbeck

University of Minnesota