Executive Summary

FY2011 was a period of heightened activity for the MSU Association of Retired Faculty (ARF). Throughout the year, ARF served as an important information source for retirees, faculty contemplating retirement, and faculty in the process of retiring. Because of concerns about proposed changes in the health insurance options for retired faculty, ARF made an extraordinary effort to communicate with retired faculty and to advocate for them. ARF members on key Montana University System (MUS) committees were able to participate in the evaluations of the proposals and the selection of health insurance options for retired faculty. ARF held a number of forums for ARF members during both the MUS decision process and the Choices for Retirees enrollment period.

In FY2011, ARF representatives met with President Cruzado and Provost Potvin to discuss issues of mutual interest. Under the guidance and support of the MSU higher administration, ARF looks forward to maturation as a recognized and valued component of MSU. During the summer of 2010, ARF representatives visited almost every MSU dean and department head to discuss strategies for maintaining connections between retired faculty and MSU. The liaison visits with administrators were well-received and ARF plans to conduct such visits regularly, at least once every three years.

With the encouragement of ARF, the MSU emeritus policy was revised to allow emeritus status for non-tenure track faculty. ARF moved into its new Culbertson Hall office, coordinated Exit Interviews for retired faculty, held a successful series of luncheon presentations on topics of interest to retirees, expanded and updated its web site, and hosted the Capstone Lecture Series which this year included a captivating Capstone Recital. The ARF secretary regularly sent retired faculty an electronic newsletter report on activities, current issues, and upcoming events. An ARF representative attended the national meeting of the Association of Retirement Organization in Higher Education where he chaired a session, made a presentation, and learned about potential projects for ARF that would benefit retirees and the university.

During FY2012, in addition to maintaining its on-going projects and services, ARF plans some new initiatives pertaining to visibility, outreach, and benefits. The university, ARF, the MSU Foundation, and the MSU Alumni Association will work together to develop and maintain a reliable directory of MSU retirees. ARF will consult with the University Communications office and devise a strategy for improving visibility so that ARF will be recognized and appreciated across campus.

ARF will work on outreach to other units in the MUS system. ARF will explore the merits and mechanisms for creating associations of retired professionals and retired classified employees at MSU and for promoting an associate retired faculty group on each non-Bozeman MSU campus.

ARF believes that an improved benefits program will improve faculty morale and faculty retention, as well as strengthen the bond between the university and its retired faculty. Therefore, ARF will conduct a study and create a list of retiree benefits that typically are provided by peer universities, but are not available at MSU. Ultimately, ARF will prepare a proposal for revising university policies that delineate the rights, benefits, and privileges of retired faculty.
Background

“Retirement should be viewed as an ongoing process or transition, not a specific event or date. It should be a period of time tailored to the needs, desires, abilities, and wishes of the individual. The retirement process should be flexible to recognize that not one size fits all, to recognize the many academic life style choices and needs.”


Goals of the MSU Association of Retired Faculty
The Association of Retired Faculty (ARF) at Montana State University was founded in 2004 to

• foster the benefit, interests and well-being of retired faculty through social, educational, and promotional activities and

• encourage continuing retiree contact and involvement with the University, thereby helping to enrich the personal and professional lives of persons in the University and the greater community.

Membership
All faculty members who retire from MSU are eligible for voting membership in ARF. Soon-to-be-retired faculty, retired faculty members from other institutions of higher learning who have a relationship with MSU, and spouses of MSU retired faculty are eligible for associate (non-voting) membership. During FY2011, ARF had 49 dues-paying members.

Dues schedule

<table>
<thead>
<tr>
<th>Membership Type</th>
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<tr>
<td>Regular dues</td>
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</tr>
<tr>
<td>New member</td>
<td>No dues during first year of membership</td>
</tr>
<tr>
<td>Associate members</td>
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Support for ARF beyond regular dues

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<th>Membership Type</th>
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<td>Sustaining members</td>
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<tr>
<td>Contributing members</td>
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<tr>
<td>Benefactor</td>
<td>$100</td>
</tr>
<tr>
<td>Life-time membership</td>
<td>$200</td>
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Financial

As of June, 2011, ARF had no out-standing debts and cash on hand of $2000. Funds derived from dues are used primarily to support brochures, the Capstone Lecture series, and the monthly luncheons. ARF appreciates the operations support provided by the MSU Office of the Provost, including office space, office furnishings, telephone service, a network-connected computer and associated equipment, supplies, dues for ARF’s membership in the Association of Retirement Organization in Higher Education (AROHE), and support to attend national AROHE meetings.

FY2011 officers

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
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</thead>
<tbody>
<tr>
<td>President</td>
<td>Marty Hamilton</td>
</tr>
<tr>
<td>Vice-president</td>
<td>John Jutila</td>
</tr>
<tr>
<td>Secretary/Treasurer</td>
<td>Don Mathre</td>
</tr>
<tr>
<td>Director of Programs</td>
<td>Jerry Coffey</td>
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</tbody>
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Purpose of this report

ARF submits a report to its membership at the end of each fiscal year. The report is placed on the ARF web site and is distributed to the MSU President, the MSU Provost, and the MSU Faculty Senate. This report describes ARF’s activities during FY 2011 and presents its programs and plans for FY 2012.

FY 2011 programs and services

Health insurance benefits

Health insurance is a major concern for Montana University System (MUS) retirees. During this past year ARF made a special effort to make retired faculty aware of potential changes to retiree insurance plans, especially a proposal at the MUS Inter-unit Benefits Committee (IUBC) to outsource retiree health insurance to private insurance companies, thereby removing them
from the MUS self-insurance program. The proposal was disconcerting because retired employees highly value their continued membership and protection within the MUS insurance program.

Retired faculty had a voice in discussions regarding the outsourcing proposal and alternatives. Retiree participation in the discussions was possible because ARF members Doug Young and Ken Hapner serve on the MSU Benefits committee and the IUBC; Ken Hapner also serves on the IUBC retiree subcommittee and the Pharmaceutics Technical Advisory Committee of the URx pharmacy program. Throughout the discussion period ARF maintained communications with the MUS Employee Benefits office in Helena. Now ARF is an established participant in conversations and decisions regarding health insurance options for retirees.

For FY2012, the IUBC reached a temporary medical insurance plan that accommodates the increased cost of retiree medical care. Internal program subsidies to the pre-65 retirees were reduced and the retirees’ premiums were increased accordingly. Post-65 (Medicare) retirees’ premiums were adjusted to cover 100% of the anticipated medical costs; the internal program subsidies that were historically available were withdrawn. ARF views this solution as the best of the plans that were acceptable to the MUS. Note that the State of Montana does not subsidize the insurance premiums of either retiree group, pre-65 or post-65.

Dissemination of retirement information

ARF gathers and disseminates information about planning for retirement, navigating the retirement process, and being retired. The primary and official sources of retirement information are the MSU Human Resources (HR) office, the Teachers Retirement System, or TIAA-CREF. For answers to lingering questions, active or retired faculty members are encouraged to consult ARF’s on-line documents or to contact ARF and arrange a meeting with a retiree volunteer. Based on its members’ practical experience, ARF can provide information that complements the essential information provided by the official sources.

During FY 2011, ARF volunteers met with individuals and gave focused presentations to small groups of interested faculty, active and retired. ARF made special efforts to provide information to retirees about choosing an MUS insurance plan and managing health costs; for example, ARF held open informational meetings concerning insurance enrollment, produced a summary guide for comparing the health insurance choices, crafted a letter to inform retirees about the proposal for outsourcing Medicare retiree insurance, and distributed the booklet Navigating Your Health Benefits at the Alumni Association’s Retiree Dinner. Ken Hapner met individually with retirees who had questions about the health insurance choices for retired faculty. Jerry Coffey presented two pre-retirement workshops on Feb. 1, 2011, one at noon and one at 4:00p. These sessions were conducted in collaboration with MSU Human Resources. Jo Packham and Laura Underkofler from HR attended both sessions. Approximately 40 individuals attended each session. After the presentations, Jerry met separately with individuals who needed additional information for planning their retirements.

Liaison with MSU

During FY2011, ARF initiated an active liaison program with MSU administrators, staff, committees, and councils. The goals were to provide them with information about ARF, to seek their cooperation in directing retirement-age faculty to the resources and services provided by ARF, to improve the information that ARF disseminates, to acquire information about the relationship between each MSU unit and its retirees, and to gather suggestions for improving MSU connections with retirees including ways in which retirees may be able to assist the university. By maintaining good communication with university constituencies, ARF believes it will be informed about proposed or forthcoming policies
that affect retirees and can advocate for retirees when such policies are being developed.

During FY 2011, ARF met on multiple occasions with President Cruzado, Interim Provost Joe Feddock, and Provost Martha Potvin to discuss issues of mutual interest, to inform the MSU leaders about ARF’s progress and plans, and to seek their guidance and assistance. Representatives from ARF met with the Professional Council, attended Faculty Senate meetings, met with representatives of the Associated Faculty of MSU, and attended meetings of the five MSU Councils. By the end of the summer in 2010, ARF representatives had visited almost all of the department heads and college deans in Agriculture, Art and Architecture, Business, Education-Health-Human Development, Engineering, Letters & Science, and Nursing.

The meetings with department heads and deans indicated that there was general enthusiasm for what ARF is attempting to accomplish. Among all visited departments, only two were doubtful about the value or feasibility of connections with retirees. Some departments already involved their retired faculty in department programs (e.g., used retirees as teachers and mentors), although most departments in one college characterized retired faculty involvement as minimal. Nearly all departments included retired faculty in the departments’ social events and some resolved to improve outreach to retirees. One department maintains an emeriti office. One department head thought retired faculty from other institutions who are living in the Bozeman area should be encouraged to join ARF. One dean wished he/she had known about ARF last year when the college experienced a number of retirements that proved difficult. Although, most department heads will mention ARF when discussing retirement planning with faculty, only a very few invited ARF to make a presentation at one of their departmental faculty meetings. Engineering appeared to be aggressively involving retired faculty in teaching and fund raising activities.

ARF plans to visit each department and college regularly, at least once every three years. New department heads and new deans will be visited when they arrive on campus. This liaison activity has opened the door for cooperation on issues of mutual interest, provided ARF with important information, produced some good ideas for ARF to pursue, and increased the on-campus visibility of ARF.

**ARF office**

ARF worked most of the year without an office because its Hamilton Hall office was closed while the building was being renovated, then the office space was merged into the new Gallatin College. MSU assigned ARF a new office location, 338 Culbertson Hall, which ARF is now occupying. It will be fully operational by mid-summer, 2011.

**Newsletter**

Don Mathre, Secretary, regularly produced issues of the ARF newsletter (*The Bow Wow Times*). Each issue listed activities and upcoming events, described ARF projects, and presented new developments in federal, state, or university policies that potentially affect retired faculty. Each issue of the newsletter was sent to the membership as an email attachment. All issues of the newsletter are archived on the ARF website.
The ARF website (http://www.montana.edu/retired/) has been updated and extended by the ARF webmaster Dwight Phillips to provide a reliable, current source of information. The web pages announce forthcoming events, facilitate communication among retirees, document ARF policies and procedures, and provide accurate information for both retirees and faculty contemplating retirement.

**MSU policy on emeritus status**

Shortly after ARF was founded, the members determined that their departments had applied different criteria for determining emeritus status and that a uniform emeritus policy was needed. After studying emeritus policies at other universities, ARF proposed an emeritus definition and nomination procedure for MSU’s uniform policy. The ARF proposal was considered by the upper administration and the Faculty Senate; after some revisions, a uniform emeritus policy was enacted at MSU. This year, with the encouragement of ARF, the MSU emeritus definition was extended to allow emeritus status for non-tenure track faculty.

**Capstone Lecture series**

The Capstone Lecture is a public lecture sponsored by ARF. It is delivered by a retired faculty member on whatever topic the faculty member judges important; the typical Capstone Lecture contains information and opinions based on a synthesis of the knowledge and experience acquired during the retiree’s career. During FY 2011, there was one Capstone Lecture in the form of a captivating and well-attended Capstone Recital by Alan Leech, Prof of Bassoon and Saxophone, School of Music. He was accompanied by Karen Leech, Adjunct Prof., flute, and Laurel Yost, Assoc. Prof., piano. The program included two of Alan’s compositions. Alan and Karen both retired from MSU in May, 2011.

**Retired faculty exit interviews**

In collaboration with the Faculty Senate and the MSU Provost, ARF coordinates the process for conducting exit interviews of retired faculty. A summary of comments and suggestions recorded during the FY2011 exit interviews were sent to the MSU President, Provost, and Chair of the Faculty Senate.

**Monthly luncheons**

The ARF brown bag luncheons are held approximately once per month, except for a couple of months in the summer. Each luncheon features a presentation by a knowledgeable expert on a topic of current interest to retired faculty, spouses, and faculty nearing retirement. During FY 2011, the guest lecturers were:

- Paul Gannon: *University President’s climate commitment*. Sept. 15, 2010
- Rachel Rockafellow: *Palliative care*. Nov. 19, 2010
- Ken Hapner: *Proposed changes in health insurance*. Dec. 15, 2010
- John Nordwick: *Bozeman Deaconess Hospital*. Jan. 18, 2011
- Katrina Monforton: *Hospice care*. April 27, 2011

**Outreach**

During FY 2011, ARF past-president Bob Swenson attended the national meeting of AROHE. He chaired a session, made a presentation, and learned of many opportunities to improve ARF for the benefit of retirees and of MSU. He noted that active retiree organizations are increasing rapidly. To quote from an AROHE letter: “As Boomers fill retiree ranks, well-developed retiree organizations are needed more than ever for institutions to access retirees’ skills, expertise, and loyalty for continuing support of their institutions.” These interactions with other retiree organizations around the country provide opportunities to learn about exciting and innovative programs at other universities; as well as to inform them about our activities.
As a local example, the University of Montana (UM) announced that it is initiating an association for retirees (http://www.umt.edu/retirees/). On June 2, 2011, ARF representatives (Marty Hamilton, John Jutila, and Bob Swenson) met with seven members of the UM committee charged with forming the UM association of retirees. The meeting took place at the Student Union at Montana Tech in Butte. The purpose was to share ARF’s experience, to exchange ideas, and to identify overlapping interests. The two groups tentatively agreed to meet twice a year to exchange ideas and work together on issues of importance to all MUS retirees.


FY2012 Programs and Plans

**FY2012 officers**

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>John Jutila</td>
<td><a href="mailto:jcjutila@bresnan.net">jcjutila@bresnan.net</a></td>
</tr>
<tr>
<td>Vice-president (President-elect)</td>
<td>Pierce Mullen</td>
<td><a href="mailto:pierce3@bresnan.net">pierce3@bresnan.net</a></td>
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In addition to its regular activities (such as luncheons, exit interviews, Capstone Lectures, and advocacy for retirees), ARF plans to work on three new initiatives as described below.

**Organization visibility**

Although ARF was founded seven years ago, many folks on campus are not aware of its existence. ARF needs to become more visible. Therefore, it will work towards becoming clearly recognized by the campus community. It will seek inclusion as an official component of MSU in the organization charts, as a separate item in the university budget, as an entry in campus directories and in the campus phone book, etc. For expert assistance in determining how best to publicize ARF-sponsored events, ARF will consult with the University Communications office.

**Directory of retired faculty**

There is no list of MSU retired faculty. ARF volunteers Tom Roll, Bob Swenson, and Don Mathre have merged incomplete lists from various sources. The list is difficult to update and maintain. During FY2012, the university, ARF, the MSU Foundation, and the MSU Alumni Association will work together to develop and maintain a reliable directory of MSU retirees. ARF will investigate the cost of developing an on-line registration system for retired faculty and spouses to use for registering or withdrawing from the directory.

**Rights, Benefits, and Privileges**

The age distribution of MSU faculty is such that a large percentage will be of retirement age (65 yr) in the next dozen years. Will they retire? Why or why not? How can MSU influence the
Recent events of importance to retirement policies at MSU

1993  All new faculty hires were required to enroll in ORP; TRS was no longer an option.
1994  Mandatory retirement age illegal for tenured faculty
1998  Universities allowed to offer voluntary retirement incentives that are age dependent; this decision led to a variety of new ways to encourage retirement and to new rights, privileges, and benefits for retirees
2002  Inaugural meeting of AROHE which became the clearing house and repository for retiree information and programs. It continues to develop lists of “best practices”.
2003  AAUP publishes its Survey of Changes in Faculty Retirement Policies
2004  MSU Association of Retired Faculty founded

retirement pattern in a way best for the institution? ARF is interested in the answers and will help the university investigate them. The issues involved are different for the next generation of retirees than were experienced by current ARF members, most who retired under the Teachers Retirement System (TRS). Over 90% of the current active faculty will retire under the Optional Retirement Program (ORP) administered by TIAA-CREF. Because TRS is a defined benefit program and ORP is a defined contribution program, the issues involved are different.

Possibly because of the historical dominance of TRS retirements, it appears that the MSU policies and benefits are not in line with peer institutions which predominantly use retirement programs similar to ORP. The TRS policies were made for a different time, one when it was reasonable to set the same policies and procedures for college teachers as for school teachers. Now, however, the university has grown dramatically in both form and function. In addition to an expanded undergraduate program, MSU has become a major research institution and delivers a broad spectrum of graduate studies. More than ever before, both undergraduate and graduate students are trained for interdisciplinary work, volunteer for projects in the local community, and travel abroad to work on international projects. Few faculty members are employed exclusively as classroom instructors. The typical faculty member will teach, conduct research and creativity work, and carry out some off-campus service or technology-transfer projects. Most of the faculty relies heavily on digital equipment and the internet.

ARF believes that an improved benefit program will improve faculty morale and faculty retention, as well as strengthen the bond between the university and its retired faculty. In the last decade, many universities have developed a number of strategies and policies to provide the right set of conditions and benefits for voluntary retirement – the only kind there is. Therefore, ARF will conduct a study and create a list of retiree benefits that typically are provided by peer universities, but are not available at MSU.

The investigation will utilize AROHE materials, a canvas of American university web sites, TIAA-CREF guidance, and personal contacts. ARF has identified preliminary focus topics (e.g., phased retirement and post-retirement employment, among others), but the actual focus will be based on a preliminary review and on consultation with both ARF members and MSU constituencies. Ultimately, ARF will prepare a proposal for revising university retirement policies that delineate the rights, benefits, and privileges of retired faculty. It may be that TRS and ORP retirees will have differing policies and procedures.
To provide an indication of issues to be considered, a preliminary list includes the following:

1. A formal phased retirement employment policy for faculty who wish to “slowly” move from full-time tenure track status to emeritus status.
2. A formal post retirement employment policy for faculty who wish to continue professional activities for a salary after retirement.
3. Retirement incentive programs.
5. Health care benefits
6. Other benefits and privileges will be considered for retiree and spouse including:
   a. Office space
   b. Administrative assistance
   c. Computer access and email and internet accounts
   d. IT support services
   e. Telephone service for professional use
   f. Travel funds
   g. Research and Creative Activities funds
   h. Chair graduate committees
   i. Parking on campus
   j. Lab or other space for creative activities
   k. Ability to submit and run research grants
   l. Free access to lecture courses if space available
   m. Library privileges
   n. Attending academic committee meetings at all levels
   o. Honorary members of alumni org
   p. Free tickets to university events
   q. Discounts at Bookstore and Museum
   r. Access to physical fitness facilities
   s. On same mailing lists as regular faculty
   t. Listed in all university publications which include regular faculty
   u. Receipt of all university materials as regular faculty, including campus telephone book.
   v. May participate in all university functions like regular faculty
   w. Others to be added.

Discussions will continue in FY2012 regarding future management of the high health costs for the pre-65 retiree group. ARF will be represented and will continue efforts to keep retirees informed of progress and potential impacts. ARF will convey retiree suggestions and ideas to the MUS. Nevertheless, ARF anticipates that premiums will rise substantially. Because of higher premiums, ARF guesses that faculty who would like to retire before age 65 will delay their retirements. Consequently, MUS health insurance plans for retirees may affect active faculty morale and productivity.

**Outreach**

It became clear this past year that ARF is the only organization available for MUS authorities to use for communicating with retired faculty and for retired faculty to use for communicating their concerns and suggestions to the MUS. It is also clear that ARF has been able to achieve its goals, thereby benefiting both the university and retired faculty. For these reasons, ARF believes that there is merit in creating more retiree associations at MSU and across the MUS.

ARF will explore the merits and mechanisms for creating associations of retired professionals and retired classified employees at MSU. ARF will meet with representatives of the other three MSU campuses to discuss ways to organize retired faculty across all of MSU. The participants will discuss the merits of either including all MSU retired faculty in ARF or creating a retired faculty group on each non-Bozeman MSU campus.

ARF will explore the possibility of extending the association-of-retirees concept to the MUS system. ARF will continue to collaborate with the emerging retirees association at the University of Montana.