• March-April 2021 - Special Legislative Issue

Featured In This Issue:

- Work "Out of Title"
- The issue of Job Descriptions
- Legislative Update
- PEPB Cuts

News

- Bills advanced for CCs to leave NSHE (see previous issue <u>Here</u>), reduce # of Regents
- Collective Bargaining Bill advances
- Salary "Transparency" Bill
- NFA Endorses Ted Chodock for Faculty Senate Chair

CSN - NFA Officers 2020-22

Luis Ortega – *Chapter President* Ted Chodock – *Vice President*

Jill Acree – Legal Chair

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NFA Gazette:

Andrea Brown, Robert Manis or Staci Walters

Work "Out Of Title"

Faculty sweeping floors? Counselors working weekends?

These were actually occurring during the year 2015-16 at CSN, hard as that may be to believe. These issues ended up being addressed as the part of our 2020 contract to prevent similar activities under any future administration.

The latter of the two issues - which affected counselors - had its origin in the Financial Aid scandal in 2012 which caused CSN to have to pay back nearly \$2 million in financial aid to the Department of Education. Much of that was due to fraudulent applications by fake students. Other parts were allegedly due to students getting aid for classes that were not part of their majors, though that was disputed. To address that problem, CSN adopted a software program which compared students to courses required for their majors. Unfortunately, the off-the shelf software was too strict in comparing students to requirements, in hundreds and sometimes thousands of false positives each week. Counselors were asked to spend weekends trying to regualify students who were to about to be denied financial aid. Even if a counselor were able to justify ten students' courses per hour, it amounted to hundreds of extra hours per week. Then-President Mike Richards first promised overtime for this work, but then reneged, claiming that as professional employees, they were not entitled, despite Nevada law which does not include counselors in that category. When counselors resisted, the Admin assigned the cases to non-tenured counselors who would be afraid not to comply.

Meanwhile in a department in Health Sciences, budget concerns led a department chair to lay off the department cleaning aide, and insist that teaching faculty clean labs and sweep floors. This issue was finally resolved in **Article 24** of the Collective Bargaining agreement which allows faculty to **decline** out-of-the-ordinary tasks or to request sufficient compensation before accepting. http://nfa-csn.org/current-contract.html

-Program Directors, Lead Faculty and Asst. Chairs, Oh My! -

As NFA prepared for the last contract negotiations in 2016-17, we discovered that one of frequent issues across departments was the inconsistent use and compensation of program directors, lead faculty and assistant chairs. Positions were arbitrarily offered and withdrawn, cut and supplemented without any clear rationale by both department chairs and the VP of Academic Affairs. As we looked into the matter further we also discovered that program directors and others who operate largely on a B+ contract were underpaid. They were paid 10% more for their additional month of work, but when we looked at the actual days required, it was clear that they should have been paid 12% more. The contract finally settled on an increase to 11%.

The issue of who should be a program director, and what and how much their duties should be, etc. was not successfully addressed because job descriptions are not considered a mandatory topic under the very restrictive NSHE code (another reason why the legislature needs to pass SB 373 - the state collective bargaining bill.) This was also the reason we were not able to use job descriptions *per se* to solve the above problem of work out of title.

But bad faith by some department chairs has put the topic into play. After the contract went into effect, several departments cancelled their program director positions, but made the former directors continue their same work.

We have been working with HR to restore those positions and in the process standardize duties of those on B+ contracts.

Job Descriptions

NFA has focused on developing current and cohesive Job Descriptions for the following categories: Department Chair, Assistant Department Chair, Program Director and Lead Faculty. There are three phases to this task.

- In cooperation with Human Resources, Faculty Senate and CSN Administration this task force finalized the descriptions (Phase I) a month ago. It is our understanding the descriptions have been provided to the School Deans and should be shared with all departments.
- * Phase II will determine where a person fits in this range of descriptions, i.e. is this person a Lead Faculty, Program Director, Assistant Director or Dept. Chair, and compensation formula
- * Phase III will consider evaluations for the positions (as the Dept. Chairs currently have).

There has been considerable confusion as to what constitutes a certain leadership position and how the variances of different schools (CTE, class sizes, certifications, etc.) make these determinations.

This codifying of the various roles has been no small task and NFA has remained committed to helping all faculty with fair and equitable position requirements, expectations and compensation.



NEVADA FACULTY ALLIANCE

The Nevada Faculty Alliance is the independent statewide association of faculty of the Nevada System of Higher Education. The NFA is affiliated with the American Association of University Professors, which advocates for academic freedom, shared governance, and faculty rights. The NFA works to empower faculty to be wholly engaged in our mission to help students succeed.

Priorities for the 2021 Session of the Nevada Legislature

Collective Bargaining for Faculty

Bring faculty worker protections on par with other state employees.

The 7000 faculty employees of NSHE are the only large group of public employees in Nevada who do not have collective bargaining rights in statute. We support SB373 to align collective bargaining rules for professional employees with those of state classified employees and local government employees in NRS 288. Research indicates that faculty unionization improves institutional efficiency, resulting in a more educated workforce through increased student completions at a lower cost.

• NSHE Community College Governance

Invest in workforce development without disrupting existing education pathways.

In his State of the State address, Governor Sisolak proposed a two-year process to plan for an "independent authority" over the community colleges of NSHE with a focus on workforce development. NFA supports investment in Career and Technical Education as well as apprenticeship programs, but we also recognize the long-standing and essential role of community colleges in general education and preparing students to transfer into four-year degree programs. Pending review of forthcoming proposals, NFA reserves judgment on changes to higher education governance. As the statewide organization representing all NSHE college and university faculty, we would have concerns about the creation of an expensive new bureaucracy. (BDR 838/1108)

NSHE Salary Transparency

Ensure accountability and prevent waste or abuse.

The Board of Regents has the authority under NRS 396.280 to set faculty and administrator salaries at NSHE colleges and universities, independently of the state classified and unclassified pay systems. We support a bill, adapted from a portion of SB214(2019), to require annual accountability reporting of salaries at NSHE. (SB361, to be amended)

PEBP Benefits Restoration

Protect the most vulnerable state employees

The executive budget calls for drastic reductions in healthcare and other benefits to state employees: increased deductibles and out-of-pocket maximums that shift costs from the state to the most vulnerable employees—those with serious and chronic health conditions. The elimination of the Long-Term Disability Insurance benefit will leave state employees with no safety net after July 1. LTD must be restored Because state employees do not have Social Security disability coverage and most NSHE faculty do not have PERS disability retirement, employees who become disabled in the future are left without a safety net, which is especially important during the COVID-19 pandemic. (PEBP Budget 1338)

Performance-Based Merit Pay

Promote retention of diverse faculty and motivate excellence in teaching and research.

A NSHE Performance Pay Task Force recommended that a performance pay pool of 1% or greater of faculty salary budgets be reallocated internally for merit-based raises, at no additional cost to the state. Unfortunately, GovRec includes language for the appropriations bill, which was deleted in 2019 with NFA advocacy, that prohibits use of state appropriated funds for professional merit increases. The appropriations language needs to be permanently revised to approve the use of available state funds (as well as non-state funds) for performance-based in-rank salary advancement for rank-and-file academic and administrative faculty. (Appropriations bill language)

Diversified State Revenue

Learn the lesson of the pandemic: mitigating risk better protects Nevadans.

NFA has joined the Revenue Coalition *in support of more diversified and stable revenues* for the State of Nevada to mitigate against the high volatility of tax receipts with economic cycle.



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The <u>Nevada Faculty Alliance</u> is the independent statewide association of faculty of the Nevada System of Higher Education and is the bargaining agent for faculty bargaining units at the College of Southern Nevada, Truckee Meadows Community College, and Western Nevada College. The NFA is affiliated with the American Association of University Professors, which advocates for academic freedom, shared governance, and faculty rights. The NFA works to empower faculty to be wholly engaged in our mission to help students succeed.

Collective Bargaining for NSHE Faculty

SB373 establishes collective bargaining rights for NSHE faculty in Nevada statutes.

"Every American deserves the dignity and respect that comes with the right to collectively bargain." – Joe Biden

Effective and efficient employment settings depend on the proper balance of power. Because NSHE faculty lack collective bargaining rights in statute, existing bargaining units operate under NSHE Code, giving the Board of Regents the sole power to write and determine the implementation of collective bargaining rules. SB373 upholds the legacy of a longstanding American tradition to empower faculty, so they can retain the dignity and respect necessary to provide a high-quality education to the students who will decide Nevada's future.

Institutional Efficiency

Increase student/faculty retention and improve academic governance

Collective bargaining provides a framework for helping faculty achieve institutional goals, as evidenced by research demonstrating a statistically significant increase in student retention with faculty unionization.

Faculty unionization also improves the efficiency of academic governance—through a variety of research-backed models—by encouraging meaningful faculty participation in shared institutional decision-making.

Fiscal Responsibility

Reduce cost per degree awarded without a fiscal impact to the state

A 2014 study associated faculty unionization with a savings of \$13,500 in core expenses per degree awarded (and an additional 1.2 degrees awarded per 100 students enrolled). Among eight variables, faculty unionization was the only method that achieved both lowered cost and increased student completion.

By increasing efficiency, collective bargaining offsets any salary increases, resulting in *no fiscal cost* to the state.

Fairness, Equity, and Freedom

Treat faculty workers equal to other state employees and promote academic freedom

The 6,700 faculty employees of NSHE are the only large group of public employees in Nevada who do not have collective bargaining rights in statute. We support SB373 to align collective bargaining rules for professional employees with those of state classified employees and local government employees in NRS 288.

The Nevada Faculty Alliance supports this legislation to affirm and uphold the tradition of academic freedom necessary for a full and effective education.

Additional Highlights

- Securing collective bargaining rights in statute will save time and money by giving faculty employees access to the Government Employee-Management Relations Board (EMRB) for conflict resolution, as an alternative to litigation.
- Because NSHE already allows collective bargaining and has the supporting infrastructure, the modest EMRB fees represent this bill's only fiscal impact.
- The bill would not interfere with unions for local government or state Classified employees, nor would it change existing right-to-work law.
- Bargaining units would be flexibly defined, allowing each NSHE institution to negotiate based on local needs.

Nevada Faculty Alliance, 840 S. Rancho Dr., Suite 4-571, Las Vegas, Nevada 89106, www.NevadaFacultyAlliance.org

Collective Bargaining for NSHE Faculty (<u>SB373</u>)

The proposed bill would establish statutory collective bargaining rights for certain professional state employees, primarily faculty at NSHE, similar to those in NRS 288 for local government employees and for state Classified employees. The specific policies and procedures of the proposal are described here:

- The Board of Regents has granted limited collective bargaining rights for faculty through NSHE Code, but
 this means management both writes and interprets the rules of engagement. A better-defined process
 in statute will enable both parties to negotiate expeditiously in the best interests of our institutions and
 students.
- SB373 largely follows the collective bargaining rules already established in NRS 288 for local government employees and state Classified employees, with some clarifications needed for professional employees in higher education, including for example shared governance and academic freedom as mandatory items of negotiation.
- SB373 covers state professional employees, including NSHE faculty and explicitly excluding state
 Classified staff and local government employees. Most state "unclassified" employees in other state agencies are excluded as managerial employees not subject to collective bargaining.
- The new sections are in a separate subhead of NRS chapter 288 and do not affect the sections for local government employees and state classified employees.
- The definition of bargaining units uses the "community of interest" standard, which is flexible so that
 employees and administrators of each NSHE institution can negotiate the composition of bargaining
 units. For example, bargaining units for academic faculty and administrative faculty and various
 campuses could be separate or combined according to campus needs and culture. The bill would allow
 formation of bargaining units for part-time instructors and assistants.
- SB373 gives state professional employees and their professional organizations access to the state Government Employee-Management Relations Board (EMRB) for conflict resolution as an alternative to litigation. This would lower costs in time and money—a clear benefit to both sides.
- Three NSHE campuses (CSN, TMCC, WNC) currently have collective bargaining under NSHE code represented by the Nevada Faculty Alliance. The bill would continue those bargaining units and their contracts until renegotiated under the new statute.
- SB373 would clarify the right for representation for faculty employees in disciplinary or grievance meetings, similar to the rights for state classified employees in NRS 284.
- Because NSHE already has collective bargaining under its own Code, the support infrastructure is in
 place and the only expected fiscal note would be the annual fee of up to \$10 per employee that NSHE
 would pay to support the Government Employee-Management Relations Board.
- Nevada is a right-to-work state with no-strike provisions for public employees. This bill would not change that.

Sources

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Cassell, M., & Halaseh, O. (2014). The Impact of Unionization on University Performance. *Journal of Collective Bargaining in the Academy,* 6(1), Article 3.

NSHE Institutional Research Office. *NSHE Employee Headcount*. https://ir.nevada.edu/dashboard.php?d=employee_headcount Porter, S. R. (2013). The Causal Effect of Faculty Unions on Institutional Decision-Making. *Industrial & Labor Relations Review, 66*(5), 1192-1211.

President Biden [@POTUS]. (2021, February 4). Every American deserves the dignity and respect that comes with the right to union organize and collectively bargain. The policy of our government is to encourage union organizing, and employers should ensure their workers have a free and fair choice to join a union [Tweet]. Twitter. https://twitter.com/potus/status/1357335570880618496



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Public Employees' Benefits Program

PEPB Benefit Reductions

Drastic cuts in benefits affecting the most vulnerable

- Increased maximum out-of-pocket costs by thousands of dollars per year hurt employees who have a major health crisis or need high-cost treatments to remain productive.
- Completely eliminated the Long-Term Disability (LTD)
 Insurance benefit, hurting future disabled employees
 who will have no safety net.
- Decreased state contributions to PEBP Medicare retiree
 Health Reimbursement Arrangements by 15%, hurting
 retirees on fixed incomes.
- Employee monthly premiums are increasing by 45% to 48% over pre-pandemic FY2020 premiums for the base high-deductible plan, hurting lower-income employees.

Past Benefit Cuts Have Been Permanent

Costs transferred to state employees

- PEBP benefit reductions were used in 2011 to help solve budget shortfalls after the Great Recession.
- Costs were transferred to participants in the form of employee premiums and high deductibles and out-ofpocket maximums, which remain today.
- Historically, benefits have been very difficult to restore once cut.

Use Available Funds to Restore Benefits

PEBP Excess Reserves and American Rescue Plan

- Due to pandemic-related claims suppression and higher FY2021 employee premiums, PEBP's excess reserves have ballooned from \$7.0M on 12/31/2019 to \$50.7M on 12/31/2020 (to be reduced by \$24.4M by the state agency payment holiday from AB3 of the special session). As of 3/24/2021, PEBP projects end-of-fiscal-year excess reserves to be upwards of \$20M.
- The State of Nevada will receive \$2.947billion from the American Rescue Plan, which can be used to offset revenue shortfalls due to COVID19.
- Because PEBP sets rates for July 1 in March and open enrollment starts on May 1, the Legislature needs to act promptly to restore benefits using excess reserves or in anticipation of A.R. P. funding.

Priority: Restore Long-Term Disability NSHE faculty have no other safety net

- o If LTD is not restored, current state employees will have no coverage if they become disabled after July 1.
- The estimated cost to restore LTD at the FY2021 level is \$4.6M/year (less than \$15/month per employee).
- State employees are not covered by Social Security Disability. Most NSHE faculty are not covered by PERS disability retirement (which is not income replacement and only pays at the earned rate of 2.25% per year of service, not 60% of income as for LTD insurance).
- Voluntary LTD insurance through PEPB will not be available until Jan. 2022 and will cost 0.58% of salary for middle-aged employees at the current level, prohibitive for many..
- The average time employees stay on LTD is about 5 years—ending upon death, age 65, or return to work.

Other NFA Priorities for PEPB Budget Protect the most vulnerable state employees

- Restore PEBP Medicare retiree HRA contributions from \$11/month per year of service in GovRec to \$13 at a cost of \$3.4M/year.
- Restore life insurance benefits at a cost of about \$3.5M/year.
- Restore employee premiums to pre-pandemic FY2020 levels at an estimated additional cost of \$10M to \$14M/year.
- Roll back the deductibles and out-of-pocket maximums to pre-pandemic FY2020 levels. The cost requires an actuarial analysis, but a rough estimate based on past PEBP projections is \$15M/year.

PEBP Actuarial Audit

Second opinion for prudence and accountability.

PEBP has a long history of underestimating excess reserves, by tens of millions of dollars. AON has been the contracted actuary for decades. An audit of AON's actuarial rate-setting methods and PEBP's assumptions and methods at a cost of \$100K is overdue and should be required.

Nevada Faculty Alliance, 840 S. Rancho Dr., Suite 4-571, Las Vegas, Nevada 89106, www.NevadaFacultyAlliance.org, Contact: Kent Ervin, NFA Legislative Liaison, kent.ervin@nevadafacultyalliance.org, 775-453-6837

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Comparison of pre-pandemic FY2020 plan versus proposed FY2022 plan per PEBP March 25 Proposed Rates (option 2)*

PEBP Base High-Deductible Plan (CDHP)

Tier	Eı	mployee-Only		Employee plus Family		
Fiscal Year	FY2020	FY2022*	Change	FY2020	FY2022*	Change
Deductible	\$1500	\$1750	+17%	\$3000	\$3500	+17%
Out-of-pocket (OOP) maximum	\$3900	\$5000	+28%	\$7800	\$10000	+28%
HSA/HRA employer contribution	\$1100	\$600	-45%	\$1700	\$600	-60%
Employee premium (monthly)	\$31	\$45*	+45%	\$212	\$314*	+48%
Net Annual Max (OOP+premium-HSA)	\$3171	\$4936*	+56%	\$8644	\$13171*	+52%

- **ELIMINATED long-term disability insurance benefit** (currently 60% of income up to \$7500/month). Affects current active state employees after July 1, 2021.
- Reduced HRA contribution for Medicare retirees from \$13/month/years-of-service to \$11/month/YOS.
- Other plan design changes for High-Deductible Plan (CDHP):
 - Reduced Employer Contribution percentage from 95.0% to 92.9% for employee premiums and from 75.0% to 68.5% for dependent premiums.
 - Health Savings Account contributions decreased to \$600 per participant, eliminated additional amounts for dependents.
 - o Narrow pharmacy network (excludes CVS and Walgreens) for 30+ day prescriptions
 - o Lower payments for out-of-network providers.
 - o Actuarial value for CDHP reduced from 87% to 81%.
- Added "low-deductible" mid-level plan with \$500/\$1000 deductible and copays with 84% actuarial value, lower than the FY2021 high-deductible plan.
- Added \$150 (single)/\$300 (family) deductible and co-insurance for hospitalizations to HMO/EPO plans, reducing the actuarial value from 92% to 89%.
- Reduced life insurance to \$12,500 for actives and \$7,500 for retirees (from \$25,000 and \$12,500, respectively).

^{*}Updated 3/24/2021 per PEBP staff rate proposal, option 2.



Higher Education Needs Your Support!

Join the Nevada Faculty Alliance

Membership Application

First N	lame:					Last N	lame:		
Institution:						Depa	rtment:		
Title: _									
Institu	tional e	mail addr	ess:				Institutional mail stop:		
Persor	nal emai	l address:					(for NFA website login and emails, shared only with AAUP)		
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Academic Faculty		lty	Administrative Faculty		Associate Member (Administrators/Executives)				
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Print e	employ	ee name					NSHE employee number		
Signat	ture						Date		

Routing: Member gives signed form to Chapter chair or membership committee. Chapter sends copy to admin@nevadafacultyalliance.org. State NFA office submits deduction form (lower portion) to NSHE payroll office.