

LOYOLA UNIVERSITY NEW ORLEANS
STAFF SENATE MINUTES
Monday, October 12, 2020
Zoom

Senators Present

Carmen Balthazar
Rachel Bobadilla
Angelique Dyer
Brandon Garza
Kathy Gros
Katie Krikorian
Garrett Lacour
Susan Locascio

Timothy McCann
Joe Porter
Paula Ruiz
Eric Schmidt
Crystal Thomas
Dianna Whitfield
Ramona Wolfe

Senators Absent

Martha Alguera
Amy Boyle
Brian Lousteau
Samantha Pollard

Guests

Tanuja Singh – Provost and Sr. VP of Academic Affairs
Carol Markowitz – Chief Operating Officer and Sr. VP of Finance and Administration
Rachel Dirmann – Human Resource Director
Donna Rochon
Nate Straight
Kimberly Kahn
Sarah Clark
Crystal Ramsey
Christina Morales
Melissa Ridley
Gail Reynolds
Tee Poplion
Daniel McBride
Veronica Aviles

1. CALL TO ORDER

The meeting was called to order at 2:02 p.m.

2. SPECIAL GUESTS, PROVOST TANUJA SINGH

Provost Singh is excited to attend her first Staff Senate meeting and enjoyed meeting everyone. She discussed programs that Loyola will be investing in, such as Public Health, interdisciplinary programs between various colleges on environment and sustainability.

At the professional level, and when the budget allows, the university wants to invest more in our staff through professional development. There are ways to offer professional development internally with minimal cost. One of her goals for the coming year will be to find those internal strengths. She expressed her appreciation for all that staff do and for making her feel welcomed at Loyola.

Kathy Gros asked if decisions have been made with regard to the spring holiday schedule. Singh replied the President's Cabinet will meet tomorrow to review the proposed options and hopefully make a final decision. Everyone will receive the same number of days off but it will be staggered throughout the semester rather than having several days grouped together. The university wants to avoid students having multiple days or a full week off. It is Gros' understanding that many colleges are changing their holiday schedule to a similar format.

Eric Schmit asked how the Mardi Gras break will come into play. Singh replied Mardi Gras Day (Tuesday) will definitely be a holiday but she is not sure about the Monday before.

Paula Ruiz asked for an update on the COVID data. Singh replied she will share the data with Gros after the meeting to share with everyone, but believes two staff are currently under quarantine and student numbers also remain very low. There was an instance where Tulane scholars were affecting our data, but that has been fixed. Loyola is doing considerably well relative to what is taking place on a national level at other institutions. Timothy McCann asked where our data numbers are coming from if we are not doing mandatory testing. Singh replied the data we receive is from students and employees voluntary testing. Loyola is doing contact tracing when symptoms are reported. Mandatory testing is very expensive and realistically gives a false sense of security.

Brandon Garza asked for the percentage usage of the Campus Clear app from faculty, staff, and students. Singh replied she does not have the most recent data but at the last report, it was approximately 43% participation.

3. APPROVAL OF MINUTES

The September 8, 2020 minutes were unanimously approved. Angie Dyer moved to approve and Brandon Garza seconded.

4. COMMITTEE REPORTS

- a. Board of Trustees (K. Gros). The Board of Trustees met October 2, 2020. President Tetlow gave an update on how offices are handling virtual recruiting, counseling, success coaching, not to mention the countless zoom and google meetings taking place. She spoke about how resilient and remarkable faculty and staff have been moving forward through all of this.

The Communications Office, as thin as they are staffed, are doing a remarkable job of communicating information to the Loyola community, including students, parents, and alumni.

This past summer, while preparing for the fall semester, many employees from a variety of offices spent numerous hours walking the campus to determine maximum capacity for every common space, classroom, and office on the entire campus.

Earlier in the summer, Loyola hosted 26 undergraduate and graduate mini commencement ceremonies. Approximately 130 students participated. Because of the 25 person maximum capacity in Holy Name of Jesus Church, only five graduates were allowed to participate in each ceremony, and they were limited to four guests each. The other five people included President Tetlow, Kathy Gros, the reader, the photographer, and someone to handle the music. The College of Law also conducted 16 ceremonies.

Provost Singh gave an update on the COVID testing provided on campus. Approximately 500 students were tested and only one had a positive result.

The budget was balanced for fiscal year 2019-2020. This fiscal year there will be a deficit of almost \$6m. The biggest contributor to the deficit was not being able to fill the dorms to capacity. The other contributor was the additional cleaning supplies that had to be purchased. Including the stations that are placed in the halls on every floor in every building. Additional funding was spent on upgrading technology in classrooms.

The incoming undergraduate freshmen class came in at 764 out of a goal of 800. Graduate programs and law exceeded their goals. Total enrollment at the university this year exceeded last year's number of 4,422 with 4,550. While the net tuition revenue goal was exceeded, due to the additional expenses previously mentioned, there will be a deficit this year. The incoming undergraduate freshmen numbers include 48% from Louisiana. The others came from 43 states and 16 countries. More than half of the fall 2020 incoming class are students of color.

The most recent Princeton Review Rankings (a student survey), voted Loyola #7 for most inclusive in race/class interaction, which is reflected in the incoming student body. 33% of the incoming freshman class are first generation.

Retention has increased. Last year first to second year retention was at 79%. This year is 83%. In the last five years the highest retention rate was 85% in 2018. Graduation rates are at 56%.

US News & World Report now ranks Loyola as a national university. We were ranked #196 which puts us in competition with some well known universities. We are tied at #61 with Columbia University for quality of undergraduate teaching. The College of Business is ranked in the top 20 for their Entrepreneurship Programs (tied with Georgetown, Santa Clara, and NYU).

University Advancement was on track to exceed the \$10m goal in new gifts and pledges two years in a row, and ended the year with \$8.3m.

The Strategic Plan includes goals to generate additional revenue in a variety of ways:

- Adding a residence hall on the main campus.
- Renovations to the Broadway Campus that will include creating a boutique hotel, a conference center, multi-family housing, and more structured parking.
- Expand the markets in the adult/student learning areas by resurrecting City College. It will include continuing education, certificate programs, and new graduate and professional programs. The College of Law launched two new programs this year. They are a Master of Health Law & Administration; and Master of Environmental Law.
- The College of Business launched a new Master of Science in Marketing and Communications degree.
- The major programs and their enrollment numbers are being reviewed.
- Discussions are underway to bring in new programs in public health and environmental studies. The Benson Center is on track to begin construction in the near future. It will be a circular shape and 7,000 square feet, located near Monroe Hall

The Mission Priority Examen that was reviewed last year included input from faculty, staff, students, alumni and Trustees who were engaged to develop documents to present to Rome. We had to explain to Rome why we deserve to be called Catholic and Jesuit. Earlier in the summer our identity was confirmed by Father General and we are able to remain a Catholic Jesuit university.

- b. Campaign Council (G. Lacour). The campaign goal was decreased from \$12m to \$7m due to COVID. In the coming months two fundraisers will be launched. One is a virtual golf tournament that will have a mini golf option. The second is a fundraising giving campaign to raise funds for programs and organizations around campus. The campaign will last two weeks. More information will be forthcoming.
- c. Mission & Identity (M. Alguera). No report.
- d. Communications Committee (D. Whitfield, K. Gros). Gros received an email inquiring about the status of the staff awards ceremony that did not take place last spring. After a discussion with Human Resources, Gros was informed that if there is a ceremony in 2021 it will most likely be via zoom. Staff who will receive an award in 2020 and 2021 will be sent a new catalog to choose their gift. Conversations are underway to retroactively honor the Coadjutor Optimus Award recipient.

Angie Dyer asked if the employee of the month will resume and when. Gros replied it will resume but it is unknown when that will happen. A suggestion was made that when everyone returns to campus full-time, to elect an employee of the month for each month we have been gone and honor them together. Bobadilla added that parking services should be able to accommodate additional reserved parking spaces.

- e. Conflict of Interest Committee (C. Thomas and K. Gros). Thomas reported that a question was received via email about the Conflict of Interest form. A committee meeting will be scheduled sometime in October to discuss the email.
- f. Fringe Benefits Committee (J. Porter, R. Bobadilla, C. Marshall, D. Whitfield, E. Schmidt). Special guests Carol Markowitz and Rachel Dirmann. Carol Markowitz provided some context on the situation. When COVID began, Loyola had to start assessing the financial impact it was going to have on the university. They had to look at every possible place to cut cost, while maximizing revenue at the same time. Knowing there would be a decline in some of the revenue, we had to cut back and minimize expenses to balance the budget as best as possible. Part of that included controlling payroll and benefit costs. A soft hiring freeze has been implemented, and there is an ongoing wage freeze. The last area to look at was benefits. President Tetlow and Markowitz made a compelling case to the Board of Trustees that to make any further cuts to positions would have a devastating long-term impact on the health of the university. Especially after all of the cuts made over the years and how lean our teams are, not to mention the wage freezes that faculty and staff have endured for the past decade.

With regard to benefits, if no changes were made to the current plans, the benefits broker (Gallagher) was estimating an increase of nearly \$1.2m. For the past six months, Markowitz, Gallagher, and staff in Human Resources have been working to renegotiate the contracts with the administrator of the health plans as well as the benefit plans. As a result of the renegotiations, they were able to generate almost \$500,000 in savings. However, that left over \$600k in increased cost that the university could not continue to absorb. Gallagher was asked to help figure out a way to minimize the shift in cost it was going to represent. In conducting some benchmarking of our healthcare plans relative to other institutions in our market, it was discovered that the Plus Plan was much more generous than what is typically be offered by comparable institutions. Rather than eliminate the richest plan that the university could no longer offer to employees, if they increased the premium of that plan it preserved the option for those who felt like they absolutely needed to stay on that plan and would have the ability to do it at an increased cost. Employees would also have the option to switch to one of the more affordable plans (Basic or Core). It was decided to increase the premium to the Plus Plan so the other plans would see nominal increases. Markowitz added there will be nearly a \$6m operating deficit next year.

Rachel Dirmann shared a slide called Medical & Rx Benchmarking. This slide shows benchmarking research conducted by Gallagher to look at where we are in comparison to peer institutions, primarily in the south. We have trended consistently below our peers in most cases.

Medical & Rx Benchmarking

Benefits	Loyola	Other Educational Institutions
Medical Plans Offered	3	27% offer 3 plans 29% offer 2 plans
Point of Service	3	81%
HMO	0	41%
High Deductible Health Plan	1	37%
with Health Savings Account	1	54%
High Deductible Plan as only option	N/A	13% with 8% plan to do so in 2019
Employee Deductible	\$500 - \$1500	\$1000 - \$3000
Family Deductible	\$1000 - \$4500	\$2000 - \$5000
Employee Out of Pocket Max	\$1250 - \$4750	\$2000 - \$5000
Family Out of Pocket Max	\$2500 - \$9500	\$5750 - \$15950
Primary Care copayments	\$20 - \$40	\$20 - \$30
Specialist copayments	\$35 - \$55	\$25 - \$50
Generic Rx copay	\$7 - \$15	\$10
Preferred Brand Rx copay	\$30 - \$35	\$25 - \$35
Non-preferred Brand Rx copay	\$50 - \$75	\$40 - \$60

Dirmann reviewed the summary of benefits changes.

SUMMARY OF 2021 BENEFITS CHANGES (EFF. 1/1/2021)

	Description	Estimate
<u>RFP & Other Savings</u>		
Ochsner 2-tier network	Deeper discounts when participants use Ochsner	\$ 183,977
Rx Benefits Administration Costs	Result of RFP on Rx Benefits Admin	\$ 136,558
Healthcare Plan Administration Costs	Result of RFP (Yr 1 only "fee holiday")	\$ 50,000
Rx Benefits: Expansion of Pre-Auth/Step Therapy		\$ 58,973
Stop Loss Insurance Savings	Increased deductible from \$150K to \$200K	\$ 41,734
Naviguard	(for out-of-network utilization only)	\$ 35,000
SUBTOTAL		\$ 506,242
<u>Increases/Changes for Participants</u>		
Increase to Core Plan participants	\$10/month across all coverage tiers	\$ 66,000
Increase to Basic Plan participants	\$20/month across all coverage tiers	
Increase to Plus Plan participants	Loyola contribution reduced from 69% to 55%	\$ 502,768
Spousal Surcharge	\$100/month ONLY for spouses w/ avail. Benefits	\$ 27,960
No employer contribution to Dental	Employee pays 100% of premium (like vision)	\$ 128,514
Total Estimated Savings for Loyola University		\$ 1,231,484

The following outlines the increases that will be effective January 1, 2021:

- Plus Plan premiums will increase. Prices will vary depending on the plan level (EE; EE+spouse; EE+Children; EE+Family). Out of pocket maximums, deductibles, and co-pays will remain the same. The university currently and historically has been paying 69% of the premium to the Plus Plan. It will now be reduced to 55%. As a result, the employee will pay a larger portion of the premium.

Plus Plan			
Coverage Tier	Enrollment	Current Employee Rates	Renewal Employee Rates
Employee	103	\$203.15	\$346.06
Employee + Spouse	49	\$447.81	\$762.86
Employee + Children	19	\$396.93	\$676.17
Employee + Family	54	\$616.75	\$1050.65

- The Core Plan will increase by \$10 a month. The Basic Plan will increase by \$20 a month. The rate increases for these two plans will apply equally to all plan levels (EE; EE+spouse; EE+Children; EE+Family).

Within all of the plans (Plus, Basic, and Core) an enhanced benefit will be offered. Loyola has partnered with Ochsner to offer an Ochsner tier within the Core, Basic, and Plus plans. If you choose to use an Ochsner doctor or service you will receive approximately a 20% discount on many services. The Ochsner Tier 1 in network deductible will be lower from the current UHC in network Tier 2 deductible in each plan. NOTE: The Ochsner tier is not applied to the HDHP - Just Core, Basic and Plus.

- The employer contribution for both dental plans will be removed. The employee will now be responsible for 100% of the premium. Increases will range from an additional \$9.61 - \$38.15 per month depending on the plan and level.
- A Spousal Surcharge will be added. If you have a spouse that is employed at another company and is eligible for benefits with that company, but you choose to keep the spouse on the Loyola insurance plan, a monthly \$100 surcharge will be assessed. If the spouse is employed but not eligible for benefits through the employer, the charge does not apply. If the spouse is self-employed and would have to purchase a private policy, the charge does not apply. If the spouse is on disability or Medicare, the charge does not apply. Through the benchmarking research it was discovered that it is not uncommon for companies to implement this charge. When Loyola reviewed the claims, it was discovered that the spouses are the ones who typically have the highest claims on our plan. The surcharge helps offset those claims. For the spouses who can get insurance through their employer, it may help in the long-term to mitigate any additional changes to our plan because there will be less claims to be paid. Schmidt asked how the spousal charge will be verified. Dirmann replied there will be an affidavit that has to be filled out. To an extent, it will be on the honor system, but the affidavit does give Loyola the purview and allowance to verify it.

There are 619 Loyola employees eligible to be on the health insurance plan. 561 employees are currently enrolled in Loyola's benefits.

During open enrollment employees will have the opportunity to attend one of the eight presentations by United Health Care, Ochsner, and Aflac to ask questions and find out more information.

There will be no rate changes in dental, vision, basic term life and AD&D, long-term disability, voluntary life, voluntary AD&D, and voluntary worksite benefits. They are all flat renewals.

Open enrollment will be online this year.

Markowitz noted these numbers are projections based on employees staying on the same plan they are currently on. Dirmann added many other institutions no longer offer Plus Plans because it is just not feasible.

Gros asked when the details of the Ochsner tier will be shared. Dirmann replied the model is currently being built. Within each of the plans you will have the Ochsner option. The co-pay and deductible will be less than the plan co-pays and deductibles.

Sarah Clark did a google search and found a study conducted by the Kaiser Foundation in 2019 on employer paid premiums. The study showed that the employer contribution was 82%. The legal amount they have to cover is 50%. Where does Loyola fall in this range and what is the contribution changing to? Dirmann replied for the Plus Plan Loyola was contributing 69% and they will now be contributing 55%.

Crystal Woods reported the plan values listed in the benefits guide. Loyola pays 90.6% toward the Plus Plan; 85.8% for the Basic Plan; and 79.6% for the Core Plan. From a premium standpoint Loyola pays 69% toward the Plus Plan; 75% for the Basic Plan; and 77% for the Core Plan.

Sarah Clark pointed out that two years ago Loyola had a thriving Plus Plan with a zero deductible. It seems that someone is driving the Plus Plan into a spiral because it is inconvenient. In response to Ms. Markowitz statement about this being the 'new normal', Loyola has not been normal for a decade. There have been no wage increases and no contributions to retirement. Clark questioned that this is what we get after six months of exploring options. There is nowhere else to go? Benefits is what has to be cut? What will Loyola do with its employees next year, when they still do not know how to manage their funding and the "richest" plan has been destroyed? Where do we go from here?

Woods clarified that 2017 was the last year Loyola had a zero deductible plan. Dirmann further clarified that the Plus Plan was not thriving when it had a zero deductible. It was actually running at a deficit that the university was continuing to cover. In 2018 Loyola moved to a self-funded plan.

Markowitz reiterated the next step beyond benefits was wage & salary cuts, and job eliminations & layoffs. The university is trying to avoid both of those. Clark asked where will we go next year when these changes to the Plus Plan are implemented, and we do this damage to real people. Will we be cutting more jobs? Markowitz believes we need to get into a regular practice of having some inflationary

rate level increases to our plans every year. We need to expect as employees that every year the cost of things will increase with inflation. It is unrealistic to think that cost can stay flat because it will be at the expense of someone or some organization every time. She believes it is the best practice to expect there to be reasonable increase every year. Similar to occasional rent increases. She would not expect there to be major increases every year but this is basically part of a plan redesign. Short of cutting the Plus Plan which is out of line with what is common with our peers that we benchmarked ourselves against and especially as a university that has gone through such financial challenges and is now back in that position at no fault of our own. This is significant for the Plus Plan because we need to consider eliminating it all together. She does not believe the increases to the Basic and Core plan are out of line with what would a nominal annual increase. Clark replied that employees have not had a wage increase in many many years. Markowitz concurred and added that none of the administration are in denial about that. They recognize what is happening but it was the only measure to avoid direct pay cuts and job eliminations.

Clark asked if Loyola should expect to go back on probation next year. It is hard to put all these numbers together when we pass on our cost to the students every year. Markowitz replied it is possible when you are running a multi-million dollar deficit, but she believes that because the majority of universities are in a similar situation she doubts that our regional accreditor will look to put us on probation and single us out for that reason. On the face value of things, they may give universities a free pass to some degree but it will not last forever. SACS will expect us to rather quickly balance the budget. If Loyola has this much of a deficit for a second and third year, we will have to look into making some extremely painful decisions.

Markowitz asked Senators to refer people to the right place if they are asked questions and do not know the answer. Do not guess at what you think the answer might be. It is very important to avoid the spread of misinformation during this challenging time driven by a pandemic. Everyone is being asked to try their very best to urge our peers to steer away from the negativity and think of ways you can be part of the team and lend yourself to constructive dialog about how we can make things as best as possible.

- g. Parking (C. Balthazar, S. Locascio). No report.
- h. Senate Elections (B. Garza, T. McCann). No report. Elections will be held in December.
- i. Strategic Planning (K. Gros). Discussed in Board of Trustees report above.
- j. University Budget Committee (K. Gros). Discussed in Board of Trustees report above.
- k. Vendor Policy & Practices (P. Ruiz). No report.

5. CONTINUING BUSINESS

- a. Staff Well Being.
- b. Update on “Why I Mask” campaign. The campaign is ongoing. Dyer noted that submissions for the campaign have only been received by females.

- c. COVID Update. Discussed above in Provost Singh's report.

6. NEW BUSINESS

- a. Spring 2021 Calendar. Discussed above in Provost Singh's report.