

## COUNCIL OF UNIVERSITY OF CALIFORNIA RETIREE ASSOCIATIONS

Meeting Minutes – April 29, 2021, Zoom Meeting

### OFFICERS, CENTER DIRECTORS, ASSOCIATION REPRESENTATIVES, AND OTHERS IN ATTENDANCE

Sue Abeles, Sue Barnes, Mae Brown, Nancy Brown, Robert Cahn, Sandra Camp, Janet Carter, Michael Chandler, Suzan Cioffi, Juliane Crowley, John Dahl, Janice Dairiki, Bob Daly, Christy Dawley, Ayesha Dixon, Jim Dolgonas, Dolores Dyer, Lee Duffus, Russell Fitzgerald, Henry Forman, Elaine Fox, Jeri Frederick, Marian Gade, Jeff Garberson, Jon Good, Louis Gutierrez, Gail Harden, Adrian Harris, Mary Johnson, Ali Kalmin, Camille Koue, Joe Lewis, Rob Mann, John Meyer, Douglas Mitchell, Bill Newton, Emil Nguyen, Sandra Norberg, David Olson, Cristina Otegui, Patti Owen, Bill Parro, Anne Pautler, Pat Price, Karen Rasmussen, Marianne Schnaubelt, Bernadette Strobel, Cary Sweeney, Louise Taylor, Frank Trueba, Judith Tuch, Kyle Urban, Eric Vermillion, Patricia Wing, Todd Wipke

### **Welcome, Agenda Review**

John Meyer called the meeting to order at 2:04 p.m. He made introductions and concurrently conducted a roster confirmation of Association Presidents and CUCRA representatives on behalf of the Information Officer, Bob Daly.

### **Words from Past Chair**

Marianne Schnaubelt offered congratulations on a great joint meeting the prior day. Since she was unavailable for her last meeting in October, she wanted to reflect briefly about her tenure as Chair. She then thanked everyone for the Certificate and the Gift Card.

### **Chair's Report**

John noted that he had authored a joint report along with the CUCEA Chair, Henry Powell, to show the partnership between the two organizations. The report is in writing and was shared prior to the meeting. He indicated that they reported primarily on RASC and how the new JBC process would work.

### **Approval of Minutes-10-29-20**

John introduced Patti Owen as the new Secretary, who turned the meeting over to the outgoing Secretary, Gail Harden. She asked for any comments or additions. Adrian Harris asked about the last paragraph in item 8 regarding the inclusion of Emeriti in the CUCRA survey results. Jon Good averred that there should be a clearer definition and that they need to be more succinct in future surveys. Ayesha noted that UCLA included emeriti in the survey.

Jim Dolgonas commented on Item 9 regarding CUCRA representation on the JBC. He noted that Randy Scott's term was expiring and that there was no need to advise Randy of Joe Lewis's appointment.

With these corrections and the inclusion of approval date, the minutes were unanimously approved.

### **Information Officer's Report**

--Bob Daly thanked Ayesha for the work she did for the meeting registrations. He also thanked the campus Presidents and representatives for their reports. On July 1, he'll be asking for Association updates, as well as, new campus photos.

--He reported on the Open Enrollment Working Group which has been reviewing materials and information for the next Open Enrollment. The group has 3 goals

- 1) To improve all publications (booklet and web)
- 2) To look at differences
- 3) To create personalized websites which would guide individuals through the changes. This should be ready for active employees next year.

He asked for comments and suggestions

--He raised the issue of archiving CUCRA materials. It was decided that this should probably be raised with the Executive Committee. Adrian would like the LANL lawsuit materials stored somewhere for access. CUCEA should also be asked if they have a place to store their documents.

### **Vice Chair's Report**

Sue Abeles reported that there are two open positions—Treasurer and Information Officer. Nominations will need to go to the Information Officer for distribution by September 15. Sandra Norberg has agreed to continue on the Nominating Committee, and Jim Dolgonas also volunteered.

### **Travel Program Update**

Sue Barnes reported that 2022 is going to be a good year for travel. Registrations are already off the chart. She provided a 30 second history of the program. It started in 2004 at UCSD and they contributed proceeds to CUCRA. Sue took over the program in 2019, and Dolores Dyer from UCLA joined this year. She changed the name to UC Retirees Travel and started the Travel Talk newsletter. They are piloting escorted trips since UC registrants had assumed these were UC trips. There is a written report on the CUCRA website. The current pandemic travel requirements change almost daily.

Sue introduced Dolores Dyer who has run the travel group at UCLA since 2018. She started with local cruises and the most recent booking to the Canadian Rockies in the fall is fully booked. She outlined the benefits of the UC travel groups:

- 1) Builds community and relationships
- 2) Appeals to a large percentage of retirees
- 3) Attracts younger retirees

She is willing to share information about starting local campus travel groups. Any commissions for the UCLARA go to CUCRA.

## **Joint Benefits Committee**

John outlined the changing process for the JBC Report. They will release the report in advance, allowing UCOP to respond, and bring the response to the conference. COO Rachel Nava has indicated she will establish a point person at UCOP to gather responses in a timely manner. Rob Mann liked Roger Anderson's method of reporting, RASC's prepared methodology and Bernadette Green's hustle. The report was accepted.

## **CUCRA Survey**

John, in introducing Jon Good, noted that the survey had been humanized and that he had received a lot of good comments already. It was a great process this time.

Jon thanked the committee but wanted to recognize Mark Applebaum, an emeritus professor from San Diego who died in December. He tightened the survey instrument, completed a basic analysis and tabulations. His contributions were important to the success of the survey.

Jon then presented a series of slides:

Timeline—Need to communicate with campus leadership and others. The survey report tells a story in numbers, words, and images.

Contents—Caregiving stood out as the biggest change over 2016 by 14%. In other areas there was about a 10% change.

Survey Population—There are approximately 66,000 staff and non-Senate academic retirees and 22,000 were sent the survey. 5,000 or 23% responded. Results can't be generalized and are not a measure of the entire population.

Quantitative Results—They used the number of responses as the base number. However, because some questions allowed multiple responses, some percentages added up to more than 100. They didn't attempt to reclassify "other" into existing responses.

In looking at the report, retirees' responses were reflected in the narrative, as well as quotes in the margins. Looking at the numbers, volunteering was high, as well as community service.

Rob commented on the \$62 million in retiree contributions to UC. It was noted that the data at the different campuses varied widely. Some campuses didn't have the data or it was difficult to extract. It was mentioned that someone should bring the lack of data uniformity to President Drake. John noted that we may need to work with the Vice Chancellors who have development in their portfolios. Adrian asked if a \$50 million to UCLA was included. Sue thought not.

Jon noted that the survey is on the CUCRA website and that PowerPoint slides will be out soon. In the meantime, he would like:

- 1) Feedback on the report
- 2) Feedback on the Communications Plan
- 3) How campuses used the report and its usefulness

Jeri Frederick commented that Jon was the glue that held the survey group together.

## **FINANCIAL MATTERS**

### **Audit**

Joe Lewis introduced David Olson who conducted the audit of the CUCRA financials. Prior to his retirement, he was in Benefits Accounting and prepared treasurer reports for UCRS. David was charged to conduct a financial audit covering two years of CUCRA accounting records, financial statements, and relevant source documents. Given the small size of the CUCRA entity and low complexity, he was able to conduct a 100% audit. In addition, he asked John Dahl fraud questions. John provided other requested background documents. David found no failure in internal controls or misstatements. He did make several recommendations:

- 1) Financial statements should be in format of FASB accounting standards.
- 2) Investments—Create an investment policy statement and provide investment performance on a periodic basis. He also suggested consider more liquid investments.
- 3) Tax status-underscore importance of gaining tax status with the IRS.

John accepted the recommendations. John Meyer reminded participants that the audit report and John Dahl's response was on the CUCRA website. John thanked David for his time and effort. He acknowledged that the audit was overdue. He will implement the new reporting format for the next meeting. However, he would like to retain the current income and expenditure reports going forward for analytical purposes. John acknowledged that having an investments policy in place will provide for accountability.

### **Treasurer's Report**

As a normal practice, the financial reports are not on the website. A motion to approve the 2020 financial report was moved and seconded. John then presented first quarter 2021 financials. He noted that the survey costs were less this year and that we should receive some travel income by the end of the year.

### **Tax Filing Status**

John sent the request for 501(C)4 status to the IRS on December 11, 2020. The IRS has received it and sent a letter of acknowledgement. However, it may take a while to get a determination. Subsequently, an application will be sent to the Franchise Tax Board. David Olson concurred that it will take awhile and that a delay did not mean anything.

Jim Dolgonas asked why we kept the financial report off the website and whether we should review whether or not to do so. John Dahl noted that they shouldn't be shared publicly, especially with the lack of tax status. Adrian asked about the current CD's. One at \$10k matures on May 14 at 2.65% and another \$10k matures November 30, 2021 at 3%. The question is where to invest next. It is not clear if STIP is a possibility. Eric Vermillion noted that they can invest through the University.

### **RASC Follow-up**

John Meyer asked if there were any further questions comments. Many CUCRA members are still involved in staying engaged with RASC. Todd Wipke noted that Benet, the Survivor Benefits Tracker, is

being reviewed by IT. The breach has caused a delay in that process. He is impressed by the trajectory of RASC and with the measures laid out in the dashboard. It is unclear how RASC can work the backlog without more staff or more efficiency. Bill Parro noted that while RASC is doing good things, the culture hasn't caught up, i.e., using a FAX form for the Lapse in Pay program. If the tech priority is not moving faster, perhaps CUCRA can hold their feet to the fire. Joe indicated that parts of RASC can certainly benefit from a culture change. In addition, RASC is dependent on how quickly the Business Information Systems (BIS) staff work. Sue noted that the workload is ongoing, there is a backlog and they are moving into peak season. Marianne said the Operating Model sounds good in theory and is hopeful. It is refreshing to have Bernadette and her ability to listen and to work to get buy in. One got the sense that they are willing to admit when something is not working and hopefully, the new managers can get it done. Sue Barnes asked who has a FAX these days and why must there be an opt in. Sandra Norberg noted that we don't have to opt in for email. The Health Care Facilitators now have access to the health screens. Todd also commented that the paycheck continuity could be applied for survivors. Frank noted that Bernadette has fresh eyes and is listening. The key, though, is Cheryl. She has the ear of everyone.

## **HEALTH BENEFITS**

### **HBAC**

John Meyer, as chair of the HBAC, said that the product recommendations were benign and average after all the time and resources expended. It suffered due to the weight of compromise, but documents how healthcare works. In response, UCOP did adopt the recommendation for additional Health Care Facilitators. Frank noted that there was no burning issue and that there were too many committee members from UC Health. If UC Health is in charge of health plans, it is troubling. John noted that the first consultant team was underwhelming.

### **Rx RFP**

Frank is on the review committee for the prescription RFP. They have received 9 bids, although they are down to six because three weren't responsive. Scoring on the six took place at the end of April. The primary reason for the RFP is to minimize the outlay for drugs and not for service.

### **Future Issues**

Adrian noted that UC Health should not be responsible for the health insurance program and that we should do everything possible to retain Kaiser. John noted that many campuses have medical centers which are huge enterprises. The expertise to manage the research and clinical functions is not the same as being an insurer. Having the affordability of Kaiser is a big deal and a big number. Eric Vermillion had a discussion with a couple of senior administrators at UCSF. One of them doesn't think all UC health insurance should run through UC Health. It won't happen, both for active and retired employees. Kaiser is a broad based, less expensive entity and should not compare to UC Health costs and their services. There is some baggage that UCOP HR didn't respect UC Health, but there is new leadership both in HR and in UC Health. VP Carrie Byington has asked if it is in our interest to give our insurance dollars to Kaiser.

Sue Abeles asked if we have had any information about customer surveys for United Health Care. John hasn't heard but will check with Susan Pon Gee. Frank wanted John to also check about evaluating the possibility of using UHC for out of state residents. It is OP that is the barrier

on this, not UHC. Jim commented that the JBC report has not addressed out of state health issues. Nancy Brown asked about the UHC and about a new RFP. Frank responded that the current contract with UHC is for three years and that next year it will be subject to renewal up to two more times.

### **A Conversation**

John asked for a discussion of the role of CUCRA vis a vis the associations, how are we doing, what are better opportunities to engage, etc. Jim would like increased communication between meetings. When issues are being considered by CUCRA or JBC, Associations should be consulted. Would a chair's report every couple of months be useful? Adrian noted that the JBC would love to get feedback in a structured way. John suggested putting out a call for issues before the scheduled meeting. Jim asked that the relationship with the Centers should be reviewed—maybe they should become members and have votes. Eric noted that Mark Yudof, as President, wrote a memo that CUCRA and CUCEA were the official, designated liaisons to manage retiree resources and affairs. Should we have a more strategic focus on what we're doing and our relationship with UCOP? The only way to get this is to have more seats at the table. Marian Gade has always said that the main reason for joining local associations and CUCRA is for advocacy and to promote the role of retirees in the University. Sue Barnes asked if CUCRA could provide articles for local newsletters. It was noted that the editors of New Dimensions are always interested in receiving news. Jeri commented that the local angle is more ideal. John Dahl thinks there needs to be more visibility and more marketing. Per Joe Lewis, recent leadership changes have resulted in a much more serious approach and more open, and those leaders are more prone to understand the value of retirees. Bernadette has asked a few retirees to stay on as advisors.

John adjourned at 4:57 p.m.

Respectfully submitted,

Patti Owen, Secretary

Approved October 28, 2021