

Compensation and salary include wages, longevity pay, hazardous duty pay, and emoluments provided in lieu of wages, but do not include expense reimbursements.

3. U. T. System: Approval of Optional Retirement Program (ORP) Vendors Effective June 1, 1998.--The Business Affairs and Audit Committee recommended and the Board approved the following vendors to offer products to The University of Texas System Optional Retirement Program (ORP) participants effective [June 1, 1998](#):

Aetna Life Insurance and Annuity Company
Hartford, Connecticut

Fidelity Investments Tax-Exempt Services Company
Boston, Massachusetts

Great-West Life and Annuity Insurance Company
Englewood, Colorado

Lincoln National Life Insurance Company
Fort Wayne, Indiana

Metropolitan Life Insurance Company
New York, New York

The Copeland Companies
East Brunswick, New Jersey

The Variable Annuity Life Insurance Company
Houston, Texas

Teachers Insurance and Annuity Association-College
Retirement Equities Fund
New York, New York

All employees appointed to a position in public higher education in Texas for twenty hours per week or more, for four and one-half months or more, must participate in the Texas Teacher Retirement System (TRS) or, if eligible, the Optional Retirement Program (ORP).

The U. T. System used the Request for Proposal (RFP) process to select a consultant to assist with the ORP vendor selection process. Watson Wyatt and Company, a nationally recognized benefits and compensation consulting firm of San Francisco, California, was

selected to prepare an RFP containing redesigned selection criteria based on industry standards and the U. T. System's experience in the active management of the ORP. Watson Wyatt and Company advised that of the fifteen companies responding to the RFP, eight companies met the established minimum criteria.

These companies will offer fixed and variable annuities and mutual fund investment options for ORP participants.

Current employees will have the option of either continuing with their current vendor or choosing from the above approved vendors.

4. U. T. System: Approval of Monthly Insurance Premiums for the Medical and Dental Plans and the Health Maintenance Organizations (HMOs) to be Effective September 1, 1998.-- Committee Chairman Riter noted that supplemental material related to the proposed monthly insurance premiums for FY 1998-99 medical and dental plans and the health maintenance organizations (HMOs) for employees of The University of Texas System was before the Board on yellow paper.

Upon recommendation of the Business Affairs and Audit Committee, the Board approved the monthly insurance premiums for the U. T. System medical and dental plans and the health maintenance organizations to be effective September 1, 1998, as set out on Pages 31 - 33.