

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Annual Governance Report on Operations of the Regent Merit System
in Fiscal Year 2000
Date: October 9, 2000

Recommended Actions:

1. Receive the governance report on the operations of the Regent Merit System in fiscal year 2000.
2. Approve revisions to the Regent Merit System Classification Plan as follows:

New Classifications:	Chilled Water Systems Technician Document Center Operator I Document Center Operator II
Delete Classifications:	Copy Center Operator Compositor

Executive Summary:

The Regent Merit System is established under authority of Iowa Code §19A.3. It includes nonprofessional supervisory, blue collar, security, technical, and clerical employees of the Board. In fiscal year 2000, there were 8,328 (head count) permanent and probationary employees in the Regent Merit System, an increase of 113 employees over the previous year-end total. Two-thirds of the covered employees are female. Minority employment has increased slightly from 5.7% to 5.9% of the total.

The average Regent Merit System employee salary for fiscal year 2000 was \$27,528 excluding fringe benefits. Base salaries were increased by 3% on July 1, 1999 and by 2.6% on July 1, 2000.

The fiscal year 2001 total budgeted expenditure for salaries and fringe benefits for employees in the Regent Merit System is \$283.7 million from all funds. The general fund portion, excluding University of Iowa Hospitals and Clinics, is budgeted at \$68.2 million.

Approval is requested for three new classifications and the deletion of two classifications. The first classification proposed is the Chilled Water System Technician in pay grade 213 (\$28,454 - \$38,126). This classification would differentiate the work performed in the chilled water plant at the University of Iowa from that performed at the power plant. The other two new classifications are Document Center Operator I (pay grade 206 \$20,883-\$27,518) and Document Center Operator II (pay grade 208 \$22,942-\$30,389). These classifications recognize the changes in technology affecting the printing and copying areas. The two classifications to be deleted are Copy Center Operator and Compositor. Since the classifications are in AFSCME bargaining units, union concurrence will have to be received before they can be implemented.

Background and Analysis:

Over the past ten years, merit system employment has ranged from a high of 8,798 in 1990 to a low of 8,207 in 1998.

The merit system pay plan contains five matrices (supervisory, blue collar, security, technical, clerical). Each matrix covered by collective bargaining has 15 grades with 10 steps. The supervisory matrix has 18 grades with 10 steps.

Through negotiations for the 1999-2001 AFSCME agreement, the union covered pay matrices were expanded from 8 steps to 10 steps. Through action of the Board of Regents, the supervisory matrix was expanded in the same manner as those covered by the union. Employees who have been on step 9 for 12 months will be moved to step 10 on January 1, 2001.

The majority of the merit employees (88%) are covered under a statewide collective bargaining agreement with AFSCME. Supervisory employees (890) and confidential clerical employees (132) are exempt from the bargaining units by the Iowa Code §20.4.

Regent AFSCME-covered employees account for about 40% of the statewide unit. Negotiations with AFSCME will begin in November for the 2001-03 agreement. The Iowa Department of Personnel has responsibility for the negotiation and administration of the AFSCME agreement. Representatives from the Board Office and the Regent universities as well as other state agencies serve on the management bargaining team.

The Board Office acts as liaison between the institutions and the Iowa Department of Personnel in interpreting the AFSCME agreement as well as providing a leadership role in the AFSCME collective bargaining negotiations.

Regent Merit System compensation and classification plans are administered in accordance with state law on comparable worth through the use of a point count system of job evaluation. For efficiency, many aspects of the merit employment process are delegated to Resident Merit System Directors at each institution.

Position classification reviews are forwarded to the Board Office for final classification determination. Recommendations from the Resident Merit System Director accompany the requests for reviews.

At the end of fiscal year 2000, there were 8,328 permanent merit system employees. Institutional breakdowns of employees follows:

Fiscal Year 2000 Employees in the Regent Merit System

	SUI	ISU	UNI	ISD	IBSSS	TOTAL
SUPERVISORY	619	190	77	2	2	890
BLUE COLLAR	1,431	677	284	24	13	2,429
SECURITY	65	30	18	0	0	113
TECHNICAL	1,107	225	30	29	34	1,425
CLERICAL	2,156	1,017	283	8	7	3,471
TOTAL	5,378	2,139	692	63	56	8,328

There were 871 resignations and retirements from merit system positions resulting in a turnover rate during fiscal year 2000 of approximately 11%, which is considered reasonable given Iowa's tight labor market. The turnover rate has historically stayed in the 8 to 10% range. Fiscal year 1999 resignations and retirements totaled 751.

In fiscal year 2000, the Regent institutions conducted 17,307 pre-employment examinations and evaluations of training and experience of applicants. This figure compares to 17,218 in fiscal year 1999.

There were 920 new appointments to merit system positions during the year. New appointments are up from 693 in fiscal year 1999. This increase can be attributed to the overall increase in numbers of employees as well as greater than normal turnover at the University of Iowa.

Minorities make up about 2% of supervisory employees; 9% of blue collar employees; 12% of security employees; 6% of technical employees; and 4% of clerical employees. The following table shows the percent of minority employees by institution.

Fiscal Year 2000 Minority Employment

	SUI	ISU	UNI	ISD	IBSSS
Male Majority	30%	30%	28%	30%	11%
Female Majority	64%	66%	62%	59%	89%
Male Minority	3%	1%	3%	8%	0
Female Minority	3%	3%	7%	3%	0

The Regent Merit System consists of 296 classifications. The rules of the Regent Merit System allow employees to request reviews of their classifications. Reclassification reviews increased from 284 in fiscal year 1999 to 342 in fiscal year 2000. The following table outlines the reclassification requests in fiscal year 2000 by occupational category and institution:

Fiscal Year 2000 Requests for Reclassification

	SUI	ISU	UNI	ISD	IBSSS	TOTAL
Supervisory	31	20	2	0	0	53
Blue Collar	29	13	10	1	1	54
Security	0	0	0	0	0	0
Technical	24	18	5	0	0	47
Clerical	84	82	22	0	0	187
TOTAL	168	133	39	1	1	342

Of the 342 requests, 18% resulted in no change in classification; 13% changed classification but remained in the same pay grade; 57% changed to a classification in a higher pay grade; and 12% changed to a classification in a lower pay grade. In most cases, the positions changed to a lower pay grade were vacant.

The merit rules also allow for an employee who is dissatisfied with the reclassification determination to appeal the decision. Of the 12 appeals heard during the fiscal year, the decision of the Regent Merit System Director was upheld in 8 cases. The classification appeals are heard by a review committee consisting of the Resident Merit System Director or designee from a Regent institution other than that at which the appellant is employed; a peer employee who is covered under the Regent Merit System, and a third person who is not employed by a Regent

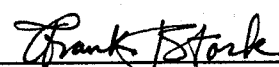
institution and who is knowledgeable in matters of job classification. This person serves as chair of the committee.

The entire report and the class descriptions for the Chilled Water System Technician and the Document Center Operator I and II will be in the Regent Exhibit Book and is available to anyone upon request.

It is recommended that the Board receive the report and approve the classification revisions.



Marcia R. Brunson

Approved: 

Frank J. Stork