

## COMMITTEE ON COMPENSATION

### Block 7 Minutes

March 22, 2010

Present: Ann DeStefano, Karen Klein, Shaleen Prehm, Patti Spoelman, John Watkins, Diane Westerfield, Armin Wishard and Dan Johnson (chair)

#### Introduction

The meeting was called to order at 1:00. Even after cancelling the Block 6 meeting due to lack of an agenda, today's agenda was fairly light, including a specific question about Emeriti fees from both staff and faculty, a discussion about inflation measures, and a general discussion about how this committee might operate more effectively in the future.

Several community members have asked about the fees seen in their Emeriti retirement health accounts, considering them to be large compared to their account balances. Indeed, they are large as a percentage of balances early on, because most are fixed fees charged quarterly and monthly. Dan called Fidelity directly to inquire, shared that information with the committee, and lodged a personal complaint with Fidelity about the fee structure. However, HR clarified that while the fees are large, a) there is no real alternative to this program (other than not offering it as a benefit) at least until competitors offer a similar product, b) it is tied to our group health insurance for retirees, c) the fees should decline as balances rise, not only as a percentage but in absolute terms, and d) we would forfeit employer-contributed balances if we withdrew now. The Committee agreed that there had been sufficient public discussion before we engaged in this program, and that this was not the time to withdraw.

Dan led a discussion about alternatives to the current measure of CPI. The committee agreed, based on evidence circulated and shown on a graph, that there was no real difference between alternatives. That said, there is a clear reason to encourage the College to move to measure that is available during the late summer or early fall, so the AAUP and the Compensation Committee may be actively involved in the budgeting process rather than sidelined due to timing. Since we currently only know CPI rates in late January, having a discussion about salaries in the fall is theoretical at best, and makes our input relatively useless for the purposes of College planning. With the Committee's agreement, Dan will share this information with the AAUP first, then with the VP Finance and Dean, to broker an agreement to shift our commonly accepted measure.

Next, we engaged in a broad conversation about the Committee's function this year. Some of us see our role as one of serving priorities as they arise, or perhaps the role is more to balance competing interests or needs of the College on a regular basis. The Committee could be a final arbiter and recommender to the administration, but has not served that role this year. HR would appreciate a single node with which to communicate, a clearinghouse for compensation-related issues, but this year in particular it has been disconcerting with so many voices at the table on different committees. The Committee could be treated as a campus-wide committee, rather than seeming to serve faculty interests more (by reporting to the FEC and Dean). The Committee would appreciate more raw information with which to have conversations, and even make decisions. The Committee would benefit from a more careful selection of members to represent all tiers of faculty and staff: this year there was effectively no representation by younger faculty.

Dan was asked to communicate with the FEC about the line of command, using parental leave as an example.

For the meetings ahead, both this year and next, the Committee would like to address increasing sick and vacation leave coverage for exempt staff, revisiting the goal of a 10 percent match on retirement contributions, reviewing our health insurance policy, and considering our compensation philosophy directly.

The meeting adjourned at 3:00.