

STAFF CONGRESS

Northern Kentucky University Highland Heights, Kentucky 41076

STAFF CONGRESS MEETING

May 12, 1988

U.C. Ballroom - 1 p.m.

- I. Call to Order
- II. Approval of April 14, 1988 minutes
- III. Guest - Mr. Mollmann, State Manager for Public Employees Deferred Compensation System.
- IV. President's Report
 - 1) Summary of Committees
- V. Vice-President's Report
- VI. Committee Reports
 - 1) Benefits - Margaret Groeschen
 - 2) Constitution & Bylaws - Mary Huening
 - 3) Credentials & Elections - Marjorie Scheller
 - 4) Policies - Janet Krebs
 - 5) Liaison - Rosanne Rawe
 - a) Newsletter
- VII. Ad Hoc Committees
 - 1) Emergency/Evacuation Committee - Donna Gosney
 - 2) Food Service Advisory Committee - Peg Goodrich/Ron Rieger
 - 3) Health Insurance and Flexible Benefits - Diane Hunley
 - 4) Past-Present President Review Committee - Janet Krebs
 - 5) Salary Administration Policy - Janet Krebs
 - 6) Scholarship Committee - Mary Wilson
 - 7) University Lobby Committee - Virginia Stallings
 - 8) Smoking Policy
- VIII. Old Business
- IX. New Business
- X. Adjournment

Minutes of April 14th will be given out at the meeting.

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MINUTES

MAY 12, 1988

MEMBERS PRESENT: Shirley Garrett, Peg Goodrich, Donna Gosney, Marilyn Gosney, Mary Huening, Diane Hunley, Jeannine Holtz, Janet Krebs, Don McKenzie, LaVerne Mulligan, Sue Roth, Rocke Saccone, Roseanne Rawe, Ron Rieger, Virginia Stallings, Lisa Hart, Phillip Webb, and Mary Wilson.

MEMBERS ABSENT: Jackie Baker, Carla Behymer, Joe Gimpel, Margret Groschen, Pat Harrington, Bonnie Mullikin, Ruth Saccone, Marilyn Reis, Marjorie Scheller, Jack Strauss, Nancy Trimbur and Jim Wilson.

GUEST: James R. Thomas and Garrison "Mike" Hickman, ex-officio.

The May 12 meeting was called to order by President Don McKenzie at 1:12 p.m. A quorum was present.

I. President McKenzie asked for any additions, deletions, or corrections to the April 14, 1988 Minutes. There was one correction under "New Business". The first line should read-Mary Wilson., not Marjorie Scheller. There were no other additions, deletions, or corrections therefore Rocke Saccone moved that the minutes be accepted. Ron Rieger seconded the motion.

II. GUEST:

Don McKenzie introduced James R. Thomas, field representative for Kentucky Public Employees Deferred Compensation System, who was on campus to speak to various groups about deferred compensation plans authorized under sections 457 & 401(k) of the U.S. Irs Code, and section 18A.230-18A275 of the Kentucky Revised Statutes.

Mr. Thomas started out by explaining that the now existing retirement savings plan monies contributed by the employee is deducted after taxes from ones paycheck. By using the deferred system the employee can have his or her retirement savings deducted before taxes, adding the amount of money that would have gone to taxes to the retirement deduction therefore enlarging ones contribution to their retirement fund, reducing ones taxable income, and leaving ones spendable income the same.

He then went on to explain that if the employee should go with the deferred system he or she could choose from plan 1 or plan 2.

Plan 1 has been offered since 1975 to Kentucky state employees, and is authorized by section 457 of the U.S. IRS Code. It features up to 25% of ones income deferrable with a maximum of \$7500 annually. Deferrals remain the property of the employer until they are paid out. This plan carries a stipulation for

unforeseeable emergency withdrawals. It also has a "catch up" clause. The benefit commencement date must be elected upon termination of employment and no rollovers are permitted.

Plan II is a new plan authorized under section 401(k) of the U.S. IRS Code. This plan offers the employee 20% of income with a maximum deferral of \$7313 annually. Deferrals and earnings are put into a trust in the employee's name immediately. The plan carries a stipulation for financial hardship withdrawals and offers a special 5 year forward income averaging on lump-sum withdrawals after age 59 1/2. Benefit commencement date may be elected anytime after termination of employment. Rollovers to other qualified plans or IRA's are permitted under certain circumstances.

In Plan I benefits begin on April 1 of the calendar year following the attainment of age 70 1/2. The employee may elect an earlier payment of benefits, but this must be done before the 61st day after the last day of employment with the university.

Plan II states an employee automatically receives benefits at the age of 65 (if retires from the same employer) but no later than April 1 of the calendar year following the age of 70 1/2. The employee may at anytime elect to select a benefit payment date.

Mr. Thomas went on to explain several options one has of investing the monies put into the plan, until paid out as benefits. In closing Mr. Thomas asked that everyone think about the information he had just given, and if they wanted to talk with him more to fill out the card in the booklet he had handed out, and mail it to the home office. Once he received the card he would get in touch with each person at his or her home.

A few questions were asked of Mr. Thomas. The first question was, "Is the amount contributed to the Kentucky Employee Retirement System (KERS) deducted from the amount one can deposit each year with this system?" Mr. Thomas answered, "Yes." He went on to say that just through the rest of 1988 an employee can contribute to both plans.

Another question was "Should a person leave their employment do they have to option to leave their money in the plan they selected?" Mr. Thomas answered, "Yes, and it will continue to earn interest."

Someone else wanted to know if there was a specific time for enrollment into this system? He answered that there was open enrollment.

The last question asked of Mr. Thomas was, "What if a spouse has a 401(k) also, is the maximum just \$7313?" He answered, "No, each person's salary is his or her own, each person is treated individually."

This concluded the quest speakers talk, the floor was returned to President McKenzie.

III. PRESIDENTS REPORT: Don McKenzie

1. Faculty Senate Officers. Don read a list of all the new officers for the 1988-89 term.

2. resignations. Don proceeded to read Russ Kerdoff's resignation from staff Congress. He also thanked Russ for his many years of service on Staff Congress.

3. Phoenix Corporation. President McKenzie gave a brief overview of the meeting the Congress' Executive Committee and Chair Persons has on May 9.

4. Executive Roundtable. Lastly he reported on the meeting he attended with all the executive committee members to discuss the information gathered from the survey sent out by the Past & Present President of Staff Congress. This information will be culminated and a recommendations will be given to Administration.

IV. VICE PRESIDENTS REPORT: Diane Hunley

Diane gave a report on the Regents meeting held in April.

V. COMMITTEE REPORTS:

BENEFITS: No Report

CONSTITUTION & BY-LAWS: Mary Huening

Mary gave a brief description of the accomplishments the committee completed in the past year. She also listed a few charges that has not been completed by the committee.

ELECTIONS AND CREDENTIALS: Marjorie Scheller, report given by Don McKenzie.

Don gave a brief description of the accomplishments of the committee.

POLICIES: Janet Krebs

Janet gave a brief description of their accomplishments.

LIAISON: Roseanne Rawe

Roseanne gave a brief description of the accomplishments and changes in the Newsletter. Don asked her if the "sound off" section of the newsletter brought forth any comments about the no smoking policy. She stated that the mini survey showed that on the whole most people were in favor of a smoking policy. They also stated that this should include cigars and chewing tobacco. Rosanne said she would turn this information over to the ad-hoc committee studying the no smoking policy.

VI. AD-HOC COMMITTEES:

EMERGENCY EVACUATION COMMITTEE: Donna Gosney-no report.

FOOD SERVICES COMMITTEE: Ron Rieger

Ron spoke with Ken Ramey and he stated that there will be no activity with the committee until this fall.

HEALTH INSURANCE: Diane Hunley

She stated that letters had been mailed to everyone who

purchases the family plan extending the option of tax deferred health insurance payments.

PAST PRESIDENTS REVIEW COMMITTEE: Janet Krebs no report

SALARY ADMINISTRATIVE POLICY COMMITTEE: Janet Krebs-no report

SCHOLARSHIP COMMITTEE: Mary Wilson

Mary announced that April Conrad, Lillian Conrad's daughter received the Staff Congress Scholarship and Steve Schwierjohann, Ray and Jane Schwierjohann's son received the A.D. Albright Scholarship awards. The presentations will be given the hour before the July meeting.

UNIVERSITY LOBBY COMMITTEE: Virginia Stallings-no report

SMOKING POLICY COMMITTEE: Mary Huening

The committee had met and the committee recommended that there be no smoking during staff congress meetings. They further recommended that the recommendation be passed on to the Constitution and By-Laws Committee. Both recommendations were voted on and passed.

VII. OLD BUSINESS

Ron Rieger asked when is Congress' joint meeting. Don stated that it would be the June meeting at 3 p.m. There will be a film shown as well as a taste testing for Kroger.

VIII. NEW BUSINESS none

The meeting was adjourned at 2:10 p.m.