OSU STAFF ADVISORY COUNCIL MINUTES
April 9th, 2008, 416 Student Union, Case Study 3


Absent: Barron, Condit, Lowe, A. York, S. York

Carey Warner called the meeting to order at 1:15 p. m. and Lynette Venard called roll.

Carey asked for approval of the March minutes. A motion was made to approve the March minutes, seconded and approved by a voice vote.

Carey asked for approval of the agenda. The Tobacco Free policy will be added to Old Business. SGA recommendations will be added to New Business.

Wellness Summit – Robin Purdie
Robin Purdie discussed the Wellness Summit held in February at the OSU campus. There were representatives from OSU and the other A&M System campuses. The summit was held after the survey that was sent to OSU employees. The representatives met to discuss the survey results and what can be done to increase health awareness. Robin highlighted their goals which are: 1) maximize BCBS partnership by using available tools 2) promote benefits of health and wellness to President Hargis and administration on all campuses 3) work on system-wide policies that are more inclusive for all campuses and 4) leverage all resources and work together. A question was asked about the Wellness Center working with Lighten Up Oklahoma. According to Robin, that has been discussed. Robin also reminded the council that the Wellness Center is providing a free health assessment
to all employees. The expense will be covered by BCBS. There will be no co-pay. It will just be a quick blood test to measure cholesterol, triglycerides, and glucose. Another question was asked about the Wellness Screenings and financial incentives from a few years ago. Robin mentioned that they would like to do something similar to that again. Carey made a motion for the council to approve and endorse the goals from the Wellness Summit. The motion passed.

**Executive Update – Dr. Lee Bird**

Dr. Bird spoke about a number of different items. The law allowing guns on campus was defeated. If a situation similar to Virginia Tech occurred, our police officers are trained to shoot the person with the gun. It is a very good thing that this law did not pass. She also discussed the Tobacco Free policy which will be effective July 1, 2008. There is a video entitled “Shots Fired” that is available to all departments to view. On Thursday, April 24, the author of “When Violence Comes to Campus” will be on the OSU campus discussing the book. The cost will be $55 which includes lunch. The Community Emergency Rescue Team class is enrolling for summer and fall. This class is free to faculty and staff. There was a question about the budget situation. Per Dr. Bird, the situation is “not good.” There needs to be an increase in enrollment to improve the budget. There was also a question about tuition increases. As of right now, there are no plans to increase tuition.

**Faculty Council Update – Pam Ledford**

Highlights include:

- Mike Holder gave an update on the athletic construction and coaching vacancy. Hall of Fame is scheduled to be open August 1st, 2008. The west end zone (WEZ) is scheduled to be finished 30 to 60 days earlier that projected if all goes well.
- The Emerti Association was honored for its 20 year anniversary. Because of this small group, many social groups have been formed.
- Dr. Bosserman spoke about the energy savings. For the first 5 months of FY ’08, the savings have been over 14.2% that is over $1 million.

**Branch Campus Reports**

**OSU-CHS – David Barron**

David was absent therefore no report was available.

**OSU-Okmulgee – Allen York**

Allen was absent therefore no report was available.

**OSU-OKC – Trisha Turner**

Trisha reported that their Silent Auction raised over $2,061. They are having a luncheon on May 16th. The SAC exec board elections will be held in mid-May. Graduation will be May 12th at the Cox Convention Center. The employees participating in Lighten Up Oklahoma have lost 386 pounds to date. A job fair was held on March 27th. Over 400 people attended.

**OSU-Tulsa – Dona Davidson**

Dona reported that they had a lecture on Nuclear Energy that was broadcasted to campuses in Stillwater and Oklahoma City. A graduation fair was held on March 25th. Tulsa Community College and OSU-Tulsa hosted a workshop entitled “Steps to Success”. This program is designed to help students find the information needed to complete an Associate’s degree from TCC and a Bachelor’s degree from OSU-T.
President Hargis visited their campus recently. A workshop on “Building a Positive Image” will be held in April.

**Report of Standing Committees**

**Rules & Procedures – Bonnie Gladden, Chair**

Bonnie reported that by extending the deadline for nominations for SAC, they have greatly increased the number of applications received. The ballots will be mailed out April 11th. The voting period will be April 11th through April 30th.

**Awards & Recognition – Becky McIntire, Chair**

Becky reported on the Staff Appreciation Picnic held on April 3rd. The raffle for the gazebo raised $375. 1200 people were fed. 100 vegetarian meals were ordered and 96 were fed. She is considering a bake sale during dead week or finals week. She will need people to volunteer to man the booth and to bring snacks and water.

**Policies, Benefits and Budget – Leslie Miller, Chair**

Leslie had multiple feedback comments regarding the Faculty Council recommendation. Basically, they fell into 3 categories: 1) Yea – which were the employees with spouse and dependants 2) No – this category outnumbered the yea votes. These individuals were very outspoken and had strong negative feelings regarding the recommendation 3) OK – those individuals made more than $30,000. Based on the feedback, the council can not 100% agree with the Faculty Council recommendation. The council also does not want to totally disagree with the recommendation either. Leslie has worked out a compromise recommendation that is included at the end of the minutes. Per Anne, the open enrollment period may not happen because of the three year contract with BCBS. She suggested leaving it in the recommendation anyway.

There was a motion to vote on Leslie’s recommendation. The motion passed with 16 yea, 2 no and 0 abstentions.

There was a question about prescription costs. BCBS will need more information concerning specific cases. OSU can’t adjust the different tiers on the medicines. That is decided by BCBS.

**Public Relations – Katie Reim, Chair**

Katie thanked her committee and Tara for all the help with the SAC picnic.

**Old Business**

*Blood Drive –* Carey mentioned that the Blood Drive will be held on April 22 in the Starlight Terrace.

*Tobacco Free Policy –* This policy is close to being finished.

**New Business**

*SGA Recommendations –* SGA is recommending a policy that would have OSU and the Stillwater Public School administration work together to align their respective calendars. A copy of the recommendation was handed out to council members.

*SAC Recommendations –* Carey reported that she has passed on the recommendation regarding the license incentive plan and the recommendation regarding rest breaks to President Hargis.

**Announcements**
Annual elections for officers will be held at the June meeting. A reminder, that the current officers cannot be re-elected for their offices because they are serving their second term.

Respectfully submitted,
Lynette Venard, Secretary
Recommendation No. __________

Moved By: Policy, Budget, & Benefits Committee

Seconded By:

____ Passed ____ Tabled ____ Failed

Title: Health Insurance Premium Recommendation

The Staff Advisory Council Recommends to Administration that:
OSU adopt the March 2008 Faculty Council recommendation on health insurance premiums, conditional upon the following points:

#1 Employees making less than $30,000/yr base salary will not lose any benefits.

#2 Implementation of the recommendation is based on a tiered structure, targeting the lowest paid employees to receive the greatest degree of benefit.

#3 Funding the recommendation does not impact staff raise programs.

#4 OSU continues to pay 100% of health insurance premiums for individual employees.

Furthermore, SAC has the following additional comments for consideration:

A. SAC is receptive to the idea that OSU implements the recommendation at a lower percentage than proposed by Faculty Council (for example at 63%) in order to make point #1 more feasible.

B. If the recommendation is accepted and implemented, OSU should hold another open enrollment period for dependents, with no pre-existing condition clauses/exceptions.

Rationale for lowering dependent health insurance premiums:

Faculty Council has already provided legitimate rationale for improving dependent health benefits at OSU, and SAC agrees with these reasons.

Rationale for point #1:

In order to (partially) fund their recommendation, the Faculty Council proposes using (ie. taking away) the $34.44/ mo that were provided to individual employees this year as part of a “cafeteria plan.”

SAC solicited feedback from staff on this issue, and, while most employees with dependents were understandably in favor of the proposal, those who did not were largely
against it, many of them vehemently so. Primarily, the greatest opposition stemmed from
the lowest paid employees, even those with families. This is not unexpected, of course,
because 34 tax-free dollars per month represents a significant benefit to many
individuals.

To put the importance of this benefit into perspective, for the 509 employees making
$20,000 or under annually, $34/month is roughly equivalent to 2% of their salary. For an
employee making $30,000, it is equivalent to 1.3% of their annual salary. Therefore, an
employee without dependents making under $30,000 annually would have to use a
significant portion of their next annual raise if they wished to (for example) keep up their
eye and dental insurance should OSU take this money away.

SAC does not feel it is fair to ask the lowest paid staff members to sacrifice a
statistically important percentage of their annual salary to “make up” for the loss of
this important benefit. SAC feels strongly that taking away the $34/mo will have an
extremely negative impact on employees without dependents at the lower end of the pay
scale, and we ask Administration to protect them.

Additional feedback received included the following arguments:

- Many staff members said they were only able to afford dental and eye insurance
  for the first time this year because of these additional $34/mo. Taking away the
  $34/mo will effectively take away their dental and eye insurance in order to pay
  for insurance on someone else’s spouse (and/or children). In the long run, is this
  really a fair trade that benefits the majority of OSU employees? What long-term
effects will it have upon premiums for dental and eye insurance?

- Taking away this benefit from employees with no dependents is “punishing” them
  while rewarding employees with families. Some went so far as to say it was
discriminatory.

- Taking away this benefit equally across the board impacts staff more greatly than
  faculty since the $34/mo represents a great percentage of income for lower paid
  employees.

Rationale for point #2:

SAC believes that implementing a tiered structure for dependent benefits will enable
OSU to target lower paid employees who need the most assistance in order to insure their
dependents while limiting additional costs overall, perhaps making point #1 more
feasible.

Additionally, a tiered structure may help eliminate the potential scenario in which an
employee making $31,000/yr (or less, if point #1 is not implemented) forfeits $400/yr
($34/mo) in order to subsidize insurance for the spouse of an employee making
$100,000/yr. SAC feels that this potential scenario is inherently unfair to lower paid
employees.

Rationale for point #3:
SAC believes that a staff raise program should take priority over funding this recommendation.

**Rationale for point #4:**

SAC strongly agrees with Faculty Council that OSU should continue to pay 100% of the health insurance premiums for “employee only” insured units.

**Explanation for comment A:**

There is uncertainty about revenues and expenses. The university has the insurance enrollment numbers by category (employee only, employee and child, etc.), and it has detailed salary numbers. What we don't have is any indication of how many people from each salary bracket are in each insurance category. There is also no firm number of how many people would move from the employee only category to insuring dependents next year if a plan to increase subsidies for premiums was adopted.

In short, this uncertainty seems very important because the Faculty Council’s calculations for funding the 70% proposal still leave over $900,000 to be covered by the university – and it is very likely that the Faculty Council has potentially overestimated the amount of revenues that would be available from redistributing the $34/month from employee only employees.

The Faculty Council conducted calculations for a 63% subsidy for family insurance premiums. They rejected this proposal for largely symbolic reasons (it would not raise OSU high enough in the Big XII rankings). But they projected that this solution would cost $900,000 less annually to the university. Given that the Faculty Council has potentially overestimated revenues and underestimated costs, the 63% option gives the university a more realistic chance of implementing a permanent plan.

**Explanation for comment B:**

In fairness to employees who decide to cover their spouse and/or children based these proposed changes, OSU should work with our insurance providers in order to ensure an opportunity for open enrollment in which pre-existing conditions are not considered.