

**Indiana University**  
**BLOOMINGTON FACULTY COUNCIL**  
**Sept 18, 2018**  
**Franklin Hall- Presidents Hall**  
**2:30 PM – 4:30 PM**

**Members Present:** Kyle Adams, Heather Akou, Carry Beam, Alan Bender, Simon Brassell, Fritz Breithaupt, Paul Brunner, Daniel Bullock, Todd Burkhardt, Selene Carter, Barbara Cherry, Judah Cohen, Rachel Cohen, David Daleke, Joseph D’Ambrosi, Kenneth Dau-Schmidt, Lori Dekydspotter, Frank Diaz, Erika Dowell, J Duncan, Jane Dutton, Ann Elsner, Alyce Fly, Philip Ford, Linda Gales, Lynn Gilman, Krista Glazewski, Dennis Groth, Kenneth Guerra, Diane Henshel, Cheryl Hughes, Maggie Hopkins, Colin Johnson, Padraic Kenney, Peter Kloosterman, Robert Kravchuc, Ivan Kreilkamp, Moira Marsh, Eliza Pravalco, Eric Rasmussen, Lauren Robel, Susan Seizer, Patrick Shih, Katie Siek, Paul Sokol, Bruce Solomon, Geoffrey Sprinkle, Alex Tanford, Aaron Travers, Jonathan Trinidad, Richard Van Kooten, John Walbridge, Nick Williams, Alex Wisniewski

**Members Absent:** AJ Asomani-Adem, Hussein Banai, Joseph D’Ambrosi, Jane Dutton, Carol Hostetter, Pamela Jackson, Angie Raymond, Leslie Rutkowski, Thomas Schoenenmann, Jim Sherman, Marietta Simpson, Alex Tanford, Jacob Warner, Nick Williams, William Winecoff

**Guests:** Michael Goss (Human Resources), Elizabeth Pear (Faculty Council Office), Christan Royer (Human Resources), John Whelan (Vice President for University Human Resources)

**Agenda**

1. **Approval of the [Minutes of September 4, 2018](#)**
2. **[Memorial Resolution for David E. Kaser](#)**
3. **[Memorial Resolution for Alvin L. Lyons, II](#)**
4. **Executive Committee Business (10 minutes)**  
Moira Marsh, Faculty President
5. **Presiding Officer's Report (10 minutes)**  
Lauren Robel, Provost
6. **Question/Comment Period**  
Faculty who are not members of the Council may address questions to Provost Robel or President Marsh by emailing [bfcoff@indiana.edu](mailto:bfcoff@indiana.edu)
7. **Retirement Plan Updates (10 minutes)**  
Cheryl Hughes, Co-chair of the Benefits Committee

Bruce Solomon, Co-chair of the Benefits Committee  
Christan Royer, Director, Benefits, IU Human Resources

## 8. Questions/Comments on the Retirement Plan Updates (20 minutes)

### Transcript

#### **AGENDA ITEM ONE: APPROVAL OF MINUTES**

**ROBEL:** Welcome everybody, good to see you all. Could I ask for approval of our last minutes please? Thank you so much, Peter. A second. Thank you so much. And any discussion? All in favor, opposed? Thank you. I call now on our Vice Provost for Memorial Resolutions in honor of David Kaiser and Al Lyons.

#### **AGENDA ITEM TWO: MEMORIAL RESOLUTION FOR DAVID E. KASER**

**PAVALKO:** Thank you.

Distinguished Professor Emeritus David Kaser devoted his eighteen years at Indiana University to enlightening and mentoring future librarians and researchers in library and information science. His death in March, 2017 has provided his former students, colleagues, and other admirers with the opportunity to appreciate and respect his well-lived life. Professor Kaser was the senior library historian of his generation and one of the most prominent academic librarians of his time. He inspired generations of students through his sound scholarship and lively, spirited teaching. With special expertise in academic library management and buildings, his international consultancies shaped numerous library buildings and brought together students from around the world.

Born in Mishawaka, Indiana, David Kaser was the grandson of northern Indiana farmers. His father had a lifelong enthusiasm for the theater and devoted much of his life to writing for the amateur stage. As a high school student, David Kaser was active in theater and music groups, lettered in track and cross-country, and was voted "Most Popular Boy." After graduating from high school he enrolled in North Georgia College, but his studies were interrupted two years later when he joined the U.S. Army. During World War II he saw combat in the European, African, and Middle East campaigns as well as serving in Alaska. A voracious reader, he carried a copy of The Pocket Book of English Verse in the turret of his tank. By the time it fell apart, he had memorized many of the poems that he would quote, years later, during his lectures.

Following his military service, Kaser enrolled in Houghton College in New York, where he completed his undergraduate education. He was working as a student assistant in the college library when he met Jane Jewell; they married in 1950, the year after Kaser received his B.A. in English. He went on to complete an M.A. in English at Notre Dame and an A.M.L.S. and Ph.D. in library science at the University of Michigan.

By the time he completed his doctoral dissertation, David Kaser had begun his career in librarianship at Ball State Teachers College. While there he taught courses on history of books and printing and research methods. In 1956 the Kasers moved to St. Louis when he became chief of library acquisitions; he was later promoted to director of libraries for technical services.

In 1960 Professor Kaser accepted the directorship of the pioneering Joint University Libraries at Vanderbilt University and was named professor of library science at George Peabody College. During his eight years at Vanderbilt, he initiated a substantial collection development program and oversaw the addition of a large wing to the central library. David and Jane Kaser's two children, John and Kathleen, were born in Nashville.

The family moved again in 1968, when Kaser became director of the prestigious Cornell University Libraries. While at Cornell, he also taught courses in library administration at Syracuse University. He introduced computer operations in acquisitions and encouraged the library's participation in OCLC, a nationwide library database. He also oversaw a dramatic expansion of Cornell's college libraries and the growth of manuscripts and archives collections. His leadership of the Cornell librarians and staff was exemplified by his directorship of one of the first library strategic planning exercises, conducted with funding from the Council on Library Resources and guidance from the American Management Association's Center for planning. His tenure also included providing library service during campus protests, when students held hostage the engineering library and smashed windows on the ground floor of the main library building.

David Kaser moved easily among library directors and university administrators. In 1968-69 he served as president of the American Library Association's Association of College and Research Libraries (ACRL); he also edited the association's highly-regarded journal, *College & Research Libraries*, from 1963 to 1969. Under his leadership the ACRL board advocated for the academic status of librarians. In 1972, he led an inquiry team from the American Library Association that found racial discrimination in staff promotions at the Library of Congress. Thanks to his efforts, that Library implemented fairer hiring practices. He was elected to Phi Beta Kappa and also served as international president of Beta Phi Mu, the honor society in his field.

David Kaser claimed that he had been advised, "Whenever you look for information on a particular subject and do not find any, then you should write a book or an article on the subject yourself." He ultimately wrote, edited, or co-authored fifteen books, from *Books and Libraries in Camp and Battle: The Civil War Experience* (1984) to *Book Pirating in Taiwan* (1969), which received the ultimate compliment of being pirated by a Taiwanese book publisher. He contributed some 250 articles, notes, and reviews; edited two national journals; refereed numerous manuscripts; and participated in many colloquia. In addition to a Guggenheim Fellowship, he received external funding for his work from such sources as the National Historical Publications Commission, the Pacific Cultural Foundation, and the American Philosophical Society.

Professor Kaser long maintained an active presence in many parts of the world, researching, lecturing, and consulting for such diverse agencies as the Asian Development Bank and the Agency for International Development. Over his career he handled more than 350 library consultancies on academic library management and library buildings.

In 1973 the Kasers moved to Bloomington, where IU had lured him to take up teaching full time in the Graduate Library School (later School of Library and Information Science). For years, experienced students advised newcomers to include at least one “Kaser course” in their programs. Professor Kaser taught courses on “History of the Book,” “History of American Libraries,” “The Academic Library,” and “International Librarianship.” He described his teaching philosophy in his very Kaserly autobiography, *Just Lucky, I Guess: My Adventures as a Hoosier Librarian* (2000): “I always attempted to address my instruction to the highest possible stage of their comprehension, where even the best students had to strive to benefit from it fully, and then I would do such remediation outside of class time as needy students were willing to take. I felt that doing this was surely better than the alternative of teaching to the lowest common denominator among them.”

Professor Kaser taught regularly in Bloomington and at IUPUI, and he offered frequent B9-2019 lecture courses across the state through the IHETS television system. He served on many advisory and dissertation research committees and directed fifty doctoral dissertations on topics ranging from the Vatican Library and the Carnegie Endowment for International Peace to the need and tactics of fund raising in publicly-supported academic libraries. The University presented him a Distinguished Teaching Award in 1981 and the rank of Distinguished Professor in 1986. In 1989 former students John V. Richardson, Jr. and Jinnie Y. Davis co-edited a Festschrift in his honor, titled *Academic Libraries: Past, Present and Future*. Upon his retirement from active teaching his former students and admirers endowed a University lectureship in his name. The Kaser Lectures continue to challenge and enlighten the next generations.

We request that this memorial resolution be presented to the members of the Bloomington Faculty Council and that a copy be preserved in its archives. We also request that after its presentation in the Council copies be sent to David Kaser’s children.

Joanne E. Passet  
Professor, School of Informatics and Computing  
Indiana University Bloomington

Debora Shaw Emerita Professor, School of Informatics and Computing  
Indiana University  
Bloomington

### **AGENDA ITEM THREE: MEMORIAL RESOLUTION FOR ALVIN L. LYONS, II**

**PAVALKO:** And our next resolution is for Alvin L Lyons the second.

After a short illness, my student and colleague, Alvin L. Lyons, II, died March 15, 2017, in Bloomington, with his wife, Susan, at his side. He was one of the first recipients of the Doctor of Philosophy degree in Philanthropic Studies from the Lilly Family School of Philanthropy and served as a lecturer at the School of Public and Environmental Affairs from 2010 until his death. Al was valued not only as a teacher, but also as a trusted board member and advisor for many nonprofit organizations in Bloomington and elsewhere. Fittingly for a person with a passion for the theater, he was a man of many parts and he played them all well.

Al was born in Peoria, Illinois, but went West as a young man, graduating from Colorado College, Colorado Springs, in 1973, where he played four years of Division III football. He went to work for Lyons Associates, a family-owned company in Colorado that provided fund development consulting services to nonprofit organizations, particularly hospitals, throughout the United States. Lyons Associates specialized in developing community networks of volunteer leaders to raise funds for its clients.

As senior vice president and director of educational services from 1973 to 2002, Al developed and conducted over 200 seminars for more than 3000 nonprofit professionals and community leaders. He created the materials used in these programs on a wide range of topics, including annual giving, planned giving, special events, major gifts, marketing and public outreach. Al also co-founded the Aspen Academy for Fund Development, which provided training for fund-raising staff in the growing number of organizations in that part of Colorado, and was a frequent speaker at state, regional and national programs run by the Association of Fundraising Professionals, the Association for Healthcare Philanthropy, and the American College of Healthcare Executives.

Along with these activities, Al was able to pursue his life-long passion for the theater. In 1983, he helped start Aspen Stage, a local theater that acquired an international reputation and assisted other theaters and a dance collective in Colorado's Roaring Fork Valley to get underway. (Its unofficial motto: "Aspen Stage, where drunken fantasies become reality.") Al's achievements as a producing director included more than fifty plays for the stage and over 100 for radio, including several which aired on National Public Radio. "A gifted director and actor, and a genius at developing a company," an Aspen colleague wrote in tribute, "there are very few theaters in Colorado that have not had the gift of Al's handiwork with board and organizational development." At his death, Al was preparing to bring a new show to the 2017 Colorado Theater Festival.

Al and his wife were regular attendees at the annual Shaw Festival at Niagara-on-theLakes, Ontario. In addition to going to performances, Al participated in symposia sponsored by the International Shaw Society, presenting papers that combined his love of the stage with his dedication to philanthropy. They invariably had intriguing titles, such as "Hankin v. Shaw: Reforming the Philandering Philanthropist" (2014). When he passed away, he was working on a B10-2019 paper on Shaw's tragic heroine, Saint Joan, "the only woman," a British critic once wrote, "who ever managed to wipe the smirk from Shaw's face."

Al came to Indiana University at the beginning of the millennium for a version of the Center on Philanthropy's MA in Philanthropic Studies program designed for experienced professionals. Refuting the old canard that those who can do and those who can't teach, Al showed he was as adept at studying and teaching fund-raising as he was in its practice. He earned his master's degree in 2003 and was admitted the following year to the Center's new doctoral program in philanthropic studies, the first of its kind in the world

As might be expected, the faculty involved with the program were more or less designing it as they went along. Nor did they have much idea about what graduates would be able to do with their degrees, assuming, that is, they could attain them.

These challenges did not seem to deter Al and his six classmates (dubbed the “Mercury” class by the program’s director in reference to the first cohort of U.S. astronauts). Al did exceptionally well in his coursework and submitted a dissertation on “The Philanthropic Behavior of Hospitals,” under the direction of IUPUI economist, Richard S. Steinberg, who had also supervised his master’s thesis. In 2009, he was awarded a PhD, joining just three others who had earned that degree. Thanks to the work Al and his classmates did in defining a new field and bringing coherence and legitimacy to it, nearly two dozen other students have now followed in their footsteps, with more to come.

While a graduate student, Al helped to develop a new certificate program in “social entrepreneurship,” a way of thinking about philanthropy and business that emphasizes what they have in common, not how they differ. This too was challenging. Although the two participating schools, the School of Public and Environmental Affairs and the Kelley School of Business, had long shared the same corners of the Bloomington and Indianapolis campuses, they had rarely, if at all, collaborated educationally. With patience and persistence, Al helped to overcome a variety of obstacles and establish a program that enabled IU students to prepare themselves for the more complex philanthropic world of the future. He also provided leadership for the Global Social Entrepreneurship Institute, another SPEA-Kelley collaboration that was funded by the State Department and aimed at students from the European Union.

After serving briefly on the faculty and staff of the Johnson Center for Philanthropy at Grand Valley State University, Al returned to IU in 2010 as Visiting Lecturer and then Lecturer at SPEA, Bloomington. His primary responsibility entailed teaching nonprofit management courses at the undergraduate (and occasionally, graduate) level. Given the high reputation of SPEA’s nonprofit programs, enrollments were large and the demands of providing instruction on a wide range of topics, daunting. But in addition, Al served as Campus Director for an undergraduate association, the Nonprofit Leadership Alliance, a chapter of a national organization that prepares students for careers in the nonprofit sector. He also taught in SPEA’s Arts Administration program and was a member of the philanthropic studies faculty of the Lilly Family School of Philanthropy. As one of his colleagues observed after his death, Al truly was “SPEA’s workhorse.”

Even so, it was not uncommon to see Al, at the end of a long day of teaching, huddled with two or three students in the SPEA atrium, going over some new initiative or discussing theses or independent readings projects. (Al oversaw several every year.) As if this was not enough, Al gave generously of his time to Bloomington’s nonprofit community, serving as a director, consultant, and instructor in professional seminars for numerous organizations and the city of Bloomington’s Volunteer Program. “He was a wonderfully knowledgeable and wise colleague,” recalled Indiana University’s First Lady, Laurie McRobbie, who worked with Al when she chaired a capital campaign for Middle Way House, “whose calm presence and experience with so many other agencies facing similar challenges was such a boon.” She added, “He had the soul of a great teacher and was always looking for ways to translate scholarship to practice.”

Al is survived by his wife, Susan, of Mesa, Arizona; mother-in-law, Christine Barnes, of Mesa; brother, Jim, and his wife, Patti, Lyons, of Atlanta, Georgia; sister, Karen Barnes, of Denver, Colorado; sister-in-law, Lori and her husband, Steve, Campbell, of Mesa; sister-in-law Kristi and her husband, Greg, Stihel, of Albuquerque, New Mexico; and long-time friends Pat Fell and Bob Barker, and Michael Denunzio, of Bloomington.

I request that this resolution be presented to a meeting of the Bloomington Faculty Council and become part of its minutes and archives, and that copies will be sent to his wife and other relatives.

Leslie Lenkowsky  
Professor Emeritus of Public Affairs and Philanthropic Studies  
School of Public and Environmental Affairs, IUPUI

**ROBEL:** Please stand. Thank you.

#### **AGENDA ITEM FOUR: EXECUTIVE COMMITTEE BUSINESS**

**ROBEL:** I turn now to our president for executive committee business.

**MARSH:** Hey, good afternoon. First of all, free reading material. This came courtesy of the AAUP. I had hoped to have this to hand out to you all at the retreat. They didn't come on time, so you have them now. Feel free to take them or leave them. If you leave them we'll pick them up and use them to line bird cages or something.

So, various things to report from the Executive Committee. First off, we've decided to arrange a series of town halls in the coming weeks to discuss the constitutional amendments that this body approved most recently last week, last meeting, and that would be to prepare the faculty for the faculty wide ratification vote, which will also happen later this semester, and you will see that that's, I've mentioned that in the IU news from a desk column that just came out this morning.

Unfortunately, I forgot to put the Latin in so. The BFC Office is beginning to work on developing an online database to track the progress of BFC Committee activities, proposals. It's a complicated procedure to build such a thing, and so what we hope to have something ready, I think in the spring, is that right Elizabeth?

Yeah, hopefully in the spring we'll have something to show you on that school. We may have a competition then as to what to call it. Concerning the timing of fall break, it was brought to our attention that the policy on the academic calendar H21 had a discrepancy between the language and the policy, and the language that was actually voted in at the BFC meeting when it was last, back in 2010, in the opinion of the Executive Committee, this was simply an editorial change that was silently introduced in between the passing of circular and the publishing of the policy.

It didn't make a substantive change, well, it did make a substantive change, but we don't believe that that was the intention of the council, and so the Executive Committee has decided to simply reword the policy so it does in fact match the circular that was actually voted in at that meeting.

This falls under our bylaws power where we are delegated to act as the executive agent of the BFC without prior consultation with the council when making editorial changes in faculty council policies and documents we consider this an editorial change. Under the subject of ancient policies, it was brought to our attention that, Bloomington's exam policy is sourly outdated.

Last update was 1980 and some parts of it actually go back to 1948. So we think it's about time that was reviewed, and so the Student Affairs Committee is gonna have first crack at that. And finally, actually well two other things. An alternate point thing is that Eliza had shared with Executive Committee some of the data from the 2016 coach survey pertaining to faculty feelings about satisfaction and dissatisfaction of shared government on the campus.

The Executive Committee looked at that and we weren't too terribly surprised by the results. Some people are unhappy, other people are happy. Most people are sort of lukewarm on one side of the other. The majority of us, the majority apparently don't care one way or the other, but we did feel that there was really nothing there that required an urgent sort of invest further investigation so we decided just to thank Eliza for the data, and we will leave it at that.

And finally, I forgot to mention this last time, the Executive Committee did have a meeting with all the chairs of all the standing committees, I think three weeks ago now. We're required to do that on a regular basis, we'll be doing it again in the spring, so that's all from us.

#### **AGENDA ITEM FIVE: PRESIDING OFFICER'S REPORT**

**ROBEL:** Thank you, and I really don't have anything to report today. I think I reported on faculty the last time, new faculty, last time through. I'm just gonna rely on my having done it somewhere, either in my message or elsewhere, and so I can give the time back to all of you.

#### **AGENDA ITEM SIX: QUESTION/COMMENT PERIOD**

**ROBEL:** Questions? Jeff?

**SPRINKLE:** Is this-

**ROBEL:** Yeah?

**SPRINKLE:** Thank you, Provost. So this, I've been at IU for 20 years, and this is my fifth year of serving on Bloomington Faculty Council, and I just wanted to say one of the things that I've always really valued are the memorial resolutions, and so I'm not sure if I'm saying this appropriately, but I wanted to make a motion that we honor the time we spent recognizing our colleagues who have passed.

I also want to express our sincere gratitude to our colleagues who have spent the time writing the memorial resolutions. And thank you to Vice Provost Pavalko for reading the memorial resolutions, and thank you Provost Robel.

**ROBEL:** A motion to-

A resolution in support of the memorial resolution tradition.



**SPRINKLE:** Yeah, having this be my fifth year on BFC, I've always really placed a lot of value in the memorial resolutions, and it just learning about colleagues and appreciating their efforts and what they've accomplished, and also appreciating the faculty who take the time to write the resolutions.

**ROBEL:** Thank you. Do we have a second for Jeff's resolution? Thank you. All right, is there discussion? Let's see, Eric?

**RASMUSEN:** Yes, I think I might move to table that or maybe persuade you to withdraw it, because it reminds me, even though I am very much in agreement with it and I like the resolutions, 'cuz it reminds me of the joke about old Sam whom somebody said, well, our club last night voted that you were an honored member for your 20 years of service.

He said, I'm flattered, and he said yeah, the vote was 19 to 18. I know not everybody likes the resolutions, and if we're having votes against a resolution thanking people for their hard work on this it just doesn't look good I think.

**ROBEL:** Are you making a motion?

**RASMUSEN:** Well, first, would you like to withdraw the motion, otherwise I might move to table it. I might.

**SPRINKLE:** I guess I'm not asking for a vote, I just more wanted to make a comment, and maybe I'm not exactly sure what I'm asking for, but I just wanted to express my, and maybe our, appreciation and the value in the memorial resolutions, so I don't know that it requires a vote.

**ROBEL:** Okay. I will say that I too value the memorial resolutions, and I think it's not just because I'm old. And I can see the day when I will be, when I have a memorial resolution in my name in front of this committee.

**MARSH:** No, in your dreams.

**ROBEL:** Yeah. I had the opportunity to talk to our new colleagues last night in this very room, and I talked to them about the importance of our mission. How privileged I feel, and I think most of the people in this room feel, if not all of you, to be a part of the mission of a great public university.

How important it is, how critical, in fact, in the formation of people's lives, and worldviews, and ability to create a world for themselves. How critical it is in the advancement of knowledge around the world, in assuring we take care of the great store of knowledge that we're stewards for.

How absolutely critical what we do is. At the end of one of our colleagues lives, who had devoted his or her time to that mission, it strikes me that four minutes at the beginning of a BFC meeting is not too much to ask. So if you would like to withdraw that, that's fine, but I'll put my own.

I would vote for it in, but I hope it's not my last heartbeat.

Okay, alright, yup.

**KENNEY:** I can assure you-

**SPRINKLE:** Sorry, I did not wish to withdraw it.

**KENNEY:** I mean, as a comment I can assure you it will appear both in the minutes and in my larger report.

So with my own additional gloss on these comments, because I couldn't agree more. So whether or not it is a resolution that will be maintained.

**ROBEL:** Maybe we can honor both of our colleagues, which is then. All right, other questions?

Okay, Professor Bender?

**BENDER:** Yeah, so there's going to be town hall soon it sounds like.

Probably in a short amount of time and just different times to allow different people to be able to attend and all. So the one thing I am wondering about though is at what point will the nomination committee know what the head count is for the different faculty groups?

And to be able to say, with confidence, how many BFC members there will be in the different categories. Assuming that the constitutional amendments pass and without worrying about any by-laws change at the moment.

**PAVALKO:** So the faculty census is put together in early October. And so that's the point when we would know what the official numbers on faculty are for this year.

**ROBEL:** Other questions?

**MARSH:** Can I also respond?

**ROBEL:** Yeah.

**MARSH:** I just want to respond to Alan's question. We are required and, we do this every year, so NomCom has begun work now but we have to think about the new seats that would be folded into a regular response to the faculty census.

It does require, every year, we do have the opportunity to reconsider the number of units, the number of seats on the council. And those must be brought to the BFC as a bylaws, I think, it's a bylaws change, and we do that regularly. So the NomCom's work will come to the BFC before that becomes official.

We're also working on a, sort of an interim plan to fill the newly created seats on an interim basis, until such time that an actual, formal election can take place, because there will be a time lag.

**ROBEL:** Thank you. Bob?

**KRAVCHUK:** Lauren, I just wanted to bring up a point of order, do we have a motion on the floor or have we change the subject here somehow?

**ROBEL:** I think we actually do and is there other discussion on the motion? All right, all in favor of the-

**HENSHEL:** Could we clarify exactly what we're voting on?

**ROBEL:** Yeah I think we're voting on three things. I think what I heard was a resolution honoring our tradition.

Thanking our colleagues who, well maybe two things, thanking our colleagues who write the motions for us, did that get it? Is it those two?

**SPRINKEL:** I had, and I apologize I may have this inappropriately, for me it was more of a perhaps a comment and I just wanted to honor the time we spent recognizing our colleagues who have passed.

And then I wanted to express our sincere appreciation to our colleagues who have spent the time writing the memorial resolutions. And so-

**ROBEL:** That sounds clear then. And I think that is the motion that is still on the table. All in favor? Opposed? Thank you, all right. Any other questions?

**MARSH:** Alan has one. Go back to you.

**ROBEL:** Let's see. Dennis?

**GROTH:** Thank you Provost Robel. It's actually, an answer. In the presentation last week, and I discussed this with Professor Seizer, there was a comment made on a number of anthropology courses that were not approved for General Education, and I was a little surprised by that.

So I went back and checked, and I would like just to enter into the record what actually has happened with Anthropology in General Education. Anthropology has proposed 35 courses for general education. One of these courses was proposed twice, deferred by the department twice, and then withdrawn by the department because they were no longer offering it.

If you set this one aside. Because it was withdrawn before a final decision was made, the approval record is 34 out of 34. There's additional course to Anthropology A-122, which was proposed and approved originally as CMCL C-122. This course was transferred to Anthropology when CMCL was dissolved. And in the spring of 2014 the College withdrew four previously approved anthropology courses from the Gen Ed curriculum because they were no longer being offered at IUB.

The most concise and accurate way to sum up anthropology general education approval history is to say that the General Education Committee has never declined to approve a general education proposal for anthropology. Including courses in arts and humanities, social and historical studies, natural and mathematical sciences and world cultures.

In discussion with Professor Siezer, she does confirm that it was the College of Arts and Sciences review of these courses as case requirements. Which was rejected by the College, which of course the general education committee would have no statement about or even knowledge about. Thank you very much.

**ROBEL:** Thank you for that clarification. Are there other questions, Alan?

**BENDER:** I'm wondering what's happening with the diversity requirements. So I know that the EBC next week is going to hear back, I guess, from the schools about how they feel about the learning goals that have been proposed. And so I'm wondering if the school, say, look good, they all look good, I'm wondering what the next steps are?

**ROBEL:** I guess I'll go back to Dennis.

**GROTH:** Okay, I thought I reported on this last week.

**ROBEL:** I thought so too.

**GROTH:** That the subcommittee in the spring accomplished what was identified as the charge from the previous year, which was to find a set of learning outcomes for diversity in the US, which were not previously defined.

There was a broad categorization that it was about all of these broad categories of diversity. That subcommittee further recommended that they be provided to the EPC, which that has occurred, to the BFC, which has also occurred, and to the schools for their feedback. It's at the schools. I'm expecting to meet with the school Associate Deans on Thursday.

And as discussed in the last two meetings of the Education Policy Committee, the intention is to discuss, at the EPC, a week from Friday, correct me, Simon, if I'm wrong, on what the schools have reported back. Because I have some schools that have reported back, but some that have not.

So it would really would not be appropriate for me to share until we've had a discussion with the school Deans on what is going. And that's where we stand, and it's basically the same thing I said last week, I think.

**BENDER:** Can I follow up?

**GROTH:** Yeah.

**BENDER:** Yeah, so I know all that.

My question is, what'll happen next if the schools are fine with the learning goals that have been proposed? What's the next step in creating a diversity requirement?

**GROTH:** I think we'll have to wait, Alan, until we see what the schools come back, and they say, and then we'll go through implementation to see what they come back.

If you want me to say, well, if they come back, if three schools say, we'd like to have a course, we don't have a course, and four schools come and say, we meet this through our accreditation requirements. I think it's a more complicated discussion than what's going to happen next?

Until we actually have the feedback from the schools on how they're potentially meeting this or not meeting this in their curriculum, then I really can't say what the next step would be. Our goal is to establish, according to the meeting from the prior task force, that we would enhance the General Education curriculum, and we would ensure that all programs met the requirements as specified by the faculty.

How they accomplish it, to be determined.

**ROBEL:** Yes, Eric.

**RASMUSEN:** I'd like to repeat Alan's question, because he really said it was a conditional one. If they say this is fine, nobody has any objections at all, what's the next step?

**ROBEL:** I would assume that that's a question for the Educational Policies Committee.

**RASMUSSEN:** Maybe it's for the parliamentarian. It's a procedural step. Does it come to the BFC for a vote, does it go to the trustees, what happens?

**ROBEL:** I may be wrong about this, and please correct me, because this has been going on for such a long time, but I believe that what this body passed, well, it was not at the level of implementation.

It was at the level of exhortation, and we had a learning goal in this area. So, I think the question was, obviously, a diversity requirement of any kind or, frankly, any broad course requirement for the entire campus is something that is a core matter for faculty governance. I don't create courses, so my assumption is that that comes out of a faculty process, and I've been, I think, pretty consistent in saying this for the last couple of years.

And since it came out of this body, I think this is the body that has to think through its implementation. And what I understand Dennis to have been tasked to do is figure out how we were already implementing the shared learning goal, right? And then I think the EPC can make a determination about how it would like to implement this.

It's a complicated question, and just to state the obvious, we have 8,000 incoming students. If we implement a diversity requirement through a single course, we suddenly have an enormous staffing issue. So my thought was that's probably not what you all are thinking that you want to do, but it's a faculty question.

It should be decided by the appropriate committee of the BFC after investigation into what we're doing. Dennis, did you have other thoughts?

**GROTH:** Eric, I was passed an email that you sent to our VPU mailbox this morning. Haven't had a chance to respond. In there, your beginning assertion was that the BFC passed a resolution to add a diversity course to the general education.

That is actually not true. The resolution passed by the BFC was to charge the EPC to explore an enhanced diversity requirement for general education. In all of the discussion, there was lots of discussion about we'd love to have a class, should we have a class, could we have a class?

And the approach we took was through a shared task force of the EPC and faculty from the Gen Ed Committee to explore what it meant to have an enhanced diversity requirement. A set of recommendations were made. Those were presented in the following spring. I don't remember the exact meeting date Simon and I presented those, which charged then another group to define what we meant by diversity in the US, which took the shape of we had to define learning outcomes. Because from the learning outcomes, comes a specification that people can actually map what they're currently doing, if anything, to what the faculty have specified were the desired learning outcomes for this requirement.

I don't see any other way of doing this, but of course, if you have ideas, that's where we stand.

**RASMUSSEN:** Really, it's a pretty simple question. If we're going to have a new diversity requirement, who has to approve it, and when?

**GROTH:** I believe that, ultimately, a change to the requirements of the General Education come to the BFC, but does the BFC themselves sit here and discuss, we demand a particular requirement?

I think that the governance structure, and the faculty, and all the schools have to have a mechanism whereby they understand how this can be accomplished, and develop a set of proposals then that come to the BFC. I'm completely open. I don't know what will come out of this.

Will it be a course? That has to be balanced against the interests of the original task force that said we'd like something to happen early in the student's experience, and not just a graduation requirement. How you get something early for 8,000 students and 1,000 transfer students. So I think there's a lot of implementation work to do here, and if it was so simple as we're going to add a course to general education, I wish it was that simple.

I just don't know.

**ROBEL:** Okay, Colin?

**JOHNSON:** Yeah, if I just could ask a follow-up question about you said you had I do have a question about how you've been communicating with the schools for feedback, and it's less a question of policy than it is a question of practice.

When you communicate with the schools, do you communicate with your counterparts at the level of the associate deans for undergraduate education, that's your channel into the schools to communicate with them?

**GROTH:** Yes.

**JOHNSON:** Okay, and that's a matter of practice, a matter of policy, a matter of? Just because I think they're different things, and I think there are certain lines of communication that are kind of normalized at the administrative level.

And there are some schools where those Deans feel accountable to, for example, their Policy Committees to bring these kinds of questions for more robust debate, and consideration, and creative thinking. And I think there are other contexts where those questions are literally answered at the level of one person saying, we're already doing this, that's our comment, and it's not clear to me that that's always reflective of-

**GROTH:** All I can say is that, as it's true of most interactions between administrative offices in schools, we tend to follow the chain of command and ask for people to follow through and take things to whatever process they have. So I don't know the process in every school, I feel like that's not what I'm supposed to do.

The schools are supposed to define how they handle these things-

**JOHNSON:** Right.

**GROTH:** And they take it from there. So I take the input from the Associate Deans, but I present it back and you all have the opportunity to say, wait a second, I don't agree with what my Associate Dean has asserted.

**JOHNSON:** Right, well it's really just a question of, how we organize the torch-wielding villagers

Right, I mean, and who's going to show up on?

And I actually think there's an art to that, and I think some of the times when things go off the rails, are product of people not feeling consulted despite the fact that chains of command have officially been followed, partly because certain people feel more responsible in the context of certain schools to sort of democratize those discussions. And in another context, it's sometimes treated, perhaps necessarily, as a kind of fairly bureaucratic-

**GROTH:** Yeah, I don't think of this as a bureaucratic thing, it's just a communication mechanism.

**JOHNSON:** Yeah.

**GROTH:** I'm happy to ask the deans further, to say report back. How did they accomplish the task which I gave them, which was to evaluate the learning outcomes against their curriculum?

**JOHNSON:** I think a little shaming might be in order.

**ROBEL:** [LAUGHS] You know, at the end of the day-

**GROTH:** I think probably just getting that information, transparency.

**ROBEL:** At the end of the day, as I think I've been trying to say pretty consistently for quite a while, this is going to require faculty members to work on courses that go through course processes in their own places.

And so, I think, what Dennis has been trying to do is give this body, but more importantly, the committees that sit and debate these kinds of issues, the information they need to give instructions back to this body in one direction and back to the schools in the other.

And so I totally get the impatience that people who said let's have a requirement feel about this, and I also totally get that faculty are ultimately responsible for the curriculum and the content of the curriculum. It's not something that anyone in administration can, say, wave a wand and say this is done.

It's a faculty decision, and you all are the faculty body at the campus level to make that decision. So the instructions you end up giving back to the schools, what you adopt as learning outcomes, however that works, that's ultimately this body's determination. I think all Dennis is trying to do is get you the information to make a decision that makes sense for the campus.

All right, I'm sure everyone is dying to hear about retirement.

I know I am.

**GROTH:** It's the other way around.

**ROBEL:** So I can turn at this point, if that's okay. Did you want to say something before we turn to retirement? Okay, go right ahead.

**HOPKINS:** I have a question if that's all right.

IUSA has a two part question about the process for appointing vice provosts and other IU Bloomington upper level leadership. We're aware that dean appointments go through a provost appointed search committee, but we are wondering what the search committee process looks like for vice provosts specifically. And second, what appointments come through the BFC.

**ROBEL:** And my guess is that you're asking because of the Vice Provost for student affairs.

**HOPKINS:** That's what sparked the question, but it's a broader question, not just specifically about him.



**ROBEL:** There are search committees, particularly for those kinds of external appointments that we typically look to have a broad national search when we do an appointment for a position like Vice Provost for Student Affairs.

It's not like some other positions where you're tapping a faculty member, you're really looking for a set of professional expertise. The Vice Provost for Student Affairs position will be the subject of a national search next year. I did an interim appointment for Dave O'Guinn for two years, and I did it because there were a lot of vacancies in the Office for Student Affairs.

And I felt that the vacancies were not going to be able to be effectively filled if the search for the top person was going on at exactly the same time, because it's hard for people to move institutions or join offices if they think that they don't know who they'll be reporting to.

So, in my own judgement, it was better to get some stability around the staffing of the office and then launch a national search. When we did the last search IUSA was deeply involved in that search, I would expect them to be involved in the next search as well.

And when I made this decision to appoint for an interim period I did it after consulting with the President and the President-Elect of the Bloomington Faculty Council, and offering to meet with the entire Executive Committee.

**HOPKINS:** Thank you.

**ROBEL:** You're welcome. All right, now on to retirement.

## **AGENDA ITEM SEVEN: RETIREMENT PLAN UPDATES**

**ROBEL:** Bruce.

**SOLOMON:** Good afternoon, everybody. I'm Bruce Solomon, co-chair of the Benefits Committee, and I'm here with my co-chair Cheryl Hughes today. As you know IU has a retirement plan for its employees, and it's currently contracted with TIAA and with Fidelity, both on investment matters for investing our retirement contributions and for keeping records of our plans.

IU also has a Retirement Program Oversight Committee who are charged with monitoring our retirement plans and the providers, and making sure they're up to date and functioning, as well as we would hope for the benefit of the staff and employees. This is a committee that has about a dozen people.

There's a couple of outside consultants, and the other members are split evenly between faculty and administrators. We have two members of that committee here today. IU's Vice President of Human Resources, John Whelan. And Kristen Royer, who is the director of benefits for IU, and they're going to tell you about a vision that they have.

I think the committee came to the conclusion that our arrangement with TIAA and Fidelity, which has not really been substantially updated in, I think, probably, over 20 years, could stand to be renegotiated, and that actually, IU, is in a good position to negotiate for an arrangement for faculty and staff, in which there's more transparency.

In which, actually fees are lower, and also, in which there's a more simple and clearly organized employee facing interface. So they came to the benefits committee last week and told us about this. I think we found it to be a pretty convincing case, and we gave them some feedback, shared some of our concerns and questions, and, I think, they've taken that under advisement, and they want to come and share their vision with the wider BFC today, before I turn it over to them.

Before I turn it over to them, I want to say that the Benefits Committee will also follow up on this by contacting corresponding committees, or faculty groups at some of institutions that are recently gone through a similar transition, and we'll report back to you if we find anything of interest there, and to you guys. So I'm going to turn it over. I think John is going to make a presentation, afterwards there'll be Q and A with Christine, and also with Michael who is IU Senior Manager of retirement plans.

And just before I do that, I got to say, I hope you'll excuse me if we go till 4:30, I'm actually going to have to leave a little bit early today, because it's the Jewish Day of Atonement coming this evening. So it's not that I'm, I hope you'll excuse me, I think Cheryl will be here to keep note of any comments, and so forth.

All right, John.

WHELAN: Great, thank you Bruce. Thank you everybody for the opportunity to be here to talk about some potential changes in the retirement plans that are offered at Indiana University. We have a few slides, certainly, interrupt me if you'd like during the presentation, but hopefully, it won't take too long.

And then, certainly, we will stay for as long as you'd like us to stay and answer questions. We have had a few meetings already, and we have a few more meetings to go with other advisory groups, and governing bodies of the university. So we'll be meeting with IUPI's Executive Council for their Faculty Senate.

And then, also, the full senate, we will be meeting with some professional staff councils. We're going to be meeting with union representative. So our goal is to get in front of all of you, before we officially move forward with our process to improve the retirement plans. I'll talk a little bit more about some of the other opportunities we'll have for the broader population to attend meetings to learn more about this.

So we'll go through the slides and talk about it. So the first thing that I wanted to emphasize, and if there's only one thing that you remember if you take away from this presentation, is that this entire exercise is exclusively for the benefit of faculty, and staff, and retirees.

This is about lowering fees that we pay in our retirement plans, and it's about improving services. I'll stop there for a second, because I don't know, Bruce had mentioned something to you about transparency. I don't know that most people fully understand how these vendors who we use make their money.

Well, the university doesn't pay fees for this. We, as individuals, have fees taken out of our retirement plan. It's in a very, very small amount, but it adds up over time since, basis points, that maybe you know what that is, but it's a fraction of a percentage. I mean, a lot of money that we have in our savings, and it depends on what kind of savings we have.

All that being said, the fees come out of our pockets. We're looking to find ways to negotiate with our vendors to reduce the fees that we all pay out of our own retirement savings, and at the same time, improve the services that we're offering to service the retirement plans.

There will be no financial benefit here for the university. This is not being done in any way to make this an administrative benefit, or any administrative ease or savings. This is strictly about trying to help faculty and staff members.

So why consider some of the retirement plan changes?

Some of the things that we're considering for improving services, is to possibly add rollovers, which we don't have now, and we've got a lot of questions about that to supplemental plans. We get a lot of questions about having a Roth IRA option, where, during this process, we are opening consideration to adding that.

And then, this last piece brokerage window, which is an opportunity for people, particular people who are savvy investors who want to have access to virtually any savings mechanism available in the United States and beyond, to go invest their retirement savings in that. Right now, we have a large collection of funds, this brokerage window, will in fact, open up, virtually, the world for people to select how they want to save their retirement money.

Now, this is particularly important, what will not change?

The eligibility in contribution levels of our retirement plans are not on the table, they're not being discussed, they are going to be unchanged. So eligibility for participation, the contribution levels both from the university were from us, individuality as faculty and staff.

The vesting time period and access to HSA options that we have with our health plans, those are all not even in the discussion. Legacy plans, 18 20, the IU CERP, or the IU Replacement Plan. If anybody's eligible for those, they are not in consideration for these changes.

PERF, the Public Employees Retirement Fund, there'll be no changes, that is not part of this conversation, and from a planning and guidance support, there'll be no drop off, if anything, hopefully, will be improved opportunity for planning and guidance that we get from our vendors. So, what may change?

We fully expect fees will go down, that's almost a given. We'll rearrange the lineup of the funds that we offer to simplify it and make it a higher performing list of funds that people can select from. But then also at that brokerage window, I'll go into a little bit more detail about that in a few slides.

But right now we offer something like 263 possibilities to select for retirement. And it's a bit of a broad mix, of haphazard, in a sense, funds that have been added over time. Our goal is to simplify that and really put out a core group of funds that are available. That are very well thought out, that cover all the different asset classes you might want to select from. But that are very high performing and also have lower fees, and then allow a brokerage window for someone who wants to go beyond that. Then the world is their oyster and they can do whatever they want.

But for most people, 99.9% of the people want a more simplified option. And having the confidence that what they can choose from is going to be a high performing list of funds. We'll talk more about that again in a few minutes. Again, the retirement planning and guidance that we get from our vendors, we're expecting that that service will go up.

And then probably the biggest thing that may change, and this is where there becomes a potential emotional connection here, we don't know what the outcome will be on this as far as the vendor. When you go through an exercise like this and you go out and you ask vendors to pitch their best offer for your business, it could mean a variety of things.

It could mean that we end up with the exact same two providers we have right now. It could mean that we end up with one provider. In fact, a lot of organizations are going to one because if you have one vendor, they're going to provide even better fees. Because they have all the business and it could be somebody that we don't currently use.

We don't know. There's no preordained plan. Yeah, this is part of the exercise. But you need to understand that that may be one of one of the things that comes away. Again, knowing that the fees will be almost certainly lower, in fact they will absolutely be lower and that will provide better service as well.

So these are the things that may change in this process.

Now, we're not the first ones to be doing this. In fact, many universities have gone down this road in the last few years. And if you have colleagues at other universities, they may have already shared with you that they've done this.

Here's just a sampling list of some.

And they have all reduced their fees going through this process. And have had the exact same kind of variables that I just communicated to you as they went through this process. And so, you can see that this is something that's not new, we're not coming up with this on our own.

But today, it's become clear that going through the process like this, more than anyone ever understood before, we can really get better fees for everybody out of the retirement savings, and

again, also increase services. Let me talk about the simplification of the fund lineup. And if I jump to the bottom, since I already touched on this, this is the self-directed window, that brokerage window.

So don't forget that as I talk about one, two, and three, that would always be an option. But let me talk about what we're going to do with those 263 funds that we currently have. They're a little bit all over the place, and quite frankly, difficult if not impossible for any single person to fully understand what's there.

So to make a really great, informed decision is a difficult thing with 263 options. So we are going to simplify this list and actually make sure that we're covering all the different asset classes. So if you have a certain area that you want to invest in, you can be pretty sure that you're going to have the very best option available.

So, it's in four tiers. The very first one is a very common fund, and this is actually the default that we use. If anybody doesn't take the time to actually select an investment when they start at the university, we default them into this. And these are Target Date funds or Life Cycle funds, and many people have these.

In fact, it's that fastest-growing group that we have. You kind of put your money in there, and the fund is dated based on your approximately retirement date, based on your age. You can select, of course, whichever fund you want. But you might have a fund called 2035, and because 2035, based on your age, is the likely time that you might consider retiring.

That fund is going to be invested based on somebody's status with a potential retirement date of 2035. And you're all probably familiar with this. And these come in five-year increments. This is for somebody who just wants to put their money in and they want to just forget about it. It's a safe way to do it.

They're low fees generally because it's not a managed account. So we're not paying Investment managers, heavy fees used to do this so this is the first tier and probably the simplest tier. The second tier are passive funds where people also kind of want to put it in and not really do anything about it.

But these follow indexes, they follow markets so you just want to follow the US Stock Market. You can put some money in here and just let it go and you're generally going to get increases based on the way the stock market goes. And you can see the various categories that we might consider in this second category.

We might have a fund or two for each one of those subcategories there. The third fund is now when you're getting into people who really feel like they want to take some risk. They want to try and maybe outperform the market. They feel like they have knowledge and skills that they are taking the time to do better than the market.

And these are active funds, the fees are a touch higher. Again, we're going to drive the fees very low. But when you're in these, you're kind of paying to get managed account. And you can see some of the categories that you might have. We'll certainly have one that's a social responsibility fund.

If people want other social responsibility funds that they have a particular connection to, they can always go through the self-directed window. You can have a fund, we'll have a fund on large cap US stock, etc., to give you an example right now. Out of our 263, we have 37 large cap funds.

Statistically speaking, one of those is the very best performing and one of those is the 37th best performing. And the problem is that somebody not knowing any better might have just invested number 37, because they heard that name somewhere before. So what we're trying to get at is to really simplify this, and create a lineup that allows people the best options for success in retirement.

But always having a window to do something independently if they would like. So the time frame of what this process will look like and we're getting out just a little bit to let you know about it. So we've been having a few meetings already over the last couple of weeks.

And I mentioned some of the groups who were continuing to meet with throughout the month of September. We're going to launch the RFP on October 8th. And so that'll go out officially to our vendors and a collection of other vendors who have to be big enough to handle our business.

We have very large, we're one of the largest in the country, quite frankly, as far as holdings. We have over \$5 billion in retirement funds from our faculty staff and retirees. And so, that will carry a lot of weight with our negotiations with the vendors. Which will again, drive fees down as low as they can possibly can be.

Once that starts, we'll continue to have meetings. And we're going to have some open forum meetings for people during Open Enrollment meetings, which we normally do anyway. We're going to add more time to those if you want to come and just hear about more of it, if you want to dig a little deeper into what's going on with this.

And then the RFP will come back later in the year. What we'll do is we'll use the spring to ultimately get the bids back and make a decision. We'll begin to communicate in the Spring Semester once we've decided where we're going to go.

We'll use the summer to really start to put the mechanism in place.

And then in the fall, we'll really start to communicate to people well, what will this mean? If there's a change in vendor, what does that mean to you? What will it mean with how you invest?

And we'll go live on January 1, 2020. So a little more than a year from now is the timing that we plan for this.

So it's quite a ways out, but there's a lot of work to do as well in this. So those are the brief set of slides that we have, I apologize if I went through them too quickly. But I'll pause there and we are happy to answer any questions.

If you have a question that you'd rather not ask in front of this group because you want to ask something about your own retirement, certainly reach out to us at any point. We'll be happy to sit

down and give you a more detailed answer to that. So if anyone has any questions, we're happy to answer them.

**ROBEL:** Thank you so much, John, questions, Diane?

**HENSHEL:** If you choose not to go with, for example, Fidelity or TIAA, what happens to the funds that we have now, in various funds that they have? Do we transition? Do we get to keep what we've got? And this is just moving forward, how is that planning to work?

**WHELAN:** Thank you, that's an excellent question. And part of it, the answer will be it depends, and let me explain why. We haven't really decided exactly what we may or may not do when the vendors come back. They're going to share with us what all their best fees will be and we're going to ask them for a variety of scenarios.

So a couple things could happen. One, could be that any change we might make would be for every new investment dollar going forward and people would leave it where it is. Another may be that we move thing everything that is eligible to be moved over, and I'll explain what I mean by that caveat, into the new vendors.

And we would do that in a simplified form if we did it. Why would that be the option versus just leaving it where it is? That would potentially depend on if the fees are so much lower. Again, they make their money on the fees based on volume. And so if we just shift for the first dollar going forward, they still want our business, they might still give us a great rate just for that.

But they might give us a significantly better rate if we move everything forward. There are a few funds, and I won't get into the technicalities of these, but a few annuity funds that exist with TIAA, and I imagine many of you have some money in those, that are actually a contract between you and TIAA.

And the university is not a part of that. And so that would be some of those you could choose to move over, but you wouldn't have to, if we decided to move everything over. And others, even if you wanted to, you wouldn't be able to because they're bound at TIAA.

But by and large, most of what we have, if we were to move everything over, we would do that. The goal would be to make it as simple as possible into transition over. Again, I'm getting ahead of myself because I don't even know that would happened. So we haven't talked about what that would look like.

But the goal would be to make it as simple as possible, get it over to the new vendor. And then people would obviously be able to decide where they wanted to put it once they got over there.

**ROBEL:** All right, Ken?

**DAU-SCHMIDT:** Yeah, I hear you talk about investments and fees, which, of course, is relevant.

I have read that TIAA-CREF is a good place to buy an annuity, and I just wondered if that would be compared in there. In other words, some people may want to take a lifetime annuity with a portion of their retirement benefit. And then, so then you've got another variable to weigh in there as to which vendor is really best.

**WHELAN:** I'm going to ask Michael to chime in. Michael is our senior manager of retirement. And, perhaps you can talk, Michael, about how annuities would come into play in this. I don't know if you heard the question?

**GOSS:** Sure.

**WHELAN:** Yeah.

**GOSS:** It's true that TIAA, THAT their annuity products are good. There are others out there that are as good.

So that would be something we would look at, and definitely consider, whether we would have an annuity option in the new plans as well. But to say that TIAA would be the only annuity, I would disagree with that. I think there are others out there as good but not to dissuade you from TIAA, it is a good annuity product.

And there's some nuances with those that are a little different than what you might find in the marketplace. But the rates of the payout would be what we would consider.

**DAU-SCHMIDT:** Yeah, I actually didn't say it was the only one that offer annuities. But it's just, you have a curious balancing problem then.

What if one company is better on fees and another company is better on annuities, then you-

**GOSS:** Very good. Do you want me-

**WHELAN:** Yeah, sure, go ahead, Mike.

**GOSS:** Sure, so by having an open architecture, where now we have, Fidelity has only Fidelity offerings, TIAA has only TIAA offerings. The new program possibly would allow a mixture of the top-performing asset classes and top-performing funds that are available.

So, you could have, let's say, Vendor A would win the bid, and it could have numerous funds in the lineup. They wouldn't all have to be Vendor A funds. So you could have a top-performing annuity, but also bring in other top-performing mutual funds.

**WHELAN:** And so maybe I'll step back for a second, because that's a really good clarification.



The vendors currently, TIAA and Fidelity, really wear two hats, each of them. One is what we call recordkeeping service, and that is just managing your investments. It's communicating with you. It's having a website that you can go through to see your funds.

And then they also offer retirement funds that are under their umbrella. We believe that we can actually go out and ask a vendor to be the record-keeper. And then in this RFP, we would say to them, here are the funds that are the highest performing funds on the market, and we're not bound to just your funds.

So it could be that, I'm just going to make this up, that Fidelity gets the business. They're the vendor and we go with one, instead of two, and they're the record-keeper. And we have a lineup of funds that match this slide here or close to it. So say, it's 15 different funds, and it may be that none of those is a Fidelity fund.

Because there's a Black Rock fund that is the very best, highest performing, lowest fee US stock index fund. So it frees us up to really look at the funds to get the best deal possible. So we're actually separating, that's a good clarification, the recordkeeping piece of it from the investment funds.

Hopefully, that helps answer the question.

**ROBEL:** Questions for...? Great. Jon.

**TRINIDAD:** And so obviously great idea to have lower funds as you're kind of pointing out. It will be somewhat disruptive to the university potentially to have to change vendors. But that being said, if the reduced fees you're talking about are substantial, then sure, it's a great idea.

I guess my question is, there was a comment at the beginning about, we haven't changed in 20 years. If in fact we could have been getting 0.1% less fees, you know, ten years ago, what took so long, slash, what's the thought going forward of how often might we put out this RFP to keep the rates low, yet balance having to deal with possibly changing brokers?

**WHELAN:** Yeah, that's an excellent question, an excellent point that you make. I think that it became apparent within the last few years, when these other universities started going out, that there was that opportunity there to really leverage them for fees. And I don't know that anyone really fully appreciated that opportunity.

So, of course, hindsight is 20/20, anyone could look back and say wow, if we had done this, we could have done more. It is what it is, I think everybody's coming to the table in the last few years to start moving forward in this regard. So going forward, it's hard to say.

I mean, I think, the answer would be it's a fine balance to find out. Do we think we would get a significant enough increase to balance off against the potential disruption if you make a change like this too frequently, the negative of the disruption could outweigh the benefits.

I think right now since we haven't done, this is a no-brainer, that the amount we're going to save will be significant. And I think we need to do this, there's no question. But in five years, we'd have to

assess the market. We have to kind of start to see what other fees we're seeing people do, and I guess just cross that bridge when we get there.

But we'll monitor closely, this retirement investment committee that we have is actually tasked with starting to really monitor that.

**ROBEL:** Any other questions? Yeah, Katie.

**SIK:** So, just a follow up on Jon's comment, so when you talk about that there's [INAUDIBLE] can you explain to us more? So in academia...I was just talking to a junior colleague and I mentioned how much overhead we get back, and she was like I haven't heard about that, I'm going to check online, and then internally we push for our overhead back. So, do you network with colleagues in these universities we're going?

Is there internal network to know, so every X years, we're going to reevaluate this and hear what the terms are at other institutions?

**WHELAN:** We're currently, working with a consulting firm called Aeon, and they have been working on this. This is an area that they are experts, and so they work with many other universities, 100 or more top AAU kind of universities. You know, that top tier research universities and beyond.

So, our work with them, part of what we're paying them to do is to also monitor the market on that. So, we will obviously have their expertise to tell us what other universities are doing, and what they're seeing, and they have led this process for many of these other schools. So, going into this, we're not going into it blind as well.

The retirement investment committee is made up of, as Bruce said, a combination of some administrators. My position as the head of Human Resources is Ex-Officio Chair of the Committee. And then, we have our CFO and our treasurer. We have a representative from general counsel. We have a representative from the Kelly School of Business, a representative from the law school, a representative from IUPUI, and that's our committee. And that committee exists to ensure that our retirement plans, and our vendors are performing at the best level that we feel they can.

And in that ongoing review we meet four times a year, we will review the funds, we'll review the fees, we'll review the performance. And at that point, at any point if we feel we have an opportunity to improve, then that would be when we would go out and try and negotiate even better fees.

**ROBEL:** Other questions?

**MARSH:** I have one.

**ROBEL:** Okay.

**MARSH:** Thank you, John. This is a great thing that you're doing, I think. I just wanted, could you just talk a bit more, maybe perhaps repeat if I missed it. What's going to be the decision-making process

once the RFP result is in, and the decision is going to be made, and will there be sort of an opportunity to consult more broadly as you're doing now?

**WHELAN:** That's a great question. So we have a small working committee that is made up of some people in human resources, and some people from net retirement investment committee, and then some additional folks, including Jim Sherman Who I think everyone here knows, he has been actively involved in this process.

That group is working through some of the logistics of this.

The decision will ultimately be made by this committee I just described. This committee actually has a fiduciary role on behalf of the faculty and staff.

So this is a fiduciary committee that is tasked with looking out for the best interest of faculty and staff. And so, I've had that question asked before, it's a great one. Having meetings like this, having these open forums that we're going to have before we make a decision will inform how we select, but I think it would probably not be a reasonable process to put everything out in front of thousands of people to try and make a decision.

But let me just say that our intention is to, in fact we're required by our own charter to think of faculty and staff's best interest, first and foremost. That is the only guiding principle we have.

**ROBEL:** And then Barb, you had a question?

**CHERRY:** Yeah, just question in the earlier PowerPoint slide, there was an indication of the things that won't change.

Which included legacy plans, but there is a plan called the Phased Retirement Plan, it was adapted, I believe, it was in 2009, which is pretty recent. Is that just considered something that's not going to change or be evaluated? I didn't even know where it stands in terms of its evaluation of how that's working.

**WHELAN:** Yeah that's a great question, and that's really a mechanism if somebody is looking to retire, but they don't wanna do it abruptly, they can have a phase out. So that wouldn't be impacted at all by their retirement contributions. That would be more about a workload transition to retirement.

So that would be a little bit outside of this scope, but that's a great question. That would not be impacted by this at all.

**ROBEL:** Yep.

**SOKOL:** Okay, you gave a large list of universities that have gone through this process. Have the results always been positive or from an unexpected problems, or faculty discontent, or things like that, that have risen in any of these?

**WHELAN:** Well, I can say that in every case, they were able to get better fees, but obviously, this is not all about fees and I'm the first to say that. I think that where there have been issues from our own

research, has been when this process has been launched, and resolved, and decided before anybody was even told about it.

And that's where groups seem to really get upset. Because they felt that they didn't even hear about this before the process started. And so, our goal was to get in front of you, to at least share what we're doing in our goals, and, before we make any decisions, hear input from every segment of the university, so that when we do make our decisions they're informed by everybody who has an opinion.

That's probably the largest negative that we've heard, is when people have felt like it's happened in the dark and they weren't aware of it.

I will also say, and this is just going to be kind of human nature, is that change is difficult. And in some cases, I think there are probably some people that say I'd rather pay more money to keep the familiarity that I have.

And I get that. Unfortunately, that doesn't, in our fiduciary responsibility to look out for the best interest of our faculty and staff, disruption is a factor, but I don't think we can look past the tremendous savings that's available here to the point where we would justify not doing this to avoid disruption.

But that's also an area that there's always that possibility. People say, I've been with TIAA or Fidelity TIAA in particular because it's been around for so much longer, and that's all I've known, it's where all of my retirement, and now I'm potentially facing a situation where I might have to move my retirement out of TIAA to somewhere else.

I get that and that is a real issue, that's probably the most negative, and the other thing is that, you know, I think sometimes people will hear about this, and, I would actually ask all of you to help us with this, have a knee-jerk reaction, which is why the first slide was the first slide that said, this is not in any way for the university's financial benefit.

Is that there could be a knee-jerk reaction to somehow this is being done at the expense of faculty and staff for the benefit of the university.

**ROBEL:** John, are these slides going to be available to us to put on the BSC site so that we can speak to our colleagues and send them in this direction?

**WHELAN:** Yes, we were talking about that. We still have a few other groups we want to get to, but I think, quite frankly, this is public as a forum anyway. So, I think they will be. And we'll be in touch with the other representative groups in the next week or two.

But yes, to answer your question, they will be.

**ROBEL:** Terrific. And then Colin, I think, and Susan and Diane. Oh, and Ivan.

**JOHNSON:** This may be sort of a naive question, and, I apologize if it strikes people as being merely academic, although I suppose in present company that's okay.

You had pointed out the fact that we actually are a fairly large entity, right? In terms of having assets collectively, and assets that need to be managed, and that presumably produce a great deal of revenue for the people who manage our assets, and that's part of the reason why we're a potentially desirable client with leverage to negotiate. And I'm just curious as sort of a general, procedural question because I don't know much about RFP processes like these.

Is part of the RFP process sort of asking potential vendors to speak to ethical concerns about their kind of management of resources? I know in the context of individual funds, you talked about social responsibility funds being sort of an option for bleeding heart liberals who don't want to fund the hetero-patriarchal-war-machine through their retirement accounts but as a sort of institution and other people, and you know, and other things.

Like if we have that choice, but I guess my question is are there in fact, by virtue of the kind of uniqueness of our status as a public university, are there kind of ethical considerations that are brought to bear on the selection of potential vendors? And do we use our leverage as an institutional, as an institution, to sort of make demands on the market?

Which, I mean, when you say, highest-performing funds, you know, that often, not always, but profit doesn't come from nowhere. And so I'm just wondering are there people we won't do business with by way of third party vendors who might?

**WHELAN:** It's a great question and I would say that is certainly part of the bigger picture of when we review our vendors.

Realistically, there are probably about four or five vendors that can handle our business, so this is going to be a small segment of the population. But if we have concerns about anything that comes to light, or ethical concerns with any of the vendors that bid or potential future ethical issues...one of the things that may be part of this process is to negotiate service level agreements that have certain expectations built into it about behavior, and that, again we're still, we haven't even launched this yet, so those will be part of the things that come with the negotiation. But as I was saying, that's why meetings like this are good. We'll take that as an absolute note to make sure we're making that loud and clear as we go through this process, that that has to be part of the equation.

**ROBEL:** Thanks, Susan.

**WHELAN:** Have I answered your question?

**ROBEL:** Susan, I think you were next.

**SEIZER:** I just wanted to ask you to clarify. You said that disruption is a potential downside, people just resist disruption. And I just wondered if there was a financial cost in the disruption process, the change processes?

Are we looking at asking people to swallow some kind of financial cost to make this?

**WHELAN:** No, there's no transition fee or transition cost. The disruption would be, now if somebody were to select a different fund that's a higher fee fund and they have something in a very low fee fund, that would be a personal choice.

The transition itself will not have any built in or hidden additional fees. The disruption would be change of the different vendor, possibly, a different fund lineup that they might have to put their money into.

**SEIZER:** Right.

**WHELAN:** There's no financial disincentive there. Right?

No, no. I'll ask my colleagues. No. I mean, no, not at all. There's nothing in this transition. In fact, if anything, it should be hopefully a pretty quick financial benefit because if somebody has money in a life cycle fund right now and it moves into the new life cycle fund, they're almost certainly going to be saving money the second that that money moves in there.

And let me just make another point too, which is perhaps a good one. It goes back to the earlier question about should we have done this a long time ago?

We already have good fees. So, this is certainly not that we are running from a bad situation. Because we are so big, we already have some of the best fees out there.

But, that being said, we know following what other universities have done in the last couple of years, we are certain in fact that we will get even better fees. So, we don't have a bad situation. All things being equal, we're actually in a good situation. But, we know we can even do better now because we've seen what these vendors are willing to give that no one really fully appreciated until the last couple of years.

**ROBEL:** Thank you. And then Diane, I think had their hands up.

**KREILKAMP:** Yeah, I just wanted to say briefly, this sounds good to me. And I just wanted to say to my colleagues that I do think there's a lot of low hanging fruit out there. I used to be the ultimate, the most passive investor and I just assumed any TIAA-CREF fund probably had pretty good fees and so on.

And it's really not true, I mean there are funds that a lot of people use that have surprisingly high fees, and they vary quite a lot.

And there's been a whole, sort of revolution in investing with Vanguard. And sort of the standards have shifted a lot in recent years. And people now look for much lower fees than used to be normal. So I think it's a good idea that we're looking at this now and seems like. I completely buy your argument that there's probably some gains to be made.

**WHELAN:** Great, thank you.

**ROBEL:** Yeah, and Diane?

**HENSHEL:** So this first is just a statement that comes from what you just said. And that is I would like to encourage you to make sure that you time the transition to maximize profit for us for the market, so we don't sell when there's a problem and then buy the next day when things jump up.

So, just thinking about timing. I'm sure you know that. It's just I'm going to say it anyway.

**WHELAN:** Yeah.

**HENSHEL:** So, my question, though, is, for our colleagues who are already retired, what's going to happen?

**WHELAN:** So anybody who still has retirement savings, so some of our meetings are with some of the retiree organizations too, if they still have retirement in IU's retirement funds...if things roll over, obvious they are not contributing now, if they are no longer working for the university, but if, in fact, we ultimately decide to move everything over into whatever the new vendor or vendors would be, then that would, the same would happen to them too. And so that's why we're planning to meet with them to share this as well.

**ROBEL:** Well, John, thank you and your colleagues. And Bruce, thank you so much for all of the work you are doing here. It's important to all of us, the amount of funds under management here are awfully significant and it's the livelihoods of all of our colleagues as they go into retirement.

So we really, really appreciate what you're all doing. And I think given the holidays it would be nice if we could come to a close earlier today, so if that is all right with the group, I would suggest we adjourn in the usual way.

Thank you.