

Minutes

Provost Level Employee Communication Council meeting – February 8, 2005

Present: Jo Ann Addison, Brian Bader, E. Howard Booker, Brenda Boyd, Heather Cullop, Deirdre Davie, Vickie Faulconer, Iva Gillet, Severyn Hanusz, Lorrie Jean, Carolyn Laquatra, Carole Lohman, Chris Loss, Becky Marshall, Kent Merritt, Rob Schuett, Faye Snyder, Glenn Taylor, Anda Webb, Leonard Sandridge (UVA Executive VP and COO), Gene Block (UVA VP and Provost), Kathleen Jump, Emily Bardeen.

Council Chair Jo Ann Addison called the meeting to order and the attendees introduced themselves.

Gene Block, UVA Vice President and Provost, spoke first. Mr. Block is in his fourth year in this position and noted that there is some lack of knowledge among students and faculty about the provost's role at UVA. Mr. Block is the chief academic officer and all deans at UVA report to him. Deans play an enormous role at the University with their various departments planning important programs. UVA Vice President for Research Ariel Gomez reports directly to Mr. Block. Among Mr. Block's many responsibilities is dealing with grievances and ensuring that research conducted at UVA is done in compliance with various established guidelines. The libraries, ROTC, and the Women's Center all report to Mr. Block.

Mr. Block noted that growth at UVA has been asymmetrical with the Law School well established early on but slower growth in the sciences ("very expensive"). There is a need to address this imbalance (UC Berkeley has a better balance for example) and to do so the UVA Board of Visitors has recently approved a \$125 million program for more science buildings.

Mr. Block is also addressing faculty salary issues. There is an ongoing effort to recruit senior faculty. At UVA there is one National Academy of Sciences member compared with dozens at Stanford and Berkeley. There is also a program to hire experienced faculty to mentor colleagues and UVA is soon to make offers to ten people from a worldwide search in the fields of engineering, medical science, and the natural sciences.

There is also an ongoing effort to review and change the undergraduate curriculum. Changes are hard; the faculty like it the way it is, but new developments such as greater interest on the part of students to study overseas in non-European locations are changing things. Mr. Block is also trying to work on more emphasis on quantitative studies at UVA (statistics, advanced math) as well as on arts (with new buildings planned in this area).

A question and answer and comments period followed.

QUESTION/COMMENT: Concerning the reworking of the undergraduate curriculum, what about students coming in with advanced credit from high school?

ANSWER: Such classes are very rarely the same as college classes and faculty believe they don't substitute. They do allow credit for advance placement but UVA still insists on (for "breadth requirements") a college-level course [in areas where a student has advanced credit from high school]. This may mean students will be unhappy and have less flexibility. The breadth requirements ideally need to mesh with Virginia Governor Mark Warner's initiatives to get students through school quickly (many UVA students could graduate in three years), and breadth requirements should not slow down students.

QUESTION/COMMENT: There has been focus on addressing UVA faculty salaries. What about classified staff salaries?

ANSWER: Charter status would eliminate current prohibitions on addressing classified staff pay.

Leonard Sandridge, UVA Executive Vice President and Chief Operating Officer, spoke next.

Mr. Sandridge noted that the charter initiative has called attention to classified staff and is seeking input on matters affecting staff. Before speaking about the high-profile charter initiative he wanted to speak about other matters affecting UVA.

There is currently a lot of ongoing construction and likely will be for 20 years. New construction costs in past years have been averaging \$250

million; next year the cost will be \$500 million. Construction will affect close-in parking with parking lots lost and less of it (close-in parking spots).

One example of important new construction is the hospital addition, a development which will help UVA provide the best health care, increase the number of diagnostic facilities here, and provide improved cancer care. (Forty percent of what UVA does is at the hospital.) With the addition in the back of the hospital will come new parking and in eight years a new cancer center will go up where the current patient parking garage is located at JPA and Lee Street.

The new arena is scheduled to open in Spring 2006. Mr. Sandridge hopes to increase the number of annual events there from 60 to 125 per year, including not just sports but family events. The arena is a multi-use facility and is designed to hold 2,500 to 15,000 people.

Fayerweather Hall is an old building under restoration. There is lots more of this to come and it involves dislocation of people which is inconvenient and disruptive but practical since many structures require upgrading.

The South Lawn project should begin in three or four years and will be a major undertaking which will change the complexion of UVA.

Enrollment increases should be around 1,500 students (1,100 undergrad and 400 graduate). There will be greater emphasis on the sciences and performing arts.

Mr. Sandridge addressed safety and security at UVA which are concerns as UVA grows. There will be more building card access, door locks, and cameras. Defibrillators will be installed in the work place and police vehicles. He noted that problems are not occurring where things are assumed to be unsafe; they occur where things are casual.

Mr. Sandridge next discussed the budget. February 8 was a crossover day for the legislature in which legislation passes to other houses over the next days. Committees with 6 to 8 people on them will meet to compromise and reconcile on legislation.

The Governor has proposed a 3 percent salary increase across the board for state workers. The Senate has proposed a 4 percent based on performance

rated by supervisor evaluation. Actual increases would be in the 3-5 percent range. This is not the first time such a proposal has been made. The difference is that previous attempts were very bureaucratic with a limited number allowed in various categories (meets/exceeds expectations). This time a unit is expected to allocate increases without number limits. The House has not increased the Governor's 3 percent and its proposal is not precise on performance-based amounts which are likely in the "fine print" in the House legislation. One possibility is that there will be a 3 percent increase based on performance plus some amount (\$50.00) for each year of service, a proposal which attempts to reward long-term employees. Questions concerning this proposal include how to treat leaves of absence and wage employment years.

Mr. Sandridge addressed a question sent to him prior to the Provost Council meeting. Were there classified staff on the Diversity and Equity Commission? Mr. Sandridge confirmed that there were no classified representatives on the Commission and recommended that the Council invite Kelli Palmer [an assistant to President John Casteen] to one of its meetings. She is the classified staff member working most closely with the Commission and the Council's meeting with her should help classified staff have input for the Commission's activities.

Another previously submitted question addressed by Mr. Sandridge concerned classified staff *and* faculty representation on the Board of Visitors. If there is a (non-voting) student representative on the Board, why no classified staff? Mr. Sandridge responded that the easiest thing for him to say is that the matter is up to the Board of Visitors. He then discussed that having a classified staff representative is different from having a student representative in that a student is a customer or client and on corporate boards there can be a board member who is a customer but that such boards usually don't have an employee. Mr. Sandridge asked how hard [much] do classified staff want to have a representative on the Board of Visitors. There are already strong classified staff advocates on the Board and if there was a classified staff representative other Board members might leave classified staff issues up to that representative. Mr. Sandridge was not asking the Council to agree with him about this but suggested that classified staff attend Board of Visitors meetings, which are open, and make their own judgment. Mr. Block added that it might be worthwhile to research the make up of other boards and added that it would be helpful to have a faculty member on the UVA Board to give a faculty perspective.

Mr. Sandridge next discussed charter status. There were two bills to be voted on February 8 before crossover which Mr. Sandridge said are quite satisfactory. They are complex pieces of legislation. It is legislation which applies to all higher education institutions in Virginia. Charter is a two-way agreement which requires UVA to commit to do things. This includes an articulation agreement with Virginia community colleges that will get qualified community college students into UVA. There are enrollment agreements under charter and a lot of concern not to increase out-of-state to in-state student ratios. There is the requirement to improve graduation rates (not a problem at UVA).

Level 1 which would begin in July 2005 applies to all institutions but will not affect UVA too much but will affect such schools as Longwood and Radford by allowing them more flexibility.

Level 2 is characterized by the James Madison University (JMU) example.

Level 3 will cover UVA, Virginia Tech, William and Mary as well as George Mason and Christopher Newport. It requires at least a AA- (minus) bond rating or participation in a state pilot program to demonstrate capability which once proven allows an institution to negotiate a management agreement with the Governor.

Beyond these levels there are other things UVA can earn such as the right to keep interest balances which are currently given away to the state, if performance standards set by the Governor are met. Mr. Sandridge described charter as good for UVA and for its employees.

In other areas affected by charter status, projects would be considered capital outlay projects if they exceed \$1 million in cost. At level 3, projects costing less than \$1 million can start or be funded without going through state processes if private funds are used. Also at level 3, code compliance on fire and safety requirements and issuance of occupancy certificates can be done without state approval (this is already the case at UVA).

Concerning human resources matters, at level 3 an institution can implement its own personnel system unless the state takes this capability away in a management agreement. (At level 2 an institution must ask for and receive state approval for its personnel system.) A level 3 institution can augment

classified staff salaries with private funds and allow classified staff a retirement plan similar to that of faculty (but the state would have to assess through a study the impact of any such change on the Virginia Retirement System (VRS) which is funded by current input from active staff). UVA would never be required to get out of VRS but new staff could opt for a different system. Concerning health plans, charter would have no impact on UVA but would allow Tech and William and Mary to have their own plans (UVA has one already). At level 3 institutions could establish "cafeteria style" human resources programs if allowed by the state allowing more flexibility in life insurance for example. A level 3 institution could establish its own leave plan and holiday schedule. Mr. Sandridge expects that in a management agreement with the state that UVA will sustain its current plan and he indicated that there is no ongoing discussion about taking away anything.

In procurement affairs under charter there would be less restrictions such as eVA [Virginia's electronic procurement system] but any management agreement would still impose some restrictions in this area. Mr. Sandridge gave the example of the current effort to increase business with minority and women-owned businesses. Level 3 allows an institution to come up with its own guidelines and definitions to facilitate increased business with minority and women businesses.

The Board of Visitors should have tuition authority to set tuition rates. There is legislation which seeks to give other institutions something comparable to Access UVA (UVA's innovative financial aid program) but the state will have to review it. In a 6-year budget plan (reviewed and agreed upon by the state) the Board will be allowed to set tuition. However, the Governor requires that UVA does not change the economic diversity of its students (i.e, more rich and less poor). Mr. Sandridge noted that in the past eight years, UVA has had three big annual tuition increases, four years in which the state blocked increases, and one year when tuition was rolled back, averaging out to a 4 percent annual increase. Charter would allow a logical and systematic increase process.

In conclusion, Mr. Sandridge stated that UVA will remain a state agency and that classified staff will be state employees. The two proposed bills are not perfectly aligned but are better than one year ago. They retain positive elements and drop "scary" ones. It would not be smart to make UVA an institution that is not a place to have a career. UVA has in recent years gone

three years without salary increases. Mr. Block's ambitious plan is not as easily realized under business-as-usual.

This concluded Mr. Sandridge's talk but Mr. Block added, before questions and answers, that concerning Access UVA, this program will allow UVA to continue to have diversity. UVA needs to get information via creative approaches to help Access UVA work best; Mr. Sandridge added that charter status will allow better planning and budgeting.

A question and answer and comments period for Mr. Sandridge followed.

QUESTION/COMMENT: Concerning Access UVA, are graduate students covered?

ANSWER: Many graduate students are covered by financial aid, but UVA is not well covered in this area. UVA seeks private funds to help with graduate aid and will probably need more endowment money to help cover it.

QUESTION/COMMENT: Will interest balance accounts go into a central fund?

ANSWER: Auxiliary areas currently keep balances and this probably would not change.

QUESTION/COMMENT: Bob Gibson of the *Daily Progress* wrote an article that synopsis charter status. In it he indicated that at Virginia Tech the Board of Visitors **is** talking to staff. He also indicated that under charter, one might see increased outsourcing of classified staff work.

ANSWER: Mr. Sandridge read the article. He is in communication with Virginia Tech people all the time, and he is not sure what Mr. Gibson was writing about. Virginia Tech's faculty and staff are not as engaged as UVA's over charter status, but Mr. Sandridge added he will find out what Mr. Gibson meant about Tech. Concerning outsourcing, Mr. Sandridge said there is nothing in charter legislation which makes it "harder or easier" and that it can be done today at UVA without state authority. Charlottesville is a small area and does not have the number of companies that Richmond and Washington, D.C., have to draw on for contract workers. UVA needed help in clean-up work and tried to get a company to help but was unable to find

one which could hire enough people. Some painting is outsourced at UVA. A recent contract was given out to do lawn care, saving \$100,000, but no one was laid off. Elevator service has to be outsourced and in 1999-2000 nurses, from "travelers firms," were hired due to shortages and pay problems. UVA does not lay people off. The state has repeatedly asked about outsourcing UVA bookstore and Mr. Sandridge has met in Richmond each time to discuss this.

QUESTION/COMMENT: What about an expiration date for the management agreement part of charter status?

ANSWER: The agreement would be for three years with a one-year renewal. If the first three years are okay, then the second one is for a five-year period. There are provisions in the legislation for terminating the agreement.

QUESTION/COMMENT: What about Virginia Tech and William and Mary health costs controls?

ANSWER: Virginia Tech is large enough to fund its own pool.

QUESTION/COMMENT: Parking costs almost invariably increase when a new parking structure is built (along with a new building) since the cost for new parking is not included in the construction budget.

ANSWER: The new arena and the Emmett-Ivy garage were privately funded so their construction has not affected fees and rates. For a new arts precincts building (and often for other buildings) it is hard enough to get money for the building itself. It is harder to get funds for parking when it can cost up to \$22,000 per space. UVA will likely never charge as much as the community for parking, but in 20 years close-in parking will not be what it is today.

Emily Bardeen, Director of UVA Faculty and Staff Career Services, next spoke. Handouts from Ms. Bardeen included:

- Call for Nominations, First Annual Educational Mentor & Manager Award, 2005 (see www.hrs.virginia.edu/educben/nominationnotice.html).

- March 8, 2005, UVA Employee Education Benefits Conference & Resource Fair (see www.hrs.virginia.edu/educben/EEBC.html).

- How to Use the Career Guides (see www.hrs.virginia.edu/career).

Ms. Bardeen noted that UVA employees are getting degrees using education benefits and that there was a 2004 Inside UVA article on this topic. \$665,000 worth of educational benefits were used; under charter she would like to do more with her programs.

Noting that it is hard to establish personal employment goals, Ms. Bardeen is holding the first ever Employee Education Benefits Conference & Resource Fair on March 8, 2005, open to all workers on grounds including people from employers such as Aramark and to foundation employees. There is no charge to attend but one should register in advance to help in planning. With supervisor permission, attendance time can be recorded as hours worked. It will be a collaborative effort involving such groups as Continuing and Professional Education (which is very close to having a non-traditional masters program), the Library, and Facilities. Nine breakout sessions will be held (some of them will repeat) on topics such as:

- professional development
- undergraduate studies (2-year associates degree and 4-year)
- graduate studies
- technology and job enhancement
- vocational studies
- distance studies

The JMU College of Graduate and Professional Programs will be represented, and there will be representatives from nursing and the Curry School of Education.

In an effort to uphold managers who support employees using education benefits, Ms. Bardeen is instituting the First Annual Educational Mentor & Manager Award, in order to show other managers a model for supporting

employees in educational matters. This will be part of the March 8 conference and resource fair.

Annamarie Black will facilitate the meeting. Some guest speakers will be Barb Kessler (professional development), Liz Ford (getting online degrees), Becky Marshall (bachelors of interdisciplinary studies), and Anda Webb (who transitioned from classified staff to faculty).

Ms. Bardeen noted that college education is now important to have critical thinking skills which help an employee in crossing over the pay band 3 to payband 4 gap (non-exempt to exempt employee). She concluded her talk by noting that she is part of a state team which is developing career guides, currently found on the UVA Human Resources website.

The next Council meeting is in Zehmer Hall on March 8, 2005.

Submitted by Brian Bader