

**THE UNIVERSITY OF TENNESSEE
EMPLOYEE RELATIONS BOARD MEETING
JUNE 3, 2009**

Attendees:

Debi Adcock	Mary Evans	Butch Peccolo
Virginia Bleazey	Linda Francisco	Jan Simek
Jim Bowman	Linda Hendricks	Sherry Sims
Kenneth Bradshaw	Katie High	Gloria Tipton
Priscilla Bright	Valerie Hodge	Glenda Walker
Patricia Burks-Jelks	Valerah Hodges	Karen Weatherly
Alan Chesney	Rebecca Layman	Rebekah Winkler
	Meredith LeCroy	Ken Wolfenbarger

MEETING NOTES

1. Welcome and Introductions

Acting President Jan Simek welcomed members of the Employee Relations Advisory Board and shared the university's latest organizational chart. Before the reorganization, there were fourteen vice presidents; now, the number is seven. Moving operations such as Institutional Research, Transportation Services, and Graphics Arts to the campuses will result in approximately 100 employees who will be transferred from system's cost centers to Knoxville area or the appropriate campus cost centers. The reorganization is not completed. Dr. Simek is still analyzing the relationship between the system and the campuses. Task forces, appointed by the president, will examine the organizational structure of Knoxville Athletics, Equity and Diversity, and Institute for Public Service. More structural changes will occur to add value and benefit. HR and IT need both system and campus delivery. The president emphasized the state's dire economic status and asked employees to keep sending in suggestions for efficiency and effectiveness through U-Talk.

2. Opportunities for Employee Development

With the budget cuts and reorganization of the UT President's office, are there still plans for Linda Hendricks to move forward with some of the initiatives she spoke about to the Employee Relations Advisory Board in January? Is it still possible that employees will have opportunities to learn new skills to advance within their departments?

Ms. Hendricks stated that during the past year, Human Resources has focused on UT's first workforce strategic plan. This plan outlines the state of the university's workforce and measures UT's gaps against benchmarks. HR has looked at the number of employees who are retirement eligible and has seen the need for succession training. Once HR establishes the basics and tools for measurement, Ms. Hendricks says the university will move ahead in developing a statewide Career Development Institute to enable employees to move up within

UT. But first, Ms. Hendricks emphasized the university must establish the ground work, including matching qualifications to positions and developing a succession plan. The implementation of a new HR technology plan will enable us to meet many of the university's needs through enhanced technology. Training of employees continues to be a priority. Star Achievement, a series of programs for administrative support staff, has been implemented in Memphis, Martin, and Knoxville area. UTC has a trainer certified to deliver Star Achievement. To meet the growing demand for the program "7 Habits of Highly Successful People," the system partnered with the Health Science Center to certify Darnita Brassel in "7 Habits." UTC has established a Training Advisory Group (TAG), and the Health Science Center is looking at establishing a campus-specific TAG, modeled after the state-wide TAG. Toward the end of fall 2009, EOD will begin delivering a new certification program for customer service, which will be available for use on all the campuses/institutes. Ms. Hendricks also discussed the relevance of an effective performance management system and the need to hold supervisors and department heads accountable for conducting effective performance reviews and helping employees increase their skills to meet the needs of UT's future workforce.

3. Retirement Incentive

Will UT offer a retirement incentive plan?

Ms. Hendricks responded that earlier this year, when it looked as though there would be a reduction-in-force (RIF), university administration provided an option for campuses and institutes to develop retirement incentive proposals. The campus or institute offering the program was required to fund the program itself. The Institute of Agriculture administration developed a program for its employees and requested permission to proceed from the Board of Trustees, which was granted, and then offered the program to its employees. All campuses and institutes were given this same opportunity. To date, none have requested approval of a similar plan.

4. Guidelines for Departmental Reorganizations

Who oversees departmental reorganizations? Can a department reorganize any way it wants without input from employees? Could guidelines be developed to govern reorganizations?

Ms. Hendricks said that normally departments oversee their reorganizations with college/administrative oversight as determined by the college/unit. Reorganization as a result of a RIF would be subject to the provisions of each approved RIF plan. While employee input is always valuable, a department can reorganize without employees' input to make a better use of resources to accomplish the department's work. Ms. Hendricks said that reorganization guidelines will be developed and posted on the web.

5. Employee Raises or Bonuses

Is there any possibility employees will receive a raise or one-time bonus this year?

Mr. Gary Rogers responded that no raise or bonus provisions were in the governor's budget submission, nor do any appear in the amendment.

6. Violation of Smokers' Personal Rights

Some employees have expressed concern that the state is taking away the rights of smokers. Smoking for these employees is a personal decision. Why should the state interfere?

Ms. Catherine Mizell said limiting smoking is a policy decision made by the legislature. Employees can contact their local legislators about issues of concern.

7. State Changes in Benefits

The state has recently made a mid-year policy change with the addition of the Tobacco Use Surcharge. Is there any way to learn if the state is planning on making any other changes to medical plans, retirement, or longevity pay?

Mr. Butch Peccolo said the tobacco surcharge may be delayed for one year, pending legislative action.

The state insurance program will engage a partner to help with the eligibility and dependent certification initiative, scheduled to start this fall. Although exact requirements are yet to be determined, all covered employees will have to submit evidence as to the eligibility for all insured individuals (dependents) covered under the state's insurance program. Previous studies determined that the state could save millions of dollars in the program with such a plan as there are typically 8-10 percent ineligible in group plans similar to the state's plan. The state will continue to look at various ways to save money on insurance costs.

To date, no plans have been developed for making changes to the retirement or longevity programs. Changes in these areas would require legislative action.

8. Insurance for Employees over 65

Why are employees who are over 65 years old not shifted from the UT Group Health Insurance Plan to Medicare? This change would be a cost savings for the University of Tennessee on a system and campus level.

According to Mr. Peccolo, this issue is one of equity. As a state employee, those active employees over 65 have the same rights to benefits as any other active employee. We cannot force active employees to take Medicare in lieu of the state plan. For those active employees in the state plan who are Medicare eligible and have chosen to enroll in Medicare Part B (present premium \$96.99), the state plan pays first and Medicare will pay secondary. Medicare will review what the state plan paid and pay any additional costs up to the Medicare-approved amounts. Once an employee retires and reaches the Medicare eligibility age, he/she is no longer eligible for the state group plan but can participate in the state sponsored Medicare Supplement plan. The state provides a contribution to the state-sponsored Medicare Supplement plan premium based on an employee's past years of service.

9. Next Meeting

The Employee Relations Advisory Board requested that their next meeting be held face-to-face and asked this request be relayed to the president.

10. Closing

Employees expressed support for Acting President Simek and appreciated his openness and his concern for students' education.