

1 UNITED ACADEMICS PROPOSAL

2 8-29-13

3
4 ARTICLE 23
5 RETIREMENT BENEFITS
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7 **Section 1.** Bargaining unit faculty members shall be eligible to participate in the Public
8 Employees Retirement System (PERS), the Oregon Public Service Retirement Plan
9 (OPSERP), the Optional Retirement Plan (ORP), a Tax-Deferred Investment Program
10 (IRC 403(b)), and the Oregon Savings Growth Plan as set forth by Oregon law.

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12 **Section 2.** PERS and OPSERP. The University Administration will make all employer
13 contributions to PERS or OPSERP that are required by law. In addition, the University
14 will make the annual contribution to the Individual Program required from employees
15 (currently 6%) to the extent not prohibited by law.

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17 **Section 3.** ORP. The University Administration will make all employer contributions to
18 the ORP required under ORS 243.800(9). In addition, the University Administration will
19 make the contributions to the ORP for each participating bargaining unit faculty member
20 as required by ORS 243.800(8).

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22 **Section 4.** Salary Increase in Lieu of 6% Pick Up
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24 ~~(a) If the university is prohibited by law from making the employee contribution to~~
25 ~~PERS (generally known as the 6% pick up) for any bargaining unit faculty member, the~~
26 ~~University will use the funds that would have been used for the employee contributions to~~
27 ~~increase the affected bargaining unit faculty member's salary to the extent permitted by~~
28 ~~law. The University's obligation under this section is intended to be budget neutral. This~~
29 ~~means that the total new salary costs, including other personnel expenses (OPE), must be~~
30 ~~fully covered by the savings, if any, resulting to the University from the legal prohibition~~
31 ~~on making the employee contribution to PERS. If the Legislature, the Higher Education~~
32 ~~Coordinating Commission, or the State Board of Higher Education reduces the~~
33 ~~university's budget in relation to a legal prohibition on paying the 6% pick up, the~~
34 ~~university's obligation to increase salary, including OPE, will be reduced accordingly.~~
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36 ~~(b) To the extent permitted by law, the University agrees to adopt a resolution to~~
37 ~~make an election under the IRS Code to allow a pre-tax deduction of the 6% employee~~
38 ~~contribution/payment required by ORS 238.200 and ORS 238A.330. Such deduction~~
39 ~~shall be made from each employee's pre-tax gross wages.~~

40 In the event that during the life of this Agreement it becomes impossible for reasons of
41 law, regulation, or decisions of the courts for the University Administration to make

1 contributions/payments to PERS/OPSERP on behalf of employees or if employee
2 contributions to PERS/OPSERP are not required, then:
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4 (a) On the date the University Administration is relieved of its obligation to otherwise
5 pick-up, assume, and pay the six percent (6%) employee contribution/payment
6 required by ORS 238.200 and ORS 238A.330. Six percent (6%) shall be added to
7 the salary of each employee and the salary schedule shall be recomputed to
8 include this adjustment.

9 (b) The University Administration agrees to adopt a resolution to make an election
10 under the IRS Code to allow a pre-tax deduction of the six percent (6%) employee
11 contribution/payment required by ORS 238.200 and ORS 238A.330. Such
12 deduction shall be made from each employee's pre-tax gross wages.
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