UNIVERSITY BENEFITS COMMITTEE Minutes

March 28, 2013

Members Present: Terry Borg, Liz Guess, Deborah Haliczer, Brian May, Sue Mini, Pamela Rosenberg, Gina Shannon, Sherilynn Spear

The University Benefits Committee met on March 28, 2013. The Agenda was approved, and Minutes from the January 31 meeting were approved as amended.

Old Business:

Pension Issues:

- The major concern of the committee continues to be pension reform proposals and the potential impact on NIU employees and retirees. The committee has a favorable view of the “Six Simple Steps” document developed by Steve Cunningham and his collaborators at the University of Illinois. The proposal addresses both the benefit and the funding side of the issue, in a way that would spread the impact to all stakeholders.

- SURS retirement counselors have appointments set up on campus in April, and are beginning to offer their retirement seminar and counseling sessions through the NIU Naperville Center.

- It is anticipated that the spring legislative session will see some kind of action on pension change. Retirees and employees are anxious, and are also concerned about the specifics of the retiree health insurance changes.

- SURS Retirement counseling sessions will occur in April. The retirement seminar, normally offered in the fall, will be re-evaluated and possibly restructured.

Annuities Update:

- The NIU Annuities Association is looking at organizing information and possibly a support/peer advice system for the survivors of annuitants. At a minimum, they are asking for more on-line guidance to be made available for the survivors, who are not likely to be former employees familiar with benefits from the State. HR will meet with this group. They also suggested having more information and guidance on the website for the association, and at NIU HR.

- SUAA spring meetings will take place in late April in Palos Hills.

HB 4996:

- House Bill 4996 is still in the stage of planning for implementation as the administration is establishing procedures and seeking a method to verify information about prior employment of retirees in order to avoid penalties that would occur when hiring a retiree.
Benefits Choice Information:

- Benefits Choice occurs May 1-31. Adding dependents, dropping dependents, changing insurance plans, signing up for flexible spending plans and the sick leave bank, and 9 over 12 pay occur at this time. Few insurance changes are expected. It is anticipated that significant premium and other costs will occur.

- Retiree health insurance will see major changes, and information will be provided by SURS just prior to benefits choice. SURS insurance staff will be at the April 30 Benefits Fair, co-sponsored by CMS and NIU HR.

Other Old Business:

- The UBC was pleased that the Board of Trustees approved the SPSC proposal to allow temporary SPS to carry over vacation benefits to the consecutive year to a maximum of two years benefit; and the Operating Staff Council/APAC proposal to raise the maximum accrual for hourly civil service staff to achieve parity with maximum accruals for exempt employees.

- The UBC remains concerned about morale and workloads, and sees pensions and benefits as one major contributing factor. We look forward to the results from the SPSC and OSC surveys. Members commented on the increase in numbers of departing faculty and staff, including retirees as well as mid-career employees. Comments made to members suggest that benefits and pensions often figure in their stated reasons for leaving NIU.

- CMS will be sponsoring regional Benefits Fairs in April and May throughout the state. NIU will be the host for the first such seminar scheduled for April 30, 10-2 at the Holmes Student Center, Duke Ellington Ballroom. All employees and annuitants on the state health insurance plans are welcome to attend.

- It was suggested that more retirement education seminars be organized and offered to NIU employees, including one which discusses the differences between Roth, 403b and 457 plans. A request was made to bring a speaker to campus to talk about Medicare.

- A request was made to the UBC to look into potentially discriminatory language and lack of parity for infertility treatment between various health plans that seem biased in favor of heterosexual couples. Both the PCSW and PCSOGI are asking the UBC to look into this issue, and both support equal rights for women of all sexual orientations. The matter will be referred to HR for study.
New Business:

- A request was made to the UBC to ask that SURS organize retirement benefit webinars for university police officers, whose benefits are a bit different than those of other employees. The committee passed a motion to make this request, and HR will follow through with this request with SURS. The Committee is asking that HRS organize retirement seminars focusing on financial planning and retirement lifestyle issues, even if SURS will not be planning to come to campus.

- The issue of taxation of tuition waivers was reported on. Human Resources has been monitoring IRS requirements and has contacted all employers and graduate assistants affected by this IRS issue to inform them about the change, and to work with them to assist in spreading the impact across multiple pay periods.

- The Committee voted to write a letter to President Peters and our legislators to raise our concerns about how pension reforms will impact the viability of institutions of higher education. Changes in benefits for new employees is likely to have the effect of discouraging new candidates from taking jobs at Illinois institutions of higher education, at the same time that the HB4996 will prevent most re-hiring of retirees who have historically provided the pool of qualified faculty and staff who fill in when faculty leave or go on sabbatical or FMLS. We are concerned about how we will maintain classes and academic standards in the university, and not further overload faculty and staff workloads. Borg and Haliczer were delegated to work on a draft to discuss at the next UBC meeting.

- Next meeting was scheduled for May 2, 10:00 – 12:00.

Respectfully submitted,

Deborah Haliczer, chair

University Benefits Committee