

**UNIVERSITY MANAGEMENT COMMITTEE
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MINUTES

**UNIVERSITY MANAGEMENT COMMITTEE
March 17, 2016**

ATTENDEES:

Phil Phillips (chair)
Rick Gibson
Mark Davis
Donna Nofzinger-Plank
Jack McManus
Grant Nelson

Lee Kats
Marnie Mitze
Marc Goodman
Michael Feltner
Gary Hanson
Paul Lasiter
Greg Ramirez
Hung Le

ABSENT:

Bernice Ledbetter
Rick Marrs
Edna Powell

I. UNIVERSITY MANAGEMENT COMMITTEE CALL TO ORDER:

Vice President for Administration Phil Phillips called the University Management Committee meeting to order. The time was 8:34 a.m. on Thursday, March 17, 2016, in the TAC Lobby Conference Room – Malibu Campus. Chief Human Resources Officer Lauren Cosentino opened in prayer.

II. BENEFITS RENEWAL:

Chief Human Resources Officer Lauren Cosentino shared with the Committee the principles that guide the benefits renewal strategy. These include promoting consumerism and transparency, continuing to provide choice, offering competitive benefits, and gradual employee cost increases. She explained one major advantage of this benefit renewal process will be the Health Advocate Advocacy, Employee Assistance Program (EAP), and Work/Life and Wellness Coaching, which will provide additional services at a lower cost than the current Advocacy and EAP programs.

Chief Cosentino then presented the proposed plan changes across the various plan options. These included adjustments to deductibles, out-of-pocket maximum dollars, office/hospital visit and prescription copays, and the like.

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Dean of Seaver College Michael Feltner suggested providing employees with information regarding average health expenses to help them make a more informed decision. Chief Cosentino ensured this was done last year, and it will be offered again this year.

Chief Cosentino asked for the Committee's approval to proceed with her health insurance proposed plan.

The motion was seconded and approved.

Chief Cosentino then proposed the elimination of the spiritual development leave program. After careful review, it was discovered this program is often used as an extended vacation rather than for spiritual development, and it costs the University tens of thousands of dollars annually.

Rather than eliminating it entirely, Dean Feltner proposed putting the program on hiatus until January 1, 2018 to allow the Committee to re-evaluate and re-envision the program.

The motion to put the program on hiatus was seconded and approved unanimously.

Chief Financial Office Paul Lasiter presented a recommendation from the Retirement Committee to transfer from Emeriti to Select Accounts for the administration of the University's voluntary employees' beneficiary association plan and grantor trusts for employee medical benefits.

The motion was seconded and approved unanimously.

III. ANNUAL STUDENT HEALTH INSURANCE REVIEW

Associate Vice President and Senior Director of Counseling, Health, and Wellness Connie Horton and Wells Fargo Broker Brian Judy presented the annual student health insurance review. Brian explained the Student Health plan has been with Anthem for the last five years. The University adopted several plan changes during that time. The decision was made to conduct a formal carrier request for proposal (RFP) this year, and the Student Health

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Center helped identify specific criteria to be discussed and included in the RFP. Wells Fargo solicited carriers to offer proposals for the 2016-2017 plan year.

Following the RFP process, the carrier recommendation is Anthem Blue Cross because it offers the best price, the largest and strongest network in California, the strongest underwriting factors, no network disruption for students, consistent services and processes for Pepperdine staff, and continues to foster a long term relationship with the University.

Chief Financial Office Lasiter suggested the proposed costs posed a large burden on undergraduate students. Associate Vice President Horton suggested looking at one more year of data to evaluate whether the undergraduate burden is too large. Broker Judy confirmed 2016 data will be available in January 2017.

The motion to move forward with the proposed student health plan was approved, with one dissenting vote.

IV. IP FEE REQUEST

Dean of International Programs Charles Hall proposed a 3% increase in the student international programs fee used for flights and educational field trips abroad. He explained program directors have reported increases in cultural activity and trip costs, and these additional costs are the impetus behind the fee increase request.

Associate Vice President and University Registrar Hung Le moved to not approve the fee increase, and this motion was seconded. This motion to reject the fee increase was approved, with one dissenting vote.

V. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:35 am. Unless otherwise notified, the next meeting will be held on April 21, 2016.