

North Carolina State University Staff Senate
Wednesday, June 4, 2014
Senate Chamber – Talley Student Union

Present: Miriam Hines, Elizabeth Russell, Patty Spears, Edward Brown, Maria Moreno, Sharmeen Nokes, Joshua Gira, Rosalie Tisa, Joanie Aitken, Matthew High, Dustin Wheeler, Brenda Asbury, Lee Ann Clark, Joe Sutton, Tenille Naumann, Janice Coats, Chris Terwilliger, Robert Davis, Lossie Rooney, Cathi Phillips, Anna Lamm, Melissa Simpson, Wyona Goodwin, Hilary Kinlaw, Jim Stewart, Tom Karches, Brenda Wilson, BJ Okleshen, Sherry Lynn, Peggy Elliott, Barbara Carroll – ex-officio, Corrinna Watkins – ex-officio

Absent: Brandon Moore, Kathy Dick, Audrey Hendriks, Molly Bradshaw, Amanda Holbrook, Christine Epps, Amy Kunkle, James Jeuck, David Kelly, Kim Paylor, Brian O’Sullivan, Anita Keith Maurice Alcorn, Nicole Burgos, Carl Dudley, Liz Moore, Charles Craig, Steve Bostian, Wall Crumpler, Carol Reilly, Joy Smith, Sandy Gove, Erica Wisecup, Roger Sims, Randall Reh fuss, Martha Barrick, Clifton Williams, Kerri Rayburn

Chair Ryan Hancock called the 12th Meeting of the 19th session to order.

Guest Speaker: Rosa Gill is a member of the North Carolina House of Representatives, representing District 33, which encompasses the area of NC State University west of Hillsborough Street. She was first appointed to the chamber on June 18, 2009. Representative Gill earned her B.S. in Mathematics from Shaw University. At the beginning of the 2013 legislative session, Gill served on the following committees: Appropriations, Education, Government, Public Utilities, State Personnel, and Transportation. Representative Gill updated the Staff Senate on legislative issues and answered questions from Staff. Members of the Staff Senate are grateful for her service. Information on introduced bills can be viewed on The North Carolina General Assembly website: <http://www.ncga.state.nc.us/gascripts/members/viewMember.pl?sChamber=H&nUserID=597>

Roll Call:

A roll called was performed by Nancy Phillips to ensure accuracy and quorum.

Approval of the Staff Senate Minutes of May 7, 2014:

Minutes were approved as written.

Administrative Updates. Barbara Carroll, Associate Vice Chancellor for Human Resources:

Barbara Carroll reported that they have filled the Director of Employee Relations position and thanked Ryan Hancock for his contribution in the interviewing process. Barbara shared that she will be sending an announcement today or tomorrow with all the details.

Corrinna Watkins, Budget Update:

Corrinna reported a balance of \$2490.30.

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Committee Reports:

Chair:

Ryan announced that he brought two resolutions forward at the UNC Staff Assembly. One resolution was to request that the benefit of a third tuition waiver be returned to University employees, the second resolution was to request a salary increase. Ryan shared that whether the resolutions had weight with UNC Leadership or the Legislature, it was important as a leader of not just NC State Staff, but all 31,000 UNC employees to openly share the requests. If nothing else, it improves morale for all staff when we have staff leadership who are actively working and voicing their concerns on behalf of staff. Ryan had both resolutions available for Senators to read.

Resolution on Return of the Third Tuition Waiver

WHEREAS, the mission of the Staff Assembly is to constructively address the concerns of University of North Carolina employees, including the presentation of those staff concerns to the President and the General Administration; and

WHEREAS, those concerns include the receipt of benefits; and

WHEREAS, the well-being of University employees is of utmost importance for the success and flourishing of the University; and

WHEREAS, the well-being of employees is not limited to physical health, and therefore includes benefits aimed at educational opportunities and securing the financial well-being of individual employees; and

WHEREAS, such a benefit for University employees would play an important role in the recruitment and retention of high quality employees, and

WHEREAS, the State Office of Human Resources emphasizes that while cash compensation is often the centerpiece of most rewards packages, rewards for employees go far beyond their salaries (1); and

WHEREAS, the State of North Carolina has historically offered three tuition waivers to permanent, 0.75 FTE and greater, employees of the University system; therefore

BE IT RESOLVED, the UNC Staff Assembly respectfully requests that President Ross and the General Administration convey to the State Legislature to return the benefit of a third tuition waiver to University employees; and

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BE IT FURTHER RESOLVED, the UNC Staff Assembly strongly recommends to President Ross and his administration to support and convey this resolution to the Board of Governors and the North Carolina Legislature.

Reference (1). Office of State Human Resources website,
<http://www.oshr.nc.gov/Guide/CompWebSite/rewards.htm>

Resolution of the Staff Assembly of the University of North Carolina

WHEREAS, the mission of the Staff Assembly is to constructively address the concerns of University of North Carolina employees, including the presentation of those staff concerns to the President and the General Administration; and

WHEREAS, those concerns include affirmation to recruit and retain a competent workforce, it is necessary to maintain labor market competitiveness – and to do so appropriate salary increases are imperative for staff employees; and

WHEREAS, the UNC Staff Assembly has declared by resolution in 2008, by letter in 2009 and 2012, and again by resolution in 2013(1), its unequivocal request for addressing concerns about the state of wages at the University; and

WHEREAS, according to the State of North Carolina 2013 Compensation & Benefits Report, annual salary increases for state employees have trailed average market increases by 7.65% since 2006 (2); and

WHEREAS, the State of North Carolina 2013 Compensation & Benefits Report indicates that the cost-of-living portion of the legislative increases from 2002 to 2012 trails the Consumer Price Index-Urban (CPI-U) percentages for the same period. This differential reflects that compensation for state employees has historically not kept pace with the Consumer Price Index (CPI). Even when factoring in above-market increases in 2006 & 2007, salary increases in state government have still cumulatively trailed the CPI by 7.6%, effectively decreasing employee “buying power”(3); and

WHEREAS, not only have state employees lost ground to the cost of living, the Office of State Human Resources reports that state employees have not received any career growth increases since 2001(4); therefore

BE IT RESOLVED, the UNC Staff Assembly respectfully requests that President Ross and the General Administration convey to the North Carolina Legislature the critical need of a cost-of-living increase for University employees; and

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BE IT FURTHER RESOLVED, the UNC Staff Assembly respectfully requests that University employees receive a 3% percent salary increase or \$1500 (whichever is greater); and

BE IT FURTHER RESOLVED, the UNC Staff Assembly strongly recommends to President Ross and his administration to support and convey this resolution to the Board of Governors and the North Carolina Legislature.

References:

1. UNC Staff Assembly Documents,
<http://old.northcarolina.edu/staffassembly/docs/index.htm>
2. State of North Carolina 2013 Compensation & Benefits Report, Page 5
3. State of North Carolina 2013 Compensation & Benefits Report, Page 6
4. Office of State Human Resources website,
<http://www.oshr.nc.gov/Guide/CompWebSite/Legislative%20Increase%20History.pdf>

Ryan attended University Day at the State Legislature as the UNC-SA HR, Diversity & Benefits Chair, with the UNC Staff Assembly Chair on June 3, 2014. Ryan received fiscal updates and legislative/budget updates from several House Representatives and Governor McCrory. Some notes from the University Day meeting include:

Mr. Barry Boardman, PhD

Dr. Barry Boardman is the chief economist with the Fiscal Research Division of the North Carolina General Assembly. In this role, Dr. Boardman is responsible for tracking monthly revenue collections; monitoring economic conditions; and assisting in the budget process by producing annual and biannual forecasts of the State's General Fund revenues. He also assists with fiscal impact analysis on proposed changes to the State's tax code. Before joining the North Carolina legislature in 2006, he worked for seven years as an economist for Kentucky's legislature. He earned a PhD in economics from the University of Kentucky.

- As of April 2014, the State of NC budget is \$169.6 million below the \$17.4 billion in budgeted revenue
- Income tax growth is down 2.7% (2014)
- Income withholding is down 2.1% (2014)
- Sales tax collectibles is up 5.9% (2014)
- The revised forecast consensus is that the final 2013-14 budget shortfall will be \$445.4m and the projected budget shortfall for 2014-15 is \$191m
 - There has been slower than expected growth in salaries and wages
 - The timing of the implementation of tax law adjustments
 - Underestimated the impact of the 2012 fiscal cliff drop-off

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- There continues to be uncertainty on how the tax law changes will affect the upcoming budget(s)

Charlie Perusse

Charlie Perusse is the Chief Operating Officer for the University of North Carolina, addressing the internal and campus-focused administrative operations of the University System. He reports to President Tom Ross and works collaboratively with the UNC Board of Governors, key executives within NC State Government, UNC-General Administration staff, and Chief Financial Officers from the unique seventeen campuses of the University of North Carolina to accomplish strategic financial and operational priorities.

- It will take approximately two to three years to gain certainty on the impact of the tax law changes
- There are significant differences in the Governor's and Senate's budget
- North Carolina is on a "sound footing" economically
 - Unemployment rate is going in the right direction; 4-5% growth expected
 - Construction is on a positive trend and therefore driving sales tax growth
 - Manufacturing is gaining momentum. The number of hours employees are working currently averages 41 hours per week. During the recession, this average was 32 hours per week

Representative Tim Moore

Representative Tim Moore is an attorney representing Cleveland County. This session is his sixth term in the House. Representative Moore is recognized by his colleagues as possibly being the next Speaker of the House and is a former UNC Board of Governors member. He currently serves as chair of the House Rules, UNC Board of Governors Nominating, and Elections Committees.

- Expects to have a budget before July 4th
- The legislature should not put policy initiatives in a budget (re: Senate Budget)

Representative Bill Brawley

Representative Bill Brawley is a commercial real estate broker in his second term in the House and represents Mecklenburg County. Representative Brawley serves as chair of multiple committees: Regulatory Reform Subcommittee on Local Government, Transportation and Finance. He is vice chairman on Commerce and Job Development and serves as a member on Commerce and Job Development, Environment, Public Utilities and Energy, and Regulatory Reform. Representative

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Brawley currently has 2 children in the UNC System - an undergrad student at Western Carolina and University, and a graduate student at Appalachian State University.

- Partnerships are important with the University for business/economic development
- Each institution needs to tell a story on why they need the money to show the value

Representative Tom Murray

Representative Tom Murray is a pharmacist and attorney in his second term in the House and represents a district in Wake County that covers portions of Apex, Morrisville and Cary. Representative Murray serves as chair of multiple committees: Commerce and Job Development, Appropriations Subcommittee on Natural and Economic Resources and Regulatory Reform Subcommittee on Business and Labor. He serves as vice chair on Appropriations and Regulatory Reform.

- The University is the "crown jewel" in economic development initiatives
- The State needs to expand the number of engineers per capita to capitalize on research and innovation; the percentage of engineers is an economic development quotient

Governor Pat McCrory

- Serious challenges in North Carolina
- 30% of the budget is going to Medicaid and pensions
- A \$57 million hit to our budget will be announced today (6/3/2014) regarding Medicaid
- "We have a problem with wages in North Carolina."
- University is a major part of economic development and selling the University is crucial
- UNC System is important to the brand of North Carolina
- "I have serious issues with the Senate Budget."
- "I will not accept 6,000 TA (teaching assistant) layoffs."
- Governor's Budget plan:
 - Raises \$35,000 for textbooks
 - \$1000 compensation increase for all employees - the figure includes benefits
 - Funds Department of Health and Human Services
 - Provides scholarships to veterans
 - Pilot program for internships at historically black colleges (HCBUs)
 - Does not financially impact ECU and UNC Hospitals
 - Provides repair and renovation money

Vice Chair:

No report.

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Governance:

Patty will send the Governance Committee members a copy of the latest Procedure Manual (the starting point). Each Committee member will create a prioritized list of areas within the PM that need to be addressed. During the revision of the Bylaws several very important sections were revised and need to be further explained in the PM. Jim suggested that the committee should send the current PM to the entire Senate after the Retreat. We will gather input from all members regarding clarifications in the PM that they think are important. Having input ahead of time will help define what will be needed and maybe in prioritizing which section(s) should be looked at first.

Ryan Hancock stated that Barbara Carroll returned the Bylaws with some minor administrative changes. Ryan, Patty and Liz will meet on June 11th to discuss the changes and determine that they are only administrative.

Human Resources:

Joanie Aitken reported on Wednesday, June 18th there will be a webinar from noon to 1pm on the Five Pillars of Personal Finance.

Diversity:

No report.

Public Relations:

No report.

Resources & Environment:

No report.

Elections:

Janice Coates reported the Elections Committee held officer elections. Wyona Goodwin was elected Chair Elect for 2014-2015 and Christine Epps was elected as Vice Chair. The Parliamentarian position is currently unfilled for 2014-2015.

Old Senate Business:

None.

New Senate Business:

Elections of Officers were held.

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Announcements and Closing Remarks:

Ryan announced an ice cream social will be in the courtyard and encourage all to join!

Adjournment:

The meeting was adjourned at 12:00 p.m.

Respectfully submitted by Nancy Phillips, Staff Senate Administrative Assistant