

UF Human Resources Strategic Commitment

Strategic Compensation

We will design and implement a fair and competitive compensation strategy—adopting a long-term view—to help attract, retain, and reward high-performing faculty and staff at all levels that leverages an appropriate intersection of merit, market, and internal equity

Overview of Benefits Assessment

Purpose of This Assessment and Data Source

- Sibson Consulting (Sibson) was engaged by University of Florida (“UF” or “University”) to conduct a competitive benchmarking study of the employee benefits provided to faculty and staff
- The data sources for this study includes Sibson’s 2017 College and University Benefits Survey (CUBS) and UF’s data submission in the CUBS database including any recent edits

Population Covered

- The results of this report analyze the competitiveness of major employee benefit offerings at UF versus AAU peers and top ten publics as ranked by U.S. News and World Report
 - The market to which UF’s benefit provisions are compared includes 52 institutions
 - The multiple SUNY and University of California schools selected by UF are captured once in the analysis


Health Benefit Plans	Retirement Plans	Other Benefits	Leave Programs	Non-Traditional & Voluntary Benefits
<ul style="list-style-type: none"> • Medical • Dental • Vision • Health and Dependent FSA 	<ul style="list-style-type: none"> • Defined Benefit Pension Plans • Defined Contribution Pension Plans • Retiree Health and Welfare 	<ul style="list-style-type: none"> • Tuition Benefits • Basic Life Insurance • Optional Life Insurance 	<ul style="list-style-type: none"> • Paid Sick Leave • Short-Term Disability • Long-Term Disability (LTD) • Vacation Time, Holiday and Personal Days • Sabbaticals • Parental Leave 	<ul style="list-style-type: none"> • Day Care/Elder Care Referral Services • Long-Term Care • Legal Assistance • Group/Home Auto Insurance • Pet Insurance • Concierge Services • Adoption Assistance • Housing Assistance • Relocation Assistance • Identity Theft Insurance • Health Club Fee Assistance • Several Others

Plan	Florida	Comments Relative to the Comparison Market
Medical/Prescription Drug and Wellness		The benefit provisions for each of UF's State medical plans, including the PPO plan, HMO plan and two HDHP plans, are Competitive. The benefit provisions for the GatorCare plans, Premium and Prime Plus, are Less Competitive. However, the employee contribution rates for all plans, both State and GatorCare are Highly Competitive making the overall value of these programs Highly Competitive .
Retiree Health Care		The majority of the comparison market offers subsidized pre 65 and post 65 coverage to new hires. UF offers a limited pre 65 and post 65 subsidy to DB pension participants. Overall the plan is Less Competitive.
Retirement Programs		The defined contribution plan is Not Competitive due to the low state subsidized contribution rates.
		The defined benefit plan is More Competitive when looking at the employee required contribution, Competitive on the service multiplier, but Less Competitive when looking at years to vest, final average salary used in the benefit formula and availability of COLAs.
Dental		The Standard PPO plan design in-network benefits are Competitive. Preventative PPO benefits are Less Competitive as no major services or orthodontia are offered under this plan, although this could be intentional. Both plans are voluntary putting the employee contribution requirement between the 25 th and 50 th percentile and as such overall the plan is Less Competitive. UF's Eagles Direct Reimbursement Plan is competitive in design. However, the plan is voluntary, as well.
Vision		The vision program is consistent with the comparison market.
Life Insurance		Basic subsidized life insurance benefits are Less Competitive than the market, driven by the low fixed dollar benefit amount. While unsubsidized, the plan design for the State and Select plans, the optional life benefits for employees are Competitive. For State plan, the plan designs for child life is Competitive, but the spouse life coverage is Less Competitive. The Select plan designs for spouse and child are Highly Competitive.

Not Competitive
 Less Competitive
 Competitive
 More Competitive
 Highly Competitive

Plan	Florida	Comments Relative to the Comparison Group
Short-Term Disability (STD)		The plan elimination of 0 to 30 is Competitive and the maximum weekly benefit and percentage of salary offered exceed the market median. The STD benefit is paid 100% by employees, making it Less Competitive overall.
Long-Term Disability (LTD)		Although the plan benefit plan features are More Competitive, the LTD benefit is paid 100% by employees, making it Not Competitive.
Sick Leave		Many provisions are Competitive in the market, including the number of days given and banked maximum.
Vacation and Holidays		UF offers a Competitive amount of vacation days and carryover to both Administrative and Support Staff. The University offers 10 holidays and 4 paid personal days for the last week of the year which is in line with the market.
Sabbatical Leave		The sabbatical leave benefits are consistent with the comparison market.
Parental Leave		Similar to the comparison market, UF provides unpaid leave via FMLA. Almost 60% of the comparison market offers subsidized Parental Leave to faculty and is Less Competitive.
Non-Traditional Benefits		UF has a selection of non-traditional benefits that it offers, but there is room to do more in this area.
Overall Competitiveness: Less Competitive		
Not Competitive Less Competitive Competitive More Competitive Highly Competitive		

Retirement Landscape

State of Florida	Florida Retirement System		State University System Optional Retirement Plan		Voluntary
	FRS Pension <i>(Defined Benefit)</i> 43% participation	FRS Investment <i>(Defined Contribution)</i> 14% participation	<i>Defined Contribution (403b)</i> TIAA, VALIC, VOYA, MetLife, AXA (also allows up to 5.14 percent voluntary employee contribution) 43% participation		457 Deferred Compensation
University of Florida	Voluntary or Supplemental Plans (403b)	AEF Retirement Plan (403b)	401a		401a
	TIAA, VALIC, VOYA, MetLife, Fidelity	TIAA, VALIC, VOYA, MetLife, Fidelity College of Medicine clinical faculty required to participate in ORP and AEF	FICA Alternative (non-student OPS)	Special Pay Plan (Leave cash-outs)	New and Unused: Employer-Contribution Only 

Retirement Programs

Retirement Income Plan Features

○ Not Competitive

DEFINED CONTRIBUTION RETIREMENT PLAN FEATURES

Retirement Plan Feature	Comparison Market			UF – State Plan
	Faculty	Professional and Administrative Staff	Clerical Staff	All
Minimum Required Employee Contribution to Participate				
1 st Quartile	5.5%	5.5%	5.0%	3%
Median	5.0%	5.0%	3.0%	
3 rd Quartile	1.0%	1.0%	1.0%	
Average	4.2%	4.1%	3.7%	
Maximum Institution Contribution (Basic + Matching)				
1 st Quartile	8%	8%	7%	5.14% ORP; 3% FRS Investment
Median	10%	10%	9%	
3 rd Quartile	10%	10%	10%	
Average	10%	10%	9%	

- UF requires a 3% minimum employee deferral which is between median and 3rd quartile for faculty and administrative staff but in line with the median for clerical staff
- The University's maximum matching contribution is below the 1st quartile of the comparison market for each employee type

Retirement Programs

Retirement Income Plan Features



DEFINED BENEFIT RETIREMENT PLAN FEATURES

Retirement Plan Feature	Comparison Market			UF – State Plan
	Faculty	Professional and Administrative Staff	Clerical Staff	All
Who is Covered (% Yes)	89%	90%	100%	All
Minimum Employee Deferral				
Employee contributions required	84%	84%	83%	Yes
Required Contribution				
1 st Quartile	7%	7%	7%	3%
Median	6%	6%	7%	
3 rd Quartile	6%	6%	6%	
% with >7 years vested	21%	21%	23%	8 years of service
Cost of Living Adjustment (% Yes)	67%	67%	69%	No
Compensation Basis in Plan				
Base Pay	56%	56%	60%	Base Only
Base + Coverage	33%	33%	30%	
Other	11%	11%	10%	
Benefit Formula varies based on				
Age	5%	5%	5%	Age and Service
Service	52%	52%	54%	
Age and Service	33%	33%	33%	
Neither	10%	10%	8%	
Amount of years averaged for the benefit pay				
2 years	5%	5%	5%	8 years for new hires
3 years	22%	22%	26%	
4 years	6%	6%	4%	
5 years	61%	61%	61%	
Other	6%	6%	4%	

- Similar to UF, most comparison institutions require an employee minimum contribution
- The University's contribution requirement of 3% is above the 3rd quartile of 6% ←
- UF's benefit accrual per year of service is Competitive with the Comparison Market
- While most of the comparison market institutions allow vesting in five years (53%), some require at least seven
 - UF requires eight years ←

NOTE: COLA responded – 12 institutions

Consider This ...



If paid to you as salary

UF pays \$1.27 for every \$1 you are paid
(assuming 26.8% fringe rate)
And you receive \$.092
(assuming 7.65% payroll tax)

UF Pays: \$1.27



You:
~\$.092
(Taxable income)

If paid to you as retirement contribution

UF pays \$1
for every \$1 contributed
And you receive \$1

UF Pays: \$1



You:
\$1
Tax-deferred
(Long-term investment)