

# The Need for a Retirement Plan

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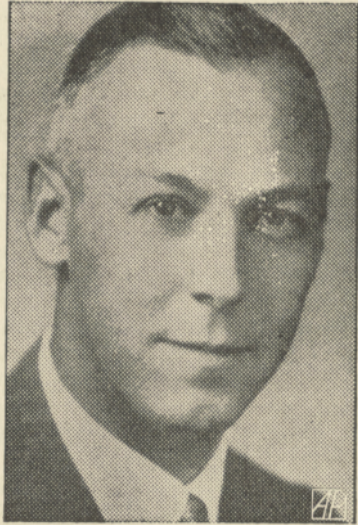
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It is practically incumbent on the governing board of every college of importance to provide an adequate retirement plan for the benefit of staff members and employees. Not only is such program necessary for the attracting and holding of quality staff members and keeping them satisfied and efficient, but it would be impossible to build a faculty of high standard in competition with the other colleges that have retirement plans, unless superannuated personnel who had given long and loyal service to our youth are being looked after. Most state colleges and practically all well endowed private schools provide retirement compensation.

It is indeed regrettable that the federal social service system does not embrace school and college personnel, but as no action in that direction can be anticipated, it doubtless is to be understood that this phase of "relief" work is left to the states.

Two methods of providing retirement funds are usually employed by colleges. One comprises direct payments by the college after employees have reached the age of retirement either from funded account or from current funds. Our board is obliged to carry employees who have reached the age of retirement on the payroll, as the laws of this state do not permit a state department to pay pensions as such.

The other popular method of providing retirement funds is to purchase annuities for the personnel from a commercial company. In that regard I would say that just as the Presbyterian Ministers Fund was the first life insur-



ance company in America, so the Teachers Insurance and Annuity Association is one of the leading pension facilities in the country. This is a concern which now is serving some 250 schools and colleges by accepting premiums, usually paid on the contributory basis, i.e., by the employer *and* the teacher, during the teacher's service, for which an annuity is provided with payments to the annuitant beginning at the age of retirement, usually 65, and continuing for life.

Now with reference to our own situation and difficulties. I am not sufficiently posted relative to Oregon legislative history to explain why it was possible before unification of the state's higher educational interests to provide an annuity plan for their employees while later, and at present, the law prohibits this constructive action. Suffice it to say that some 20 years ago the regents of the University of Oregon took advantage of an offer from the Carnegie Foundation to assist in pro-

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