Approved 1/15/13 FEBC #6

FACULTY ECONOMIC BENEFITS COMMITTEE

2012-2013

December 11, 2012

2:00 p.m., Federal 101

Present: D. Richards, C. Paterson, J, Ryan, J. Park, K. Bolinger, S. Buchanan, M. Green, N. Corey

1. Approval of minutes Buchanan motion, Park seconded. 4-0-1 approved.
2. Discussion of Summer School Compensation
   1. D. Richards and R. Lotspeich from Economics calculated Break even enrollments for several salary points including benefits to find out break even enrollment numbers. They recommended that the University systematically track data for enrollment of in/out state etc. for summer school. In addition, at the request of the committee, Richards and Lotspeich will calculate the full range of net revenues and losses rather than just the low end. K. Bolinger stated that Senate Exec would prefer a proposal from the committee to just giving data. Richards outlined three possible approaches
      1. More realistic enrollment threshold, keeping the current salary structure
      2. Graduated rate of reimbursement plus the above modified enrollment rule
      3. Flat rate structure
   2. K. Bolinger recommends we do a rationale as a preface to the recommendation in addition to the data. He will write a proposal to establish a rationale for the recommendation stating that if there are more online FS courses, more students will reach the 30 hour goal each year. The recommendations include the following:
      1. More online offerings
      2. More FS classes online
      3. The ability for students to predict online summer classes with increased number of offerings and consistency of offerings.
   3. Richards will revise his calculations for break-even enrollments to better reflect the salaries of more faculty in the $60/70/80000 ranges, calculate for grad students, and calculate the full range of net revenue, not just the low end for each salary range
3. Discussion of Health Insurance Premiums
   1. The committee will borrow language from Purdue’s policy on health insurance premiums to the effect that in cases in which two members of the same household are on ISU’s health insurance plan, that the premiums will be assessed at the rate of the higher-paid employee.
   2. The committee voted unanimously to recommend closing this loophole.
4. Richards Report on Health Insurance and Budget
   1. The working group of the Wellness Committee is thinking about health insurance premiums for 2014 and beyond. They are taking seriously the questions of building in incentives for healthy behavior and trying to be more fair to employees at the lower end of the pay spectrum. We should expect something from that group in the Spring.
   2. University Budget Committee meets tomorrow. May hear about where some cuts will be made in Academic Affairs given the 3.5 million cut.
5. Park Report on FSA
   1. We have a lower than average participation of employees
   2. A grace period will benefit faculty
   3. Only about 10 employees have a balance left over
   4. We should focus on encouraging faculty to use it
   5. Excess goes to the University
      1. May need clarification but in theory we could be losing money because some people leave the University partway through the year and not returning that money to the University because recipients can withdraw the whole amount before it has been paid in.
   6. Recommendation that we invite Candace Barton to a meeting to discuss how to promote FSAs

Motion to adjourn 3:00 PM by J. Park 5-0-0