



October 19, 2007
MINUTES

Representatives Present:

Neil Anderson, Jade Bakke, David Bernstein, John Borchert, Elaine Challacombe, Will Craig, Susan Doerr, Frank Douma, Pam Enrici, Amber Fox, Wendy Friedmeyer, Ann Hagen, Mary Hoepfner, Barbara Jensen, Steve Pearthree, Bill Roberts, Caroline Rosen, Jill Trites, Sarah Waldemar, Sheryl Weber-Paxton, and Julie Westlund

Representatives Absent:

Kari Anderson, Richard Brown, Fred Dulles, Elaine Hansen, David Loewi, Rand Rasmussen, John See, Larry Storey, Angie Vail, and Barbara Van Drasek

Senators Present:

Pam Stenhjem (chair), Kari Anderson, David Bernstein, Elaine Challembe, Jaki Cottingham-Zierdt, Will Craig, Susan Doerr, Frank Douma, Wendy Friedmeyer, Andrew Hill, Mary Hoepfner, Kirsten Jamsen, Barbara Jensen, Mary Jetter, Bill Roberts, Caroline Rosen, and Jill Trites

Senators Absent:

Stacy Doepner-Hove, Randy Croce, Erin George, Tina Falkner, Gail Hockert, Mary Laeger-Hagemester (vice chair), Colleen O'Neil, and Kendra Weber

Alternates Present:

Changben Chen, Amber Fox, Barbara Horvath, Kirsten Jamsen, David Nicolai, Jeff Ogden, and Dale Swanson

Call To Order, Pam Stenhjem, chair

- Pam called for approval of the meeting agenda. The agenda was approved as amended.
- Pam reminded CAPA that no minutes had been taken at the September meeting due to the AFSCME strike and thanked members for their understanding.
- Pam called on Ingrid Nuttall to provide the Professional Development and Recognition committee report.

Professional Development and Recognition Committee, Ingrid Nuttall, chair

- The committee has decided they would like the Spring Event to provide P&A with professional development opportunities and information. They are hosting a brown bag lunch for brainstorming about this topic on Monday



October 19, 2007
MINUTES

October 30th. Bring your own lunch and be prepared to discuss existing and potential professional development opportunities for P&A.

- A professional development related pole would be posted to the web site.
 - Ingrid announced she has made the difficult decision to step down from CAPA. Her decision is based on the need to attend to the demands of her job. She will continue on until an alternate is identified. The committee has discussed the idea of electing co-chairs to serve the remainder of the term. If this is a viable solution, it will need to be discussed with CAPA.
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Update on the P&A Classification and Compensation Study, Mary Luther, director, Compensation Department, OHR

Ms. Luther began by providing an overview of the P&A classification and compensation study and workgroup. There are three CAPA members that are part of the workgroup, Randy Croce, Stacy Doepner-Hove, and Frank Douma. All members of the workgroup are listed below:

- Mary Luther, Director, Compensation, Office of Human Resources
- Jackie Singer, Director, Retirement Benefits, Office of Human Resources
- Nan Wilhelmson, Director, HR Liaison, Policy Development & Graduate Assistant Employment, Office of Human Resources
- Linda Bjornberg, Director of Human Resources, University Services
- Randy Croce, Council of Academic Professionals and Administrators, Carlson School of Management
- Stacy Doepner-Hove, Vice-Chair of the Council of Academic Professionals and Administrators, Law School
- Frank Douma, Council of Academic Professionals and Administrators, HHH Institute of Public Affairs
- John Fossum, Professor, Carlson School of Management
- Mike McGlynn, Human Resources Consultant, Office of Human Resources
- Francine Morgan, Human Resources Consultant, Office of Human Resources
- Fred Owusu, Director of Human Resources, Academic Health Center

The group began the educational process with the goal of to bringing all the members to a similar understanding of the Universities classification and compensation principles and functions. Using an open outcome study methodology the group analyzed the laws and policies, which govern the University's practices. They sought to identify opportunities for improving the P&A classification and compensation system. After educating the members and identifying initial areas for improvement, the following studies were performed:

- A comparison of the compensation and classification processes being used by other colleges and universities.



October 19, 2007
MINUTES

- Performed scientifically based data collection for 175 focus groups with P&A from across the University community.
- Conducted approximately 20 interviews with a sample of deans and directors from across the institution.

Stacy Doepner-Hove then provided a report on daylong retreat convened in spring of 2007. The workgroup reviewed what had been learned thus far and developed a list of core recommendations. The recommendations were structured into three categories; administration, classification structure and career opportunities, and rewards. Workgroup members raised questions regarding implementation of the recommendations. The workgroup identified further areas of study, which would need to be properly addressed in order to support effective implementation of the core recommendations. The recommendations and areas for further study, as presented in Ms. Luther's handout materials, are documented below:

Administration

Core recommendation: Build institution-wide understanding and consistent practice of the P&A classification and compensation systems. Better define the roles of the Office of Human resources and unit level HR departments in managing the systems. Provide training and credentialing the managers of those systems.

- How do we ensure the roles and responsibilities of managing the P&A classification and compensation system are clearly defined both within the University's Office of Human Resources and in the unit level HR departments?
- In what ways can we improve the consistency of training for HR professionals and supervisors regarding classification and compensation?
- How can we improve management of the classification and compensation systems to ensure consistent application and adherence to policies and laws?

Classification Structure and Career Opportunities

Core recommendation: Improve the classification structure to include defined job families and career professions. Further define what differentiates P&A employees from other employee groups. Build more robust classification structures to include improved and expanded career paths, and provide more guidance to managers and administrators in determining cash compensation levels.



October 19, 2007
MINUTES

- What are the challenges we might face in revising the classification structure to define job families where they don't exist today (e.g. IT, finance, teaching student services)?
- How can we clarify what it means to be a P&A employee?
- How do we differentiate P&A from other employee groups?
- How can we improve and expand career paths within those job families?
- Should we permit credentialing in lieu of degrees in certain situations?
- What improvements can we make in providing compensation guidance to managers to coordinate with external and internal market data?

Rewards

Core recommendation: Improve programs to recognize high-performing, long term, employees. Provide more benefits flexibility, and better account for the value of the benefits employees receive.

- What types of programs should we develop to better recognize high-performing, long-term, employees?
- How can we offer benefits options that provide more choice based on individual need?
- How do we develop, communicate, and maintain a total rewards package for employees, which takes into account salary, benefits, incentives, career opportunities, and other variables?

Stacy led discussion on the recommendations and areas of further study. Stacy reported that the workgroup has divided into subgroups by each of the recommendation areas. The next steps will be to research the feasibility, applicability, and impact of the core recommendations. Final recommendations are due to be issued to Vice President Carrier in January 2008. Frank Douma will provide updates from the work-group, you may contact him if you have any questions. CAPA representatives are asked to provide an update of this information on the classification and compensation study to their constituents. Ms. Luther then engaged in a question and answer session.



October 19, 2007
MINUTES

Committee Reports

Executive Committee Report, Pam Stenhjem, chair –

- President Bruininks and Vice President Carrier are scheduled to meet with the CAPA Executive committee on December 10th. The committee members intend to discuss vacation and tuition related issues. You may contact Pam with any other issues or questions you would like the committee to raise.
- Pam is scheduled to meet with Regent Patricia Simmons and Vice President Carrier in November and she will provide a report to CAPA on that meeting at the November 16th meeting.
- Pam met with Cathy Marquardt, Civil Service Committee, chair. They discussed whether CAPA and CSC should continue to have liaisons attend the respective meetings and decided that liaisons would provide reports on an as needed basis. Cathy and Pam discussed the CSC plan to increase funding for Civil Service professional development by \$ 2,000 each year, over the period of the next five years. The CSC has dedicated 2,000\$ to Civil Service professional development since its inception and would like to address the need for increasing this resource. Pam would like to see CAPA pursues similar support for P&A professional development.
- Pam has collated the top 4% of responses to the P&A survey and will send a report to CAPA when it's complete. It is quite lengthy and people may want to read the e-copy rather than printing out the report.
- Erin reports that the Senate Committee on Faculty Affairs (SCAFA) has been crafting a proposal to address important missed opportunities, within the University of Minnesota Retiree Association (UMRA) practices. Pam is now working with Erin and Earl Nolting to be sure that P&A have an opportunity to be included in the language of and to support the proposal. CAPA will address this issue further at its November 16th meeting. The UMRA proposal is scheduled to come before the University Senate at the November 29th meeting.

BUDGET – Mary Laeger – Hagemeister, vice chair

Mary reviewed the spreadsheet of the proposed CAPA budget for this fiscal year, 2008. The annual allocation is \$30,000. The budget contained a \$1,300 deficit from fiscal year 2007. Subtracting the \$1,300 deficit and the \$10,00 chair's stipend, there is \$18,700 remaining to work with for the year. Bill updated the budget to provide a view of the running balance for each category. Mary asked for comment



October 19, 2007
MINUTES

regarding the budget proposal and said she would provide a quarterly resolution of the budget to CAPA.

Benefits and Compensation – Bill Roberts, chair

The committee reviewed the status of CAPA B&C proposals. Bill provided the following information:

- The policy on P&A non-renewal has been in an over draft form for 48 months. Nan said the issue has not been discussed for about 32 months. She will take this off the table for now but it can be raised again.
- The proposal on tuition remission is being looked at across the administration. Efforts and good will should not be invested on the issue at this point there is work being done to address it.
- The vacation proposal will be raised for discussion later in this meeting.

Bill went on to say there would be changes to the employee benefits being offered during open enrollment next month. For more details on the below changes and other issues related to open enrollment please visit open enrollment on the OHR web site this link: <http://www1.umn.edu/ohr/benefits/openenroll/>

- A fitness benefit is being offered that will reimburse a portion of athletic club membership fees, up to \$20 per month.
- Dental coverage up will now cover up to \$1500.

Communication – John Borchert, chair

John provided an update on the committees' work:

- The CAPA Newsletter articles are assigned through the end of the academic year.
- John is working on updates to web, contact him if you see changes that need to be made.
- The 2006-2007 Communications survey is being reviewed and will be used as a tool for additional goal setting for the committee.

Representation and Governance – David Bernstein, chair

David provided an update on the committees' work

- Stacy Doepner- Hove and Will Craig are reviewing each of the governance documents for needed updates. They are working to provide consistent language throughout the documents in the following areas:
 1. The definition of a CAPA unit
 2. The qualifications necessary to serve as a CAPA officer
 3. The definition of a CAPA member



October 19, 2007
MINUTES

4. While deans and directors are eligible to vote, they are not eligible to serve on CAPA, according to a bylaw change made a couple years ago.
- Wendy Friedmeyer is chairing the effort to support and expand P&A unit level groups. She and other R&G members are available to assist with organizing unit level elections. There are many decisions of importance to P&A's that are made at the unit level.
- David has been in contact with some of the open units and has the following information:
 1. Currently the School of Nursing is under going a reorganization of P&A positions.
 2. Some of the P&A employees in the Office of the President report they feel a serving of CAPA would pose a conflict of interest with their positions.
3. Will said he would like to have a forum this fall on Senate Committee service. He said that much of Senate business is raised and addressed at the committee level. Vickie Courtney, Director, University Senate Office would provide a presentation on Senate committee service specifically for P&A. Many CAPA members expressed interest in such a forum. Pam suggested the committee look into a Breeze presentation of the forum for coordinate campus P&A.

CAPA then engaged in discussion of it's vacation and tuition benefit proposals. Both proposals are attached to these minutes for reference. The Executive Committee will report to CAPA on its discussion with Vice President Carrier regarding vacation benefits.

CAPA then discussed the draft mission statement. After an exchange of ideas Pam Stenhjem said she would continue to work on the ideas presented and bring another draft to the Executive Committee in November. The final draft will be voted on by CAPA at the November 16th meeting.

Pam then adjourned the meeting.

Sara Balick
University Senate



October 19, 2007
MINUTES

CAPA Benefits and Compensation Committee Vacation Policy Recommendation

Background

As stated in the draft Strategic Positioning Report, “The University of Minnesota: Advancing the Public Good: Securing the University's Leadership Position In the 21st Century” the goal for the University over the next decade is to become one of the three best public research institutions in the world. One of the five action strategies cited in the strategic plan is to “recruit, mentor, reward and retain outstanding faculty and staff”. Salary and benefits play an important role in the ability of the University to recruit a competitive work force.

CAPA believes the current vacation policy for full-time, academic employees is inadequate and must be revised for the following reasons:

1. The University is not as competitive as it needs to be in comparison to our peer institutions (see attachment).
2. The policy is outdated, as it was written for eleven-month appointments, although twelve-month appointments are the norm for P&A employees.
3. The policy does not fully support a healthy and rested work force. Employees may not accrue anything beyond the current cap of 22 days, unless at the discretion of individual departments or units. Increased workload and job requirements can interfere with employees being able to take time off from work. This results in an exhausted workforce and employees occasionally even “losing” their earned vacation days when they are near their accrual cap. This situation is counterproductive and seems to contradict steps the University has taken to promote a healthy and balanced workforce by investing in a Wellness initiative.

Recommendation

CAPA recommends that the vacation policy for P&A employees with 12-month appointments at 67% time or greater be changed to the following:

- Employees will accrue 24 days a year at the rate of 2 days/month.
- The maximum accrual will be 48 days.
- Upon termination from the University, employees will be paid up to a maximum of 24 accrued days.



October 19, 2007
MINUTES

- Notice of the vacation accrual and payout policy will be included in the employee's appointment letter.
 - The waiting period for new employees to begin utilizing their accrued vacation will be one month.
 - Employees will receive the standard university holidays plus one personal floating holiday a year.
 - Tracking of vacation will be required and will be done using PeopleSoft.
 - Vacation and sick time will remain separate and not combined into a Paid Time Off policy.
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Resolution:

TO: Vice-President Carol Carrier
FROM: Council of Academic Professionals and Administrators (CAPA)
DATE: January 19, 2007
RE: Working Towards Tuition Support for Dependents of University Employees

The Council of Academic Professionals and Administrators (CAPA) notes the passage by the University Senate of a Statement in favor of Tuition Benefits for Dependents of University Employees at its November meeting (attached).

CAPA also notes that the University Administration declined a similarly worded resolution earlier this fall.

Based upon statements made by many individual employees, CAPA believes that implementation of tuition support for dependents of University employees would result in increased employee morale, and that this support would be a useful tool for employee recruitment and retention.

Therefore, CAPA supports continued discussion of how such a principle might be implemented, and proposes the following principles as a basis for finding a solution:

1. The support should apply to all employee groups.
2. The support should accrue to each employee equally.
3. The support should be limited to create an incentive for dependents of University employees to pursue other financial aid programs as well.
4. Individual Colleges/Units shall be held harmless for tuition support, from a revenue standpoint.



October 19, 2007
MINUTES

CAPA also suggests that the following ideas be considered as methods that are consistent with these principles:

- Make the current Regents scholarship transferable from the employee to the tuition costs incurred by their dependants. This is similar to the tuition support available to MnSCU employees, and employees of seven of the Big Ten universities.
- Cap the maximum support at a specific dollar amount or percentage short of 100% tuition coverage; and/or
- Offer as a scholarship to admitted dependents of University employees that maintain a certain GPA, and/or other performance measures, each semester.

CAPA hopes these suggestions will allow the dialogue to continue towards consensus on this issue.

9. FACULTY AFFAIRS COMMITTEE
Statement on Tuition Benefits
Action by the University Senate
(10 minutes)

MOTION:

To approve the following statement:

Statement on Tuition Benefits for Dependents of University Employees

The Senate Committee on Faculty Affairs is disappointed and puzzled by the President's reaction to the recommendation from the Faculty Senate that the University offer a tuition benefit to the dependents of University employees. We offer the following observations.

1. The University is the outlier on the matter of tuition benefits for dependents if one compares it with other institutions in the state and in the Big Ten. MNSCU and the private institutions offer such benefits, as do seven of the eleven Big Ten schools. We are also well aware that members of the public are surprised to learn that University faculty and staff receives no break on tuition for their dependents.
2. We see the tuition benefit for dependents as one step toward the possibility of a tuition-reciprocity pact among employees of Big Ten or CIC schools. It is not possible to enter



October 19, 2007
MINUTES

such a pact, should it be created, if the institution does not offer tuition benefits to its own employees.

3. Many of us on the Committee are aware of examples where a valued colleague has left the University, recruited away in part because our competitor was able to offer tuition benefits to his or her children/dependents. Adopting a tuition benefit would not only be a relatively inexpensive way to prevent the loss of at least some of the faculty who will help lead the University to the top three, but would also give us more leverage to recruit stellar faculty from private colleges and universities.

4. We remind the administration of the sophisticated study conducted by Professor Fossum and his colleagues a few years ago, which concluded that the cost of the tuition benefit would be outweighed by the cost to recruit and replace individuals who accept offers from other institutions because of the tuition benefit offered at the competing institution. A tuition benefit reduces employment costs by reducing employee turnover.

5. We are not persuaded by the argument that only 2% of University employees would use the benefit in any one year. We understand that half or more of the University's employees would make use of the benefit during their careers here. It seems to us unlikely that the administration would propose to drop faculty sabbaticals or phased retirement because only a tiny fraction of employees use the benefit in any one-year.

6. The Committee continues to believe that a tuition benefit will improve the effectiveness, or at the very least the commitment, of its workforce.

7. We have been told that the question to be addressed, when allocation of resources is at stake, is where the University can get the greatest return on its investment. We accept that as a rational standard for making decisions. We suggest that the calculation would lead one to conclude that the modest amount of money required should be invested in a tuition benefit would generate a return, in employee morale, commitment, and retention, that is greater than many other investments might generate.

As we did last year, we again strongly recommend:

-- that the children/dependents of all full-time University employees (as defined by the University) having accrued 5 or more years of uninterrupted University service be granted a 50% tuition reduction upon being regularly admitted to an approved undergraduate program leading to a bachelor's degree;



October 19, 2007
MINUTES

-- that the tuition reduction apply for the first four years of a child/dependent's enrollment, during periods in which the child/dependent student is in good academic standing; and

-- that the percentage of tuition covered by the benefit increase by 10% for each additional year of uninterrupted service through year 10.

Senate Committee on Faculty Affairs
November 14, 2006

GEOFFREY SIRC, CHAIR
FACULTY AFFAIRS COMMITTEE