

**Commission on Faculty Affairs
Minutes
October 16, 2009**

Members attending: Mike Ellerbrock (chair), Debbie Smith, Jack Finney (for Dean Chang), Sam Riley, Bruce Pencek, Sam Easterling, Paul Winistorfer, Dennis Welch, and Patricia Hyer

Agenda for the meeting included three items: update on alternative severance option, update on federal contract compliance policy changes (Yale Settlement), and issues with current university P&CA Committee appointments.

The minutes of the CFA meeting on September 11, 2009, were approved without change.

Alternative Severance Option (ASO)

Hyer briefed CFA members about using ASOs as a mechanism to reach budget reduction targets. ASOs provide severance benefits for voluntary terminations. ASOs are only used if there is a need to reduce personnel. The deans of each college have been tasked with developing business plans to detail how they will meet budget estimated reduction targets of 4%. Deans must first identify and prioritize potential areas of reduction. Decisions to eliminate staff or faculty positions must be supported by the business plan. Once the provost approves the plans the deans will notify eligible employees and invite them to consider the ASO. Participation of tenured faculty members is entirely voluntary.

The ASO process works differently depending on whether the employee is staff or faculty but the severance benefit is exactly the same. Staff position elimination is governed by the Commonwealth of Virginia's Department of Human Resource Management. The policy requires units to identify the position to be eliminated, generate a list of employees in similar positions, and proceed with layoff of the least senior employee. The Commonwealth will allow voluntary substitutions of another staff member identified for layoff. The college may not refill a staff or administrative/professional faculty position unless the business plan provides a compelling restructuring rationale approved by the President. Instructional faculty positions may be refilled upon appropriate justification.

The maximum severance benefit for long term employees is 36 weeks of salary and one year of paid health insurance and life insurance. The severance benefit can be paid in a lump sum, as salary over the requisite weeks, or converted to years of service for VRS-retirement eligible employees. The Commonwealth will pay the cost of the enhanced retirement benefit for employees covered under the Virginia Retirement System, if they retire before July 1. The department must pay out the severance benefits for employees covered under the Optional Retirement Program or for those receiving the severance payments.

Update on Federal Contract Compliance Policy Changes (Yale Settlement)

In December 2008, Yale was required to pay \$7.8 million in fines and penalties to the federal government due to violations of grant accounting compliance. Other universities are being audited, with some hefty fines imposed. Virginia Tech is proactively managing

audit vulnerability by changing current policies and practices to reduce exposure. Two policies are impacted by this ruling, policy 6200 and 3105.

Policy 6200: Research Extended Appointments

Virginia Tech allows academic year (AY) faculty members to supplement salary with full benefits by extending their 9-month appointments beyond the academic year reflecting their sponsored research responsibilities. Minor changes to policy 6200 and changes in faculty practices will reduce audit exposure. Faculty members must now have a portion of their summer salaries charged to university funds to reflect on-going university responsibilities during the summer, such as working with graduate students, preparing course materials, etc. There is no action required by the CFA members; the changes to policy 6200 will be sent directly to the Board of Visitors for approval.

Policy 3105: Effort Certification

Hyer noted that changes to policy 3105 are being proposed by Virginia Tech's Vice President for Finance. Though there is no action required by CFA members, Hyer is seeking advice from members about the policy language. The changes are based upon the insights gleaned from the policy changes at Yale following their settlement with federal auditors.

Issues with Current University Promotion & Continued Appointments (P&CA) Committee Appointments

Hyer and Pencek briefed CFA members about issues that are arising with the current policy on P&CA committee appointments. Virginia Tech librarians and extension officers are employed in continued appointment tracks, similar to faculty tenure track employment. Historically there were more continued appointment track faculty members; now there are only 34. Because of the limited numbers of continued appointment employees available, filling committee appointments is becoming increasingly difficult. The current policy may need to be changed to address the shortage of eligible committee appointees. CFA is responsible for this policy and members may want to address this issue during the current year. Hyer and Pencek will present next steps for resolving the issue to the CFA members.

New Business to be Addressed at Future Meetings

- 1) Policy Language about Involuntary Calendar Year to Academic Year Conversions
- 2) Policy Changes to P&CA to Address Committee Appointments
- 3) Policy Regarding Faculty Parents Teaching Children

Recorder, Cindy Wilkinson