

STAFF BENEFITS, POLICIES AND DEVELOPMENT MONTHLY STANDING COMMITTEE REPORT

DATE & LOCATION OF MEETING:

Monday, October 17, 2016
LSU Barataria Room (319) in the Student Union

ATTENDANCE:

Nancy Arnold, Aaron Cherry, Brent Corbitt, Jennifer Gomez, Nathan Lemoine, Melonie Milton, Amber Salvadras

NON-ATTENDANCE:

Dominic Adedeji, Jon DeRoche, Tammy Millican, Shelly Ortiz

GUEST:

Derek Angeloz

SUMMARY:

Our meeting began with an update on the new employee breakfast. The event is scheduled for 8am on Wednesday, November 9th in the BEC rotunda. Dr. Rovaris is scheduled to offer a few words. Dr. Koubek is also available and will be in attendance. The total of the invite list is almost 400 people, including the Ag Center and the Law School. We want to include them to promote the idea of One LSU. Senator Salvadras is going to use the invitation format from last year to send out invitations two weeks before the event. We have also asked Tammy to extend an invitation to the Board of Supervisors.

Senator Gomez has been instrumental in reserving the space and lining up vendors to talk with employees, answer questions, and provide door prizes. We plan to have a signup for Senate volunteers in the following two weeks to staff the registration table and serve food.

What followed was a very bleak update from Derrick Angeloz on the state of ORP at LSU. Since it was established in 1991, the employer's (LSU) contribution has fallen from an 8% match down to a roughly 5.5% match. The reason behind this is the cost of unfunded accrued liability (UAL). ORP is only available to higher education, and at LSU there is approximately a 50/50 split between employees in the defined benefit plan (Teachers) and ORP. The UAL cost has risen to about 22% of an employee's salary since 1991, which is the main reason why funds are not available for a higher match in ORP. This is a huge issue in a state (only one of five) that does

not pay social security benefits for state employees. Retiring faculty and staff are faced with drawing a benefit that is lower than social security.

There was a push in the 2015 legislative session to allow members of ORP to freeze their accounts and start in the defined benefit plan at year 0. The bill died in committee due to the loss the state would face in the defined benefit program. Currently, the law states that an employee in ORP will have to stay in ORP even if they leave and come back or go to work for a different institution. Higher education in Louisiana is currently overpaying in to the defined benefit program by \$83 million per year, with about \$60 million coming from LSU.

What we were told is that LSU has exhausted almost all of its options to pull out of ORP. We recommend having Derrick come to a general meeting to give a similar presentation. It will at the very least help us to educate our fellow staff members on the ORP issue.

STRATEGIC PLAN UPDATE ON GOALS:

Create stronger mechanisms for representation

- 1) Increase visibility of staff via current and new mechanisms
- 2) Increase participation with non-members
- 3) Continue to build a university-wide appreciation for staff

Resource Gathering

- 1) Receive feedback from all staff using various mechanisms

Communication

- 1) Strategize ways for each Senator to share and promote information to specific populations and personalize that information

Submitted By: Aaron Cherry