Members Present
Frances Wen            Sue-Anna Miller
Debbie Copp           Mark Morvant
Brenda Freese - Chair Jannie Porter
Suzanne Gilmore       Al Schwarzkopf
Jerome Weber

Members Absent
Alisa Dougless         Chad Johnson
Donald Harrison
Will Wayne
Don Clothier

Ex Officio Members
Barbara Abercrombie
Angela Hawpe
Julius Hilburn
Nick Kelly

The meeting was called to order at 1:33 by Brenda Freese.

I. Approval of Minutes
   • The November minutes were approved.

II. Retiree Medical
   • Outside credit rating agencies are increasingly looking for organizations to develop plans for managing retiree benefit obligations.
   • The University’s benefits and the number of employees participating in these benefits are increasing at a rate that does not appear to be sustainable.
   • Julius stated that all groups of employees and retirees have been included in the proposal so the impact can be distributed thoughtfully, to generate cost savings through modest changes affecting many rather than drastic changes affecting only a few.
   • The motivation for proposing changes to the retiree medical plan is the increasing financial obligations required in the current plan. The current actuarial estimate of OU’s retiree medical obligation is $540 million dollars.
   • Julius shared projected cash flows for the current and proposed retirement plan.
   • These cash flows illustrate that beginning in 2013 there would be a $1 million savings between the current and proposed plan. In 2021 the current plan would cost around $25 million, the new plan would cost $19 million. In the 10th year after implementation, the savings would increase to almost $10 million.
   • The University needs to determine how to balance its commitment to retirees and to active employees.
   • The actuaries will be asked to develop several scenarios and to include a breakdown on the savings generated from a $300 deductible and a change in coordination of benefits.
   • It is desired to finalize the proposal so it can be communicated to the campus community and retirees.
• After the proposal is communicated, Human Resources will follow up with town hall meetings (two on the Norman campus and one on the Health Sciences Center campus) and will be responsive to the needs of the Tulsa campus.
• Town hall meetings will take place the last week in January/first week in February. Schedules will be distributed when meetings are confirmed.
• After the proposal is shared with various groups, feedback will be taken into account before the final proposal is submitted to President Boren in early March.
• The goal is for the proposal to be adopted by the Regents so that changes will be reflected in the actuarial review (if adopted) prior to the end of the fiscal year.
• Julius read a letter from Suzanne Gilmore, Chair of the ad hoc committee written by the Retiree’s Association (representing both campuses) to respond to the proposed change.
• The Retiree Association is concerned with the financial impact of the proposed changes on their membership. The initial report recommended no changes to the contribution program or the plan. However, a recommendation is being discussed which proposes all participants will be subject to a deductible, and for retirees to become subject to a different coordination of benefits.
• The Retiree Association membership is concerned and is asking whether they should be excluded from changes to the retiree medical plan.
• Suzanne Gilmore mentioned some retirees believed they were not going to have to pay anything, which is not true. However, the university will pay the premium for current retirees which the University has done and is continuing to do.
• Suzanne stated the Retiree Association’s recommendation is to keep changes, if they are implemented, as simple as possible.

III. Domestic Partners Job Protection Benefits Committee
• The Domestic Partners Job Protection Benefits Committee met and determined the scope of their discussion would be limited to an FMLA-like benefit for domestic partners.
• The committee has received information from other universities and will meet after the break to form a recommendation.
• Some of the major issues to be discussed are job protection, defining domestic partners, and determining how the program would be administered.

IV. Retirement Plans Management Committee
• The Retirement Plans Management Committee voted to adopt an after tax Roth 457 plan.
• Nick stated PACFAM and the Payroll Coordinators were among those who helped assure the Fidelity transition was successful.

V. OTRS Administrative Issues
• Historically OTRS has had the view that to be considered eligible employees must be appointed for more than 20 hours per week. Those who work less than 20 hours per week have not been considered eligible and contributions have not been made to OTRS.
• The University has received a letter from OTRS stating the eligibility has been interpreted incorrectly.
• The implication for OU is that part time employees working less than .5 FTE would have to start contributing, and the University would also be required to start contributing, possibly retroactively.
• Discussions are taking place between the University and OTRS to clarify the interpretation.
VI. Tobacco Policy Review - Norman Campus
   - The Tobacco Policy Review Committee is working on the tobacco policy which will be submitted to President Boren.
   - The effective date of this policy will be July 1, 2012.
   - Tobacco zones are being determined by the committee, including where these will be located and how many locations will be developed.

VI. Dependent Proof required for additions to health plan 2012 and going forward
   - Beginning January 2, 2012 employees will be required to provide proof of eligibility for dependents added to the health plan coverage.
   - Employees will not be required to provide documentation for currently covered dependents.
   - Current employees may be asked to sign an attestation for currently covered dependents at some future point.

VII. Updates from CHRO
   - There were no updates at this time.

VIII. Other Business
   - There was no other business.

The next regularly scheduled meeting will be January 19, 2012. There being no other business, the meeting adjourned at 3:12.