Report on FY2012 Programs and Projects

ASSOCIATION OF RETIREMENT ORGANIZATIONS IN HIGHER EDUCATION (AROHE)
Our president, Pierce Mullen, attended the meeting of AROHE in North Carolina this fall. He highlighted the following as several of the presentations he found useful.

Retirement Planning and the Future of Pension Plans in the US
Professor of Economics, Robert Clark of North Carolina State University, spoke on the importance of having financial literacy with informational programs starting when persons are hired. He stressed the need to make plans for income security early, as well as when nearing retirement and in postretirement, and the importance of saving, investment decisions and diversity and when to take social security. There is a shift from defined benefit plans to defined contribution plans. The private sector will not have benefit plans. Social security and medicine will change in the future with the demographics driving the changes to social security, such as raising payroll taxes results in persons having less.

Rethinking Aging: Growing Old and Living Well on an Overtreated Society
Professor of Medicine, Nortin Hadler of University of North Carolina at Chapel Hill, has written 10 books and many articles about aging and medicine and his latest book was the title of his talk. He spoke on longevity with the first law for a medical student being “the death rate is one per person”. While the average life expectancy has increased, mortality can be decreased significantly if persons like their jobs. There are a number of medical procedures which have limited benefit which he categorized as Type II Medical Malpractice: all manner of stinted coronary artery bypass grafts, arthroscopy, spine surgery for backache and “spine stresses” and vertebroplasty. With regard to the proliferation of screening tests, the questions to ask: are they accurate, are they looking for something important and can they do something about it. Being well is being able to cope with the situations of life.

Retirement in Academia, Rethinking Politics, Priorities and Procedures
Professor and Director of Journalism and Mass Communication, David Perlmutter of University of Iowa, spoke about making the intellectual transition to retirement. One of the biggest needs is mentoring and emeritus faculty are an untapped resource. Help is needed for faculty to make the decision about whether one should make the decision to retire and when and where to retire. How are emeritus faculty treated on your campus? Is it with engagement, respect and honor to those who made it a great university? There is a lot to gain from helping each other bridge between the department and the emeriti faculty and across disciplinary lines.

MONTHLY LUNCHEONS:
Our monthly luncheons have continued this past fall, and will also occur during the spring. Our January speaker was Joe Thiel, MSU’s recent recipient of a Rhodes Scholarship, who talked about the process of becoming a Rhodes Scholar. In February, we will hear from David Klumpar on new developments in space science; in March Connie Welsh, MUS Director of Benefits, will talk about the latest developments affecting our health insurance options; in April David Quammen, local author will speak.
To volunteer or offer suggestions for luncheon speakers, contact Pierce Mullen (pierce3@bresnan.net).

**CAPSTONE LECTURES:**  
To volunteer or offer suggestions for Capstone Lectures, contact Don Mathre (upldm@montana.edu).

**OFFICE OF THE PROVOST:** A significant group of retired faculty accepted the Provost’s invitation to march in the MSU Fall Commencement held on Dec 15, 2012, in the Brick Breeden Fieldhouse. Retired faculty were seated on the stage and received official recognition during the ceremony. MSU plans to acknowledge retired faculty in future Fall Commencements as well.

**FY2013 Programs and Projects**

**PHASED RETIREMENT ISSUES:** Several of the ARF officers developed a document that was used to clarify issues for those interested in phased retirement. It is now in the hands of Officers of the Faculty Senate and the AFMSU (the union). The object is to make it possible for faculty to retire over an extended period of time (say five years) rather than over the weekend.

**POST-RETIREMENT CONTRACTS AND ISSUES:** If you are under the TRS system, there are some very specific figures about what can be earned on a post-retirement contract but it is very unclear about post-retirement contracts for those on the ORP program handled by TIAA-CREF. There are even some unclear aspects about post-retirement contracts for those on TRS. We will continue to work with the folks at the U of M on this since any change in policy would be university-wide.

**BENEFITS AND PRIVILEGES** The following proposal has been submitted to the MSU administration.

*Benefits and Privileges for MSU Retirees* (ARF proposal of Jan. 11, 2013)

MSU retired faculty have informed each other via social conversations about the various benefits and privileges available to MSU retirees. After participating in those conversations over a number of years, the Association of Retired Faculty (ARF) made a list and, after checking the information with university sources, created a web page for our membership. Subsequently, at a meeting of ARF with the University of Montana Association of Retirees, the U of M folks showed us a copy of the Benefits and Privileges brochure that they receive upon retirement. The information from that brochure is also available on the U of M web site. There is an obvious need for such a brochure at MSU.

After some on-line checks of the benefits and privileges accorded retirees at other universities, ARF believes that pooling the U of M and MSU lists, plus adding a couple items, will provide retiree benefits and privileges similar to those available at other land grant institutions. Consequently, ARF proposes that MSU adopts the benefits and privileges for retirees listed below and that MSU gives to each retiree upon retirement a brochure showing these benefits and privileges. To illustrate the concept, the proposal formats the list as a tri-fold brochure.

Comparing the list to the information we have consolidated on the ARF web page, it is clear that the first dozen items plus the items pertaining to the MSU Alumni Association and Listing in the MSU Catalog are available now to MSU retirees, although there is no university mechanism in place to inform them of that fact. We are not sure of the present status at MSU of the items Mentoring, Courses, Grants, and Communications. Those items are consistent with other universities and with conversations between ARF and MSU administrators, but we have not found documentation. The final two items on the proposed list, Athletics and Performing Arts are available to U of M retirees.
By maintaining connections with its retirees and supporting their professional and personal well-being, the university community will benefit in many ways. ARF requests that university assign staff to review and edit the contents of this proposal, reformat it to university quality, and publish a Benefits and Privileges for MSU Retirees brochure. The proposed benefits and privileges will allow retirees to continue their university and professional activities, remain connected to the university, and maintain a healthy body and keen mind.

**Benefits & Privileges**

**Access to MSU Facilities & Services**

**CatCard Identification** Retirees and/or spouses will be issued a CatCard at the faculty rate [www.montana.edu/catcard]; it is required for some MSU retiree benefits and privileges.

**Parking** A single, non-transferable, MSU parking hangtag, free of charge for lifetime [ww2.montana.edu/policy/police_regulations]

**Library** Same services and borrowing privileges as active faculty, including electronic access [www.lib.montana.edu]

**Insurance** May elect to continue on a group insurance plan offered by MUS Choices; application must be made within 63 days of retirement [www.mus.edu/choices]

**Fitness** Membership in the ASMSU Marga Hosaeus Fitness Center at a reduced rate [www.montana.edu/getfit]

**Wellness** Access to MUS Wellness information; e.g., on the email list for the electronic newsletter [wellness.mus.edu]

**Recreation** ASMSU Outdoor Recreation Program services, such as equipment rental, group outings, etc. [www.montana.edu/outdoorrecreation]

**Email & web access** MSU e-mail account (retiree must activate the account immediately upon retirement), on-campus wireless access to the web, and IT Center assistance with set up [www.montana.edu/itcenter]

**Bookstore** Receive the same discounts as active faculty [www.msubookstore.org]

**Continued Academic Involvement**

Departments shall endeavor to meet reasonable scholarly and academic needs of retired faculty in a manner consistent with continuing contributions to the mission of the department and university, within limits governed by the availability of resources, and balanced against other needs and priorities. A department should negotiate with each individual retiree a specific written agreement that includes activation and termination dates.

**MSU Faculty Membership** Emeritus faculty are members of the MSU faculty and an emeritus faculty member may be appointed an ex officio member of Faculty Senate or its subcommittees and may be appointed to serve on University, College, or Departmental committees [www2.montana.edu/policy/faculty_handbook]

**Participation** Invited to participate in academic convocations, commencements, and other academic endeavors, including non-voting attendance at general meetings within the retiree’s department and college

**Research** Serve as a principal investigator for MSU grant proposals when consistent with the policies of the Office of Sponsored programs. [www.montana.edu/wwwvr/osp]

**Work space & administrative support** Office space, laboratory space, and administrative support, as available and needed to meet the department’s instructional, research, and service responsibilities. (The
resources of departments are variable; space and support for retirees may be available, but only after the department has met the immediate requirements of its active faculty & staff.

**Mentoring** With the agreement of the department head, retired faculty may continue to chair graduate student committees and serve on graduate committees.

**Courses** Retirees and/or spouses may take/audit one university course per semester without need to officially enroll or pay fees, dependent on the permission of instructor and available space.

**Grants** Small grants to promote continued research and scholarly activities, including travel support for professional activities, are occasionally available on a competitive basis through the Office of the Vice President of Research.

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**Maintaining Connections with MSU**

**MSU Alumni Association** Honorary membership and automatic recipient of electronic mailings and publications from the Alumni Association to its membership [alumni.montana.edu]

**Listing** Upon request, list name and title in the MSU Catalog [www.montana.edu/wwwcat] and include contact information in the directory [www.montana.edu/people]

**Communications** Upon request, a retiree will be included in her or his department’s and college’s lists of retirees and will receive all faculty notices and announcements.

**Athletics** Two complimentary tickets per event to MSU-sponsored athletic events, including track meets and football, basketball, and volleyball games.

**Performing Arts** Two complimentary tickets for MSU theatrical productions and concerts.

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**Information for MSU retired faculty**

**Officers:** Pierce Mullen has assumed the office of President of ARF beginning July 1, 2012. John Jutila is Past-President.

**WEB SITE:** Dwight Phillips has worked hard to maintain and expand our web site at [www.montana.edu/retired](http://www.montana.edu/retired). On the “Links” page, he has added some sites of interest to our group and to retirees in general. The first, under current items of interest, is to a publication that talks about retiree centers on university campuses and the role they can play. Two other links are further down the page under the section “links to retired faculty organizations” and include new links to the UC Berkeley Retirement center. The other link is to the Rutgers Retirement group which is unique in that it seems to have links to a lot of advice on end-of-life issues, like wills, obituaries, planning, etc.

**Tax Provisions to consider:** The Tax Relief Act recently passed to avoid the fiscal cliff reinstated the Charitable Rollover IRA provisions. You are now able to donate to a qualified charity from your IRA with no tax consequences in 2013. You might also do the same for the 2012 tax year if you act before the end of this month. Here are the details from *Tax Insights*:

**Special Opportunity for Charitable IRA Rollover Gifts**

Posted on **January 10, 2013** by **admin**

H.R.8, the “American Taxpayer Relief Act” provides a special opportunity for Charitable IRA Rollover Gifts in 2012 if they are made in January of 2013. The new tax law which has been signed by the President extends the Charitable IRA Rollover through December 31, 2013. This means that Donors age 70 and ½ or older can ask their IRA custodian to transfer up to $100,000 in 2013 to a public charity. The transfer will be a totally tax-free transfer to the public charity and thus equivalent to
a 100% charitable deduction which is not subject to the normal charitable giving limit of 50% of adjusted gross income. There is of course no separate charitable deduction for the tax-free transfer to the public charity.

There is also a special opportunity in January of 2013 to make a 2012 Charitable IRA Rollover gift if the donor received an IRA distribution in December of 2012. Because the Congress did not extend the Charitable IRA Rollover provision during 2012, the Fiscal Cliff legislation also states that donors may treat an IRA distribution made after November 30, 2012 as a 2012 Charitable IRA Rollover gift if the recipient of the December distribution makes a charitable gift of the December distribution to a qualified charity before February 1, 2013. This means that a donor who received an IRA mandatory distribution or other distribution during December of 2012 may choose to make a charitable gift in January of 2013 to a qualified charity and it will be treated as a 2012 Charitable IRA Rollover gift. The normal rules apply: the donor must be 70 and ½ and the amount must be $100,000 or a lesser amount and the gift must be made to a public charity.

As in all cases, consult your own advisors who along with you must assume final responsibility in advising you whether or not this gift is appropriate in your own unique circumstance.

Gary Fleming, CPA

This may be a one time opportunity to donate to your favorite charities without being punished for your generosity by the tax man.

**ARF DUES:** Dues for 2012-2013 are being accepted. As a reminder, dues are $15 for regular membership; $25 for a sustaining membership; $50 for a contributing membership; $100 to become a benefactor; and $200 for a lifetime membership. Mail your checks to the ARF treasurer, Don Mathre, 731 South 12th Ave, Bozeman, MT 59715. Make checks payable to the MSU Association of Retired Faculty.

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