



Board Retreat
Harbor Branch Oceanographic Institute
Sunday, September 20 - Monday, September 21, 2015

I. Roll Call

Chair Anthony Barbar

II. Action Item: Ratification of 2014-15 FAU BOT/UFF Collective Bargaining Agreement Mid-Contract Reopeners

Mr. David Kian, VP
Legal Affairs

III. Action Item: November 17 BOT Meeting Date Change

Chair Barbar

IV. Informational Item: Update on Final 2015-16 Educational and General Budget and Plans to Investigate Refinancing Selected FAU Bond Debt

Ms. Dorothy Russell,
VP Financial Affairs

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Item: II.

Sunday, September 20, 2015

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- Article 24 – a cost-benefit analysis of providing a tuition benefit to employees' dependents based on current models in the SUS will be performed. Results will be shared during or before the next year.
- Appendix I – the FAUS requirements for a Grandfathered Salary System versus a Performance Salary System was codified under current state law.

These

ARTICLE 12
NON-REAPPOINTMENT

12.2 Notice.

(7) FAUS employees will be notified of a subsequent annual appointment offer on or before May 1 prior to the expiration of their appointment.

ARTICLE 17
LEAVES

17.8 Unpaid Parental Leave.

(a) If a faculty member is ineligible or chooses not to utilize paid parental leave, the faculty member will be granted a parental leave not to exceed six (6) months when the employee becomes a biological parent or a child is placed in the employee's home pending adoption. Foster care is not covered under parental leave but may be provided through the FMLA.

(b) Employees on parental leave may use up to six weeks of paid sick leave for the period of leave immediately following the birth of a child. Parental leave beyond the six week period may be covered by other accrued paid leave or remain a period of unpaid leave. Employees who are ineligible for paid parental leave may use two additional weeks of paid sick leave up to a total of eight weeks if no other leave is available and no other employee will use Paid Parental Leave for the same Triggering Event. Use of accrued leave during an approved period of leave without pay shall be in accordance with Section 17.2.

(c) The period of parental leave shall begin no more than two (2) weeks before the expected date of the child's arrival.

(1) The Provost or designee shall acknowledge to the employee in writing the period of leave to be granted, and the date of return to employment.

(2) At the end of the approved parental leave and at the employee's request, the Provost or designee shall grant part-time leave without pay for a period not to exceed one (1) year, unless the Provost or designee determines that granting such leave would be inconsistent with the best interests of the University.

(3) Any illness caused or contributed to by pregnancy shall be treated as a temporary disability. 63(d)-3 17(a)-3(re)9(n)210.18 020 0 1 19ee's da3r,treated

reappointment, or layoff.

6) Employees in phased retirement.

7) Employees on appointments of less than 0.75 FTE.

(h) Semesters available for paid parental leave. An eligible employee who timely requests leave may choose to take paid parental leave in a regular (Fall or Spring) semester beginning no later than a year from the Triggering Event. If 3 or more faculty members from a single department/unit request parental leave during the same semester, every reasonable effort shall be made to accommodate all the requests. If the faculty members and the department Chair are unable to reach a mutual agreement on the distribution of leaves, the issue would go to the College Dean for resolution. No employee will be denied paid parental leave due to multiple requests.

~~either during the regular semester in which the Triggering Event is scheduled to occur or the regular semester immediately following. If, however, more than one faculty member in a department, school or unit requests paid parental leave during the same semester, the Provost or designee employees can take leave. This decision is not subject to grievance under Article 20.~~

ARTICLE 23
SALARIES

23.1 University Compensation Increases for Faculty. The Florida Atlantic University Board of Trustees has approved funds for performance based increases, to be distributed as follows:

A) 2014-2015 Promotion Increases. Promotion increases shall be granted to employees promoted in ~~2012-13~~2014 effective upon the start of ~~their 2013-14~~the 2014-15 academic year ~~appointment~~. These increases shall be granted as follows:

- 1) in recognition of promotion to Associate Professor, Associate in _____, Associate Scholar/Scientist, Associate Engineer, Associate Research Professor, and Associate University Librarian, an increase equal to 9.0% of the
- 2) in recognition of promotion to Professor, Scholar/Scientist, Engineer, Research
- 3) in recognition of promotion to Senior Instructor/Senior Lecturer in accordance

salary, but the new salary may not exceed 915 September ~~2009-2010~~ salary, if in the same position. The new base salary

~~meeting required performance standards during the one year period immediately preceding the increase; and (3) have not received an overall AMP appraisal ratings~~
~~ity, during~~
~~the one year period immediately preceding the increase.~~

~~23.2 Additional University Compensation Increases for Faculty. Additional University Compensation Increases for Faculty. The FAU Board of Trustees has made a commitment to additional compensation increases for high performing faculty (not FAUS) and librarians. The University shall provide these bargaining unit employees with a total salary increase pool equal to 4.0% of the September 13, 2013 salary base of eligible bargaining unit employees for the 2013-2014 academic year. This pool includes any applicable legislative appropriated lump-sum compensation. All salary increases shall be distributed in the following categories:~~

~~A) Merit Increases.~~

~~1) All regular~~

~~Oklahoma State University Salary survey (or equivalent).~~

~~4) The University shall provide a pool of funds to each college equal to approximately 2.0% of the total base salary rate of eligible bargaining unit employees on September 13, 2013. This amount is defined as the Available Market Equity for the unit.~~

~~5) The Available Market Equity shall be distributed to all eligible employees as defined above based on a formula set by the Dean of each college, and the formula must increase the distribution amount as the disparity from the adjusted parity level (based on evaluation as described above) increases. The formula shall not disqualify employees based on rank. The formula~~

status employees may be promoted, but may not receive any promotion/merit salary increase.

2) These increases shall be granted to non-permanent status employees in an amount equal to a specified percentage of salary at the time of promotion to one of the ranks described below:

- 3% To achieve University School Accomplished Instructor;
- 7% To University School Assistant Professor;
- 8% To University School Associate Professor; and
- 9% To University School Professor

B) 2012-2013 FAUS Employee Base Salary Increases. All FAUS employees shall receive an additional base salary increase for the 2013-2014 school year in accordance with the Statewide Teacher Pay Increases provided by law. The amount of the base increase for each FAUS employee shall be \$2,975 effective at the start of the 2013-14 school year.

C) Joint Appointments. FAUS employees holding joint appointments with a department or unit in the University shall be eligible for any salary increases available to other part-time members of the bargaining unit in such department/unit of the University, with such increases appropriately pro-rated.

D) FAUS Supplements. FAUS employees shall receive salary supplements for approved extracurricular activities assigned by the Director under the following conditions:

- 1) The activity must involve duties that extend beyond the normal workday;
- 2) Employees shall receive a separate salary supplement for each assigned activity;
- 3) The amount of the salary supplement shall be determined after consultation with the FAUS UFF representative.
- 4) Salary supplements are not to be included in the base salary rate upon which future salary increases are calculated.

23.53 Report to Employees. All employees shall receive notice of their salary increase, if applicable. Upon request, an employee shall have the opportunity to consult with the person or committee which makes the initial recommendation for salary increases.

23.46 Nothing contained herein shall prevent the University from providing salary increases beyond the increases specified above. These increases are provided for market equity considerations; ~~including verified counteroffers;~~ documented

compression/inversion;

ARTICLE 24 BENEFITS

24.7 Free University Courses for Employees.

(a) Full-time employees, including employees on sabbaticals or on professional development or grants-in-aid leave, may enroll for up to six (6) credit hours of instruction per term (Fall, Spring, or Summer) under the Employee Educational Scholarship Program (EESP). Information on this program is available on the Human Resources webpage.

(b) The BOT will perform a cost-benefit analysis of providing a tuition benefit to e dependents based on current models in the SUS. Results of the evaluation shall be shared with the UFF during or before the 2015-16 collective bargaining process.

APPENDIX I

FAUS SALARY SYSTEM - GRANDFATHERED AND PERFORMANCE

The parties acknowledge that salary schedules and systems are subject to change as the Legislature and the Florida Department of Education work to implement changes resulting from the Florida Student Success Act (Ch. 2011-1, Fla. Laws). What follows is effective beginning for the 2013-14 year based on current understanding of Legislative intent and technical assistance by the Florida Department of Education.

A. The state requires two salary systems: Grandfathered and Performance.

1. Grandfathered Salary System

_____ -time (1.0 FTE)
school employees who currently have and remain employed on a permanent status contract.

New GSS employee base entry level minimum starting salary: \$39,375. The minimum base starting salary above will be increased by \$100 for each completed year of documented, effective, full-time equivalent (1.0 FTE) K-12 experience.

GSS employees are eligible for the annual Advanced Degree Supplement described below and those other supplements in accordance with the provisions of Article 23.4(d). Supplements are not added to or become part of the base salary.

GSS employees are not eligible for promotion increases or any base salary increases unless specifically provided for by law.

2. Performance Salary System

_____ personnel on an annual contract. Employees on the GSS or with a permanent status contract are not eligible for the PSS. Permanent status employees may _____ status and assuming employment on an annual contract. A PSS employee may not return to the GSS or regain permanent status.

New PSS employee base entry level minimum starting salary: \$39,375. The minimum base starting salary above will be increased by \$100 for each completed year of documented, effective, full-time equivalent (1.0

FTE) K-12 experience.

PSS employees are eligible for the annual Advanced Degree Supplement described below and those other supplements in accordance with the provisions of Article 23.4(d). Supplements are not added to or become part of the base salary.

PSS employees are eligible for promotion base salary increases in accordance with Article 23.4(a). Promotion increases shall be calculated on the base salary only, not including any supplement(s).

PSS employees are eligible for annual performance adjustments to the base salary and any other base salary increases specifically provided for by law. The annual performance increases to base salary for PSS employees are based solely on the annual performance evaluation overall rating and calculated as follows:

<u>Rating</u>	<u>Base Salary Adjustment</u>
<u>Unsatisfactory</u>	<u>No adjustment</u>
<u>Developing/Needs Improvement</u>	<u>No adjustment</u>
<u>Effective</u>	<u>\$150.00</u>
<u>Highly Effective</u>	<u>\$175.00</u>

B. Advanced Degree Supplements

Eligible employees may receive a single advanced degree supplement based on the highest degree earned. The supplements are not added to or become part of the base salary. The supplements are calculated as follows:

Highest Degree Earned Annual Supplement
Masters



BOT RETREAT
AUDIT AND FINANCE COMMITTEE
September 20-21, 2015

**SUBJECT: UPDATE ON FINAL 2015-16 EDUCATIONAL AND GENERAL BUDGET
AND PLANS TO INVESTIGATE REFINANCING SELECTED FAU BOND DEBT**

PROPOSED COMMITTEE ACTION

Information only.

BACKGROUND INFORMATION

The following brief updates to the Board of Trustees are planned:

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IMPLEMENTATION PLAN /DATE

The 2015-16 Educational and General Budget was finalized by Governor Rick Scott on June 29, 2015 and a brief update on those changes will be discussed.

During Fall 2015 Audit and Finance Sub-committee meetings and Full Board Meetings, materials that support potential refinancing opportunities will be discussed once proposals and options have been received and investigated. The goals are to take advantage of current interest rates, reduce our annual debt obligations, and realize savings to the University. It is expected that the transactions will be completed by December 2015, if possible, to maximize market conditions.

FISCAL IMPLICATIONS

N/A.

Supporting Documentation: Summary Table of



2015-16 Educational and General Expenditure Budget

	University	Medical School	Total FAU
2014-15 Ending E&G Expenditure Budget	\$ 253,555,983	\$ 22,583,395	\$ 276,139,378
Restoration of 2014-15 Base Budget for Performance Funding	6,952,393	-	6,952,393
2015-16 Budget Adjustments			
Performance Funding (Non-recurring)	11,366,318	-	11,366,318
Health and Retirement Adjustment	38,314	(7,144)	31,170
STEM Life Science Initiatives - Jupiter			
Recurring	2,631,815	-	2,631,815
Non-recurring	900,000	-	900,000
FAU Max Planck Science Fellowship Program (passthrough)			
Recurring	550,000	-	550,000
Non-recurring	700,000	-	700,000
New Space - Tech Runway (Util., Operations & Maint.)	280,965	-	280,965
BOG Student Mix Budget Adjustments	224,751	33,500	258,251
Total Proposed Budget Adjustments	16,692,163	26,356	16,718,519
Total 2015-16 Expenditure Budget	<u>\$ 277,200,539</u>	<u>\$ 22,609,751</u>	<u>\$ 299,810,290</u>