



# Board of Governors Meeting Agenda

**January 15-16, 2020**

Dixon University Center  
Board Room  
2986 North Second Street  
Harrisburg, PA 17110-1201

## **Wednesday, January 15, 2020**

**11:30 a.m. State of the System Luncheon** (Conference Rooms A,B,C)

**1:00 p.m. Board Committee Meetings** (Board Room)

**Chair's welcome**

**Student Success Committee Update** (Page 3)

1. System Redesign Update
2. Understanding a student success framework for measuring outcomes and tracking progress on the work of student success teams
3. Break-out sessions

**Thursday, January 16, 2020**

**9:00 a.m. University Success Committee (Board Room)**

4. Property Acquisitions
  - a. Housing Acquisition and Financing, East Stroudsburg University of Pennsylvania (ACTION) (Page 4)
  - b. Property Acquisition, West Chester University of Pennsylvania (ACTION) (Page 6)
5. Bond Financing
  - a. New Bond Issue, Series AX (ACTION) (Page 8)
  - b. Authorization to Issue Refunding Bonds (ACTION) (Page 11)

**Leadership and Governance Committee**

6. Employee culture engagement survey results (Page 14)
7. Faculty Shared Governance Commission Update (Page 15)
8. PACT President Update (Page 17)

**Board of Governors Meeting**

9. Roll Call
10. Pledge of Allegiance
11. Public Comment
12. Remarks by SCUPA President
13. Remarks by APSCUF President
14. Approval of Consent Agenda
  - a. Minutes from October 16-17, 2019, and December 11, 2019, meetings. (ACTION) (Sent separately)
15. Board Consideration of Committee items (ACTION)
16. New Business
  - a. Ratification of collective bargaining agreements (Pages 18-30)
  - b. Other new business
17. Adjournment

**Student Success Committee Meeting**

January 15, 2020

**SUBJECT:** Student Success Committee Update

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** In 2016, the State System undertook a strategic review of all operations with the goal of identifying areas of necessary change to help ensure the long-term success of the State System. Coming out of that review, the Board established three priorities, the first of which is *ensuring student success*. In 2018, the Board of Governors approved the Student Success Mission and, subsequently, the metrics for measuring student success. Those metrics were supplemented with related indicators in January and July 2019.

While recognizing that everyone is responsible for our students' success, in the spring of 2019 the university presidents recommended and approved the development of what is known as the Student Affairs and Enrollment Management (SA/EM) leadership team to support the student success objectives outlined by the Board. In September 2019, the President's named VP's of Student Affairs and Enrollment Management to serve on this team, which functions in coordination with the CFO's and CAO's to provide a holistic view of the campus community and a well-rounded voice on topics pertinent to student success.

At this meeting, the Student Success Committee will be presented with:

- a) Update on the System Redesign Implementation Plan including an evaluation framework to measure the initiatives within redesign.
- b) Review of the Student Success Mission and the updated measures that contribute to 'ensuring student success' as well as a student success framework.
- c) Student journey maps that will help Board members link the framework and student success measures to how our students experience the pathway through our universities

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**Supporting Documents Included:** N/A**Other Supporting Documents Available:** N/A**Reviewed by:** Board Chairperson; Office of the Chancellor**Prepared by:** Sarah J. Bauder**Telephone:** (717) 720-4158

**University Success Committee**

January 16, 2020

**SUBJECT:** Housing Acquisition and Financing, East Stroudsburg University of Pennsylvania  
(ACTION)

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**UNIVERSITIES AFFECTED:** East Stroudsburg University of Pennsylvania

**BACKGROUND:** East Stroudsburg University requests approval to acquire two student residence halls on campus property. The residence halls were constructed by University Properties Incorporated (UPI), a non-profit affiliated corporation of the university. They constructed the housing on property leased from the university using a privatized student housing development and finance model approved by the Board of Governors. At this point, it is most advantageous for the university to acquire the buildings with State System bond financing.

UPI constructed residence halls in three phases to replace outdated and obsolete on-campus student housing. These residence halls are performing well with fall 2019 occupancy at 99 percent. Two of the phases have very favorable financing and are financially stable. The phase constructed in 2010 is in a position to be refinanced by UPI or for the university to purchase. The most favorable of those options is the university purchase using System bond financing at the cost of the outstanding debt, about \$67 million.

The proposed strategy reduces the remaining financing term from 23 to 22 years, reduces annual debt service payments by about \$1.2 million, and avoids about \$300,000 in annual operating costs (such as reductions in bond covenants and insurance). The net present value of the financing savings is estimated at \$18.2 million or a 28 percent reduction in cost. The operating savings is conservative and assumes no increases in room rates or revenue. The university froze room rental rates last year and the finance and operating cost reductions will allow them to continue to mitigate room rental rates while increasing their lifecycle maintenance reserves.

The two buildings total 330,700 square feet and contain 940 beds.

**MOTION:** That the Board of Governors approve East Stroudsburg University's acquisition of on-campus student residence halls from University Properties Incorporated and bond financing of the current debt.

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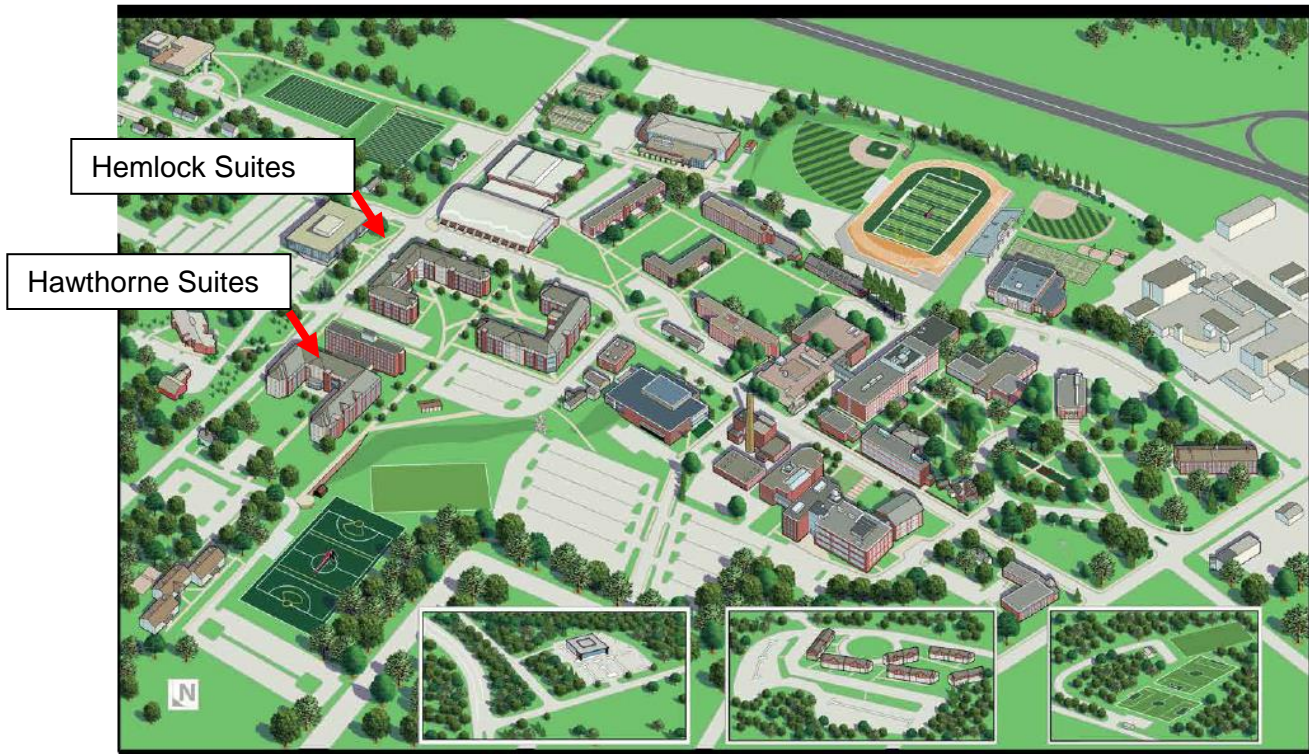
**Supporting Documents Included:** Property map and photo

**Other Supporting Documents Available:** Real property acquisition planning data

**Reviewed by:** East Stroudsburg University's Council of Trustees, September 19, 2019

**Prepared by:** Sharon P. Minnich

**Telephone:** (717) 720-4100



East Stroudsburg University of Pennsylvania Main Campus



Hawthorne Suites Residence Hall  
East Stroudsburg University of Pennsylvania

**University Success Committee**

January 16, 2020

**SUBJECT:** Property Acquisition, West Chester University of Pennsylvania (ACTION)

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**UNIVERSITIES AFFECTED:** West Chester University of Pennsylvania**BACKGROUND:** West Chester University requests approval to acquire property located at 204 Carter Drive, West Goshen Township.

The property includes a one-story, 14,400 square foot, flexible use, brick and steel, industrial building. The majority of the space is currently configured as office space with about a tenth utilized as storage accessible with loading docks. The building is about 34 years old and in good condition. The building is located on a two-acre lot with dedicated off-street parking.

The property is zoned as "light industrial" and is located adjacent to university and university affiliate owned properties. The university will utilize the building for administrative support functions and supplemental warehouse space compatible with the zoning. West Chester University currently has significant space shortages and this building will provide some assistance with that deficiency. Functions relocated to this building should eventually allow demolition of a less desirable facility, although that is dependent on other moves as well.

The university expects to purchase the property using university funds for about \$1.65 million, an amount supported by multiple appraisals.

**MOTION:** That the Board of Governors approve West Chester University's acquisition of 204 Carter Drive, West Goshen Township, PA.

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**Supporting Documents Included:** Property map and photo**Other Supporting Documents Available:** Real property acquisition planning data**Reviewed by:** West Chester University's Council of Trustees, November 14, 2019**Prepared by:** Sharon P. Minnich**Telephone:** (717) 720-4100



West Chester University of Pennsylvania



204 Carter Drive  
West Goshen Township, Pennsylvania

**University Success Committee**

January 16, 2020

**SUBJECT:** New Bond Issue, Series AX (ACTION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** In accordance with previous actions by the Board of Governors approving facilities projects and their financing, and based on requirements of the Internal Revenue Service, the Board must approve a resolution to authorize the issuance of bonds. The proposed bond issue will provide fixed-rate tax-exempt financing for the items listed below. The total bond issue is not expected to exceed project cash borrowing of \$127.0 million, based on the following estimates.

| <b>Tax-Exempt Bond Issue</b>   |   |                         |                         |                             |
|--|---|-------------------------|-------------------------|-----------------------------|
| <b>Project</b>   | <b>Type</b>                               | <b>Term<br/>(Years)</b> | <b>BOG<br/>Approved</b> | <b>Amount</b>               |
| East Stroudsburg Housing Acquisition   | Auxiliary                                 | 23                      | January 2020            | \$67,000,000                |
| Current refunding of eligible bond issues<br><i>(As authorized April 2019)</i> | Educational<br>& General<br>and Auxiliary | 10                      | various                 | 58,000,000                  |
| Contingency and Issuance Costs at 1.50%  |   |                         |                         | <u>1,875,000</u>            |
| Total Tax-Exempt Debt Issue  |   |                         |                         | <u><u>\$126,875,000</u></u> |

In keeping with the State System's practice of minimizing expense and risk, the bond issue will be competitively bid. Because the System does not possess statutory bond authority, the bonds will be issued through the Pennsylvania Higher Educational Facilities Authority. The bonds will be a general obligation of the System.

**MOTION:** That the Board of Governors adopt the attached resolution authorizing the issuance of bonds up to a maximum project cash of \$127.0 million.

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**Supporting Documents Included:** Resolution

**Other Supporting Documents Available:** Board Materials from January 2020 (Item: *Housing Acquisition and Financing, East Stroudsburg University of Pennsylvania*) and April 2019; *Pennsylvania's State System of Higher Education Taxable/Tax-Exempt Bond Issue History*

**Reviewed by:** N/A

**Prepared by:** Sharon P. Minnich

**Telephone:** (717) 720-4100



**Resolution Authorizing the Issuance of Bonds  
by the Pennsylvania Higher Educational Facilities Authority**

WHEREAS, the State System of Higher Education of the Commonwealth of Pennsylvania (the "System") desires that the Pennsylvania Higher Educational Facilities Authority (the "Authority") issue its State System Revenue Bonds in one or more series of taxable or tax-exempt bonds (the "Bonds") to finance up to \$127.0 million of project cash to pay the costs of (1) acquisition of student housing at East Stroudsburg University of Pennsylvania from University Properties, Inc.; (2) the current refunding of eligible bond issues; and (3) contingency and issuance costs (the "Projects"); and

WHEREAS, the Authority will lend the proceeds of the Bonds to the System to finance the costs of the Projects and pay the expenses incident to issuance of the Bonds; and

WHEREAS, the System may make expenditures relating to clauses (1) through (3) of the definition of the Projects contained above prior to issuance of the Bonds, and the System desires to preserve the ability to reimburse itself with proceeds of the Bonds for any amounts expended for the Projects; and

WHEREAS, the obligation of the System to repay the Bonds will be described in and evidenced by a Loan Agreement, as supplemented (the "Loan Agreement"), between the Authority, as lender, and the System, as borrower, pursuant to which the System will pledge the full faith and credit of the System as security for repayment of the obligation; and

WHEREAS, the Loan Agreement will be assigned by the Authority as security for the Bonds pursuant to a Trust Indenture, as supplemented (the "Indenture"), between the Authority and a trustee; and

WHEREAS, the Authority will, by public invitation, solicit and receive competitive bids from underwriters for the purchase of the Bonds, which bids will contain, among other terms, proposed interest rates on the Bonds.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Governors of the System (the "Board") hereby approve the issuance of the Bonds by the Authority, in an amount in project cash not to exceed \$127.0 million for the Bonds, the proceeds of which will be used to undertake the Projects and pay the costs of issuance of the Bonds; and be it

RESOLVED, that the Board hereby delegate to the chancellor or vice chancellor for administration and finance the power to accept bids for purchase of the Bonds from underwriters and to determine the principal amount of the Bonds to be issued by the Authority, but not in excess of the amount described above, the rates of interest, dates of maturity, provisions for optional or mandatory redemption, and other details, such approval to be evidenced by acceptance of the bid for purchase of the Bonds by the Authority and the System; and be it

RESOLVED, that the Board hereby authorize the pledging of the System's full faith and credit to repayment of the Bonds, as provided in the Loan Agreement, and hereby authorize and direct the chancellor or vice chancellor for administration and finance to execute, acknowledge, and deliver, and any Responsible Officer to attest such signature to a supplement to the Loan Agreement in such form as the officers executing it may approve, such approval to be conclusively evidenced by execution thereof; and be it

RESOLVED, that any Responsible Officer is hereby authorized and empowered to approve the content of the Preliminary Official Statement and the Official Statement of the Authority relating to issuance of the Bonds as to information concerning the System and its affairs; and be it

RESOLVED, that any Responsible Officer is hereby authorized and directed to take such further action and to execute and deliver such other instruments and documents as may, in his or her judgment or upon advice of counsel, be necessary or advisable to effect issuance of the Bonds by the Authority, the intent of this Resolution, and the transactions contemplated.

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Secretary to the Board

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Chair of the Board

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Date

**University Success Committee**

January 16, 2020

**SUBJECT:** Authorization to Issue Refunding Bonds (ACTION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** In the current interest rate environment, opportunities arise to refund all or part of certain State System bond issues. The window of opportunity often opens and closes in a matter of days or weeks, and missing the window could cost the System millions of dollars in lost debt service savings. The Treasury staff monitors these market conditions and alerts the Board of Governors when the environment may provide debt service savings. The Internal Revenue Service requires the governing board to pass a resolution authorizing issuance of bonds. It is prudent management for the Board to authorize the chancellor to direct issuance of refunding bonds only when market conditions provide significant savings. It is common for this type of resolution to contain minimum savings limits and an expiration date so control of the bond issuance process is maintained. This Board action will authorize the Office of the Chancellor to issue refunding bonds during fiscal year 2020/21 based upon market conditions to maximize present value savings, provided that the net present value savings equal or exceed 4 percent, and will establish an expiration date for this authorization of June 30, 2021.

In keeping with the State System's practice of minimizing expense and risk, the bond issue will be competitively bid. Since the System does not possess statutory bonding authority, the bonds will be issued through the Pennsylvania Higher Educational Facilities Authority. The bonds will be a general obligation of the System.

Last year's authorization has allowed the System to currently take advantage of refunding opportunities, generating anticipated savings of \$22 million.

**MOTION:** That the Board of Governors adopt the attached resolution to authorize future issuance of refunding bonds when market conditions permit and after the vice chancellor for administration and finance consults with the chair of the University Success Committee.

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**Supporting Documents Included:** Resolution Authorizing Issuance of Refunding Bonds by the Pennsylvania Higher Education Facilities Authority

**Other Supporting Documents Available:** N/A

**Reviewed by:** N/A

**Prepared by:** Sharon P. Minnich

**Telephone:** (717) 720-4100

**Resolution Authorizing Issuance of Refunding Bonds  
by the Pennsylvania Higher Educational Facilities Authority**

WHEREAS, the State System of Higher Education of the Commonwealth of Pennsylvania (the "System") desires that the Pennsylvania Higher Educational Facilities Authority (the "Authority") undertake a project (the "Project") consisting of the issuance of bonds (the "Refunding Bonds") to refund all or a portion of various series of bonds issued by the Authority on behalf of the System (the "Prior Bonds"); and

WHEREAS, the Board of Governors of the System (the "Board") has determined that it is desirable to authorize the chancellor to proceed with the issuance of the Refunding Bonds when market conditions permit, as long as the net present value savings on the Refunding Bonds equal or exceed 4 percent, and that this authorization will expire June 30, 2021; and

WHEREAS, the Authority will lend the proceeds of the Refunding Bonds to the System to finance the costs of the Project and to pay expenses incidental to issuance of the Refunding Bonds; and

WHEREAS, the obligation of the System to repay the Refunding Bonds will be described in and evidenced by a Loan Agreement, as supplemented (the "Loan Agreement"), between the Authority, as lender, and the System, as borrower, pursuant to which the System will pledge the full faith and credit of the System as security for repayment of the obligation; and

WHEREAS, the Loan Agreement will be assigned by the Authority as security for the Refunding Bonds pursuant to a Trust Indenture, as supplemented (the "Indenture"), between the Authority and the accepted trustee; and

WHEREAS, the Authority will, by public invitation, solicit and receive competitive bids from underwriters for the purchase of the Refunding Bonds, which bids will contain, among other terms, proposed interest rates on the Refunding Bonds.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorize the chancellor to proceed with issuance of the Refunding Bonds by the Authority when market conditions permit, provided that the net present value savings on the Refunding Bonds equal or exceed 4 percent, and that this authorization will expire June 30, 2021; and be it

RESOLVED, that the Board hereby delegate to the chancellor or vice chancellor for administration and finance the power to accept bids for purchase of the Refunding Bonds from underwriters and to determine the principal amount of the Refunding Bonds to be issued by the Authority, the rates of interest, dates of maturity, provisions for optional or mandatory redemption, and other details, such approval to be evidenced by acceptance of the bid for purchase of the Refunding Bonds by the Authority and the System; and be it

RESOLVED, that the Board hereby authorize pledging the System's full faith and credit to repayment of the Refunding Bonds, as provided in the Loan Agreement, and hereby authorize and direct the chancellor or vice chancellor for administration and finance to execute, acknowledge, and deliver, and any Responsible Officer, as defined in the Indenture, to attest such signature to a supplement to the Loan Agreement in such form as the officers executing it may approve, such approval to be conclusively evidenced by execution thereof; and be it

RESOLVED, that any Responsible Officer is hereby authorized and empowered to approve the content of the Preliminary Official Statement and the Official Statement of the Authority relating to issuance of the Refunding Bonds as to information concerning the System and its affairs; and be it

RESOLVED, that any Responsible Officer is hereby authorized and directed to take such further action and to execute and deliver such other instruments and documents as may, in his or her judgment or upon advice of counsel, be necessary or advisable to effect issuance of the Refunding Bonds by the Authority, the intent of this Resolution, and the transactions contemplated.

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Secretary to the Board

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Chair of the Board

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Date

**Governance and Leadership Committee Meeting**  
January 16, 2020

**SUBJECT:** Employee culture and engagement survey results

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** The success of the ongoing System Redesign effort is directly linked to the strength of the internal culture of the State System—in large part the level of engagement by all employees. During the fall semester, the State System launched the assessment phase of an employee culture and engagement effort in which all State System employees were invited to participate in an online survey to gather their feedback regarding the following areas: Alignment

- Career Growth
- Collective Success
- Efficiency
- Engagement
- Executive Leadership
- Inclusion
- Innovation
- Management Effectiveness
- Recognition
- University Leadership

Approximately half of all staff and faculty voluntarily participated in the survey, now in its first year of a five-year strategy. Data collected from the responses will be utilized by departments and employees across the System to help foster a positive, supportive environment that allows all employees to do their best work on behalf of students. System-level aggregate results will be shared with the Committee along with an overview of the survey instrument and how the data will be leveraged at the university level to enhance employee success.

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**Supporting Documents Included:** None

**Other Supporting Documents Available:** None

**Reviewed by:** Office of the Chancellor

**Prepared by:** Randy A. Goin Jr.

**Telephone:** (717) 720-4100

**Governance and Leadership Committee Meeting**  
January 16, 2020

**SUBJECT:** Faculty Shared Governance Commission Update

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** At the July 2019 Board meeting, Chair Cindy Shapira announced the formation of the Board's Commission on Faculty Shared Governance, which seeks to strengthen faculty shared governance for the State System by recommending consistent, high-level expectations for the universities and the design and operationalization of a body that works at the System level to enable effective consultation in regard to System-level strategy planning, budgeting, policies and other matters as may be deemed appropriate.

The Commission launched its work during the fall semester and has met via phone or in-person for workshops to begin the foundational work. It is actively engaging faculty members, union leadership, administrators, trustees, and Board members in a dialogue to develop a shared understanding of the purpose and scope of shared governance in the context of the State System.

Information about the Commission is available online at [www.passhe.edu/SharedGovernance](http://www.passhe.edu/SharedGovernance). The Governance and Leadership Committee will receive a progress report from committee chair Don Houser, who also chairs the Commission.

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**Supporting Documents Included:** List of Commission Members

**Other Supporting Documents Available:** None

**Reviewed by:** Office of the Chancellor

**Prepared by:** Randy A. Goin Jr.

**Telephone:** (717) 720-4100

**Board of Governors  
Commission of Faculty Shared Governance**

Commission Members

Members were appointed by the chairperson of the Board of Governors, except for the faculty members who were elected by the faculty of all 14 universities ([see Interim Faculty Council for details](#)).

|                       |  |
|-----------------------|--|
| Commission Chair      | Don Houser,<br>BOG Leadership and Governance Committee Chair |
| BOG Member-at-large   | Noe Ortega, PA Deputy Secretary of Education                 |
| Faculty (IFC Member)  | Francisco Alarcón, Professor and Dept. Chair, IUP            |
| Faculty (IFC member)  | Nancy VanArsdale, Professor, East Stroudsburg                |
| Faculty (IFC Member)  | Matt Girton, Professor and Dept. Chair, Lock Haven           |
| Faculty (APSCUF Rep.) | Jamie Martin, Statewide APSCUF Vice President                |
| University Trustee    | Bobbi Kilmer, Mansfield University COT Chair                 |
| Administrator         | Guiyou Huang, President, Edinboro                            |
| Administrator         | Tom Ormond, Provost, Shippensburg                            |
| Administrator         | Sharon Picus, Interim A&F Vice President, Kutztown           |
| Administrator         | Laura Delbrugge, Dean, Clarion                               |



**Governance and Leadership Committee Meeting**  
January 16, 2020

**SUBJECT:** PACT President Update

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** The President of PACT will provide an update on the activities of the organization. The primary purpose of the Pennsylvania Association of Council of Trustees (PACT) is to educate trustees on national trends in higher education, to apprise trustees of issues facing the State System, and establish a network of trustees to convey trustees' view to the Chancellor and Board of Governors, to provide professional development opportunities to trustees in order to enhance their service to the State System, and to inform and update trustees about academic programs and administrative policies of the 14 State System universities.

PACT conducts conferences and workshops on topics of common interest, updates on System issues and national trends in higher education, as well as opportunities for professional development and an exchange of ideas with trustees from other State System universities.

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**Supporting Documents Included:** None

**Other Supporting Documents Available:** None

**Reviewed by:** N/A

**Prepared by:** Randy A. Goin Jr.

**Telephone:** (717) 720-4100

**Board of Governors' Meeting**  
January 16, 2020

**SUBJECT:** Ratification of side letter with APSCUF for the Enhanced Sick Leave Payout Program (ACTION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** The Enhanced Sick Leave Payout Program (Program) will allow eligible faculty members to receive an increased payout of their accrued sick leave upon retirement.

Summary of the Program –

- In order for the Program to be implemented, the Program must have at least 200 faculty elect to retire in the 2019-2020 fiscal year.
- Regular full-time faculty that qualify for majority paid retiree health care are eligible. The eligible faculty member must elect to retire by notifying the President of the university by March 2, 2020.
- The eligible faculty member must retire on or before August 14, 2020.
- If the program is implemented, the eligible faculty member will receive an additional payout of accrued sick leave beyond the payout schedule identified in the collective bargaining agreement (CBA). (Currently, under the relevant collective bargaining agreement, the maximum days of sick leave paid upon retirement is 50 days. The side letter will temporarily amend the CBA to allow for a maximum payout of 125 days of accumulated leave.)
- If the Program is not implemented, currently active faculty may rescind their retirement no later than April 10, 2020.

**MOTION:** That the Board of Governors ratify the side letter regarding enhanced sick leave payout and authorize the Chancellor to execute the appropriate documents.

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**Supporting Documents Included:** (1) Side Letter Tentative Agreement

**Other Supporting Documents Available:** N/A

**Prepared by:** Andrew C. Lehman

**Telephone:** 717-720-4030

**Tentative Agreement Side Letter  
between  
APSCUF and PASSHE**

**Enhanced Sick Leave Payout Program**

The Pennsylvania State System of Higher Education (“State System”) and the Association of State College and University Faculties (“APSCUF”) agree to implement an Enhanced Sick Leave Program (“the Program”), to encourage faculty retirements to be submitted by March 2, 2020 with an effective date on or before August 14, 2020.

**A. Program Commencement**

1. Current eligible faculty members may participate in the Program in accordance with the provisions in Sections B and C for only retirements received in the 2019 – 2020 fiscal year, prior to March 2, 2020 with an effective date on or before August 14, 2020.
2. The parties agree to inform all eligible faculty about the Program after the APSCUF legislative assembly has either voted to approve this side letter or to send it for ratification to the APSCUF membership. The State System will send each faculty member who is believed to be eligible a customized letter noting their estimated payout based on the provisions of this side letter. Eligibility is subject to verification prior to acceptance of participation in the Program.
3. The Program requires that the minimum number of faculty providing notice of retirement on or before March 2, 2020 and retiring between July 1, 2019 and August 14, 2020 be at least 200 faculty who meet the eligibility criteria in Section B.2. below. If the 200 minimum threshold is not met by close of business on March 2, 2020, then the program will not be implemented.
4. Faculty members meeting the eligibility criteria in Section B.2. below who have already retired in the 2019 – 2020 fiscal year as of the ratification of this side letter by the Board of Governors will count towards the 200 minimum threshold number noted in #3 above; however, those who have retired and who were no longer actively employed during the Fall, 2019 semester will not be eligible for the enhanced sick leave payout. Those faculty members who have submitted a letter of intent to retire on a date after the start of the Fall 2019 semester shall be eligible for the enhanced sick leave payout.
5. The State System will make weekly reports to all bargaining unit employees and to State APSCUF regarding the number of employees requesting to participate and will verify the final number and communicate that number to all bargaining unit employees and to State APSCUF no later than March 16, 2020.

**B. Eligibility**

1. Participation in the Program is limited to regular full-time faculty members employed as of the start of the fall 2019 semester.
2. Participation in the Program requires that the faculty member qualifies for majority-paid retiree health care at the time of retirement, as defined in the table below.

| <b>Current Hire Date</b>                  | <b>Retirement Age</b>                       | <b>Years of Service</b> | <b>Type of Service</b>            |
|---|---|-------------------------|-----------------------------------|
| <b>Prior to Fall Semester 1997</b>        | 60  | 10                      | Credited Service                  |
|   | Any Age                                     | 25                      |                                   |
|   | Any Age with Approved Disability Retirement | 5                       |                                   |
| <b>Fall Semester 1997 - June 30, 2004</b> | 60  | 15                      | Commonwealth/State System Service |
|   | Any Age                                     | 25                      |                                   |
|   | Any Age with Approved Disability Retirement | 5                       |                                   |
| <b>On/After July 1, 2004</b>              | 60  | 20                      | Commonwealth/State System Service |
|   | Any Age                                     | 25                      |                                   |
|   | Any Age with Approved Disability Retirement | 5                       |                                   |

**C. Individual Faculty Member Provisions**

1. An eligible faculty member must submit a letter of retirement to the President of the University on or before March 2, 2020.

2. The eligible faculty member must indicate in their retirement letter a retirement date on or before August 14, 2020.
3. Any faculty member currently on an approved phased retirement arrangement may accelerate their arrangement, if necessary, and participate in the Program by sending a letter to the President of the University by March 2, 2020 of their intention to accelerate their retirement and retire on or before August 14, 2020.
4. If the Program is not implemented, the Faculty Member will have the option to either rescind their retirement no later than April 10, 2020 if they are currently active, or retire on the effective date within their retirement letter. In the latter case, the provisions of Article 17 E.2. of the collective bargaining agreement will apply.

For Faculty under an approved phased retirement arrangement, they may resume with their arrangement as originally approved and executed, or retire at their accelerated date.

5. If the Program is implemented, all submitted retirements under the provisions of this side letter are irrevocable and the payouts will be conducted in accordance with the side letter.
6. Faculty members shall not be paid for partial days of accumulated sick leave.

**D. Enhanced Sick Leave Provisions**

If the Program is implemented, the sick leave payouts noted in Article 17, Section E.2. will be adjusted based upon the table below.

| Days Accumulated | Current Days Paid | Total Days Paid if the Program is Implemented |  |
|------------------|-------------------|---|--|
|                  |                   | Less than 25 years of service (2.25 factor)   | 25 or more years of service (2.5 factor) |
| 10 to 74 days    | 10                | Up to 22*                                     | Up to 25*                                |
| 75 to 149 days   | 20                | 45  | 50                                       |
| 150 to 224 days  | 30                | 67  | 75                                       |
| 225 to 299 days  | 40                | 90  | 100                                      |
| 300 and over     | 50                | 112   | 125                                      |

\* A faculty member may not get paid out for more sick days than they have accumulated.

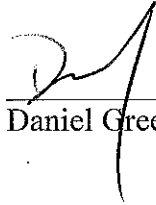
E.g., If the Program is implemented, and the eligible faculty member with more than 25 years of service has 20 sick days accumulated, they will be paid 20 days of accumulated sick leave upon retirement.

**E. Impact on 25% FTE Limit of Temporary and Regular Part-Time Faculty in Article 11, Section F of the Collective Bargaining Agreement**


If the Program is implemented and the retirement of Regular Faculty under this side letter causes any University to exceed the twenty-five (25) percent FTE limit on employment of Temporary and Regular Part-Time Faculty set forth in Article 11, Section F of the Collective Bargaining Agreement, then the University shall be relieved of the obligation to come into compliance with that Section for the 2020-2021 academic year only. The obligation to comply with the twenty-five (25) percent FTE limit will resume for the 2021-2022 academic year.

**AGREED on \_\_\_\_\_:**

**STATE SYSTEM**

  
\_\_\_\_\_  
Daniel Greenstein, Chancellor

**APSCUF**

  
\_\_\_\_\_  
Kenneth M. Mash, President

**Board of Governors' Meeting**  
January 16, 2020

**SUBJECT:** Ratify Various Collective Bargaining Agreements and Memoranda of Understanding (OPEIU, POA, and SPFPA) (ACTION)

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**UNIVERSITIES AFFECTED:** All

**BACKGROUND:** Two unions have recently ratified their respective collective bargaining agreements with the State System. These unions represent nurses, (the Office and Professional Employees International Union Healthcare Pennsylvania [OPEIU]) and police and security officers (the PASSHE Officers Association [POA]). The terms of the OPEIU and POA collective bargaining agreements were achieved through individual negotiations between the State System and each union.

Additionally, the State System has concluded meet and discuss concerning the memoranda of understanding with OPEIU and the union representing the police and security supervisors, (the International Union, Security, Police and Fire Professionals of America [SPFPA], which expires on August 31, 2020 and contained solely a wage reopener). The terms of the OPEIU memorandum of understanding and the SPFPA wage reopener were achieved through meet and discuss between the State System and each union.

Implementation of the agreements and memoranda is dependent upon the Board of Governors approving each collective bargaining agreement and respective memorandum of understanding.

**MOTION:** That the Board of Governors ratify:

- (1) the Collective Bargaining Agreement and the Memorandum of Understanding with the Office and Professional Employees International Union Healthcare Pennsylvania;
- (2) the Collective Bargaining Agreement with the PASSHE Officers Association;
- (3) the Memorandum of Understanding wage reopener with the International Union, Security, Police and Fire Professionals of America; and

authorize the Chancellor and the Chairwoman of the Board of Governors to execute the appropriate documents.

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**Supporting Documents Included:** (1) OPEIU Tentative Agreement Summary; (2) OPEIU Memorandum of Understanding Summary; and (3) POA Tentative Agreement Summary; (4) SPFPA Memorandum of Understanding Wage Reopener.

**Other Supporting Documents Available:** N/A

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**Summary of Major Provisions of the Tentative  
Collective Bargaining Agreement Between  
Pennsylvania's State System of Higher Education (State System)  
and OPEIU Healthcare Pennsylvania, Local 112 (OPEIU)  
July 1, 2019 – June 30, 2023**

**Article 16 Salaries and Wages**

|                                       |  |
|---------------------------------------|--|
| August 1, 2020                        | 2.5% General Pay Increase <sup>1</sup> |
| August 1, 2021                        | 2.0% General Pay Increase              |
| First full pay period in January 2022 | Step Increment <sup>2</sup>            |
| August 1, 2022                        | 2.5% General Pay Increase              |
| First full pay period in January 2023 | Step Increment                         |

Employees at the top of the salary schedule receive a cash payment of 2.25% in lieu of the step increment.

Provide for certification payments of \$650 per contract year *(no increase to current entitlements)*.

**Article 11 Sick Leave and Bereavement Leave**

Add grandchild to the list of immediate family for which an employee may take up to 5 days of sick family leave.

**Article 14 Leaves of Absence Without Pay, Article 15 Parental Leave, and Article 43 Family Care Leave**

Combine leaves into one entitlement providing for 12 weeks of FMLA leave with the possibility of an extension of up to 9 months of leave without pay (provided the employee has completed one year of service and 1250 actual hours worked during the previous year).

Employees with less than one year of service are eligible for up to 13 weeks of leave without pay for qualifying absences of at least 2 consecutive weeks.

*This change aligns the administration of these leave provisions with a March 14, 2019 U.S. Department of Labor opinion letter regarding the FMLA and creates consistency in leave administration and entitlements with other bargaining units.*

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<sup>1</sup> A General Pay Increase (GPI) represents a percentage change applied to the entire salary schedule.

<sup>2</sup> A Step Increment is movement one step up on the 20-Step salary schedule. A step for this unit has an average equivalent of 2.25%



### **Article 21 Health Benefits**

Modify the composition of the Health Care Cost Containment Committee to add a representative of the PASSHE Officers Association (POA) and increase the number of management representatives from six (6) to seven (7).

### **Article 40 Professional Education Program**

Provide that requests to utilize educational leave during the period an employee is on leave without pay due to cyclical work schedules may be granted by University management at its sole discretion.

Provide for out-service training/tuition reimbursement per contract year at \$1,500 with a combined use limitation of \$3000 maximum (no increase to current entitlements).

Provide for CRNP out-service training/tuition reimbursement for continuing education credits for the purposes of obtaining prescriptive authority at \$2000 per contract year (no increase to current entitlements).

### **Appendix E ANCC American Nurses Credentialing Center**

Add the AIDS Certified Registered Nurse (ACRN) to the list of certifications that qualify for certification payment.

**Summary of Major Provisions of the Tentative  
Memorandum of Understanding Between  
Pennsylvania's State System of Higher Education (State System)  
and OPEIU Healthcare Pennsylvania, Local 112 (OPEIU)  
July 1, 2019 – June 30, 2023**

**Recommendation 16 Salaries and Wages**

|                                       |  |
|---------------------------------------|--|
| August 1, 2020                        | 2.5% General Pay Increase <sup>3</sup> |
| August 1, 2021                        | 2.0% General Pay Increase              |
| First full pay period in January 2022 | Step Increment <sup>4</sup>            |
| August 1, 2022                        | 2.5% General Pay Increase              |
| First full pay period in January 2023 | Step Increment                         |

Employees at the top of the salary schedule receive a cash payment of 2.25% in lieu of the step increment.

Provide for certification payments of \$650 per contract year *(no increase to current entitlements)*.

**Recommendation 11 Sick Leave and Bereavement Leave**

Add grandchild to the list of immediate family for which an employee may take up to 5 days of sick family leave.

**Recommendation 14 Leaves of Absence Without Pay, Recommendation 15 Parental Leave, and Recommendation 42 Family Care Leave**

Combine leaves into one entitlement providing for 12 weeks of FMLA leave with the possibility of an extension of up to 9 months of leave without pay (provided the employee has completed one year of service and 1250 actual hours worked during the previous year).

Employees with less than one year of service are eligible for up to 13 weeks of leave without pay for qualifying absences of at least 2 consecutive weeks.

*This change aligns the administration of these leave provisions with a March 14, 2019 U.S. Department of Labor opinion letter regarding the FMLA and creates consistency in leave administration and entitlements with other bargaining units.*

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<sup>3</sup> A General Pay Increase (GPI) represents a percentage change applied to the entire salary schedule.

<sup>4</sup> A Step Increment is movement one step up on the 20-Step salary schedule. A step for this unit has an average equivalent of 2.25%.

### **Recommendation 21 Health Benefits**

Modify the composition of the Health Care Cost Containment Committee to add a representative of the PASSHE Officers Association (POA) and increase the number of management representatives from six (6) to seven (7).

### **Recommendation 39 Professional Education Program**

Provide that requests to utilize educational leave during the period an employee is on leave without pay due to cyclical work schedules may be granted by University management at its sole discretion.

Provide for out-service training/tuition reimbursement per contract year at \$1,500 with a combined use limitation of \$3000 maximum (no increase to current entitlements).

Provide for CRNP out-service training/tuition reimbursement for continuing education credits for the purposes of obtaining prescriptive authority at \$2000 per contract year (no increase to current entitlements).

### **Appendix E ANCC American Nurses Credentialing Center**

Add the AIDS Certified Registered Nurse (ACRN) to the list of certifications that qualify for certification payment.

**Summary of Major Provisions of the Tentative  
Collective Bargaining Agreement Between  
Pennsylvania's State System of Higher Education (State System)  
and PASSHE Officers Association (POA)  
September 1, 2019 – August 31, 2022**

**Article 18 Salaries and Wages**

Patrol Officers and Police Specialists

First full pay period in January 2020      Move to New Wage Scale (new wage scale decreases number of wage steps from 12 to 10 and increases distance between steps to 5.0%)

Step Increment<sup>5</sup>

First full pay period in April 2021      Step Increment

First full pay period in April 2022      Step Increment

Employees at the top of the salary schedule receive a cash payment of 5.0% in lieu of the step increment.

Security Officers 1

First full pay period in January 2020      Step Increment<sup>6</sup>

March 1, 2021      2.0% General Pay Increase<sup>7</sup>

First full pay period in April 2021      Step Increment

March 1, 2022      2.5% General Pay Increase

First full pay period in April 2022      Step Increment

Employees at the top of the salary schedule receive a cash payment of 2.25% in lieu of the step increment.

**Article 16 Leaves of Absence Without Pay, Article 17 Parental Leave, and Article 41 Family Care Leave**

Provide for designation of only the first 12 weeks of leave as FMLA leave with the possibility of an extension of up to 9 months of leave without pay (provided the employee has completed one year of service and 1250 actual hours worked during the previous year (900 hours for permanent part-time employees)).

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<sup>5</sup> A Step Increment is movement one step up on the salary schedule.

<sup>6</sup> A Step Increment is movement one step up on the 20-Step salary schedule. A step for Security Officers 1 has an average equivalent of 2.25%.

<sup>7</sup> A General Pay Increase (GPI) represents a percentage change applied to the entire salary schedule.

Employees with less than one year of service are eligible for up to 13 weeks of leave without pay for qualifying absences of at least 2 consecutive weeks.

*This change aligns the administration of these leave provisions with a March 14, 2019 U.S. Department of Labor opinion letter regarding the FMLA and creates consistency in leave administration and entitlements with other bargaining units.*

### **Article 24 Health Benefits**

Modify the composition of the Health Care Cost Containment Committee to add a representative of the PASSHE Officers Association (POA) and increase the number of management representatives from six (6) to seven (7).

### **Article 28 Seniority**

Eliminate provisions providing for bumping of first level supervisory unit police and security supervisors into the rank and file bargaining unit in the event of a furlough and guaranteeing rank and file bargaining unit employees the right to interview for positions in the first level supervisory unit provided they meet the minimum experience and training requirements for the position.

**Summary of Understanding reached as result of Meet and Discuss between Pennsylvania's  
State System of Higher Education (State System) and  
Security Police and Fire Professionals of America (SPFPA)  
concerning Salaries and Wages for the period of September 1, 2019 – August 31, 2020**

**Recommendation 18 Salaries and Wages**

Police Supervisors

First full pay period in January 2020

Move to New Wage Scale (new wage scale decreases number of wage steps from 12 to 10 and increases distance between steps to 5.0%)