President Jim Lockard called the meeting to order at 10:00 a.m., followed by a welcome to new board members and introductions of everyone present.


Approval of the Agenda: Jim Lockard submitted the agenda and a motion was passed to approve the agenda.

Approval of Minutes: The minutes of the January 14 and April 16, 2014 Board Meetings were approved.

President’s Remarks: We have been successful in involving more currently employed people, but that causes some conflicts in people being able to make meetings. Jim remarked that it has been a challenging year, and it will continue to be so.

Treasurer’s Report: Pam Rosenberg stated that she had received the data from Doug Moore last week. The signatures were changed over. They had to move the CD’s into the checking account because they would not allow them to change the signatures on them. She is investigating moving to a different bank to receive better rates. Pam reported that the bank explained that if you don’t call before CD’s are due to renew, they renew at the lowest rate possible. Pam was urged to investigate other options.

SURT S Board and SUAA Foundation Reports: John Engstrom reported that the fiscal year for SURS ended on June 20, 2014. It was a good year and SURS investments earned about 18%. Based on recommendations of the actuary, SURS lowered the discount rate from 7.75% to 7.25%. This will have an impact on those retiring under the money purchase formula. Basically, it means that people will have to work an additional year to receive the same benefit.

The State Supreme Court rejected the state’s plan to charge annuitants for health care coverage and sent the matter back to the lower courts. SURS is an agent for the state for insurance so SURS does what the state says – they are still deducting the insurance until the state says differently. The money is kept in a separate account so refunds can be given. There are still unanswered questions about reimbursement. Jim thinks that if you paid through January and then chose to opt out, that money would also be refunded. Jim explained that the Supreme Court sent it back to the lower court because the Supreme Courts say that health benefits are part of the pension clause, so the lower court must rehear the case with that information.

An election will be held this spring to fill one annuitant and two active employee Board positions. Check the SURS website for more information. The information is usually current. Jim will pass out a sheet on differences between SURS and SUAA, in the future.

John also represents NIUAA on the Board of Directors and Executive Committee of the SUAA Foundation, a 501©3 not-for-profit organization that is a separate arm of SUAA. The Foundation
has four major purposes: 1. Support for education and dissemination of information regarding issues affecting the welfare of members of SUAA; 2. Emergency assistance to SUAA members who are in need of financial support; 3. Support for chapters establishing Survivor Assistance Programs; 4. Assistance to the SUAA Central Office. This info will be in the next newsletter. At last meeting, they elected officers and executive committee. The Foundation is funded through donations from SUAA members. As of April 30, 2014 the Foundation had $121,273 in net assets available for expenditure. At the June 17, 2014 meeting of the Foundation they discussed the Survivor Assistance Program and procedures for providing emergency assistance to SUAA members.

Benefits: Sherie Spear reported that they have not had any meetings since the last report.

Legislative: Jim provided information on the continuing pension battle and lawsuits. The recent ruling on the health care seems to be a plus towards the battle. This is a very expensive battle. There will be another appeal from SUAA for legal funds. One of the big concerns is the large number of people that are SERS members, but not SUAA members. Individual are needed to contribute to legal fund. Our chapter has been one of the largest donors as a chapter. Of the $34 we pay for dues per year, the chapter gets $3.00, so our yearly dues income is about $5,000.

Jim has seen no other public information on this, but CMS has received a number of complaints that United Health Care is the only option. Jim has been told that CMS is looking at additional vendors (for next benefit choice period). There is some concern about Medicare Advantage plans in the future, and how the state will handle it. Jim has not heard many complaints from NIUAA members regarding United Health Care, although apparently there have been complaints elsewhere.

Jim tried to get information from Linda Brookhart, but has been unsuccessful, about an issue in drug coverage under the Advantage plan. She implied that there was a donut hole for drug coverage, just like other plans (although it was said that there would not be when the presentations were first given). Joe said that he had heard from a reliable source downstate that CMS did err in that there was no donut hole, but there was and CMS would cover it for this year, but with the new year on Jan. 1, CMS would not be covering it.

Jim shared that if a person is collecting survivor benefits on top of their own pension, CMS requires them to treat that as part of their entire income and the insurance payment is based on that. Jim questioned Linda B. and she didn’t think that sounded right, but Jim has not heard back from her.

Also up in the air in the legal realm is a situation where a small subset of SERS members that at time of retirement, agreed to a lower pension in order to get free health care (they didn’t have enough years in). That was an irrevocable decision. They are now being charged the health care premium. SERS responded that the decision keeps them from paying the additional 5% for not having 20 years, but not for the base premium.

SUAAction: Jim forwarded Alan Voelker’s report via e-mail as Alan was not able to be here. There is tension between SUAA and SUAAction. Getting information is sometimes difficult. Money gets spent without the Board knowing. SUAAction gave Jose Sosnowski money, yet he is an advocate for pension reform. Bob Pritchard is considered to be one of the good guys – there are a couple of events that we can get money from SUAAction to go to. John brought up an e-mail that Cathy Cradduck sent with concerns about involvement with politics and NIU e-mail. It was decided that Board Members could give a different e-mail address if they wished.
Membership: Pat Vary reported that in May we had 1882 members. In June we were at 1889. People do drop out and Cathy suggests that we try to track down dropped people to see why they are no longer members. Some are dropped because they don’t realize that when they retire there is no automatic carry over to automatic withdrawals, although LeeAnn has been trying to let people know. Jim reminded us that at 2000 members we get an extra vote at the SUAA meetings.

Public Relations/Events: Steven Johnson mentioned that the Back to School Coffee Hour will be moving to Barsema. He brought copies of upcoming trips.

Communications: Jerry Meyer said that the Nov. Annuitant Newsletter articles will be due sooner than we think, so start writing! Jim noted that our piece of the NIU website has been updated. He is unsure if it is all up to date. We have not had anyone responsible for electronic communication so we may need to recreate that responsibility.

Old Business:

SUAA 2014 Annual Meeting Report: The summary that was sent out was good. Not in the summary was a report of the extensive debate held the first afternoon about the proposed revision of the constitution. The next morning there was a debate and vote on possible revisions. The new proposal was easily defeated. There were not enough votes to get our way, but we can be an effective block. There was a proposal for a division of regions instead of the current plan, but it didn’t make sense. The powers that were behind the changes are still in power, so it is not clear what will happen.

Liability of Board Members: This issue was raised some time ago. It came up at the SUAA annual meeting. We are not protected in our responsibilities as Board Members. SUAA liability covers the Directors for SUAA activities, but chapter activities are not covered. At least one chapter has purchased Board Liability insurance for its members. Not too expensive, ~ $500/year. Western has looked at it and determined it could be a significant problem. SUAA has not been willing to address it, but it is a significant problem for those very small chapters that could not afford liability insurance. Jim will find out more information from Western. No one has had a problem in the state that they are aware of, but it is a good business practice.

New Business:

NIU e-mail for Retirees: An invited guest, Brett Coryell, new Chief Information Officer, came to share new information on changes in the NIU e-mail system and how it might affect retirees. The current e-mail system (Groupwise) is inadequate and overly expensive. It is also not capable of properly handling compliance laws for HIPPA, FERPA and other restricted data, and it is “feature poor.” The change will benefit the University financially. It would save the university $322,000 recurring. It would save students $400,000 recurring and would allow students to use Microsoft Office Suite on their personal computers.

The plan is to change over to Office 365 from Microsoft. Microsoft does not allow for free access to those that have left the institution (alumni or retirees). Microsoft has changed some so that it might be possible, but it is very complicated and could cause the system to slow down considerably. It might be possible that the alumni and retirees could get a different e-mail address that wouldn’t end in niu.edu. Members brought up that for some, having the niu.edu address is important. What comes next is the planning stage including budget, a schedule, communications plan, scope statement, quality plan, and risk log. At the end of that (4 weeks),
there should be a better information about technical options for retirees keeping e-mail.
Possibilities could be: 1. Retirees could pay to be in the system ($2.00/mo) with all of the other elements (instant messaging, VIBE, SharePoint, DropBox); 2. Free e-mail, but e-mail only and with a different address; 3. Maybe MS would allow retirees to be put into the NIU.EDU.

Email is a tangled plate of spaghetti. Brett and the Board Members present discussed various scenarios, options, and preferences. Brett explained some of the complexities of the systems we have on campus. Roughly 70% of retirees are actively using their account. The preference would be to keep retiree e-mail with the currently employees, but Brett doesn’t know if that will work. Brett shared various operating procedures and what will be happening in the future. If we assume everything for employees will work out, migration for retirees will happen early in the year or by spring break. There will need to be a lot of training! Video support, help desk, written instructions, walk up support, and other means will be used. Jim said that the Board would be willing to work with Brett. Perhaps some of us would be willing to do an early adoption. It was asked if there would be a way for retirees to get MS Office, etc. Brett said that would be $3.00/mos., but may be restricted for retirees. There was intensive discussion of concerns and suggestions regarding the issues. Brett listened to the concerns and will take them into consideration. Jim summarized by saying that changes will be coming, but we don’t quite know exactly what they will be and we will have to wait to see how things get worked out.

After Brett left there was some continued discussion. The largest concern people seemed to have was having to use a different e-mail address. Jim mentioned that the most important thing is that a person’s e-mail is discoverable, that someone looking for that person can find him/her.

Meeting Times: We may have to revisit meeting times as there are more people who are currently employed who may have conflicts meeting during the day. At the same time, it may not work for some people to meet after work either. We’ll wait and see how it goes.

Programming: We may need to do more programming for the membership. Some of the smaller chapters would be interested in doing some co-programming.

Volunteers: Some people have volunteered to be more involved with the organization. There are opportunities perhaps for volunteers to review the website, assist with survivor assistance, help make phone calls to dropped members, etc., reaching out to members who don’t have e-mail addresses listed to see if we can get e-mail addresses.

Miscellaneous: In the earlier e-mail discussion it had been mentioned that perhaps we should require retirees to be a member of NIUAA to get free e-mail. Sheri wondered if that might result in alienating people. Others agreed that it might not be a good idea, even though, that has apparently been the rule but not enforced.

Steven asked about the Holiday Lunch. None of the people from the committee were in attendance, but Jim mentioned that the Holiday luncheon will be at Faranda’s this year (contract signed and paid deposit), although we have not canceled Holmes Center yet.

Tentative dates for 2014-15 Board Meetings: Wed, Oct 22; Wed, Jan 14; Wed, April 15; all @ 10 a.m., Human Resources Building, room 178.

The meeting was adjourned at 12:11 p.m.

Respectfully submitted,
Nancy Kasinski, Secretary