

UNIVERSITY OF MINNESOTA

BOARD OF REGENTS

Faculty, Staff and Student Affairs Committee

December 7, 2006

A meeting of the Faculty, Staff and Student Affairs Committee of the Board of Regents was held on Thursday, December 7, 2006 at 1:45 p.m. in the East Committee Room, 600 McNamara Alumni Center.

Regents present: Dallas Bohnsack, presiding; Clyde Allen, Peter Bell, David Larson, Cynthia Leshner, and Patricia Simmons.

Staff present: President Robert Bruininks, Chancellors Charles Casey and Jacqueline Johnson; Senior Vice President and Provost Thomas Sullivan; Senior Vice Presidents Frank Cerra and Robert Jones; Vice Presidents Kathryn Brown and Carol Carrier; and Executive Director Ann Cieslak.

Student Representatives: Josh Colburn and Lan Nguyen.

**BOARD OF REGENTS POLICY:
EMPLOYEE RECRUITMENT AND RETENTION**

Vice President Carrier presented for action Board of Regents Policy: *Employee Recruitment and Retention*. She reviewed the following changes to the policy resulting from the committee's review in November, 2006:

- Equal opportunity statements regarding protected interests reflect statements currently found in other Board policies;
- Effective preparation and support for incoming leaders is explicitly stated; and
- Support for current University leaders is clarified.

In response to comments from Regent Larson regarding the importance of regular and candid performance reviews of supervisors and leaders, Carrier reported that a draft policy related to performance management will be presented to the committee in February, 2007.

A motion was made and seconded, and the committee voted unanimously to recommend adoption of Board of Regents Policy: *Employee Recruitment and Retention*.

BOARD OF REGENTS POLICY: EMPLOYEE HEALTH BENEFITS

Vice President Carrier introduced Senior Vice President Cerra and Human Resources Director Dann Chapman to review the proposed Board of Regents Policy: *Employee Health Benefits*, as presented in the docket materials. Chapman described minor changes made to the draft policy following the committee's review in November.

The committee discussed possible deletion of the term “competitive” because the policy does not address the entire benefits package. Cerra stated that competitive retirement and health insurance benefits are driving forces in the successful hiring and retention of academic employees, so the University must be cognizant of its competitiveness in all benefits. He also stressed that benchmarking against other Big 10 institutions is critical and supports the use of the word “competitive” in this policy. Regent Simmons recommended that all related benefits be reviewed to determine how the language supports the overall benefits package.

A motion was made and seconded, and the committee voted unanimously to recommend adoption of Board of Regents Policy: *Employee Health Benefits*.

BOARD OF REGENTS POLICY: STUDENT CONDUCT CODE

Vice President Carrier invited Vice President Brown and Vice Provost Gerald Rinehart to present proposed amendments to Board of Regents Policy: *Student Conduct Code*, as detailed in the docket materials. Substantive changes to the policy include expansion of the Code to certain off-campus conduct and revision of sanctions to reflect current practice. Brown reviewed the current draft, which includes minor wording and formatting modifications resulting from the committee’s discussion in November 2006.

A motion was made and seconded, and the committee voted unanimously to recommend adoption of Board of Regents Policy: *Student Conduct Code*.

BOARD OF REGENTS POLICY: EMPLOYEE WORK-LIFE AND PERSONAL LEAVES

Vice President Carrier introduced Human Resources Directors Nan Wilhelmson and Jackie Singer to present the draft Board of Regents Policy: *Employee Work-Life and Personal Leaves*, which combines important components of a number of existing Board policies. Wilhelmson and Singer reviewed the proposed policy, as provided in the docket materials, which describes the University’s commitment to creating a workplace supportive of employees. It contains provisions for leave opportunities and flexible work arrangements. Specific procedural details and specifics will be included in administrative policy.

Regent Bell recommended the guiding principles be clarified to address that supervisors shall consider the needs of the University as well as the needs of the employee.

The policy will return for further discussion and be presented for action at a future committee meeting.

UPLAN/EMPLOYEE HEALTHCARE BENEFITS UPDATE

Vice President Cerra invited Dann Chapman to review the annual report on UPlan, the University’s health plan program. Chapman reminded the committee that the report addresses only medical coverage, and that the Benefits Advisory Committee (BAC) is involved in the evaluation of health care plans and all recommended changes.

Chapman highlighted the following:

- The number of employees joining the health benefit programs increased during the past year; approximately 70 percent of the University's employees are enrolled in base plans.
- The projected total cost of health plans last year was very close to the actual cost, demonstrating that staff are becoming more skilled at projecting costs.
- Employee cost for the base UPlan program is near the middle of the Big 10.
- Pharmacy costs have experienced slower growth than expected, as a result, in part, of the change from increased generic drug utilization and better pricing on prescription drugs, medical supplies, and services.
- Up to 43 percent of claims costs are associated with a preventable or manageable condition.

Chapman reported plan offerings for 2007 will remain the same, with a continued focus on pharmacy and wellness plans.

Cerra invited BAC representative Gavin Watt to speak briefly about the role of the BAC, which remains active and in discussions about benefits and related policies.

In response to questions from Regent Allen, Cerra confirmed extensive research indicates there is a major reduction in other medical costs when drugs are prescribed and taken appropriately. Regent Allen requested that a breakdown on the costs of the various health benefits be presented at a future meeting.

In response to questions from the committee, Chapman indicated that there are reserve funds to adequately cover an estimated two months of health care expense. Cerra noted that the University's slightly older workforce results in a higher per-person cost and that the University has a higher disease burden than many other employers. Regent Simmons emphasized that comparing demographics will be significant when benchmarking health care costs. Carrier reported that employees are able to view the University's health benefits contribution on their pay statement each pay period.

CONSENT REPORT

President Bruininks presented a revised Consent Report for action, highlighting his recommendation for a new Vice Presidential appointment. A motion was made and seconded, and the committee voted unanimously to recommend approval of the revised Consent Report, which contained the following item for consideration:

- Appointment of Karen L. Himle as Vice President for University Relations, effective January 8, 2007.

INFORMATION ITEMS

Regent Bohnsack invited Vice President Robert Jones to speak briefly regarding the chancellor position at the University of Minnesota Rochester (UMR). Jones reviewed the history of the University's role in Rochester and the future of UMR as a coordinate campus of the University. Jones reported that President Bruininks plans to initiate a search for a UMR chancellor in January 2007.

Vice President Carrier referred the committee to the Information Items contained in the docket, including:

- Personnel highlights;
- University highlights;
- Faculty and staff activities and awards; and
- Student activities and awards.

The meeting adjourned at 4:17 p.m.



ANN D. CIESLAK
Executive Director and
Corporate Secretary