

UBC Minutes - March 8, 2013

The University Benefits Committee met at 9:00 a.m. Friday, March 8, 2013 in the Human Resources Conference Room.

Members in attendance: Martin Begleiter (Chair); Inchul Suh, Venessa Macro, Rhea Ann Frost-Clewell, Tricia Atterberg, Cheryl Clarke, Gretchen Beckley, Jana Peterson and Marc Busch.

Members not in attendance: John Stacy and Chrystal Stanley.

M. Begleiter opened the meeting at 9:00 a.m.

M. Begleiter reminded Committee members of Faculty Senate's request to evaluate Drake's contribution percentage to the Mandatory Defined Contribution Plan. He indicated Drake has traditionally reviewed retirement contribution amounts in the context of the overall benefit package, as well as in comparison to peer institutions.

V. Macro described Drake's philosophy of targeting the median of its peer group when determining employee benefits. She provided a memo summarizing Drake's Mandatory and Voluntary Retirement Plans, as well as data from the College and University Professional Association for Human Resources (CUPA-HR) Survey.

Because only twelve peer institutions participated in the CUPA-HR survey, data for Master's level institutions were included in the comparison. The data indicated a median employer contribution of eight percent by all institutions, and a median employee contribution of four to five percent. V. Macro also noted the survey's range of employer contribution rates from three to eleven percent, and employee contribution rates from two to eight percent.

G. Beckley indicated Drake has historically targeted the median for employee salaries and benefits. V. Macro agreed, indicating that while salaries and benefits are not linked, Drake attempts to target the median for both. She stated that increasing Drake's Mandatory Plan contribution rate from eight to nine percent will result in an additional cost of \$500,000 per year to the University.

I. Suh noted that while Drake's contribution percentage is comparable to its peer institutions, it remains lower than public institutions. He suggested Drake continue to encourage participation in its Voluntary Plan to adequately prepare employees for retirement.

Given the competitiveness of Drake University's current contribution percentage to the Mandatory Defined Contribution Plan, Committee members agreed an increase is unwarranted. M. Begleiter will share the Committee's recommendation in his final report to the Faculty Senate.

M. Begleiter also informed members his role as Committee Chair will terminate at the end of the academic year. He suggested new Committee members be acclimated quickly in preparation for the upcoming plan year changes.

The meeting was adjourned at 9:23 a.m.

Respectfully submitted by Marlene Heuertz.