

Staff Alliance

Draft Minutes

Tuesday, September 9, 2003

9:30 – 11:30 am

vía video conference and audio conference

Juneau Location: The Novatney Video Conference Room 102

Anchorage Location: College of Arts & Sciences (CAS) Bldg Room 120B

Fairbanks Location: The Butrovich Building Conference Room 212A

Bridge Number Outside Fairbanks, (877) 751-8040; in Fairbanks, 474-8050

Passcodes: chair – 756704; participants - 928871

1. Call to Order and Roll Call

Lisa Sporleder called the meeting to order at 9.47 am.

Members Present

Lisa Sporleder, Vice Chair

Rita Fuller

Mel Kalkowski

Robert Sewell

Kimberly Stanford

Josh Steadman

Members Absent

Rory O'Neill, Chair

Kristin Harshman

Guests Present

Bonnie Elsensohn, Sitka Campus

Sandra Burgess, Sitka Campus

Mike Humphrey, SWOHR Director of Benefits

Jeannine Senechal, SWOHR Director of Compensation

Pat Ivey, System Governance Office

Brian Brubaker, System Governance Office

It was pointed out that Kristin Harshman, the current SAA Secretary, is not officially a Staff Alliance member representing SAA. Kenneth Coon, the Vice President, resigned and normally the Secretary would succeed him, she apparently is not willing to do so. The new SAA Vice President has not yet been identified.

2. Adopt Agenda

There was no objection to the agenda as proposed.

3. Approve August 18 & 19, 2003, Retreat Summary and Minutes

Jeannine Senechal said that starting in the second paragraph on page 11, Milliman & Roberts, not Nolan and Roberts, is the name of the Seattle firm that SWOHR has made preliminary inquiries about a market analysis regarding higher education compensation packages.

Lisa Sporleder said that items that occurred subsequent to the meeting should not be included as part of the minutes; instead they should be listed in a subsequent agenda.

Lisa Sporleder asked if “Leave Cash-In” or “Leave Cash-Out” is the proper terminology. Robert Sewell said he believes that the metaphor comes from cashing in your chips as if you are playing poker.

4. Vice Chair’s Report

Lisa Sporleder said that she said that she hopes minutes can be done in a more timely manner in the future. She hopes that minutes should reflect what happened in a meeting and not what happens subsequent to a meeting.

5. Public Comments

Robert Sewell said that he would like to hear what the Staff Alliance plans for the Board of Regents meeting will be.

A guest said that they would like to give public comments after information is presented, not before.

6. Proposed University Regulations Concerning

6.1. Advanced Placement

Jeannine Senechal discussed the proposed regulations. She said that in-grade step movement may be granted. She said that departments have wanted to deal with exceptional situations and have not had means to do so.

Jeannine Senechal said that there are difficult recruiting situations that have arisen in which an external hire could be moved to a higher step than someone from within the UA System with comparable qualifications. The new regulations address this kind of inequity.

6.2. Voluntary Demotion

Jeannine Senechal said that the current regulations provide that employees who take voluntary demotions have to stay at their same salary level. She said she believes that some university employees who apply for jobs below their pay grade don't get those jobs because the departments don't want to pay the higher wage. This new regulation would allow flexibility to address these situations where appropriate.

A member asked how many voluntary demotions occur in any given period. Jeannine Senechal said that she doesn't know the answer to that question. She said she has had calls and questions regarding a half dozen such situations. She guesses that this makes up less than one percent of placement activity in the system.

Robert Sewell asked what motives for seeking voluntary demotions are. Jeannine Senechal said what she hears most often is when people want to totally change careers or change the direction of their career. Sometimes people want to take part time work, and all that is available part time is a lower level job. Sometimes people just want to take positions with less responsibility. Those are the kind of motivations people usually have for moving to a lower-range position.

Do employees with longevity have "bumping" rights? Jeannine Senechal said that the University of Alaska doesn't have a bumping system but it does have rules regarding laid off employees. Jeannine Senechal said that she doesn't think voluntary demotion relates to downsizing and lay offs. A voluntary demotion is intended to be exactly what it says; a voluntary action entered into by the employee and employer, normally through a competitive process.

Robert Sewell theorized that university employees may voluntarily seek demotion so as to increase their job security as the university begins to contract.

6.3. Career Development

Jeannine Senechal said that the third draft regulation is related to the job classification project. The draft is designed to provide a framework for career development. Jeannine Senechal described the framework of a Career Development Plan (CDP). The regulation provides for noncompetitive promotion.

A member said that her constituents felt this was a good opportunity. There was a concern that the ability to administer it on an equitable basis is limited. The availability of funding is a limiting factor; months may be needed to get budget to take advantage of a Career Development Plan.

Will this regulation be in place before or after the classification project is complete? Jeannine Senechal said that it will be in place to be used as soon as approved, for job families that have already been completed.

Would a vacancy to move into have to exist in order to use this regulation? Jeannine Senechal said that no, there doesn't necessarily have to be a vacancy.

Availability of funding is a limiting factor. If a department has scarce resources and no ability to implement a career development plan, then SWOHR doesn't want people to have the impression that this will be funded no matter what.

A member said that a goal of the new job families is consistency (similar pay for similar work regardless of location). Advancement opportunities determined by department access to resources is an inconsistent result.

Jeannine Senechal said that she does think career development is consistent with job family classifications. People in different parts of the system wouldn't be moved up if the work wasn't there to do. A member said that the availability of funding to some departments and campuses and MAUs creates inconsistency about the opportunity to be moved up in your job family. Jeannine Senechal said that the availability of funding effects many things the university does. She said that fact of life will not go away. It probably isn't feasible to have a central pot that balances things between the haves and have nots. She knows this is an issue for employees in departments that don't have as many resources; but she does think it is important to pursue career development where possible.

A member said that he is in support of the job family progression. He is concerned about maintaining loyalty and institutional memory.

Jeannine Senechal made a comment about the ability to administer this on an equitable basis. SWOHR wants to maintain consistent standards and clearly defined progressions. She said that these actions will be approved only at the Statewide level via a central review, rather than the MAU level, so that there can be a clear sense of what each MAU and campus will be doing. Having a central review allows there to be more consistency and standardization.

Lisa Sporleder asked if it would be obvious in vacancy announcements whether that vacancy were part of a CDP.

A member said that, for example, there exists a department that has two administrative clerks and an administrative assistant. Is it possible in this hypothetical case to put those clerks on a career plan and groom them both to take over for the administrative assistant and then select one of them when that administrative assistant leaves? Jeannine Senechal said that in some ways, yes, it is possible, although only one of the clerks would be able to fill the position. She said that what was described was establishing a succession, which is a slightly different concept. She said that in this hypothetical case, what is described is really more of a training plan.

Lisa Sporleder asked how this is different from what occurs now. Does the new regulation simply make it more obvious to departments that they can reclassify a position? Jeannine Senechal said this provides a structure for progression.

A member asked if there will be some training done if this regulation gets passed. Jeannine Senechal said that departments have to have career development plans approved. How will departments know this is an option once the regulation is implemented? How will it be communicated? She suggested newsletters, email, and offering a class in doing a career development plan as ways that the communication will occur.

Pat Ivey asked if the Career Development Plans will be published somewhere so that employees can make use of them. Jeannine Senechal said that SWOHR hasn't planned or talked about publishing the information in a web site or database, but it certainly could. She thinks it is a good idea.

Jeannine Senechal said that if members knew of people that want to join the Administrative Services Job Family Design Group, they should contact their MAU HR Offices with those suggestions soon.

7. Classification Project Update

There was no discussion of this item.

8. Proposed Salary Grid Adjustment for FY2005

Pat Ivey said that the BOR agenda narrative and draft motion and Jim Johnsen's August 19, 2003, memorandum to Rory O'Neill regarding the Staff Salary Grid are attached.

<http://www.alaska.edu/bor/agendas/2003/030917agenda.html>

<http://gov.alaska.edu/Staff/correspondence/2003-08-19-johnsen-oneill-salary-grid-options.pdf>

It was pointed out that SWOHR is putting forward a proposal to increase the non-represented salary grid by 1% in FY2005.

What will be done with the other .9 or 1% that was mentioned at the Staff Alliance Fall 2003 Retreat and in Jim Johnsen's correspondence? Is the funding that would have gone toward a larger salary grid increase going instead to be offset against the cost of implementing the classification project? Is the classification project implementation cost going into the FY2005 Budget request as a separate line item? Is the classification project implementation cost in the Board of Regents (BOR) salary grid adjustment motion for consideration by the BOR Human Resources (HR) Committee on September 17-18, 2003, in Palmer?

According to Jim Johnsen at the August 18, 2003, Retreat gathering, the Consumer Price Index (CPI) was 1.9% last year. A member concluded that increasing the salary grid by inflation (CPI) will not occur in FY2005 if it is only increased by 1%.

A member said that he didn't think paying for the classification project ever was a surrogate for paying for cost of living increases; if that is the rationale for a lower than inflation salary grid adjustment, he's against it.

A member said that it seems like statewide has not accounted for the costs of implementing the classification project. Jeannine Senechal said that costs were an item in the budget for FY2004. She said she doesn't have information in front of her regarding the costs of implementing the classification project. She said she will have to ask Jim Johnsen for that information.

What are the total costs of implementing the classification project? Are they included in the university budget? Are the costs unexpected and/or unforeseen? Have these costs been reported?

Jeannine Senechal said that the costs of implementing the classification project have been reported to the Business Council and President Hamilton. They were more than were expected initially, she said. In the beginning, these costs were absorbed internally by the MAUs.

Did Jim Johnsen indicate when he wanted a response to his August 19, 2003, memorandum to Rory O'Neill regarding the Staff Salary Grid?

A member pointed out that the email memorandum asked the Staff Alliance to "please share your thoughts as soon as you can so we are prepared for the upcoming Regents' meeting." It does not specify a deadline date for feedback to be sent in to Jim Johnsen. It was pointed out that the publication deadline for BOR agenda items has already past.

It was pointed out that the Palmer BOR meeting is being video conferenced. It is possible to participate in the meeting from off-site. Kimberly Stanford said that Cheryl Wright may attend the BOR meeting on behalf of the UAA Classified Council. Lisa Sporleder said that Cheryl Wright is welcome to go on her own behalf, but she cannot represent the Staff Alliance since she is no longer a member of the Staff Alliance.

Lisa Sporleder asked if there was anyone from the Staff Alliance who is going to the BOR Meeting. Rory O'Neill, the chair, is unavailable. Lisa Sporleder said that she will commit to attending as much of the meeting as she can via video conference, which will she expects will be most of it.

A member asked if local folks from the Staff Alliance can attend. It was pointed out that the Mat-Su College is not exactly local for the UAA members of the Staff Alliance, Mel Kalkowski and Kimberly Stanford, who live and work in Anchorage. Kimberly Stanford said that she will investigate if she can attend via video conference.

A member pointed out that the drive from Anchorage to Palmer takes about 50 minutes. He said that it would be nice to have face-to-face representation. Lisa Sporleder said that she cannot travel due to a personal medical condition.

A member said that they are not sure if the BOR HR Committee Meeting will be available via video conference. He said it is a place where space and time can be made available to discuss Staff Alliance concerns with the BOR. It was announced that the BOR HR Committee Meeting will be video and audio conferenced.

Brian Brubaker pointed out that travel for a Staff Alliance representative to attend BOR meetings has been paid for by the Staff Alliance in the past.

Members discussed whether or not a person was necessary to just observe or if they needed to participate and communicate Staff alliance viewpoints.

A member said that the Staff Alliance should talk directly and officially to the fact that the salary grid will be increased by only half of inflation; it is good news that the impact of inflation is being considered and bad news that another year is passing without a full inflation cost increase to the salary grid.

Mel Kalkowski and Kimberly Stanford said that the UAA APT Council and UAA Classified Council have voted in favor of a 1.9% salary grid increase.

MOTION: Moved by Sewell, died for lack of a second

“The Staff Alliance further affirms its previously stated position asking that each year the salary grid be adjusted to match the preceding year’s increase in the Consumer Price Index (CPI). The Staff Alliance also requests that the classification project receive the resources necessary for implementation.”

Robert Sewell was asked if these were separate motions (CPI grid adjustments versus classification project funding). He said he thinks they are part of the same motion. Robert Sewell said that he doesn’t think that it is the responsibility of employees to pay for the cost of implementing the classification project.

A member asked what the latest offer to the ACCFT faculty union was from the university for compensation increases. Apparently, it is a 5% across the board increase for each year of the increase. Mel Kalkowski said that this is found on the SWOHR Labor Relations home page under the ACCFT salary proposal dated 2/4/2003.

<http://www.alaska.edu/labor/index.html>

Lisa Sporleder pointed out that non-represented employees, many of them, get step increases while the university's union employees do not.

Lisa Sporleder said that all employees, not just university employees, have their wage value eroded by inflation. She said that employees of other organizations are not getting inflation indexed.

A member said that the BOR agenda narrative says "after discussion with the alliance.... the administration recommends an increase to the grid of 1 percent..." The member said that this implies the Staff Alliance supports the president's proposed motion.

MOTION: Moved by Kalkowski, seconded by Stanford, passed with six in favor and none against

"The Staff Alliance of the University of Alaska supports a 1.9% increase to the non-represented salary grid for FY2005, since this matches the rise in the CPI during the last reporting period. This action is effective September 9, 2003."

MOTION TO TABLE UNTIL TUESDAY, September 16: Moved by Kalkowski, withdrawn

Lisa Sporleder asked if members wanted her to present this motion at the BOR HR Committee. A member said yes, since the agenda narrative implies that we support the opposite option, she would prefer that the motion be presented at the meeting.

9. Health Care Benefits

Mike Humphrey said that the latest version of the draft flex plan options chart, as of September 1, 2003, is an agenda attachment. The chart is available at:

http://www.alaska.edu/hr/benefits/ua_2000/flex_plan/draft_flex_plan_08132003.pdf

Mike Humphrey said the employee contribution cost estimates for each flex plan option are being developed between SWOHR, Mercer consultants and Blue Cross. Mike Humphrey said that he hopes to have preliminary cost estimates for employee contributions for each option by September 23 or September 30, approximately.

Lisa Sporleder asked if there are differences between the plan options presented at the retreat and now.

Mike Humphrey said that adult immunizations are different now. On page two, in the row labeled "Adult Immunizations" for the column labeled "Tentative Traditional Plan" the description for the later, September 1, 2003, version was changed to read, "Covered under general physical benefit with no age limit" from "80% as other expenses, after deductible" in the August 13, 2003, version.

Option B on the chemical dependency benefit was originally listed as \$10,000 per lifetime and now is listed as \$10,000 per year in the newer version.

Lisa Sporleder said that there will be a meeting of the health care review panel coming up. A recent meeting with Jim Johnsen and Mike Humphrey with Blue Cross and Mercer generated more questions instead of getting the answers they were seeking.

Mike Humphrey said that the flex plans are being offered in negotiations with ACCFT. ACCFT can become a part of the flex plan options or not.

A member said that she is concerned about the flex plan health care proposal. She thinks the university will become a place where the level of health care an employee can receive is essentially based on and determined by the amount of money an employee makes and what they can afford. She thinks it will create tension between high and low income university employees.

Mike Humphrey pointed out that employees will have to demonstrate that they have alternative health care coverage in order to opt out.

A member said she would feel different if the lowest of the options proposed was the current plan the university has today. She said that people who make more money will be able to afford more insurance, while a person's relative need for health services has nothing to do with their income level.

Mike Humphrey said that spiraling health care costs are a pervasive problem for our society. He said that there was a recent CNN story on a Kaiser Family Foundation/Health Research and Educational Trust Report that reflects this fact.

According to an email message sent by Larry Ledlow, the Kaiser Family Foundation/Health Research and Educational Trust 2003 Annual Employer Health Benefits Survey that was covered in a CNN story Mike Humphrey referred to "includes findings on employer health plans including coverage, costs, enrollment patterns, health plan choice, and employee costs. This survey of 2,808 employers provides data and information on recent increases in insurance premiums, current cost-sharing requirements for employees, and information about employers' attitudes and opinions about controlling rising health care costs."

<http://www.kff.org/content/2003/3369/#3369Final.pdf>

Mike Humphrey said that UA plan costs will continue to increase. He believes a flex plan is the only option to contain costs. Mike Humphrey said that one size fits all does not really fit all of us (university employees).

A member asked what would happen if employee contributions were indexed progressively according to income? Apparently that option was briefly considered, but not researched due to lack of support.

A member said that younger and healthier employees will not choose a more expensive health care plan than they have to. Her opinion is that the vast majority of non-represented university employees will face higher out of pocket maximums and higher deductibles.

Is SWOHR moving forward on flex plan options? Has the administration finalized a decision to implement flex plan options; is it a done deal?

Mike Humphrey did not specifically answer that question. He mentioned new benefits options for leave cash out, choices on retirement plans, and so forth. He said that university benefit programs are progressing to allow more choices. He said that he believes this is a natural progression.

A member reiterated that she would feel differently if the lowest of the flex plan options proposed was the current plan the university has today. A member asked if constituents really will want fewer health benefits in exchange for little or no employee contribution.

A member said she believes that those who are compensated less are more likely to choose the least expensive option with a much higher out of pocket maximum and higher deductible. A member said she feels like many employees will essentially lose benefits in this change, especially regular administrative support personnel.

Pat Ivey asked if a survey would be useful to see what flex plan options employees might choose, especially for demographic and costing purposes. Would SWOHR like to do that? Mike Humphrey said that SWOHR would like to think about how that kind of survey would be structured.

A member said that without the employee contribution cost estimates for each option, it would be hard to ask those questions in a survey.

10. Performance Pay/Bonuses

There was no discussion of this item

11. Support for President Hamilton (Sewell)

There was no discussion of this item

12. Endorsement of System Governance Office (Sewell)

There was no discussion of this item

13. Transition to Outcomes Based Budgeting

There was no discussion of this item

14. Other Items of Concern

Blue Cross For-Profit Status

Mike Humphrey said that the University of Alaska is an intervener in the non-profit to for-profit change being sought by Blue Cross. As of yet, the University of Alaska hasn't seen enough information to determine out how this change will effect the University of Alaska and State of Alaska.

15. Local Staff Governance Reports

No reports were given.

16. Agenda Items for the Next Meeting – Tuesday, October 14, 2003, via video & audio conference

No items were suggested for the next meeting.

17. Comments

There were no comments.

18. Adjourn

The meeting was adjourned at 11:42 am.