SC 283 Attachment 283-14

# James R. Johnsen, Ed.D. President

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# MEMORANDUM

Date:

May 26, 2017

To:

Nate Bauer, Staff Alliance Chair

From:

Jim Johnsen, UA President Jun Johnson

Re:

Response to Staff Alliance FY18 Compensation Recommendations

Thank you for the Staff Alliance's (SA) May 3, 2017, memo itemizing its compensation recommendations for FY18. In case you are not aware of the Statewide Administration Assembly's Resolution 2017-04 passed April 19, I have attached a copy. This resolution recommends parity between university employees and the benefits they receive, asking for reinstatement of the annual leave cash-out program, "for all non-executive and non-represented university employees."

My decision on each recommendation contained in your May 3 memo is related below; no. 5 serves as my official response to SAA Resolution 2017-04. Each decision has the benefit of consultation with CHRO McGee and the Summit Team.

### 1. Increased Personal Holidays

SA proposes that "UA employees ... receive additional personal holidays for FY18." Currently, only non-exempt staff are eligible for the one personal holiday each fiscal year. Although the university provides generous annual and sick leave accruals, in the interest of equity and appreciation for the hard work of all our staff, I am willing to expand the personal holiday benefit to all non-represented exempt employees, but I do not support increasing the number of personal days beyond our current practice.

#### 2. Employee Recognition Program

SA asks for systemwide implementation of an employee recognition program similar to what is in effect at UAF. My preference and that of the chancellors is that the three universities and the System Office each continue to offer and manage their own employee recognition programs. I agree strongly with what I think is the underlying intent of this recommendation -- that is to recognize and celebrate the high quality work our staff performs for the university.

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## 3. Loyalty/Retention Bonus

After achieving a specified time-oriented milestone, SA proposes that an employee receive a small bonus. In our current fiscal climate, there is no funding mechanism to support this. I do support each university and the System Office continuing to recognize on an annual basis longevity milestones with award celebrations and gifts. In addition, I encourage the campuses to provide retention bonuses on a case-by-case basis as funding and the university's priorities may be appropriate. I sincerely appreciate our governance bodies for their involvement in these annual celebrations.

### 4. Non-mandatory Winter Closure

SA requests that employees are allowed to work over winter closure and that the winter break is made a soft closure. I believe the current practice of hard closure with specifically approved exceptions is in the best interest of the university, specifically as the practice results in real cost savings at a predictable time each year. Therefore, no change will be made at this time.

### 5. Annual Leave Cash-In

Both SA and SAA ask that parity is returned to the annual leave cash-in program. I appreciate the interest in this policy change. I am especially sensitive to the fact that some employees lose annual leave each year and that employees may not be getting the time off needed to recharge. Therefore, I am expanding the annual leave cash-in program to include all eligible non-represented exempt and non-exempt employees. Employees will be eligible to cash in up to 40 hours of their annual leave once per fiscal year. However, in order to maintain work life balance, employees must have taken 80 hours of annual leave prior and have 40 hours remaining in their annual leave bank to be eligible to cash in annual leave. I have asked Human Resources to work on this implementation and more details will be communicated to employees in the near future. In addition, I recognize there are very real cost and productivity implications that result from expanding the program and will continue to evaluate this benefit for employees and the university.

JRJ

cc: Morgan Dufseth, UA System Governance Executive Officer Eric Johnson, SAA Chair Keli McGee, UA CHRO UA Summit Team



# **Statewide Administration Assembly**

# Resolution 2017-04 Regarding Annual Leave Cash-In at the University of Alaska

Whereas, the University of Alaska (UA) changed its annual leave cash-in program in FY15 to no longer allow employees in grade 80 or above positions to cash out up to 40 hours of annual leave per year; and

Whereas, the UA FY 2018 preliminary budget contains no cost of living adjustment for employee compensation schedules; and

Whereas, many university employees use the annual leave cash-in program to supplement their income or to reduce their annual leave as it approaches the maximum allowable amount; and

Whereas, continuing the program for employees in grade 79 or below positions creates an inequality between employees at the university, as wages are not solely dependent on grade; and

Whereas, there should be parity between university employees and the benefits they receive, regardless of position classification.

Therefore be it resolved, the Statewide Administration Assembly asks UA administration to reinstate the annual leave cash-out program for all non-executive and non-represented university employees.

Adopted by the Statewide Administration Assembly the 19th day of April 2017.

Eric Johnson, President

Voting results as attested by Morgan Dufseth, Executive Officer:

Yes: 9

No: 2

Abstained: 0

Absent: 0