

***JOURNAL OF THE FACULTY SENATE***

The University of Oklahoma (Norman campus)  
Regular session – November 14, 2011 – 3:30 p.m. – Jacobson Faculty Hall 102  
office: Jacobson Faculty Hall 206 phone: 325-6789  
e-mail: facsen@ou.edu website: <http://www.ou.edu/admin/facsen/>

The Faculty Senate was called to order by Professor Georgia Kosmopoulou, Chair.

**PRESENT:** Adams, Apanasov, Baer, Bembem, Bergey, Buckley, Burns, Chang, Chiodo, Cox-Fuenzalida, Ellis, Fagg, Hahn, Jean-Marie, Kimball, Klein, Kosmopoulou, Loon, Marsh-Matthews, McPherson, Morvant, Moses, Moxley, Natale, Nelson, A. Palmer, G. Palmer, Ransom, Soreghan, Stock, Stoltenberg, Tabb, Taylor, Vehik, Verma, Williams, Wydra, Zhu

Provost's office representative: Mergler

Graduate College liaison: Griffith

ISA representatives: Crawford, Hough

**ABSENT:** Ayres, Chapple, Devegowda, Grady, Gramoll, Keresztesi, Leseney, Minter, Morrissey, Park, Xiao, Zhang

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***APPROVAL OF JOURNAL***

The Faculty Senate Journal for the regular session of October 10, 2011 was approved.

***ANNOUNCEMENTS***

The Provost's Advisory Committee for Women's Issues is hosting the following events directed toward female faculty and administrators:

Peer mentoring public lecture and discussion: November 16, 10:00 a.m., Heritage Room of the Union, Ellen Daniell, author of *Every Other Thursday*;

Work-life balance drop-in lunch: November 16, 11:30 a.m., Couch Dining Hall, \$9 for lunch, hosted by Fay Yarbrough;

Peer writing group: November 10 and December 1, 8:00-9:30 a.m., Writing Center, breakfast provided, contact Michele Eodice for other times that writing groups are meeting;

Navigating professional relationships: November 29, 11:30 a.m., Couch Dining Hall, \$9 for lunch, hosted by Connie Chapple.

You are invited to the retirement reception for Annette Schwiebert, Information Technology Specialist III, IT Store, on November 16, 3:00-5:00 p.m. in the OU IT Store Community Space, 329 W. Boyd St.

The Faculty Senate is sad to report the death of retired faculty member Norman Fogel (Chemistry & Biochemistry) on October 19.

If you are contributing to a 403(b) voluntary retirement savings plan at OU, you now have the option to make Roth-type contributions. This change was made after a resolution from the Faculty Welfare Committee was unanimously approved by the Faculty Senate in February. To change part or all of your contribution amount from pre-tax to Roth (after-tax), login to your account at Fidelity and click on 'Contribution Amount.' Consult your financial planner to determine if this change is appropriate for your personal situation.

***REMARKS BY DR. JAMES WILBANKS, EXECUTIVE DIRECTOR OF THE OKLAHOMA TEACHERS RETIREMENT SYSTEM***

Dr. Wilbanks gave a status report on the Oklahoma Teachers Retirement System (OTRS). In the last few months, the system had significant improvement in its funding status as a result of some legislation approved earlier this year. The June 30, 2010 actuarial report showed that the unfunded liability for OTRS was \$10.4 billion. Its funding ratio was 47.8 percent, so OTRS had just under half of the assets on hand that it needed. The funding period was considered infinite, that is, OTRS would never reach a fully funded status. A defined benefit pension system can either reach 100 percent funded or enter "the death spiral." Dr. Wilbanks said he was happy to report that the June 30, 2011 valuation reported a \$7.6 billion unfunded liability, a funding ratio of 56.7 percent, and a funding period of 22 years. In other words, if OTRS meets all of its assumptions, the system will be 100 percent funded in 22 years, which is a pretty significant change for a one-year time period. Investment performance last year was 23.5 percent, which added \$1.7 billion in assets. The target rate of return is eight percent net of fees. The 20-year rate of return is just over nine percent, so OTRS is exceeding the target and eliminated some of its unfunded liability. The largest factor in reducing the unfunded liability was House Bill 2132, which requires the legislature to provide the funding for any cost-of-living adjustment (COLA) for retirees. COLAs have to be granted by the legislature. In the past, the fund had to pay the cost. The downside is the likelihood of COLAs in the future is very small. To give a one-time two percent COLA to retirees, the present value cost is \$180 million. Pay raises for retired teachers will be a low priority for the legislature.

Prof. Kosmopoulou asked what percentage of COLAs had been given in the past few years. Dr. Wilbanks said no COLA was given in 2010 for any public retirement system in the state. In 2008, retired teachers received two percent, and all other state retirement systems received four percent. In 2006, it was the same. He said his advice to clients is to start putting more into their 403b accounts. He pointed out that OTRS does not have anything to do with OU's alternate (optional) retirement plan, which is more like a defined contribution plan. The nice thing about a defined benefit plan like OTRS is the plan takes all the risk.

Prof. Ellis asked for a clarification on the funding period. Dr. Wilbanks explained that assuming assets continue to grow at eight percent, the system-wide payroll grows at 4.5 percent a year, and other assumptions, such as mortality rates, are met, in 22 years, OTRS will have 100 percent of the assets on hand that it needs to pay all the benefits. Another assumption is the legislature will not change the rules. OTRS covers all three levels of education – K-12, career tech, and higher education – and some state agencies. Prof. Ellis asked if the funding ratio meant OTRS currently pays retirees 56.7 percent of what they are due or OTRS borrows the money. Dr. Wilbanks explained that an individual's gross retirement benefit is based on a formula, essentially years of service times a salary figure times two percent. The system takes all the investment risk and will pay that amount every month. OTRS is not shorting any retirees and also is not borrowing money. The system just does not have as much money on hand as the actuary recommends.

Prof. Stock asked for an explanation of the strong returns OTRS had last year. Dr. Wilbanks said OTRS takes the view that it has an infinite life span. As such, it does not care about short-term volatility. OTRS only invests in assets that appreciate in value or where it gets paid to hold the asset. For equities, it invests in domestic mid cap and small cap, international, real estate, and private equity (five percent). On the bond side, OTRS invested in the high yield bond space in January 2009 when credit markets were frozen and made a lot of money on that in the past two years. Prof. Stock said one way to deal with the lack of COLAs would be to offer graded benefits, as TIAA-CREF does. Individuals can start out with a lower benefit and get an automatic adjustment upward. Dr. Wilbanks said that is not an option currently available. It is something OTRS has been talking about, but the legislature would have to create that option. The typical break-even for those is 10-15 years. If OTRS did offer a "self-funded COLA," however, it could reduce the likelihood that the legislature would provide COLAs and would

leave out current retirees. OTRS is talking to the legislature about responsibly providing COLAs, meaning OTRS would have to have some revenue source to offset the cost.

Prof. Murphy asked how the health of OTRS compared to analogous organizations in other states. Dr. Wilbanks answered that until recently, OTRS had one of the five worst funded pension systems in the country. He said those rankings are a little misleading because they are based on funding ratios only. Funding ratio only says where the plan is at the moment. The funding period tells the direction the plan is headed. With HB 2132, the contributions and benefits are in line. OTRS is in much better shape than it was a year ago.

Prof. Klein pointed out that 6-7 years ago, incoming employees were allowed to opt out of OTRS. Previous employees were told the University was working with the IRS to allow them to quit participating in the system. She asked about the status of that situation. Dr. Wilbanks said OTRS was waiting for a determination letter from the IRS on that question, but it is unlikely to happen. The IRS frowns on employees leaving a plan with a current employer and moving to a different plan. Prof. Klein asked whether someone who is obliged to participate in the plan could stop contributing and move their accumulated funds someplace else. Dr. Wilbanks said that would all depend on whether the IRS approves a change. Prior to the creation of the alternate retirement plan, all classified employees had to join OTRS as a condition of their employment. Since 2006, OU and OSU employees who are new to the university can choose the alternate retirement plan. Anyone who was previously in OTRS remains and has to continue contributing while employed.

Prof. Burns asked whether eight percent was a reasonable growth projection. He also asked about the robustness of the fund and the drawdowns. Dr. Wilbanks replied that money coming into the system comes from three sources: employees, employers, and dedicated revenue. In FY2010, OTRS had a \$40 million shortfall in outflows versus inflows. In FY2011, the shortfall was up to \$100 million. During that period, we were in a recession, so state revenues were depressed, which in turn affected the dedicated revenue and employee and employer contributions. The projection is there will be some revenue growth in 2013, and contributions will be close to outflows. Prof. Burns asked what the actuaries had given as confidence intervals for the projections. Dr. Wilbanks said he did not know off the top of his head.

Following Dr. Wilbanks's presentation, there was some discussion about the projections, the availability of the fund for future retirees, and a defined benefit versus a defined contribution.

### ***REMARKS BY PROF. SHEENA MURPHY CONCERNING SEARCH COMMITTEE BASICS***

Prof. Sheena Murphy (Physics & Astronomy) started with some background information (slides available from the Faculty Senate office). The National Science Foundation has an Advance program to enhance the recruitment and retention of women and underrepresented minorities, particularly in STEM disciplines (Science, Technology, Engineering, and Mathematics). OU was awarded a \$500,000 Advance grant over a three-year period, and the grant just came to an end. The project grew out of the Arts & Sciences dean's advisory committee on women's issues and had support from Provost Mergler, the Oklahoma state regents, Vice President for Research Droegemeier, and OK-EPSCoR. The principal investigators held two conferences, one at OU in 2008, and another in 2010 in Lawrence, Kansas. The idea was to generate interest in diversity issues across the Big 12. All the Big 12 schools were represented at the 2010 conference. Other activities included search committee workshops, a longitudinal climate survey, a distinguished speakers series, and an outreach effort, which was expanded to all disciplines on campus.

Prof. Murphy presented some demographics for OU faculty. She said an excellent resource is the Fact Book on the Provost web page. There is more diversity in the assistant professor population. The percentage of foreign nationals dwindles as they move to full professor. In terms of student demographics, since the late 1980s, the percentage of the student body that identifies as Hispanic is increasing and will continue to increase. The Hispanic population in the United States is a rapidly growing minority, and the largest number of OU's out-of-state students comes from Texas and California, which have significant Hispanic populations. The African American population has decreased, and the Native American population has increased and then plateaued. The slide on student demographics also includes arrows on the right that indicate the percentage of assistant professors who identify in that particular ethnic group. The literature suggests that minority students do better with role models (i.e., faculty) of their own ethnicity.

In 2007 a climate survey was conducted in five colleges. Over 200 faculty members responded. They were reasonably happy with working at the university, and few had experienced overt discrimination. Certain populations, particularly African Americans, experienced more discrimination than other groups. More information is available at [www.ou.edu/advance](http://www.ou.edu/advance).

The search committee training was set up as workshops where faculty could make contributions to the dialog. The workshops were held in the colleges of Arts & Sciences, Architecture, and Engineering and with the new chairs and directors in Arts & Sciences. Topics included committee construction, establishing criteria for the search, reaching the pool, documentation, and avoiding legal pitfalls. A manual called Recruiting for Excellence & Diversity is available on the Advance website. The point is to hire the best person for the position and to think of all the things you want in that faculty member, whether it be good scholarship, good citizenship, good teaching, etc. Departments should discuss those criteria and decide what is important for them before they put out the ad. For example, collegiality can be a factor. Discussing legal pitfalls, Prof. Murphy noted that there are lots of opportunities for illegal questions to be asked during a faculty search. Questions should not be asked about religion, ethnic origin, marital status, employment status of a spouse, parenthood, future parenthood, and disability. One tip for recruiting is make the hard decisions early. Candidates will tell others about their interview experience. It is better to establish what you are looking for ahead of time. Start interviewing early. Think of people who are members of underrepresented groups and have them come and give a seminar through a colloquium and seminar series. Consider the intangibles, such as citizenship and mentoring students. The bottom line is to hire the best person you can.

Prof. Bemben asked what happens if during the interview, the candidate brings up something on the list of legal pitfalls. Prof. Murphy said then it is fine to talk about that. Prof. Nelson asked whether the workshops were still being offered and whether there were resources online. Prof. Murphy said the workshops were still being offered, and there are links to those in the online material. Prof. Morvant noted that in a previous presentation, Prof. Murphy had suggested that having graduate students on search committees could have a positive effect on recruiting. Prof. Murphy explained that the University of California-Berkeley had evaluated those campuses in the system that hired minority candidates at a higher rate than the available pool would indicate and found they had graduate students on the committees. Those at the lower rate had a diversity officer on the committees. The hypothesis was the search committee members had abdicated responsibility for diversity to the diversity officer. For search committees with graduate students, people were more careful about what they said and did in the presence of graduate students, and that encouraged more fairness. Prof. Nelson asked whether they correlated for minority faculty in the departments that hired more minorities. Prof. Murphy said she did not know how strongly correlated that was with the results. Prof. Nelson said she had found it was very discipline specific.

Prof. Kosmopoulou pointed out that the longer presentation included a number of sources and information about how to reach a larger pool of candidates. Prof. Murphy said the longer presentation is about 2.5 hours and is held in a group setting. Her presentation at this meeting was to let the faculty know that the resources exist.

### ***SENATE CHAIR'S REPORT, by Prof. Georgia Kosmopoulou***

“The conflict of interest policy for the Research Council was approved and finalized on October 17. The COI policy will be part of the operating procedures of the council. The website of the VPR is currently updated with all the relevant information.

“The annual State Regents Faculty Assembly took place on Saturday, November 12. Chancellor Glen D. Johnson gave a presentation on the state of Oklahoma higher education. The PowerPoint presentation can be accessed on the web at the following site: <http://okhighered.org/state-system/powerpoints/powerpoints.shtml>. The Faculty Advisory Council (FAC) to the state regents discussed its work plan and priorities. At the October meeting, Dr. Debbie Blanke, Associate Vice Chancellor for Academic Affairs, gave a presentation on services for adult students.

“The executive committee of the Faculty Senate met on November 7, and among other issues we discussed our interest in establishing conflict of interest policies for the committee on committees. The proposal will be brought to the Senate in our next regular meeting.

“I received an update from the chair of the Information Technology Council (ITC) Al Schwarzkopf, who said that there is continuous interaction and feedback between the ITC and IT. ITC met on November 10 and heard a presentation from Tegrity, one of the vendors for lecture capture. There are four vendors that were selected, each with a slightly different capability. The chosen vendors are Echo 360, Panopto, Tegrity, and Visionality. The ITC also had a presentation about future directions from representatives of SunGard, the vendors of the class records component in oZONE. The ITC goal for the year is to better organize the faculty, advisor, and student experiences through refining the technologies they have available. Improving the oZONE interface is high on that agenda. We discussed that issue and got some comments from you, and I passed those to Al Schwarzkopf. Al Schwarzkopf volunteered to serve on the oZONE change request committee. I

did not hear from anyone else on the call for nominations, so I will forward Prof. Schwarzkopf's name.

"Update from the Bicycle Master Plan Steering Committee: The consultants hired by the University from ALTA Planning+Design presented a draft of the Campus Bicycle Master Plan to the Faculty Welfare Committee, Sustainability Committee, and others on October 20, 2011. The master plan maps out a bicycle network and addresses related issues such as signage and storage. The final version of the Campus Bicycle Master Plan is expected to be completed in November 2011 at the earliest, pending completion of the design study for the Scholars Walk. Proposed bicycle facilities are categorized as near-term (0-5 years), medium-term (5-10 years) and long-term (>10 years). Implementation of near-term facilities can begin in early 2012."

Prof. Scott Moses, chair of the Faculty Welfare Committee, was present at the meeting. He added that in the near term, five facilities (paths) are in the plan. First is to replace the current path on the south oval with a dedicated class 1 path. Second is a multiuse path from Brooks to Stinson on Jenkins. Third is a Maple Avenue "share the road" route from Lindsey to Timberdell. Fourth is a bike lane on Asp Avenue from Lindsey to Timberdell, which would continue from Timberdell to Imhoff as a multi-use path (fifth path). A consultant was hired to help create a master plan. The idea is as we build these near-term facilities, we will start to create support and awareness about how we can make the campus more bicycle friendly. The plan says little about areas north of Lindsey, and it does not do a lot to help commuters. It is a mixture of paths that can lead to confusion, but it is progress. The Faculty Senate passed a resolution about two and a half years ago, and we almost have a master plan now.

"Human Resources is planning town hall meetings for the proposed changes to the retiree medical plan for the last week of January/first week of February in 2012. They are receiving feedback from faculty, staff and retirees regarding the proposal. As of today the proposal remains the same as the one presented in our first Faculty Senate meeting in September. If you have comments, please do not hesitate to contact Nick Kelly or Julius Hilburn in Human Resources."

### ***COALITION ON INTERCOLLEGIATE ATHLETICS***

Prof. Ransom asked if the Faculty Senate had ever involved itself in the Coalition on Intercollegiate Athletics. He pointed out that the faculty senates at OSU and Texas are members. Ms. Fallgatter replied that the OU Faculty Senate was aware of the COIA and opted not to join. The rationale was the Athletics Council was providing proper faculty oversight of athletics.

### ***ADJOURNMENT***

The meeting adjourned at 4:40 p.m. The next regular session of the Faculty Senate will be held at 3:30 p.m. on Monday, December 12, 2011, in Jacobson Faculty Hall 102.

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Sonya Fallgatter, Administrative Coordinator

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Fran Ayres, Faculty Secretary