



Personnel Committee
December 6, 2013 1:00 pm – 3:00 pm
1800 Grant St, 6th Floor Denver Conference Room

Meeting Minutes

Attending: John McDowell, Bruce Neumann, Don Eron, Gloria Main, Gail Katz, Jill Pollock

On the phone: Dave Forlani, Paul Chinowsky.

Approval of Minutes

The minutes of the November 2013 meeting were approved as amended.

Chair's Report

John reported that he had met with Mark Stanker to discuss subtleties of the trust. The committee expressed concerns that there are \$20M in excess reserves and wondered how Mercer had concluded that this was an appropriate amount of reserves that indicated financial maturity and stability. After a lengthy discussion, Chair John McDowell indicated that he will follow up and report back to the committee.

New Business

Formation of a Sub-committee

During this discussion, the committee agreed on the following:

- The Personnel Committee will form a sub-committee on benefits to continue UBAB's work.
- The Personnel Committee will select the members of the sub-committee. Total members will be 10-12, including 2 faculty representatives from each campus and 2 staff representatives. Potential members include:
 - Gail Katz (Colorado Springs)
 - Bruce Neumann (Denver)
 - Jeffrey Zax (Boulder)
 - Stuart Schneck (Anschutz, retired)
 - Denny Lezotte (Anschutz)
 - Tatevik Modeyn (Boulder)
 - Charlie Schub (retired, Colorado Springs)
 - One staff representative
- The charge of the sub-committee will be to:

Continue the Trust 'oversight' charge and the issues the old UBAB was working on by requesting speedy action and timely responses to reasonable requests for specific data regarding health benefits determination, as approved by the committee.

In the follow up discussions on the same topic, it was suggested that 2 positions be set aside for experts on health care finance, possibly from the Budget Committee, who will advise the sub-committee on financial matters. The sub-committee will report to the Personnel Committee.



HR Update, Jill Pollock

Jill's report included the following highlights:

- Health & wellness report, including nutrition counseling information.
- Retirement savings and benefits report. A review of the retirement portfolios for faculty and other non PERA employees is being undertaken and the final report will be made available to the committee once it is complete.
- Proposal on dependent tuition benefit on the Boulder campus. The proposal assumes a discount approach and has been presented to Kelly Fox. Jill noted that she will keep the committee updated on the proposal and suggested that the committee invite Bill Kaempfer, who worked on the proposal to discuss it further to the committee.
- Cyber fraud & email phishing. Members asked whether it would be possible to protect faculty from such fraud, including through insurance. Jill noted that it was difficult to ensure protection given the varying ways in which fraud is conducted and went on to discuss ways that her office is working to assure that employees are protected, including additional verifications of changes in the employee profiles.

The committee went on to discuss the implementation of the Affordable Care Act and the eligibility of part time faculty, retirees and graduate students. Jill noted that the legal team is still reviewing the Act and a way forward will be determined soon.

Old Business

The committee discussed the following motion from the November 15, 2013 meeting:

The Personnel Committee of Faculty Council recommends that President Benson determine the amounts of any health plan premium overpayments by CU employees during the most recent fiscal year and that this amount be added to the documented premium overpayments by CU employees during the Trust's first two fiscal years; the total of these overpayments should be distributed to CU employees as rate reductions or premium holidays in proportion to the amount of premiums paid by each employee during these three years. This return of premiums is significant and could total \$3-5 million over the three years.

It was noted that Mercer recommends the reserves remain at a 2% or more per month, with no industry standard or evidence for this recommendation. The committee also sought to know what happens when there is underutilization by CU employees vs. overutilization by the university hospital employees and whether the current net assets could be used to justify a future rate reduction in health premiums. Jill noted that CU employees have been healthier over the last 3 years but there is no legal means of redistributing the funds, including a premium holiday to CU employees only. She added that the legal department can best answer questions on these issues. Discussion ensued.

The committee agreed to invite Brad Cornish from Mercer to discuss the financial aspects of the Trust further. Jill also noted that she will review the data and have someone formally respond to the committee's questions.

Committee members asked whether they need to meet longer or have a retreat in order to cover all the issues at hand.



Adjournment

There being no other business, the meeting was adjourned. The next meeting will be held on February 7, 2013 at 1800 Grant St. Denver conference room.