**Faculty Economic Benefits Committee (FEBC)
Standing Committee of the University Senate
Annual Report for 2020-21**

**Approved 7:0:0 on May 3, 2021**

# **Committee composition**

M. Affan Badar, Matt Cohen, Shiaw-Fen Ferng-Kuo, Richard Fitch (vice-chairperson), Debra Israel (chairperson), Jill Moore (secretary), Erik Southard, Ex-officio: Lindsey Eberman (Senate Exec liaison), Susan Powers (Academic Affairs liaison)

**Summary of Actions on FEBC Charges from Executive Committee:**

1. **Continue regular annual reports on salary and health insurance recommendations**
2. Salary recommendations: The committee received the Oct. 1 aggregate report on salaries. VP Diann McKee met with the committee on April 19, 2021. The committee did not focus on the issue of salary recommendations this year due to the difficult budget situation of the University. The committee continues to be concerned about lack of raises, salary compression, and the impact this may have on the ability to keep and recruit faculty. We commend the administration for planning on a salary increase next year if budgets allow. We understand from VP McKee that there are not current plans to use the previous faculty salary increase model (based on salaries at peer institutions). We recommend that the FEBC continue to provide input in the future when (hopefully) budgets allow for more substantial salary increases (either targeted or across-the-board).
3. Health Insurance: Joey Newport attended the Sept. 11, 2020 FEBC meeting and reported that they were looking at changes to the health plan. Currently working on getting rates for the upcoming year. Usually have rates by now but COVID-19 has slowed the process down. Will be meeting with HBAC committee after rates are received. He also reported on numerous changes and/or accommodations made during the pandemic as a result of policies and/or CARES act. The Health Benefits Advisory Committee met on Oct. 1, 2021. Debra Israel and Rick Fitch attended. They reported on this at the Oct. 2, 2021 FEBC meeting as follows. Health benefits plan overview (in terms of premium increase). Our carrier is recommending an increase in premiums of 4.9% (will be presented at 10/23/2020 BoT meeting). After the BoT meeting, the premium increases will be posted on the HR website. A majority of the increase is linked to prescriptions; due to specialty prescription medications. As of our Apr. 5, 2021 FEBC meeting with Joey Newport there were no specific recommendations or changes being considered yet for health insurance for next year.
4. **Review the Wellness changes.** Amy Demchak, the Employee Wellness Coordinator, came to speak to the committee twice. The first time on Feb. 15, 2021, she focused on the COVID assessment and prevention activities that she has been an integral part of this year. One point of the discussion was regarding increasing the participation in the Sycamore Assessment daily screening. She also spoke to the cancelling of the on-campus screenings in Fall 2020 due to the pandemic and the current planning for Fall 2021 on-campus screenings. She has continued with her various wellness programs both virtually and some in-person as well. Her e-newsletter informs staff and faculty about the activities and opportunities. The FEBC commends her programming and emphasis on both physical and mental well-being.
5. **Review and consider simplifying the policy on Summer Pay (section 505.12)**

The policy on Summer Pay was discussed extensively throughout the year. In addition to the proposal carried over from the previous year on making a more graduated pay scale, various other ideas focused on reducing the cost to the University of providing summer courses were discussed in the light of the current budget difficulties and the decline in summer enrollments. Discussion centered around strategies to mitigate loss of faculty positions. Three motions were passed out of the FEBC and forwarded to the Senate Executive Committee.

The motions from FEBC meeting Feb. 15, 2021 were 1) to recommend a base salary cap of $75k to be used for the per credit calculation in summer pay schedule and 2) to eliminate the 10% contribution for TIAA-CREF for summer instructional pay for academic year faculty. Both were forwarded to the Faculty Senate Executive Committee. The first was modified slightly and forwarded to Faculty Senate, where it was rejected. The second was modified to include handbook language changes at the FEBC meeting on Mar. 1, 2021. However, this did not move on from Faculty Senate Executive Committee. The proposal to modify the summer pay schedule for undergraduate classes with a more graduated scale was approved by FEBC on Mar. 1, 2021, but was not approved by the Faculty Senate Executive Committee.

1. **Produce and submit an annual report by April 29, 2021.** This is the annual report.

**Non-charge related items:**

1. After being contacted by a faculty member, we asked Joey Newport about the issue of timing for use of Flexible Spending Accounts during the pandemic when some health care access was curtailed. We learned that due to Congressional action some of the deadlines had been extended and we shared this with the faculty member. Joey Newport informed us that a general announcement was being sent out to those affected.
2. On Apr. 5, 2021, Joey Newport reported to our committee that life insurance and long-term disability insurance are currently out for bids. It is a possibility that ISU will change life insurance companies. He also spoke about their efforts to make sure that employees update their beneficiaries. A goal of HR is to have self-service within Banner to change/update beneficiaries for life insurance.
3. Discussions with Joey Newport in Human Resources and VP Diann McKee regarding retirement contributions were informative and useful.  It is recommended that increased education for new faculty on retirement contributions and the power of compound interest be pursued.  Increased early contributions may benefit both employees and the institution as the employees can comfortably retire when they are ready for retirement.  An analysis of the employee contribution rate on retirement contributions before 2013 (pre-3% retirement contribution default) to post-default contributions would be informative.  Employees are currently encouraged to have regular meetings with TIAA-CREF representatives.  Our primary representative is Michael Dooley (mdooley@tiaa.org). It is recommended (as it was in 2017-18 and 2018-19) that HR set up regular (perhaps annual or biennial) meetings with departments/colleges to provide up-to-date information on retirement benefits. VP McKee thought something like this would be possible.