UNIVERSITY SENATE
First Meeting, Monday, 13 September 2010, 2:30 p.m.
Room 302, Stewart Center

AGENDA

1.	Call to order	Professor Joan R. Fulton
2.	Approval of Minutes of 19 April 2010	
3.	Acceptance of Agenda	
4.	University Senate Document 10-1 Nominees for Senate Standing Committees	For Action Professor Natalie J. Carroll
5.	University Senate Document 10-2 Nominees for the Censure & Dismissal Committee	For Action Professor Natalie J. Carroll
6.	Remarks by the President	President France A. Córdova
7.	Remarks of the Chairperson	Professor Joan R. Fulton
8.	Résumé of Items Under Consideration by Various Standing Committees	For Information Professor Joan R. Fulton
9.	Report from the Retirement Options Task Force	For Information Professor Mikhail J. Atallah & Senior Vice President James S. Almond
10.	Question Time	
11.	New Business	
12.	Memorial Resolutions	
13.	Adjournment	

Note: The annual report of the University Resource Policy Committee is included in Appendix D.

UNIVERSITY SENATE
First Meeting, Monday, 13 September 2010, 2:30 p.m.
Room 302, Stewart Center

Present: Present: *President France A. Córdova, Joan R. Fulton, (Chairperson of the Senate) presiding, Professors Ozan Akkus, Janet M. Alsup, Thomas W. Atkinson, Zarjon Baha, Patricia E. Bauman, Alan M. Beck, Mark H. Bernstein, J. Stuart Bolton, Lynn A. Bryan, Sharon A. Burns, Joseph W. Camp Jr. (Secretary of Faculties and Parliamentarian), Natalie J. Carroll, Gary L. Carter, Ralph L. Cherry, Carlos M. Corvalan, Wei K. Cui, James R. Daniel, Beverly Davenport-Sypher, John (Jack) P. Denton, Alphonso V. Diaz, Brian G. Dillman, Paul B. Dixon, Shawn S. Donkin, Frank J. Dooley, Janusz Duzinkiewicz, Nancy E. Edwards, Peggy A. Ertmer, Melissa E. Exum, Joan R. Fulton, Matthew D. Ginzel, Gabriele F. Giuliani, Chong Gu, Sally A. Hastings, L. Tony Hawkins, Stanley L. Hem, Michael A. Hill, Chad T. Jafvert, David B. Janes, Amy Keene, Rosemary L. Kilmer, Joseph F. Kmec, Stephen F. Konieczny, Ravi Krishnan, Bradley Krites, Robert Kubat,James S. Lehnert, Andrew U. Luescher, William D. McInerney, James D. McGlothlin, Robert E. McMains, P. Jane Morris, Rabindra N. Mukerjea, James G. Ogg, Martin R. Okos, Suzanne L. Parker, Christopher J. Pincock, Teri Reed-Rhoads, , Melissa J. Remis, Andrew P. Robinson, J. Paul Robinson, Jean-Christophe Rochet, Alysa C. Rollock, Arthur P. Schwab, Marisol S. Sepulveda, Louis Sherman,Thomas H. Siegmund, Glenn Sparks, A. Charlene Sullivan, Elizabeth J. Taparowsky, Thomas J. Templin, Lynda J. Thoman, Marion Trout, Bert Useem, Kevin J. Vaughn, Samuel S. Wagstaff, A. Dale Whittaker, David J. Williams, G. Thomas Wilson, Howard E. Zelaznik and Li Zhang.*

Absent: *Professors: Walid G. Aref, Mark Bannatyne, Robert A. Barrett, Ernest R. Blatchley, George M. Bodner, James Braun, Jeffrey L. Brewer, Kristina K. Bross, Lynn A. Bryan, Donald D. Buskirk, Steve H. Collicott, William A. Crossley, Wei K. Cui, Martin V. Curd, Larry P. DeBoer Jr., Edward J. Delp, III, Raymond A. DeCarlo, Edward J. Delp, John P. Denton, Brian G. Dillman, Timothy B. Folta, Michael J. Fosmire, Ronald J. Glotzbach, Mark A. Green, Steven G. Hallett, Peter M. Hirst, Neal R. Houze, Richard D. Johnson-Sheehan, Eric P. Kvam, Harold P. Kirkwood, Mihails Levins, Morris Levy, Martin A. Lopez-de-Bertodano, W. Gerry McCartney, Mark M. Moriarty, Daniel K. Mroczek, Mary B. Nakhleh, Douglas C. Nelson, Kathryn S. Orvis, Zygmunt Pizlo, Phillip E. Pope, Robert D. Plante, Robert E. Pruitt Sivakumar S. Santhanakrishnan, Mark J. T. Smith, Lefteri Tsoukalas, Mara H. Wasburn, Jeffrey X. Watt, Herbert L. Weith, Dwayne Woods, Yuehwern Yih and William J. Zinsmeister.*

Guests: : *Jim Almond, Mikhail Atallah, Charlotte Erdmann, Valerie O'Brien, Pat Romano, Ken Sandel, Scott Seidle, Chris Sigurdson, Shara Spaa, Marissa Sura, and Teri Lucie Thompson*

1. The meeting was called to order at 2:30 p.m. by Chairperson Joan R. Fulton.

2. The minutes of the meeting of 19 April 2010 were approved as distributed.

3. The agenda was approved as distributed.

4. Nominating Committee chairperson Professor Natalie J. Carroll presented, for action, Senate Document 10-1, *Nominees for Senate Standing Committees*. Her motion was seconded and she then asked for additional nominations from the floor. None were forthcoming and the motion passed by unanimous voice vote. Professors Peter M. Hirst,

Bert Useem and Janusz Duzinkiewicz were elected for three-year terms to the Faculty Affairs Committee. Professor Lynn A. Bryan was elected to a three-year term to the Student Affairs Committee. Finally, Professors Jeffrey L. Brewer and Wei K. Cui were elected to three-year terms to the University Resources Policy Committee.

5. Professor Carroll next presented, for action, Senate Document 10-2, *Nominees for the University Censure and Dismissal Committee*. Her motion was seconded and she then asked for additional nominations from the floor. None were forthcoming and the motion passed by unanimous voice vote. Professors Mary Nakhleh and Michele Summers were elected to three-year terms as regular members. Professors Kirk Alter, S. Bala Balachander, Joseph Dorsey, Jeffrey Gilger, Kai Ming Li, Mark Russell, Jean Stiles Erdmute White and G. Thomas Wilson were elected to three-year terms as alternate members.

6. President France A. Córdova presented remarks to the Senate.

7. Professor Fulton presented the report of the chairperson (see Appendix A).

8. Professor Fulton presented, for information, the Résumé of Items under Consideration (ROI) by Various Standing Committees (see Appendix B). Professor Fulton explained the importance of committee work to the functioning of the Senate and asked each of the committee chairs to briefly describe the items under consideration by their committee, which they did. Professors Fulton and Carroll encouraged all members of the Senate to participate in committee work as well as in the activities of the Senate. She reminded the Senators that they are the representatives of their respective academic units and should ensure communication with their colleagues in those units.

9. Senior Vice President James S. Almond and Professor Mikhail J. Atallah presented, for information, a report on the changes to the retirement options that will be coming begin on 1 January 2011 (see Appendix C). Following this presentation they answered several questions from the floor. Professor Giuliani asked if the task force had taken a comprehensive look at costs of migrating from the current retirement options to the new system. VP Almond said that there had not been a comprehensive consideration of migration/surrender costs and that each individual has to look at his/her current distributions and determine what migration costs are associated with each of the current investment options. Professor Lehnert asked if those with a current Fidelity 457B account would have it automatically transferred to the Tier IV option for savvy investors. VP Almond stated that there would not be an automatic transfer of 457B accounts. Each individual would have to make the transfer on their own. He also said that there will be many more investment choices in the Tier IV option. President Córdova asked VP Almond what were the take-home messages that the Senators can report to their constituents. VP Almond mentioned that they could tell their constituents about the guide to investing in the new program that will be distributed on the 20th of September. In addition they can mention the facts that many more options will be available and more of the individual's dollars will be available for investment rather than for paying fees. Professor Zelaznik complimented Professor Atallah for all of the hard work he did to bring this new program fruition. Professor Atallah, in turn, thanked VP Almond for his efforts.

10. At "Question Time" the President took several questions from the floor. Professor McGlothlin asked President Córdova what percent of the students who left the university

after the freshman year left because of illness or family issues. President Córdova stated that she did not know the exact figures, but that our overall retention rate lags that of the other Big 10 universities and we have to do as many things as possible to improve the retention rate. Professor Kilmer asked about the one-year exemption feature of the recently approved retirement incentive plan. VP Luis Lewin explained that the decision to keep a faculty member for an additional year, even if they apply for the program, is up to the Dean of the College/School. Graduate Student Senator Andy Robinson asked President Córdova what was being done to help graduate students. The President explained that the four-year program of fee reduction was in its second year and that the campaign to increase gifts for scholarships has been quite successful. Fundraising for scholarships has been going well with many faculty members contributing towards scholarships for graduate (and undergraduate) students. Professor Robinson mentioned that the current system of grant submission requires filling out multiple repetitive paper forms each time a grant is submitted. He wondered if it would be possible to change this to an electronic system so that the forms that are common to submission process only have to be submitted once. President Córdova said that this suggestion would be made to the appropriate administrator, such as VP Buckius.

11. There was no New Business.

12. Three memorial resolution had been received for, Professor Emeritus of. Out of respect for their departed colleagues, the Senate members stood for a moment of silence.

13. Having no additional business, the Senate adjourned at 5:05 p.m.

Appendix A
13 September 2010

REPORT TO THE UNIVERSITY SENATE - PROFESSOR JOAN R. FULTON

Welcome to the 2010-2011 academic year and the work on the Purdue Senate. We can expect some interesting, challenging and hopefully rewarding times during this next year of the Senate. In particular we know that the budget and health benefits will be issues at the forefront. It is great to see such a wonderful turnout at this Senate meeting. This is one indication that Purdue faculty see how the Senate can be an important part of collaborative decision making with administration. The work of the Senate is already off to a great start at the committee level. The Steering Committee had an extremely full agenda at its most recent meeting, which has resulted in several items now on the agenda of the standing committees. This is how it should be! Most of the work of the Senate is done at the committee level and it's important for Senators to serve on committees. The standing committees of the Senate must be populated with Senators – so it's important that as a Senator you step up and work on a committee. Some Senators are serving on more than one of the standing committees, which is great. We also have committees that report to the standing committees. These committees can be populated with non-Senate faculty members. The typical process when an issue is sent to a committee is for the committee to study the issue, gather the necessary background information and come to a recommendation. If this requires a decision by the Senate a document is sent to the Steering Committee who reviews the document and then places it on the agenda for the Senate meeting. The typical process is for the item to be for "Information" at the first meeting the Senate meeting and for "Decision" at the next meeting of the Senate. There are a few exceptions but there is good reason for this typical process. This process allows members of the senate to evaluate & consider the issue and take the issues back to their department or college for additional discussion with colleagues. This process is very important. The exceptions are:

- Votes on committee membership such as the ones we passed today. The Senate by-laws allow for voting on these documents at the first meeting they are presented.
- Cases where we as a Senate pass a motion to "Suspend the Rules" so that we can vote on an issue the first time it is presented –rather than waiting until the next Senate meeting. One example of where we do this is for the November meeting with reapportionment. This happens every November and because we don't have information on the number of faculty in each College until just before the meeting it isn't possible to have that document for information at the October meeting of the Senate. The act of suspending the rules allows the Senate to vote on a motion right away. As a Senate we need to think very carefully when we vote to suspend the rules because we are no longer allowing for the process of Senators taking the issues back to their colleagues for input. The typical communication and feedback that the original design of the Senate process is intended to facilitate is very important. First, it is key to keeping the entire Purdue faculty aware of the workings of the Senate. Second, the process of communicating with others can reveal aspects of the motion that need to be

changed/adapted. Planning ahead by our standing committees can avoid the need for suspending the rules.

So what does this mean for our responsibilities as Senators?

- To serve on committees
    - To attend the Senate meetings and contribute to the discussion
    - To interact with the faculty you represent in your department/ college.

Thank you and I am looking forward to a good year with the Senate.

Appendix B
13 September 2010

TO: University Senate
FROM: Morris Levy & Mara Wasburn, Interim Chairperson & Chairperson, Steering Committee
SUBJECT: Résumé of Items under Consideration by the Various Standing Committees

STEERING COMMITTEE

Morris Levy, Interim Chairperson
Mara Wasburn, Chairperson
levy0@purdue.edu
mwasburn@purdue.edu

The primary responsibility of the Steering Committee is the organization and distribution of the agenda for each meeting of the University Senate. This committee also receives communications from any faculty member or group of members and directs such communications to appropriate committees or officers for attention.

ADVISORY COMMITTEE

Joan R. Fulton, Chairperson of the Senate
fultonj@purdue.edu

The responsibility of the University Senate Advisory Committee is to advise the President and/or Board of Trustees on any matter of concern to the faculty.

NOMINATING COMMITTEE

Kathryn S. Orvis, Chairperson
Natalie J. Carroll, Vice-Chairperson
orvis@purdue.edu
ncarroll@purdue.edu

The Nominating Committee is responsible for presenting nominations for the University Senate and University committees. In filling committee vacancies the Nominating Committee seeks to have all interested Senators serve on at least one committee.

EDUCATIONAL POLICY COMMITTEE

Andrew Luescher, Chairperson
luescher@purdue.edu

1. Remedial 1-credit course for students on probation
2. Core Curriculum
3. Review of GPA requirements in early years
4. GPA requirements after readmission
5 Internationalization initiative
6. Transfer credit
7. Advanced Placement Transfer Credit
8. Student census for financial aid purposes
9. Introduction of an additional F-grade (F earned vs. F due to not finishing a course)

FACULTY AFFAIRS COMMITTEE

David J. Williams, Chairperson
djw@purdue.edu

1. Review of faculty surveys at Purdue
2. Annual budget for Senate activities
3. Review of Individual Financial Conflicts of Interest Policy Draft
4. Faculty issues with interim policy for effort reporting
5. Export Controls and OFAC Sanctions

STUDENT AFFAIRS COMMITTEE

Thomas J. Templin, Chairperson
ttemplin@purdue.edu

1. Review of the Student Bill of Rights

UNIVERSITY RESOURCES POLICY COMMITTEE A. Paul Schwab, Chairperson
pschwab@purdue.edu

1. Review fiscal policies and aid in generating budget transparency and economy
2. Review of campus energy sufficiency, safety, and other Physical Facilities operations
3. Enhancing graduate education and research opportunities
4. Review of faculty committees

Chair of the Senate, Joan R. Fulton, fultonj@purdue.edu
Vice Chair of the Senate, Morris Levy, levy0@purdue.edu
Secretary of the Senate, Joseph W. Camp, Jr., jcamp@purdue.edu
University Senate Minutes; http://www.purdue.edu/faculty

Appendix C

Retirement Plan Review Discussions

Purdue University

University Senate
September 2010

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PURDUE UNIVERSITY

Current Circumstances

- There are five different investment sponsors with whom participants can invest their retirement savings (American Century, Fidelity Investments, Lincoln Financial Group, TIAA-CREF, and VALIC)
  - University contributions are made only to TIAA-CREF
  - Participants have 381 investment alternatives
- Review did *not* include the defined benefit/defined contribution plan provided to clerical and service staff through the State of Indiana (Public Employees' Retirement Fund – PERF)

Why Redesign Now?

- Changes to IRS 403(b) regulations require the University to become more involved in the oversight of its retirement plans
- Ability to integrate contemporary best practices resulting from changes within the retirement plan marketplace
- The Retirement Plan Review Task Force, a University-wide group formed in the fall of 2008, was charged with conducting an extensive review of our retirement plans and providers
- The Task Force's research revealed an opportunity to make some positive changes to our defined contribution retirement program

Retirement Review Task Force

- **Co-Chairs**
  - Jim Almond – Business Services
  - Mike Atallah – Computer Science
- **Faculty/Staff**
  - David Denis – Management
  - Julie Mariga – Computer and Information Technology/Faculty Compensation and Benefits
  - Julio Martinez – Civil Engineering
  - John McConnell – Management
  - Joe Hornett – PRF/Related Foundations
  - Scott Seidle – Office of Investments
- **Regional Campuses**
  - Steve Turner – North Central
  - Dolores Rinke – Calumet
  - Carol Sternberger – Fort Wayne
  - Robert Barrett – Fort Wayne
- **Employee Groups/Retirees**
  - Dan Schuster – APSAC
  - Cynthia Dalton – CSSAC
  - Martha Chiscon – Purdue Retirees Association

Retirement Review Task Force Goals

- **It is Purdue University's expectation to continue to provide well-managed and competitive retirement plan offerings that provide:**
  - An inclusive set of appropriate investment choices to meet the needs of a diversified faculty and staff;
  - Financially sound and reputable financial investment partners;
  - Best in class service and expertise in the financial industry, balanced with low to reasonably priced fees;
  - Improve plan sponsor support and federal compliance through a single record keeper

Making a good plan better

Review Process and Timeline

January 2009: Educational session to the Task Force on retirement plans, including: investment structures; trends and industry best practices; administrative and participant fees; investment option design; plan architecture; and plan sponsor and participant services.

February – April 2009: Extensive review of Purdue's defined contribution plans, including: incumbent service providers, fees, and investments. Identified recommendations for future improvements to the plan structure, administration, and investment line up.

April 2009: Fowler town hall and University Senate presentations (Senate Report 08-6).

May – June 2009: Issued an RFP to evaluate providers of defined contribution services, including: recordkeeping and administration, trustee services, participant education and communication, and recommended investment architecture.

July – August 2009: Reviewed RFP responses from five vendors and selected three finalist candidates for campus presentations (Fidelity, Hewitt, and TIAA-CREF).

September 2009 – March 2010: Completed finalist presentations, finalist evaluations, vendor demonstrations, vendor on-site visit, and investment option review.

March 2010 – May 2010: Task Force recommendations and presentation to University Senate, APSAC, and CSSAC leaders.

July 2010: BOT approval of Defined Contribution Retirement Plan Investment Policy.

Investment Structure

- **Consolidate and arrange the Plans' investment options in a four-tier structure**

Tier	Participant Type	Option Type
Tier 1	Inactive Investor DOL Qualified Default Investment Option	Target Date Retirement Funds
Tier 2	Knowledgeable and Cost Aware	Index Funds
Tier 3	Active Investor	Diversified Actively Managed Funds
Tier 4	Investment Savvy	Self-Directed Brokerage Window

- **Adopt an "open architecture" investment platform.**
- **Use Vanguard retirement funds for Tier 1 & Vanguard Index Funds for Tier 2.**
- **Leverage participant assets and provide institutional share classes of mutual funds for each investment category when available.**
- **Establish an internal investment committee to select investment options for each tier and provide retirement plan oversight.**

Investment Line-Up

Tier	Fund Type	Fund Category/Asset Class	Investment Options	Ticker	Expense Ratio
I	Pre-Mixed Asset Allocation Funds	Vanguard Target Date	Vanguard Target Date Retirement Funds	Various	0.18% - 0.19%
II	Index Funds	U.S. Bond Index Fund	Vanguard Total Bond Market Index Fund – Signal	VBTSX	0.12%
		U.S. TIPS Index Fund	Vanguard Inflation Protected Securities Fund - Admiral	VAIPX	0.12%
		U.S. Large Cap Stock Index Fund	Vanguard S&P 500 Index Fund – Signal	VIFSX	0.07%
		U.S. Small/Mid Cap Stock Index Fund	Vanguard Extended Market Index Fund - Signal	VEMSX	0.13%
		International Stock Index Fund	Vanguard FTSE All-World ex-U.S. Index Fund - Investor	VFWIX	0.40%
III	Fixed Income	Fixed Annuity	MetLife Stable Value Separate Account	N/A	0.50%
		Intermediate Bond Fund	PIMCO Total Return Fund – Inst.	PTTRX	0.46%
		High-Yield Bond Fund	Harbor High Yield Bond Fund – Inst.	HYFAX	0.75%
	U.S. Stock	All-Cap U.S. Stock Fund	PRIMECAP Odyssey Stock Fund	POSKX	0.80%
		Large Cap Value U.S. Stock Fund	Dodge & Cox Stock Fund	DODGX	0.52%
		Large Cap Growth U.S. Stock Fund	American Funds Growth Fund of America – R6	RGAGX	0.37%
		Small/Mid Cap Value U.S. Stock Fund	Cramer Rosenthal McGlynn Small/Mid Value – Inst.	CRIAX	0.99%
		Small/Mid Cap Growth U.S. Stock Fund	Wells Fargo Advantage Discovery Fund	WFDSX	0.96%
	International Stock	International Value Stock Fund	Dodge & Cox International Stock Fund	DODFX	0.65%
		International Growth Stock Fund	American Funds EuroPacific Growth Fund – R6	RERGX	0.51%
		Emerging Markets Stock Fund	Lazard Emerging Markets – Inst.	LZEMX	1.15%
	Global Stock	Global Stock Fund	American Funds New Perspective – R6	RNPGX	0.45%
	Real Estate	Real Estate Fund	Cohen and Steers Realty Shares – Inst.	CSRIX	0.75%
IV	Self-Directed	Mutual Fund Window	Fidelity BrokerageLink	N/A	

See next page

Institutional Share Class Example

- **The lowest cost share class will be made available to all plan participants once total Purdue balances reach a manager's required minimum investment level.**

Fund Category/Asset Class	Investment Options	Investor Share Class*	Admiral Share Class**	Signal Share Class***	Institutional Share Class****
U.S. Bond Index	Vanguard Total Bond Market Index	0.22%	--	0.12%	0.07%
U.S. TIPS Index	Vanguard Inflation Protected Securities	0.25%	0.12%	--	0.09%
U.S. Large Cap Stock Index	Vanguard S&P 500 Index	0.18%	--	0.07%	0.05%
U.S. Small/Mid Cap Stock Index	Vanguard Extended Market Index	0.30%	--	0.13%	0.08%
International Stock Index	Vanguard FTSE All-World ex-U.S. Index	0.40%	--	--	0.15%

**Minimum initial investment of $3,000*
***Minimum initial investment of $100,000*
****Minimum initial investment of $1,000,000*
*****Minimum initial investment of $5,000,000*

Fixed Annuity Recommendation

- **Change to a designated separate account structure with a fully benefit-responsive investment contract to:**
  - Increase participant liquidity (daily)
  - Improve investment transparency
  - Increase financial protection (no longer a general account creditor)
- **Decouple the requisite for annuitization from the Plans' fixed annuity option**
  - A multi-vendor "annuity mart" will establish a more competitive and flexible alternative for those who want to annuitize

Met Life Stable Value vs. TIAA Traditional Annuity

	MetLife Stable Value	TIAA Traditional
Asset Management	Invests in a portfolio of high quality, diversified fixed income securities. Flexibility for underlying investment managers and guidelines. The Fund's book value and interest rate are guaranteed by MetLife, which is rated AA- by S&P.	Invests in the general account of a life insurance company. Participants are general account creditors as opposed to protected separate account investors. Guarantee are subject to the claims paying ability of TIAA, which is rated AAA by S&P.
Liquidity	All assets 100% liquid for transfers at participant directed transfers, limited only to an equity wash provision on the brokerage window.	Retirement Annuity contract only allows for withdrawals over a ten year period (lump-sum transfers are not available).
Options at Retirement	Ability to take a lump-sum withdrawal, annuitize with MetLife, or utilize a multi-vendor, competitive bidding environment (annuity mart).	Limited to Income Annuity or Transfer Payout Annuity from TIAA.
Performance as of 6/30/10	*Met Life Fixed Annuity – SA330* 1-Year: 3.3% 3-Years: 4.1% 5 Years: 4.4%	*TIAA Traditional RA Contract* 1-Year: 3.8% 3-Years: 4.7% 5 Years: 4.9%
Fees	Tiered structure ranging from .50% to .29% based on assets.	Estimated expense ratio of 0.51%.

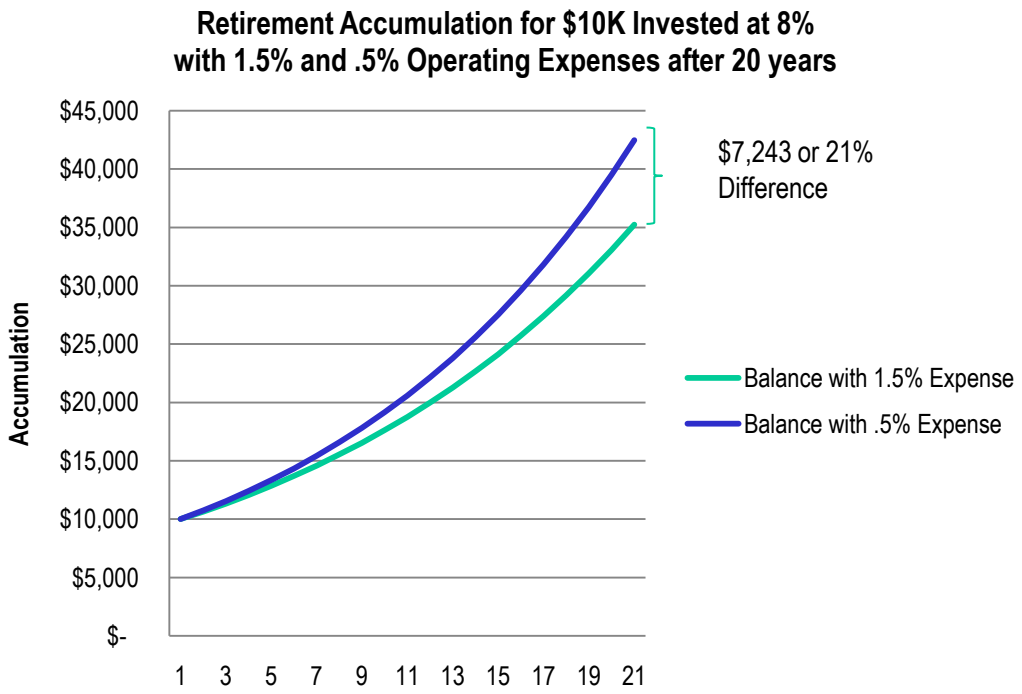
Self-Directed Brokerage Window

- **The self-directed brokerage window will provide a way for participants to invest in mutual fund options that are not within the "core" line-up of funds, including:**
  - Socially responsible funds
  - Sector funds (i.e., precious metals, technology, etc.)
  - TIAA-CREF mutual funds
- **The investments offered through the self-directed window are not reviewed, selected, endorsed or monitored by Purdue or any plan fiduciary**
  - Participant takes sole responsibility to oversee and manage their investments

Administrative Configuration

- Adopt a sole administrative service provider model.
- Establish a more transparent and equitable administrative fee structure.
- Replace the current asset-based administrative fee with a flat, $87 per annum participant fee, regardless of a participant's account balance or the number of funds a participant selects.
- Add a Roth source to provide participants with the opportunity for tax diversification and non-taxed investment gains.

Investment and Administrative Service Fee Example



Administrative and investment management fees are currently paid by plan participants through the expense ratios of the investment options they have selected. Fees are taken before earnings are credited to participants' statements, reducing the return on their investments. Reducing plan fees allows more retirement earnings to accumulate for participants.

- **Today, the average <u>administrative</u> fee for a retirement accumulation of $100,000 is roughly $250/year, increases to $500/year for $200,000, etc.**
- **The new administrative fee structure will be a flat, $87/participant per year, regardless of a participant's account balance or the number of funds a participant selects.**

Service Delivery

- Retain Fidelity as the sole provider of administrative services for all the defined contribution plans offered to Purdue faculty and staff.
- Require provider to establish a local office in West Lafayette to serve participants.
- Rely upon Fidelity's Business Compliance Group to ensure ongoing conformance with IRS/DOL regulations.
- Utilize the services of Fidelity Management Trust Company (FMTC) as directed trustee

Investment Guidance

- **Utilize Fidelity's planning and guidance tools to help participants make well informed investment decisions**
  - Technology – industry leading systems
  - Portfolio Review – combines retirement plan investments with outside assets to give consolidated retirement guidance
  - Retirement Income – multi-vendor "annuity mart"
- **Fidelity will be an objective investment adviser given that:**
  - No proprietary investment alternative in Tiers 1, 2, or 3
  - Does not receive commissions from product providers
  - Counselors' compensation is not commission based

Key Concepts

The defined contribution retirement plan changes will:

- Reduce investment overlap and simplify the decision making process.
- Create a more transparent and equitable administrative cost structure.
- Provide high-quality and low-cost funds in the "target retirement" category. Offer a comprehensive choice of low-cost index funds for the major asset classes.
- Utilize lowest cost share class for any selected funds (institutional class when available).
- Make a self-directed window available for greater investment flexibility.
- Offer specific investment guidance that is objective.
- Improve plan sponsor support, federal compliance and reduce administrative cost through a single record keeper and state of the art technical capabilities.

Next Steps

- **Week of Sept 20th 2010:** Transition brochure mailed to participants. Includes investment option details and instructions on how to use Fidelity's Web portal to make future allocation decisions for Purdue's defined contribution and any voluntary contributions after January 1, 2011.
- **September – December 2010:** General Staff Benefit workshops and individual sessions will be available/provided for all participants to assist with transition decisions and enrollment. Fidelity consultants available to meet with participants in temporary offices in the Undergraduate Library.
- **January 2011:** Individuals who have not made allocation decisions by January 1, 2011, for Purdue's contribution or their mandatory employee contribution, will have funds deposited into an age appropriate Vanguard target date retirement fund, the plan's default investment option. Individuals who have not re-enrolled in a voluntary retirement plan will have no voluntary retirement contributions beginning January 2011.
- **Early 2011:** Fidelity office and consultants will relocate to PMU.

Attachment A
13 September 2010

CALENDAR OF STATUS OF LEGISLATION

SENATE DOCUMENT	***TITLE***	***ORIGIN***	***SENATE***
10-1	Nominees for University Senate Standing Committees	Approved	Professor Natalie Carroll
10-2	Nominees for the University Censure & Dismissal Committee	Approved	Professor Natalie Carroll

Appendix D

University Resources Policy Committee (URPC)
Annual Report
2009-2010

The URPC investigated several issues during the academic year. These issues are listed in chronological order below, including a description of URPC considerations on the matter.

1. Budget Transparency and Review; Establishing the Budget Interpretation, Evaluation and Review Committee (BIERC): Senators Charlene Sullivan and Larry DeBoer reviewed the activities *Ad Hoc* Committee on Budget Transparency. The *Ad Hoc* committee assembled data about Purdue's revenues and appropriations for fiscal years 2002 through 2009, with the intent to provide the University Senate and Purdue community with an understanding of past trends and future choices. The Treasurer's office provided particular assistance in this effort. Following a suggestion from Senate leadership, the URPC considered and passed a resolution to establish a permanent standing committee to continue the effort of the *Ad Hoc* Committee. University Senate Document 09- 02 Formation of the Budget Interpretation, Evaluation and Review Committee was presented to and, ultimately, passed by the Senate.

2. New proposal on Smoke/Tobacco-free campus: VP Alysa C. Rollock and EVPBFT Al Diaz introduced the committee to a new smoke-free campus proposal calling for an outright ban on tobacco use. Following a period of campus community commentary, the proposal was delayed for implementation considerations. Ultimately, a revised proposal was presented that prescribes smoking on campus to a number of designated areas, including some event-specific venues. The URPC endorsed the revised proposal.

3. Campus safety and video surveillance plans: Director of Environmental Health & Public Safety Carol Shelby and Police Chief Jon Cox discussed the process of installing video surveillance cameras across the campus. Fire Chief Kevin Ply informed the URPC about the current range of services provided by the Purdue Fire Department. The URPC expressed its long- continuing wish that the campus surveillance system be expedited to completion as quickly as possible.

4. New Policy for Vehicle Usage on University Business: Mark Kebert from the Office of Risk Management and Comptroller John Shipley summarized a new policy for use of vehicles on university business. The policy requires faculty and staff to self-evaluate their driving record as acceptable; students and volunteers must submit to a Motor Vehicle Review (plus an $11 charge for such review) to qualify for driving. The policy applies to personal vehicle use, even in cases of non-reimbursement. The URPC did not endorse the new policy and requested future information from Risk Management regarding the effectiveness of the new policy in reducing University liability expenses.

5. Capital Coordinating Committee: EVPBFT Al Diaz discussed the new capital planning process. A Capital Coordinating Committee, chaired by Diaz, has been created to better relate capital planning to the university's strategic plan. Richard Johnson and Shawn Donkin were selected as URPC representatives to this committee.

6. Overview of Physical Facilties Activities: VP Physical Facilities, Robert McMains, provided an update on dealing with unacceptable lead levels in drinking water on campus. It was anticipated that PF would develop a more expeditious process for campus reporting while still meeting IDEM expectations. Presentations were made regarding the Black, Gold & Green recycling initiative. URPC members expressed dissatisfaction with both the design and implementation of the initiative, specifically the removal, without permission, of 152 departmentally-owned trash cans (cost @ $16). The Chair expressed dismay at the attitude of Gary Evans, Director of Grounds, and Martha May, Senior Director for Buildings and Grounds, regarding their self-appointed mission as social engineers for modifying faculty behavior! The URPC will require a full future report on the cost and performance of this initiative.

7. Budget Considerations and Challenges: EVPBFT Al Diaz reported on President Cordova's announcement about the $30 million budget reduction from the state. A steering committee has been established to suggest economizing measures and recommend solutions. Senate and student representatives are a part of the committee. A website has received over 800 suggestions; URPC member Dan Mroczek serves on the evaluation subcommittee. Common themes from web site suggestions included [Note: Comments in brackets are explanations]:

1. Reduce energy costs
2. Protect the teaching side of the university [which includes 75% faculty and 25% support staff.]
3. Reduce the administration. Suggest higher up administration staff, e.g. department heads, provost's staff. [Administration includes business office staff members that also help work with grants/contracts/research and administrators that help run the university.]

Additional challenges are finding early-retirement incentives, knowing exactly how many employees we have and their functional role, and having budget models that assemble numbers and make the budget understandable to faculty and laypeople. (The Budget Interpretation Evaluation and Review Committee was established for the latter purpose.)

8. Proposals for re-balancing salary and retirement benefits: The Spring 2010 semester was dominated by considering the administration's proposal to reduce TIAA-CREF retirement benefits from ca. 14.6% to 10% with the reduced benefit dollar amount being transferred to salary. Many pro-proposal arguments about ultimate cost-savings, enhanced new faculty recruitment, and improved salary status with peers were put forward. In nearly all instances these arguments were shown to be specious. The URPC reported to the entire Senate about the actual costs and benefits of the rebalancing proposal and proposed an electronic survey of all employees affected by the proposal regarding whether the favored or disfavored the proposal. The survey (the first of its kind ever conducted) was approved. The results indicated large majority disapproval of the proposal by both faculty and staff. Prior to the results of the survey being published, the administration rescinded the original rebalancing proposal and substituted a plan that also reduced the TIAA-CREF retirement benefit to 10% but mandated a 4% employee retirement plan contribution (tax-deferred). Total compensation (salary + retirement benefit) remained unchanged.

9. Strategic Sourcing and Other Task Forces for Cost Savings: EVBGT Al Diaz, VPPF Bob McMains and Managing Director EVBFT Office Ken Sandel reported to the URPC about various committee efforts for finding recurrent cost savings in Strategic Sourcing, energy usage

and conservation, and ITaP operations. Additionally, the URPC met with CITP (Committee on Information Technology Policy) chair, Connie Lapinskas for a discussion of their mandate to generate $15 million in savings by 2011. Chair Levy also met with Denise Lassaude, Chair of the Procurement Task Force, whose mandate was to generate savings in procurement procedures. The Senate as asked to appoint two representatives to the Task Force; Prof. Steve Janes and Senate Chair Joan Fulton ultimately were solicited as members.

The URPC in 2010-2011 will be chaired by Prof. A. Paul Schwab.

URPC Members 2009-2010
Varun Agrawal, PGSG
Lawrence DeBoer, Agricultural Economics
Alphonso Diaz, EVP Business & Finance, Treasurer
Shawn Donkin, Animall Sciences
Charlotte Erdmann, Libraries
Geraldine Friedman, English
Mark Green, Industrial & Physical Pharmacy
Richard Johnson-Sheehan, English
Eric P. Kvam, Materials Engineering
Morris Levy, Biological Sciences (Chair)
Robert McMains, VP Physical Facilities
Daniel Mroczek, Child Development and Family Studies
Martin Okos, Agricultural & Biological Engineering
Phillip Pope, Forestry & Natural Resources
A. Paul Schwab, Agronomy
Timothy Sands, Provost

Respectfully submitted: Morris Levy, Chair URPC

University Senate Document 10-1
13 September 2010

TO: The University Senate
FROM: University Senate Nominating Committee
SUBJECT: Nominees for University Senate Standing Committees
REFERENCE: Bylaws of the University Senate
DISPOSITION: Election by the University Senate

The Nominating Committee proposes the following slates of nominees for service on the University Senate Standing Committees listed below. The faculty members elected are to serve for the period shown within the parentheses following each name.

A. Faculty Affairs Committee
For the three vacancies, the proposed slate of nominees includes Professors:

Peter M. Hirst	(2)	Horticulture and Landscape Architecture
Bert Useem	(1)	Sociology
Janusz Duzinkiewicz	(3)	History (Purdue North Central)

B. Student Affairs Committee
For the vacancy, the proposed slate of nominees includes Professor:

Lynn A. Bryan	(1)	Curriculum & Instruction

C. University Resources Policy Committee
For the two vacancies, the proposed slate of nominees includes Professors:

Jeffrey L. Brewer	(1)	Computer & Information Technology
Wei K. Cui	(2)	Physics

Approving (via email)
Patricia Bauman
Natalie Carroll
Michael Hill
William McInerney
Suzanne Parker
Melissa Remis

University Senate Document 10-2
13 September 2010

TO: The University Senate
FROM: University Senate Nominating Committee
SUBJECT: Nominees for the University Censure & Dismissal Committee
REFERENCE: Bylaws of the University Senate
DISPOSITION: Election by the University Senate

The Nominating Committee proposes the following slate of nominees for service on the University Faculty Censure and Dismissal Committee. The faculty members elected are to serve for the period shown within the parentheses following each name.

A. Censure & Dismissal Committee

For the two regular vacancies, the proposed slate of nominees includes Professors:

Mary Nakhleh	(3)	Chemistry
Michele Summers	(3)	Kokomo Statewide Technology

For the nine alternate vacancies, the proposed slate of nominees includes Professors:

Kirk D. Alter	(3)	Building Construction Management Technology
S. Bala Balachander	(3)	Management
Joseph Dorsey	(3)	History/African Am Studies
Jeffrey Gilger	(3)	Educational Studies
Kai Ming Li	(3)	Mechanical Engineering
Mark Russell	(3)	Animal Science
Jean Stiles	(3)	Veterinary Clinical Sciences
Erdmute W. White	(3)	Foreign Languages & Literature
G. Thomas Wilson	(3)	Pharmacy Practice

Approving (via email)
Patricia Bauman
Natalie Carroll
Kathryn Orvis
Suzanne Parker
Melissa Remis
J. Paul Robinson
Samuel Wagstaff

Memorial Resolution

Bernice Cloutier
1909-2009

Bernice Cloutier, Professor Emerita of Library Science, passed away on Wednesday November 25 2009 at Westminster Village. Bernice was born on September 2, 1909, the daughter of the late Octave and Melina Belisle Cloutier. She received her AB degree from the College of St. Catherine in 1931 and a Bachelor's in Library Science from the same institution in 1939. Prior to receipt of her library science degree, she taught and was the Librarian in several schools in Minnesota and Wisconsin. Bernice also worked for Princeton University as the Librarian in the Political Science Department and as Cataloger at the Flint Community College in Flint, Michigan. Other professional experience prior to appointment at Purdue included the New York Public Library, Wildwood Army Base, the U.S. Information Agency in Morocco and Tunisia, and the CIA in Washington D.C.

Professor Cloutier came to the Purdue Libraries as a Cataloger on September 1, 1964 and remained until retiring June 30, 1975. Her language competencies were in French and Russian and sufficient reading competency for cataloging books in cognate romance and Slavic languages. Bernice assisted in the cataloging of the original collection in the Krannert School of Management Library Special Collection whose selection was done by the late Krannert Librarian, John Houkes. She wrote a number of Purdue University Libraries Book List covers on topics such as Aleksandr Isaevich Solzhenitslyn; Mexico City 1325-1970; Irish Medley; and Yoga. She served on the Library Rare Books Committee, including a year as Chairperson; Secretary of the Libraries Faculty; and a member of the University Grievance Committee. Her professional association memberships include the Minnesota Library Association, the Special Library Association, the Indiana Library Association, and the American Library Association. Awards and honors included the "Russian oral exam, with honors" from Georgetown University and the Incentive Awards Committee from the CIA.

Bernice loved to travel and took a trip to Israel and Italy following retirement. During retirement she continued to reside in West Lafayette, and was a faithful member of St. Thomas Aquinas Church, attended many Convocation programs, and partook of physical activities at the Co-Rec Gym. "My aim for the golden years is to keep fit – physically, mentally, and spiritually, and with the Lord's help to enjoy life to the fullest." Bernice is survived by a niece, Audrey Coulter of St. Paul, Minnesota and a nephew, Auriel Cloutier, of Somerset.
According to the existing library personnel record folders, it appears that Bernice Cloutier is our longest surviving librarian to date, 100 years and two months.

Katherine M. Markee
April 15 2010

Memorial Resolution

William H. Hamilton
Professor Emeritus of Youth Development and Agricultural Education
September 10, 1919 – August 9, 2009

Dr. William H. Hamilton was born in Derby, Iowa on September 10, 1919 to the late John and Maude Nickalous Hamilton. He passed away on August 9, 2009. He received his B.S. in 1942 from what was then Iowa State College, his M.S. in 1964 from Iowa State University, and his Ph.D. from Cornell University in 1967; all degrees in Agricultural Education. He served in the Army Air Corps during World War II. Bill married Barbara L. Pond on December 10, 1945 in Rochester, NY. They had four children: three daughters, Marilyn, Phyllis and Dale and a son, Roger. Dr. Hamilton joined the Purdue University faculty as an assistant professor in fall 1967 in the Department of Education and spent his entire career at Purdue retiring in 1990. His only break in service to Purdue was during the summers of 1970 and 1975 when he was a visiting Professor at the University of Illinois and University of Florida, respectfully. Dr. Hamilton was awarded professor emeritus status in 1990. Dr. Hamilton was an avid supporter of the FFA program devoting countless hours of service both at the state and national levels. His efforts were recognized by Indiana State FFA Association with the awarding of the Honorary State Farmer Degree in 1974 and by the National FFA Organization in 1978 with bestowment of the Honorary American Farmer Degree, the highest award presented to a non-member. His preeminent work was the co-authored textbook *Agribusiness: An Entrepreneurial Approach* published in 1991. In addition, he authored or co-authored six other textbooks. He was chair for five Ph.D. dissertations including Dr. Allan Goecker Assistant Dean and Associate Director of Academic Programs, College of Agriculture, Purdue University. His primary role was in teaching and service to the Indiana Agricultural Education teachers. He taught undergraduate and graduate courses in Agricultural Teacher Education. He took graduate courses “on the road” across the state of Indiana to serve a need of teachers. His teaching expertise was in audio-visual equipment and teaching aids. In 1967 he implemented the use of video feedback as a methodology teachers could use to enhance their teaching skills. During his 32 years at Purdue, he was university supervisor for 150 student teachers. He authored numerous bulletins and technical reports. His funded projects enhanced the curriculum for Indiana Agricultural Education especially in the area of agribusiness. Dr. Hamilton was survived by his three daughters and wife, Barbara; two sisters, Francis Peterson and May Hamilton, both of St. Paul, Minn.; and two brothers, Jim Hamilton of Council Bluff, Iowa, and George Hamilton (wife: Marge) of Phoenix, Ariz.. He was preceded in death by his son, Roger.
Shortly after Bill’s passing his wife Barbara passed away.

Memorial Resolution

Wilford H. M. Morris
Professor Emeritus of Agricultural Economics
July 25, 1921 – February 14, 2010

Wilford "Bill" H.M. Morris, 88, of West Lafayette, died at 8 a.m. Sunday, Feb. 14, 2010, at his residence in Westminster Village. Born July 25, 1921, in London, England, he was the son of the late Harry John Morris and Lesley Helen Wade Morris. While living in England, he served in the Royal Army of Great Britain.

His first marriage was to Shirley Hawthorn on June 4, 1952, in Logan, Utah, and she preceded him in death on Sept. 19, 1992. His second marriage was to Rachel Stark in 1997, and she preceded him in death in 2000.

Dr. Morris earned B.A. Honours (1947) and a Postgraduate Diploma in Agriculture (1949) from Cambridge University (England); a Ph.D. from Cornell University (1953); was a postdoctoral fellow at Iowa State University (1953-54); and was a visiting scientist at the Max-Planck Association (Germany), Wageningen University (Netherlands), and Helsinki University (Finland).

He joined the agricultural economics faculty in 1954 and retired in 1987. His early work was in the area of farm labor efficiency, and he led the Farm Cardiac Project that resulted in a national program of advice for farmers with heart disease. He was also involved in exchanging agricultural technology with European counterparts and arranged professional exchanges with European institutions leading to significant academic impacts among colleagues on both continents.

Dr. Morris studied the feasibility of new technologies and was a leader in the pioneering interdisciplinary study of swine production facilities. This early work in modern animal production had considerable impact on research, teaching and extension in pork production. Bill Morris was internationally recognized for his work in farm labor and served as President of the International Association of Farm Labor Science. As a part of his international development activity, he pioneered a research program on West African farming systems that provided training for 35 expatriates and Africans. This led to a series of other activities by Purdue faculty in West Africa - the legacy of which is still evident in the College of Agriculture.

Dr. Morris was a member of St. John's Episcopal Church. He was an avid collector of various types of art and spoke on various occasions at St. Meinrad Monastery about textiles. He had an interest in weaving and textiles and owned Walcott Weavers, Weavers Three, Old Abbingdon Weavers, and Churchill Weavers.

Surviving are a son, Edward Morris of Covington, Ky.; four daughters, Lesley Hill (husband: Garrie) of Granville, Ohio, Penny Schmicker and Audrey Compere (husband: Ken), both of Elgin, Ill., and Susan Johnson of West Lafayette; and one sister, Rosemary Morris of Leicester, England. Also surviving are ten grandchildren. He was preceded in death by a daughter, Elizabeth Morris, as well as, a sister and a brother.

Memorial Resolution

Roy L. Whistler
Professor Emeritus of Biochemistry
March 21, 1912 – February 7, 2010

Roy L. Whistler, Emeritus Hillenbrand Distinguished Professor of Biochemistry at Purdue University, died at his home on February 7, 2010. He was born on March 21, 1912 in Tiffin, Ohio, where he grew up. He attended Heidelberg College (BS), The Ohio State University (MS), and Iowa State University (PhD). He began his professional career at the US National Bureau of Standards (1938-40), and then became Head of the Starch Structure Group of the USDA Northern Regional Research Laboratory at Peoria, IL (1940-45), before coming to Purdue University.

Professor Whistler contributed to many aspects of carbohydrate chemistry, but was best known for pioneering research on polysaccharides, and for promoting their industrial applications. For example, he foresaw the industrial potential of the guar plant, promoted it as a new commercial crop, determined the structure of the main constituent of guar gum, and was instrumental in the development of the guar gum industry. He also recognized the industrial potential of starch amylose and with Purdue Professor H.H. Kramer, a corn geneticist, developed the first high-amylose corn, now also a valuable commercial crop. He was a leading consultant to the corn-starch industry during its major development period, following the second world war. He chaired the Crop Utilization Committee of Purdue's Agriculture Experiment Station in the 1950s and for 16 years its Institute for Agricultural Utilization Research.

Professor Whistler was awarded 10 major national and international awards for his scientific contributions and his impact on the profession was just as great. He led the founding of the International Carbohydrate Organization, the International Carbohydrate Symposia, the International Workshop on Plant Polysaccharides, and the Division of Carbohydrate Chemistry of the American Association of Cereal Chemists. He was a Past President of the American Institute of Chemists and of the American Association of Cereal Chemists, and served as a member of the Board of Directors of the American Chemical Society and on the Executive Committee of the Society of Sigma Xi. He was awarded four honorary doctorate degrees, including one from Purdue University and one from Iowa State University.

Professor Whistler wrote the first complete book on "Polysaccharide Chemistry" (1953) and provided investigators a source of "Methods in Carbohydrate Chemistry" with the establishment and editing of this series. He also established and edited a treatise on "Industrial Gums" and one on "Starch: Chemistry and Technology".

A major international award, the Roy L. Whistler Award of the International Carbohydrate Organization is named to honor him. The premier carbohydrate research center, the Whistler Center for Carbohydrate Research at Purdue University, is also named in his honor.

Dr. Whistler was an outdoorsman and a lover of wildlife. He made numerous trips to such places as Africa, South America, Hudson Bay, Antarctica, and the foothills of the Himalayas to observe nature. In 1997, he founded the Roy Whistler Foundation to promote and support the preservation of natural land and wildlife, primarily in Tippecanoe and surrounding counties.

Dr. Whistler was also a lover of intercollegiate athletics and chaired the Athletic Committee of the University Senate and was the Faculty Representative to the Big Ten Conference (1966-1977).

Dr. Whistler was preceded in death by his wife Lea. He is survived by a son William of Logansport and three grandchildren: Gwen of Rensselaer and Joshua and Michael of Logansport.