Compensation and Benefits for Funded Graduate Students

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Council of Graduate Students
April 9, 2004
Improvements for Funded Graduate Students

**FOR AY 05:**
- Increase minimum GA stipend to $1,000/mo
- Increase health insurance subsidy to 64%; begin 25% for dependents
- Implement pre-tax premium deductions

**FOR AY 06:**
- Increase health insurance subsidy to 75%, and 50% for dependents
- Enact policies regarding leaves, including Family Medical Leave and paid leaves
Commitment from Deans

• Deans are extremely focused on the importance of this issue, and are the sponsors of this cost

• Most significant commitment ever for GAs ...even while budgets remain uncertain

• Affects approximately 4,500 graduate students
• Continue to work with CGS and the newly formed “GCBC” on enhancements/implementation

• Comprehensive communication plan will begin to inform graduate students of the plan

• Background and details next...
Compensation and Benefits for Funded Graduate Students

Part I: Introduction and Background

Susan L. Huntington
Vice Provost and Dean of the Graduate School
Graduate Quality of University Experience (G-QUE) Report (2001)

- Joint project of CGS and Graduate School
- Based on survey data from
  - Graduate students
  - Graduate studies committee chairs
  - Department chairs
  - College deans
  - Non-matriculants
- Eight broad recommendations, with strategies and action items
G-QUE Recommendations

- Strengthen academic core and interdisciplinary experiences
- Enhance professional development and career services
- **Alleviate financial and healthcare concerns**
- Address quality of life issues
- Improve campus climate for special populations
- Optimize oversight, management, and operation of graduate education
- Link graduate education and institutional goals
- Monitor progress and adjust as necessary
G-QUE Financial and Healthcare Recommendations

- Raise minimum monthly stipend for GAs
- Reduce healthcare costs for funded graduate students and their families
- Address other healthcare concerns
- Implement pre-tax deductions for healthcare premiums
- Clarify terms and conditions of grad appointments
Improvements Through G-QUE

Among the many improvements are:

• Increased interdisciplinary and multidisciplinary activity

• Enhanced professional development and career services

• Implementation of required training for Graduate Teaching Associates

• Improved compensation and benefits
Compensation and Benefits for Funded Graduate Students

Part II: The Multi-Year Plan

Larry M. Lewellen
Associate Vice President for Human Resources
Partners in Improving Compensation and Benefits

- Graduate School (G-QUE)
- Council of Graduate Students (G-QUE)
- Academic Affairs
- Executive Deans and College Deans
- Vice Presidents
- Office of Human Resources
Previous Stipend and HealthCare Improvements

• Health insurance subsidy for funded graduate students introduced in 2001-02
  ➢ Now $150/quarter for GAs, fellows, trainees

• Adult family members of GAs, fellows, and trainees given access to Wilce Student Health Center

• Minimum stipend increased to $900/month in 2001-02

• Bereavement leave for GAs enhanced
NEW for Graduate Associates, Fellows and Trainees (AY 04-05)

- Minimum stipend of $1,000 for GAs
- University subsidy for health insurance increasing to 75% over a two-year period
- University subsidy for dependent health insurance increasing to 50% over a two-year period
- Pre-tax health insurance premium deductions
Minimum Stipend - $1,000

- New stipend minimum affects approximately 6% of all funded graduate students
- May indirectly affect others, as some colleges will create a new pay ladder based on new minimum
# Health Insurance Subsidy

Increasing University subsidy for funded graduate students:

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>AY 04-05</th>
<th>AY 05-06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>42%</td>
<td>64%*</td>
<td>75%*</td>
</tr>
<tr>
<td>($150/quarter)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dependents</td>
<td>$0</td>
<td>25%*</td>
<td>50%*</td>
</tr>
</tbody>
</table>

*Subsidy % based on Student Health Insurance Plan (SHIP) premium

“Funded” = GAs, grad fellows and trainees ≥ 50%

- Excludes fellows paid by non-OSU funds
**Health Insurance Subsidy -- How It Will Work**

For the GA, fellow, or trainee (single coverage):

<table>
<thead>
<tr>
<th></th>
<th>% Subsidy</th>
<th>Subsidy Per QUARTER</th>
<th>GA Premium Per QUARTER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>42%</td>
<td>$150.00</td>
<td>$205.00</td>
</tr>
<tr>
<td>FY05 *</td>
<td>64%</td>
<td>$268.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>FY06 *</td>
<td>75%</td>
<td>$370.00</td>
<td>$124.00</td>
</tr>
</tbody>
</table>

Note: Figures assume an 18% annual cost increase to the SHIP premium
# Health Insurance Subsidy -- How It Will Work

For enrolled dependents (additional cost):

<table>
<thead>
<tr>
<th>%</th>
<th>Subsidy Per QUARTER</th>
<th>GA Premium Per QUARTER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td>-- 0 --</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FY05</strong></td>
<td>25%</td>
<td>$164 Spouse</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$166 Children</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$258 Family</td>
</tr>
<tr>
<td><strong>FY06</strong></td>
<td>50%</td>
<td>$387 Spouse</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$392 Children</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$609 Family</td>
</tr>
</tbody>
</table>

Note: Figures assume an 18% annual cost increase to the SHIP premium
Pre-tax Health Insurance Premiums – How it Will Work

• **Current status – Single coverage** (AY04):
  - Quarterly premium *(less subsidy)* $205
  - Tax savings $0
  - Net cost of coverage $205

• **With pre-tax premiums – Single coverage** (AY05)
  - Quarterly premium *(less subsidy)* $150
  - Tax savings *(23.45%)* $35
  - Net cost of coverage\(^1\) $115

\(^1\)Assumes an 18% increase in premiums and the following marginal tax rates: Federal - 15%; Medicare Hospital – 1.45%; State – 5%; Local 2%
Compensation and Benefits  

**An Example – Single Coverage**

- **AY 04** (current status - monthly):  
  - Earning minimum stipend of $900  
  - Enrolled in single coverage & paying $68 in net premiums  
  - Activity/COTA Fees - $8  
  - Monthly gross compensation - $824

- **AY 05** (with new plan implemented - monthly):  
  - Earning minimum stipend of $1,000  
  - Enrolled in single coverage & paying $38 in net premiums  
  - Activity/COTA Fees - $8  
  - Monthly gross compensation - $954

**Impact:** $130/month ($1,560 year)
Compensation and Benefits  An Example – Family Coverage

• AY 04 (current status - monthly):
  - Earning minimum stipend of $900
  - Enrolled in family coverage & paying $360 in net premiums
  - Activity/COTA Fees - $8
  - Monthly gross compensation - $532

• AY 05 (with new plan implemented - monthly):
  - Earning minimum stipend of $1,000
  - Enrolled in family coverage & paying $235 in net premiums
  - Activity/COTA Fees - $8
  - Monthly gross compensation - $757

**Impact:** $225/month ($2,700 year)
Forthcoming

- Formalized process used by OHR/ Graduate School for early GA terminations *(AY 04-05)*

- Standard letter of appointment *(AY 04-05)*

- Polices for Family Medical and paid leaves *(AY 05-06)*
Planned Communications

• Electronic newsletters
  ■ This weekend and throughout next week

• Web sites updated
  ■ Today

• E-Mail to all funded graduate students
  ■ This weekend

• Letter to all funded graduate students
  ■ Week of April 26th (to home address)
Additional Information

For Additional Information:

http://hr.osu.edu/benefits/gahealth.htm