



## University Senate PROPOSAL FORM

<b>Name:</b>	Elisabeth Smela, Mark Leone
<b>Date:</b>	February 2, 2011
<b>Title of Proposal:</b>	Retirement Program Selection Issues and Remedies
<b>Phone Number:</b>	5-5265, 5-1429
<b>Email Address:</b>	smela@umd.edu, mleone@anth.umd.edu
<b>Campus Address:</b>	2176 Martin Hall, 1111 Woods Hall
<b>Unit/Department/College:</b>	Mechanical Engineering, Anthropology
<b>Constituency (faculty, staff, undergraduate, graduate):</b>	faculty
<b>Description of issue/concern/policy in question:</b>	<p>Upon joining the University of Maryland, a choice must be made to join either the State Retirement and Pension System (SRPS). The election of ORP is irrevocable. The results of a preliminary study that surveyed the faculty in Mechanical Engineering (ME) and the Institute for Systems Research (ISR) showed that a significant number of faculty members (22% in ME and 35% in ISR) reported that they were given incorrect information about their eligibility to join the State Retirement and Pension System (SRPS). Specifically, some faculty members have reported being told that they were ineligible to join. A significant number of faculty members have expressed a strong desire to join SPRS now, believing that this would have been, and is still now, a better option for them than being in the Optional Retirement Program (ORP). This may also have happened to staff members, but there are no data on this.</p>
<b>Description of action/changes you would like to see implemented and why:</b>	<p>We propose to charge the Faculty Affairs Committee and the Staff Affairs Committee to do the following.</p> <p>(1) Based on the preliminary surveys, conduct a university-wide survey of the faculty and staff to determine the extent of faculty and staff belief that they were given inaccurate information, and how that varies across units/schools. For those who do not think that they made an informed choice, follow up in the same survey to ascertain whether they would wish to join under scenarios such as those described below, or under other suggested scenarios.</p> <p>(2) Explore possible creative options between the extremes of having affected individuals (i) with no choice but to remain within ORP and (ii) suing the university. Among the options, consider the following potentially</p>

	<p>revenue-neutral scenarios.</p> <p>(a) Affected faculty join SPRS “now” (i.e., as soon as feasible) under the same conditions as new hires. The benefits clock starts “now”. Current state contributions to ORP end on that date.</p> <p>(b) Affected faculty buy into SPRS retroactively, paying all the amounts due plus interest all the way back to their original start date. The amounts due are based on today’s required contribution (prior to 1998, there was no required contribution, and rates have been increasing since then). The vesting clock starts on the original hire date.</p>
<b>Suggestions for how your proposal could be put into practice:</b>	<p>The Faculty Affairs Committee and Staff Affairs Committee form a joint working group to carry out this work; this could have the same or different membership as the previous group tasked last year with looking at retirement choice issues.</p>
<b>Additional Information:</b>	<p>Documents submitted to the committees last year, and the working group’s report.</p>

***Please send your completed form and any supporting documents to [senate-admin@umd.edu](mailto:senate-admin@umd.edu) or University of Maryland Senate Office, 1100 Marie Mount Hall, College Park, MD 20742-7541. Thank you!***