

**Proposition 09-10/11A** ( Revised FA 12/7/10)

**Date Submitted:** November 30, 2010

**Sponsors:** Boje (Business); Ketelaar (A & S); Miller (Library/A&S) ; Murrell (A&S)

**Proposed Committee Assignment:** No preference

**Assigned Committee:** Faculty Affairs Tuesday, 12/7/10

**Title:** A Memorial to Review the Consequences of the Policy Change Proposed by the New Mexico Educational Retirement Board (NMERB)

**Whereas:**

The policy changes proposed by the New Mexico Educational Retirement Board (NM ERB) affect a majority of faculty, staff, and administrators of New Mexico State University (NMSU).

**Be it Resolved:**

The NMSU Faculty Senate urges the President to conduct an independent review of the consequences of the proposed NM ERB policy changes for NMSU stakeholders.

**Background:** On November 8, 2010, the NM ERB Board of Trustees voted on a series of major changes to the Educational Retirement Plan for the state of New Mexico. The NM ERB is considering a proposal to make changes in its defined benefit plan to go into effect on July 1, 2011. The proposed changes can be found on the NM ERB website at <http://www.nmerb.org/index.htm>.

An independent review should address the following:

- Audit a sample of University employees nearing retirement to assess whether any will defer retirement because of the proposed changes to the NM ERB formula.
- Assess the impact of deferred retirements on NMSU.
- Assess the long-term financial impact to the University of retaining fully promoted faculty, staff and administrators for longer periods.
- Assess the long-term impact to the University's research, teaching, and service mission of retaining senior faculty, staff, and administrators for longer periods.
- Assess the impact on University retention of faculty, staff, and administrators who do not qualify for retirement under the new NM ERB proposals.
- Assess the impact of faculty, staff, and administrators' selection of alternative retirement plans in response to the proposed changes of the NM ERB.

The President's report of NMSU's independent review should be made available to the 2011 State Legislature and the NM ERB.