

**Associated Students Board of Finance
Humboldt State University
Friday, March 25, 2016
Nelson Hall East, Room 113
Minutes #9**

Call to Order

Jonah Platt, Administrative Vice President, called the Board of Finance meeting to order at 11:03 a.m. on Friday, March 25, 2016 in Nelson Hall East 113.

Roll Call

Members Present: Juan Cervantes, Jonah Platt, Graciela Chipres, Joseph Mularky,

Advisor Present: Joan Tyson

Guests Present: Scott Kasper, Steve Justus

Approval of the Agenda

MOTION: MULARKY/CHIPRES move to approve Agenda #9 dated March 15, 2016
APPROVED

Chair's Report

Platt introduced himself and had the individuals present also introduce themselves.

Public Comment

There was no public comment.

Approval of Minutes

MOTION: CERVANTES/CHIPRES move to approve Minutes #8 dated March 11, 2016
APPROVED

Old Business

A. Resolution Fixing the 2016-17 Employer Contribution for health, dental, vision and life insurance benefits for Associated Students of HSU eligible employees.—Action Item

MOTION: MULARKY/CERVANTES move to approve the Resolution Fixing the 2016-17 Employer Contribution for Health, Dental, Vision and Life Insurance Benefits for Associated Students of HSU eligible employees APPROVED AS AMMENDED

Platt informed the committee that this resolution needs to be broken into three distinct separate resolutions.

MOTION: CERVANTES/CHIPRES move to amend the Resolution Fixing the 2016-17 Employer Contribution for health, dental, vision and life insurance benefits for Associated Students of HSU eligible employees to separate the resolution into three distinct resolutions: Resolution Fixing the 2016-17 Employer Contribution for Health Benefits; Resolution Fixing the 2016-17 Employer Contribution for Dental and Vision Benefits; Resolution Fixing the 2016-17 Employer Contribution for Life Insurance Benefits

APPROVED

Steve Justus, representative from Anderson Robinson Starkey Insurance was present to address the Committee. Justus provided a handout to the Committee that included information on the benefit package options. Justus noted that small group insurance market versus large group insurance are very different. Justus said that Blue Shield or Anthem Blue Cross are the two small group options in this area. Justus said his advice would be to use Blue Shield as it is more cost effective. Justus added a contract with Blue Shield could give the employee the option to choose a plan based on what suits their needs and what out of pocket cost they can afford to pay towards the plan if they wanted to upgrade. Or Associated Students (AS) could choose a single plan and the employee could build from that. Justus stated the resolution is based on a plan with a \$250 deductible, which Justus added is a very good plan, especially for a small business.

Scott Kasper, HSU Human Resources (HR) Employee Relations and Compliance Manager, stated that the benefits provided by AS must be comparable to benefits provided across the CSU. Kasper said he and his superiors will review the proposed benefits package and let the AS know. Kasper estimated by next week at the latest HR will provide AS with their decision. Tyson pointed out that the benefits package will need HR approval, but the AS Council also needs to decide what amount AS, as the employer, will contribute. Tyson suggested a percentage is what AS should be looking at since the age, gender, and number of dependents of an employee would fluctuate the amount insurance cost.

Justus requested a copy of the CSU benefits which is what HR will be comparing the AS insurance package with to decide if they are comparable. Cervantes requested that HR give AS feedback quickly if it is decided the health benefits are not comparable. Tyson recommended approving the resolution today so that the AS Council can review the resolution at the meeting on April 4, 2016. Kasper expressed concern that if HR has issues with the benefits package, the April 4, 2016 meeting date may be too soon to make needed adjustments to the plan. Cervantes informed Kasper that the Council has the ability to table the item if it isn't ready to vote on.

Tyson gave the Board the example of if Employee A has 90% of their health insurance plan paid for by AS, then Employee A will pay the other 10% themselves on a monthly basis. Tyson stated that 90% employer contribution is a very generous amount. Cervantes asked Kasper, if the Council votes to amend the 90% amount by a small portion will that hold up the process with HR? Kasper answered that AS would need to submit the new benefits package again if changes were made after HR review. Justus let the Board know that each year there is an open enrollment period for insurance, employees have the option to change the plan they offer, or employees can adjust their plans. Platt pointed out that Resolved #7 currently said 90% employer contribution will not be exceeded, Platt wants to make sure the entire Council is included in the conversation about that amount. Justus said with no current AS employees, once hired it would take a few months to have insurance up and running. Justus will work with the AS on perhaps getting an exception to that rule.

MOTION: CHIPRES/MULARKY move to approve the Resolution Fixing the 2016-17 Employer Contribution for Dental and Vision Benefits

APPROVED

Justus stated that the handout provided includes dental and vision insurance rates. Justus suggests a

minimum per employee annual dental benefit of \$1,500 a year. This would be per each dependent also. Justus said dental and vision benefits are not costly for the employer compared to health insurance. Tyson stated, like with the health insurance, the AS would pay 90% of the annual benefits cost. Tyson added that the current 2016-17 AS Budget Draft does include the insurance benefit costs at a comparable 90% contribution rate. Kasper said HR will also provide feedback on the dental and vision plans.

MOTION: CERVANTES/CHIPRES move to approve the Resolution Fixing the 2016-17 Employer Contribution for Life Insurance APPROVED

Tyson stated the current selection would provide life insurance to an employee at a maximum of \$25,000. Tyson stated this is fairly inexpensive, just a few dollars cost to the employer a month.

B. Resolution Fixing the 2016-17 Employer Contribution for retirement benefits and the vesting period for Associated Students of HSU eligible employees.—Action Item

MOTION: CERVANTES/CHIPRES move to approve the Resolution Fixing the 2016-17 Employer Contribution for retirement benefits and the vesting period for Associated Students of HSU eligible employees
TABLED UNTIL NEXT MEETING

Tyson stated she has met with a representative from Ebert Capital Management, Inc. Tyson said there is still not enough information for this resolution and recommends the Board table the item. Tyson stated that it isn't a requirement that AS offer any retirement plan, but it makes the positions more marketable to potential applicants. Tyson asked if Kasper has any thoughts on this resolution, since it also will need HR's approval once finalized. Tyson said she has been looking at 401K vs 403B plans. Tyson added that large life insurance companies are not interested in AS since it is such a small employee group. Kasper asked if AS would qualify for a 457 plan, Tyson wasn't sure. Tyson added that CalPERS, the agency that stateside employees within the CSU are part of for retirement benefits, is not accepting new non-governmental groups. Tyson stated that due to the small size of AS the high fees most retirement companies' change per year is too high for AS to afford, TIAA Cref as an example, require at least \$50 million in transferrable assets for a group to join.

Announcements

Tyson asked the Board if having Kasper or Justus present at the next AS meeting would be beneficial. Cervantes stated he would like to have Kasper at meeting if possible. Kasper said he will do his best to attend future meetings if given ample notice of the meeting. Platt announced there is a CCAT Community Garden Informational meeting today at 3:00 p.m. at the Buck House.

Adjournment

Platt adjourned the meeting at 11:56 a.m. without objection.

Recorded by:

Rachel Dols
A.S. Office Coordinator

Approved by:

Jonah Platt

Jonah Platt
Administrative Vice President