

SB 330 Passed Version Summary
Effective 90 day from Passage (3/12/2011)
Author: Bruce Walker, General Counsel

12-1-12d

- Increases amount MU and WVU can invest with their foundations from \$18 million and \$25 million, respectively, to \$30 million and \$40 million, with HEPC approval.
- Removes sunset provision on investment powers.

18B-1-2

- Definitions. Put in alphabetic order.
- Defines Vice Chancellor for Human Resources. Person employed as senior director of human resources by HEPC on Jan. 1, 2011 becomes VC.

18B-1-6

- Rulemaking statute.
- Provides MU and WVU must submit rules to HEPC for review and comment and must include comments in BOG agenda. HEPC must submit comments within 30 days of receiving rule.

18B-1B-4

- HEPC powers and duties.
- Incorporates HB 4026 capital provisions from last year.
- Requires an HEPC tuition and fee rule by Oct. 1, 2011. MU and WVU subject to its provisions.
- Requires HEPC to approve or disapprove of academic degree programs within 6 months of submission. HEPC may only review and approve academic programs at MU and WVU to be offered at a new location not presently served by that institution.
- Has HEPC developing budget and allocating resources for the institutions under its jurisdiction.
- HEPC to review institutional operating budgets and approve capital budgets at institutions other than MU and WVU. HEPC may review and comment on WVU and MU budgets and comments shall be made part of BOG minutes.

18B-1B-5

- HEPC to hire VC for HR. Shall be the senior director of human resources employed on Jan. 1, 2011. Also to hire a "qualified generalist in the field of human resources" to report to VC for HR.

18B-2A-3

- Clarifies that all institutions are subject to the personnel matters in code or promulgated by rule.

18B-2A-4

- BOG powers.
- Clarifies that HEPC must approve addition or deletion of bachelor's, master's and doctoral degree programs as contained in institutional master plans, except for MU and WVU whose degree programs the HEPC may review but does not have the power to approve or disapprove.
- Requires Dept. of Administration to allow electronic personnel transactions by July 1, 2012.

18B-2A-8

- HEPC and Council to decide whether to extend certain SB 603 flex provisions to other institutions. These include:
 - Submission of electronic requisitions to certain government offices.
 - Computer donation program.
 - Applying academic restrictions in lieu of fines for traffic and vehicle violations
 - Allowing towing for unpaid tickets.
 - Reducing paperwork on obsolete equipment.
 - Taking caps off tuition and fee waivers.
- Council and HEPC to conduct study as whether purchasing flexibilities extended to MU and WVU in SB 603 should be extended to other BOG. Both to report to LOCEA by Dec. 1, 2011 as to which institutions they agreed to extend these purchasing flexibilities. Both to monitor any extension and limit or rescind such flexibilities if deemed warranted.

18B-2B-3

- Provides that Council Chancellor be compensated no more than 80% of average annual salaries of CEOs of state systems of CTCs in SREB.

18B-3-1

- Technical clean-ups.

18B-3-3

- Technical clean-ups.

18B-3-4

- Institutions of the HEPC to make improving graduation rates a priority. Assignment of specific percentage to MU and WVU to achieve is deleted.
- By July 1, 2015 each HEPC institution shall equal or exceed the undergraduate graduation rate of its peers.

18B-4-2a

- VC for HR to be hired by HEPC, with advice and consent of Council, and is to be the senior director of human resources employed on Jan. 1, 2011.
 - May not be dismissed without consent of Council
 - Master's degree in human resources or related field
 - Thorough knowledge of relevant laws
 - Oversees and monitors all issues related to the higher ed personnel system
 - Supervises necessary staff to carry out duties
 - Chairs the Job Classification and Compensation Planning and Review Committees
 - Responsible for coordinating compensation and benefits programs for all employees, including designing those programs
 - Maintain consistent human resources information systems and selecting and supervising benefits consultants, brokers, trustees and necessary legal assistants
 - Maintain the classification system
 - Ensuring that market comparison studies are done and annually doing a report on relative market equity among classes of employees
 - Analyzing and determining training needs
 - Developing training manuals
 - Planning and coordinating management inventories, appraisals, placement, counseling and training
 - Coordinating participation of all employees in training
 - Administering annual training and development needs survey
 - Conducting performance reviews of HR personnel at least every 3 years and target training in deficient areas
 - To assist VC, HEPC---with the consent of the Council---- to hire a "generalist/manager who is well qualified in the field of human resources" by Sept. 1, 2011.

18B-5-9

- Extends certain flexibilities and fiscal responsibilities extended to MU and WVU to other institutions.

18B-7-1

- Legislative purpose for the personnel changes and system.

18B-7-2

- Definitions for personnel sections.

18B-7-3

- Reductions in force.
- Internal hiring preferences.
- Same as in code now.

18B-7-4

- Allows HEPC, Council and institutions to offer supplemental health and welfare benefit plans.

18B-7-5

- Higher ed retirement plan. Same as in code now.

18B-7-6

- Each institution must have a continuing education and development program under joint rules adopted by the HEPC and Council.
- Subject to appropriation, HEPC and Council to provide additional training to all employees involved in human resources at the institutions
 - Training is mandatory.

18B-7-7

- BOGs to have rules on certain employment practices including
 - Role of part-time classified employees
 - Discouraging temporary work schedule changes
 - Considering innovative practices such as flex time.

18B-7-8

- Requires reports from HEPC and Council every 6 months on implementation of bill. First report due Dec. 1, 2011.
 - Summary of findings from human resources review conducted at each institution pursuant to 18B-7-9
 - Time-line for developing the classification and compensation system

- Staffing changes made to accomplish
- Research design to complete studies required elsewhere
- Progress towards full funding of temporary salary schedule
- Funding of salaries compared to peers, market, etc.
- Annual personnel reports to LOCEA by HEPC and Council starting Dec. 1, 2013.
Includes:
 - Progress towards full funding
 - Comparisons of salaries to peers and markets.
- HR report card to LOCEA by Dec. 1, 2012 and annually thereafter including
 - Detailed data regarding HR staff at institutions with regard to funding, cost, ratios, outsourcing, etc.
 - System metrics including detailed salary data for all classes of employees.
- Job classification system report due to LOCEA by HEPC and Council by July 1, 2014 and at least once every five years after that
 - Effectiveness of point factor methodology
 - Status of job evaluation plan.
 - HR at each institution shall provide all information requested by Council and HEPC to the chief executive whom shall then submit to the requester.

18B-7-9

- HEPC and Council to conduct an initial joint human resources review at each institution by October 1, 2011.
 - External vendor to be used for review if appropriation made.
- Review to compare actual practices against best practices
- Identify strength and deficiencies
- Identify functions that should be with HR but are incorrectly assigned elsewhere
- Extent of compliance with federal and state law relating to human resources
- Review every five years
- Institutions to be given reasonable notice prior to reviews.

18B-7-10

- Compensatory time. Same as in code now.

18B-7-11

- Non-classified employees.
- By July 2015 no more than 20% of the total of classified and non-classified employees at an institution may be non-classified. If above that the institution shall reduce to 25% by July 2013 and then 20% by July 2015.
- HEPC and Council employees counted together for purpose of percentage.

- May count as faculty administrators that have the right to return to a faculty or classified position.
- Athletic coaches excluded from calculation.
- An institution may have up to 25% if BOG votes to approve and HEPC or Council, as appropriate, approves a percentage above 25%.
- For those personnel employed by the HEPC and Council, both the HEPC and Council must approve a percentage over 20%.
- HEPC and Council to jointly establish criteria for approving or disapproving requests for a percentage over 20%.
- HEPC and Council to monitor compliance and make preliminary report to LOCEA by Sept. 1, 2013.
- Unless the Legislature passes additional language the authority to have a percentage over 20% expires July 1, 2016.
- Non-classified employee to retain salary if moved to classified to meet required percentage.

18B-7-12

- Mutual agreement required for additional duties outside of job description. In code now.

18B-7-13

- Six month probationary period for classified hires. In code now.

18B-7-14

- Catastrophic leave. In code now.

18B-7-15

- Merit increases allowed if in accordance with rules of HEPC and Council.

18B-7-16

- HEPC and Council to do studies on
 - Reductions-in-force and use of seniority in determination and influence of funding source
 - Internal hiring preferences
 - Outsourcing
 - Status of grant or contract employees.
- Reports due to LOCEA by January 1, 2012.

18B-8-1 through 6

- Statutes regarding faculty already in code regarding sabbaticals, salary policies, leaves, probationary status.

18B-9-1

- Legislative purpose for full funding of temporary classified salary schedule.

18B-9-2

- Definitions.

18B-9-3

- Temporary classified salary schedule is the present salary schedule.
- Institutions to reach full funding of temporary salary schedule when they fund it in total based on 100% of funding that would have been required to fully fund it in October 2010.
- Until full funding reached no discretionary pay increases for faculty and non-classified unless adequate progress made in full funding. "Adequate progress" for institutions under the jurisdiction of the HEPC is
 - 25% required by July 1, 2012
 - 50% by July 1, 2013
 - 75% by July 1, 2014
 - 100% by July 1, 2015.
- "Adequate progress" for Council institutions is
 - 25% by July 1, 2013
 - 50% by July 1, 2014
 - 75% by July 1, 2015
 - 100% by July 1, 2016.
- Temporary classified salary schedule.

18B-9-4

- Institution may pay above the salary schedule once full funding occurs and the HEPC or Council certifies so and the BOG has adopted a salary rule.
- Raises must be distributed equitably.

18B-9A-1

- Legislative purpose for bill.

18B-9A-2

- Definitions.

- Non-classified are those who hold a direct policy-making position at the department or organization level or reports directly to the president or CEO.

18B-9A-3

- Article 9A applies to classified employees working over 1,040 hours for nine months over the calendar year.
- Until the HEPC or Council certifies full funding of the temporary classified salary schedule an institution may not exercise any of the flexibility provisions in any area of human resources identified in this chapter of the code or HEPC or Council rule.

18B-9A-4

- Job Classification Committee to be established by joint rule of HEPC and Council.
- Rule determines method of selecting from nominations from organizations and constituent groups.
- Members approved by HEPC and Council.
- Staggered terms of 2, 3, and 4 years for initial appointments.
- Powers include
 - Modifying and deleting jobs and assigning job titles
 - Reviewing and revising job titles
 - Establishing job hierarchies and data lines
 - Classifying jobs and placing in paygrades
 - Determining when new titles needed
 - Recommending base pay enhancements
 - Recommending a procedure for job family reviews
 - Determining career ladders
 - Hearing classification appeals prior to the formal grievance process.
- Update job descriptions for all classified jobs by July 1, 2012.
- Council and HEPC to develop a Position Information Questionnaire.

18B-9A-5

- Compensation Planning and Review Committee established by rule same as Job Classification Committee. Members approved by the HEPC and Council.
- Duties include
 - Recommendations for revisions in compensation plan
 - Overseeing 5 year market salary study
 - Overseeing internal market review
 - Discuss benchmark jobs.

18B-9A-6

- Salary structure and salary schedule.
- HEPC and Council to develop a market salary structure and annual minimum salary schedule.
- Market salary structure shall
 - Set forth number of paygrades and steps
 - Include a midpoint value for each paygrade based on average salaries
 - Include minimum and maximum step values
 - Ensure that the average salary of each class of employees meets “relative market equity” among employee classes. “Relative market equity”, from the definition in 18B-7-2, means the relative market status of each employee classification at an institution falls within 5% of all other employee classifications at the institution within the preceding three-year period.
- External vendor shall do market salary study every 5 years.
- HEPC and Council may perform an annual review of market salary data and adjust the salary structure.
- HEPC and Council may annually approve a minimum salary schedule below which no employee may be paid for their step and paygrade.
- Minimum salary floor established by applying percentage HEPC and Council promulgate in rule to the minimum salary schedule.
- The required rule may provide for differential pay based on different shifts.

1B-9A-7

- Joint legislative rule to implement act to be promulgated by HEPC and Council by Nov. 1, 2011. Emergency rule authorized and to be filed with LOCEA by same date.
- Rule to provide procedure for correcting institutional deficiencies identified in institutional HR reviews by Council and HEPC. Procedure shall include
 - BOG to correct major deficiencies within four months
 - Council or HEPC applying sanctions when major deficiencies not corrected by
 - Placing formal reprimand into personnel file of each administrator responsible
 - Other sanctions may include banning new hires or salary increases for key administrators.
- Rule also to provide
 - For moving classified employees through the classification system based on performance and other objective, measurable factors
 - Achieving and maintaining appropriate levels of employee dispersion across steps
 - Assigning each current employee to an initial step in his paygrade closest to and exceeding his present salary.

- o Establishing a job worth hierarchy
 - o Establish objective standard for determining whether job description is up to date
 - o Providing for position reviews when requested by employee
 - o Position review may not exceed 45 days. Backpay awarded from time of request if reclassification made and was made untimely.
 - o Appeals procedure regarding classification required.
 - o Implementing a consistent performance evaluation tool and mandating training in conducting performance reviews.
- BOGs must promulgate rules to implement the Council and HEPC rule within 6 months of the emergency rule of Council and HEPC. HEPC and Council to provide a model rule for institutions to adopt.
 - BOGs must consult with affected employee class before adopting a rule.
 - If institution rule not adopted then flexibility provisions in the HEPC and Council rule revoked until adopted.
 - Chancellors must review and approve or disapprove BOG rules required by Act.

18B-9A-8

- Directions on how to implement.
- Communicate with employees regarding system and guiding principles.
- Seek credentialed, experienced human resource professionals to staff HEPC and Council.
- Conduct training of human resource individuals.
- HEPC and Council to conduct study regarding the necessity for a human resources information system.

18B-10-1

- All BOGs can have tuition and fee increases on residents of up to 5% without HEPC or Council approval.
- Council and HEPC to both have tuition and fee rules by Oct. 1, 2011.
- All tuition and fee caps deleted.
- Fees adopted for Title IX athletic compliance are exempt from these approval provisions for three years from effective date of the bill.