

**UNIVERSITY STUDENT UNION, INC.  
CALIFORNIA STATE UNIVERISTY, NORTHRIDGE  
PERSONNEL COMMITTEE  
MARCH 16, 2011  
MINUTES**

**I. Call to Order**

The meeting was called to order by Chair, Lizzie Awad at 9:03 a.m.

**II. Roll Call**

<u>Present</u>	<u>Absent</u>	<u>Guests</u>
Lizzie Awad	Taylor Muenchow	Joseph Illuminate
Luis Carbajo		Jared Foy (Foy & Associates)
Timothy Collins		Steve Foy (Foy & Associates)
Talia El-Zaatari		
Eddie Fernandez		
Sharon Kinard, Executive Secretary (Arrived 9:17 a.m.)		
Earnest Park		
Kristina Payton		
Kristen Pichler, USU HR Officer		
Jennifer Richter (Arrived 9:06 a.m.)		
Zach Roof		

**III. Open Forum**

**IV. Approval of Agenda**

M/S/P (T. El-Zaatari/T. Collins). Motion to approve the agenda of March 16, 2011.

*Motion approved by general consensus.*

**V. Approval of Agenda**

M/S/P (K. Payton/E. Parks). Motion to approve the minutes of February 23, 2011.

*Motion approved by general consensus.*

**VI. Chair's Report**

E. Awad informed the committee that today is the last day to submit applications for membership on the USU Board of Directors for 2011-12. Elections will be held on April 13 and 14. Personnel committee member Kristina Payton is running for BOD membership. E. Awad also announced that the Board of Directors approved the SRC Coordinator, Aquatics and Coordinator, Membership positions at a special meeting on March 7, 2011.

**VII. Action Items**

**A. 403(b) Plan Amendment**

M/S/P (E. Hernandez/T. El-Zaatari) to approve amending the University Student Union, Inc., California State University, Northridge 403(b) Adoption Agreement to exclude student assistant employees from eligibility for matching contributions.

*Motion approved 7-0-0.*

**B. B. Student Recreation Center Support Staff – Marketing Supervisor**

M/S/P (T. El-Zatari/K. Payton) to approve the Marketing Supervisor position and job description.

*Motion approved 7-0-0.*

**VIII. Discussion Items**

**A. Post Employment Benefits for Retirees**

K. Pichler introduced Associate Director – Finance and Business Services Joe Illuminate, and USU benefits broker representatives Steve and Jared Foy.

She explained that in 2007 the USU BOD approved a policy that provides health benefits to retirees, and which was based on the policies of two other auxiliary organizations, Associated Students and The University Corporation.

Since that time however, funding the policy has proven to be extremely cost-prohibitive even though no one is currently taking advantage of its provisions. Conservatively, the organization must assume that every employee may qualify for retirement benefits. Therefore, the organization has to accrue funds annually to fund this benefit. A review of the policy with the Foy's illuminated concerns that could leave the organization exposed to hundreds of thousands of dollars in retiree benefits claims as its employee base grows with the addition of the Student Recreation Center. As such, staff is recommending that modifications to policy be considered.

The proposed plan would allow some employees to retire between ages 62 and 65, continuing their coverage through COBRA for a maximum of 36 months until eligible at age 65 to join a USU-sponsored supplemental program.

**B. Section 125 Cafeteria Plan**

Steve and Jared Foy explained the tenets of a Cafeteria Plan. Such a plan is an employee benefits program designed to take advantage of Section 125 of the Internal Revenue Code. A Cafeteria Plan allows employees to pay certain qualified expenses (such as health insurance premiums) on a pre-tax basis, thereby reducing their total taxable income and increasing their spendable/take-home income. Funds set aside in Flexible Spending Accounts (FSAs) are not subject to federal, state, or Social Security taxes. On average, employees save from \$.25 to \$.49 for EVERY dollar they contribute to the FSA (Total Administrative Services Corporation, 2011)

Employers may add an FSA plan as a key element in their overall benefit package. Because an FSA plan offers a tax-advantage, employers experience tax savings from reduced FICA, FUTA, SUTA, and Workers' Compensation taxes on participating employees. These tax savings reduce or eliminate altogether the various costs associated with offering the plan (TASC, 2011).

An employee who participates in the FSA must place a certain dollar amount into the FSA each year. This "election" amount is automatically deducted from the employee's check (for that amount divided by the number of payroll periods). For example, an employee is paid 24 times a year, and elects to put \$480 in the FSA. Thus, \$20 is deducted pre-tax from each paycheck and is held in an account (by the plan administrator) to be reimbursed upon request (TASC, 2011).

**C. Additional Event Planner Position – Reservations and Event Services (Information Only)**

K. Pichler explained that five (5) positions along with 5 support positions may be recruited. These positions already exist and therefore will not be brought before the Personnel Committee for approval.

**IX. Announcements**

- E. Park shared about his experience with serving on a search committee. He said that the experience taught him how important it is to cover all bases pertaining to job knowledge as a job applicant. He reported also seeing a difference between candidates, saying that one was more qualified than the other.

**X. Adjournment**

The meeting was adjourned by Chair Lizzie Awad at 10:11 a.m.

Respectfully submitted by,

*Sharon*

Sharon S. Kinard  
Executive Secretary