

## FACULTY SENATE EXECUTIVE COMMITTEE MEETING

The Faculty Senate Executive Committee met on March 27, 2019 at 3 p.m. in the Boardroom of the University Club, Vice Chair David Owen presiding.

### **Voting Members Present:**

David Owen, Krista Wallace-Boaz, Enid Trucios-Haynes, Robert Barker, Roger Bradshaw, J.P. Mohsen, Sherri Brown, Roy Fuller, Reg Bruce, David Schultz, John Ferré

### **Also Attending:**

Tracy Eells, Lazaro Munoz, Todd Kneale

### **Voting Members Not Present:**

Diane Chlebowy

### **Call to Order**

At this time, Chair Owen amended the agenda to allow Mr. Todd Kneale to present.

### **PRESENTATION: COMPENSATION 101 – Kneale**

Mr. Kneale attended today's meeting to explain the process of determining compensation at UofL.

- **Market Data Comparison** - One of the first steps in the process involves using data to match to UofL jobs to similar jobs in the marketplace. This helps to place our jobs in the correct pay range.
- **Job Descriptions** - In order to match jobs to those in the marketplace, there must be an accurate job description outlining the requirements, qualifications and duties. The job description is core to many essential processes and its accuracy cannot be overstated. To update UofL's job descriptions, a new two-page form has been developed. All managers are responsible for writing the job descriptions. Not every duty or responsibility that may be required of the employee is included. Management has discretion to change or increase duties as needed. This is stated at the bottom of the form.
- **Job Titles** – UofL assigns job titles to provide consistency across the university. Titles should be a function of industry, culture and the organization and should accurately describe the job and level of responsibility.
- **Fair Labor Standards Act (FLSA)** – The Act was passed in 1938 to regulate minimum wages, overtime pay and child labor protections. There are two tests that are used to exempt workers from overtime pay.
  - **Salary Test** – The employee must make over \$455 per week. If a job passes the salary test, then it must also pass one of five other exemption tests.
  - **Duties Test** – There are five types of exemptions.
    - Administrative
    - Computer Professional
    - Executive
    - Higher Education
    - Professional

At UofL, non-exempt employees are paid hourly and are eligible for overtime pay. The consequences of misclassification may include penalties, fines and wages for overtime not paid. As each job is evaluated, an FLSA review is also conducted by the Compensation Department.

- **Market Pricing** – There are times when a job is reviewed using market pricing.

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- When a new job is created
- When a department restructures
- When a job's essential duties are significantly changed – adding or removing duties that are significant to the job. An increase in work volume does not change the value of the job and would not warrant a grade or salary change.
- When there is a significant change to the scope of a job
- On-going updates – market rates for existing jobs should be reviewed regularly.
- **Market Pricing Process** – Jobs are compared to the external marketplace (benchmarks) to ensure market equity. Jobs are also compared to other jobs within the university to ensure equity within the university.
- **Job Grades** – Each benchmarked job is assigned to a grade. The salary range for that grade is where the mid-point is in close proximity to the market rate (+/- 10%-15%). Internal equity between jobs is also taken into consideration. Based on internal equity comparisons, the non-benchmarked jobs are slotted into pay grades.
- **Pay Ranges** – Pay ranges provide flexibility to pay according to employees' skill sets, experience, and performance.
- **Compa-Ratio** - This is a formula used to determine the relationship of an employee's pay to the pay range mid-point. Salary divided by the pay grade mid-point will determine how close to the mid-point the employee's salary is.
- **Job Review Process** – When requested, the Compensation Department will review a job to make sure it is in the appropriate pay grade. After receiving the job description and other supporting documentation, and assuming the hiring manager is available to provide any necessary clarification, the process should be completed in two weeks.
- **Pay Adjustments** – If a pay adjustment is requested, unless there has been a significant change to the duties and responsibilities, there is no need to submit a job description.

Then, Mr. Kneale reported on the Benefits Town Halls that started about one month ago and will repeat every 3-4 weeks. With healthcare costs increasing each year, it is a good time to start conversations on how to contain costs. The cost drivers are providers, health status of members, technology, and individual behavior. A brief discussion of health insurance plan options took place.

### **ACTION ITEM: Approval of the Minutes – Owen**

The minutes from February 20<sup>th</sup> and 27<sup>th</sup> were unanimously approved.

### **REPORT: Student Government – Munoz**

This report was made last week.

### **REPORT: Staff Senate – Brown**

No report was made.

### **REPORT: Faculty Senate Chair – Wallace-Boaz**

The Chair reported on the following:

- The search firm for the EVP-RI will be on campus next week.
- Benefits Work Group
- Presidential Compensation Work Group has completed its work. Questions were raised about job descriptions.
- The COSW Annual Open House is coming up.

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**REPORTS: STANDING COMMITTEES**

- Committee reports were made last week.

**OLD BUSINESS:**

- Consensual Sex Policy - This committee will meet next week.

**ANNOUNCEMENTS:**

- Reminder - The Executive Committee is scheduled to meet with President Bendapudi tomorrow from 1-2 p.m. in the PCR in Grawemeyer Hall. If you have a discussion item, please send it.

**ADJOURNMENT**

The meeting adjourned at 4:55 p.m.

Respectfully submitted,

Gretchen Henry