



A LEADING AMERICAN UNIVERSITY WITH INTERNATIONAL REACH
OFFICE OF THE PRESIDENT

January 26, 2011

MEMORANDUM

TO: Dr. Kelly L. Madole
Chair, University Senate

FROM: Gary A. Ransdell *(signature)*

SUBJECT: December 2010 Resolutions

I have reviewed the three resolutions provided to me on January 12, 2011.

- Request for increase in employer contributions to health care benefits:

An additional \$883,000 has been allocated to our health insurance program for FY 11. Effective January 1, 2011, the University contributes \$471 per employee, per month. This is an increase from \$418 per employee, per month, which was in effect for the 2010 calendar year.

The “2009 data” referenced in the resolution was not included with the resolution, but benchmark comparisons should be one of many factors considered by the Benefits Committee and WKU. For example, health plan designs (i.e. networks, coverages, deductibles and co-pays) vary from institution to institution, making direct comparisons problematic. In addition, other institutions may choose to increase employer contributions to health plans in lieu of salary increases. WKU has been able to provide both salary increases and employer contribution increases. We will continue to consider and weigh allocation of budget resources in the coming years.

- Variable employer contributions for health plan:

The Benefits Committee recommended two options for 2011 Health Plan rates: 1) a fixed/flat contribution where employee rates remain unchanged and the University contribution is the same for each category; and 2) a tiered variable rate schedule. I was agreeable to adopting a variable rate plan, provided that employee rates remain unchanged for 2011 and the University would not be locked into specific percentages for future University contribution. The Benefits Committee opted to stay with fixed/flat rate contribution. I am confident the Benefits Committee

The Spirit Makes the Master

Western Kentucky University | 1906 College Heights Blvd. #11001 | Bowling Green, KY 42101-1001
phone: 270.745.4346 | fax: 270.745.4492 | web: www.wku.edu

Equal Education and Employment Opportunities • Printing paid from state funds, KRS 57.375 • Hearing Impaired Only: 270.745.5389

Kelly L. Madole
Page 2
January 26, 2011

will continue to consider and weigh plan design, including variable contributions, in evaluating alternatives for 2012.

- Request that the Benefits Committee be expanded by the addition of two additional Senate-nominated faculty representatives:

Attached to this memorandum is information related to the current membership of the Benefits Committee. The sixteen members of the committee closely mirror the current employee pool at WKU. As such, the addition of two additional faculty members is not necessary. More importantly, I am confident that each Committee member, regardless of his or her status as a faculty and staff member, is working very hard to keep our employee benefits package—including our Health Plan—financially viable, affordable, and competitive. Their hard work over the past decade is a testament to the fact that the best interest of all employees is a priority for the Committee.

GAR:sh

Attachment

xc: Administrative Council

WKU BENEFITS COMMITTEE

- Permanent appointees (6 staff):
 1. Director of HR
 2. Controller
 3. Assistant Director HR, Total Compensation
 4. Internal Auditor
 5. Employee Wellness (vacant)
 6. Chief of Staff / General Counsel
- Discipline specific appointees (3 faculty – 1 staff)
 1. Math
 2. Business
 3. Public Health
 4. Health Services (vacant)
- Senate reps – 3 faculty
- Staff reps – 3 staff

Total Committee Members: 16	Total Full-time Employees*
-----------------------------	----------------------------

Total Staff – 10	(62.5%)	1,457 - (66%)
------------------	---------	---------------

Total Faculty – 6	(37.5%)	735 - (34%)
-------------------	---------	-------------

**2010 Fact Book*

Membership as of 1/25/11:

- | | |
|--------------------|--------------------------------|
| 1. Tony Glisson | 9. Chester McNulty |
| 2. Kari Aikins | 10. Deborah Wilkins |
| 3. Pat Johnson | 11. Jim Cummings. |
| 4. Betsy Shoenfelt | 12. Vijay Golla |
| 5. Patti Minter | 13. Jerry Daday |
| 6. Claus Ernst | 14. Retha Spinks |
| 7. David Zimmer | 15. VACANT (Health Services) |
| 8. Warren Irons | 16. VACANT (Employee Wellness) |