

Minutes of ACCE Meeting
October 24, 2013
Marshall University
Huntington, West Virginia

ATTENDANCE

Members in Attendance:

Amy Pitzer, Concord University
Kristen Hoffman (proxy), Blue Ridge Community and Technical College
Fred Hardee, Bluefield State College
Melanie Whittington, Bridgemont Community and Technical College
Lacey Koontz, Eastern West Virginia Community and Technical College
Sherry Mitchell, Fairmont State University
Carol Hurula, Marshall University
Chris Stevens, Mountwest Community and Technical College
Beverly Jones, Pierpont Community and Technical College
Kenneth Harbaugh, Shepherd University
Carrie Watters, West Virginia Higher Education Policy Commission
Deborah Harvey, West Virginia School of Osteopathic Medicine
William H. Porterfield, West Virginia State University
Barbara Boyd, West Virginia University Institute of Technology
Paul Martinelli, West Virginia University
Timothy Beardsley, West Virginia University at Parkersburg
Johnna Beane, West Virginia University Robert C. Byrd Health Sciences Center Charleston
Jill Nixon, West Liberty University

Excused:

Mary Alltop, Glenville State College
Lee Ann Porterfield, Kanawha Valley Community and Technical College
Mary M. Igo, New River Community and Technical College
Teri Wells, Southern West Virginia Community and Technical College
Verne Britton, West Virginia Network for Educational Telecomputing (WVNET)
VACANT, West Virginia Northern Community College
VACANT, Potomac State College of West Virginia University

Unexcused:

Janene Seacrist, Council for Community and Technical College

Guests:

President – Dr. Stephen Kopp – Marshall University
Katie Counts - Classified Staff Council, MU
Valerie Smith – Classified Staff Council, MU
Chris Atkins – Classified Staff Council, MU
Patricia Gallagher – Classified Staff, MU
Noah Lamb – Classified Staff Council, MU
Leonard Lovely – Classified Staff Council, MU
Sherri Noble – Classified Staff, MU
Michelle Douglas – CHRO, MU
Joe Wortham – Classified Staff Council, MU
Amber Bentley – Classified Staff Council, MU

Miriah Young – Board of Governor Classified Rep, MU
Nina Barrett – Classified Staff Council Chair, MU
Tootie Carter – Classified Staff Council, MU
Rhonda Rice – Classified Staff, MU
Kristen Pennington – WVU
Randy Jones – WVU
Lisa Martin – Classified Staff Council Chair, WVU
Robert Griffith – Advisory Council Faculty, WVU
Dixie Martinelli – Board of Governor Classified Rep, WVU

*Not every guest is present for the entire length of the meeting due to other obligations and time limits.

CALL TO ORDER:

Chairperson, Ms. Amy Pitzer from Concord University convened the meeting at 9:05 a.m.

Welcome from President Kopp

- Discussed continued public funding of public higher education in the state and the trend lines if the state doesn't favor continuing funding at the level as we have in the past.
- Initiated a long-range strategic planning process in anticipation of significantly less public support for MU and all public institutions in the state.
- Magnitude – anticipate ten years from now we'll have 10% less public funding as we had in FY13. The magnitude as we look at the state, what's happening to state revenues and we have to have a plan in place to transition us to less reliance on public funding and more self-reliance. HEPC put together a five year plan but it doesn't address realities we're facing today – reality of funds. If we all talk about affordability and access at the end of the day we have to factor in what's going to happen if we continue to get cuts from the state.
- MU has scheduled three community forums, November 4th, November 5th, and November 7th at our three campuses. Inviting all State Legislators to attend the local forums from each area – title of forum is: Future of Public Funding for WV Public Higher Education. We are encouraging every institution in the state to bring Legislators and the community in to talk about the implication and ramification if continued cuts to public higher education.
- If MU does nothing, we'll see the same results we had last year and those cuts are going to hurt more than the cuts this year.
- Substantial increase in enrollment of International students with a recruiting firm. We want to grow that enrollment to 2,000 – 2,500. The benefit for internationalizing is what it brings to the WV students but also as important; these students don't rely on state or federal funds.
- End of year – Federal Higher Education Act expires. This is the act that has all the federal financial aid for subsidized loans. It will probably get a series of continued resolutions to carry it forward but at some point Congress is going to act on the bill and either reauthorize or make significant changes.
- MU is looking at other alternative revenue streams. Pushed very hard in 2008 for funding of the WV Research Trust Fund. WVU and MU established an endowment to subsidize some research platforms. MU will push hard for similar programs to get the state involved in one-time funding to expand endowment for scholarships for students. The argument is, we think it might be possible to encourage the investment on a one-time basis.
- Like it or not we're being privatized and it's not only in West Virginia it's a national phenomenon.

Question from Paul Martinelli –What's happening in West Virginia, are other states experiencing it just as bad?

- President Kopp – “Yes, Pennsylvania is closing colleges. Seeing now the ramification of very severe budget cuts. New Hampshire public institutions severe cuts. It's happening all over the country and some worse than others. In my nearly 40 years of public higher education I've

never seen a financial situation like we're seeing today. Most families in the country have not recovered financially and economically. What you're seeing increasingly are more and more students who cannot afford to go out-of-state to college and can't afford to go to college in-state; so they're borrowing more to fund education. So the idea of doing what we've done before by increasing tuition when funding is cut is no longer a viable option."

Question from Ken Harbaugh – Watching many legislative sessions, higher education funding has been heading downward. One thing noted is we don't do a very good job of getting together the Presidents of Higher Education to go to the legislation with one agenda.

- President Kopp – "I think we have to. The lack of unified voice, lack of legislative unified initiatives hurts all of us. We have to develop a unified agenda for the legislature. We discussed during the last legislative session the goal of raising revenue for the state – commodity tax or set of commodity taxes and closing some loophole. The tax structure is full of loophole – special interest groups lobbying to be exempt for a lower tax rate. To give you an example. On-line book sales, movies and music. You pay no sales tax whereas what you purchase locally you pay sales tax on."
- Discussed these types of commodities as opposed to all, due to the mom & pop online businesses that can't or don't have the means to assess sales tax throughout the country. But the major businesses can add the sales tax. This is costing the state revenue but the state has to close the loopholes. If we don't raise and increase revenue in the state there is no chance we're going to avoid these cuts, because we are one of the very few discretionary budget line items in the state. Discussed service tax. State of South Dakota began recognizing that the economy was moving to a service based economy and set up sales tax structures to tax services being provided. We have not made the movement in this state but many states have moved to a service economy instead of industrial economy.

Ken Harbaugh – we need to tell our leaders; college presidents, chancellors that this is what we want.

- President Kopp – "In 2018 the federal government starts backing off subsidy for the Affordable Care Act and cost gets shifted to the states. Right now I haven't seen a plan for how we'll address those new costs. Higher education is always on the chopping block so we have to have unified agenda."

Question Ken Harbaugh – SB330. With more money to work with there would be less kickback on the issue of higher wages for employees in higher education. We're talking about all three constituency groups, not just one. We're asking to let the research come in and let's get the data and then start making decisions after research is in, instead of trying to kill good bills. That bill had so much flexibility for college presidents, I'm sure you've been talking to Michelle Douglas about it. The people that are very knowledgeable about this bill understands the bill. They understand the flexibility really doesn't penalize anyone or says any one particular group has to hold still while others are gaining. If there's that much of a difference don't we want some gains anyway?

- President Kopp – "We're going to push very hard too. These folks over here have to come along and work together. (Referring to WVU guests).

Johnna Beane – Chancellor Noland several years ago talked about a small round table of President's, ACF and ACCE to work in a unified agenda. Something this group is interested in doing.

- President Kopp would add one more group and that is chairs of all Board of Governors. Quite honestly this meeting should take place when we do the HEPC Summit in July. That's the time you lay the foundation, decide on what legislative initiatives you're going to push hard for and get everyone to buy in. Take it to the campuses- make it part of the agendas we pass by classified staff council and faculty senate instead of what's being passed every year which is a set of initiatives; i.e. faculty can run for election in the house and senate. That bill is introduced every year and gets parked every year. Let's work on substantive issues that represent a unified voice across all public institutions of higher education. With that we could get something done.

Johnna Beane asked how we get on the agenda in July

- President Kopp – recommends talking to the two chancellors.

Ken Harbaugh – we did request that they look at having the summit where you're addressing 60% of your budget, your faculty and staff and HR issues that have developed over the years. Something that needs to be incorporated on state wide leadership level. College Presidents are not expected to be CHROs but should they have a strong knowledge of what's happening out there, they certainly should.

- President Kopp – “Critical time in the state and funding is really the source we're dealing with now. If we can't find a way forward to support higher education then we're going down the road to privatizing the institution and that's a fairly substantial change to what we've done in the past.”

Johnna Beane – Does public health research and will say to anyone, look at our jails, obesity, teenage pregnancy rate, drug problem and it all ties to one thing – one common denominator and that's education. I don't think our state leaders have taken this on as a charge. There have been hits and misses with education reform, K-12, but a P-20 initiative like North Carolina and other states would really streamline from pre-school to a four year degree, that's what I think the future is.

- President Kopp – “Agree. We hear a lot of the importance of public higher education. We need a more educated work force, and an increase in the number of graduates. But the next thing that happens is you look at the budget bill and a decrease for funding of public higher education. Funding for public higher education this last year was 38 million of the total reductions born by public higher education institutions. We have to make our case better, we don't make a case for what impact we have on the state.”
- President Kopp brought up at the Summit in July, the WVU study on PEIA premium impact. WVU indicated they are overpaying 24 million, this is probably a 1 to 10 million range at MU. President Kopp asks if we go to a self-insure system and go together as all public higher education institutions and self-fund. Could we save significant dollars for our workforce and put more in the employees take home pay. Answer is probably yes. That didn't sit well with the State Budget Director. He had to ask the question for the following reason. If we don't put this on the table, the leverage we actually have, then it's hard to get people to come to the table and bargain and negotiate. We have to understand the value proposition we collectively have for the state and use this as a negotiating tool for insuring continued public funding.

Ken Harbaugh comment – asking for communication. ACCE tries to get out to seven or eight institutions each year. We ask all Presidents to communicate with the ACCE members, Classified Staff Councils, anything that needs to be understood. Please open up those avenues for communications so you get all the facts in before a decision is made.

- President Kopp – confirmed he's made all Classified Staff Council meetings and only missed one or two in nine years. Discussed several upcoming committees and representation of who those members are.

Question Paul Martinelli on rainy day fund.

- President Kopp – “I'm confused as to what this rain looks like. When do we use that fund? Same question can be asked about taking a portion of the severance taxes on natural gas and setting aside for twenty years and let it accrue interest and invest and have a future fund. Great idea, great concept. Don't spend all your earnings today – build and put it away for the future. If we do that what does that mean for today?”

ACCE members: Introduction of each person attending and the Institution they're representing.

Guests: Introduction of each person attending and the Institution they're representing.

MINUTES: Carol Hurula distributed copies of the September 26th meeting minutes in draft form. Chris Stevens from Mountwest Community and Technical College moved to accept the minutes and Fred Hardee from Bluefield State College seconded the motion. Motion unanimously approved.

COMMITTEE REPORTS:

Each committee took ten minutes to meet and discuss two important topics. One will be due in February and one at the June meeting. Audience members were invited to join in and provide input on any committee.

Legislative – Chair Amy Pitzer, Co-Chair Ken Harbaugh, Co-Chair Carol Hurula, Johnna Beane, Chris Stevens, Teri Wells, Carrie Watters and Tim Beardsley as recorder.

Ken provided handout for Legislators to assist with upcoming session.

Please make contact now with your Legislators in your district.

Arrange a meeting with your Legislators on your campus.

You want the Legislators to recognize you, even if they can't recall your name make sure they know you represent classified staff.

Format sheet review with communication.

- Project# 1 due February – actually needs to be due tomorrow. Get all communication uploaded on the web-site to better communicate to members.
- Project# 2 due June – contacting local Legislators using packet. Develop a relationship. Charge to contact all Legislators by June and have sit down meetings. Paul emphasized that your discussion with Legislators not be individual and/or campus based—agenda should be state wide initiative.

Benefits – Co-Chair Bill Porterfield, Co-Chair Sherry Mitchell, Fred Hardee, Paul Martinelli, Janene Seacrist, Mary Igo and Carol Hurula – recorder.

- Project# 1 due February – Discussion about PEIA and benefits. Impact on PEIA and Obamacare and the impact on the state.
- Project# 2 due June – erosion of PEIA benefits and the costs that are now being put upon the individual up front. Example when child had a hospital stay the hospital would bill you – recently the employee had to pay up front. Projecting costs and assessing at time of inpatient status. What services are being reduced?

Communication & Presentation – Co-Chair Verne Britton, Co-Chair Chris Stevens, Johnna Beane, Mary Igo, Deb Harvey and Carrie Watters – recorder.

Chris will get key from Verne and update all content management.

Work on developing new website.

- Project# 1 – due February but try to get out as soon as can. Update web. Better communication effort centralized on a web-site everyone can assess.
- Project# 2 – due June will be to have a new content management system along with training material that would be part of the retreat in July. Train others to use.

Special Events – Co-Chair Bev Jones, Co-Chair Teri Wells, LeeAnn Porterfield, Anne Wilmoth, Mary Igo, Ken Harbaugh, Verne Britton and Dixie Heavener – recorder.

July ACCE Retreat will be at Chief Logan. Will get contract started.

Student Employee / Enrichment – Co-Chair Johnna Beane, Co-Chair Tim Beardsley, Melanie Whittington, Mary Alltop, MaryAnn Edwards, Lacey Koontz, Sherri Mitchell, Teri Wells, and Barbara Boyd – recorder.

Questionnaire on policy review at 23 institutions on tuition assistance programs including central office. Currently finished eight reviews. The survey is taking a bit of time, as some institutions have information that isn't on the web and then some questions require direct communication as some polices are vague and doesn't answer the question as noted.

- Tuition assistance?
- Credit hour limit or monetary limit?
- How much is budgeted?
- Is assistance tied to position or can it be any professional development?
- Does employee get release time from work?
- Is assistance only for undergraduate or graduate courses?
- Assistance only at your institution or can you attend any institution?
- Can you do on-line or private courses?

- Who controls the program? Is it HR or staff council? Who makes determination?
- Project# 1 – finish policy review by February have white paper that reviews what each institution in the state with best practices and recommendation for possible improvement.
- Project# 2 – keep along that same line for the end of June and do a survey of employees to find out how many are at X-number of hours of finishing degree or currently enrolled.
- Suggestions by attendees on job placement review of those achieving degrees.

Ad Hoc By-Laws –Chris Stevens, Fred Hardee, Teri Wells and Carrie Watters.

- Didn't set a February deadline – actually came out of meeting looking at a means of notifying Staff Council Chairs by reporting on absence of members to Chair of Council, letting them know members aren't diligent in attending meetings.
- Sanction College to replace member.
Amy suggested a review of the State Code and ACCE statute.

Mark Toor, Vice-Chancellor for Human Resources.

- **Addressed SB330 as noted in agenda.**
 - Salary rule progress. Last tweaking on existing draft was in July. Up until yesterday he thought the salary rule had been circulated with changes made in July to the Common Grounds committee. Added this to list of things to do this week. Confirmed to Amy that she can distribute to all ACCE members upon receipt.
 - Tackled all major issues and questions with Common Grounds Committee.
 - Feels he has agreement and language ready.
 - Common Grounds Committee consists of six CHROs, six ACCE members, and one faculty member.
 - One institution refused to participate on Common Grounds Committee. Same institution a week or two ago sent a letter to Chancellor Hill with comments on the salary rule. Common Grounds committee has already addressed and hashed out all things listed in letter previously. The committee has dealt with those issues listed.
 - The rule at this point is a narrative. He will send to Cindy Anderson to put in draft legislative format so he can send out for comments.
 - If strong legitimate comments and objections are submitted, he will get Common Grounds Committee back together to work these out.
 - Ken Harbaugh comment. Salary rule won't be complete until salary study completed and metric determined. How to input will still have to be written into salary rule.
 - Ken Harbaugh comment. Non-classified - critical retention jobs is now listed as hot jobs. With the salary rule these are addressed. SB330 lists how to determine hot job and non-classified jobs.
 - SB330 mentions hot jobs once. Hot jobs is one thing that Compensation Planning and Review Committee, hereinafter referred to as CPRC, is to address. Oblique reference to hot jobs in another section as related to Job Classification Committee hereinafter referred to as JCC. JCC is supposed to look at particular positions or point factor methodology if they believe the market results are inconsistent with. If you're not on the committee that's the extent of our guidance in SB330 on how to address hot jobs.
 - Forum at Bridgemont the question came up – used an example of IT employees who are non-classified stating that they won't be able to retain or hire new employees because they can't pay what is necessary. SB330 answers this – hot jobs.
 - SB330 reduced the non-classified percentage and SB330 addresses how those go back into the classification system.
 - Purpose of legislative rule is to expand on details on what the legislation has left open.
 - HEPC is not setting the salary, institutions are still in control.
 - Currently there is no flexibility at the institutions for classified salaries because of the 2001 temporary salary schedule. You can't do anything about that. SB330 lets any institution set any salary they want for any of their classes as long as they meet the minimum salary schedule set for classified staff. Once you meet you can pay 110% of

market as long as you can afford to do so. Only thing SB330 sets is equity among classes and consistency among the three classes.

- Stated again. All institutions have control of salary rule; HEPC does not. Board of Governors still has salary rule at institution (still in control) – nothing has changed in that aspect.
- Series 53 Emergency Rule is complete and approved.
- Employee profile request by ACCE – from Information Technology. Information not received. Please resend to Mark and he'll get so the 2012 salary data can be preserved for those that have been moved from non-classified back to classified. Compare 2012 to 2013.
- Director of Class & Comp / Trish Clay. In August she went to Minnesota and met with Fox Lawson. She described this as a productive meeting and they were able to get on the same page on lots of issues. Fox Lawson is to produce a work plan, specific document of what's been done, what's left to do, and information they need from HEPC in order to complete. Haven't seen this document yet from Fox Lawson.
- Have produced a refinement. They proposed an amendment of \$840,000. HEPC's intent is to hold them to the contract as there's been no change in the scope of work requested. There has been one amendment moving the RFP from \$88,000 to right under \$200,000. Mark's directive is we have a contract and he is drafting an email to them on completion of the contract.
- May need to pay additional charge for current 2013 data as opposed to 2012 and this is understandable as it is HEPC's fault that we are a year down the road on that.
- Q & A for Fox Lawson. Forty-five questions provided by ACCE and we've had no reply from HEPC.
- We have somewhere in the neighborhood of 1,800 non-classified employees and 900 job titles. At most there are two non-classified positions for each one job title. I know there aren't 900 distinct jobs being performed, but non-classified hasn't had any structure on titling positions - it's all over the place. Trish's enormous job is to figure out the non-classified job descriptions that match – whereas job titles don't. Because of the task of scrubbing – HEPC can't put a deadline date on Fox Lawson because we aren't ready to ship this information off to Fox Lawson.
- Classified jobs are complete.
- Still have to complete non-classified and faculty.
- Changing the element of compensation of non-classified employees. Not changing the point value of classification. Need to find a way to modify the classification system to an enhanced point value associated with those jobs now higher priced in market. Common Grounds Committee – statute says when placing and moving classified employees through salary structure. SB330 says to consider performance, education beyond requirements, other objective measurable factors.
- Salary rule creates criteria for HR department to assign value to those other objective criteria. Because we are doing this for all new employees, we have to do this for all existing employees at the time of assessment.
- Salary rule sets a one-year period. Every classified employee will be surveyed on what criteria will enhance that person's position when it comes to salary. As an example. If a position only requires a bachelor's degree but you have a master's degree. Structure to value criteria to enhancing salary for the additional criteria.
- Experience equivalency for knowledge.
 - Question as it related to job hire at Fairmont University.
 - Mark knows somewhere there is a formula that says how to equate years of service.
 - You have to think through the PIQ before you put the job advertisement out.
 - If you hire a lawyer, they need a law degree.
 - Much softer requirements for non-professional positions – i.e. bachelor's degree or three years relevant experience.
 - Amy – our system has an equivalency for knowledge. Every classified employee unless professional level job as Mark referred to; you can't be a lawyer with an English degree, etc.
 - Amy - We do have a lot of professional jobs in our system such as nurses and experience would not equate to degree requirements.

- Amy - There are times when a person's experience doesn't equate to the job. This is a judgment call on HR's behalf. It is subjective and up to the HR person to determine if the experience that person has is equal to the degree required.
- Best practices committee commented on this area and putting some sort of recommended standard for job postings and suggested it have the equivalency on the advertisement.
- Mercer update: Two months ago started talking with Mercer and other outside compensation analysts and international companies that do compensation. Mark was not comfortable with what he was hearing that Fox Lawson's methodology is flawed. He has heard this non-stop since he took the position but no one could give him any particulars. Since he didn't feel he had enough knowledge to defend Fox Lawson's methodology and to bolster credibility for Fox Lawson's report, he hired an expert in the field.
- Just this week he was approved by the State to sign an agreement with Mercer.
 - Mercer criteria to get guidance on proper methodology.
 - Second part of contract with Mercer is so Mark can respond to criticism from SB330 in a constructive way to modify anything in SB330 that isn't serving the legislative intent.
 - Perhaps some adjustments made to the law so we can get in line with exactly what the legislation was intending to achieve.
 - Hope to have a face to face at CUPA conference to outline what they're going to do for us.
 - Karen Hutchinson – Mercer specialist in higher education compensation. She does nothing but higher education comp. She said she had a similar legislative term issue when working with the State of Maryland.
 - Mercer to provide outline.
 - From outline Common Grounds Committee to build structure that can go to the legislation so that Fox Lawson survey meets legislative intent.
- Mark commented on the LOCEA resolution relating to SB330 to move with deliberate speed. Legislation has been on the books two years already.
- Organizational accountability is addressed in the draft salary rule.
 - SB330 sets out a process for deficiency.
 - The salary draft rule provides a process for the deficiency.
 - In addition to organizational accountability there is other authority granted to HEPC in SB330, one of which may need to be written into the salary rule.
- Every three years the VCHR conducts an individual review of HR personnel at each institution.
- He can't wait three years to start the process and perform reviews at twenty-three different institutions. Therefore he sent out an email to the CHROs asking for input on what they think the directive in SB330 means, what criteria should be used, and what considerations should go into the review. To date he's gotten very few responses to that request. He's considering putting that to the Common Grounds Committee. He doesn't want to be the only one setting the criteria.
- He may put this in the salary rule draft before sending out for comment.
- A lot of institutions are up in arms to the timelines in SB330 when in fact it's been in effect since 2011 and in the predecessor bill passed a year before that as well as Bruce Walker's summary of that legislation.
- The legislation is clear in the deadlines that are in the bill.
- Timing of when to start measuring relative market equity, hereinafter referred to as RME. Definition says it's got to be adjusted over a three year period. Some institutions lawyers have seized on that language and said you can't make any moves to RME until you have three years of data. We can't do that. If we do, we would be six years from the time the law was passed before we can start making moves toward achieving.
- Soon as rule is implemented you have to start making progress toward RME.
- **Misinformation out there.** WVU forum PowerPoint presentation says RME has to be based on three year average of data. That isn't what SB330 says. They are reading the law inaccurately. SB330 is clear in that RME is a test – a test that has to be done over three years and if you meet

the 5% differential over a period of three years, then you have achieved RME. Doesn't say you wait three years to get data before you begin to implement.

- Salary rule currently says that in year-one every institution has to create a three year model that shows what degree of raises and changes in compensation is necessary to get to differential by year three.
- Rule also provides an escape valve. If your modeling shows you can't get there within three years, your institution makes a proposal to the HEPC and they will consider an extended period of time.
- Once legislative rule is approved there is a progress toward moving toward RME within the next raise cycle.
- Some institutions say they can't do any future raises since the 2001 Temporary Salary Schedule has been fully funded until the new salary rule is in place.
- Misinformation. Law says if you are fully funded you have flexibility to move forward.
- Preparing web-site to address issues of misinformation concerning SB330.
 - Has a draft of FAQ's that has been reviewed by the Chancellors.
 - Hoping to have up on web-site within a couple weeks to address the speed of misinformation that is going out.
 - His suggestion is to also address facts vs. myths in SB330. There's plenty of language out there in documents he can respond to point by point. He has also done so one on one but the response to him was, "we don't care."
- Ken suggested a blog for questions to be submitted. Mark doesn't care for the blog as it becomes an opinion site, but he will look into an email link where questions can be submitted and the HEPC can reply and post the question and answer on the web.

Comment from WVU representative Robert Griffith. Presented the forum at WVU on Monday afternoon. "I have seen Mr. Toor's comments and criticisms and this isn't the place to engage in a debate. But just want it understood that I stand behind everything that was on the slides. Do not believe they are myths, I have read the law, I have consulted with university attorneys and that's enough. I stand behind everything we stated."

- So noted by ACCE.

Senator Plymale.

- I appreciate the opportunity to be present. Just finished three days of pretty intense legislative meetings. Worst meeting attended was the one by Mike McKown from the Governor's office who could make a good budget look bad. It was gloom and doom and didn't only stop on the state budget but went to the federal budget. Being honest, things aren't good.
- Facts as relate to history. The 1999 NCHEM (National Center for Higher Education Management System) study talked about community colleges, higher education and before that SB547. There have been a whole series of bills trying to move some things from higher education standpoint.
- '99 clearly set out a path to separate policy from governance and governance was set at the institution level. But at no time did the Legislator's give away personnel rights and personnel. It has never been there, no matter what any group says, it has never been given away. The legislation has personnel. We through certain bills give some authority to the policy commission to do certain things. The legislation has personnel – not to the Board of Governors at any institution; not to any group or any individual present. It is with the legislation.
- Where do you go when you have a grievance? Do you go to the BOG? No, you go to the state grievance board.
- There has been a lot of misinformation on this and I'm not going to get into specifics. It is the policy commission's job to handle the misinformation.
- In 2010 we approved SB480 but it had flaws in the title or it would have passed that year. What came back in SB330 the following year was almost identical and there was no addition of the faculty.
- **History:** To be very clear when changes were made. WVU President came to Governor Manchin wanting to be free of everything – set loose. He gave a whole long list of things. What

else was occurring at this time in history was University of Virginia, hereinafter referred to as UVA and Virginia legislature was having severe budget problems. UVA said cut us loose but when you cut us loose we take no state money. UVA has no state funding and complete freedom. UVA is in name only. Longwood, Virginia Tech and William and Mary also as it relates.

- Governor Manchin had no bill at this time to work with. He went to the Senate and said, "Write a bill that gives flexibility to WVU and MU." He provided a whole list of things you couldn't do. A trade off as well because there was nothing being done to any great degree related to faculty salary, classified staff and meeting classified staff and non-classified percentages. Every institution told us that none of them were above a 20% yet most of their calculations included faculty and other employees.
- It was clear when doing SB603 providing flexibility to WVU and MU that we clearly said to them you've got come back with recommendations. Every time we spoke to the Presidents at WVU and MU and asked are you a strong supporter of SB603? The answer was yes. Then you also support personnel issue that are coming along? So it's very clear. This is what we did and we had long discussions on that. Everyone was clear on what needed to be done.
- There's a lot the HEPC has not done. One of the first items in SB603 is addressing faculty, classified staff and non-classified salaries. It's in SB603 so the fact that some are saying it was added in SB330 in 2011 is incorrect.
- SB480 a year in between SB603 and then SB330. Once passed you then you go to comment period. There was no comment whatsoever given to the policy commission when going thru the process.
- **Lesson:** You need to go back and understand the political situation and how you're supposed to address comments. If you have a problem – make a comment. Absolutely no comments submitted. This is particularly for the faculty.
- I'm not going to tell you that SB330 does not have things that need to be changed. I'm not going to tell you that's the case.
- Every bill you pass has issues that you're going to have to address. One I've lived through is Worker's Compensation. When we did Worker's Compensation we were the worst in the nation as it relates to Worker's Comp. By far we couldn't fund it and I was a business person paying worker's comp. You didn't get a welcome to that State of West Virginia letter for opening a business. Your letter was from Worker's Compensation and this is what you owe. But it was so flawed that we had to do a series of steps that changed things. Voted on four times before we finally privatized it. We now have one of the top five rates in the Country because of this. I've been involved in the pension liability changes. The worst so far was the PEIA select committee. The things you have right now where you're not having problems on access to care with PEIA were set up in a select committee in 1996. We had to change that bill drastically. OPEC among others. We've had to make incremental steps in every bill.
- I will tell you this, I'm not going to change anything until we get the studies back on Fox Lawson or other studies that come back because that's a moot point. Why do you want to change something when you have no facts to say this is what you need to change?
- I do know that when I look at one definition, I know that one definition will need to be changed. But why do this until you have the facts on the other part of this side to do that.
- HEPC has not acted as fast as they should. They need to and they need to be done quickly and get to the answers so we can move this along.
- Passed bill in 2011 and it takes two years to get an emergency rule to guide you and it's still only half of the emergency bill that you need.
- **Budget cuts:** I'm not saying that we're going to be away from mid-year budget cuts. We don't know this yet. Right at this time when you start looking at it we may have mid-year cuts. If you noticed the other day, and this hasn't been discussed at any length, but you need to have a policy on furloughs. It was mentioned in a committee meeting this week. You need to start looking at how you perceive this, and how you want to look at it and be ready with input.
- **Budget:** when you look at the budget – everybody talks about coal. Coal is one part of the budget. We're trying to make this state progressive where we can have business in here that aren't paying where Pennsylvania is here and we're up here. Where Maryland is here and we're up here above them.

Question from Paul Martinelli – Explain the rainy day fund.

- Senator Plymale – “Tentatively you have more problems with administration than you do with the legislature concerning the rainy day fund. Lot of respect for Governor Tomblin as he helped design rainy day fund to get us where it is. Series of meetings where you go to Wall Street and decide where WV wants to be. My opinion is I don’t have a problem with using rainy day fund but it’s to what extent you do it.”

Comment from Ken Harbaugh – Ten years ago we had a different Chancellor who said, basically you have as much money as you have ever had, it’s all in how you choose to spend it. I’ve been in system 42 years and seen the times when you didn’t have as much fanciness in the buildings, institutions that are buying upgraded equipment, travel, campus beautician, etc. I like all the beautification but I don’t think we’ve kept up with the employees and we haven’t kept up to K-12 as far as wages. Is there any way to re-align, the giving a certain amount of tuition leeway so that personnel problems could be taken care of.

- Senator Plymale – “Capital Facilities Act. My thoughts were we needed to review. We did a three-year study and came back with recommendations.” Capital projects took student fees throughout the state and then you did a bond and WVU did approximate 47% of all capitol but what they got back in return was less. The 2012 bonds found the biggest savings. WVU, MU and all institutions were having to pay the bonds. The state did bonding for community colleges, higher education, HEAPS, etc. State was hoping that when you the institutions received the 2012 savings back they would start taking some of the savings and put it back into faculty and classified staff salaries. Most institutions basically took the funds and rolled it into new bonds that are paying for new buildings on campuses.
- “Deferred maintenance at the state level to try to help out. This was a big portion of the east bonds.”
- “My opinion is, there is more money, or as much money on campus. There’s less state money but more money overall because of tuition and fee increases.”
- “There should be a policy at each institution on how you’re going to use the tuition fees and a portion should be going to faculty and staff salaries, in my opinion.”
- “I’m not on any Board of Governors. Each institution can set a policy to do that. No approval is necessary. Only approval is when you increase tuition above a certain % - then HEPC has to approve.”

Comment from Ken. We need to make the institutions realize that human resources is more important than that new covered breezeway being built.

Comment Johnna Beane –How many of your colleagues do you feel would be open to using the rainy day fund?

- Senator Plymale – “Really don’t know, haven’t taken a poll.”

Question from WVU Lisa Martin – How confident are you in the results from the Fox Lawson study based on their initial contract amount and their now asking for more funds to complete?

- Senator Plymale – “Can’t answer that until he sees the results. Feels there will be credible elements. RFP 1212082 has all the details of the study.”

Question from Paul Martinelli – Was information on the bonding provided to the institutions.

- Senator Plymale – “There was many conversations on bonds and usage of funds but it was not written in legislation. We are trying to allow local governance – except on personnel by providing flexibility in capital projects. Greater flexibility to WVU and MU. Extended some things to other institutions as well. Should it have been written that a portion go to salaries, yes, he takes responsibility for not doing so as he chaired that committee.”

Question from Dixie Martinelli – regarding mineral enriched state but we don't capitalize on such things as Marcellus Shale and don't understand the change in food tax. Why can't we expect more revenue in near future rather than distant future?

- Understand food tax because we have lower income people getting reimburse and it was more of affair tax than anything.
- Severance tax similar to what North Dakota did. Applaud Jeff Kessler for reviewing and looking at what future fund becomes. For example, Marshall County is getting more money than they've ever received from local share. In North Dakota they have a legacy fund set up. Visited North Dakota to get a better understanding. 70% is actually being spent on things now and 30% set aside for legacy fund. Which doesn't come about until 2017. Very clearly defined on what they can spend the funds on.

Question from Bev Jones – regarding tuition for hours exceeding 12 credits.

- Senator Plymale – “Have to look at student impact. It worked somewhat at Pierpont but when they looked closer it didn't work as well as they thought. Suggested if they consider this that a quick economic analysis is done to see the advantages and disadvantages.”

Senator Plymale spoke on hybrid car rebate.

Question from Johnna Beane regarding Fox Lawson's request for additional funds and is there a plan B? Second question on P-20 and revamping our education system.

- Senator Plymale – “Fox Lawson study is in HEPC's hands and they would have to answer the question on plan B.”
- We have to increase our education attainment level. Study shows we would need 118,000 four year graduates to move into the state to meet the national average. This is sad. Further discussion on middle skills job and increased high school graduation rates. Currently fifty percent of kids are being raised by someone besides their parents. College and career readiness – data systems connecting and seeing the flow of what's effective and where people are being hired. Sixty-seven percent of students in college have to take remedial courses. Two-thirds of these students are those that have lost jobs and are retraining. Traditional students from high school is a lower percentage but also highest percentage of those needing remedial courses.

Question from Carrie – Will we protect financial aid from budget cuts.

- Senator Plymale – “We should and plan to protect financial aid, but also have to be careful on whom we provide loans to, due to the default rate.”

Question from WVU student concerning tuition increasing to fund SB330.

- Senator Plymale - States do not place enough priority on the budgets of higher education. Having a priority for funding higher education is important. I agree we have a problem but don't think SB330 is causing the problem. We have less students coming from high schools in West Virginia. We are graduating less each year. We have two to three institutions that are on the brink of not being able to continue. We shouldn't put that on the backs of students and parents every time. That's been the low hanging fruit, unfortunately. When institution budgets are cut they increase tuition. As a parent I pay that. I agree student debt that is accumulating and is concerning. We've got to keep tuition as low as we can.

Senator Plymale, in reply to information from WVU regarding peer institutions, stated, you are gaged by your peer institutions. No part of this bill state you will be looked at by an institution in the State of West Virginia. Your peer institution is what you're being gaged on for faculty. On the classified staff side we need to have a basis for what that is at a state level.

We have to get through the steps in order to see where we're at. WVU has nine people in compensation and at no point did he get a comment on SB330. He needs comments during the comment period.

ACCE Chair Further Discussion:

ACCE has always taken the stand and ACF always had a shared Philosophy in that we're equal partners in educating the students, full-filling the mission of the institution and guiding principle of the State of West Virginia. We can't do this without each other. There are certainly differences within the groups, how they function, especially how the groups are paid and should be paid. If you lose sight of the fact that it takes all groups in that we're there for the benefit of the student. If you lose sight then you will never, ever get the culture change that's coming. Cultural change will guide us all back to where the legislature wants us to be for the benefit of the students.

ACCE- group always supports financial aid programs, make sure that's on our legislative agenda every year. In addition to that, we have given up salary increases because we knew where they came from; off the backs of student and their parents. We have foregone many items over the years because we understand it means you pay more. We would never support legislation that we feel would be harmful to even one student in this state.

Concern state wide on how we're going to fund SB330 and would prefer to spend time talking to Legislators than defending SB330.

A lot of items in SB330 that people are saying are mandates, aren't. They're goals, principles, and suggestions. There are mandates in the bill as well. They are mandated because the legislature has tried through encouragement to get institutions to do this for several years and failing to do so. They thought the only way to get this done is to mandate it. I hope everyone reads the bill for themselves. If you have questions anybody around the table is able to answer or refer someone to you. I'm sure Mark Toor, Senator Plymale or Mary Poling in the house would answer any question that you have. You can't look at this in a vacuum but you have to look at it globally. How it affects everyone and while understanding some institutions are bigger than others – you still handle HR the same way. For ACCE it's about fairness, accountability, credibility, transparency, and that we have a systematic approach to a maintainable system. It has to be sustainable or it's no good for any of us. If it's not going to work we've been assured it will be fixed. But as Senator Plymale indicated today you have to implement it before you know where all the holes are you need to plug. To not implement, to give up on it, even before trying – I can't agree with that personally.

Ken Harbaugh comment. We're realistic that we're West Virginia and we won't be able to pay employees at a level such as Pennsylvania, Maryland, and Virginia. But can we implement a fair system for all employees with the resources we have? We should be able to.

PRESENTATION

The remaining time of the ACCE meeting was used to discuss the ACCE presentations to the Legislative Oversight Commission on Education Accountability (LOCEA), the Higher Education Policy Commission (HEPC), and the Council for Community and Technical College Education (CCTCE). Some of the points mentioned for use in the presentation were:

- Cultural change SB330
- Responsibility as listed in bills
- Constituency groups – President, students, staff and faculty
- What authority does HEPC/CCTCE need to drive change that they don't currently have?
- Communication on misinformation
- Fact sheet – handout to HEPC, CCTCE and LOCEA

Campus concerns, updates and announcements

Ken Harbaugh. Shepherd University Faculty Senate Chair requested the ACCE representative or a classified staff council member be present at all meetings. President of Faculty Senate also attending Staff Council meetings. Discussion of faculty compression on the campus due to new hires.

Discussed some concerns with data reporting at HEPC with change in staff.

Discussed data reporting as it relates to WVOASIS.

Ken Harbaugh and Amy Pitzer spoke with the Vice Chancellor on Wednesday. HEPC will be providing in a couple weeks a report that lists all institutional raises for all three classes of employees that are being provided this fiscal year.

Bill Porterfield indicated that West Virginia State will be providing raises for faculty at 2% on January 1. In July the faculty will receive a second raise of 2% for 65% of the tenured faculty making this a maximum of 4% for faculty. Non-classified will receive 2% across the board raise on July 1, 2014. Classified will be fully funded as of July 1, 2014. No raises for classified staff that are currently red-lined. Plan is to revise the classified raise policy later that will include those red-lined employee. Discussion of what institutions are fully funded and as of what year ensued.

Next ACCE meeting in Summersville 11/21/13
Annual presentation at HEPC 12/6/13 and at CCTCE 12/12/13
ACCE meeting at MUGC 12/5/13
LOCEA presentation in January
ACCE meeting at Concord 1/14/14

There being no further business to come before the council, Tim Beardsley made a motion to adjourn at 2:40 p.m. The motion was seconded by Chris Stevens.

RESPECTFULLY SUBMITTED,
Carol Hurula, Secretary