

1 UNIVERSITY COUNTERPROPOSAL

2 7-23-13

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5 ARTICLE 23
6 RETIREMENT BENEFITS
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8 **Section 1.** Bargaining unit faculty members shall be eligible to participate in the Public
9 Employees Retirement System (PERS), the Oregon Public Service Retirement Plan
10 (OPSERP), the Optional Retirement Plan (ORP), a Tax-Deferred Investment Program
11 (IRC 403(b)), and the Oregon Savings Growth Plan as set forth by Oregon law.
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13 **Section 2.** PERS and OPSERP. The University will make all employer contributions to
14 PERS or OPSERP that are required by law. In addition, the University will make the
15 annual contribution to the Individual Program required from employees (currently 6%) to
16 the extent not prohibited by law.
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18 **Section 3.** ORP. The University will make all employer contributions to the ORP
19 required under ORS 243.800(9). In addition, the University will make the contributions
20 to the ORP for each participating bargaining unit faculty member as required by ORS
21 243.800(8).
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23 **Section 4. Salary Increase in Lieu of 6% Pick Up**
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25 (a) If the university is prohibited by law from making the employee contribution to
26 PERS (generally known as the 6% pick up) for any bargaining unit faculty member, the
27 University will use the funds that would have been used for the employee contributions to
28 increase the affected bargaining unit faculty member's salary to the extent permitted by
29 law. The University's obligation under this section is intended to be budget neutral. This
30 means that the total new salary costs, including other personnel expenses (OPE), must be
31 fully covered by the savings, if any, resulting to the University from the legal prohibition
32 on making the employee contribution to PERS. If the Legislature, the Higher Education
33 Coordinating Commission, or the State Board of Higher Education reduces the
34 university's budget in relation to a legal prohibition on paying the 6% pick up, the
35 university's obligation to increase salary, including OPE, will be reduced accordingly.
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37 (b) To the extent permitted by law, the University agrees to adopt a resolution to
38 make an election under the IRS Code to allow a pre-tax deduction of the 6% employee
39 contribution/payment required by ORS 238.200 and ORS 238A.330. Such deduction
40 shall be made from each employee's pre-tax gross wages.