

EXECUTIVE COMMITTEE

MEETING MINUTES

MEETING DATE: **October 29, 2018** **2:00 PM - 5:00 PM**

LOCATION: Hawaii Hall 208

ATTENDANCE: [P = Present; A = Absent; E = Excused]

MEMBERS		MEMBERS		MEMBERS		GUESTS	TIME
Brian Powell, Chair	P	David Duffy, Vice-Chair	P	Douglas Vincent, SEC Secretary	P	None	
Stacey Roberts, MFS Secretary	P	Jennifer Griswold	P				
Carolyn Stephenson,	P	Ann Sakaguchi	P	John Kinder - Staff	P		

SUBJECT	DISCUSSION / INFORMATION	ACTION / STRATEGY / RESPONSIBLE PERSON
CALL TO ORDER		The meeting was called to order by Chair B. Powell at 2:03 PM. The Chair welcomed back J. Griswold after her extended research leave.
REVIEW OF MINUTES	1. The minutes of the October 22, 2018, Senate Executive Committee had been circulated electronically.	1. Motion to approve the October 22, 2018 minutes by A. Sakaguchi; seconded by D. Duffy. 5 votes in support of approval and 1 abstention.
CHAIR'S REPORT	<p>1. Update on UH Open Educational Resources Meeting with Sen. Kaiali'i Kahele. Kahele mentioned that textbooks are too expensive. A strategic goal to move toward OER. MFS is against a mandatory policy -- an initial draft and mandatory did not make the final version. Kalbert Young reported that there are a strategic initiatives discussions. A number of success stories were presented. Students complained about the cost of textbooks. We don't need a bill pushed through the legislature. It takes time. No one from UHM administration attended the meeting.</p> <p>2. Update on the rumored elimination of Pre-Tax Payroll deduction program for parking. Non-profits are now subject to be taxed. A number of universities have eliminated the</p>	<p>1. The SEC will continue to monitor.</p> <p>2. SEC will continue to monitor.</p>

UNIVERSITY OF HAWAII AT MĀNOA FACULTY SENATE

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	<p>pre-tax benefit.</p> <p>3. Update on meeting with iVCAA Bruno. There will be interims for the Vice Provosts but the plan is that there will be full searches for the positions.</p>	<p>3. The SEC will continue to monitor the progress.</p>
ACTION ITEMS	<p>1. D. Duffy to form a committee to search for the new Faculty Athletic Representative (FAR). D. Duffy, as Chair.</p>	<p>1. A. Sakaguchi moved and S. Roberts, second. Unanimous approval. J. Kinder will send out a notice seeking potential nominations or volunteers as FAR.</p>
GUESTS	<p>1. None.</p>	
COMMITTEE REPORTS	<p>1. CAB (DV) – No report. The next meeting will be on Wednesday, October 31, 2018, in HH 209 at 3:00 PM. iChancellor David Lassner is scheduled to meet with the CAB. The reorganization of the OVCAA will also be on the agenda.</p> <p>2. CAPP (CS) – CAPP held a meeting on Wednesday, October 24, 2018. Several CAPP members attended the meeting with Sen. Kahele with OER on Wednesday, October 24, 2018, in Bachman 103 from 1:30 to 3:30 pm. The next CAPP meeting is scheduled for Wednesday, November 7th from 3:00 PM - 4:30 PM. CAPP approved 5 program changes.</p> <p>1. Resolution Supporting the Proposal for an Undergraduate Certificate in Geospatial Information Science; 2. Resolution Supporting the Proposal for a Master of Science in Finance; 3. Resolution Supporting the Proposal for a Master of Science in Information Systems; 4. Resolution Supporting the Proposal for a Master of Science in Marketing Management; and 5. Resolution on Learning Data Privacy Principles and Practices. The SEC was asked by Liaison</p>	<p>1. No action is taken.</p> <p>2. Motion to bring resolutions to the floor at the next Senate meeting. D. Duffy, A. Sakaguchi to bring 5 resolution to the Senate Meeting.</p>

	Stephenson to review and comment on item 5.	
3.	CFS (AS) – No report. The meeting scheduled for October 24, 2018, has been canceled. Work will be done offline.	3. No action is taken.
4.	COA (AS) – No report. The next COA meeting is scheduled for October 31, 2018. SAAS Director Tsumoto, 2 academic advisors and 2 student-athlete representatives will be guests.	4. No action is taken.
5.	COR (DD) – COR held a meeting on Wednesday, October 24, 2018, at 1:00 PM in HH 208. The committee is considering two resolutions: 1. on transparency in reporting of RTRF policies and expenditures at the school and department level, and 2. a resolution regarding the possible consequences of the loss of the position of Vice Chancellor of Research. The next meeting will be on Wednesday, November 28th at 1:00 PM in Hawaii Hall 208.	5. COR to send their resolutions to CAB.
6.	CPM (CS) – No report. The next meeting is scheduled for Wednesday, October 31, 2018 in HH 208 from 4:00 PM to 5:00 PM.	6. No action is taken.
7.	CSA (JG) – No report. The next meeting will be on Wednesday, November 7, 2018.	7. No action is taken.
8.	GEC (SR) - Meeting was held on Friday, October 26, 2018, in Saunders 704. The committee continued its discussion of the issue of double dipping courses, and members agreed to continue consulting with units to get additional information regarding how this might impact various programs or majors. There was continued review and discussion of the external review. Two working groups were formed to draft motions. The first is to move the direct supervision of the General Education Office from the OVCAA to Undergraduate Education. The other working group will draft a motion to make approval for all General Education designations course-based. Since this is a more complicated process, the motion will be prepared to go to the full Senate at the December meeting. Next meeting Friday,	8. Draft resolutions for the November Senate meetings were discussed. If voted on by the GEC and be resolved by the next SEC meeting.

	<p>November 2 in ITC 105C.</p> <p>9. CEE (JG) – No report. The next CEE meeting is scheduled for November 7, 2018.</p> <p>10. UHPA (AS) – UHPA held a Faculty Forum on 10/27/18 regarding ERS and EUTF benefits. Presenters were UH VP/former ex-officio of ERS Kalbert Young and Dr. Catherine Chan (UHPA member and ERS Board member) for ERS benefits and Derek Mizuno presented on EUTF benefits in his role as EUTF administrator. Highlights from the Forum include: Introduction-the State of Hawai'i's pension program is one of the few defined retirement programs left in the country. Other State governments, corporate models are moving away from this. The current pension is calculated on the highest three years of salary x years of service and unused sick leave credit up to about 2.5 years x the multiplier for the pension program at the time of hire.</p> <p>A. <u>Unfunded Liability</u> - refers to a liability that does not have sufficient funding set aside. We have all heard that the ERS has an unfunded liability and it is currently funded at 54.6% and unfunded at 45.4% (\$13B). Examples of common unfunded liabilities are pension programs, OPEB (Other post-employment benefits such as health funds) and Social Security programs.</p> <p>Between 1998-2000, the pension benefits were funded at 93-95%. In 2006, the ERS funds were used by elected officials for non-pension related purposes and the funded liability decreased to 65% and has continued to decrease to its current 54.6%.</p> <p>B. <u>Differing Multipliers based on Enrollment Date and Type of Employee</u> --Contributory, Non-Contributory, and Hybrid, based on pre-1996, 1996-6/29/12 and 6/30/12 and on. Current multipliers range from 1.25 (non-contributory), Police/Fire (2.25), Judges (3.0), State (2.0 or Hybrid at 1.75)) and Elected Officials (3.5)</p>	<p>9. No action is taken.</p> <p>10. The SEC will monitor. Invite C. Chan (NREM) to speak on this at the next Congress meeting.</p>
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C. Current Pension Enrollment Status-

Retirees and Beneficiaries - 46,927

Inactive, Non-retired - 25,723

Active - 65,911

TOTAL - 138, 561

Total Estimated Pension Liability -\$29B

Funded Liability - \$16B

Net Pension Liability - \$13B

Assuming a Rate of Return of 7% (through statutory measures) the Employer has been required statutorily to contribute more to the pension program to increase the funded liability percentage. The current contributions of the State employers towards our pension are 24%, however, this will be increased to 41% by 2021. The goal is to have the unfunded liability fully addressed by 2040, at which time the Employer contributions can return to about 9.6%.

D. Average Pension Per Month of Retirees

the average monthly salary of State retirees is

\$2,318

Contributory \$2,854

Non-Contributory \$1669

Hybrid \$2178

A retiree with the highest pension in the system receives \$13,529/mo.

Note: There is a statutory cap to how much of the salary can count towards the pension. It is somewhere in the low \$200Ks.

Currently, changes in the ERS benefits for new hires are being considered but will not affect those already in the system. These include lower unused sick leave credits, final 5 years versus the highest 5 years for base calculation, lower post-retirement benefits, lower disability benefits, disassociation costs, etc.

A legislation was passed to allow UH to have its own pension program but it needs to be explored for implementation. The fact that this is possible is something we should keep an eye on moving forward.

II EUTF (or Health Fund) presented by Derek Mizuno, the EUTF administrator

- The EUTF system is comprised of 67,000 active employees, 45,000 retirees and 20,000 beneficiaries
- The HMSA premiums for UHPA decreased in 2018 from 2017.
- Kaiser premiums for the same period increased.
- 83-84% of retirees are in the HMSA program.
- HI medical premiums went up by 10.3% vs National average of 8.4%
- Employee contributions based on UHPA negotiations went down from 48.1% in 2013 to 37.1% in 2018.
- Many younger employees select the 75/25 plan, whereas the retirees and older employees choose the 90/10 or 80/20 plan because of cost factors.

Upcoming Changes to EUTF:

- for the 80/20 plan only, co-payments for maternity expenses will be reduced from 20% to 10%**
- VSP plan-eye glasses frame will be reimbursed \$120 from 2019 vs the current \$60.**
This benefit will apply at Costco, Sam's Club and Walmart starting 2019.
- Life insurance carrier has changed and coverage will decrease from \$41K to \$38K,** however.
- Dental benefit to increase from \$1,000 to \$2,000 for retirees.**

UHPA group stats vs ERS group stats
5.8% of UHPA members have diabetes vs the State ERS group average of 10.9%
24.8% of UHPA members have high cholesterol vs the State ERS group average of 20.9%.

The EUTF is asking the legislature for \$10M in FY21 to implement the new benefits administration program.

The Base Monetary Contribution (BMC) for State employees is relatively lower than the National average.

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UNFINISHED BUSINESS	<ol style="list-style-type: none">1. Schedule Senate Chairs' Retreat -- Delay Chair's Retreat until meeting with CAB representatives about dealing with the reorganization. Then schedule the Chair's retreat. Tentatively Chairs retreat on November 26, 2018, for 90 minutes..	<ol style="list-style-type: none">1. Invite CAB leadership to meet with SEC to discuss plans for dealing with the reorganization on November 19, 2018. J. Kinder to invite Chairs and Vice Chairs to survey when they can come.
BUSINESS	<ol style="list-style-type: none">1. Review the October 17, 2018 Senate Meeting Minutes.2. Review the October 17, 2018 Congress Meeting Minutes.	<ol style="list-style-type: none">1. Reviewed and edited draft minutes.2. Reviewed and edited draft minutes.
ADJOURNMENT	The next meeting of the Senate Executive Committee will be on November 5, 2018.	Motion to adjourn A. Sakaguchi; seconded by D. Duffy. Passed unanimously. Meeting adjourned at 3:50 PM.

Respectfully submitted by Douglas Vincent, Secretary
Approved unanimously on November 5, 2018.