

NOTES from FACULTY FORUM March 3, 2010

The Forum began at 4:25 PM. Approximately 40 faculty were in attendance.

The Faculty Representative to the System Personnel Policy Council (SPPC), Terry Downs, made a brief opening statement on behalf of the Faculty Welfare Committee. He explained that the campuses are still “in limbo” with regard to compensation issues. The SPPC passed a resolution to request the Board of Trustees (BOT) to slow down its review of compensation in order to allow campus constituencies to discuss issues. He noted that the faculty at PSU have not yet had a chance to discuss compensation. The BOT has engaged the Mercer Group to do a comprehensive analysis of total compensation (salary, benefits, working conditions, etc.). The SPPC will receive the Mercer report in the next few weeks. Terry is the PSU Faculty Representative to the SPPC (and the only faculty member on the SPPC). He and the Faculty Welfare Committee are interested in knowing about what aspects of compensation we consider to be most important.

President Steen then provided some context:

- The BOT is concerned about budget issues, about being an employer of choice, and about long-term sustainability of benefits. With the SPPC, the BOT asked for feedback on some aspects of compensations, such as longevity pay and employee development. They were just seeking feedback but did not anticipate that these questions, in the context of the current economy, might create a feeling of fear among faculty and staff. For example, there was concern that costs would be cut on the backs of the lowest paid workers on campus, but that is not true.
- The President has had a lot of feedback from the PATs and OS about what aspects of compensation are most important to them and has shared that with the SPPC and with Mercer. Mercer will be looking at best practices nationally regarding total compensation, similar to what they did for the system ten years ago. Their report will consider how we can be sustainable and what other systems and employers are doing that could be of benefit here.
- Mercer will present their report to the SPPC by March 18 or 19. The SPPC will get materials out to campuses. There will be constituency forums on campus after spring break to gather feedback on the report. No decisions will be made by the BOT until the end of April.
- In addition, at PSU, the Wellness Task Force, chaired by Sylvia Bryant, is looking at ways to help us all be healthier. They are considering wellness in ways that fit our campus and cut costs not by changing benefits packages but by promoting healthy living.
- At this point, the BOT is looking for feedback and information from the campuses about what aspects of compensation matter most to people, what we are aware of, what we don't use, what is most valuable. A lot of schools are looking at menu-driven packages that could address different age groups differently and give employees some choice.

When asked what is the purpose of this meeting and what we hope to accomplish, one of the petitioners replied that he had requested the Forum to talk about this issue in an informal way. Originally he had thought it was only about benefits, then about how to cut costs generally, now perhaps it's about benefits only. By talking about this early, we will know if there is something we would strongly oppose or support. Other constituency groups on campus have had

opportunities to discuss this. A member of the Faculty Welfare Committee (FWC) said the meeting would help the FWC to gather information to inform their discussions with administrators. Another attendee pointed out that the purpose of the meeting was to clarify which benefits faculty value more than others.

In response to a question about whether PSU has the same benefits structure as the unionized schools, the President clarified that all schools in the system have benefits through Harvard Pilgrim. The BOT's position is that there should be equity across campuses but not necessarily sameness. For example, salaries may be different. She also clarified that Mercer will be looking at all aspects of compensation, including health insurance, benefits, salaries, retirement.

Several faculty expressed questions and concerns about how to find out information that would be helpful in understanding the issues and giving informed feedback, for example, information about faculty contracts at Keene and UNH and comparative information on benefits and salaries. There was also a question as to how much Mercer is being paid to do this analysis. (The President did not have the answer to this but said she would provide it.)

Elaine Doell of HR and Pres. Steen said that comparative information is available on line, through a link previously distributed by Terry Downs in an e-mail to faculty. Others pointed out that the collective bargaining agreements are also available on-line. Provost Bernier said that this information is regularly given to the FWC.

Several faculty reiterated that they would like to see this information provided to the faculty in a transparent and easily accessed manner, such as a spreadsheet or table. The President and the Provost said they would work with the SPPC, FWC, and Human Resources to create such a report and provide faculty with the kind of information they want and need. A member of the FWC noted that the FWC has compiled some data on salary comparisons with other schools and will send those files to faculty.

When asked how PSU communicates its preferences for compensation and benefits, the President explained that information is exchanged at SPPC, which brings it to FWC, which brings it to attention of full faculty. The Provost gave the example of parental leave, as the last time a major personnel policy was brought to campus for discussion.

Several faculty expressed interest in an analysis of salary and benefits of full-time faculty, as was done by a PSU faculty member in the past. Rather than having faculty "dig up" this information, the Provost said that accurate information is provided to the FWC and SPPC and the administration will provide any data needed. The Provost stated that salaries are now 2-3% below the mean and we are working to get them to 4-5% above the mean.

The President also clarified that the Mercer report will not just rely on one or a few comparator institutions or systems. It will be a much broader analysis. She noted the importance of knowing why we are where we are in terms of salaries; for example, there used to be a two-year delay in promotion raises, which was financially challenging. That is no longer the case and will make a difference in salary comparisons.

In response to a question about why PATs and OS have been surveyed for their input on compensation but faculty have not, members of the FWC explained that the PATs and OS had created their own survey. FWC hasn't done that yet because most of the PAT and OS action happened in January and many faculty were not on campus then. The FWC wanted to get feedback from this Forum and the Mercer report. The President pointed out that the Mercer report will come out in March and there will be constituency forums after spring break.

A faculty member pointed out that the details of the compensation package are complicated. The total compensation of a faculty member consists of two pieces, salary and benefits. Benefits are 46% of salary. In the last budgetary year 2008-09, benefits were 44% of salary. It looked like total compensation went up 2% but it was because of total costs of benefits. Benefits are rising again this year, which is one of the reasons why the BOT is paying so much attention to this. Another person commented that we should be more aware of how health care cost increases are affecting businesses.

The Provost noted that we have sometimes done flat dollar increases rather than percentage increases, with the support of faculty. Another person commented that raising salaries by percentages benefits those who need it the least. Other faculty pointed out that a small cut in benefits for some people on campus could be devastating, so across-the-board cuts are not necessarily equitable. The Provost commented that last year there were conversations about trying to ensure that raises went to those who were making the lowest salaries.

The Speaker summarized the main points of the discussion:

- Faculty expressed the need for readily available, transparent information about compensation, including comparative information.
- Faculty are concerned that cost containment efforts might disproportionately affect those who are at the low end of the pay scale and do not want to see that happen.
- Faculty members cited these specific aspects of compensation as being most important to them: health insurance; salaries for new faculty that take into account the challenges of housing costs and cost of living in NH; salary and benefits for adjunct faculty.
- Faculty would like regular written reports from the SPPC representative.

One faculty member commented that he has developed a list of ideas for containing costs without cutting benefits. The President and Provost urged him to share them this list and encouraged others to send their ideas as well.

The Forum adjourned at 5:25 PM.