

MEMORANDUM

To Board of Regents
From: Board Office
Subject: Annual Governance Report on Operation of the Regent Merit System for Fiscal Year 2002
Date: October 7, 2002

Recommended Action: Receive the governance report on the operation of the Regent Merit System for FY 2002.

Executive Summary:

Statutory Purpose

- The Board receives this annual report on the Regent Merit System (RMS) pursuant to its governance responsibilities established in Iowa Code §19A.3.
- The RMS provides employment rules and practices for nonprofessional employees categorized as supervisory, blue collar, security, technical, and clerical staff.

Demographics

- There were approximately 8,000 employees in approximately 300 titles in the RMS.
- Two-thirds of the RMS employees were female; 6.6% were minority.

Salaries

- The average salary was \$29,464.
- Base salaries increased 3% and step increases averaged 1%.
- About 50% of the RMS staff were on step 10 of the salary scales.

Classification, Promotion, and Turnover

- There were 250 reclassification requests; 171 new positions classified; and 9 classification appeals heard by an independent panel.
- Promotions by gender and minority status mirrored approximately their proportions in the RMS population.
- The turnover rate in the RMS was approximately 11%.

Link to Strategic Plan:

- Key Result Area 3.0.0.0 addresses diversity and ensures equal opportunities in employment.
 - Strategy 3.1.2.0 requires the development and review of governance processes and reports for impact on equal opportunity.
 - Action Step 3.1.2.3 requires that information on diversity be provided with all relevant governance reports.
 - Action Step 3.1.2.4 requires the analysis of completed governance reports for their diversity implications.
 - This report identifies the percent of minority employees in the RMS and the percent of female employees. Part of the information used in developing this governance report is further refined in the diversity report on employment provided to the Board in the December-January timeframe.
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Background:

Authority and Purpose

- The Regent Merit System (RMS) is authorized pursuant to Iowa Code §19A.3.
- The RMS provides employment rules and practices for nonprofessional employees categorized as supervisory, blue collar, security, technical, and clerical staff.
- The Iowa Administrative Code 681-3 codifies the rules and practices of the RMS.

Number of Employees

- There were 8,087 employees (headcount) in the RMS.

Classifications and Pay Grades

- There are 295 job classifications in the RMS.
- All RMS job classifications are assigned to one of five pay matrices based on the category of employment (supervisory, blue collar, security, technical, and clerical).
- A job classification is further assigned to a pay grade within the pay matrix based upon the point-count of the classification when analyzed pursuant to the comparable worth job evaluation instrument.
- There are ten pay grades in all but the supervisory matrix, which has 18 pay grades.
- Employees receive mandatory step increases within the pay grade for years of service/experience to a maximum of step 10.

Bargaining Unit Representation

- The American Federation of State, County, and Municipal Employees (AFSCME) represents unionized employees in the RMS.
- AFSCME negotiates with the State for salaries and benefits for RMS staff pursuant to Iowa Code Chapter 20.
- The Board establishes salaries and benefits for non-represented (essentially supervisory exempt and confidential) RMS staff consistent with State salary policy.

Classification Reviews and Appeals

- The rules of the RMS provide for employees to request review of the assignment of their classification to a pay grade when they believe the assignments are inaccurate.
- Classification reviews are conducted at the departmental and institutional levels with a recommendation made at each level. The review process concludes with the decision of the Merit System Director in the Board Office.
- Employees dissatisfied with the decision of the Merit System Director may appeal to a three-member committee. The committee is chaired by an individual not employed by the Regent institutions and who is well versed in position classification.

Analysis:

Demographics

- There were 8,087 employees (headcount) in the RMS, 234 (3%) fewer than in FY 2001.
- In the last decade, a record number of 8,658 RMS employees was reported in 1991.
- Two-thirds of RMS employees were female.
- Minority employment increased from 6.2% in FY 2001 to 6.6% in FY 2002.

Salaries

- The State's collective bargaining agreement with AFSCME provided salary increases of 3% on the base salary plus a step increase averaging 1%.
- The average RMS employee salary increased 4% to \$29,464.
- The Board provided a similar increase for those RMS staff exempt from collective bargaining because of supervisory duties or the confidential nature of their work.

- The American Federation of State, County, and Municipal Employees (AFSCME) represents 88% of the RMS employees.
- The RMS staff is approximately 40% of the statewide AFSCME unit.
- About half of the RMS staff were at the top of their pay scales and did not receive a step increase.

Promotions

- Of the 211 promotions, 4 were granted to minority males and 10 to minority females. Hence, minorities, who constitute 6.6% of the RMS employees, received 7% of the promotions.
- Of the 211 promotions, 66 were granted to males and 139 to females. Hence, females, who constitute approximately 67% of the RMS employees, received 66% of the promotions.

Classification Reviews and Appeals

- There were 250 employees who requested review of their RMS classifications. The reviews resulted in no change for 34 employees; a change in classification but no pay grade change for 28; a change in classification and movement to a higher pay grade for 165; and a change in classification and movement to a lower pay grade for 23.
- The institutions requested classification assignments for 171 new positions.
- Eleven employees appealed the results of their classification reviews to an outside panel. The appeals resulted in the decision of the Merit System Director being sustained 8 times, reversed once, and two were withdrawn.

Performance Indicator Charts:

This report relates to the Regent Merit System component for Performance Indicator #41.

The Annual Report – Regent Merit System/Fiscal Year 2002 is in the Regent Exhibit Book.



Marcia R. Brunson

Approved: 

Gregory S. Nichols