

Adopted:

ACADEMIC SENATE
of
CALIFORNIA POLYTECHNIC STATE UNIVERSITY
San Luis Obispo, CA

AS-___-05

RESOLUTION ON
PROPOSED RETIREMENT PLAN MODIFICATION

- 1 WHEREAS, The California Public Employees Retirement System (CalPERS) retirement plan
2 is an integral part of CSU employees' compensation plan; and
3
- 4 WHEREAS, CSU employees have often been faced with below market salaries partially offset
5 by a sufficient retirement plan; and
6
- 7 WHEREAS, CalPERS "defined benefit"* pension, which offers CSU employees the security
8 and dignity of a guaranteed pension upon retirement, has been central to our
9 recruitment efforts; and
10
- 11 WHEREAS, Defined benefit plans are professionally managed; and
12
- 13 WHEREAS, CalPERS is nationally recognized as a leader in positive corporate governance
14 and a model of a well-managed defined benefit pension plan; and
15
- 16 WHEREAS, The risk of "defined contribution"*** plans is in the hands of employees who are
17 often not educated in the investment of these funds; and
18
- 19 WHEREAS, A privatized defined contribution retirement system dramatically increases an
20 employee's risk of losing their retirement benefits; and
21
- 22 WHEREAS, Imposing a defined contribution retirement system on new employees will
23 diminish the funding base for the current defined benefit retirement plan;
24 therefore be it
25
- 26 RESOLVED: That the Academic Senate of California Polytechnic State University (Cal Poly)
27 strongly oppose the imposition of any defined contribution retirement system—
28 whether for new or existing employees—as well as any mandate to create an
29 optional plan for converting employees from a defined benefit plan to a defined
30 contribution plan; and be it further

- 31 RESOLVED: That the Academic Senate of Cal Poly urge President Baker, the Chancellor of the
32 CSU, and the CSU Board of Trustees to oppose any change in the California
33 Public Employees Retirement System (CalPERS) that would result in lower
34 retirement benefits to its current faculty and staff or that would increase the costs
35 of the plan to its employees; and be it further
36
- 37 RESOLVED: That the Academic Senate of Cal Poly condemn efforts by the governor and
38 others to unilaterally modify the terms and conditions of employment for CSU
39 employees; and be it further
40
- 41 RESOLVED: That copies of this resolution be sent to the Governor of California, the
42 Chancellor's Office, CSU Board of Trustees, California legislators, and to all
43 CSU campus academic senates.

Notes:

- * A secure retirement plan is known as a “defined benefit” plan. Monthly retirement amount is fixed and based on an individual’s salary and years of service.
- ** Individual risk accounts are known as “defined contribution” plans. Monthly retirement amount would depend on how the individual invests and the ups and downs of the stock market.

Proposed by: Manzar Foroohar, CSU Academic Senator
Date: February 14, 2005
Revised: February 22, 2005
Revised: March 2, 2005