

University Council Human Resources Committee Meeting Report to Council - March 22, 2017

*The HR Committee of the University Council met on **Thursday, February 02, 2017**, in Room D of the Georgia Center for Continuing Education. The meeting ran from 11:00 AM – 12:30 PM.*

Committee members present: Patricia Yager (chair), Mark Ebell, Linda Logan, Mark Tompkins, Juan Jarrett (ex officio, Assoc. VP for Human Resources), Kelly Cona, Michelle Griffin, Amy Rosemond, Juan Carlos Diaz-Perez, and Jacqueline Hammersley.

The meeting started with an update to the larger group from a **gender equity subgroup meeting** that took place on January 23, 2017. That subgroup consisted of Patricia Yager, Robin Shelton, Linda Logan, Brian Williams, and Amy Rosemond. At this meeting, we discussed the complexity of establishing gender equity in academic salaries and identified three key components that need to be investigated: 1) gender differences in **startup salary**, 2) gender differences in **annual raise percentages**, and 3) gender differences in **promotion and progress through rank**. We also discussed the merits of a university-wide assessment versus local analyses of smaller units and decided that a university-wide study can be problematic because of cross-unit variations. UCHR committee members have agreed to continue gathering information on best practices used at other peer and aspirational institutions. This information will be used to guide our request to the provost for deeper analysis of UGA salary data, which we expect to complete this semester. We also discussed how making salary data publically available would increase transparency and improve fairness. Currently, the publically available compensation data is not useful since it does not distinguish between 9- and 12-month salaries, or reimbursements. The only way to fairly compare ones salary to others is to request the data from your department head, file an open records request, or file an EEO complaint. We think this arrangement is unsatisfactory and therefore recommend to Faculty Affairs that appropriately scaled salary data be made public every year. Since the un-scaled data is already publically available, and leads to misunderstanding, we suggest this improvement on the current situation.

The full HR committee then discussed the issue of **unequal employer contributions to our retirement plans**. Currently, UGA's contributes **14.27%** of an eligible person's salary to TRS, which is significantly larger than its contribution to ORP (**9.24%** of salary). This arrangement appears to be unfair to people who choose ORP. Juan Jarrett explained to the committee that the contributions are set by the Teachers Retirement System (TRS) Board and not by UGA, and that the difference in contribution reflects the cost of the two different plans. TRS is a defined benefit plan with a 10-year vesting requirement and ORP is a defined contribution plan with no vesting requirement. The committee requested data from HR on UGA's contributions to ORP over the past decade, since some perceived that the ORP contribution has been going down over time. Indeed, the contributions were approximately equal in 2009, but have since diverged (please see attached Table 1). Many see the ORP as an inferior choice, and yet young faculty are drawn to it because of the vesting requirement for TRS. Since the choice of one plan over the other must be made within 60 days of starting date, and cannot be changed, the committee urged HR to include more information on their information page (see Figure 1) about the tradeoffs of each plan.

The committee then discussed **family friendly policies** needed to help improve UGA's ability to hire high-caliber faculty and staff. We reviewed the long history of trying to get **parental leave** on campus, since many view its absence as a real roadblock for recruitment. In that light, we discussed recent changes to the **shared sick leave policy** (<http://www.hr.uga.edu/shared-leave>). This program provides a means for employees to donate paid sick leave to a shared leave pool, and for fellow employees who meet the eligibility provisions to request leave from the pool

when they have used up their own sick leave. (We note that employees *must* now join the program during open enrollment.) We determined, however, that this program cannot provide a substitute for parental leave since it can only be used in "serious" medical cases (e.g. the child or spouse must be seriously ill), which do not include healthy births or adoptions. Since the lack of parental leave remains a USG issue, committee members will be reaching out to our peers at GATech and GA State to coordinate.

Associate VP for Human Resources, Juan Jarrett updated the committee on UGA's implementation of recent changes in the **Fair Labor Standard Act**. There has been no change to the preliminary injunction to the Department of Labor's (DOL) FLSA rule change. DOL's appeal of the preliminary injunction to the 5th District Circuit court is still pending. The preliminary injunction reinstated the salary threshold for overtime exempt employees to \$23,660. UGA did not reverse any salary increases that had been made in response to the FLSA rule change, but it did return about 300 employees from non-exempt to exempt status as of December 1, including academic advisors who were affected by the switch. These employees were also returned to monthly paychecks and were fully caught up in their normal paychecks by the end of December. A limited number of staff may be moved back to exempt status and monthly pay after HR completes additional reviews of a few job classifications (like certain IT positions).

In response to a question asked during our September meeting, **Mr. Jarrett** also reported back to the committee his determination that there is no faculty or staff access to UGA mental health counselors on campus. **Student Health Center** counselors are available to students only. Faculty and staff access to mental health providers must be through individual health insurance coverage. It was noted that some support was available through the Office of Work-Life Balance. <http://www.hr.uga.edu/work-life-balance>.

Finally, the committee discussed our concern for highly valued members of our academic community who have been impacted by the recent Executive order for a travel ban. We affirmed our commitment to "truly embrace differences in race, religion, citizenship, gender and more,"¹ and we encourage the UGA family to find ways to offer legal and other tangible support to members of affected communities.

Since our UCHR meeting, Patricia Yager has met with Provost Whitten to discuss continuing committee concerns about gender equity. We discussed the three components of the gender disparity issue (starting salaries, annual raises, and promotion and rank). Provost Whitten said that Faculty Affairs has initiated an informal process of watching for inequity in starting salaries. We hypothesized that gender inequity in promotion could explain the observed, albeit "non-significant" salary differences in the recent report, particularly since rank was used as the proxy for productivity. Provost Whitten has agreed to study the issue and just this week convened a committee to assess gender trends for tenure and rank, chaired by Professor Robert Toutkoushian (IHE). Yager will serve on that committee. I understand we will get started right away.

This concludes my report.

Submitted respectfully,



Patricia Yager, Chair of Human Resources subcommittee of the University Council.

Table 1. *Employee and Employer contributions to ORP and TRS retirement plans over the past 27 years (data provided to committee from Juan Jarrett, Associate VP for Human Resources on 2/3/17). These rates are set by the Teachers Retirement System (TRS) Board.*

Year	ORP Contribution Rates		TRS Contribution Rates	
	Employee	Employer	Employee	Employer
1990	6.00%	4.00%	6.00%	13.63%
1991	6.00%	4.00%	6.00%	12.64%
1992	6.00%	4.00%	6.00%	11.81%
1993	6.00%	4.00%	6.00%	11.81%
1994	6.00%	4.00%	6.00%	11.81%
1995	5.00%	4.00%	5.00%	11.81%
1996	5.00%	4.00%	5.00%	11.81%
1997	5.00%	7.42%	5.00%	11.81%
1998	5.00%	7.75%	5.00%	11.81%
1999	5.00%	8.34%	5.00%	11.95%
2000	5.00%	8.79%	5.00%	11.29%
2001	5.00%	8.81%	5.00%	11.29%
2002	5.00%	9.62%	5.00%	9.24%
2003	5.00%	10.02%	5.00%	9.24%
2004	5.00%	10.03%	5.00%	9.24%
2005	5.00%	9.65%	5.00%	9.24%
2006	5.00%	9.66%	5.00%	9.24%
2007	5.00%	8.13%	5.00%	9.28%
2008	5.00%	8.15%	5.00%	9.28%
2009	5.00%	9.24%	5.00%	9.28%
2010	5.00%	9.24%	5.25%	9.74%
2011	5.00%	9.24%	5.53%	10.28%
2012	5.00%	9.24%	6.00%	10.28%
2013	6.00%	9.24%	6.00%	11.41%
2014	6.00%	9.24%	6.00%	12.28%
2015	6.00%	9.24%	6.00%	13.15%
2016	6.00%	9.24%	6.00%	14.27%

Figure 1. UGA's current HR website guidance on choosing a retirement plan. Downloaded from: http://www.hrdocs.uga.edu/trs_orp_comparison.pdf

TRS & ORP Comparison

Effective July 1, 2015

Choose carefully! Your retirement plan choice is irrevocable during your University System of Georgia employment

	Teachers Retirement System	Optional Retirement Plan
Type of plan	Defined Benefit What is a defined benefit plan? (see below)	Defined Contribution What is a defined contribution plan? (see below)
Benefit at retirement	Based on formula: 2% x years of service x avg. of 24 highest consecutive months salary	Based on account accumulations, your age, and the type of annuity you select at retirement
Vesting	10 years of creditable service	Immediate
Disability benefits	Available after 10 years creditable system service	No disability benefit
Contribution rates	Employee: 6.00% Employer: 14.27%	Employee: 6.00% Employer: 9.24%
Responsibility for management of funds & investments	Teachers Retirement System; retirement benefit is guaranteed based on formula, not on returns	Employee takes active role; retirement benefit is based on investments and returns

Defined benefit plan

A defined benefit plan is a retirement account for which your employer does all the work, including contributing on your behalf and deciding where to invest. It provides a set payout (lump sum or monthly benefit) when you retire, based on your salary and how long you worked there. Typically, a "vesting" period is required to be eligible for full retirement benefits.

Defined contribution plan

A type of retirement plan in which the employer, employee or both make contributions on a regular basis. Individual accounts are set up for participants and benefits are based on the amounts credited to these accounts (through employer contributions and, if applicable, employee contributions) plus any investment earnings on the money in the account. Only employer contributions to the account are guaranteed, not the future benefits. In defined contribution plans, future benefits fluctuate on the basis of investment earnings.

You may attend a benefits overview session, held the first and third Mondays of each month at the Training and Development Center. No registration is necessary and the programs begin at 9:00am. In the event of a scheduled holiday, the session will be held the following Tuesday.

Refer to the Benefits section on the HR Web site (www.hr.uga.edu) for complete retirement plan details. Questions? Contact Employee Benefits at (706) 542-2222 or benefits@uga.edu