

Subject: Re: University Senate Newsletter

From: Gary Ransdell [REDACTED]

Date: Thu, 27 Apr 2006 09:35:54 -0500

To: "Dr. John All" [REDACTED]

CC: "'Staff-All'" [REDACTED] "'Faculty-All'" [REDACTED]

John,

I am violating my own preference by responding to a faculty-all and staff-all e-mail and sending it back to everyone. I must, however, do so because of two flagrant mistakes—one of which is attributed to me. If the Senate Chair said what you attributed to him regarding ORP funding, then he is wrong. I communicated with the Senate Chair the day of the last Senate meeting to make sure he would be accurate in his reporting on the ORP matter. I guess I failed to communicate effectively. As I said in my faculty-all and staff-all e-mail of Tuesday, April 4, I am supporting the Budget Council's recommendation of 6.4 percent for ORP employees, and we will not let the contribution rate drop to the KTRS prescribed rate of less than 5 percent. I personally sent the Chair a copy of the attached memo on the morning of the last Senate meeting so that he would get the information right. I had not planned to send the attached memo to everyone, but your reference to the Chair's report is so inaccurate that I had to attach it to this e-mail to set the record straight.

Regarding the proposed parking and transportation fee—I have not yet received a formal recommendation from the Parking and Transportation Committee, so nothing has yet been done regarding a fee increase. One thing, however, is certain; I have heard nothing about adding staff with any money generated by a parking fee increase. No staff will be added to any department with revenues from a parking fee increase. Any increased revenue will be used entirely to address parking and transportation project needs. That is certain. I expect to get a recommendation from the Committee in the next few weeks.

I trust this clarifies the two mistakes referenced in your faculty-all and staff-all e-mail yesterday.

Thank you.

Gary Ransdell

Dr. John All wrote:

Hello. The final Senate meeting of the year was productive as several resolutions were passed and the new Senators elected leadership for coming year. Andrew McMichael decided to retire as Senate Chairman after a productive tenure and we thank him for his service.

The Chair reported that President Ransdell has indicated that he will not follow the Budget Council's (or Senate's, see below) recommendation on ORP and that the University contribution to ORP retirement likely will fall below 5%.

The Regent reported that part of the new parking fee will be used to hire 11 new parking employees.

The Senate voted to create a Faculty Ombudsman.
The Senate passed a resolution calling for the University to fix its ORP retirement contributions to employees at 8.10 percent (which was the original percentage when the ORP program was created).
The Senate passed a resolution demanding that the Executive Committee draft and send a letter to the other University Senates affected by the ORP problem to create more unity in addressing the issue.

The new officers elected for the 2006-2007 University Senate term are:
Chairman, Michelle Hollis, Community College
Vice-Chairman, John All, Geography and Geology
Secretary, Heidi Pintner, Heidi Pintner

Thank you for a great year,
John

John All PhD, JD

Office: Environmental Science and Technology Building, Room 332

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OFFICE OF THE PRESIDENT

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April 18, 2006

MEMORANDUM

TO: Dr. Jeff Butterfield
FROM: Gary A. Ransdell
SUBJECT: ORP Funding

Thanks, Jeff, for your communiqué of April 10. I know you said I do not need to respond, but by responding, however, I am able to organize some thoughts that can be shared with anyone who has interest in the matter. It will also give you something to share with any individuals with whom you may have communication.

I want to reiterate a couple of key points I made in the faculty and staff all e-mail a couple of weeks ago.

Remember that the ORP section of that e-mail was preceded by a description of the state budget for the next two years and a description of a campus budget for next year. I tried to describe to the austere nature of our campus budget for FY 06-07. We can only afford a 3 percent salary increase and cover our fixed cost requirements. Nearly all of our strategic plan priority funding is being deferred to FY 07-08 as are numerous other campus priorities. Therefore, the \$273,700 we are devoting to ORP funding in FY 06-07 is all that we can afford to spend in this regard.

Remember that KTRS is claiming more ORP funds next year. They are allowing the ORP employee to retain only 4.41 percent in FY 06-07. Anything more than that must be funded by the campus budget.

As you know, WKU is currently budgeting .98 percent to ORP employees to cover previous KTRS reductions. Next year we will add another 1.25 percent. The campus will be supporting ORP employees by a total of 2.23 percent in FY 06-07 at a total cost of \$487,700 (.98 percent totaling \$214,000 and 1.25 percent totaling \$273,700). These numbers factor in the 3 percent salary increase for FY 06-07.

I tried to find a balance between the recommendation made by the Benefits Committee which recommended that ORP employees be funded at the rate of 6.16 percent, and the Faculty Welfare Committee of the University Senate which recommended that ORP employees receive 8.10 percent. In the end, I went with the amount included in the budget as recommended by the Budget Council. There were a couple of key variables that went into this decision. First, the Benefits Committee spent considerable time analyzing the matter and had considerable data with which to arrive at its recommendation. Second, as I indicated during the campus forum, I am dedicated first to stopping the erosion affecting ORP employees and then to arriving at a fair short- and long-term ORP contribution. Thus, the Budget Council and I chose to settle on 6.64 percent, the amount which ORP employees now receive. This stops further erosion from a harsher KTRS draw. I realize that the 6.64 percent is closer to the Benefits Committees' recommendation of 6.16 percent than the 8.10 percent recommended by the Faculty Welfare Committee of the University Senate. We pulled, however, about as much as we could from the FY 06-07 campus budget for this purpose.

If the University were not making the commitment we are currently making to keep the number at 6.64 percent, the ORP employees would be receiving only 4.41 percent because of KTRS demands for more money.

This is a short-term fix. I'm certain that a long-term solution will require additional funding in the future. This will continue to be a priority.

I trust this is helpful. Please share with anyone who may seek further information or clarification. Thanks, Jeff.

GAR:ab

xc: Administrative Council
Mr. Tony Glisson
Ms. Maribeth McBride
Dr. Andrew McMichael – Andrew, please feel free to share this with members of the University Senate as you deem appropriate. Thank you. Gary