Intercampus Faculty Council (IFC)
Telepresence Meeting
May 22, 2013 (2:00 p.m. – 5:00 p.m.)

The meeting was called to order at 10:00 a.m. Present for the opening executive session discussions were Harry Tyrer, Carole McArthur, Gary Ebersole, Nancy Stancel, Kattesh Katti, Susan Brownell, Chris Spilling, Dennis Miller, Michael Davis, Mark Fitch, and Bala Balakrishnan.

Steve Graham, Christa Weisbrook joined the meeting at 2:15 p.m.

I. Updates from finance and administration
The budget process for fiscal year 2014 is nearing completion. Currently, budgeted inflows total $2.882 billion up from $2.768 billion in fiscal year 2013. Budgeted expenditures total $2.792 billion up from $2.678 billion. This includes a raise pool of 2-3% across the campuses. The big risk going forward with budgets is the spiraling healthcare costs. This is why the wellness initiative has been undertaken.

The strategic planning process will be completed soon.

II. Discussion with President Wolfe
The IFC had a wide ranging discussion of issues with President Wolfe. Foremost was the budget and the strategic budgeting process.

III. Faculty Accomplishment System
Steve Graham distributed and discussed the Request for Proposal (RFP) for vendors to develop the faculty accomplishment system. IFC members were asked for any final input by June 5. The RFP will then be distributed and a vendor selected.

IV. The Role of Patents and Commercialization in Promotion and Tenure
Mike Nichols led a discussion of the appropriate role of patents and commercialization in the promotion and tenure process. The general consensus is that such successes are appropriate for consideration, but probably not adequate absent peer-reviewed journal articles in respectable academic journals.

V. Pension Plan Financial Update
Betsy Rodriguez provided an update on the UM pension plan. The actuarial assumptions were recently revisited. Members are living longer, turnover in the system has decreased, and investment returns are low. These are all factors that have increased the overall cost of providing defined pension benefits. Factors reducing net
costs are that people are retiring later and salary escalation has been less than expected. The expected UM contribution has increased as a result of revised actuarial assumptions. For employees hired before 10/1/12, the contribution is now 11.38% of salary up from 10.78%. For employees hired after 10/1/12, the expected contribution is now 7.31% of salary, up from 6.77%.

The University has maintained a policy of funding the plan fully based on the actuarial assumptions. However, the plan is currently underfunded by approximately $500 million ($3.3 billion estimated liability based on current assumptions with $2.8 billion of assets) because of adverse outcomes relative to the ex ante actuarial estimates.

X. Other business

A call for other business was made. No requests came forward.

The meeting was adjourned at 5:00 p.m.