

Minutes of the Human Resources and University Relations Committee
University of Kentucky Board of Trustees
Monday, December 2, 2024

The Human Resources and University Relations (HRUR) Committee of the University of Kentucky Board of Trustees met on Monday, December 2, 2024, in the Gatton Student Center, Harris Ballroom.

A. Call to Order

Brenda Gosney, chair of the Human Resources and University Relations Committee, called the meeting to order at 2:00 p.m. and asked Hannah Nocket to report the attendance.

B. Roll Call

The following members of the Human Resources and University Relations Committee were in attendance: Hubie Ballard, Cathy Black, Maddie Duff, David Figg, Brenda Gosney, David Melanson, Hannah Myers and Paula Pope.

C. Approval of Minutes

Chair Gosney reported that the minutes of the June 13, 2024, HRUR Committee meeting had been distributed and called for a motion to approve. Trustee Ballard moved approval of the minutes and Trustee Melanson seconded the motion. Hearing no discussion, Chair Gosney called for a vote and the motion passed without dissent.

D. UK's Benefits Optimization Plan and Workforce Updates

Chair Gosney introduced Vice President for Human Resources and Chief Human Resources Officer, Melissa Frederick, to provide an update on the University of Kentucky's benefits optimization plan and workforce developments.

Vice President Frederick began by providing a recap of the benefits optimization process, which commenced in October 2023 as part of UK's recruitment and retention strategy. She highlighted key efforts to address workforce changes, with an emphasis on improving recruitment, particularly within UK HealthCare.

Ms. Frederick reported on the success of the new graduate hiring events, which have been streamlined to provide a faster, more efficient recruitment process. These events have allowed UK HealthCare to quickly assess and hire new graduates. Ms. Frederick stated that the process previously took two-three months, but now new graduates are offered positions within two-three days following their interviews.

Additionally, Ms. Frederick discussed the high level of participation and success from these recruitment events, with 328 new nursing graduates hired in 2023-24, including 141 from the University's own College of Nursing.

Ms. Frederick provided an update on the benefits optimization initiative, which involved analyzing UK's current benefits offerings in comparison to peers and competitors. A key component of this process was gathering employee feedback to better understand the most valued benefits. She stated that compensation, retirement savings, paid time off and health insurance were identified as the top priorities for employees.

A second round of employee feedback was gathered to identify interest in potential new benefits. Key employee requests included high-deductible health insurance plans, more flexibility in retirement contributions, emergency savings accounts, expanded paid parental leave, and mental health and wellness support.

Ms. Frederick outlined the next steps for UK's benefits program, including the development of a benefits roadmap that incorporates employee feedback. She emphasized the guiding principles of flexibility, fiscal responsibility and sustainability. She reported that in fiscal year 2025-26, efforts would focus on redesigning medical plans, enhancing compensation transparency and introducing an employee assistance program.

Ms. Frederick also reported plans to explore expanding UK Invest for employees and developing career mobility options.

Chair Gosney opened the floor for questions.

Trustee Melanson inquired about the "total rewards approach" to compensation, asking for further clarification. Ms. Frederick explained that the total rewards approach includes base salary, benefits, special pay (such as shift differential) and the value of paid time off, aiming to help employees understand the full scope of their compensation package.

Trustee Swanson asked whether the hiring blitz included virtual interviews, and Ms. Frederick confirmed that both in-person and virtual interviews were conducted, particularly to reach candidates beyond the Lexington area.

Trustee Swanson also asked about UK's employee retirement plans, specifically comparing them to national averages. Ms. Frederick affirmed that UK's retirement savings plan is highly competitive, with the University contributing 10% to employee retirement savings for every 5% employees invest.

Trustee Melanson followed up on the retirement plan design for fiscal year 2026-27, asking about the potential flexibility in retirement savings. Ms. Frederick explained that new regulations allow for retirement savings to be applied to student debt and other financial needs, and UK is evaluating ways to integrate these options while preserving the integrity of the retirement plan.

Chair Gosney asked if there was any other business to discuss. Hearing none, the meeting was adjourned at 2:22 p.m.

Respectfully submitted,
Hannah Nocket