

Minutes

Provost Level Employee Communication Council meeting – March 10, 2004

Present: Brian Bader, Doug Moseley, Suellen Hill, Linda Hunt, Melody Palmer, Sarah Seat, Faye Snyder, Lauren Killgallon, Rob Schuett, Jo Ann Addison, Iva Gillet, Alan Cohn, Glenn Taylor, Carolyn Laquatra, Christopher Loss. Guests (UVA Human Resources): Tom Gausvik, Gary Helmuth, Jeff Overweg, Anne Broccoli.

Mary Hughes, UVA Landscape Architect, discussed architectural projects on grounds. The UVA Office of the Architect website, located at <http://www.virginia.edu/architectoffice/>, offers monthly updates of current projects. Ms. Hughes passed out copies of a handout with color highlights of the latest architectural master plan, which ambitiously goes out 50 years. With the arrival of a new University architect, David Neuman, the plan is likely to undergo some revision. As background to the plan, Ms. Hughes noted that the plan emphasizes UVA's architectural legacy, while covering contemporary concerns such as ground water runoff management and fostering a walking environment on grounds. Using a poster map of UVA property holdings, Ms. Hughes discussed the history of land acquisitions at UVA, noting that Thomas Jefferson, after acquiring the area around the Academical Village (Central Grounds), obtained for wood and water supplies the area now surrounding Observatory Hill. Carrs Hill was added in the mid-nineteenth century, and in the-post World War II era, North Grounds was added. Between 1965-1975, Law and Business were moved to North Grounds in response to the doubling of UVA's population. In 1965, University Hall and associated athletic facilities were constructed. Growth has slowed since the 1980s, so new land acquisitions beyond the Route 250 bypass are on hold while efforts are made to better integrate the existing UVA grounds and alleviate traffic congestion.

Ms. Hughes then spoke about specific current and proposed projects. The North Grounds connector, a curvy 25 mph speed limit road coming off the Route 250 bypass near the Darden School, will better permit access to the John Paul Jones arena now under construction near University Hall. The bridge to nearby apartments is being rebuilt to allow Darden and Law students to safely cross. The arena's completion date is spring 2006 and it will include parking for 1,500 cars. Space nearby may be used at a later date to locate academic or administrative offices such as UVA Human Resources and/or Parking and Transportation allowing people better access to consumer services.

The grounds walk bridge over Emmett Street, currently under construction, will provide pedestrian and bike connections between North Grounds and Carrs Hill/Central Grounds. It is designed to take a second bay which would take transit such as a shuttle system to bypass Ivy Road and Emmett Street congestion. Planners have pledged to local residents that buses would not be used over this route. Instead, alternative fuel vehicles such as hydrogen-fueled vehicles, quieter and fumeless, are being proposed.

| A performing arts center with a 1,200-seat hall in the area north of the grounds walk bridge, on the west side of Emmett Street, is currently in the design phase. A gift from Carl Smith covers half the needed funding for the performance hall. It will be home to the new Cavalier marching band. The desire is to have the entire Music Department in this location. The budget to date does not really permit this and it is a major fundraising priority with a deadline to raise matching funds.

The Carrs Hill art precinct project is scheduled to start in the summer of 2004 with the Fayerweather Hall renovation. The hall, the University's first gymnasium, will become the home of the Art History Department. A future studio arts building is currently under design, funded by state funds. Studio arts personnel will move to swing space in temporary buildings near the Curry School. The Architecture School is also to have two additions, now in the final stages of raising

funds. In the next couple years there will be a lot of construction activity in this area, comparable to what is currently going on near Alderman and the new Special Collections Libraries.

The Special Collections Library move will take place this summer; the plaza where construction is nearing completion will be regraded. The School of Commerce in Monroe Hall will move to an addition on Rouss Hall. The Economics Department will move from Rouss to Monroe. Both Rouss and Cocks Halls will be renovated.

Varsity Hall [behind Rouss and currently housing Air Force ROTC], the oldest known infirmary in the country, will be physically moved to the medical center complex. The South Lawn Project with proposed construction on the B-1 parking lot south of Jefferson Park Avenue is currently undergoing redesign. The plan to tear down New Cabell Hall and redevelop the north side of Jefferson Park Avenue remains but there is currently no money for this.

Wilsdorf Hall, the new nanotechnology building along McCormick Road between the Chemistry Building and the Engineering School, is scheduled for completion in late 2005. The Aquatic Fitness Center addition is nearing completion; the Observatory Hill dining hall is due to open next fall. About five buildings in the first year dormitory complex off Alderman Road have been found to be structurally unsound. One plan is to redevelop all housing there. To accommodate projected student population growth, including upper class students, a possible location for additional dormitories is the space in front of the new Ivy Parking garage. The Cavalier Inn, purchased a few years ago by the UVA Foundation, is another site for potential redevelopment.

In concluding her talk, Ms. Hughes discussed storm water management on grounds. The pond in the area across from the parking garage on Emmett Street is part of the water management program, serving among other places the new athletic facilities some distance away. Topography has created a need for such water management (Route 29 is essentially in the Meadow Creek flood plain). "Daylighting" Meadow Creek is one feature of the water management plan, which will provide environmental and aesthetic solutions to groundwater runoff challenges in the area.

Ms. Hughes may be contacted with questions about architecture plans and projects at her email, mvh2t@virginia.edu.

Tom Gausvik, Chief Human Resource Officer (HR), spoke next. Mr. Gausvik read questions previously submitted by the Provost Employee Council, and then provided verbal answers. Mr. Gausvik noted that there were a lot of questions and he would try to go through them as quickly as possible; questions he did not get to he would provide written responses for. Prior to the question/answer session, the Winter 2004 Special Edition of the Virginia Retirement System Member Bulletin was handed out. The bulletin covers purchasing prior service credit to increase your retirement benefit or to retire earlier; it also mentions legislation passed in 2001 which sets deadlines relating to the cost of purchasing prior service credit.

As of March 22, 2004, the valid url for the special edition bulletin is:
<http://www.varetire.org/Pdf/SpStBullWin04.pdf>

Q. What were the results of the salary survey that HR was supposed to do with regards to equity?

A. Since last October there has been a team of six people reviewing all 4,000 classified positions. This has not been done in recent years, probably the last ten years, for all classified positions. The team has been determining if each position is properly classified within the state system. The analysis is essentially done and is broken down into three groupings: 1) Green meaning properly classified and all information is complete, 2) Yellow meaning properly classified but needs

information, 3) Red meaning one cannot tell what they are, i.e., one cannot properly classify the job. Using this analysis, internal market codes for each position are assigned using salary survey data purchased from outside the University. This is proprietary information. Using a computerized compensation management system, employee position data was compared with survey data. UVA is probably the only state agency doing this survey. Benchmark data was based on where recruitment is done for positions; local recruitment uses local data, state uses state data, regional uses regional. Typically, for example, a trade position is recruited locally. In fall 2003, the Board of Visitors for the first time ever approved \$250,000 for in-band adjustments to be used as strategic investments for occupations where there are recruitment difficulties or high turnover. After analysis is complete, recommendations will be made in April 2004 on how to deploy the money approved by the Board. Under current state guidelines salary increases cannot be approved across the board for classified employees, but this could change under codified autonomy or chartered status. A fundamental question in determining deployment is how close a person is to the market median for pay. On the one hand not all compensation below market median will be raised to the median, but on the other hand we do not have a policy like the state of Colorado which allows only 75 percent of market median compensation for state employees.

Q. What can be done for employees who have an overabundance of annual leave? Can lost hours be converted to dollars in a matching plan or tax-deferred savings plan?

A. A matching plan is not allowed in state code. The leave plan offered by the state is very rich. One reason this is so is that the state has offered increase leave benefits in years when it could not grant raises to staff. The VSDP (Virginia Sickness and Disability Plan) now offers family personal leave. We currently have 13 holidays annually, up from 11. Mr. Gausvik has seen situations where some employees actually take off entire calendar quarters. The state sets the policy for leave carryover. Mr. Gausvik tries to tell employees to plan leave usage with supervisors at the beginning of the year but recognizes that in some situations, due to staffing or other requirements in which management cannot allow leave to be taken, an employee will end up losing leave in a use or lose situation. There is no central leave budget (leave money is "phantom" dollars) and during the retirement of Bill Vining, HR had to pay \$25,000 out of its budget to cover Mr. Vining's salary and unused sick leave (\$5,000) and annual leave. Such a situation makes any matching plan impractical. There is \$30 million in leave liability on the books (unused sick leave and matching annual) which would theoretically have to be paid if UVA closed down today. In a charter status situation something more creative might be done. Two questions/comments were then raised by a Council member concerning 1) recurring leave loss, witnessed year after year, and 2) the cost of employee burnout due to not getting away from job stress. Mr. Gausvik noted that the norm for industry is two weeks of annual leave per year. He often finds that VSDP personal time and comp time are used when a person says that they are losing annual leave which they have not taken. Mr. Gausvik has seen in a lot of cases that employees who lose leave are electing not to take time off and are not being denied leave (such as "workaholics"). An employee should contact Employee Relations if there is a pattern of never being permitted to use their leave. The debate comes in when, for example, an employee who earns six weeks annual leave is only allowed two, losing four weeks. Mr. Gausvik believes an employee should be allowed to use all the leave that they are given if scheduling is practical. However, we can't shut down operations. HR runs a 24/7 operation and some of Mr. Gausvik's employees routinely lose leave. Some areas at UVA get penalized in this regard more than others. Under charter status some departments might be able to pay out some leave where there is administrative inability to use leave.

Q. What are the reasons for submitting time management forms twice a month? Is this some power move on the part of certain personnel and HR that believe we are all irresponsible to submit one once monthly?

A. State policy accrues classified staff leave twice monthly. Leave is used all the time. The twice a month submission moves leave to the front end and one's next paycheck reflects leave usage. Also, federal and state laws require record keeping of hours worked and leave used that necessitate recording leave usage twice a month.

Q. How about pro-rated benefits for part timers above 20 hours per week?

A. Part timers are already provided pro-rated benefits such as retirement. Part time salary classified staff are in the Virginia Retirement System (VRS) and get prorated retirement. Part time faculty get pro-rated retirement. There is pro-rated leave. The only benefit not provided is health insurance. Legislation is pending which would extend health insurance to employees who work 21-31 hours/week but without employer contribution. There might come a time when UVA would pay a pro-rated portion of the insurance premium. Within UVA, outside the Medical Center, there are only 266 part timers and Mr. Gausvik is not sure what number of these would participate. A survey done some time back indicated that about 75 percent of these part timers would not participate since they were already covered under a spouse's health insurance.

Q. Approximately two years ago we were told that employees currently being paid monthly would be offered the opportunity to be paid semi-monthly. Has the plan to change [to semi-monthly pay] been abandoned?

A. No, it has not been abandoned, but it was calculated that to do so would cost approximately 4.1 percent of an employee's annual salary and to do so for all monthly employees would cost 2-3 million dollars. The budget will currently not allow this. All newly hired staff are paid semi-monthly. It would in fact be advantageous to have all paid semi-monthly since this would reduce monthly payrolls run by HR from seven to five.

Q. I used to be able to go to Employee Health in the old hospital when I sometimes felt sudden illness. Now I am told my department will be charged.

A. This change [not permitting visits to Employee Health without a department charge] was done about four or five years ago. The problem was that Employee Health was turning into PCP-level (primary care provider) type care with the employee not paying the co-payment. The routine for staff on the academic side is now to go to a PCP if emergent care is needed; in the case for immediate medical treatment, go to the emergency room. The medical center uses a different scheme.

Q. The University, when it first pulled employees out of the state health plan, set up "Qual-Choice" to manage our UVA health benefit, but then eventually went to have Southern Health, a private health insurance manager, run our Health Plan. Has thought been given to having our Employee Wellness and/or Employee Assistance Programs outsourced and managed by an outside insurance firm with expertise in this area, like Magellan? They, as specialists, also would have ways of measuring effectiveness that we don't.

A. IQ Health is a contractor and a subsidiary of the Health Services Foundation. Faculty and Employee Assistance (FEAP) is a confidential service which can provide recommendations to the right level of care as needed. FEAP knows who the best providers are. The FEAP is not making a profit. A question was asked about outside accreditation of FEAP. Accreditation is in fact just starting.

Q. Are employees allowed to take on grounds athletic department classes (wellness and exercise) on work time with supervisor approval or must they use lunch or break time?

A. On break or lunch time and not on work-related time, per state regulations.

Q. Obesity is reportedly costing American companies \$12.7 billion dollars a year. What about rebates or discounts on health insurance premiums for employees who get close to their ideal weight or for non-smokers?

A. It is not practical for 24,000 health care plan participants to weigh in for such a plan. A move to raise premiums for overweight people would probably generate an outcry. There are privacy and genetics issues to consider. Mr. Gausvik knows of no employer that has an obesity standard for health insurance premiums.

Q. Is having Eckerd Health Services and its affiliated Specialty Pharmacy Services as our new prescription drug managers an effort to identify employees with especially high health care costs?

A. Specialty Pharmacy Services is a subsidiary of Eckerd. There are currently 140 employees enrolled in Specialty using drugs at costs ranging from \$10,000 to \$300,000 annually, or \$3-6 million year (the exact total amount is hard to determine due to billing of drugs on the medical side of the plan). Specialty was selected to provide better case management involving the patient and doctor(s) to ensure that there is no adverse interaction when using specialty drugs in combination. Now there is better quality of service and lower drug costs since previously providers billing for these drugs were marking them up on the medical side of the claim.

Due to time constraints, Council members requested to ask questions not previously submitted to Mr. Gausvik.

Q. When will the new holiday schedule be out?

A. Within the next two weeks, probably. It is done but needs approval by senior management.

Q. The new program for learning online/taking electronic classes (NETg); this is a one-year pilot. Is there any sense of it being marketed to employees right now and providing information on how to get started on it?

A. Bob Lake will talk to the Council about this at the June 2004 meeting. There will be a pilot project with UVA Information Technology and Communication (ITC) paying half the cost; we are paying the other half, for the overall license fee. And, there is an additional charge paid by the department/employee. Depending on the success of the pilot, we will decide on what to do on a more permanent basis.

Q. Is the leave bank system still available?

A. VSDP members can donate annual leave but not receive it. No one evidently needed donations last year. VSDP enrollment will likely not be offered again. It has already been twice offered.

Finally, Jo Ann Addison reminded the Council to think about upcoming elections for the Council and to remember that responses are needed to draft minutes within two days of their posting. Next month's meeting will be at the Curry School and Becca White of Parking and Transportation and Kathryn Mawyer of the UVA Employee Credit Union will be the guest speakers.

Submitted by Brian Bader