Northern Illinois University
Supportive Professional Staff Council Meeting
MINUTES
Approved
Thursday, May 19, 2011
Sky Room, HSC, 10:00 A. M.

Present
Pat Anderson, Nancy Apperson, Karinne Bredberg, Kay Chapman, Walter Czerniak, Cindy Ditzler, Bev Espe, Deborah Fransen, Dena Funkhouser, Dana Gautcher, Deborah Haliczer, Anne Hardy, Liz Harris, Ryan Harris, Gail Hayenga, Julia Lamb, Laura Lundelius, Jenifer Montag, Salvatore Morreale, Jonathon Ostenburg, Lyndon Perkins, Scott Peska, Dawn Roznowski, Kathy Smith, Mike Stang, Rachel Xidis, Phil Young

Guests
Terry Borg, Steve Cunningham, Sabrina Hammond, Jack King, Jay Monteiro, Katy Whitelaw

Absent
Frankie Benson, Neil Dickey

I. Call to Order
The meeting was called to order by Supportive Professional Staff Council Vice President Scott Peska.

The following addition was made to the agenda: Announcements, added item d) Campus Security Act update. Gautcher made the motion, seconded by Anderson to approve the agenda as amended. Motion passed unanimously.

Anderson made the motion, seconded by Morreale to approve the SPSC minutes from the April 14, 2011 meeting with minor edits. Motion passed unanimously. Attendance was taken and a quorum was confirmed.

II. Announcements:

a) Peska relayed the request of Council Secretary Donna Smith for SPSC materials for the Archive, including any photos of SPSC events.

b) Haliczer briefly discussed relevant changes in the State health insurance, including dropping several HMO plans, the extension of Benefits Choice until June 17. Over 1200 employees are affected and will need to change plans, and many more retirees are also affected.

c) Peska briefly discussed changes in the composition of the Judicial Board, but Council members were not seriously concerned and felt our numbers will not be diminished.

d) Haliczer related that changes in NIU’s compliance with the Campus Security Act have resulted in the fact that all employees, and many student and graduate student
employees will need to comply with a background security check as a condition for employment.

III. **Guest Speaker:** Steve Cunningham, Vice President for Human Resources and Compliance came to speak about pension issues. He will be testifying on various pension bills, including SB 512. This bill is of great concern to the NIU community. Information is posted on the NIU Budget and Pension Web site. The critical fiscal situation in the state will put pressure on the expense side and is leading to a good deal of pressure on the pension protection clause. The bill, sponsored by the Republican Caucus, and the Civic Commission of the Commercial Club of Chicago would require all current employees to make a choice, by July 2012 among three options: 1. Continue participating in the current Tier One plan, but pay a higher fee (increase from an 8% employee contribution to 15.3% of salary); 2. Enroll in Tier Two benefits (the plan new employees have enrolled in since January 1, 2011, for which employees would pay 6% of their salary, but which provides a much reduced benefit; or 3. Enroll in the SURS Self-Managed / 401K type plan. (7.5% with a 7.6% State match.) Another feature of this proposed change is that every three years, employee contribution rates can be reevaluated by actuarial calculations. These proposed changes will force a migration of many employees from Tier One, moving them to a defined contribution rather than a defined benefit plan. If many employees make this change, it will further take funds from the stream of revenue to fund pensions of current retirees. This is seen as a negative move for employees, unconstitutional, may get more funds into the pension fund in the short run, but in the end, as incentives move more members out of defined benefit plans will ultimately lead to severe reductions in pension funds and trigger even greater unfunded liability. The only consistent funding stream has been employee contributions, so liabilities will escalate rapidly if new contributions slow or stop, and SURS will be forced to divest assets. There is a great deal of political momentum to make such changes in the pension system. It is anticipated that there will be major attempts to pass major pension legislation this term. It will be vital to address funding for retirement benefits in the pension system, or such attacks will intensify. The group working on pension issues includes universities, community colleges, labor, the annuitants association and other members, who are attempting to engage in constructive dialogue with lawmakers.

There has been a great deal of dialogue about the constitutional protections for pensions, but there are many challenges. Other measures may be on ballots, such as a House Joint Resolution that would require a 3/5 majority of both houses for a statue that would increase pension obligations. Once the General Assembly leaves without acting it will be too late to place this on the ballot in 2012, but they can still amend their rules. Many issues are being debated, such as making universities and community colleges the employer, rather than the state, and this could allow those institutions to make regular payments, but this would entail 24-26% of payroll for pensions alone. There is a major opposition from school districts to make this change. If the bill passes that requires employee choice of pension options, it will not matter how close an employee is to retirement. All will need to make a choice. Another major issue facing the University is the release of the Mercer report on retiree health benefits, which began by attempting to index retiree premiums on household income. Proposals indicate that retiree health costs would decrease when they became eligible for Medicare, but around the State, over 20,000 SURS retirees do not have access to Medicare, so the state health insurance is their
only option. Speaker Madigan believes that retirees should pay more for their health insurance. But under contract law, this too can be challenged, even though it appears to be less protected than pensions.

SURS has announced that the money purchase annuity tables will be revised. SURS has had a consistent 8% rate of return, but mortality rates have declined as people are living longer, and assets are decreasing. Dr. Cunningham and his colleagues have asked that SURS put off the new actuarial tables until July 1, 2012 rather than January 1 so that employees will have more time to prepare for retirement, so that SURS will have more time to meet demand for retirement counseling, and so that universities and colleges will not lose significant numbers of faculty in mid-year. At the present, statewide, retirement applications are up by 50%. Cunningham was asked how many employees retire and return to work. He responded that most people who retire and return come back for a short term to assist their departments, to teach a class or perform a temporary service. While some have argued against “double-dipping”, he argued that a person’s retirement income has already been earned and would be paid anyway. While they draw a pension income, it does not come from university funds, and the salary they earn is for work being performed. University policy is to be conservative due to public concerns. Employees who return to work after retirement have earnings limitations. One can see this practice as a way to retain valued workers, while paying less for their work. Perkins, on behalf of the Workplace Issues Committee, raised concern about possible abuses of this practice, though not about using retired staff to fill gaps and needs. It is seen by many as limiting upward mobility and preventing new hires and internal promotions. Cunningham responded that President Peters is aware of concerns and that each situation is evaluated on a case by case basis. Most such arrangements occur during reorganization and succession planning. Smith asked who monitors “returnees’ earning limits. Cunningham responded that SURS provides retirees information about their earnings limitations, and monitors earnings. Some bills are pending that would place a hold on employment earnings by retirees who return to work, suspending their pension income while they are working. Perkins inquired about the number of retirees who have returned to work. Cunningham said that no more than 20 individuals are doing this, aside from retired faculty who may return to teach a class. Ostenburg inquired about the use of extra help positions. Cunningham responded that some return for short-term, time-limited appointments. Council members commented that some people seem to have recurring arrangements. Another comment was that retiree rehire seems to be largely a practice that favors high profile males. Cunningham did not have gender figures.

Peska mentioned the SPS proposal regarding temporary SPS. Cunningham stated that we need to tack account of this situation and look toward doing something on issues such as vacation carryover, notice of non-renewal for temporary SPS. We have been distracted by other benefits issues but will continue to address the situation of temporary SPS. A situation that leads to more hiring of temporary SPs is that of increased university reliance on soft funding, with more and more temporary faculty and SPS hired to work on grants, or to meet demand for courses. This situation will not be changing in this climate, but he believes there are things we can do to assist our temporary SPS. There has been a small increase in temporary SPS but it has not been major, and has mostly been in areas with soft funding.

Cunningham was asked about SPS evaluations and said that he has heard from Todd Latham about results from the SPS survey and is aware of continuing concerns about evaluations. HR
has set up a system to track and monitor evaluations, and we have had some situations where the same supervisors consistently fail to do them. He said that Celeste Latham and Deborah Haliczer will work with supervisors who fail to do evaluations. If anyone has situations that are of concern, he asked them to contact HR and we will diplomatically work with the situations. Haliczer will be compiling examples of evaluation forms and we plan to post them. At present HR allows departments to devise their own evaluation forms. HR will also be developing a system to track evaluations that are required by the Constitution and Bylaws to be done every four or five years. Cunningham also addressed questions on pressure to move SPS positions to civil service. He concurred that this is a topic of discussion around the State, and an area of concern to the State Universities Civil Service System, which is monitoring practices in exempting positions. Recent developments at UIC have led to major efforts to examine university practices, and more closely monitor exempting employees from civil service position, which led to complaints from unions. Universities could lose their authority to exempt positions based on titles, and have to send each new SPS hire to the State Universities Civil Service System for approval. The SUCSS has been modernizing positions and job titles, but at UIC, they were obliged to move certain AP (equivalent to SPS) positions back to civil service. Peska thanked Dr. Cunningham for speaking with the Council.

IV. Committees of the Council
A. Awards. Gautcher reported that the April 19 awards reception had good attendance. Four SPS received the Presidential Award for Excellence (Kate Braser, Abby Chemers, Patti Sievert, Dan Nichols; Todd Latham received the SPS Council Service Award. Twenty-five SPS received Certificates of Recognition. Gautcher acknowledged the excellent work done by Barb Rice of Human Resources in organizing the event.

B. Communication. Xidis reported that all award recipient names are now posted on the SPSC Web site, as well as the materials provided by Jim Lockard at his recent visit to SPSC.

C. Constitution. Stang and Peska reported that elections have been completed and notices will be sent out by Latham. The committee will work with Xidis on posting all members’ names on the SPSC site. Peska and Stang will be sending information on university committees that need members appointed. Council elections results are as follows:

**Division 1-**
Rep- Dana Gautcher, 2-year term
Alt- Julia Spears, 2-year term
Rep- Donna Smith, 1-year term
Alt- Debra Miller, 1-year term

**Division 2-**
Rep- Holly Holliday-Jones, 2-year term
Alt- Missy Gillis, 2-year term
Alt- Angela Dressen, 2-year term
Alt- Michael Kavulic, 1-year term

**Division 3-**
Rep- Samantha Fisher, 2-year term  
Alt- Anne Petty-Johnson, 2-year term  
Alt- Neil Dickey, 1-year term  

**Division 4**  
Rep- Gail Hayenga, 2-year term  
Alt- Liz Harris, 2-year term  
Rep- Steve Builta, 2-year term  
Alt- Lametra Curry, 2-year term  
Rep- Tris Ottolino, 2-year term  
Alt- Marcella R. Zipp, 2-year term  

**Division 5**  
Rep- Deborah Haliczer, 2-year term  
Alt- Kay Chapman, 2-year term  
Rep- Kathy Smith, 2-year term  
Alt- Janet Love-Moore, 2-year term  
Rep- Brian Walk, 2-year term  
Alt- Fred Williams, 2-year term  
Rep- Jonathon Ostenburg, 2-year term  
Alt- Roselyn Snell, 2-year term  
Alt- Lesley Gilbert, 1-year term  

**Division 6**  
Rep- Open Seat  
Alt- Open Seat  

D. Events. No report.  

E. Finance. Funkhouser reported that she has spoken with Controller Keith Jackson regarding a proposal for cash handling for SPSC events. The fee for management looks high, and we need more discussion on how we can use general revenue funds. **Peska moved the discussion of Merchant Processing from New Business to the Finance Committee discussion.** Hayenga discussed ways to get payment for events. It was determined that using I Modules through the Foundation is not an appropriate use. The problem is if people make a reservation, then fail to come to the event, and the Council is still obligated to pay for each reservation whether they come or not. Hayenga is speaking with Nyoka Polyak and Tammie Farley about how to become a “merchant” for purchasing services. There is a $495 one-time cost to set up a merchant number to use to register people for events and collect fees with credit card payments. Hayenga and Funkhouser and Latham will discuss this with Keith Jackson and hope to resolve some mechanism before fall events. The goal is to get money up front, since should not be taking credit card numbers or cash. **The Council determined that we would table action until the June meeting. Motion made by Gautcher and seconded by Hardy.** It was hoped that we could use this year’s budget to pay this fee. We currently have a balance of approximately $800. Ostenburg commented that we need to recognize that we cannot eliminate the use of cash by walk-in participants, and need to
create a recognized policy for cancellations and time frames. Peska agreed that the Council needs to create new policies. **Motion passed unanimously.**

F. Legislative. Latham was contacted by the UIC AP staff president who asked if we would send out information on pension matters and suggestions for action. Latham sent out a mailing to all SPS on the listserv, after clarification by Cunningham on ethics rules. Pensions remain the major area of concern. Members were urged to keep current with the Budget and Pensions Web site.

G. Technology Resources. Main activity has been in the area of elections.

H. Vice President. Peska passed around information on increases in parking fees meant to provide for the cost of maintenance.

I. Workplace Issues. Most issues were covered during Dr. Cunningham’s visit.

V. Old Business

A. Survey. Perkins started discussion of the SPS Survey and asked for thoughts and feedback. He commented that there was not much change from results of the last survey. One of the issues that emerged from the survey was concern over the “retire and rehire” issue. Czerniak raised the point that over the past two years, the situation of temporary SPS has emerged as a serious issue, a real problem that is something we must not let go. He feels it must be moved forward. He recommended that information on the survey be disseminated, and Ostenburg stated that the Survey Ad-hoc committee should write an article for an upcoming SPSC newsletter. It was also suggested that the committee create a short Executive Summary for the SPS website. It was also suggested that Latham write a summary of the changes in the grievance procedure. It was recommended that the resource list on the website be updated, and Haliczer was asked to make changes to this. Haliczer will be working on making changes to the current APPM document, “Personnel Policies and Procedures for Supportive Professional Staff.”

B. Grievance Procedure status. Peska related that Article 11 was passed by the University Council. The Council acknowledged Latham, Haliczer, Griffin, Spires and Perkins for their work on this project.

C. Ad-hoc PR Committee. No report.

D. SPS Reward and Recognition System was submitted to the Sustainability Committee. It was reviewed, but there was no discussion. Latham will follow up on this issue.

E. Temporary SPs Data was received and sent to committee.

VI. New Business

A. Sabbaticals Ad-hoc committee. Stang reported that a sabbaticals information workshop will be held in June to help interested employees apply by the fall deadline. The workshop will
be promoted through the SPS listserv, with informational materials and application forms posted on the SPSC website.

B. Merchant Processing. Discussed above.

VI. University Committee Reports. To be posted by e-mail.

VII. Adjournment. Lamb moved to adjourn, seconded by Ostenburg. **Motion passed by acclamation.** Meeting adjourned at noon.

Minutes respectfully submitted by Deborah Haliczer for Donna Smith, SPSC Secretary.