

Faculty Compensation and Benefits Committee Minutes
Meeting on 18 January 2017

Present: Curtis, Holub, Seiber, Goerler, Swenson, Sohngen, Renga, McGoldrick, Oren, Saltzman, Lisa, Wolf, Lemberger

Guest: Mary Ellis (OHR).

Minutes from the Nov. 2016 meeting were accepted with a unanimous vote.

Mary Ellis (OHR) presented information on the ongoing process of selecting providers and investment funds that will be available via the Alternative Retirement Plan (ARP) and via 403(b) plans. Ohio law now permits academic institutions to limit the number of vendors to as few as four (4). An “Investment Committee” will be formed to prioritize possible vendors and investment options during the coming year. From their list, 4 or more ARP and 403(b) vendors will be chosen. It is expected that the new vendors and options will be available early calendar year 2018. There was extensive discussion of the benefits/costs of having only a few vendors. HR proposed that the smallest management fees are negotiated when the number of vendors is small, as small as one, and that there are still many (hundreds, perhaps) of investment options, which is less than the thousands that are current available but not an overwhelming number. Also, the administrative burden of monitoring vendors and investment options becomes manageable for HR with fewer vendors.

Lemberger proposed that the draft FCBC report on administrative compensation be circulated electronically and possibly accepted in its final form through email. No objections were registered.

The committee was reminded that it eventually has to select a vice chair. No action today.

The committee was reminded that it meets with the President and Provost in March and should collect issues and questions to provide to these officers so they can prepare for the meeting.

It was suggested that FCBC look into the possibility of getting a university faculty member onto the Board of Directors at STRS. Mary Ellis will look into the history of faculty on the Board and related topics and report back at our February meeting.

It was suggested that FCBC consider discussing whether OSU should take a position on the recently passed law regarding the mitigating rate, currently capped at 4.5%. That FCBC discussed this issue at length last year and did not reach consensus was mentioned. There was some concern about whether the committee was capable of parsing the various actuarial studies that have been made on the possible impact of the mitigating rate on ARP and STRS enrollees. Lemberger will look into whether the chair of FC thinks that a vote in FCBC would have some impact on the willingness of Faculty Council to hear a new resolution on the mitigating rate.