

Cliff Vesting Proposal—Some Thoughts

--Ernie Yanarella

--Invite Frank Butler to next Monday's meeting for rationale for such changes

--Develop a position on Cliff Vesting changes, including the possibility of alternative savings/funding sources

--Evaluate, in particular, the option of substituting higher increments of General Fund support from the UK athletic program*

--Examine this proposal in light of changes to recently announced changes in the retiree health care insurance and coverage (Medicare Carveout/medigap insurance coverage)

*It is my understanding that the athletics program has been routinely contributing \$1-1.25 million/annually into the General Fund. This year, it raised it to \$1.75 million. As far as I can tell, this contribution is voluntary and can vary from year to year. With big-time college sports a major growth industry for UK, one of the few on campus, it strikes me that rather than raiding faculty benefits, a hard look at its generally increasing revenues from television and other rights to substitute for erosion of faculty (and retiree) benefits and to augment the General Fund is long overdue and certainly warranted in these uncertain financial times.