November 2010

IFC Report (written by Dr. Susan Feigenbaum):

On Tuesday, October 26th, the IFC met via Telepresence with Vice President of Human Resources, Betsy Rodriguez. The meeting was dedicated exclusively to a review of the presentation that would be made to the Board of Curators on Monday, November 1st concerning potential changes to the UM pension plan. IFC members expressed their concern about the seemingly artificial deadline of December 1st for action by the curators and cautioned that this was not enough time to analyze proposals that were under consideration and to educate faculty and staff. Nevertheless, Ms. Rodriguez talked about the goals of a pension system and described four alternatives that are under consideration by the Administration. All of these were plan designs for a new defined contribution plan for new employees. Other than the IFC representatives from Columbia, none of the other IFC representatives were willing to express their preferences about these alternatives and instead emphasized our concern about instituting a DC plan for new employees that could, in fact, hold current employees harmless.

On Thursday, October 28th, the IFC met in Columbia. The meeting was dominated by a discussion between members about the proposed pension plan changes. While members of the Columbia campus split from the rest of the group by stating their preference for a DC plan, they understood the general concerns about the “hard-and-fast” December 1st deadline for making such an important decision. There was unanimous support for requesting that the decision be delayed until all of the analyses and education could be completed.

We were joined by President Forsee by telepresence. He again emphasized that the proposal to move to a DC plan for new employees was not driven by potential costs savings but by the desire of the University to reduce the volatility of its budget commitment to pension benefits. He said that he appreciated faculty and staff input as “stakeholders” in the University. He was asked whether he and the Board were willing to make a written commitment to current employees concerning how they would be held harmless – that is, that the formula, computation of service years, age of retirement, employee contribution and so on would remain unchanged. He responded by saying that even without the introduction of a DC plan, there could be financial circumstances that would require a change to be made to the current pension plan. IFC members again expressed their concerns about the seemingly arbitrary December 1st date for curator action on this matter. The President responded that this issue has been on the table for almost a year and that it had been studied to death and decisions had to be made at some point.

The IFC also met with Steve Knorr, Vice President for Government Relations for the University. He spoke about the impending election and the fact that some of the Missouri legislators returning to the US Congress would likely have important roles as leading, senior Republicans. Representative JoAnn Emerson is among the most senior. Knorr also spoke about earmarks and the importance of having a delegation that supports earmarks as long as other state delegations are still pursuing them. He believes that future earmark restrictions may favor the University in that they may be limited to nonprofit and government projects.

Finally, the IFC met briefly with Mike Nichols, Vice President of Research and Economic Development for the University. He spoke about two new research parks that are in progress, as well as the process by which faculty partner with the University to gain patent protection for their innovations. One of his key objectives has been to speed up the timeline for University review and feedback to faculty about whether the University wishes to partner in the patent process or not.