

SPECIAL
MEETING OF THE BOARD OF TRUSTEES
OF THE EVERGREEN STATE COLLEGE

Thursday, August 2, 1979
The Evergreen State College Campus
Daniel J. Evans Library, Room 3112

Trustees Present: Wesley E. Berglund
Robert J. Flowers
Jane B. Sylvester

Absent: Halvor M. Halvorson
Herbert D. Hadley

Representatives
to the Board
Present: Ann Brown, Staff
Rudy Martin, Faculty
Chris Meserve, Alum
Marissa Zwick, Student

Staff Present: Judy Annis, Director of Information Services
Jovana Brown, Dean of Library Services
Dean Clabaugh, Administrative Vice President
Rita Cooper, Director of Personnel
Arnie Doerksen, Assistant Director of Facilities
Dan Evans, President
Lynn Garner, Associate Director of Student Activities
Rita Grace, Recording Secretary
Mary Isabell, Affirmative Action Officer
Duke Kuehn, Special Assistant to the President
Dave Wallbom, Director of Facilities
See permanent roster for others attending

Others Present: Charles Allison, McLane Fire Department
Ed Arnone, The Daily Olympian
Ed Michelson, KGY Radio
Richard Montecucco, Senior Assistant Attorney General
See permanent roster for others attending

CALL TO ORDER, INTRODUCTION OF GUESTS, AND APPROVAL OF THE MINUTES - Action

The meeting was called to order by Chairman Flowers at 10:50 AM. Chairman Flowers introduced Ann Brown, who is serving as staff representative to the Board replacing Ed Reid, and welcomed Charles Allison, Paul Pedersen and other representatives from the McLane Fire District.

Mrs. Sylvester asked that the first sentence of the fourth paragraph on page 6 of the minutes be amended to include "under which budget."

Mr. Berglund moved approval of the minutes of the July 12, 1979 meeting as amended. Seconded by Mrs. Sylvester and passed.

FACULTY-STAFF TUITION REDUCTION - Action

Following the direction at the last meeting, Mr. Clabaugh conducted a survey of faculty-staff preference for either a reduced tuition with guaranteed enrollment vs. waived tuition on a space available basis. The majority of those responding preferred reduced tuition. Mr. Clabaugh outlined Board options: 1) not to make any change; 2) waiver program; 3) reduced faculty-staff rate; or 4) both waiver and reduced rate. President Evans and Mr. Clabaugh recommended an approximate 40 percent reduction in rates.

Mrs. Sylvester asked why other state employees did not have the same option as Evergreen employees; Ms. Cooper responded that other state employees have access to training programs not available to higher education personnel.

President Evans mentioned receipt of a letter from the Council for Post-secondary Education indicating that Senate Resolution 1979-95 directs the Council to conduct a thorough study and analysis of various tuition and fee waiver programs and provisions under which non-residents can achieve resident fee-paying status.

Motion
79-46

Mr. Berglund moved approval of an approximate 40 percent reduction in tuition and fees for Evergreen staff and faculty members enrolling on a part-time basis. Seconded by Mrs. Sylvester and passed.

REDUCTION OF TUITION AND FEES FOR ALUMNI - Discussion

Chris Meserve, as President of the alumni association, reviewed her July 27 letter to the President and the Board requesting reduction in tuition and fees for alumni on the same basis as just passed for staff and faculty. Ms. Meserve told the Trustees the alumni association is preparing a benefits package for alumni and hopes that can be presented at the association's annual meeting the end of September. In response to Trustee questions, the Trustees were told that none of the other institutions offer reduced rates for alums and that alums do not pay dues. A concern was expressed by Provost Youtz about graduates being able to enroll in the teacher certification program and the Master's degree program under a reduced fee arrangement. President Evans' concern was that, through the analysis to be conducted by the Council for Postsecondary Education, the Legislature might decide to eliminate all programs of this nature. Mr. Flowers expressed the desire, before approving this request, to get more information from the alumni association about the total benefits packet, and whether or not membership fees would be charged.

The request for reduction in tuition and fees for alumni was tabled until the administration brings a detailed proposal back to the Trustees in September, taking into account the above concerns and which addresses the question of budgetary impact of such a program and which details other elements of the proposed benefits package.

President Evans added that the staff would attempt to find out how many Evergreen graduates return for additional educational activity.

9/20/79

FOUR PERCENT TUITION AND FEE WAIVER FOR NEEDY STUDENTS - Action

Mr. Clabaugh provided a written recommendation requested at the last Board meeting, regarding the 1979 legislative provision increasing tuition and fee waivers from 3 to 4 percent for needy or foreign students. Staff recommendation is that the extra 1 percent be used for needy students.

Motion
19-47

Mr. Berglund moved that the Board, in response to the 1979 legislation, approve an additional 1 percent tuition and fee waiver to needy students. Seconded by Mrs. Sylvester and passed.

TUITION AND FEE REDUCTION FOR VIETNAM VETERANS - Action

Mr. Clabaugh recommended approval of a revised tuition and fee schedule reflecting the mandated roll-back for Vietnam veterans.

Motion
19-48

Mrs. Sylvester moved approval of the attached tuition and fee schedule reflecting mandated changes for Vietnam veterans--tuition and fees returned to the October 1, 1977 rate until May 7, 1983 (revised schedule includes also reduced rates for staff and faculty). Seconded by Mr. Berglund and passed.

McLANE FIRE DISTRICT NEGOTIATIONS - Action

President Evans reviewed the letter received from the Chairman of the Board of Fire Commissioners for the McLane Fire Department, which indicated that, if Evergreen does not fund the district in the amount of \$123,000 for 1979-80 and \$134,000 for 1980-81, the district will cease to provide fire protection and emergency medical service to the college as of September 1, 1979; and which also stated that four student firefighter positions have been eliminated. President Evans pointed out that it is the Attorney General's opinion that the fire district has the responsibility to provide fire protection services, even in the absence of a contract. President Evans responded to the Chairman of the Board of Fire Commissioners, indicating a clarification of statements made in his letter was needed.

The college has provided the on-campus station, equipment, aid car, fire engine and almost 50 percent of the district's budget while not responsible for 50 percent of the calls.

A survey of the situation at the other four-year institutions in the state revealed:

- UW - Seattle provides fire protection without charge.
- WSU - on-campus fire company is owned and operated by WSU.
- WWU - Bellingham provides fire protection without charge;
WWU to provide \$808,000 to pay one-half cost of new city fire hall to serve the campus.
- CWU - Ellensburg provides fire protection without charge;
CWU has participated in purchase of equipment.
- EWU - Cheney provides fire and police protection under contract
in which EWU pays approximately \$100,000 per year.

President Evans outlined alternatives available to Evergreen: 1) reach negotiated agreement with McLane; 2) establish and operate independent Evergreen fire company; 3) offer McLane the opportunity to utilize the on-campus station as a volunteer station with payments on a negotiated per-call basis; or 4) terminate on-campus station and negotiate with the district on a cost-per-call basis. The staff's preference would be to reach a negotiated agreement.

Chief Charles Allison introduced others present from the McLane Fire District. He and others explained the fire district's position and responded to questions. Questions concerned Evergreen's costs being higher than others in the district, the rationale for setting Evergreen's share of costs for fire protection, the impact of the growing commercial complex on the west side, and other pertinent questions.

Motion
79-49

Mr. Berglund moved that the administration be empowered to negotiate a contract with the McLane Fire District to try to arrive at a mutually satisfactory position for fire protection for the college. Seconded by Mrs. Sylvester and passed.

REVISION TO RETIREMENT RESOLUTION AND POLICY - Approval

Dean Clabaugh explained that Evergreen's retirement resolution and policy have been revised to include a mandatory retirement age of 70 for state employees and to limit the TIAA-CREF participation of exempt staff, as required by the 1979 Legislature, in addition to housekeeping changes to resolution 79-5.

Motion
79-50

Mr. Berglund moved approval of the attached Resolution No. 79-5, entitled "The Evergreen State College Retirement Resolution." Seconded by Mrs. Sylvester and passed.

Motion
79-51

Mrs. Sylvester moved approval of revisions to EAC 174-147-400 through -470 (attached), Evergreen's retirement policies for faculty and certain administrative exempt employees. Seconded by Mr. Berglund and passed.

EXEMPT SALARY INCREASE - Action

President Evans reviewed the plans for implementing salary increases for exempt staff, which would include a 5.0 percent increase applied to the entire scale on September 1, 1979, and a 5.6 percent selectively distributed increase on October 1, 1979 to correct distortions and inconsistencies and to recognize merit. President Evans has asked the salary task force to review all exempt salaries and report results back to him.

Recommendations for individual exempt salaries to be implemented on October 1 will be brought back to the Board for approval.

Motion
79-52

Mr. Berglund moved approval of a 5.0 percent increase to the exempt salary scale, effective September 1, 1979. Seconded by Mrs. Sylvester and passed.

PRESIDENT'S REPORT

Admissions Statistics (Evans)

President Evans told the Trustees that applications are 22 percent ahead of last year at this same time; admissions are 34 percent ahead of last year; paid deposits are about 93 percent of last year. He distributed a chart comparing progress during the year (February 1 through October 28) for admissions and applications compared to 1976, 1977 and 1978. This year's admissions are at the same point as they were at the end of September last year.

Duke Kuehn added that he thought there would be a large increase in applications the first of September because of the heavy emphasis on part-time studies. He also mentioned that paid deposits have increased 35 percent over the last three weeks (compared to a 19 percent increase during the same time last year). Mr. Kuehn indicated that Walker Allen will be contacting those students who have withdrawn from the college who qualify to return to tell them about Evergreen's curricular changes. Mrs. Sylvester suggested that the withdrawn category be watched carefully to find out if some people are withdrawing because they can't get into programs they desire.

Progress Report on Implementation of Enrollment Task Force Recommendations (Kuehn)

Mr. Kuehn displayed promotional posters which will be used in Vancouver and Port Angeles; posters for Thurston and Mason counties will soon be available. Interested students can detach post cards which can be mailed to the college.

A written progress report responding categorically to President Evans' responses to the Design for Enrollment task force report was prepared by Mr. Kuehn and mailed to the Trustees in advance of the meeting.

President Evans mentioned that a Third World recruiting television film has been produced and will be shown at the September Board meeting.

Monthly Budget Summary (Clabaugh)

Mr. Clabaugh indicated the summary report of budget, expenditures and variance of budgeted operating programs, dated July 31, 1979, was for the end of the biennium. The college reverted \$5.53 in unexpended funds to the state.

Interfund Loans (Clabaugh)

Mr. Clabaugh discussed the schedule of negative cash balances by month for April 30, 1979 to June 30, 1979, indicating most negative balances come about because particular programs are reimbursable, but that the bookstore and food service operation are real deficits. He commented that this past fiscal year the bookstore showed a small profit for the first time. A better rate of return from food services has been negotiated for next year.

Chairman Flowers asked the difference between the Greater Evergreen College Fund and the Foundation funds.

President Evans asked that accounts with zero balances or which have been concluded be deleted from this report.

PRESIDENT'S REPORT (Continued)

Student Aid and Discretionary Fund Status Report (Clabaugh)

Mr. Clabaugh reminded Trustees that this report is submitted quarterly and shows balances in scholarship, endowment and loan accounts and also the Foundation accounts.

Mrs. Sylvester indicated she would like to see a breakdown of expenditures of funds. President Evans and Mrs. Sylvester met following the meeting for a clarification of Mrs. Sylvester's request.

Bond Counsel Concurrence in Use of Housing Reserves for Organic Farmhouse (Evans)

Following the Trustees' action at the last meeting regarding funding for the completion of the Organic Farmhouse, Mr. Montecucco requested and has received word from the bond counsel that the transfer of approximately \$30,000 from housing reserves for completion of the Organic Farmhouse is proper.

OTHER BUSINESS, ANNOUNCEMENTS AND INFORMATIONAL ITEMS - Discussion

President Evans informed the Trustees that legislation passed by the 1979 Legislature changes the dates of Trustee and Regent terms from the second Monday in March to the first day of October. Evergreen probably will not have a new appointment to the Board until October 1.

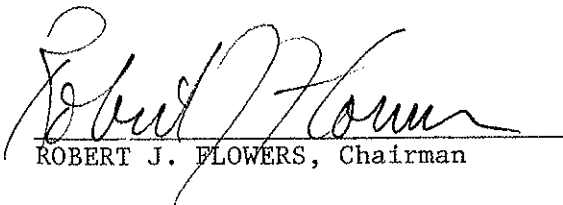
President Evans reported that he has signed a re-negotiated contract with the University of Puget Sound reflecting the success of the teacher certification program, resulting in an increase to 60 students in the program during 1979-80 and 100 in 1980-81.

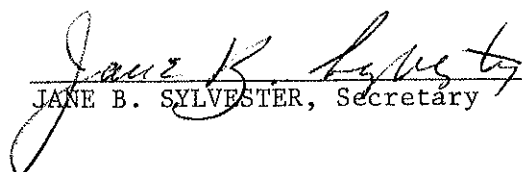
DATE OF THE NEXT MEETING, EXECUTIVE SESSION, AND ADJOURNMENT

The date of the next meeting was set for Thursday, September 20, 1979.

The Board recessed for lunch and an executive session at 1:20 PM. The special meeting reconvened at 3:10 PM. Mr. Wallbom asked for a clarification of the motion to negotiate with the fire district. It was agreed that a letter be sent from President Evans to the Board of Fire Commissioners clarifying Evergreen's position and requesting certain information.

The special meeting adjourned at 3:20 PM.


ROBERT J. FLOWERS, Chairman


JANE B. SYLVESTER, Secretary

Attachments (2)

THE EVERGREEN STATE COLLEGE

1979-80 QUARTERLY TUITION AND FEE SCHEDULE

	Number of Credit Hours	Tuition	Operating	Services & Activities	Total
Residents	10 or more	25	127	54	206
S.E. Asian Veterans ¹	10 or more	25	74	54	153
Non-Residents	10 or more	96	511	54	661
Residents & Non-Residents	9	18	117	54	189 ⁴
	8	16	104	48	168 ⁴
	7	14	91	42	147
	6	12	78	36	126
	5	10	65	30	105
	4	8	52	24	84
	3	6	39	18	63
	1 or 2	4	26	12	42
Faculty and Staff	9	9	31.5	22.5	63
	8	8	28.0	20.0	56
	7	7	24.5	17.5	49
	6	6	21.0	15.0	42
	5	5	17.5	12.5	35
	4	4	14.0	10.0	28
	3	3	10.5	7.5	21
	1 or 2	2	7.0	5.0	14
Auditors ²	Per Course	5	5	5	15

¹ "Veterans of the Viet Nam conflict" shall be those persons who have been on active federal service as a member of the armed military or naval forces of the United States between a period commencing August 5, 1964, and ending May 7, 1975, and who qualify as a resident student under RCW 28B.15.012, and who have enrolled in state institutions of higher education on or before May 7, 1983.

² Administrative charge per course for students who register as auditors and receive no credit.

³ A \$15.00 fee is charged on and after the 5th class day for late payment.

⁴ Vietnam Veterans registered for 8 or 9 quarter hours shall pay the same rate as for Vietnam veterans registered for 10 quarter credit hours.

Approved August 2, 1979
TESC Board of Trustees

RESOLUTION NO. 79-5

THE EVERGREEN STATE COLLEGE
RETIREMENT RESOLUTION

A retirement plan is hereby established for The Evergreen State College with Teachers Insurance and Annuity Association - College Retirement Equities Fund hereinafter referred to as TIAA-CREF.

I. Participation in the Plan.

A. Participation is restricted to and is mandatory for regular members of the instructional staff, EXCEPT THAT:

1. Members of the State Teachers Retirement System may elect at the time of their appointment to retain their membership in that system either permanently or temporarily;
2. Members of the Washington Public Employees Retirement System may elect at the time of their appointment to retain their membership in that system, either permanently or temporarily;
3. Exempt staff may participate in TIAA-CREF providing they hold TIAA-CREF contracts for two consecutive years immediately prior to employment.

B. Eligible faculty are required to participate in the TIAA-CREF program upon completion of two years service but they may participate immediately upon appointment. Immediate participation is required for those who already own TIAA annuity contracts.

C. Membership in OASI shall begin immediately upon appointment.

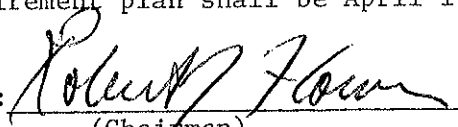
II. Contributions. Contributions to this retirement plan shall be made in accordance with the following schedule:

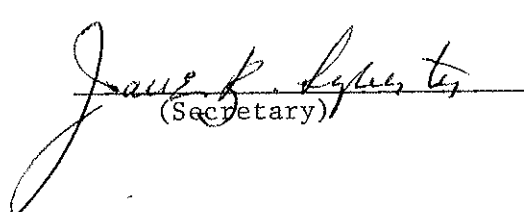
	<u>Contributions as Percent of Salary</u>		
	<u>By the Participant</u>	<u>By the Institution</u>	<u>Total</u>
Employees less than age 35	5%	5%	10%
Employees 35 and older	7-1/2%	7-1/2%	15%
Employees age 50 and older (optional)	10%	10%	20%

The Evergreen State College shall forward the combined sum to Teachers Insurance and Annuity Association for the purchase of retirement benefits for the participant. Premiums may be allocated, at the election of the participant, between TIAA and CREF in any whole percentage, including payment of the full premium to either company.

- III. Ownership of Annuity Contracts. The participant shall have full title to his TIAA and CREF policies.
- IV. Retirement Income. The sources of retirement income shall be as follows:
- A. Benefits from Old Age and Survivors Insurance (Social Security).
 - B. Income derived from TIAA and CREF policies including any amounts received under the TIAA-CREF Retirement Transition Benefit option.
- V. Retirement Age. Except as provided in Section VI, all participants in this retirement plan shall retire at the end of the academic year in which they attain age 65, herein called normal retirement age.
- VI. Mandatory Retirement Age: Seventy is the mandatory retirement age at The Evergreen State College.
- VII. Extension of Service. By approval of the President, extensions of service beyond mandatory retirement age may be made for definite periods not to exceed one year each. A petition, for extension of service must have the support of the appointing authority and concurrence of the respective vice president.
- VIII. Administration. The administration of this retirement system shall be by a retirement officer appointed by the President.
- IX. Effective Date. The effective date of this retirement plan shall be April 13, 1972.

Approved by:


(Chairman)


(Secretary)

Date: August 2, 1979

THE EVERGREEN STATE COLLEGE

EAC 174-147 RETIREMENT AND INSURANCE

Retirement Policies -- Faculty and Certain Administrative Exempt Employees

EAC 174-147-400 Introduction

- (1) Authority for retirement system: The Evergreen State College Retirement System has been established by the Board of Trustees under authority provided by RCW 28B.10.400 et seq. for the purpose of providing retirement incomes and related benefits to certain faculty and certain administrative exempt staff members.
- (2) Retirement system goal: The Board of Trustees has adopted the goal for the Retirement System to provide for participants, upon retirement, at age 65 and after 25 years of service, a minimum retirement income based upon 50 percent of the average salary of the highest two consecutive years of service, exclusive of Federal Social Security benefits, all subject to the provisions of EAC 174-147-440.
- (3) Maximum retirement income exclusive of supplemental retirement income payment: No part of this policy shall be construed to limit the maximum retirement income which participants may receive based on the amount of employee contributions, matching contributions by The Evergreen State College, and dividends, exclusive of any supplemental retirement income payment.
- (4) Definitions:
 - (a) Annuity: Retirement income purchased from the Teachers' Insurance and Annuities Association and its companion organization the College Retirement and Equities Fund (TIAA/CREF) and Washington Teachers' Retirement System, by joint contributions. The amount to be treated as annuity from the latter shall include only that portion earned while a member of a Washington State higher education institution.
 - (b) Annuity retirement option: Lifetime income after retirement, selected from several choices to provide maximum income for the retiree only or reduced income during retirement that includes continuation of a portion of the income to a beneficiary.
 - (c) Full-time service: Employment as a member of the college faculty or administrative exempt staff in a position normally requiring employment of more than 70 hours per month in at least five months of each year. Full-time service does not include employment incidental to obtaining an education.

Full-time service for both groups shall not include leaves of absence without pay or employment in non-Washington state institutions of higher education, but shall include leaves of absence.

for active military service that interrupt college employment, leaves of absence for illness with pay and professional leave time with compensation.

- (d) Includable salary: Income upon which contributions are made by both a participant and a public higher education institution in the State of Washington.
- (e) Highest two consecutive year salary: The highest includable salary received during any 24 consecutive months of full-time service.
- (f) Retirement income benefit: The amount of retirement income employed as a base for determining any supplemental retirement income payment by The Evergreen State College. The retirement income benefit shall be calculated on the basis of length of service, average salary for the two highest consecutive years, and contribution rate, after July 1, 1974, for participants. TIAA/CREF annuities and any pension as a result of participation in the Public Employees' Retirement System or the Washington Teachers' Retirement System while employed in a Washington State Public higher education institution, and Supplemental Retirement Income Benefit shall be included as part of the Retirement Income Payment. Social Security benefits shall not be used to reduce this minimum retirement income nor are they a part of it.
- (g) Supplemental retirement income payment: Income paid by the college when the calculated retirement income benefit is greater than the retirement annuity as described in EAC 174-147-440(3).

EAC 174-147-410 Eligibility to Participate in the Retirement System

- (1) Faculty eligibility: Participation is restricted to and mandatory for employees of the college except as described in EAC 174-147-410(2).
- (2) Eligibility for exemption from participation:
 - (a) Persons eligible to participate in the Public Employees' Retirement System or Teachers' Retirement System.
 - (b) Persons in positions requiring normally less than five months service per year and/or less than half time employment.
 - (c) Persons employed primarily as an incident to and in furtherance of their education or training.
 - (d) Persons employed primarily as an incident to the education or training of a spouse, except that such employee may declare themselves to be career employees and upon request, will be granted participating membership rights.
 - (e) Persons rendering professional services on a fee, retainer, or contract basis or as an incident to the private practice of a profession.

(3) Exempt Staff Eligibility: Participation in TIAA/CREF is optional for Administrative Exempt Staff who, immediately prior to the date of hiring as exempt employees, have for at least two consecutive years held membership in TIAA/CREF.

(4) Participation required: As a condition of employment, an eligible member of the faculty or exempt staff shall begin contributory participation in the retirement system immediately upon employment if he or she already owns a TIAA/CREF contract, or at the beginning of the third year of full-time service if he or she does not own a TIAA/CREF contract upon employment; provided, however, that:

- (a) Any member of the faculty or exempt staff may, at his or her option, begin contributory participation prior to the beginning of the third year of full-time service.
- (b) Any member of the faculty or exempt staff who, at the time of employment, is a member of the Washington State Teachers' Retirement System, may, at his or her option, elect to retain his or her membership in that system, either temporarily or permanently, and shall not, while a member of that system, be required to begin contributory participation in TIAA/CREF.
- (c) Any member of the faculty or exempt staff who, at the time of employment, is a member of the Public Employees' Retirement System, may, at his or her option, elect to retain his or her membership in that system, either temporarily or permanently, and shall not, while a member of that system, be required to begin contributory participation in TIAA/CREF.

(5) Reclassification of classified staff to faculty: Upon reclassification by the administration of any college employee from a classified staff category to a faculty category, the faculty member shall thereupon be eligible for participation in the retirement system provided such faculty meet all other eligibility criteria for participation and provided that application for participation is made within two years of the date of reclassification. The faculty member will continue participation in the Public Employees' Retirement System if he or she does not opt for transfer to TIAA/CREF.

(6) Transfer from faculty appointment to classified or exempt staff position: Upon transfer from faculty status to a classified or exempt staff position, an employee may continue participation in the college retirement system or begin participation in the Public Employees' Retirement System as a new employee.

EAC 174-147-420 Source of Retirement Income Benefit

(1) The retirement income benefit shall consist of:

- (a) TIAA/CREF annuities: The income derived from annuities purchased from TIAA and/or CREF.

- (b) Supplemental retirement income payment: Supplementary retirement income payments, to full-time members of the retirement system after at least ten years of full-time service according to the provisions prescribed in these rules.
- (c) State of Washington employees' retirement benefits: The retirement income, if any, resulting from participation in the Washington Public Employees' Retirement System and the Washington Teachers' Retirement System while employed in a Washington State public higher education institution, providing retirement occurred while the employee was a participant in the college retirement system.

- (2) Benefits under Federal Old Age Survivors Insurance (Social Security) shall be in addition to the retirement income as herein defined.

EAC 174-147-430 Contribution Rates, Contribution Distribution, and Includable Salary

- (1) Basis for contribution: Payments to the retirement system are made by each participant in accordance with the rates established in EAC 174-147-430(4).
- (2) Summer salary participation: Participants with summer appointments shall contribute to the retirement system on salary received during their summer appointments. Such contributions will be at the rates provided in EAC 174-147-430(4).
- (3) College contribution: College contributions shall be equal to the employee contribution, but in no instance shall exceed ten percent of salary and shall apply to the purchase of retirement benefits for the participants.
- (4) Contribution rate:
 - (a) Employees less than age 35: Five percent of basic annual salary.
 - (b) Employees 35 years of age or older:
 - (i) Minimum contribution: beginning the first pay period following the 35th birthday of the participant, 7.5 percent of basic annual salary.
 - (ii) Maximum contribution: Beginning the first pay period following the attainment of age 50 or later, upon application, an employee may elect to contribute 10 percent of basic annual salary.
- (5) Distribution of TIAA/CREF contribution: Premiums may be allocated, at the election of the participant, between TIAA and CREF in any whole percentage, including payment of the full premium to either company. (If a person does not elect a contribution distribution, 50 percent of the contribution shall be allocated to TIAA and 50 percent of the contribution shall be allocated to CREF.)

(6) Income tax deferment: As authorized by the Internal Revenue Code an employee may enter into an agreement with the college to reduce the employee's monthly basic salary by the amount of the retirement system contribution and by a supplemental amount as prescribed in the Internal Revenue Code and the college shall transmit that amount to purchase retirement annuities in the name of the employee and thereby defer the income tax on the amount until received as benefits. Any agreement regarding this section shall be legally binding and irrevocable for both parties while employment continues; provided, however, that after one year from the effective date of the agreement, either party may terminate the agreement; and provided, further, that no more than one agreement for such salary reduction may be made within any taxable year of the employee except to the extent otherwise permitted by the regulations under section 403(b) of the Internal Revenue Code.

(7) Old Age Survivor Insurance (OASI -- Social Security) contributions: Contributions, as prescribed, shall be in addition to retirement system contributions.

EAC 174-147-440 Retirement Income Benefit

(1) Eligibility: Participants in the retirement system shall, after 10 or more years of full-time service, be eligible for a retirement income benefit as prescribed in the following sections.

(2) Retirement income benefit: The retirement income benefit shall be computed at retirement, after 10 or more years of full-time service and be based on a rate of 2 percent of the average of the highest two consecutive years annual salary for each year of full-time service to a maximum of 50 percent. Beginning July 1, 1974, if a participant does not elect to contribute ten percent of salary for the purchase of retirement annuities, during periods of service at age 50 or later, the retirement income benefit for those periods, as included in the calculations of the retirement income benefit, shall be based on a rate of 1.5 percent of the average of the highest two consecutive years annual salary, e.g., if the participant works for twenty years prior to age 50 and contributes only 7.5 percent thereafter, the retirement income benefit will be based upon twenty years at 2 percent and five years at 1.5 percent. Failure to contribute at the ten percent rate prior to July 1, 1974, shall not affect the retirement income benefit.

(3) Annuity retirement option:

(a) TIAA/CREF: The TIAA/CREF joint and 2/3 annuity to survivor with a 10 year guarantee, including possible retirement dividends, shall be the basis for calculating the annuity retirement option assuming each retiree has a spouse the same age as the retiree.

(i) The participant's election of an annuity option, other than the joint and 2/3 annuity to survivor with a 10 year

6-1
guarantee, including post retirement dividends, shall not alter the calculation of the supplemental retirement income payment.

- (ii) The annuity accumulation in CREF may be optionally transferred to a TIAA annuity at the time of retirement and the annuity retirement option shall be calculated after such transfer.
 - (iii) Transition benefit: A participant, age 55 or older, may elect to take upon retirement, a transition benefit of a lump sum payment of up to ten percent from each TIAA or CREF contract accumulation then being converted to an annuity payment thereby reducing the total TIAA/CREF annuity benefits by the amount of such payment. Calculation of the annuity retirement option shall be made on the basis of the original annuity accumulation, before removing the lump sum payment.
- (b) Annuity retirement option for Washington State Teachers' Retirement Benefit: A rate of two percent of the average of the highest two consecutive years annual salary for each year of full-time service while participating in Washington State Teachers' Retirement System.
- (i) The basis for calculating the retirement income benefit a retiree with vested interest and who has maintained participation in the Washington State Teachers' Retirement shall receive an annuity equal to the amount calculated by the method described in this section from Washington State Teachers' Retirement.
 - (ii) For a retiree who opted to withdraw from Washington State Teachers' Retirement and received a lump sum refund in 1957, it shall be assumed for supplement calculation that he is credited with a retirement annuity equal to two percent for each year of full-time service while participating in the Washington State Teachers' Retirement computed on the base of the average salary of the highest two consecutive years within the period prior to 1957.
- (4) Supplemental retirement income payment:
- (a) If the retirement income benefit is greater than the annuity retirement option, then a supplemental retirement income payment shall be paid monthly to a retiree.
 - (b) Contributions assumptions:
 - (i) In no case shall annuities purchased entirely by self-paid premiums of the individual be used to reduce the college obligation for supplemental retirement income payments.

- (ii) Summer contributions: Retirement annuities developed from employees and college contributions from summer salary, shall be included in the calculation of the retirement income benefit. Summer salary shall be included in the average of the highest two consecutive years salary.
- (iii) Only annuity accumulations resulting from employee and employer contributions while employed at public higher education institutions within the State of Washington shall be included in the annuity retirement option.
- (iv) Any portion of a participant's TIAA and/or CREF annuity accumulation which is awarded by a court to the participant's spouse upon divorce or dissolution of marriage shall be included in any subsequent calculation of supplemental payments as if that amount had remained in the participant's TIAA and/or CREF accumulation until the date of retirement.
- (v) The value of the annuity retirement option for TIAA/CREF shall be calculated as if, after July 1, 1974, 50 percent of the participant's contributions were made to TIAA and 50 percent to CREF during each year of participation until retirement. Benefit calculations related to contributions made prior to July 1, 1974, shall be computed on the basis of the actual allocations between TIAA and CREF.
- (c) Supplemental retirement income payment for a surviving spouse: Prior to retirement, a person or his assignee may elect a supplemental retirement income payment option to provide for the continuation of that supplement to the surviving spouse; provided, that if such option is elected the supplemental retirement income payments shall be in the same proportion as the elected survivor annuity option, and provided further, that this section shall not apply to persons retired prior to July 1, 1974.
- (d) Early retirement provisions for supplemental retirement income payment: At the time of retirement of a participant who has elected to retire earlier than his or her 65th birthday, the supplemental retirement income payment shall be calculated in accordance with the provisions of this section; provided, that the amounts so calculated shall be reduced by 0.5 percent for each month by which the retirement age is less than 65.
- (e) Minimum supplemental retirement income payment: The supplemental retirement income payment shall be made in equal monthly installments. If, however, such monthly installments should be less than ten dollars the supplemental retirement income payment may be made at the choice of the President or his designee at longer intervals.
- (5) Spouse signature: The spouse's signature shall be required by the college indicating acknowledgment of the annuity retirement option and the supplemental retirement income payment option.

EAC 174-147-450 Retirement Age

- (1) Normal retirement age: Sixty five is the normal retirement age at The Evergreen State College. A faculty member or other employee may elect to retire at the earliest age specified for retirement by Federal Social Security Law.
- (2) Mandatory retirement age: Seventy is the mandatory retirement age at The Evergreen State College.
- ~~(2)~~(3) Extension of service: With approval of the President, extension of service beyond ~~normal~~ mandatory retirement age may be made for definite periods not to exceed one year each, ~~but no such extension shall postpone retirement beyond the end of the academic year in which age 70 is attained.~~ A petition for extension of service must have the support of the appointing authority and concurrence of the respective vice president.
- ~~(3)~~(4) Effective date of retirement:
 - (a) Faculty personnel shall be retired by July 1 or at the conclusion of the teaching contract, whichever occurs first, next following attainment of retirement age.
 - (b) Administrative exempt staff personnel shall be retired by January 1 or July 1 next following attainment of retirement age.
- ~~(4)~~(5) Reemployment of retirees:
 - (a) A retiree reemployed by the college for less than 40 percent of full-time or less than 70 hours per month, or for less than five consecutive months, shall be eligible to receive supplemental retirement income under the provisions of the retirement system.
 - (b) A retiree reemployed by the college for 40 percent of full-time or more, or 70 hours per month or more, or more than five consecutive months, shall not be eligible to receive supplemental retirement income payments during the period of employment, provided that TIAA/CREF annuity benefits shall not be affected.
 - (c) Contributions by reemployed retirees:
 - (i) Contributions to the retirement system shall not be made if employment is not expected to last for more than five consecutive months or employment will be for less than 40 percent of full-time service, or for less than 70 hours per month.
 - (ii) If employment is expected to last for more than five consecutive months and employment will be 40 percent of full-time service or more, or 70 hours per month or more, the employee may elect to contribute, at applicable rates, toward the purchase of retirement annuities and such

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contributions shall be matched by the college. Such annuity benefits shall not be included in the calculation of retirement income payments.

EAC 174-147-460 Retirement for Disability

- (1) Disability provision: Any eligible employee under age 65 who is totally and permanently disabled may be retired for condition of health, either at his or her own request or by request of the President.
 - (a) All employees who belong to The Evergreen State College retirement system shall be designated as eligible employees.
 - (b) Employees over age 65 who are disabled will be eligible under the regular retirement for age provisions of the retirement system.
- (2) Request for disability retirement: Any request for retirement on account of disability must be reviewed by a committee consisting of three physicians, one to be chosen by each of: the President, the respective vice president, and the individual involved or that individual's representative. After review, this committee will make recommendations to the President. After retirement for disability, the case may be reviewed by such a committee semi-annually upon request of the President or the individual who is retired.
- (3) Payment of supplemental retirement income payments: Subject to statutory limitation and the general provision of its retirement regulations, The Evergreen State College will make, to a person retired for disability, monthly supplemental retirement income payments which, when added to the annuity received by the individual, will equal the amount to which the person would have been entitled, based upon his or her number of years of service and on his or her actual average of the highest two consecutive years annual salary.

EAC 174-147-470 Withdrawal from the Retirement System

- (1) Ownership of annuity contracts: Each TIAA Retirement Annuity Contract and CREF Certificate issued in accordance with the provisions of the retirement system is for the purpose of providing a retirement and/or a death benefit and is the property of the individual participant.
- (2) Repurchase of TIAA/CREF annuities: Under certain conditions TIAA may repurchase the retirement annuity of a participant who leaves the employ of the college for reasons other than retirement or disability. A retirement annuity will be repurchased before payments to the annuitant have begun if the annuity has been in force for five years, if the repurchase value is \$2,000 or less, provided that all of the following conditions are met:
 - (a) The annuitant requests repurchase.

- (b) The annuitant is neither employed at nor is transferring to an institution having a TIAA retirement plan (sabbatical and other authorized leaves of absence are considered as employment).
- (c) All participating institutions that contributed premiums consent to the repurchase.
- (3) Upon repurchase, the refund of accumulations related to payments made at the college less repurchase charges will be paid to the employee.
- (4) If the annuitant has more than one annuity, the total value of all TIAA and CREF annuities and the longest duration of any of them, shall govern in determining whether a repurchase will be made under EAC 174-147-470(2). (The result being that all or none of his or her annuities will be repurchased.)
- (5) Provision for change in TIAA/CREF repurchase policy: In the event any changes are made by TIAA/CREF in their automatic repurchase policy the Board of Trustees shall decide the repurchase policy to be followed by the college.
- (6) Resignation of employment: Should a participating employee resign before attaining retirement age, the contract remains in force, without further premiums, in the amount of employee contributions, matching contributions by The Evergreen State College, and dividends. The owner will be eligible for payments according to the provision of the contract upon reaching retirement age; however, the employee may continue payments into the contract thereby purchasing a larger annuity or, as a faculty member in another institution that also has a contract with TIAA, may transfer that policy to the other institution. An employee who has resigned from service with the college and is not participating with another TIAA/CREF member institution may commence receiving periodic lifetime payments beginning at any practical age upon agreement with TIAA/CREF.
- (7) Option to surviving spouse on the death of participant before retirement: The surviving spouse shall be allowed any option available under TIAA/CREF rules including the option of a lump sum settlement of accumulated benefits.

9/20/79

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