

AQIP ACTION PROJECT UPDATE

9/23/2011

Action Project: Improving Employee Compensation and Benefit Programs

Question 1: Describe the past year's accomplishments and the current status of this Action Project.

Response: After changing the scope of the project (see prior reports) and reconstituting the Benefits Committee (the Committee), we developed a revised work program. The Committee met several times and developed a benefits survey. The benefits survey included questions regarding the university's current benefits and solicited input for potential changes in the current benefit offerings. The survey was distributed to all full-time employees for completion. We had an excellent response rate of over 65%. The results of the survey have been compiled and were reviewed by the Committee.

Information on current employee benefit trends has also been gathered as a resource to consider alternatives to our current benefit offerings. This information, taken with the results of the survey noted above and consideration to available resources will allow the Committee to review and possibly redesign employee benefit offerings.

The Committee made a few changes in the current benefit offerings. Significant changes were not done due to several factors. First, there was concern on the impact of the upcoming implementation of the Patient Protection and Affordable Care Act on the current health insurance benefit program. Second, recent changes in ownership structure of a sister organization, with which we partner on several benefit programs, has created some uncertainty in possible changes in current benefit programs in which we share, since the sister organization takes the lead on certain benefit plan design and programs. In addition, this relationship has also restricted the options available to us should we decide to make significant changes in these shared programs.

Taken with the above, there became some hesitation to make any significant changes to benefit programs until more is known regarding the two factors cited above. While the Committee made some minor changes to benefits, it was determined in the best interest of employees to hold further changes until sometime in the near future. Accordingly, we consider this Action Project completed as of the above date.

Question 3: Describe your planned next steps for this Action Project.

Response: Any changes in benefit programs have been incorporated into the current Employee Handbook. Since we consider this project to be completed, changes in the employee benefit environment will be monitored for the possibility of future changes in employee benefit programs.

Question 4: Describe any “effective practices(s)” that resulted from your work on this Action Project.

Response: We found planning for a project of this scope to be more difficult than anticipated. In addition, significant outside changes, for example health care reform, in employee benefits had an impact during the progress of the Committee. Accordingly, as future projects are envisioned, we will carefully review the scope of the project to ensure a project will be of manageable size and potential and known external factors on the scope of the project will be reviewed in order to complete the project on a timely basis. If necessary, future projects may be divided into smaller pieces to be completed on a serial basis.

Question 5: What challenges, if any, are you still facing in regards to this Action Project?

Response: We continue to be aware the topic of compensation and benefits can be a sensitive and emotional topic for employees. While the Committee strived to be fair in any proposed plan of action, we know that not all employees may be satisfied with the changes. In fact, potential or perceived employee reaction, particularly negative reaction, seemed to hold the Committee back from making meaningful proposals for changes.