

[In these minutes: Discussion with Vice President Brown, 27 pay period plan]

P&A CONSULTATIVE COMMITTEE MEETING SEPTEMBER 18, 2012

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions, or actions reported in these minutes represent the view of, nor are they binding on the Senate, the Administration, or the Board of Regents.]

Present: Ann Hagen (Chair), Marilyn Becker, Stephanie Betterman, Jodi Carlson Grebinoski, Stacy Doepner-Hove, Cynthia Murdoch, Steven Pearthree, Amber Peifer, Cathy Schulz, Kimberly Simon.

Guests: Vice President Kathy Brown, Lori Lamb, Julie Tonneson, Michael Volna.

1. DISCUSSION WITH VICE PRESIDENT KATHY BROWN

Vice President Kathy Brown joined the meeting to discuss the changes that have been going on in Human Resources, one of which is the addition of Lori Lamb who was with her at the meeting.

Vice President Brown said that central Human Resources has undergone a reorganization of its units and directors. Patty Franklin is now serving as the Chief of Staff and a new communications manager is being hired. There are now four central units:

- Organizational Effectiveness headed by Mel Mitchell
 - Change management, culture, and employee engagement
 - Leadership training
 - Learning Management System which is now operational
- Employee Relations headed by Patty Dion
 - Labor relations and personnel changes
 - Service delivery teams, which is an old model, are being built to create working relationships between units and HR leads and increase uniformity of support and policy interpretation
- OHR Operations headed by Lori Lamb
 - HRMS upgrade
 - Hiring, payroll, and searches
 - Compensation and classification – job family study reports to this unit
- Benefits and Wellness headed by Dann Chapman
 - How will the affordable care act impact the University after this year's elections
 - University needs to adhere to the law while providing quality benefits
 - Last year saw health care costs increase 2 percent below the national average

For the recent report to the Regents, she was able to delineate that one-third of employees are involved in direct mission work, one-third are in involved in mission support, and the last third comprise operational support, such as HR, IT, and facilities.

Q: Can you explain the move of HR units?

A: HR is being relocated to two physical locations. Some HR operations are currently in the West Bank Office Building (WBOB), but others are being relocated to this venue so that about half of the HR employees will be in this location. A public counter will be located on the first floor as this will be the new location for seeking employment and picking up paper payroll checks. The other half of HR will be located on the first and second floors of Donhowe. They

will also be serving as a test unit for alternate work spaces before the University determines if they can be used in other units.

Q: What is the status of the job family study?

A: A job classification system is meant to organize employees into groups for counting numbers and the types of work being done. It is also meant to provide career paths to employees and monitor expenses against market competition. These three reasons for a classification system have not been able to be accomplished due to the unorganized system currently in place. The University decided to review all civil service and P&A job categories for restructuring. While this is a laborious process, good results will be evident when complete.

The University has identified 17 job families and three job family reviews have been completed – communications, alumni, and finance. Information technology and HR are still under review. In August the decision was made to halt the current process and hire an external consultant to review the University's process and outcomes to date, make recommendations on improvements and provide timelines, for completion of the project.

Three stages have been identified for the consultants:

1. Look at the current classification issues and redefine the civil service and P&A classifications with attention paid to terms and conditions of employment
2. Review the classification study to date and recommend a path to completion along with projected costs to complete the reviews in several time periods, such as one, two, and three years
3. Rewrite the JEQ form

The consultants will be meeting with groups throughout the fall and she has recommended a joint meeting with PACC and the Civil Service Consultative Committee in mid-October. The target completion date is December 12. The process will then resume, at a quicker pace, spring semester.

It was decided to not discard the current classification process for civil service and P&A classifications and start over, but some combining might occur during the process. The University needs to comply with federal law regarding employee which state that there are only two classes of employees. Exempt employees possess a higher skill level, use their own judgment to complete the work, and are salaried. Non-exempt employees perform more routine work and are paid hourly.

Q: Have other peer institutions worked with the consultants?

A: Yes and they are currently working with Ohio State.

Q: Statistics on the breakdown of employees into broad categories was provided to the Regents in June as a first step. When will the next step be completed?

A: In December a breakdown by college will be provided to the Regents after meeting with deans this fall regarding the statistics.

Q: Are the PULSE results being used to make improvements in units?

A: HR does use the results but they cannot control how and if they are used by units. The next survey will be more concise and will focus more on employee engagement. The survey is not meant to address individual issues between supervisors and employees.

Q: Is every job description being reviewed through this process?

A: Yes which is why this is a labor-intensive process. Again, the consultants will be reviewing the work to date. The thought is that there will be fewer job titles once all reviews are complete.

Q: How many employees will be assigned to the classification process?

A: There are currently two openings but this number may increase depending on recommendations from the consultants and available funding.

Members made the following comments:

- If PULSE data is going to be collected, then there should be a way to have units incorporate the feedback
- Supervisor training is offered to supervisors new to the University, but it misses anyone currently serving in this role or someone who is already at the University but has moved into a supervisory role
- Leadership development needs to be required or made more appealing for current supervisors
- Employees need communication about this process as many are disheartened by the current process as deadlines come and go with no results or information from HR

2. CHAIR'S REPORT

Ann Hagen noted that she has met with Kimberly Simon, Amy Olson, and Sally Gregory Kohlstedt to talk about issues for each Senate this year and how the groups can work together. Topics from these meetings include P&A involvement in new faculty orientation and e-learning.

The P&A Senate participated in Celebrate U a few weeks ago and she attended last week's Regents meeting. She has participated in a review of the Regents policy consultation matrix which notes which Senates and committees are involved in reviews of which Regents policies. The Senate Committee Chairs meeting is next Monday and the Senate Business and Rules Committee meets tomorrow to review the October 4 Senate agenda.

This year is the centennial of the Senate so special events are being planned before most University Senate meetings. These events are open to the public and P&A will be participating as members of several panels.

Lastly the revisions to the Administrative Policy on Awards for Outstanding Contributions to Education have been approved and the Regents policy is being modified. P&A will be eligible for both awards this year.

3. SUBCOMMITTEE UPDATES

Benefits and Compensation

Cynthia Murdoch said that B&C met on September 13 and to review its work plan, meet with Mary Luther regarding the job family study, and heard an update from the Benefits Advisory Committee (BAC). The BAC update was on the percentage of employees who earned rewards through earning wellness points and the costs to administer this program.

Communications

Cathy Schulz noted that the next meeting is September 26. It will focus on finalizing the work plan and developing a process for the year. Other topics include features in the newsletter, P&A Senate mission statement, Facebook and Twitter accounts, and a website review.

Outreach

Stacy Doepner-Hove stated that the first meeting is tomorrow and will be a review of ideas generated at the retreat to form a work plan.

Professional Development and Recognition

Jodi Carlson Grebinoski noted that the subcommittee meets tomorrow and will try to use Google Hangouts.

4. REVIEW OF AUGUST 17 RETREAT

Members noted that returning senators and alternates liked this year's format better than past years due to the focus on starting subcommittee business for the year.

5. COORDINATE CAMPUS VISITS

Ann Hagen noted that Steve Pearthree visited Duluth and Morris last year and conducted P&A Senate meetings from both locations. She is proposing to visit Crookston in November and then schedule Rochester in the spring.

Steve Pearthree, Stacy Doepner-Hove, Amber Peifer, and Kimberly Simon said that they would be willing to participate in visits as well.

6. APPROVAL OF OCTOBER 5 SENATE AGENDA

It was decided that the agenda would be approved by email once it is finalized.

7. ADVOCACY PLAN – UPDATE FOR 2012-13

Cynthia Murdoch said that she is part of a three-member group which met and reviewed the 2009 version. They are discussing possible updates with the hope that it can be presented to PACC on October 30 and the P&A Senate on November 2

8. DISCUSSION OF 27 PAY PERIOD PLAN – MIKE VOLNA AND JULIE TONNESON

Michael Volna and Julie Tonneson joined the meeting to discuss recommendations for handling the 27 pay period issue. They walked the members through a handout detailing the background, issues, options considered, and the final recommendation for a split approach to this issue.

The recommendation is to align appointment dates with the fiscal year so P&A would be appointed from July 1-June 30 each year, This will eliminate another year with 54 weeks. For the first 10 years of the plan, salaried, 12-month employees will have their salaries divided by 26 pay periods. In the 11th year, salaried, 12-month employees will have their salaries divided by 27 pay periods. This will amount to a decrease in the per-paycheck amount but the employee receiving the same total salary in all 11 years. To pay for this extra pay period in the 11th year, departments will be charged for one or two extra days each year for the first 10 years.

This recommendation was approved by the Finance and Planning Committee in August.

Q: When will the decision be made?

A: The technical aspect of the recommendation is still being developed, after which the proposal will be presented to the President and Vice President Pfitzenreuter for their approval. There will be no impact on employees until 2021.

Q: Which groups have been involved in this recommendation?

A: Discussions have taken place with the Finance and Planning Committee, Faculty Consultative Committee, Research service group, and Twin Cities Deans.

Q: Can a bi-monthly salary plan be implemented for salaried employees?

A: In the late 1990s the University moved from two payroll systems – biweekly and bimonthly – to one system to save administrative costs. There would be a significant cost to return to two payroll systems, as a bimonthly system cannot be used for hourly employees.

Q: What have other organizations done?

A: Models from other institutions were not a consideration when formulating this plan.

Q: Can an employee's pay be adjusted if he or she leaves the University in the 11th year so that he or she does not lose salary due to the extra pay period?

A: This would be an exception to a standard payment practice and has not been discussed.

Members made the following comments:

- Other institutions just pay employees for this extra pay period. Couldn't the University find a way to do this?
- Other administrative policies have exceptions so one should be considered here
- Advanced communication will be key as many people use their entire paycheck now to cover expenses
- Can a salary increased be guaranteed in the 11th year to offset some of the per-paycheck decrease?

9. OTHER BUSINESS

With no further business, Ann Hagen thanked the members for attending and adjourned the meeting.

Becky Hippert
University Senate