

EMPLOYEE ADVISORY COMMITTEE
DIVISION OF ADMINISTRATION
MINUTES FROM JUNE 28, 2005 MEETING

Members Attending

Jim Culver	Jennifer Dodd	Bob Harvey
Charlotte Jones	Patricia (PJ) Jones	Steve Nelson
Roger Paden	Sandra Roney	Vicki Schleiper
Cleo Tucker	Lawrence Vega	

Members Absent with Notification

Silvia Cortez

Members Absent without Notification

Joseph Anastasi	Gina Braaton
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Ex-Officio Members

Charles A. Sippial	Rosie Schoenfeld
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The meeting was called to order by Recorder, PJ Jones at 9:05 a.m.

1. Introduction of Alternates/Guests/New Members

Vicki Schleiper will be completing Mary Luster=s term for Group 12. Donna Spears was an alternate for Silvia Cortez.

2. Approval of Minutes

The minutes from the May meeting were not available.

3. Vice Presidents Report - Charles A. Sippial, Sr.

Living Wage - The subcommittee looked at both the state, local and private areas. Their goal was for Texas A&M University to be the employer of choice without pricing employees out of jobs. They submitted \$7.57 as the minimum rate to Dr. Gates and he decided to increase the amount to \$7.77. The subcommittee discussed the compression issue and Human Resources is reviewing compression as part of their annual yearly review.

Thanks for the hard work - Chuck thanked everyone for their hard work and was amazed at how much employees can get done with less staff and resources. Chuck was very appreciative for all the work that has been accomplished especially on the Faculty Reinvestment.

Tuition - It will increase between 10-13% and the exact amount will be known soon.

Division Scholarship - The Division of Administration has scholarships available for the fall and spring for employees or their dependents that will be attending Texas A&M University. Departments include Physical Plant, Airport, Children=s Center, Facilities Coordination, Security and University Police, Transportation Services, Food Service, Presidential Conference Center, Human Resources and Graphic Information Systems. Last year, two \$1,000 scholarships were awarded. .

Budget - The Governor approved a 5.1% increase over the previous TAMU budget.

Construction on campus - The General Services Complex is being built on Agronomy Road and will house over 600 people. TAMU has received funds to upgrade Agronomy and F&B Roads. A double turn lane will be added from Agronomy to Stotzer. Agronomy will be connected with Finfeather past the storage tanks. F&B Road will be widened and a center turn lane will be added. Several old Agriculture buildings are being demolished. A new Chemist Building is being designed and design continues on the Life Sciences building. Utility lines are being installed along Agronomy for the General Services Complex as well as other buildings in that area that could soon need new utility lines. More chillers are being added in the West Campus II Plant project.

Grade separation - TxDOT gave us authority to handle the railroad grade separation at Wellborn near the Bell Tower. This separation will be used for buses and other service vehicles during the day and then opened to all vehicles after 5:00 p.m. Chuck Sippial will provide grade separation information at the next EAC meeting.

Coach Dennis Franchione has agreed to donation \$1M toward an indoor practice facility.

Faculty Reinvestment - There could be possibility a Phase III of the Faculty Reinvestment. The concern that Chuck keeps expressing to them is if we build them, who will maintain them. There is not enough money being allocated for deferred maintenance. Chuck Sippial will provide information on Faculty Reinvestment, Phase II at the next EAC meeting.

Merit Raises - 2.8% is available for merit raises.

Sidewalks on Agronomy Road - Employees expressed the need for sidewalks along Agronomy Road with all the new construction. Without sidewalks, this could be a real safety issue with buses loading and unloading and people walking in the area.

Transportation - Environmental Health and Safety is saying that Mules are too slow and not street legal. Physical Plant is currently purchasing vans for off-road use. Chuck will visit with Chris Meyer regarding what we can use and not use on campus.

Campus Master Plan - Copies of the plan are available from our office.

Organizational change beginning September 1 - Our division will consist of Physical Plant, Airport, Facilities Coordination and GIS. Our division will be concentrating on Faculty Reinvestment. Custodial, Finance and Accounting and Training will be reporting to Jane Schneider.

Physical Plant Inventories in Construction and Maintenance - There was concern raised about consolidating the inventory for seven area maintenance shops and five area construction shops. Parts are keep on hand so they are readily available when needed. With the closing of stores, it can take up to three weeks to get parts now. Physical Plant is looking at a *Just in Time* inventory program. Chuck Sippial will find out what the rationale is for this change. The concern is being able to obtain quickly, the necessary parts for nighttime and weekend repair calls.

Safety first - Chuck reminded all employees to put safety first and report any safety issues to their supervisor or to the Safety Hotline. Les Swick distributed a memo and form for employees to use to report safety issues. PJ will fax a copy of the form to Mr. Sippial's office.

Special Session on School Finance - The Special Legislative session is suppose to fix school finance problems. Some legislatures are trying to bring back tuition revenue bonds since that issue died during the regular session and some school need that funding source.

4. **Benefits** –Alissa Schroeder
Alissa discussed the TRS changes from SB 1691.

Impact of TRS Changes (SB 1691)

SB 1691 was passed by the 79th legislature and signed by Governor Perry. This bill makes changes in Teachers Retirement System (TRS) law:

Impact on current employees age 50 or older, or have 25 years of TRS service, or whose age plus year of service equal at least 70:

- 1) No change to TRS retirement eligibility rules or benefits calculation (age 55 with at least five years of service, highest 3-year salary average used for benefits calculation). However,
- 2) As of January 1, 2006, must pay the full actuarial cost to purchase out-of-state service.
- 3) As of January 1, 2006, no longer have the option to purchase three years of service at retirement with at least seven years of service (referred to as the Service Credit Purchase Option).

Impact on current employees who do not meet the grandfathering criteria above:

- 1) No change to TRS retirement eligibility rules (age 55 with at least five years of service). However,
- 2) Effective September 1, 2005, average salary for calculating a retirement benefit will use the highest five years of salary (currently the highest three years).
- 3) Effective September 1, 2005, the early retirement subsidy currently in place for employees with 20+ years of service but whose age and years of service do not equal 80 will be eliminated.
- 4) Effective September 1, 2005, to be eligible for a partial lump sum payment at retirement, the retiring employee=s age and years of service must equal at least 90.
- 5) Effective January 1, 2006, must pay the full actuarial cost to purchase out-of-state service.
- 6) Effective January 1, 2006, no longer have the option to purchase three years of service at retirement with at least seven years of service (referred to as the Service Credit Purchase Option).

Impact on TAMU Departments:

- 1) Effective September 1, 2005, the 90-day retirement plan participation waiting period will be eliminated. This applies to TRS and ORP participants. New employees within their 90-day retirement plan waiting period must participate in a

retirement plan as of September 1, 2005.

- 2) Effective September 1, 2005, TAMU must pay the employer and employee TRS contribution for working TRS retirees who return to work after August 31, 2005.

Impact on New Employees hired after August 31, 2007:

- 1) Must be 60 years of age for full retirement benefits. May retire when employee=s age and years of service equal at least 80, but the retirement benefit will be reduced 5% for each year the employee is under age 60.
- 2) Longevity pay will be increasing effective September 1 for every two years of service.

Health Insurance - Children over the age of 18 that live at home or are full-time students must be certified starting with this enrollment period. Texas A&M University received more in state contributions and even with the increase in health plan premiums, most employees will see a small reduction in their out of pocket expenses for health care costs.

Dental Insurance - The annual maximum is increasing to \$1,500.

Drug Deductible - The drug deductible is being reduce from \$100 to \$50.

Annual Enrollment - Employees were reminded to use HR Connect for annual enrollment (July 1-July 30). For questions, please call Alissa Schroeder at 862-1504.

5. Old Business

None.

6. New Business

Election of new officers (by acclamation) was held with the following results:

Chair - Jennifer Dodd
Vice Chair - Jim Culver
Recorder - Vickie Schlieper

Joe Anastasi has missed three consecutive meetings and has not sent a substitute so he will be excused from the committee. A special election will be held to fill the position for the remainder of Joe=s term.

New nametags will be ordered for Steve Nelson and Vickie Schlieper.

7. Adjournment

The meeting was adjourned at 10:30 a.m. The next meeting will be July 26 at 9:00 a.m. in 218 Administration Building.