
Minutes of the General Faculty Council Meeting
July 8, 2003, Noon - 1:50 p.m.
Ruffner Hall 200

Members in attendance: Mary Abouzeid, Elaine Attridge, Jennifer Bauerle, Jean Collier, Nancy Gansneder, Phil Gates, Robbie Greenlee, Bill Keene, Robin Kuzen, Lotta Lofgren, Chris Milner, Greg Strickland, Prue Thorner, Lynda White. There were two visitors.

Members not present: Jann Balmer, Donal Day, George Hashisaki, Derry Wade.

Discussion with Vice President for Finance Yoke San Reynolds (noon - 1:30). VP Reynolds brought six people from Human Resources and her staff to the meeting.

Lotta welcomed Yoke San Reynolds and her group to the Council. After introductions, VP Reynolds answered the questions presented to her prior to the meeting.

How can we help Human Resources to disseminate to our constituents accurate and timely information? How can we best improve customer service from HR?

... 65% of budget of the University goes toward employee salaries and support. The top priority of the University is to support its biggest asset. The last two years' budget cuts provided particular challenges. That and the implementation of Oracle have spurred the University forward to new ways of doing business.

... VP Reynolds asked for feedback about how to manage mass emails to faculty regarding important matters of policy. Although this seems to be the fastest, easiest, and cheapest way to communicate, they are concerned about over-loading the system and sending people too much email. A suggestion was made to make the website more interactive, perhaps to add a chat room. Tom Gausvik explained that with the budget cuts, home mailings were stopped and the Internet was the preferred way to contact employees. He explained that HR is planning to redesign the website and that they have also hired a communication officer. The Council offered to help disseminate information in any way that it can.

... Another potential way to improve customer service is to let employees make changes to their accounts on the Web (changing benefits/beneficiaries/addresses, for example).

Question: Bill Keene pointed out that several university policies (such as General Faculty Staffing Due to Financial Stringency) have been "incorporated by reference" into the current version of the revised draft Policy on the General Faculty. Thus, any changes in these "referenced" policies correspond to revision of the university's Policy on the General Faculty. Currently, changes in such "referenced" policies simply appear as new versions on the University's web site and are discovered by the General Faculty in an ad hoc manner. To our knowledge, no explanation of or rationale for the changes are posted for review. In the future, the GFC requests the opportunity review in advance all changes in any policies that directly impact General Faculty and particularly those that have been "incorporated by reference" in the revised Policy on the General Faculty. Is this possible?

VP Reynolds responded that Lynn Mitchell in the Office of the Vice President for Finance will head a new committee that monitors policy matters across the University. The committee is working on a web site with links to all these policies.

Chris Milner expressed concern that the use of social security numbers in the University system might lead to violation of privacy. Tom Gausvik answered that HR is working on becoming less reliant on social security numbers. He assured Chris that all "self-service" features on the Web will be password protected.

Regarding coverage of non-sedating antihistamines, the assumption seems to be that all of these medications work at the same level of efficacy for all people, and that thus the one or two that are now over-the-counter will suffice for all allergy sufferers. This is an erroneous assumption. How can we ensure that coverage for these medications is reinstated?

VP Reynolds said that the drug field is a dynamic one, which HR is watching closely. She and Tom Gausvik explained that the health insurance plan cannot sustain coverage for all drugs; for example, it would cost one million dollars a year to cover non-sedating allergy medicines. Mr. Gausvik explained further that the University's health plan is about 13% above budgeted costs this year. The plan does not cover all prescription drugs and encourages the use of generic drugs wherever possible. When drugs become available over-the-counter, insurance will no longer cover their cost. Anne Dawson (health insurance ombudsman) talked about listening to the market to see what's happening in the industry. For example, it appears that the FDA is urging drug companies take other drugs over the counter, which will drive down the costs to consumers, while also saving money for health insurance plans. Most plans in the US dropped coverage of non-sedating antihistamines when Claritin went over-the-counter. The reason drug costs are rising is that we are getting older as a group and are using more drugs. Additionally, the University has to keep the co-pay low enough that it doesn't discriminate against lower-paid members. VP Reynolds said that some costs have to be switched to the user so that everyone isn't punished for the specific needs of some. Even the state is shifting more costs to the people who use its services.

Please let us have your thoughts on health benefits for part-time faculty. Is the University considering hiring a new administrator? If so, would this be a good time to renegotiate coverage issues? How can the Council have input in this process?

This has been a concern of the Council for two years. VP Reynolds explained that the state's health plan provides benefits for full time employees and benefits other than health care for part-time employees. This is a problem for part-time employees. The University has asked the state for a re-definition of 'part-time' (that is, to change the number of hours that qualify as part-time), but the state has refused. VP Reynolds said that the state put out an RFP for separate health care coverage for part-time employees and had no bids. Lotta Lofgren responded that the RFP was some years ago and that as a separate entity the group is too small to make separate insurance viable for a provider. Therefore the Council is asking for inclusion in the current health care package that the University offers its full-time employees. VP Reynolds answered that the state requires that all institutions of higher education in Virginia receive comparable coverage, and that a survey of other institutions in the state revealed little interest in this issue. We have to follow the state's rules. Southern Health has nothing to do with decisions about eligibility. They simply administer the plan based on the rules the university sets up. The obstacle to this change is the state, according to VP Reynolds. Another concern is the part-time hourly employee. When HR asked about benefits for part-time faculty and classified staff, the state raised the issue of whether the hourly employees should also be covered. The University has considered the salary savings if health benefits were provided and full time employees could switch to part time. This would help offset the cost of having more employees and having more of them enrolled in the health insurance plan.

Question: Lotta Lofgren asked, how do we know the state is not interested in extending benefits to part-time employees? Tom Gausvik responded that they have spoken to the state representatives who were concerned about taking on another cost to the state in a time of budget restrictions.

Question: Prue Thorner asked why we cannot begin to find a way to offer health insurance as a condition of working here. The premise would be that if you work here, full or part time, you would be eligible for coverage. She said that she believed that part time employees would be willing to pay for their insurance premiums if they could access a group plan that would have the same benefits as other employees enjoy. (Currently, if they purchase their own individual health insurance, the coverage is less comprehensive and the premiums are higher than full time employees' insurance.) She cited her experience with finding coverage for postdoctoral research associates - who are not University employees, and who often come here with their own research funding. Although she was told it was not possible to insure them when she took on this task for the Office of the VP for Research, she found that it was possible to start a group plan to cover them, which was subsequently taken over by the University's Benefits Office. VP Reynolds responded that the University has 289 part-time employees. When they were surveyed about this last year, only 24% were interested in accessing health insurance - possibly because they had coverage under a spouse's plan.

All agreed that Virginia is an outlier among peer institutions on this issue. Among the 24 national institutions of higher education listed by SCHEV as peer institutions, only the University of Virginia offers no health insurance for employees who work half time or more. Reynolds responded that each year, the University decides 2 or 3 issues key issues to put forward to the state. These are the issues that they wish to argue for, and so far health care benefits for part-time employees has not been on that list.

Greg Strickland suggested that one option might be for part-time employees to choose among benefits, for example to forgo retirement benefits in favor of health care benefits. Or the University might consider offering only catastrophic health care to its part-time employees.

Question: Since the University is almost entirely privately funded (only 8% of the budget comes from the state) could we not create a private plan for the part-time employees? VP Reynolds called this an indemnity plan for which the charges would pass to the employee. What has taken the place of state support for higher education is funding through gifts and endowment income. The difficulty is that most endowments are restricted. The Board of Visitors is trying to "harness" unrestricted endowments to supplement salaries and benefits.

Question: Since graduate student instructors now receive health care benefits, maybe part-time employees can as well. Tom Gausvik replied that graduate students are part of student health.

We are concerned that the Benefits Committee was not informed by HR before changes were made to the faculty retirement plan. Can you tell us why not? What are the reasons for the current changes to the plan?

VP Reynolds explained that the Board of Visitors has separated out the individual investment funds that make up our retirement plan. UVMCO (University of Virginia Investment Management Corporation) manages the funds. The University makes recommendations regarding substituting funds for those that are under-performing. In this review, 7 funds were dropped and 18 added based on performance results. There is a process in place that ranges from confidential negotiations with vendors to BOV approval. The Benefits Committee did not meet during the process. If an employee has one of the funds that has not been renewed, his/her money is being kept in a money-market fund until a new selection is made.

Several issues related to paid temporary disability leave for sponsor-supported (soft-money) general faculty were then discussed. This discussion involved exchanges among several individuals and, for efficiency, has been consolidated into a single question and response.

University policy provides paid temporary disability leave of up to 6 months for General Faculty who are unable to work. For Research Faculty and others who are supported through sponsored programs the policy specifies that paid temporary disability leave be billed to sponsored grants and contracts. However, if salary/benefits are paid from these sources to disabled, non-working faculty for up to 6 months, inadequate funds would be available to conduct the sponsored work for which the University and PI have committed. Consequently, either 1) the contracted work could not be completed because available funds were exhausted, 2) the disabled faculty member would be required to work without pay after returning from leave to fulfill contractual obligations, or 3) additional resources would have to be provided from elsewhere within the University or from the sponsor to pay salary/benefits to complete the work. Currently, this matter is handled on a case-by-case basis. This raises several questions involving the equitable allocation of paid leave across multiple grants/contracts, the potential for inadequate sponsored resources to cover all leave, and legal issues involving the Federal Cost Accounting Standards and other state and federal codes. In addition, seriously sick members of the University's faculty should not be required to negotiate a University-guaranteed benefit from a sick bed. We have been told that the actual number of general faculty facing this circumstance is quite low and, thus, the associated costs are modest University-wide. However these costs may be debilitating for individual departments and/or research groups. We suggest that the most cost-effective and humane mechanism to provide paid temporary disability for sponsor-supported general faculty would be to establish a small, University-wide "insurance" pool drawn from a very modest tax on recovered overhead on all sponsor supported grants/contracts. Establishing separate pools in multiple University units would ultimately be more expensive in terms of actual costs, associated administrative costs, and the well being of faculty.

VP Reynolds assured the Council that no members of the general faculty or other university employees would be required to work without pay. However, she noted that current university policy requires that paid temporary disability leave for sponsor-supported GF be charged to grants and contracts. The university has a plan to address this issue when the draft of the general faculty policy document is approved. Money from F & A funds will be set up in a pool for each Dean to cover the leave. The procedure is in place. The University wants to deal with this up-front. From the HR standpoint, according to VP Reynolds, if someone is out on disability, someone else has to be found to do the work and be paid for that work. Typically these things are taken care of on a case-by-case basis by the department chairs and deans. Reynolds explained that HR is currently working with the Office of Sponsored Programs to develop a policy that will give some guidance on this issue. VP Reynolds suggested a "cost-overrun" procedure (from department to school to VP) to find funds to cover work that needs to be done while the research faculty or staff are disabled. Tom Gausvik felt that this disability coverage of work is a department/school issue. If it were a University-wide pool, money would have to be pulled from other units.

The last question involved ISDS: Integrated Systems Deployment and Support is the new name for the next stage of Oracle implementation.

VP Reynolds said that Oracle priorities are:

1. Deployment-use the system to its full capability
2. Create a better reporting environment, providing greater access to the data
3. Upgrade to the next version by early fall or next spring.

Speakers for Future meetings: Lotta Lofgren resumed chairing the meeting when VP Reynolds and her group left at 1:30 pm. She asked that we pick four speakers who would be invited to a General Faculty Council meeting. Lotta is interested in asking someone from the Health Sciences Center so that we can become more aware of General Faculty needs there. Some names that had been suggested were Bob Sweeney, Collette Sheehy, John Lord, Ed Ayers, Ida Lee Wooten, Ariel Gomez, Anda Webb, and, from the Medical Center: V.P. and Dean of the School of Medicine Arthur (Tim) Garson, Edward Howell, Pamela Cipriano. It was decided by the members that Anda Webb and Ed Ayres would be asked to attend and speak to issues that are important to the general faculty. Elaine Attridge said she would come back with a name from the Health Sciences Center. We decided to invite three speakers this year.

Finalizing the Goals: Lotta asked that everyone once again look at the list of goals and consider how committees can work together to achieve these goals. She also asked again for volunteers to help out the communications and policy committees, which have the most time-consuming goals this year. A question remained: how and to whom do we disseminate these goals? Lotta would like to finalize these goals so that we can make them available to people. She asked for feedback as soon as possible from Council members.

Announcements:

... Lotta announced that she had sent flowers and condolences from the Council to Joe Gieck on the deaths of his parents.

... Our budget has received its annual allocation of \$2,500. She reported that the person helping her with the Oracle account thinks that we can roll over the funds in last year's account; she is looking into this.

... Lotta has communicated with the new Faculty Senate Chair Bob Davis who suggested forming a new standing subcommittee of both GFC and Senate members to address common issues.

Committee Reports: A written summary of the results of the health care benefits survey was distributed. The meeting was adjourned at 1:50.

The next meeting is September 9th in Room 481 of Newcomb Hall.

There is no August meeting.

Minutes submitted by Mary Abouzeid, Secretary.