

## UNIVERSITY PLANNING COMMITTEE

### Meeting Minutes

January 19, 2022

#### **Attendees**

Jay Brewster (Chair)	Nelson Granados	Steven Potts
Ebony Cain	Connie Horton	James Priege
Dean Paul Caron	Lee Kats	Greg Ramirez
Lauren Cosentino	Marilyn Misch	Dean Mark Roosa
Rick Cupp	Tim Perrin	Dean Deryck van Rensburg
Dean Michael Feltner	Dean Pete Peterson	Nicolle Taylor
President James Gash	Phil Phillips	Dean Helen Williams
Jaye Goosby Smith		

#### **Absent**

Gary Hanson	Sara Jackson
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#### **Observers**

Danny DeWalt	Petra Rickertsen	Jody Semerau
Seta Khajarian	Jonathan See	Nicole Singer

#### **Guest Presenters**

Sean Michael Phillips	Ben Veenendaal
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### **I. Call to Order and Devotional**

Provost Brewster called the University Planning Committee meeting to order at 8:30 a.m. on January 19, 2022 by Zoom. Dean Pete Peterson presented devotional thoughts.

Marilyn Misch and Dean Helen Williams moved and seconded approval of the December 15, 2021 meeting minutes which were adopted.

### **II. Human Resources Review of Personnel Costs**

Sean Michael Phillips reviewed costs related to human resources' compensation and benefits. Pepperdine's holistic approach to recruiting and maintaining employees was noted. Benefit cost and cost drivers and medical premiums were reviewed. Pepperdine's active reduction of medical costs and gradual shift of some of the cost burden to employees were highlighted, including that there is more room to do while staying competitive.

Compensation considerations were reviewed. In light of "The Great Reshuffle" and exempt minimum wage increases, it is proposed to raise the salary floor from \$35,000 to \$40,000 (which is estimated to cost \$300,000), offer a 3% merit pool, and add a 1% discretionary bonus pool for a one-time award to the best performers. This proposal would support Pepperdine in retaining and attracting colleagues in positions more transferable to other labor markets, as well as retaining a buffer between full-time and student employees.

It was clarified that this proposal is a recommendation that would be reviewed. A member asked regarding the decrease in medical rates why Pepperdine is not passing on a medical cost to employees at this time. In response, Pepperdine's approach to the current situation avoids employee rates increasing and decreasing over time, and members were reminded that Pepperdine has the opportunity to shift more of the cost burden to employees. In addition to supporting colleagues in positions more transferable to other labor markets, it was added that attention should be given to retaining higher-paid and competitive positions now, including counselors, nurses, and people in the mental health field.

It was asked what fundraising opportunities Human Resources will or has engaged to contribute to funding the proposal's items. The response was provided that Human Resources is open to ideas, but does not supplement departments; they work with departments to set salaries to be pay-equitable and stay competitive. A member emphasized that collaboration with Human Resources to set salaries or promotions from the outset is imperative to avoid salary equity problems which the recent salary audit adjusted.

### **III. Planning, Operations, and Construction Review of Anticipated Capital Expenses**

Ben Veenendaal presented a review of anticipated capital and Replacement and Renewal (R&R) expenses related to construction. The projected R&R expenditure is just short of what is allocated, but does not include the underground utilities assessment on which POC is embarking and expects to be more costly. The projected one-time capital expenses were reviewed, in addition to the projected "Mountain" expenditure to finish the current stage of planning. The \$7 that is leftover from what is allotted to the Mountain will go toward deferred maintenance.

R&R's meaning was clarified and noted to include repairing and replacing existing facilities in kind. A member added that R&R is within the scope of the operating budget, while the Mountain and other capital projects are outside the scope, meaning they have a different source of funding. It was further clarified that the presented R&R funds include a contingency fund.

### **IV. University General Expense Trends and Anticipated External Costs**

Nicole Singer presented on University general expense trends and anticipated external costs. Total expenses including student aid, schools and non-schools composition and expense ratios, and general and personnel composition were reviewed, noting that resources are being focused in the school areas.

Historical external budgets and composition between FY13 and FY23 were reviewed, noting that the Encino campus closure savings are offset by the institutional insurance expense increase. Year-over-year external budget changes between FY22 and FY23 were presented as dollars and percentages, projecting a very similar year overall.

### **V. UPC Charter**

Provost Brewster presented the updated UPC Charter. Updates included adding the Vice President for Community Belonging and Chief Diversity Officer role and updating current members' titles.

Dean Feltner and Connie Horton moved and seconded approval of the UPC Charter which was adopted.

**VI. Adjournment**

The meeting adjourned at 9:32 a.m. The next University Planning Committee meeting will convene at 8:30 a.m. on March 16, 2022 at the Seaver Board Room.