

**Board of Governors
of the
Pennsylvania State System of Higher Education**

Meeting Minutes

189th Meeting
Wednesday, March 20, 2013
via conference call
Boardroom, First Floor
Administration Building
2986 North Second Street
Harrisburg, PA 17110-1201

10:00 a.m.

ATTENDING

Board of Governors:

Senator Richard L. Alloway, II
Representative Matthew E. Baker
Ms. Jennifer G. Branstetter (designee for Governor Thomas W. Corbett)
Ms. Marie Conley (participated on site)
Ms. Sara J. Dickson
Ms. Laura E. Ellsworth
Mr. Mark S. Grochocki (designee for Senator John T. Yudichak)
Representative Michael K. Hanna
Mr. Ronald G. Henry (participated on site)
Ms. Bonnie L. Keener
Mr. Jonathan B. Mack
Mr. Joseph F. McGinn
Mr. Guido M. Pichini (Chair) (participated on site)
Mr. Harold C. Shields (participated on site)
Mr. Robert S. Taylor (participated on site)
Mr. Aaron A. Walton (participated on site)

Secretary Ronald J. Tomalis, Mr. David F. Wolfe, and Senator John T. Yudichak were absent. Secretary Tomalis was unable to participate on the conference call as he was testifying before the House Education Committee.

Office of the Chancellor:

Dr. Peter H. Garland (Acting Chancellor)
Ms. Karen S. Ball
Mr. Gary K. Dent
Mr. James S. Dillon
Dr. James D. Moran
Mr. Leo Pandeladis

In attendance from the Office of the Chancellor: Ginger S. Coleman, Audrey J. Guistwhite, Lois M. Johnson, and Kenneth D. Marshall.

Also in attendance was James F. Kilcur, Esquire, Partner with Saul Ewing, LLP, PASSHE's chief negotiator for APSCUF Non-Faculty Coaches Agreement and APSCUF Faculty Agreement.

Chairman Pichini called the meeting to order at 10:01 a.m.

Attendance taken at the direction of the Chairman established that a quorum of the Board was present.

Executive Session convened at 10:05 a.m.

Executive Session adjourned at 10:20 a.m.

Public session reconvened at 10:21 a.m.

Chairman Pichini noted there were three items to recommend to the Board for approval.

Chairman Pichini moved **THAT THE BOARD OF GOVERNORS RATIFY THE AGREEMENT WITH APSCUF FOR NON-FACULTY COACHES AND AUTHORIZE EXECUTION OF THE APPROPRIATE DOCUMENTS.** (Attachment #1)

The motion passed unanimously.

Chairman Pichini moved **THAT THE BOARD OF GOVERNORS RATIFY THE AGREEMENT WITH APSCUF FOR FACULTY AND AUTHORIZE EXECUTION OF THE APPROPRIATE DOCUMENTS.** (Attachment #2)

The motion passed unanimously.

Chairman Pichini moved **THAT THE BOARD OF GOVERNORS APPROVE THE APPOINTMENT OF GERALDINE M. JONES AS INTERIM PRESIDENT OF CALIFORNIA UNIVERSITY OF PENNSYLVANIA, EFFECTIVE MARCH 20, 2013, AND AUTHORIZE THE CHAIRMAN AND THE ACTING CHANCELLOR TO EXECUTE THE NECESSARY DOCUMENTS.**

The motion passed unanimously.

NEW BUSINESS

Ms. Conley noted there was one item to recommend to the Board for approval.

Ms. Conley moved **THAT THE BOARD OF GOVERNORS APPROVE MERIT PAY FOR NONREPRESENTED EMPLOYEES IN ACCORDANCE WITH THE FOLLOWING:**

A. MERIT POOLS FOR NONREPRESENTED EMPLOYEES ARE ESTABLISHED AT THE FOLLOWING LEVELS.

<u>FISCAL YEAR</u>	<u>MERIT POOL</u>
2011-2012	0%
2012-2013	3%
2013-2014	3%
2014-2015	3.5%

B. PRIOR TO THE DETERMINATION OF MERIT INCREASES, ALL NONREPRESENTED EMPLOYEES MUST HAVE COMPLETED EVALUATIONS PURSUANT TO BOARD OF GOVERNORS' POLICY 1983-01-A: MERIT PRINCIPLES, AND PRESIDENTS MUST HAVE COMPLETED EVALUATIONS PURSUANT TO BOARD OF GOVERNORS' POLICY 2002-03-A: EVALUATING PRESIDENTS.

C. PRESIDENTS WILL NOT RECEIVE PAY INCREASES IN FISCAL YEAR 2012/13.

The motion passed. Votes were: 11 yes, one abstention, and one no.

Chairman Pichini requested the votes be listed in the minutes.

Yes - Senator Richard L. Alloway, II

Abstained - Ms. Jennifer G. Branstetter (designee for Governor Thomas W. Corbett)

Yes - Ms. Marie Conley (participated on site)

Yes - Ms. Sara J. Dickson

Yes - Representative Michael K. Hanna

Yes - Mr. Ronald G. Henry (participated on site)

Yes - Ms. Bonnie L. Keener

Yes - Mr. Jonathan B. Mack

Yes - Mr. Joseph F. McGinn

Yes - Mr. Guido M. Pichini (Chair) (participated on site)

Yes - Mr. Harold C. Shields (participated on site)

No - Mr. Robert S. Taylor (participated on site)

Yes - Mr. Aaron A. Walton (participated on site)

PUBLIC COMMENTS

No public comments.

ADJOURNMENT

There being no further items of business to come before the Board, Chairman Pichini adjourned the meeting at 10:34 a.m.

ATTEST: _____
Lois M. Johnson
Secretary to the Board

PASSHE/APSCUF - Non-Faculty Athletic Coaches SUMMARY OF CHANGES

For Contract Renewal effective July 1, 2011

PREAMBLE – No Change

ARTICLE 1 DEFINITIONS – No Change

ARTICLE 2 RECOGNITION – No Change

ARTICLE 3 FAIR PRACTICES – No Change

ARTICLE 4 GREIVANCE PROCEDURE AND ARBITRATION – No Change

ARTICLE 5 RIGHTS AND PRIVILEGES OF APSCUF – No Change

ARTICLE 6 RIGHTS OF THE STATE SYSTEM/UNIVERSITIES– No Change

ARTICLE 7 DUTIES, RESPONSIBILITIES, AND WORKLOAD – No Change

ARTICLE 8 CONTRACTS OF EMPLOYMENT

New Section – Effective upon ratification, coaches who perform work on an interim basis shall have their time served in the interim position applied towards roll-over, if successfully hired into the interim position, or have the time served as an interim coach applied towards the coach's previous position held if s/he returns immediately to that coaching position.

ARTICLE 9 LEAVES OF ABSENCE

Increased the maximum number of unused sick leave paid upon retirement from 40 to 50 days.

ARTICLE 10 COMPENSATION

	Merit Pool	Annual Salary Adjustment
2011-2012	N/A	N/A
2012-2013	N/A	2.5% effective July 1, 2012
2013-2014	3.0% effective 7/1/2013	2.25% effective January 1, 2014
2014-2015	3.0% effective 7/1/2014	N/A

Minimum Salaries Increased

Effective January 1, 2015, minimum coaches' salaries will be increased as follows:

Full-time Head Coach - Increased from \$37,500 to \$40,000

Full-time Assistant Coach – Increased from \$32,500 to \$35,000

Part-time Head Coach – Increased from \$27,500 to \$30,000

Part-time Assistant Coach – Increased from \$22,500 to \$25,000

ARTICLE 11 HOSPITAL AND MEDICAL INSURANCE AND SUPPLEMENTAL BENEFITS

Health Benefits Employee Contributions

Contribution Date	Contribution	Wellness Program Nonparticipant Increase	Total Wellness Program Nonparticipant Contribution
July 1, 2010 – December 28, 2012	1.5%	1.5%	3.0%
January 11, 2013	2.0%	2.5%	4.5%
January 10, 2014	2.5%	2.5%	5.0%

Health Benefits Plan Design Changes

Plan/Tiers offered and plan design same as negotiated with faculty bargaining unit.

Annuitant Health Benefits

Plans offered and plan design same as negotiated with the faculty bargaining unit for annuitants.

Dependency coverage shall be available for qualified dependents of the annuitant. Eligible dependents will include spouses, same sex domestic partners and dependent children.

ARTICLE 12 LIFE INSURANCE – No Change

ARTICLE 13 RETIREMENT – No Change

ARTICLE 14 MAINTENANCE OF MEMBERSHIP AND CHECK-OFF – No Change

ARTICLE 15 MISCELLANEOUS CONDITIONS

Expanded tuition waiver for regular full-time coach to any PASSHE university.

New Section – All contractual deadlines that occur on a Saturday, Sunday, or any day when the University's administrative offices are closed are extended to the next regular business day.

ARTICLE 16 TRAVEL EXPENSES – No Change

ARTICLE 17 AGREEMENT AGAINST STRIKES AND LOCK-OUTS – No Change

ARTICLE 18 LEGISLATIVE ACTION – No Change

ARTICLE 19 SEPARABILITY – No Change

ARTICLE 20 TOTALITY OF AGREEMENT – No Change

ARTICLE 21 SUCCESSORS – No Change

ARTICLE 22 DISCIPLINE AND DISCHARGE – No Change

ARTICLE 23 ANNUAL PERFORMANCE REVIEW AND EVALUATION – No Change

ARTICLE 24 PERSONNEL FILES – No Change

ARTICLE 25 COACHING VACANCIES – No Change

ARTICLE 26 COACHES COMMITTEE – No Change

ARTICLE 27 TERM OF AGREEMENT – July 1, 2011 – June 30, 2015

APPENDIX A – CONTRACT OF EMPLOYMENT, REGULAR FULL-TIME OR REGULAR PART-TIME COACH – No Change

APPENDIX B – CONTRACT OF EMPLOYMENT, REGULAR FULL-TIME OR REGULAR PART-TIME ASSISTANT COACH – No Change

APPENDIX C – DISABILITY RETIREMENT DETERMINATION PROCEDURE FOR TIAA-CREF PARTICIPANTS – No Change

APPENDIX D – NOTICE OF EXTENSION/RENEWAL – No Change

APPENDIX E – STATE SYSTEM OF HIGHER EDUCATION COACHES PERFORMANCE AND EVALUATION DOCUMENT – No Change

APPENDIX F – CONTRACT OF EMPLOYMENT, OTHER THAN REGULAR FULL-TIME OR REGULAR PART-TIME COACH – No Change

APPENDIX G – BLUE SHIELD INDEMNITY PLAN AS OF JULY 1, 2004

Housekeeping – Update to include plan changes made through the Health Care Cost Containment Committee

APPENDIX H – HEALTH CARE MANAGEMENT PROGRAM (WELLNESS PROGRAM)

New Side Letter

Eligible non-faculty athletic coaches may participate in the Voluntary Retirement Incentive Program. To participate, a non-faculty athletic coach at the date of retirement must be eligible for majority paid annuitant health care coverage and be a minimum of 60 years of age, or any age with 35 years of credited service. Individual participants must sign a release and settlement agreement. The retirement incentive amount will be calculated on the non-faculty athletic coach's base salary according to the following schedule:

<u>Years of Service</u>	<u>% of Base Salary</u>	<u>Minimum/Maximum Incentive</u>
15 to 20 years of service	20%	\$10,000 to \$20,000
More than 20 years of service	30%	\$14,000 to \$30,000

Decision to participate in program must be made by April 26, 2013. Retirements will be effective June 28, 2013.

New Side Letter

Grievances arising under the coach's collective bargaining agreement shall be submitted for arbitration in accordance with the APSCUF Faculty Grievance Arbitration Pilot Program.

PASSHE/APSCUF-Faculty Tentative Agreement SUMMARY OF CHANGES

For Contract Renewal effective July 1, 2011

PREAMBLE – No Change

PURPOSE – No Change

Article 1 Recognition – No Change

Article 2 Academic Freedom – No Change

Article 3 Professional Status – No Change

Article 4 Duties and Responsibilities of Faculty Members – No Change

Article 5 Grievance Procedure and Arbitration

The step three meetings held at the Universities as a pilot since 2010 are now a part of the collective bargaining agreement (CBA) and applicable to all PASSHE Universities. It is estimated that between 200 and 240 grievances have been resolved or withdrawn as a result of this process.

An arbitration pilot has been added to the CBA with the objective of improving the timeliness of the process and reducing the administrative costs and burdens of using the American Arbitration Association.

Article 6 Department Chairpersons – No Change

Article 7 Performance of Bargaining Unit Work – No Change

Article 8 Accretion – No Change

Article 9 Rights and Privileges of APSCUF – No Change

Article 10 Rights of the State System/Universities – No Change

Article 11 Appointment of Faculty

Grant-funded temporary full-time faculty will receive step increments when increments are provided to regular full-time faculty.

Article 12 Performance Review and Evaluation – No Change

Article 13 Personnel Files – No Change

Article 14 Renewals and Non-Renewals – No Change

Article 15 Tenure – No Change

Article 16 Promotions – No Change

Article 17 Sick Leave – No Change

Article 18 Leaves of Absence – No Change

Article 19 Work-Related Injuries – No Change

Article 20 Retirement – No Change

Article 21 Fringe Benefits

The following design changes will occur to **Active Employee Health Care**:

The employee co-pay will increase for specialist office visits, emergency room visits, and prescription drugs.

The indemnity plan will be eliminated the year after which enrollment in the indemnity plan drops below 125 faculty.

Any faculty hired on or after July 1, 2013 will be required to enroll his/her spouse or partner into the health care plan of the spouse or partner's employer, if said employer offers a health care plan for which the spouse or partner is eligible. This change makes the spouse or partner's employer the primary coverage for the spouse or partner if the faculty member elects to have the spouse or partner covered under the PASSHE health care plan also.

A faculty premium reconciliation program will be developed to insure faculty premium share contributions are calculated based on actual plan expenses.

The following design changes will occur to **Annuitant Health Care**:

Dependency coverage will be extended to qualified dependents of the annuitant including same sex domestic partners.

A voluntary defined contribution plan will be developed, which shall be made available to future new hires as an optional alternative to participating in the existing retiree health benefit. The terms of the program will be subject to future negotiations between the parties, which will commence no later than September 15, 2013, and shall become effective upon agreement between the parties.

Article 22, Salaries

General Pay Increase – All faculty will receive a general pay increase of 1% retroactive to the start of the 2012 fall semester, an increase of 1% at the start of the 2013 fall semester and an increase of 2% at the start of the 2014 fall semester.

Increments – Increments for eligible faculty will be provided in spring 2013, fall 2013, and fall 2014. As in the previous agreement, the APSCUF faculty pay scale has a total of 13 steps; the first four increment increases are 5% and the remaining are 2.5% increments. Faculty members below Step 13 will receive annual service increments of either 2.5% or 5%, based on their position on the salary schedule. Faculty who were at Step 13 of their current rank at the start of the 2012 fall semester shall receive a one-time cash payment of 2.5% of their annualized salary. Similar cash payments will be made in September 2013 and September 2014.

Winter Session – Compensation for courses offered between the end of the fall semester and beginning of the spring semester will be based on the continuing education agreement between the respective university and the local APSCUF chapter. In the event that no such agreement exists, compensation for winter session shall be determined by the salary schedule set forth in Article 22.

Article 23 Workload and Workload Equivalents – No Change

Article 24 Summer Employment

Changes for 2013 converted payment calculations from an outdated pay scale to the current pay scale at approximately the same overall pay rate. Effective with the 2013 summer sessions, compensation for summer employment will be paid at the rate of 53% of 1/24th of the regular full-time salary for each workload hour. The amount will be increased to 55% for the 2014 summer session.

Article 25 Overload

Changes for 2013 converted payment calculations from an outdated pay scale to the current pay scale at approximately the same overall pay rate. Effective at the start of the 2013 fall semester, overload will be paid at the rate of 68% of 1/24th of the regular full-time salary for each workload hour in excess of 15 hours assigned during an academic term or in excess of 24 hours assigned during any academic year.

Similarly at the start of the fall 2013 semester, 31% of 1/24th of the faculty member's academic year regular full-time base salary shall be paid for each preparation workload hour beyond three (3) per academic term.

Article 26 Independent Study and Individualized Instruction

Effective with the start of the 2013 fall semester, independent study and individualized instruction shall be paid at the rate of \$200 per workload hour (previously \$158.62 per workload hour).

Article 27 Continuing Education – No Change

Article 28 Maintenance of Membership and Check-Off – Updated the dates only

Article 29 Retrenchment

Notice of the possibility of retrenchment will be sent electronically by the respective PASSHE university to the local APSCUF chapter president with a copy to the state APSCUF president no later than August 1 for any retrenchment(s) that may occur effective at the end of the subsequent academic year.

Article 30 Health and Welfare

Effective July 1, 2013, PASSHE will contribute \$1,131.40 (previously \$1,077.50) annually for each full-time faculty member to the Faculty Health & Welfare Fund; this represents a 5% increase in the System's contributions to the fund. PASSHE also will make a one-time lump sum contribution of \$250,000 to the fund within 90 days following ratification of the new CBA.

In addition, the trustees of the Faculty Health & Welfare Fund will determine whether federal law requires faculty members to be permitted to opt out of the benefits provided under the fund and/or whether faculty must contribute toward the cost of fund benefits. If the fund determines that employee contributions are legally required, the trustees shall determine the amount of such contributions, provided that the amount shall not exceed the greater of the minimum amount required by federal law necessary to preserve the excepted status of the benefits or \$5 per year.

Article 31 Miscellaneous Conditions

Curriculum Committee – Each university shall establish processes and procedures for recommending curricular action (including but not limited to guidelines on program review, program and course initiation, class size, and similar recommendations), which shall be developed and approved at local meet and discuss meetings.

Recommendations of the curriculum committee shall be transmitted to the president or his/her designee for approval or disapproval. The decision of the president (or his/her designee) to reject the recommendation(s) of the curriculum committee shall be final and not subject to challenge through the grievance procedure.

Article 32 Travel Expenses – No Change

Article 33 Agreement Against Strikes and Lock-Outs – No Change

Article 34 Inter-University Transfers – No Change

Article 35 Legislative Action – No Change

Article 36 Separability – No Change

Article 37 Totality of Agreement – No Change

Article 38 Successors – No Change

Article 39 Intellectual Property – No Change

Article 40 New Branch Campuses and Other Teaching Locations – No Change

Article 41 University Center – No Change

Article 42 Distance Education

Effective with the start of the 2014 fall semester, the course development payments for online/web-based courses and ITV/compressed video courses will be eliminated (previously \$800/\$400, respectively, per credit). Re-development payments for online/web-based courses are also eliminated effective fall 2014 (previously \$100 per credit).

The universities shall assure the availability of technical support professional(s) and instructional design professional(s) and materials appropriate to the principal technology and consistent with the faculty member's prior training and experience. Effective fall 2014, if the universities fail to provide such support, the course development and re-development payments will be continued.

Article 43 Investigations of Complaints Against Faculty Members – No Change

Article 44 Faculty Professional Development Program

For 2013-14 and 2014-15, PASSHE shall provide the Professional Development Council \$300,000 per fiscal year for faculty professional development programs and activities approved by the Council. PASSHE also shall provide an additional \$50,000 per year for professional development programs and activities related to innovation in teaching and improvement of student learning outcomes and \$50,000 for such programs and activities solely for probationary faculty members. (In 2010-11, a total of \$200,000 was provided for professional development.)

Article 45 Regular Part-Time Faculty – No Change

Article 46 Term of Agreement

The new collective bargaining agreement is effective for July 1, 2011, through June 30, 2015.

New Side Letter

Eligible APSCUF faculty members may participate in the Voluntary Retirement Incentive Program. To participate, a faculty member at the date of retirement must be eligible for majority paid annuitant health care coverage and be a minimum of 60 years of age, or any age with 35 years of credited service. Individual participants must sign a release and settlement agreement. The retirement incentive amount will be calculated on the faculty member's base salary according to the following schedule:

<u>Years of Service</u>	<u>% of Base Salary</u>	<u>Minimum/Maximum Incentive</u>
15 to 20 years of service	20%	\$10,000 to \$20,000
More than 20 years of service	30%	\$14,000 to \$30,000

Decision to participate in program must be made by March 29, 2013. Retirements will be effective at the conclusion of the 2013 spring semester.

There is no guarantee the university will fill any position resulting from a faculty member's participation in the program. If a vacated position is filled, it shall be done so with a full-time, tenure track position.