Reengineering Advisory Committee
Meeting Minutes
Monday, September 21, 2009
4:00-6:00 p.m.

Members (All present unless noted*)
Adam Brandenburger (Chair)
Sally Blount
Leslie Brown
Craig Calhoun*
Jim Hinojosa
Katherine O’Regan
Whitney Petrie
Carol Reiss
Anthony Shorris
Tom Tyler
Jerome Wakefield
Tony Welters *

Guests
Michael Alfano
Charles Bertolami, Dean and Professor, College of Dentistry
Katie Casey, Vice President for Human Resources

Adam introduced two key members to the Human Resources Policies Assessment Task Force (HRPAT): Charles Bertolami (chairperson) Katie Casey (VP of HR). Charles and Katie then presented the process, findings, and recommendations of HRPAT.

A. The primary charge was how to deliver high-quality service at the lowest effective cost.

B. Guiding principles:
   1. Reflect what current and prospective employees value
   2. Remain competitive
   3. Ensure that policies are narrowly owned and broadly administered
   4. Maintain effective communication
   5. Continue to promote a diverse, non-discriminatory environment
   6. Reinforce the shared goal of protecting and growing the NYU’s interests and investments

C. Key recommendations:
   1. FMLA—outsourcing to UNUM
   2. Front-loaded vacation time; caps on rollover
   3. Severance—clarifying policies and reducing institutional risk
   4. Retirement plans—Safe Harbor plan; mandatory participation (re younger employees and saving for retirement); extension of waiting period for participation
The committee discussed whether these recommendations matched the original charge to the Task Force—including meeting the needs of current and future employees. A particular caveat mentioned was that the Safe Harbor plan might be viewed as creating the means by which the administration could lower the match (a kind of “bait and switch”). One idea was that the administration should make a “good faith pledge” not to lower the match for a specific period of time. A good communication plan here would be critical. We also emphasized that each of these changes would demand periodic review as to their short-term and longer-term implications.

5. Career banding—easier to benchmark salaries; more of a “career” orientation; does not include collective bargaining unit employees

The committee commented that it would be important to provide training and orientation for faculty who are supervisors (but not necessary “administrators”). Also, we felt it very important to communicate this issue in “real language,” so that everyone fully understands. Katie Casey stated that funds were budgeted for a consultant to assist in the roll-out.

6. Retiree medical costs—challenge to NYU of uncontrolled growth of future retiree medical expenses; constraints on NYU resources and ability to borrow/raise cash posed by certain liability requirements

The committee heard about proposals to: tighten eligibility by raising minimum age/service requirement with respect to future hires and those under 40; increase retiree contributions; cap NYU’s contribution to future hires and those under 40; eliminate subsidized coverage for future retirees based on hire dates in the future; offer Medicare Rx only coverage to those who meet the Rule of 70 but are working past age 65.

7. Tuition benefits—most contentious for HRPAT members because of the large potential impact on many faculty, administrators, and staff

Discussion led the committee to reinforce that its role was advisory. We did not feel that we could endorse or “green light” recommendations. We also observed that different proposals had different motivations (which needed to be highlighted), that inclusion of peer comparisons and benchmarks (where possible) was highly desirable, and that channels for feedback would be very important.

Mike Alfano noted that although information about the Task Force final reports was posted on the EVP website and repeatedly communicated to the NYU community in a variety of forums, very little feedback was proffered.

As the meeting closed, the committee decided that the issue of tuition benefits demanded greater time and attention. It was agreed to arrange an interim meeting before the next scheduled meeting on 10/21. Marian would coordinate all calendars.