

University Faculty Council Minutes  
November 12, 2019 | 1:30 - 4:30 p.m.  
University Hall Room 1006, IUPUI

Attendees:

Co-Chairs: Diane Henshel, John Watson, Joe Wert  
Officers: Raman Adaikkalavan (secretary)  
Ex Officio: Michael McRobbie, John Applegate  
UFC Office: Elizabeth Pear, Karen Lee  
Members: Dakota Coates, Judah Cohen, Paul Cook, Erika Dowell, Denvil Duncan, Charles Feldhaus, James Marrs, Moira Marsh, Lindsey Mayo, Isabel Mishkin, Laverne Nishihara, Scott Opasik, Marietta Simpson, Paul Sokol, Jennifer Thorington Springer, John Walbridge, Stephanie Whitehead  
Guests: Jeff Dean, Gin Morgan, Boyd Bradshaw, John Whelan, Alex Tanford, David Johnson, Amanda Stonecipher

1. Approval of [Minutes of April 23, 2019](#), by voice vote
2. Executive Committee Business (10 minutes)  
Diane Henshel, John Watson, and Joe Wert, Co-chairs of the University Faculty Council

[U1-2020: Membership of the UFC 2019-2020](#)

[U2-2020: University Faculty Council Committees](#)

[U3-2020: Summary of Actions Taken 2018 - 2019](#)

Diane Henshel: IUB has created a data management taskforce to develop charges for a UFC taskforce to work on data management policies related to research, teaching, administrative tasks, canvas and others.

John Watson: IUPUI has turned the faculty grievance advisory panel to the ombuds team that will handle early stage faculty grievances and other issues. The campus is making progress in defining the criteria for the Teaching Professor rank. The campus plans to be ready for applicants starting in fall 2020.

3. Presiding Officer's Report (15 minutes)  
Michael McRobbie, President of Indiana University

IU Bicentennial updates

Multiple activities are taking place across campuses. The Bicentennial website has a list of around four hundred events as of the last count. Many of these events are not funded centrally. The biggest celebration was in late September, which had over 1500 attendees and included speakers representing various constituencies. The next major event will be on January 20, 2020, the actual 200<sup>th</sup> anniversary of the formal founding of the university. A number of other events are in the planning phase. The final set of events will be in June.

One part of the Bicentennial is the strategic plan, coordinated by Applegate's office, is due for completion this year. A final report will be given to the Board of Trustees. A number of initiatives will conclude this year. One major initiative is the campaign. As of now, the campaign has raised \$3.26 billion. The original goal was \$2.5 billion and raised to \$3 billion three years ago. We reached that goal in June. We expect to raise \$3.5 billion by the end of the campaign. This is comparable in scale to what top public institutions have achieved.

Three areas are of particular interest to the UFC: First, the goal has been to raise funding for 5,000 endowed scholarships and fellowships. As of today, we have raised for 4,962. Those are mainly undergraduate scholarships and just under 1,000 are graduate scholarships. This is significant as the total number of funded or endowed scholarships is approximately 12,800 in the previous 190 years of the university's history. Next, we have 221 newly endowed chairs and professorships. The goal is

228, which is 50% of the total number of funded/endowed positions in the previous 190 years. Finally, the total amount raised so far by the faculty and staff campaign is just over \$180 million. This was possible due to the generosity of nearly 17,000 unique IU faculty and staff donors. Jim Sherman, former co-chair of UFC, is one of the leaders of this campaign, and they working to reach \$200 million by the end of the campaign. Thanks to all who have contributed. All of this represents great success and the impact that the campaign is going to have on the academic mission of the university.

#### 4. Question/Comment Period (10 minutes)

Questions from floor: How much of the total for the campaign is pledged vs. cash received.

McRobbie: Not sure about the exact numbers, but roughly 50% in pledged vs. cash received. Many of the big gifts come with substantial payment up front and then subsequent payments.

#### 5. Update on retirement benefit changes (60 minutes)

John Whelan, Vice President for Human Resources

- Slides presented
- This is a big change. It is not an easy thing to do and is disruptive. Mailed transition package should have arrived to all.
- Why we did it?
  - Whether retirees, faculty, and staff retirement investment plans are working in their best interest. It is a legal responsibility and the Trustees have passed that to John Whelan's position. He has extended that to a retirement investments committee. It is a legal responsibility to review the plans and have a duty specifically and only to faculty, staff, and retirees. The changes are exclusively for the benefits of the faculty, staff, and retirees and not the institution. Not to save money for the university or changes that are beneficial to the university.
  - At present, we have two vendors, Fidelity and TIAA, and they both are record keepers (handle administrative aspects) and they both offer their proprietary investments. Participants pay fees for each of these services and the fees are blended and are not easily identifiable. We are not bound to have any proprietary investments by the record keeper. The committee decided to separate these two roles to reduce cost for participants. The record keeper, when providing advising to participants, will have no proprietary products to offer. Having a single record keeper will allow us to scale and reduce cost. An RFP was sent for single and multiple record keeper models. After bids, we ultimately settled for a single record keeper. Almost every university is going through this. We selected fidelity and it has dramatically reduced record keeping fees. Participants pay the record keeping fees and not the university. We have one of the lowest record keeping fees in the country. We changed the way the record keeping fees are calculated. Currently, asset size determines the fees. Going forward, everyone will pay the same fees of \$28 per year for the primary retirement plan and \$48 per year for the supplemental plan. Fidelity does not have any proprietary investments.
- Who made the change?
  - John Whelan's office and the retirement investments committee has the fiduciary responsibility. The committee chaired by John has the following six members: Jane Williams (IUPUI), Donna Nagy (IUB), Sreenivas Kamma (IUB), John Sejdinaj (CFO), Don Lukes (University Treasurer), and Carol Barnett (General Counsel). Retired faculty Jim Sherman served as an advisory non-voting member. This committee existed before this change. It plans to continue existing and to monitor the investments regularly.
  - Question from the floor: In the interest of transparency, going forward, would you consider formalizing the relationship between this committee and UFC, so that UFC can appoint/nominate faculty members to serve on this committee, and have a direct communication line with this committee. Whelan: Absolutely. We are also thinking

about adding, preferably, a regional campus faculty member. To clarify, members of this committee bear personal liability to maintain confidentiality.

- Many things are not changing including vesting rights, number of retirement plans, PERF, eligibility for 18/20, phased retirement plan, etc. Changes include simplifying reporting with single record keeper, adding transparent and lower fees, streamlined investment menu, rollover from other sources into IU retirement plan, and Roth contribution option.
- New Investment Menu
  - There are 23 investments and 4 tiers, to help participants decide their interest based on their level of involvement. Tire 1 has Vanguard target date funds. Approximately 60% of our participants would fall under this tier. Have very low investment fees in addition to the record keeping fees. Tier 2 has nine passively managed Vanguard funds. These are index funds based and investment fees are still very low. Tier 3 has eleven actively managed funds. This is for those who want to beat the market. These have higher investment fees compared to the previous tiers. New York Life Guaranteed Interest Account is an annuity and is similar to TIAA traditional annuity asset class. Tier 4 is completely hands-on. This goes beyond the 23 funds. This has over 5000 mutual funds that participants can manage themselves and committee does not monitor them. The committee will monitor the 23 funds quarterly for performance and works with Aon consulting. The changes to these 23 funds will be very infrequent.
  - Question from the floor: How easy it is to shift tiers? Whelan: Tiers are just for our understanding. You can invest in any of the 23 funds. You can go to any of the tiers and you can switch between them any time.
  - IU Human Resources website shows the administrative fees and record keeping fees. Fees will be shown separately on the statement, which is not the case currently. At present, the average annual record keeping fees for fidelity is around \$70 per person and TIAA is \$122. With more assets, fees increase and can even be around \$1000.
- How will the transition work?
  - Option 1: Review funds and make selections during the Early Choice Election Window (Nov 11-Dec17, 2019). Existing mutual fund balances at Fidelity & TIAA and any future contributions will transfer to the new investment menu based upon the selections. Option 2: Do nothing. Existing mutual fund balances at Fidelity & TIAA and any future contributions will default into the Vanguard Institutional Target Retirement Fund (Tier 1) based upon the date closest to when one turns to age 65.
  - Question from the floor: Can one change their investments as often as they like? Are there fees associated for changes? Whelan: Excluding the blackout period, one can make changes anytime and there are no fees. There is also no tax implication.
  - TIAA mutual funds will all go into new lineup. Fidelity only has mutual funds and they will go into the new lineup. TIAA has 10 annuities, which will not move automatically and no new investments can go into these funds. One needs to make the choice to move or else it will stay with TIAA. Funds with TIAA or CREF standalone wordings are the annuities. Participants can leave them and move later. TIAA traditional has a lock up period of 10 years and participants can only move 10% every year. If one decides to move their TIAA mutual funds to TIAA annuities, they need to do that before the blackout period.
  - Blackout period: Dec 23, 2019 to Jan 19, 2020. No changes allowed during this window. All the TIAA mutual funds will be valued and liquidated on Jan 3, 2020 @ 4 pm. It will move to new funds the following Tuesday. Amount from liquidated TIAA funds will be out of the market for one day. If you are in Fidelity, transition occurs on Dec 31, 2019 and amount will not be out of the market at all.
  - Question from the floor: Have you reached out to fidelity regarding changing the dates? What is the rationale for these dates? Whelan: We have not reached out to fidelity as we felt the current dates are fine. Some other organizations have used 6 months, 9 months, and even a longer window. IU has a 90-day window that we felt

was appropriate. The main reason is to have a quick transition to help participants take advantages of the new structure and reduced fees. We did not feel the need to change. We already have a detailed negotiated contract including timeline signed with fidelity.

- Question from the floor: Why not more days rather than a 90-day window? Whelan: The 90-day window was chosen based on best practices. Participants can let it default to the target date fund and think about the new lineup and then chose funds later. We feel this is the right trade-off to get into the new funds.
- Question from the floor: Though it is a 90-day window, participants did not get the transition packages before 90-days and they received it only last week, and the website did not have the details as of early October. Whelan: The website had transition details few weeks before the packets were mailed. This is a big project and is the first time we are doing it. We still feel confident the window is a reasonable timeframe even despite some of these issues.
- Question from the floor: Can or will record keeping fees of \$28 and \$48 change over time? Whelan: It can change but it will require renegotiation between fidelity and IU. It will not slowly creep up quietly. The committee still monitors these. We may have to renegotiate in 5 to 10 years and it may become a regular exercise.
- McRobbie: Is there an option to renegotiate after a set period in the contract? Whelan: Yes. I suspect that any renegotiation will be in our favor and not fidelity's favor.
- Suggestion from the floor: Create slides with a typical retirement portfolio illustrating the difference between the new vs. old fees. Whelan: Investments fees for the new funds vary. Some of the lowest would be around .04% of the asset value and some may be more than 1% of the asset value. The average investment fees has been reduced by 30 basis points, which is significant. We will work on the creating the document.
- FYI from the floor: The current instructions (user manual with screenshots) provided by HR to participants do not match the actual fidelity transition website workflow, which is causing lot of issues.
- Question from the floor: Can funds left in TIAA be moved after a number of years to the new lineup, e.g., after 5 years? Whelan: Yes, they can be moved anytime afterwards, except the TIAA traditional that has the lock up period.
- Question from the floor: Is there a guaranteed fixed rate of return fund in the new lineup? Whelan: Will look at the details and contact the faculty member.
- Question from the floor: Faculty are being contacted by independent financial advisors. Though they may be trying to help, are they also trying to take advantage of anxious faculty and staff? Whelan: University does not provide information to independent advisors, but they know about our transition given that we are big.
- Question from the floor: How does the rollover process look like? Whelan: They can all move into the new lineup after the blackout period. Some depends on the former employer. Contact fidelity so that they can help. May be mid-January will be better given the new lineups and blackout period.
- Question from the floor: What are the positives and negatives as funds will be shortly off the market as discussed in slide #27? Whelan: In theory, market can swing wildly on one day. If the market goes down then it will benefit participants. If it jumps up then it will lead to losing some of the potential gains. We have discussed this issue with fidelity and Aon. Nothing is guaranteed, but generally, markets are quiet during the first week. Last year was a little bit of an anomaly.
- McRobbie: Could you provide the mechanisms of contacting your office? If there website and other issues? Whelan: Contact [askhr@iu.edu](mailto:askhr@iu.edu) or call us. They are fielding questions. Fidelity is also helping us. Webinars and one-on-one consultation are also available.
- Question from the floor: Most of the employees setup their retirement investments when they are hired. If the salary does not follow inflation then the amount of savings is going down over time and retirement could be a problem. If the salary is increasing

at or above the rate of inflation then the contribution may not be an issue, but if the salary increase does not keep up with inflation then the amount of contribution itself will be going down. Does this fall under the purview of your office? Can your office work on this so at least the contributions from employees keeps up with inflation? Whelan: One secondary benefit is that this transition should help people thinking about these issues. It is an interesting nuance that has been raised here. We may need to add this to overall education about retirement. Advisors at fidelity should be able to help.

- Question from the floor: Is it possible to share the slide deck? Whelan: Yes. You can download it from the IU HR website.
- Question from the floor: Is there a URL that shows the fees for TIAA? Whelan: Yes, it shows performance, fees, and equivalent to the new lineup.

## 6. Motions from the Policies Review Committee

Alex Tanford, Chair of the Policies Review Committee

### [Action Item]

- Consent agenda (5 minutes)  
These motions will be voted on as a group without discussion unless a member of the UFC objects.
  - To rescind ACA-31, Fair Use of Copyrighted Works for Education and Research - *The policy is obsolete as the copyright management center at IUPUI no longer exists. The policy is superseded by a Trustees' resolution in 2014 on the indemnification of faculty. Other aspects are being consolidated into other relevant policies. Specific details are in the circular.*
    - [Current ACA-31, Fair Use of Copyrighted Works for Education and Research](#)
    - [U4-2020: Proposed revisions to ACA-31, Fair Use of Copyrighted Works](#)
  - To amend ACA-40, Substance-Free Workplace for Academic Appointees – *No substantive changes. This policy is required by federal law. The committee put the policy into the university policy template*
    - [Current ACA-40, Substance-Free Workplace for Academic Appointees](#)
    - [U5-2020: Proposed revisions to ACA-40, Substance-Free Workplace](#)
  - To rescind ACA-72, Cheating and Plagiarism – *The policy has been superseded by Code of Student Rights, Responsibilities and Conduct, which has been approved by the Board of Trustees. It will be appropriate to be place the language on faculty responsibilities for deterring academic misconduct in ACA-33.*
    - [Current ACA-72, Cheating and Plagiarism](#)
    - [U6-2020: Proposed Revisions to ACA-72, Cheating and Plagiarism](#)
  - **ACTION: Approved unanimously by voice vote.**
- To amend, ACA-09 Search and Screen Procedures for Administrators (10 minutes)
  - [Current ACA-09 Search and Screen Procedures for Administrators](#)
  - [U7-2020: Proposed revisions to ACA-09 Search and Screen Procedures for Administrators](#)
  - Tanford: This revision removes obsolete language and references, eliminates redundancies, and puts the policy into the university policy template without changing the substance, except for the following clarifications and additions. It clarifies that the policy applies to searches for all vice-presidents, the provost/chancellors, the Dean of the University Graduate School, and the Associate Vice President for Online Education, but not deans of core schools (delegated to relevant campus). It clarifies that a majority of faculty is required on searches for the EVP for University Academic Affairs, the EVP for University Clinical Affairs, the VP for Research, the provost/chancellors, and the Dean of the University Graduate School. It clarifies that searches for all other vice-presidents and the AVP for online education require faculty consultation but not a faculty-majority search committee. It adds a new section setting criteria for selecting the faculty to serve on a search committee. It adds a new section

setting minimum standards for committee searches, which was adopted from the search policy at IUB.

- Question from the floor: The policy as written does not include students. Can there be consultation with students or even include a student in these search committee. Tanford: Some of these positions are not affected by students directly. President is charged to get inputs from affected constituencies, which almost always include students. McRobbie: That has been the practice for nearly 13 years.
- Question from Applegate. Is this is a Trustees policy? Tanford: We have taken out the detailed language about Presidential search. This amended policy does not have to go to trustees for approval.
- Question from the floor: What happened to those policies that included the Trustees before? Tanford: We have included a paragraph about Trustees involving UFC during a Presidential search. Applegate: There is a general delegation of authority to the President from the Board of Trustees.
- Question from the floor: President McRobbie, it has been your policy to include students, but should we consider formalizing, as a new leader could completely exclude students. McRobbie: For completeness, then we need to include all types of employees, alumni, etc., which makes it complicated. Preserving the discretion would allow the appointing officer to choose the appropriate stakeholders. Tanford: Lot of old policies have micromanaging language and have become obsolete. Each search should be allowed to be customized and the policy should not micromanage.
- Question from the floor: There have been prescreening by search firms and the search committees did not have full access to everything. Tanford: We did not uncover at this level and this policy does not cover the dean level. Applegate: If someone does not meet the minimum search requirements of the position, it is inappropriate to consider them. Beyond that, the search firm just plays the advisory role. The committee has access to all of the applications. McRobbie: Would like get specific details. Search firm must share, if not, that may be the grounds to fire them on the spot. Applegate: Appreciate the policy revisions, as the policy should be flexible so that search committees can be created correctly.
- Question from the floor: Have heard that search committees do not like having students, as they cannot get students to serve. This policy could lead to excluding students. The old policy has faculty, staff, and students. May be J.4. could potentially include other relevant constituencies such as students, alumni, etc. McRobbie: In the last 23 years of searches at all levels it is not about including students but it is usually getting students attending those meetings. Tanford: The committee does not see a need to have language about constituents introduced. It was not an accidental exclusion and it was intentional.
- Question from the floor: What do you do for a Dean search who also has a Vice President position at the same time, which policy to use? Response: If the appointing officer is same then there will not be a problem. Tanford: Depends on the position and they are conducted separately. McRobbie: As an example, if we had to search for the VP of DEMA and the Dean of The Graduate School, we had to do two different searches.
- **ACTION: Motion approved unanimously by voice vote**
- To amend, ACA-54, Campus Admissions Policies (10 minutes)  
Boyd Bradshaw, Associate Vice Chancellor for Enrollment Management and Chief Enrollment Officer, IUPUI  
David Johnson, Vice Provost for Enrollment Management, IU Bloomington  
Amanda Stonecipher, Vice Chancellor for Enrollment Management and Student Affairs, IU Southeast
  - [Current ACA-54, Establishing Campus Admissions Policies](#)
  - [U8-2020: Proposed revisions to ACA-54, Campus Admissions Policies](#)

- Tanford: There are five changes. It gives each campus the discretion to adopt a test-optional admissions policy. It deletes a paragraph that is inconsistent with contemporary admission practices. It deletes from the university-level policy the following section that required all applicants to have had the same fixed high school curriculum. The decision whether to require a fixed set of high school prerequisites has been delegated to individual campuses. The deletion does not imply that the Committee disapproves of it. It adds a requirement that each campus have a policy requiring individualized decisions for applicants with criminal records. It adds military service to list of kinds of evidence that can show college preparedness.
  - From the floor: Truly appreciate faculty involvement over the last two years.
  - From the floor: All these changes are wonderful. Applaud the committee.
  - **ACTION: Motion approved unanimously by voice vote**
- To amend ACA-21 to consolidate policies related to annual reports, reviews and salary adjustments (15 minutes)
  - [Current ACA-21, Faculty and Librarian Annual Reviews](#)
  - [Current ACA-25, Annual Reports for Faculty and Librarians](#)
  - [Current ACA-28, Faculty and Librarian Salary](#)
  - [Current ACA-44, Retention Incentive Pay for Academic Appointees](#)
  - [U9-2020: Proposed revisions to ACA-21, Faculty and Librarian Annual Reviews](#)
  - [U10-2020: ACA-21 Appendix](#)
  - Tanford: This motion consolidates ACA-21, ACA-25, ACA-28, and ACA-44 into a single policy (ACA-21) and makes no substantive changes. The revised ACA-21 includes three updates: It clarifies that it applies to NTT faculty. It provides that annual reports may serve other administrative purposes in addition to faculty performance reviews. It clarifies that university-wide annual report forms may be used.
  - **ACTION: Motion approved unanimously by voice vote**
- McRobbie: Thank the policy committee for this important work

Meeting adjourned: 3.41 pm