

Benefits Review Working Group



Benefits Review Working Group Formed

Dear Lehigh Faculty and Staff,

As members of the Lehigh community, we are all eligible for an array of medical and non-medical benefits, from vacation leave to tuition remission. These benefits make Lehigh an attractive and competitive employer, helping us recruit and retain top talent.

The total cost of all University benefits is substantial, exceeding \$77 million in FY25, and these costs have been increasing significantly faster than inflation. In today's higher education landscape, we must be thoughtful and prudent with all our resources to best serve the University's mission.

To ensure we continue to offer the most appropriate slate of benefits to our employees and to safeguard Lehigh's financial strength for generations to come, we are undertaking a review of our *non-*

August 6 email to
faculty and staff

Work is underway

Recommendations
delivered in Fall

Timelines for change
will vary

Participants

Sponsor:

Christine Cook, VP Finance & Administration

Co-Chair–Dave Hammer, AVP Finance

Co-Chair–Shamim Pakzad (Chair, Civil Engineering)

Members:

- Subhrajit Bhattacharya, Assoc. Professor, Mechanical Engineering
- Cindi Deutsch, ERAC (Non Exempt)
- Patti Florkowski, Director of Benefits
- Angela Hicks, Associate Professor, Math
- McKay Price (Chair, Parella Dept. of Finance)
- Kelly Woodbridge, ERAC (Exempt)

Consultant to the group:

Chris Halladay, AVP Human Resources

Warren Loller, Director of Budget & Financial Planning

Staff to the working group:

Jim Quinn, Budget & Financial Planning

Caitlin Leidy, Human Resources-Benefits

Kristin DiPrinzio, Communications or Hillary Kwiatek

Key Stakeholders (focus group/feedback/consultation):

Cabinet/Sr. Leaders

Larry Snyder, Deputy Provost for Faculty Affairs

ERAC

Faculty Senate

Chairs Council (deck ahead and feedback time before present)

SAPG

Charge

Build on recently developed data set and learn the offerings, the peer benchmarking and the cost of each of the benefits offered to evaluate the current benefits with the intention to optimize the offerings in the following ways:

- (1) support employees.
- (2) equalize offerings across ranks/categories of employees where possible.
- (3) maintain competitive advantage.
- (4) cost management.

Background

Full slate of benefits are a significant expense in Lehigh's operating exceeding \$79M in FY25.

These costs are distributed across the budget in the form of an employee benefits rate and are attributed as a calculation against all employee salary dollars ($1 \times .399 = \text{benefits costs}$).

It is appropriate for major costs to be reviewed periodically.

The last formal review of the benefits offerings was in 2010 so it is appropriate to set forth on a review.

Scope

The great majority of the non-medical benefits available to employees are tuition, leave, retirement and those are policies that are to be reviewed.

Health and wellness benefits are largely elective; specific Medical benefits (BC/BS etc) as well as mandatory aspects (FICA, Unemployment, Workers Compensation) that cannot be modified, are **not** in the scope of this project.

Actions & Deliverables

Actions:

- Understand current offerings
- Understand costs
- Consider peers
- Identify areas for improvement

Deliverables:

- Propose changes across a timeline that would begin as early as January 2026 or July 2026. Recommend the most appropriate timeline for each individual benefit.
- All changes do not have to have the same timeline.
- Identify the assumed costs for all of the recommendations. Include individual savings and the total savings in the concluding documentation.

Progress to Date

The group is using peer data and responses from a 2024 benefits and rewards survey to inform its evaluation. The group is also reviewing feedback received from faculty and staff.

Benefits review group has met several times and plans to continue to meeting weekly over the next two months.

Next Steps:

Meet with Department Chair's - October 24th

Meet with Faculty Senate - November 7

Meet with ERAC - November

Make formal recommendations to Lehigh leadership late fall.

Questions

- What feedback do you have on the current benefits offerings?
- Are there specific benefits you feel should be prioritized for review?

Actions

Email:

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-OR-

snp208@lehigh.edu

Benefits survey to be made available on the Perch in early October.