

Faculty Benefits Committee Meeting – March 22, 2017

9:30-11:00 AM Petit Institute Bldg., Room 1316

Minutes – Pending Approval

Attendees: Raquel Lieberman (Chair), Wayne Book (Outgoing Retiree Rep.), Doug Britton (Secretary), David Brown (Staff Council Chair), Darrell Gray (Staff Council Rep.), Bobby Hall (Exec. Council Liaison), David Millard (Retiree Rep.), Leslie Sharp (Graduate Studies Office).

Visitors: Jim Wallace (OHR), Nicole Woolfolk (OHR)

Administrative: The minutes from the February 22, 2017 meeting were approved unanimously.

Committee Business:

- Need to connect with Kim Harrington to identify a new OHR representative.

Continuing Business:

Retirement

- Raquel Lieberman – presented an overview of some of the challenges that have been raised by retirees regarding retirement, retired-but-working, and phasing into retirement at GT.
- Jim Wallace – OHR is working to put together an information packet/checklist for retirees that might address some of the general questions such as transitioning to TRS or ORP, but it does not cover things like retired-but-working, email, etc. There are challenges with licenses to certain software programs (library, email, etc.) that are restricted to employees and students. The lifetime email service is actually a forwarding service, not an actual email service.
- Leslie Sharp – retired-but-working is still considered an employee.
- Jim Wallace – clarified that the basic difference between ORP and TRS is how benefits get paid, with specific differences for people who do not stay 10 years. If an employee leaves before 10 years under TRS, they forfeit the GT contribution. ORP is probably the best option for those employees who think they will only be here for a short period of time (post-doc, ect.)
- Jim Wallace – the policy is now the same for TRS and ORP retirees with respect to retirees coming back to work.
- Raquel Lieberman – stated that there is a difference in the retirement payouts between ORP and TRS
- Jim Wallace – clarified that, yes, the TRS is a defined retirement plan based on the number of years employed, and highest salary received while at Tech. ORP is based on the individual employee's accrual and the GT contribution over the course of employment.
- Wayne Book – asked if there were differences in beneficiary designations and continuing benefits for dependents under TRS and ORP?
- Jim Wallace – replied that there was not a difference between TRS and ORP in terms of beneficiary designation.
- Darrell Gray – asked what about going out on disability at 9.5 years, and then passing away, what would happen to retirement benefits for dependents?

- Jim Wallace – If the employee is retirement eligible, then they would qualify and the funds would follow their beneficiary plan in that case.
- Nicole Woolfolk – added that a retiree must elect a survivorship plan that indicates how the retirement funds should be distributed to both the employee and the beneficiaries.
- Raquel Lieberman – brought the discussion back to the topic of people thinking about retiring, and the potential issue that may arise with more people selecting ORP over TRS.
- Jim Wallace – affirmed that ORP is getting more people now, and there has not been an option to switch after the initial creation of the ORP option, and he does not really see this changing anytime soon.
- Doug Britton – clarified that the real concern is that as a result of more faculty electing ORP, more faculty may stay employed longer to accrue retirement funds and there by stay in faculty tenure lines longer at higher salary rates resulting in higher departmental costs.
- Leslie Sharp – Georgia’s TRS is highlighted as a great program, mostly because it is stable, and independent of the legislature.
- Jim Wallace – stated that OHR would be happy to help get the information on ORP vs TRS numbers and data, and Nicole Woolfolk and Jim Wallace are the key contacts for all retirement activities.
- Wayne Book – asked if there is any chance that the 10 year vesting will be removed at any point in time?
- Jim Wallace – indicated that he did not believe there would be any changes to the vesting requirement, because this would impact more than just USG.
- Wayne Book – asked to know more.
- Jim Wallace – explained that 10 year vesting helps to keep the program solvent and the possibility of it changing is highly unlikely.
- David Millard – stated that every year it appears there has been an effort in the legislature to allow people to switch from OPR to TRS, but it usually goes nowhere.
- Raquel Lieberman – asked about what conversations are had with employees who may want/need to transition to retired-but-working after retirement.
- Jim Wallace – indicated that OHR and no one else at GT is allowed to have a conversation with any retiree regarding coming back to work for a full calendar month after the retirement date.
- Darrell Gray – added that employees and managers also forget that each of these retired-but-working requests must now be approved by the president.
- Leslie Sharp – agreed that no conversations were permissible ahead of time regarding coming back to work after retirement until after 1 month of being retired and these arrangements are to be reviewed on an annual basis.
- Jim Wallace – indicated that there are a lot of things that go into a department making the case for hiring a retiree, such as grants, clearances, etc.
- Leslie Sharp – indicated that departments should also be doing annual reviews for every retired-but-working employee. Also, these individuals are not allowed to be appointed for more than 2 years, and the president currently delegates this approval process to Susan Cozens.
- Wayne Book – asked about arrangements and opportunity for retirees to advise students.
- Leslie Sharp – indicated that this is handled on a unit-by-unit basis for approval.

- Leslie Sharp – stated that the administration always recommends that students always seek out an additional faculty advisor (not retired) to co-advise, if their advisor of record actually retires.
- Jim Wallace – If someone retires under ORP, and they come back as retired-but-working status (active Status), the employee is precluded access to the ORP funds (can't draw down funds), but that is not the case for TRS.
- Darrell Gray – asked if this was a new policy.
- Jim Wallace – stated that it was recently clarified.
- Jim Wallace – indicated that this might be one of the biggest differences between ORP and TRS with respect to retired-but-working individuals.
- Leslie Sharp – asked if there is a difference between TRS vs ORP if an employee dies in office/while employed.
- Jim Wallace –stated that an employee's designated beneficiary is entitled to all of the funds under ORP, and time on the job does not matter with ORP. Under TRS, if vested, then an employee dying in office is treated the same as retiring, so designated beneficiary would be allowed to access the funds under two different options, lump sum, or defined benefit.
- Raquel Lieberman – asked if there are other items that should be included in a FAQ that people should know when approaching retirement.
- Jim Wallace – stated that there are probably some things primarily around Medicare and healthcare status that may be helpful. For example, if employee is of Medicare age, to prevent break in coverage, the employee must enroll in Medicare prior to retiring, and it takes 60 days to get enrolled in Medicare, so they would want to take that into account.
- Nicole Woolfolk – added that it also effects ability to get on health care exchange, because it takes time to get into that system as well.
- David Millard – asked if all of these conversations with employees and OHR are kept confidential, and not shared with anyone in the employee's department.
- Jim Wallace – affirmed that OHR never talks to the employees department about retirement conversations.
- Leslie Sharp – asked if OHR gives regular workshops on these topics related to retirement.
- Jim Wallace – indicated that OHR has in the past given workshops and seminars on retirement topics, but with all the changes in healthcare, etc., they have not had a chance to do any seminars recently, but it is something that they would like to do more of.
- David Millard – asked if there were some online videos on retirement topics.
- Nicole Woolfolk – stated that there are not as many currently online as there were in the past, due to all the changes that have occurred in healthcare and the FLSA.
- Raquel Lieberman – stated that this might be something that this committee could help with.
- Jim Wallace – added that beyond retirement, one other thing to help provide broader discussion around would be the supplemental savings plans that are available and the value of these programs for retirement savings.
- David Millard – stated that the real issue and point of confusion is phased retirement, as the process appears to be very nebulous and handled department by department and potentially very differently.
- Jim Wallace – stated that the real challenge is that phased retirement doesn't really work. This is because the minute you drop below the 75% of full time level, you no longer accrue certain

benefits, but you do accrue retirement down to 50% of full time employment. It is not a linear drop with decreased level of effort.

- Wayne Book – stated that he thinks it would be a benefit to the university if there was a phased retirement program.
- Jim Wallace – agreed that a phased approach would certainly help to alleviate some of the issues surrounding retired-but-working employees.

New Business

There were no new items presented for consideration at the next meeting.

Action Items

Adjournment

The meeting was adjourned at 11AM.