

HR Forum Meeting Minutes

3/2/05

Present: J. McBride, J. Lund, J. Manske, M. Bird, C. Conn, L. Garcia, R. Gartman, P. Gulley, L. Hanson, J. Heath, L. Hughes, J. Major, P. Naylor, M. Nielsen, C. Eismann, S. Pivonka, P. Prado, M. Radow, G. Robinson, T. Ryan, C. Schafer, M. Thomen, D. Volz, J. White, M. Riley, H. Phillips, E. Ando

Agenda:

1. Discussion – Topics of Interest from the Membership
2. New Texas State ORP/TDA Vendor Specifications
3. EASY Process Changes
4. Requiring University Degrees for Staff Positions

Mr. John McBride welcomed everyone to the meeting. The following information was presented to the membership.

Discussion – Topics of Interest from the Membership

- Q. When a GOJA or new position audit is forwarded to HR, are they being held up for some reason?
A. They are processed in line as they are received unless our VP makes a special request. Also, keep in mind that once all the information is sent, then the audit can be processed. Our target time is about 3 weeks. In FY 04 it was about 21-23 days for reclassifications and about 30 days for new positions. Please call our office for a status update.
- Q. Are job ads modified without letting the requestor know what was changed?
A. HR makes some minor changes, but you should be notified if a change is made.
- Q. Will you be offering more performance evaluation workshops and do you set the performance standards?
A. We will be offering more workshops in this area. As for setting the performance standards, the supervisor is the one who determines the standards.
- Q. If someone has changed positions or was promoted in November, how do I evaluate the previous work?
A. Under the UPPS for CY04 evaluations, you were asked to seek input from the previous supervisor and/or note the transfer situation on the evaluation. Under the new evaluation UPPS for CY05, you are provided a formula for how to reach an evaluation score. The new evaluation forms have been posted to the web.

New Texas State ORP/TDA Vendor Specifications: Presented by Joyce Manske

What is ORP and TDA?

- ORP – Optional Retirement Program. This program is available to faculty members and some staff employees. This program provides a one time choice that can be made in lieu of TRS. It is matched.
- TDA – Tax Deferred Account. This is a voluntary plan that all employees can contribute to through payroll deduction. There is no match.

ORP/TDA Overview

- Why did we decide we needed a change?
- What steps did we take?
- Vendor analysis overview
- What was the approval process?
- How does this benefit you?
- Process going forward

The Change

- Prior specifications had a limited mechanism by which we could evaluate the products offered.
- Prior specifications didn't insure employees were given appropriate choices for their retirement needs.
- Prior specifications had no requirement for participation rates.

The Steps We Took

- Reviewed other university's ORP/TDA vendor specifications.
- Consulted with some of our more active vendors on campus and vendors currently not on our plan.
- Modeled our proposed plan after TAMU
- Conducted trial run with current vendors
- Conducted an analysis of information provided by our vendors
- Submitted change to the Board of Regents Rules in preparation for the anticipated change (05/04)

Our Analysis

- We have 39 active and 1 inactive TDA vendor.
- 12 vendors have zero participants
- 14 vendors have 1-4 participants
- 10 vendors have no active representatives
- 14 vendors have acceptable participation
- We have 35 active and 3 inactive ORP vendors.

What else did we learn?

- Fee Summary
 - Mutual Funds generally meet or exceed our accepted front-end sales load charges.
 - Annuity vendors generally do not meet our accepted surrender charges.

- All vendors meet or exceed our accepted annual policy fees and fund mgmt fees.
- Because TAMU set fee limits, the same vendors brought down their fees. We expect the same to happen here.

The Approval Process

- Compiled a detailed binder showing analysis, old specifications, approved Board of Regents rule change on ORP, THECB ORP Rules and Manual, ORP section of the Government Code, legislative items, ORP and TDA proposed new specifications, proposed instructions for vendors, and recommendations.
- Presented to Faculty Senate (10/04)
- Faculty Senate submitted to the Retirement Programs Committee for approval.
- Met with Retirement Programs Committee several times to discuss the proposal and to answer question.
- Retirement Programs Committee approved (10/04)
- President's Cabinet reviewed and approved (01/05)
- Board of Regent's reviewed and approved on 02/17/05

The Benefits to You

- Better access to current information on products offered.
- Reasonable fees.
- Quicker deposits of your money into investment options.
- Vendors that care about our campus.

Process Going Forward

- Recertification includes:
 - vendor signed certification that they will follow our rules.
 - Product Investment Fee & Performance Disclosure
 - Customer service toll-free number and internet web site required by all vendors
 - Representative Acknowledgment required
 - Remittances must be credited within one business day of receipt via EFT.
- Recertification will be required each year for each vendor that wants to be represented on this campus.
- Notify all vendors with no participants that they are being removed from the active list.
- Notify vendors with marginal participations they can attempt to recertify. If certified they get one year to bring up participation rates to acceptable level.
- Notify all other vendors that they must recertify.
- Remove "hold" imposed by the Retirement Programs Committee back in 1994 so that vendors currently not on our campus can now apply.
- Place specifications and application instructions on our website for vendors' use
- Allow recertification out of cycle one time only now that specifications have been approved.

QUESTIONS?

You can find more information about the TDA and ORP plans at our website at:

www.humanresources.txstate.edu

Q. What is the cycle time frame?

A. August 1st to September 30th.

Q. What happens when a vendor no longer participates?

A. They are put in an inactive status. This means that if an employee already has an account with them, they can continue to contribute to that plan. But, the vendor cannot open any new accounts with other employees.

Q. What is an acceptable participation rate?

A. Five or more participants in both ORP and TDA combined..

Q. What was Staff Council's involvement in process?

A. The Retirement Programs Committee has always had the assignment of reviewing these plans. The three ex-officio members are members of staff. This committee is appointed by the President. Pam Graham can consider requesting that a member or two of Staff Council be included on future committees.

We will be providing a summary comparison chart of product fee information on our website.

EASY Process Changes: Presented by John McBride

On February 28, 2005 VPFSS Bill Nance released a memo announcing changes to the EASY process. These changes have also been presented in the March issue of the Human Resources Bulletin. HR will no longer include screening questions on job posting. Applicants will no longer be screened against any questions asked by the departments. Departments may add "supplemental," non-screening questions to obtain additional information from the applicant. Applicants cannot be disqualified for answering supplemental questions incorrectly or for failing to answer supplemental questions at all. These changes have met with a good response. Since we have gone to the EASY system, applications for positions have increased.

Q. Do I send my supplemental questions to HR?

A. The Equity and Access office will review these questions before they come to HR.

Requiring University Degrees for Staff Positions: Presented by John McBride

As a result of an external audit, the question of requiring degrees for staff positions came up. The President asked University Attorney, Bill Fly for information regarding this issue which resulted in a meeting with the University Attorney and the offices of Equity and Access and HR. The information regarding degree requirements for positions was presented to President's Cabinet and will be posted to the HR website.

Requiring university degrees for staff positions can be accomplished provided the requirement can be validated. There are three types of validation: criterion, content, and construct. The federal government considers requiring degrees for a position to be very much like taking a test, and validating the degree for job relatedness is very important.

Q. Is this process in effect now?

A. We should continue to do what we have been doing until the degree requirement issues are incorporated in the UPPS. If Equity and Access has approved the requirement of a degree for a certain position, you can continue to require the degree.

Q. Is a professional certification considered a requirement or preferred?

A. If there is a law that says you have to have a certificate, then you can say that it is required.

Other items:

- Remember the new CY05 performance evaluation forms are on the HR website.
- Spring Break – if your office closes for this time, please make sure that your staff have the comp time earned prior to the closing. If a part-time employee wants to work during the closure he/she can instead of using their vacation, but you do not have to open your office for that time.
- Our office has been asked if our staff comes up with the “Ask the Director” questions that are posted in the HR Bulletin. The answer is no. These questions come from across the campus. However, we may edit slightly for content.
- A TxState Turnover Report showed the following:
FY00 = 11.85%
FY01 = 11.72%
FY02 = 11.58%
FY03 = 10.52%
FY04 = 9.27%
- HR will be conducting a communications study with the help of graduate interns in the Communication Studies department. Some TxState staff will be contacted to complete this survey.
- HR will be sending via campus email a link to the Fall 2004/Winter 2005 higher education edition of the “For Your Benefit” ERS Newsletter. You can also get to

it via the ERS link located on our website. This link contains very important information relating to healthcare and retirement.

Closing Remarks:

Mr. McBride encouraged Forum Members to post questions or suggestion to him. The next HR Forum meeting will be on April 6, 2005, Alkek 105/106 from 10-11:30 a.m.