May 4, 2010

Welcome from Jim Borkowski

12:30 – 2:00 - TIAA-CREF

~ TIAA-CREF Asset Management Overview (process and philosophy)
~ Economic and Market Overview
~ Investment Review
  - Retirement Annuities
  - Mutual Funds
  - Investment policy statement – Currently NDUS does not have one. Need to determine if it is needed. The statement would explain why the NDUS has the investment choices selected and a process for changing investment choices. Is this a good idea or not? What is the risk/liability? Laura indicated this had been considered in the past in discussions with TIAA-CREF, but it also raises the question of what kind of NDUS liability is created as a result of a policy. Laura said this will continue to be considered.
  - Wealth Management – Transition of agents will be wrapped up in June. Investment consultants come on campus to help individuals with their investment choices and questions. With a Wealth Mgmt Advisor, the advisor helps make a plan for retirement, makes a financial plan, and builds a relationship with the individual. Typical client is 5 years to retirement and through retirement age and/or has at least $300,000 in assets. Contact is made at least once a year. No cost, no commission. Can be discussed in a group/workshop environment or meet with clients individually.

How often should employees meet with a consultant? Once a year if there are life changing events. 2+ years if everything is stable. Campuses have problems getting people interested enough to go. An idea to get more participation is to have a group presentation as part of an event such as faculty orientation in the fall, benefits open enrollment or a benefits fair and offering more webinars.

Laura asked if there is guidance available for saving for retirement and what a person should do in their 20’s, 30’s, 40’s etc? Paul will research it.

TIAA-CREF: 401(a)(17) limits. Teri Thorsen reported that CND staff recently learned that an edit in the CND system had not been functioning properly, since inception, and as a result some highly compensated individuals retirement contributions—both employer and employee—exceeded the IRS limits. Laura asked if TIAA monitors this as well to ensure that limits are not exceeded. Paul’s response: Do not recall if that service was offered in the past. No, not
monitoring 401a or 415 limits but are monitoring 402g limits. They will look at expanding services 4th quarter this year to include the 401a and 415 limits. More info will be coming and the remittance layout used to send information to TIAA-CREF will need to be reviewed for possible modifications.

The NDUS has submitted a request to Oracle to set maximum contribution limits on the TIAA deduction codes. NDUS is seeking legal counsel to assist in resolving the issue, including the individual employees.

2:15 - Notifind – David Klein – (by phone) re: non-employees
Question: Non-employees who are on campus but not an NDUS employee are imported into Notifind. They don’t get deleted out of Notifind on a timely basis, when they are no longer associated with the campus. Currently there are about 360 of these type of non-employees in the Notifind system.

NDSU’s Campus Police department notifies HR to terminate a non-employee. Campuses were encouraged to periodically review a list of non-employees and terminate those no longer associated with the campus. A public query called NDU_HR_ORGRELTNSHP_CWR is available to assist with this effort.

Archival of HRC Minutes –Gail made a motion to upload and archive the old HRC minutes to the web site. Seconded by Erin. Motion passed. Minutes should be sent to Anna at the System Office. Joann will send hers first and others should check the website before submitting more in order to avoid duplicates.

Allowing non-benefitted employees to participate in tax sheltering – Based on IRS regulations – (Template letter) – (also need to fill in the blanks on our minutes from February) Laura
Under the current NDUS 403(b) plan, student employees and other employees who work fewer than 20 hours per week are not able to participate in the voluntary employee contribution program (there is no associated employer contribution). According to TIAA-CREF you can only exclude students if they’re not taking FICA taxes out of their pay. The IRS viewpoint is that employers really should be including all employees in the deferral plan. Following discussion, HRC recommended that the 403(b) plan provisions be changed to allow all employees, including student employees to participate in the program. Laura recommended a consistent approach for notification, such as Oct 1 annually (or open enrollment time period). This will be communicated with the plan change, when approved by the SBHE.

Diane made a motion to allow all non-benefitted employees, including students, to participate in tax sheltering. Motion passed.

Laura has template letter for notifying employees annually. Pat/Cyndi are reviewing.

Data Privacy – Teri Thorsen (update on Meeting with Risk Mgmt)
Teri Thorsen reported that Laura and her met with OMB Risk Management to discuss data privacy as it relates to the NotiFind system. Risk Management provided governor’s letter to authorize extracts from the system. Pat Seaworth saw no reason for the NDUS to not comply with the governor’s letter. Teri is working on a draft document which will outline individual fields to include/exclude from the extract. This will be forwarded to Pat Seaworth and Risk Management for review.

Risk Assessment – Questions for Exit Survey – Questions related to integrity, ethical values, financial reporting or internal controls – Gail & Joann
Joann pointed out that the risk assessment form specifically asks: “Exit interviews include inquiries about concerns related to integrity and ethical values, financial reporting, and internal control.” She questioned whether something can and should be added to the NDUS employee exit survey. Colette said another question could be added to the electronic survey. Gail distributed suggested survey questions. It was suggested that the Fraud Hotline can be used to report fraud concerns anonymously. A member pointed out that the exit survey is not meant to be a fraud reporting tool, it is to find out why an employee is leaving. Furthermore, the new Code of Conduct which is under development requires employees to disclose instances where they have knowledge of illegal behavior of others. The HRC agreed to not add a question to the exit survey.

There was a suggestion to add a statement to the exit form, reminding the employee that the fraud hotline is available for reporting incidents of suspected fraud or illegal behavior. Colette said she would add that to the survey form.
**Less than 12-month employees** – Colette – (Do other institutions let employees have a second job on campus the months they are not working in their primary position and if so how are they paid? Do they get benefits? etc.)

BSC sets up a separate position for the summer position. No annual leave is accrued and basic benefits are covered by the 9-month position. Colette raised concerns about this practice. Minot & UND treat each job separately as two, non-benefited jobs. Other campuses treat it as one benefitted job. Wes reminded the HRC that ND Century code 54-52-01, Subsection 12 states: "Permanent employee" means a governmental unit employee whose services are not limited in duration and who is filling an approved and regularly funded position in an eligible governmental unit, and is employed twenty hours or more per week and at least twenty weeks each year of employment.” He said in his opinion, the person must be “filling an approved and regularly funded position” in order to qualify for benefits. Secondary positions may vary with regards to whether they are approved and regularly funded positions.

Broc asked if campuses can be more liberal and offer benefits as long as the law in being complied with? Is it ok to go above and beyond? Pat Seaworth said yes. If a job becomes benefitted, most campuses create a regular, single position for it and it becomes an approved & regularly funded position.

**NDUS HR policy 2.3** – Temporary employee – Karin

Temporary Staff Employee - A person employed in a position of intermittent or limited duration not to exceed one year, a seasonal position, or in a position working less than seventeen and one-half hours per week if hired before August 1, 2003, or less than twenty hours per week if hired on or after August 1, 2003. The policies and benefits included in this manual shall not apply to temporary employees except as noted.

Question: Is it five months/over 20 hours in all positions or in each position? CND is developing a report in PeopleSoft which can be used to monitor employees to be compliant with policy 2.3.

Answer: Both. Some campuses consider all positions when applying the policy while others look at each job individually.

CND will develop the report so it is useable by all campuses.

**HIRE ACT Update** – Teri

Teri reported that the NDUS interest in participating in the HIRE Act has been discussed with the Admin. Affairs and will be considered for final action by the Council in May. She said the remaining issue was whether nine-month faculty would be considered “unemployed” under the act and therefore eligible. The HRC does not view nine-month faculty as unemployed, as they retain their benefits and are considered active employees during the summer months. Therefore, they would not qualify for the HIRE Act. Faculty who are terminated on May 15 and rehired on August 16 would qualify (provided they met other requirements of the Act). Adjunct faculty would be treated on a case by case basis.

**Election for New Chair**

Dave Lindberg made a motion to give the chairperson of HRC voting rights. If the chairperson is already a campus voting member with others representing the same campus, then the campus gets one vote. Seconded by Wes. Motion passed.

Nominations: Wes nominated Broc Lietz. The nomination was seconded by Steve. Broc accepted the nomination. Gail moved to cease nominations. Broc is elected chairperson of HRC for a two-year term. Joann will set up schedule for meeting locations and dates and forward it to Broc.

**Roth 403b**

Laura is working with TIAA-CREF to add the Roth 403b option to the plan document. The change will take effect January 1, 2011.

**Policy 605.1** – Laura – Faculty salary renewal notice.

Laura said SBHE policy requires faculty salary renewal notice to be provided no later than June 1 of each year. However, salary upload does not occur until after this date. Only one campus, DSU, is meeting the faculty salary renewal deadline.
Others do not get a notice out before June 1. DSU sends a notice stating the employees’ contract will be renewed but it does not state salary. This is a two-step process adding manual work.

Should the date in the policy be changed?

Pat Seaworth said the June 1 date and July 2 date were the result of continuation of health insurance benefits for faculty. Joann thought the June 1 date had been there prior to the health insurance issue. There was discussion if the June 1 deadline should be used only for notification of NON-renewal but was rejected.

Pat proposed the dates be changed to June 30 and July 15. The proposed change needs to be forwarded to Academic Affairs for review. A motion was made by Dave Lindberg to move June 1 to June 30 and July 2 to July 15. Gail seconded. Motion passed.

May 5, 2010

HR Policy 20.4 – Cyndi
Clarification needed in two sentences which now read: All other regular, non-exempt employees shall be granted leave with pay for hours they would normally work during a closure, except employees not scheduled to work during the closure because of a previous arrangement. If an employee is not scheduled to work because of a previous arrangement, including annual or sick leave, the employee is not entitled to the additional paid leave.

NDSU said their campus policy provides clarification of the policy. Cyndi and Diane will bring back a recommendation to the HRC at the next meeting.

HR Policy 19, Holidays – updated language defining length of holiday as 8 hours – Cyndi
Cyndi asked for clarification of the question. Is a holiday only 8 hours? Broc said that some employees work shifts of 10 hours. Definition from last meeting and a motion made by Diane (seconded by Becky) reads: “Amend policy 19 to define the length of a holiday as 8 hours at 100% FTE or prorated if less than 100% FTE.”

Cyndi will work with Diane on clarification and report back to the HRC at the next meeting.

Faculty Sick Leave Policy (Develop policy to address, at a minimum, legal requirements.) –Laura said the varying campus sick leave policies was considered by the Chancellor’s Cabinet at their last meeting. At a minimum, the Cabinet suggested that there is a need to review policies to ensure the NDUS does not risk challenges based on gender, race and age. The varying campus policies cause concern when it comes to defending a grievance or complaint. Legal Counsel continues to believe there should be a uniform system-wide policy. It was suggested that perhaps it be viewed as a “salary continuation policy” instead of a faculty sick leave policy.

Rita, Wes, and one person from UND volunteered to serve on a committee along with Pat and Cyndi to bring recommendations back to the HRC.

Health Care Reform Legislation impact on benefits – Teri
1. Lowered Flex Spending Account cap - what is effective date?
2. Over the counter medications no longer an allowable FSA expense (unless physician's note?) Effective date?
3. Benefit change notification window - any effect on open enrollment dates?
4. Age 26 change - effective date?
5. Other?
6. 30 hrs/week rule? How does it apply to students?
7. 60 day period to make benefits change. How does this affect open enrollment?

Laura suggested that someone contact Sparb for clarification of health reform questions. Colette volunteered NDSU’s HR office to get clarification. Campuses may submit questions to Brittnee.Steckler@ndus.edu.

HR Policy 25 “Suspension without pay” and “leave of absence with pay” and SBHE Policy 605.3 – updated language for meaning of suspension:
Suspension

Suspension may occur as a form of discipline or pending the outcome of a disciplinary or investigative process. The procedures outlined here are not intended to suggest a predetermined outcome from any disciplinary or investigative process. While suspension may be with or without pay, these procedures are written without regard to pay status. The period of suspension may be defined or undefined.

When employees are suspended it means they are suspended from the performance of their job duties and responsibilities. It follows that employees on suspension are restricted from entering the workplace/campus except as necessary to handle administrative matters or as a member of the general public. Depending upon the circumstances, employees may be restricted from entering the workplace/campus unless escorted.

During an undefined suspension, employees are required to turn in keys and cards that provide access to any and all areas of the campus. Access to databases, email accounts, and other electronic systems will be removed with the exception of HRMS self-service. State property must be returned.

During a defined suspension period of one week or less, the suspending authority may apply these requirements as warranted by the circumstances.

- Pat Seaworth stated that it’s normally his advice to suspend with pay. Suspension without pay requires a hearing. Utilizing suspension with pay offers the ability to combine the hearing for suspension with the hearing to dismiss.
- Cyndi sighted an issue about continuing email access—the employee could be affiliated with outside professional agencies in which that communication needs to continue. For this reason she sides slightly in favor of continuing email access.
- Pat Seaworth asked what suspension procedures apply to faculty? His concern is that faculty may be involved in research or other activities that application of certain suspension procedures would negatively impact these activities.

Wes and Rita will revise the proposed draft based on the discussion and present it at the next meeting.

NDUS Criminal Background Checks – updated form with new wording – Rita
Policy 602.3 policy amendment (add language re: criminal history checks) – Cyndi
From the February 2010 HRC minutes, a motion was passed to revise the criminal history background check form to ask for prior criminal convictions and pending criminal charges (with no final dispositions). Wording from February HRC minutes was: “Have you ever been convicted of a criminal offense or are there any other criminal charges now pending against you?” Currently the form inquires about all prior convictions and arrests and the concern is about arrests that did not have a conviction.

Rita will update the form and Cyndi needs to see if an update to the policy is necessary.

HR Policy 1.2 to reflect SBHE Policy 603.2 – (Informational, adding genetics information?) - Cyndi
Cyndi has not considered genetic identification. Cyndi will discuss with Pat to see if language needs to be added.

Electronic Signatures – validity of checkbox agreement – Cyndi
The DOL changed their position. They are now satisfied with electronic signatures. The checkbox agreement does satisfy the electronic signature requirement. Enforcement would require proof of electronic signature procedures.

NDUS Staff Senate – Update from meetings – Diane Nelson
State Board did not discuss staff senate at last meeting. Staff Senate is on the agenda for the Board Retreat. Council of College Faculty(CCF) supports having a staff senate member serve on the Board (non-voting).