



*THE COLLEGE OF
WILLIAM AND MARY*

UNIVERSITY HUMAN RESOURCES SYSTEM

A Proposal
to
Committee on Administration
of the
Board of Visitors

September 4, 2008

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INTRODUCTION

On July 1, 2006, the College of William and Mary began a journey to craft a new University Human Resources System under the authority granted by The Restructured Higher Education Financial and Administrative Operations Act (ACT) passed by the General Assembly and signed by Governor Timothy M. Kaine on May 18, 2006. Why restructure the human resources system? Fully 80% of the College's annual operating budget is invested in its workforce, by far its most critical resource. The College's success depends on its ability to attract, retain and invigorate its people. A significant element of that success is a system that responds to the higher education workforce of the 21st century.

The College of William and Mary benefits immeasurably from the expertise, loyalty and dedication of its employees and from the invaluable sense of community fostered here. The intent of this new system is to reward that expertise and commitment through a system of compensation and benefits that demonstrates our understanding of the singular importance of faculty and staff to the success of the College. It promotes a philosophy and culture at the College that acknowledges that the partnership we form with our employees makes all the difference in our ability to compete in today's higher education environment. It requires a commitment on the part of the Board, the President, the Provost, the Vice Presidents and the Deans to change the way we manage and sustain our employees through the implementation of this system. It is a commitment to an idea, not to a process, and it exemplifies the meaning of community at William and Mary.

The purpose is not simply to streamline a cumbersome system of policies and procedures. Nor is it simply to increase efficiency and effectiveness and alleviate frustrations with the current system. While these are beneficial by-products of the endeavor, the more critical purpose is to provide a system that allows the College to thrive. How does the College compete effectively for the best and brightest in all categories of employees? How does the College stem the tide of high turnover in areas of predictable labor shortages? How does the College respond to the needs of its employees today and the expectations of the millennial generation of employees just beginning to enter our workforce?

The goals of the College's Human Resources System are to:

- Be responsive and agile
- Be comprehensive and capable of attracting, rewarding and retaining the best employees in an increasingly competitive environment
- Establish a classification system that reflects the realities of a university environment
- Provide a compensation system based on internal performance and external competition
- Acknowledge the needs and expectation of today's workforce by providing work/life programs that support our employees
- Simplify processes and procedures while retaining accountability
- Facilitate communication and understanding

The University Human Resources System will be a comprehensive system containing the philosophy, policies and procedures that delineate the work conditions for all University Employees. As the College worked to develop the new system, the guiding principles were that it be fair, transparent, and based on understandable and objective criteria. This report describes each of the major elements of the proposed system. Specifically included are the classification and compensation systems, various employee relations elements including performance evaluation systems, grievance processes and severance policies, a program of benefits and a human resources development program. It does not include the specific policy and procedure documents related to these elements. They will be presented to the Board of Visitors at its meeting in September, 2008.

When fully implemented, the system will provide the policies and procedures that govern the employment conditions for the executive leadership, professional and operational (formerly classified) employees and hourly employees of the College. **While University Employees, Instructional and Research faculty will continue to be governed by the policies and procedures contained in the Faculty Handbook.**

The College of William and Mary values diversity and its commitment to equal opportunity and to a climate that is welcoming to all people. William and Mary does not discriminate on the basis of race, sex/gender, religion, national origin, sexual orientation, political belief, disability, veteran status, age, or any other category protected by the Commonwealth or by federal law.

DESIGN PROCESS

The University Human Resources System (the System) is being established under the authorities granted by the Act. Policies and procedures governing classification and compensation, performance evaluation, grievances, benefits, and other terms of employment for operational employees (formerly known as classified employees) are within the authority granted by the Act and governed by the College's Management Agreement with the state. The College has long had autonomy in employment matters with respect to its faculty, including administrative and professional faculty. The human resources element of the Restructuring Act can be understood as an extension of this autonomy to employees who previously had been governed by the Virginia Personnel Act.

Autonomy was granted on July 1, 2006. On that date, the College (like the other "Level III" schools) did not have a new human resources system prepared. Therefore, the College adopted a system that is a "mirror image" of the state system. This mirror image system is composed of (i) the Faculty Handbook, (ii) the Virginia Personnel Act (applicable to existing classified employees until and unless they elect to join the new system) and (iii) the various policies applicable to administrative and professional faculty. This became the official College human resources system pending development of our own policies for participating classified employees.

While the Restructuring Act focuses on classified staff—the employees who will be given the opportunity to participate in the new system or to remain with the state system—the College's human resources restructuring is a much broader effort. It involves significant modifications to existing policies and the creation of new policies for not only classified staff but hourly staff and administrative and professional faculty as well.

As a technical matter, human resources restructuring is not a wholesale replacement of the current human resources program or system, but rather an addition to and amendment of existing "systems" comprised of numerous policies and procedures. Some of these policies and procedures will be amended, while many others will be newly created and adopted. The end result will be a new, comprehensive system, with significant changes for all employees other than instructional faculty who will continue to be governed by the Faculty Handbook.

When the College established its University Human Resources System on July 1, 2006, all instructional and research faculty, administrative and professional faculty and hourly employees were transferred to the new system. In addition, beginning on that day, all newly hired employees were employed under the new system. This system is (and will remain until January 10, 2009) the mirror image of the state system. Newly employed individuals are given a letter informing them they are employed under the University Human Resources System and that the elements of the system, and, thereby, their work conditions, will change on the effective date of the system described in this report. Instructional and research faculty will continue to be governed by the Faculty Handbook. All classified employees who were in the College's employ as of June 30, 2006 remain governed by the Virginia Personnel Act administered by the state's Department of Human Resources Management. The Act requires that all classified staff employed as of that date be given a choice to enroll in the new system or to remain in the state system.

July - December 2006

From the first, it was important to create a process that involved a wide spectrum of employees and to offer multiple opportunities for input and advice. The period from July 2006 through January 2007 was spent creating the structure for the design and implementation, gathering information from universities that had recently gone through a similar redesign, and determining where outside assistance was needed. Senior management assessed the advantages and disadvantages of implementing such a change and its impact on the culture and the budget of the College. They determined that the project should move forward.

January - June 2007

In January 2007, the implementation structure was approved (Exhibit 1) and committees and design teams were populated with the goal that they be balanced, inclusive and representative of the many diverse populations across campus. Each vice president and dean was consulted about the membership on each committee. More than 140 employees participated in committees and teams. The membership can be found in Appendix B.

During this period, the College issued an RFP for professional services for the development of the new classification and compensation system. The consultant's role was to conduct a classification and compensation study, to design the new classification system and to determine the appropriate peer markets for the compensation system. McKnight Associates, Inc. was engaged to complete the work.

In addition, three open fora (two on the main campus and one at VIMS) were held to provide information about the HR restructuring process, including the committee structure, the consultant, the time line and means of communication such as the website and the advisory committees. The intent to conduct a campus-wide employee climate survey (the first in College memory) was also announced at these fora. Work began on the development of the survey instrument.

The committees and design teams were given their tasks and began work.

July - December 2007

Administrative and professional faculty and classified and hourly staff participated in the Employee Climate Survey, which was conducted from July 11- 27. Of the 1691 employees eligible to take the survey, 928, or 55.5%, completed it. Surveys could be completed by e-mail or in person at scheduled sessions. Confidentiality was maintained by limiting the number of demographic questions asked on the survey and by structuring e-mail responses to ensure that while an employee could only take the survey once, the employee's response could not be connected to the employee. In addition, the responses were compiled by graduate students from the School of Education under the supervision of Tom Ward, associate dean. The results of the survey were released in October. They can be found in Appendix C.

Also during this period, McKnight Associates visited campus twice. The first visit was a series of meetings with interest groups and committees to gather information to guide the development of the classification and compensation systems. They also held a goal-setting session with the steering committee and the President to develop the basic principles for a compensation philosophy.

The second visit was to train managers and employees on how to complete a Position Description Questionnaire. The results of the questionnaire serve as the basis for the categorizing and ranking of each position in the system. More than 1700 position descriptions existed for some 1100 positions in the current system; the goal was to significantly reduce that number. The process involved segregating the unique positions and having supervisors complete a questionnaire describing the knowledge, skills, and responsibilities of those positions. During October and November supervisors completed 866 questionnaires.

During this six-month period, the design teams were on a schedule that required them to complete the majority of their assignment. The committees began gathering data and opinions, using dialogues, surveys and discussion groups. They met with outside experts and researched issues. REAC (the Employee Advisory Committee) held 17 conversation sessions—attended by 134 employees—to talk about what employees thought worked and didn't work in the current system. The Committee also provided comment forms to those who wished to give input, but who were unable attend a session.

In December a new task force was added to the project. Its purpose is to redesign the processes of the Human Resources System. Unlike the design teams' job of developing the substance of the system, the Redesign Task Force's job is to deal with the mechanics. From December through the fall of 2008, this task force will map administrative procedures with the intent of streamlining unnecessary steps, eliminating unnecessary forms and ferreting out redundancy to increase the efficiency of the system.

Two newsletters were distributed to all employees during this time to provide progress reports. An HR Restructuring website is also available to all employees where they can find information, offer ideas and opinions and ask questions.

January - March 2008

The Design Teams completed work on their recommendations, vetting them with the Advisory Committees and then forwarding them to the Lead Design Team for its consideration. The Lead Design Team refined the recommendations and coordinated all elements of the system to ensure a consistent whole. The report was forwarded to the Steering Committee on March 21 for approval.

April - June 2008

The Steering Committee conducted a comprehensive review of the recommendations made by the Design Teams, amending and revising them when necessary. The Committee forwarded its recommended system plan to President Reveley on May 12. After considerable review and discussion, the remainder of this period was spent preparing the report for presentation to the Board.

July - September 2008

The President has forwarded the recommendations to the Board of Visitors' Committee on Administration and asked for a consensus of the Board with regard to the general direction and major elements of the system.

Upon receiving the consensus of the Committee, the College will produce the documents detailing the policies and procedures that comprise the system as well as the materials needed for the election period. Also during this period, the redesign task force will continue its work of mapping and streamlining the forms and procedures that are the mechanics of the system.

The Board will be asked to approve the final system at its September meeting.

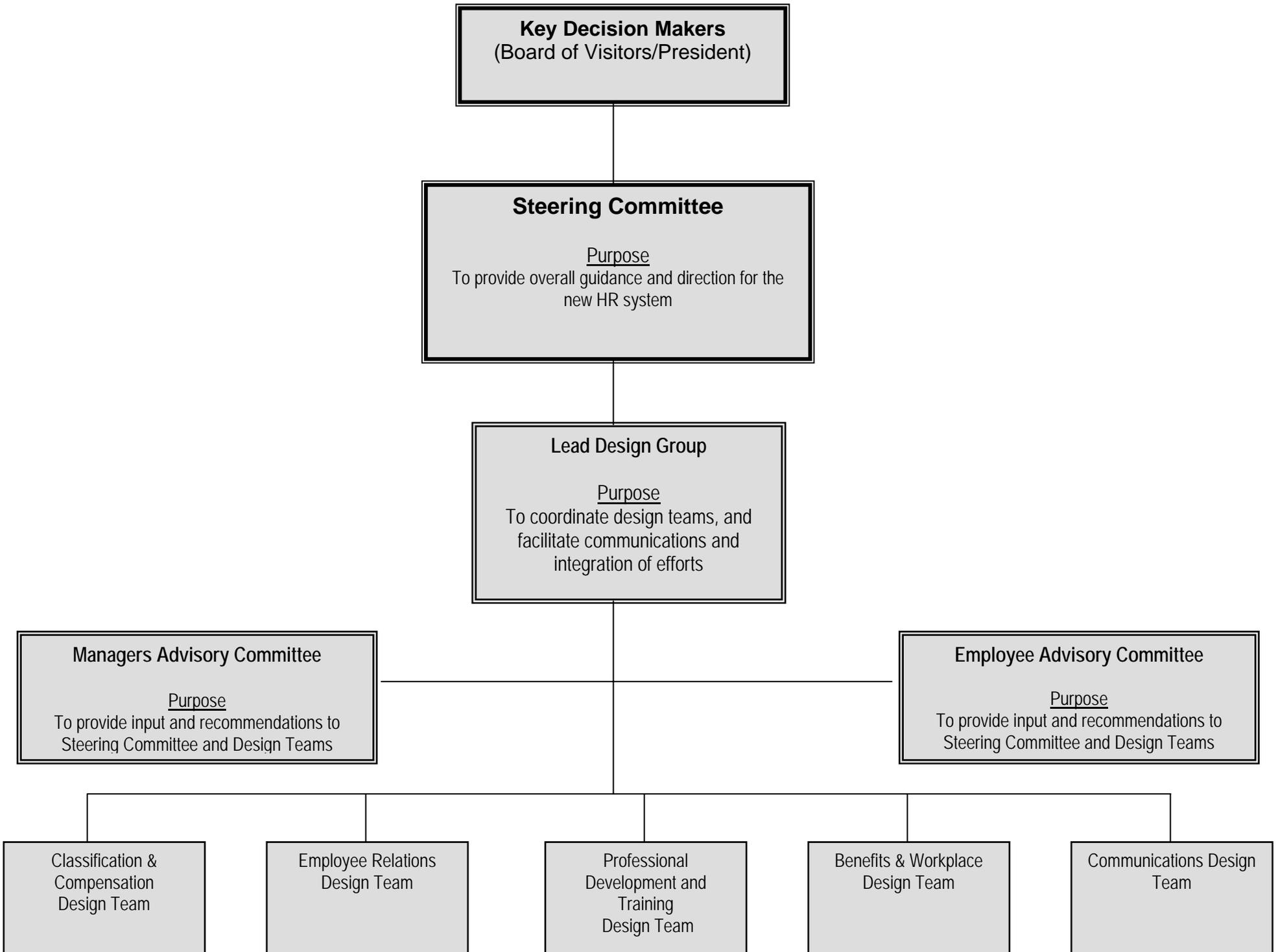
October - December 2008

On October 1, 2008, the new system will be rolled out to the College community. On that date, the 90-day election period will begin for current classified employees.

The system will be activated on January 10, 2009.

Restructuring Implementation Structure

Exhibit 1



UNIVERSITY
CLASSIFICATION AND COMPENSATION
SYSTEM

Philosophy

Categories of Employees

Classification Structure

Description of Compensation System

COLLEGE OF WILLIAM AND MARY COMPENSATION PHILOSOPHY

The College aspires to provide base compensation for operational and professional employees that is competitive with pay levels of individuals who have similar responsibilities, demonstrated competence and experience. The rate of pay is based on relevant competitive markets as well as on the level of contribution of the position. It is the intent of the College, to the best of its ability, to offer salaries that compensate fully competent and experienced employees at the median rate paid by employers in the College's peer groups. The Provost, Vice Presidents and Deans are responsible for assuring that they maintain internal equity within their units.

Salary increases are generally based on the concept of merit which includes individual performance, equity (internal and external), level of responsibility and the impact of the position on the mission of the College. Increases are based on contribution rather than step, longevity, cost of living or other increases based on term of service.

In addition to base compensation, a variety of special pay opportunities are available, based on criteria related to performance levels, competitive circumstances and market conditions. For example, employees may be eligible for lump sum awards which recognize superior individual performance or outstanding collaborative success. Such lump sum awards reinforce the fact that additional compensation is directly related to outcomes achieved during a specific time frame.

It is the intent of the College to administer base pay, incentive pay and benefits in a fair manner throughout the College regardless of affiliation or fund source.

CATEGORIES OF EMPLOYEES

An integral component of the new system is the definition of the categories of employees within it. These are described below.

UNIVERSITY EMPLOYEES

I. **Instructional and Research Faculty** – While faculty are employees of the University Human Resources System, it should be clear that **they are not governed by the policies and procedures proposed here**. Their compensation, benefits and work conditions are governed by the Faculty Handbook. The term “faculty” designates those persons who have teaching and/or research responsibilities, who hold academic appointments in a department, program or school and who are governed by the Faculty Handbook. In cases where a faculty member also holds a position the nature of which falls within a category of responsibilities defined as those of a professional or executive employee, the policies described in this report would apply only to those duties.

II. **Executive Employees** - This category consists of employees with primary responsibility for executive management of the College: establishing its mission, vision and strategic direction. The category principally includes senior level positions such as the president, provost, vice presidents, deans and associate vice presidents and provosts.

III. **Professional Employees** – This category consists of full- and part-time administrative, technical, academic, clinical and research employees formerly identified as administrative/professional faculty. Their primary responsibilities are implementing and managing the strategic direction of the College by establishing operation plans, processes and methods. This category also includes employees in recognized professional areas requiring advanced formal study and/or specialized experience.

IV. **Operational Employees** – This category consists of full- and part-time administrative, technical, academic, clinical and research employees formerly found in the state classified ranks. These employees execute the operational plans using established processes and methods. The category also includes hourly wage employees who do not exceed 1500 hours per year, and temporary employees hired for a limited period of six months or less.

TENURED OR TENURE-ELIGIBLE APPOINTMENTS

Employees with tenured or tenure-eligible appointments will continue to be governed by the Faculty Handbook. The rights granted to them by that handbook cannot be abrogated. The policies and procedures of the University System apply when an incumbent is performing duties which fall within his or her administrative responsibilities as a professional or executive employee.

CLASSIFIED EMPLOYEES

This category of employees consists of those who were employed by the College prior to July 1, 2006 and who do not elect to participate in the University System. They will

remain governed by the Commonwealth of Virginia Personnel Act. **The policies described in this report do not apply to this category of employee.**

CLASSIFICATION STRUCTURE

The proposed classification structure is a role- and contribution-based system that, applied together with the compensation plan:

- Respects every employee's contribution
- Recognizes individual performance
- Promotes individual career growth and development
- Bases salary on market ranges
- Is flexible
- Is easy to understand and to administer

In this system, each job is assigned to a Category, a Role, a Contribution Level and a Pay Range. Exhibit 2 provides a matrix which illustrates the structure.

Categories define the level and type of responsibility for each job type within the System. The categories are:

- Operational Employee
- Professional Employee
- Executive Employee

Within each category, Roles define the type of work performed. The roles are:

- Academic / Clinical / Research
- Administrative / Technical
- Executive

Within each Role, Contribution Levels are assigned to groups of jobs that share characteristics and make similar contributions. The contribution levels are:

- ◆ Contribution A: Achieving operational objectives through the performance of routine/repetitive tasks and activities.
- ◆ Contribution B: Achieving operational objectives and resolving problems using established processes, methods and systems.
- ◆ Contribution C: Achieving operational objectives, resolving problems and improving processes using substantive experience and collaboration.
- ◆ Contribution D: Implementing strategic direction by establishing means, methods and procedures, using applicable knowledge, skill and expertise.
- ◆ Contribution E: Implementing strategic direction through operational planning within an organizational unit or by performing highly complex technical tasks, using advanced knowledge, skill and expertise.
- ◆ Contribution F: Establishing strategic goals and operational objectives for an organizational unit.
- ◆ Contribution G: Formulating policy and implementing the College's strategic goals within an organizational unit.

- ◆ Contribution H: Establishing the mission, vision and strategic goals of the College and overseeing their implementation across organizational units.

Ultimately, each job is assigned a **Pay Range** based on the category, role and contribution level that reflect its contribution to the College and its position in the labor market. An employee's salary within that pay range depends on performance, experience and internal equity within the department, school and/or College. If, as a result of the implementation of this new system, an individual employee finds him- or herself with a salary that is above the range for the job as ranked, that employee's salary would not be reduced as long as the individual holds the position. The position itself will maintain the appropriate rank as designated. Likewise, if an employee finds him- or herself in an employee category different from the one he or she now holds, the employee may retain the current designation until vacating the position. The position itself remains in the appropriate category as designated. For example, if a job is currently designated as professional faculty and the new system designates it to be an operational employee, the incumbent will retain the rank of professional employee as long as he or she holds the position.

University Employee Classification & Compensation System

Range of Contribution and Pay

Category	Operational Employees			Professional Employees			Executive Employees	
Role	Administrative/ Technical Operational			Administrative/ Technical Professional			Administrative/Academic	
	Academic/Clinical/ Research Operational			Academic/Clinical/ Research Professional				
Contribution Levels/Stages	A	B	C	D	E	F	G	H
	Contributes by performing routine/repetitive tasks and activities.	Contributes by using established processes, methods, and systems.	Contributes by using substantive experience, collaboration, and problem resolution.	Contributes by using advanced knowledge, skills and professional expertise in establishing processes, methods or procedures.	Contributes by implementing strategic direction through operational planning within unit using advanced knowledge, skills and professional expertise.	Contributes by setting strategic direction/goals using advanced knowledge, skills and professional expertise within unit.	Contributes by setting strategic direction/goals within function/area.	Contributes by setting mission, vision and strategic direction/goals of institution.
Market Based Compensation	Pay ranges depend on the contribution to the University and the relevant labor market value.							

COMPENSATION SYSTEM

MARKET, MERIT and ACCOUNTABILITY

The College seeks to establish a compensation plan for its University Employees that is based on three major components: market, merit and accountability.

As has been stated, the College must be agile and flexible as it vies with its peers for the best employees in an increasingly competitive marketplace. In order for the College to be competitive it must consider external markets when determining the appropriate pay ranges for jobs. Since no one market takes into account the widely divergent positions and skill levels that make up the College's workforce, the proposed compensation system will use three sets of peer groups for comparison purposes: one national, one regional and one local. Managers across the campus were surveyed to establish the appropriate peer group for each position based on recruitment patterns. The national peer group consists of public and private doctoral institutions with extensive research; the regional peer group consists of four-year universities with budgets exceeding \$100 million in states that abut Virginia as well as four-year universities in Virginia. The local peer group is a blended data base using Mercer data for the Richmond and Virginia Beach areas. The salary data from these peer groups will be used as criteria in determining the initial pay range for a position. The median for the College with regard to market will correspond to the median of its peers. The College will update pay ranges every three years based on changes in this market data.

The second component is merit. A major principle of this system is pay for performance. Performance is a factor in determining both market and merit pay increases. Once an employee's salary has reached the median of the market for his or her pay range, further salary increases would be determined by an employee's level of achievement. (see page 20) Under this new system, an employee could receive increases to his or her base or a bonus. Once an employee's salary reaches the top of the position's designated pay range, no further base pay increases would be given until the employee is promoted into a position with a higher pay range or the pay range for his or her current position is increased during a periodic market-based pay range adjustment. Employees at the top of the pay range would be eligible for an annual bonus in lieu of a base increase.

The third element is accountability. The College has a responsibility to work toward bringing employees to the appropriate market level for their positions. The use of a market system mitigates the inequity that quite often arises from issues of longevity and compression. The College also has a responsibility to manage issues related to internal equity. The inclusion of pay ranges and more fulsome performance management systems, particularly for professional employees, will mitigate some of the issues that have been raised over the years with regard to internal equity. Employees, for their part, have a responsibility to work to the best of their abilities and to perform at levels that merit additional reward.

Achieving the goals espoused in this compensation system will take a number of years given current and prospective funding levels. That being said, instituting a pay-for-

performance system as the College compensation system is critical to the College's future success. The implementation of the structure itself, its principles of fairness, equity and objectivity should begin to strengthen employee's understanding of the College's aspiration to provide competitive compensation.

EMPLOYEE RELATIONS

Philosophy

Performance Evaluation Systems

Grievance and Complaint Processes

Severance Policies

COLLEGE OF WILLIAM AND MARY EMPLOYEE RELATIONS PHILOSOPHY

The College of William and Mary enjoys open and direct communications with its employees. We believe skills and abilities are enhanced by good working relationships, which, in turn, contribute to the foundation of a strong and healthy university. We take our responsibility to provide good working conditions, pay, benefits and personal growth and development opportunities seriously.

We believe in the dignity of each employee and expect employees to treat others with fairness, respect and openness. Direct communication is strongly encouraged between each employee and his or her supervisor. We believe such communication enhances a sense of community and understanding and facilitates rapid and equitable solutions to problems. Open communication between employees and supervisors also enhances the ability of the College to recognize the contribution made by exemplary employees.

The College is dedicated to the following principles:

- We will select, retain and promote employees on the basis of individual ability, performance and experience without regard to race, ethnicity, sex, gender, or age.
- We will maintain a working environment that allows for individual differences, encourages individual initiative, and provides opportunities for personal growth and advancement.
- We will evaluate employee performance on a regular basis and provide constructive progress reviews and individual development plans.
- We will encourage open lines of communication throughout the College.
- We will strive for the highest possible standards of safety and cleanliness in all areas of the College's operations.
- We will have policies and procedures that are reasonable, clear and consistently administered.

PERFORMANCE EVALUATION SYSTEMS

PAY FOR PERFORMANCE

Program Overview

The assessment of individual performance is integral to employee development and good human resources management. The performance evaluation process serves as the vehicle through which managers and employees can discuss employees' contributions toward the achievement of departmental and College goals and objectives. Through effective performance review, employees are provided constructive feedback that will help them grow and develop as professionals and individuals. Most importantly, a robust and dynamic performance evaluation process is the foundation of any successful pay for performance compensation system. Without it, there can be no real understanding between employee and supervisor of the reasoning supporting salary decisions.

The current performance evaluation process features self-assessments, annual goals and expectations, and some opportunity to engage in productive discussions regarding performance. The objective of the proposed performance evaluation process is meaningful and constructive conversations that provide employees with relevant, specific and timely information about performance strengths and opportunities for improvement. The new evaluation process is not a once-a-year exercise. Supervisors are expected to provide periodic feedback with regard to performance expectations and achievements throughout the year.

Evaluations are a powerful tool for employee development. The employee self-evaluation helps the supervisor understand what employees value in their jobs, what motivates them to do better and how the job fits into their career goals. With that information, supervisors can engage employees in a discussion on how to achieve high performance in the position and realize career goals, whether in their current position or a different position.

The evaluation of technical proficiency is not the sole component of a vibrant evaluation process. Each performance plan needs to include elements related to desirable characteristics such as adaptability, accountability, communication, creativity, customer service, decision making, innovation, and commitment to the mission. Managers also need help in evaluating their own proficiency and affinity for the work of supervision. If not well suited, they may need an alternate track for advancement that may involve managing a process or project, rather than people.

An employee's performance evaluation serves as the basis for merit increases. Market increases granted to individual employees are based on their salary in relation to the median of their pay range. Operational and professional employee evaluations will be guided by the processes described below. Employees receiving an unsatisfactory rating would not be eligible for either a market or merit increase. Employees receiving a fair rating would only be eligible for a market increase.

Positions within highest level of the Executive employee category will continue to be subject to the policies and procedures that currently guide administrative faculty performance review. Hourly employees will not be subject to a formal evaluation process.

Process

The proposed process has several goals. The first is to emphasize the connection between performance and pay. The second is for an employee and his or her supervisor to clarify—annually, and in writing—the understanding of expectations for performance during the coming year and the employee’s progress toward fulfilling those expectations.

For the purposes of this document, chairs and faculty members of academic departments are considered supervisors. Any language describing the role of the supervisor vis-à-vis University Employees applies to those chairs and faculty members serving as supervisors.

The recommendations made in this report are meant to strengthen what has been, in some cases, a somewhat less fulsome process for the performance evaluation of professional employees. The intention is not to establish a strict regimen, but to give employees a better understanding of expectations and results and to provide a greater sense of fairness and consistency across the campus. Employees have a right to a clear understanding of what is expected of them and on what basis they will be evaluated.

While performance would be documented using a common form, various methods may be used for evaluating professional employees. Supervisors may determine the most appropriate method of evaluation for those professional employees with highly specialized skills and responsibilities. For example, the Athletic Department may use an evaluation method that is most familiar to the coaching profession.

The performance evaluation period for operational employees would be from October 1 through September 30. Annual performance evaluations would be completed by October 24 of each year. The performance evaluation period for professional employees would be June 1 through May 30 of each year. Annual performance evaluations would be completed by June 24 each year. These evaluations, in turn, would serve as the basis for salary increases to be provided on November 25 of each year and paid in the December 16 paycheck. Performance expectations for the subsequent evaluation period are set at this time as well.

Each employee would receive a performance plan at the beginning of each evaluation period. The expectations in that performance plan are to be established jointly by the supervisor and the employee. This plan would set the terms for the evaluation. Supervisors would be expected to provide periodic feedback on an employee’s performance throughout the year. Through these discussions, written adjustments may be made to the performance plan if circumstances warrant. Supervisors would be expected to conduct and to document at least one interim performance discussion with the employee during the evaluation period. At the end of the evaluation period, the supervisor would discuss the evaluation with the employee.

To ensure consistency and accuracy, the Provost, Vice Presidents and Deans would hold an annual discussion with their direct reports on how the ratings are to be applied throughout their areas as well as the maximum percentage increases available. These conversations must take place prior to the completion of performance evaluations and discussions with the employees.

Performance ratings are determined by the employee's immediate supervisor and are reviewed by the supervisor's manager. Merit increase recommendations will be based on the final performance rating. Final approval rests with the relevant Provost, Vice President or Dean who is responsible for ensuring consistency with regard to the guidelines. Supervisors would notify staff of performance-based merit increases and bonus amounts, if applicable, once they are approved.

In lieu of an annual base salary increase, a supervisor may award a one-time performance bonus. Bonuses may be granted for a variety of reasons including those cases where an employee has reached the top of the range for his or her position. Annual bonuses will be paid in the December 16 paycheck.

Employees new to the College who are hired after July 25 would not be eligible for salary increases in November of that same year. Supervisors would, however, establish performance expectations at the time the employee is hired that would serve as the basis for the remainder of the current evaluation period.

If an employee has a change in supervisors during the performance evaluation period, the new supervisor is responsible, if possible, for discussing and collaborating with the former supervisor or department head to arrive at an evaluation approach that will ensure the employee receives an evenhanded performance review and appropriate rating.

Performance Rating Categories

The rating system is based on five categories of performance. Performance ratings are determined by the employees' immediate supervisor. They are reviewed by supervisor's manager who is responsible for ensuring that they meet program guidelines.

The Five rating categories are:

Exceptional Achiever – An employee whose work is characterized by sustained exemplary performance throughout the rating period and who provides excellent service in support of the mission of the organization. The employee's performance consistently exceeds and sometimes far exceeds the criteria of the job responsibilities; consistently demonstrates initiative for the benefit of the College and department; and typically demonstrates full mastery of knowledge, skills and abilities, required work, and behavioral competencies.

High Achiever – An employee whose work is characterized by a consistently high level of accomplishment; meeting and often exceeding performance expectations of core responsibilities; providing significant service in support of the mission of the organization. The employee typically independently demonstrates highly proficient knowledge, skills, and abilities, required work and behavioral competencies.

Achiever – An employee whose work is characterized by achieving results at a level that generally meet and from time-to-time may exceed performance targets of core responsibilities; providing commendable support to the contributions of the organization. The employee typically demonstrates fully proficient knowledge, skills and abilities, required work, and behavioral competencies with only a few areas in need of some improvement.

Fair Performer – An employee whose work requires substantive improvement to fully meet the performance targets of core responsibilities in one or more areas; providing basic support to the mission of the organization. The employee typically performs at the beginner or developmental stage of demonstrable knowledge, skills and abilities and exhibits inadequate behavioral competencies when expectations are that the employee would be beyond this stage. An employee in this category would be provided guidance and training to improve performance and would only be eligible for a market increase.

Unsatisfactory Performer – An employee whose work fails to meet the criteria of the job function; generally falling well short of performance targets of core responsibilities (even though sometimes approaching targets); providing minimal support to the mission of the organization. The employee generally performs below the beginner or developmental stage of demonstrable knowledge, skills and abilities, required work and behavioral competencies. An employee who is given an unsatisfactory rating is not eligible for a salary increase. To encourage performance improvement, an employee rated in this category would be given a performance improvement plan and would be reevaluated in three months to determine if performance has improved.

Special Circumstances

Salary increases granted to eligible ten-month or part-time employees will be based on their prorated salary, according to payroll procedures.

Salary increases granted to eligible employees currently in a temporary assignment will be based on the prior salary. The acting rate will then be recomputed.

Eligible employees who are paid from grant or self-supporting accounts will be treated in the same manner as those paid from state-funded accounts with regard to salary and benefits whenever possible. There may be occasions when the condition of a grant may not allow for a salary increase. In these circumstances, departmental grant account administrators would consult with Human Resources or the Office of the Provost. Self-supporting account administrators with similar concerns would need to address them to their Vice President or Provost.

Probationary Periods

The following changes to the current probationary service regulations are proposed for operational employees under the new system.

- Operational employees newly hired from outside the College would serve a 12-month probationary period.
- Employees newly hired into the University Human Resource System who have completed a probationary period in another state agency would serve a three-month probationary period at the College.
- College operational employees who are promoted into a supervisory position who have not held a supervisory position previously would serve a 12-month probationary period. If at the end of that period, the employee receives an unsatisfactory rating, the employee would be given a three-month performance improvement plan. If the employee fails to perform, they may be subject to dismissal

based on performance. During the probationary period, first-time supervisors would be provided training, mentoring and other support as needed to assist them in succeeding in their new role.

- College employees who are placed into a new position as the result of a reorganization or down-sizing would not be subject to a new probationary period.

Training

The success of the proposed evaluation system is wholly dependent upon the supervisory skills of those who are evaluators. In turn it relies upon senior leadership's expectation that managers and supervisors understand that as a part of their duties and responsibilities they acquire the skills necessary to execute a productive evaluation system.

The College has training sessions available for managers and supervisors to assist them in developing necessary performance management skills, including courses related to conducting effective performance evaluations and to improving communication skills. However, these courses are optional. Information provided during the development of this report substantiates that there have been inconsistencies in the manner in which the evaluation process has been applied, particularly for the current professional faculty category. In addition, communication between supervisors and employees regardless of category is viewed as inadequate.

The proposed system requires that supervisors work jointly with employees to establish annual performance expectations. They will be expected to provide feedback on progress throughout the year and to discuss the final evaluation with the employee. All managers, supervisors and employees will be trained in the areas of performance evaluation. Areas of training would include: the development of job descriptions and performance plans; communicating expectations for employee performance and conduct; and implementing and interpreting the new performance management system. Training will be offered through multiple modes, including multimedia and self-training opportunities to which supervisors have access according to their schedules. Ultimately, this training will result in improved probability for a successful implementation of the new system, increased understanding of the goals and benefits of the system, improved overall performance management over time, improved communication between supervisor and employee and increased satisfaction on the part of employees and their supervisors with the performance management system in general.

Supervisory training would take place prior to the implementation of the system in January 2009. It is anticipated that the first year will be a trial period that allows both employees and supervisors to become familiar and comfortable with the new system. On-going training would be provided in critical supervisory and communication skills.

GRIEVANCE AND COMPLAINT PROCESSES

The University system will provide grievance processes that protect the rights and privileges of all University Employees, are consistent with sound management principles and fair employment law, and are clear and comprehensible. The system will promote a work environment that is conducive to the performance of job duties, is free from intimidation or coercion, and that does not violate state or Federal law, including any form of discrimination. The system will have policies and procedures that promote workplace safety and comply with applicable law and regulations. In addition, all employees will have unfettered access to the Equal Employment Opportunity office, its advice and processes.

A key element of the University System is to ensure there is a formal grievance procedure is available to all employees—a standardized set of procedures to follow when someone has a complaint or a problem that cannot be resolved informally. There are two key elements in establishing an effective grievance procedure. The first is the concept of progressive levels at which a given complaint may be heard, beginning with the rapid and informal address of a complaint by those immediately involved and providing for appeals to successively higher levels in the event that resolution is not found. The second element is the availability of an alternative procedure to be used if several successive attempts at the negotiation have failed. These include mediation and arbitration.

Employees in the operational category will have continued access to the state's grievance procedures. Employees in the professional category will have access to a proposed formal grievance procedure. Additionally, hourly employees, who do not now have access to any formal procedure under the state system, will have access to a proposed complaint process within the university.

The processes outlined below are provided to give a sense of the procedures under development. They are not perfected. The specific procedures will be completed by September 30, 2008.

HOURLY EMPLOYEE COMPLAINT PROCESS

Hourly employees do not have access to the state grievance procedures. The College's goal is to encourage fair and equitable solutions to problems arising out of the employment relationship. In furtherance of this goal, the College is proposing a procedure to address complaints raised by hourly employees.

Process

The proposed process would allow hourly employees to file complaints that arise from a decision, action, lack of action or the application of a College policy that directly and adversely affects the employee's work, working conditions, or professional or personal well-being. No employee would be penalized, disciplined or prejudiced for exercising the right to make a complaint or for aiding another employee in the presentation of that complaint.

As with any complaint, it is always advisable for the employee to attempt first to resolve the issue by discussing it with his or her supervisor. If that attempt has failed or is not possible for various reasons, the process outlined generally below would be available.

- The employee would present a formal complaint to his or her supervisor, either verbally or in writing, within 30 calendar days from the date the employee knew, or reasonably should have known, of the action or event that caused the complaint.
- If the complaint is not satisfactorily resolved by the supervisor or if the supervisor is the subject of the complaint, the employee then could present the complaint in writing to the appropriate department head for consideration and action. The department head may meet with the employee on the facts of the issue as needed. A written decision would be provided to the employee.
- If the employee is not satisfied with the decision of the department head, a written appeal stating why the appealed decision is incorrect would then be made to the appropriate vice president, dean, director or administrative equivalent. That official may meet with the employee on the facts of the issue as needed. A written decision would be provided to the employee. This decision would be final.

There is no automatic right of appeal to the President of the College. However, the President reserves the right to review and rule on any complaint. In addition all employees have unfettered access to the Office of Equal Employment Opportunity, its advice and processes.

The specific elements involved in all the steps in this process will be delineated in the relevant policy document which will be completed by September 2008.

PROFESSIONAL EMPLOYEE GRIEVANCE PROCEDURE

Professional faculty currently have limited and relatively informal procedures with regard to a grievance. The new system includes a more formal process to which any professional employee at the College of William and Mary would have access.

In general a professional employee would be able to grieve a decision, action, lack of action or the application of a College policy that directly and adversely affects the employee's work, working conditions, or professional or personal well-being. No employee would be penalized, disciplined or prejudiced for exercising the right to make a complaint or for aiding another employee in the presentation of that complaint.

Process

The process envisioned would incorporate:

- **Attempts at Informal Resolution:** The employee would meet with his or her immediate supervisor to discuss the complaint as soon as possible, but no later than 30

calendar days following the event or action or the date on which the employee reasonably should have been aware of the event or action that is the basis for the grievance.

- **Filing of Formal Grievances:** If no resolution is reached or a discussion is not feasible, the employee would file a formal grievance with the manager of the person against whom the grievance is being filed. The employee would provide a clear statement of the facts and circumstances upon which the grievance is based, including an explanation of how the employee has been or will be adversely affected and a statement of the specific relief sought.
- **Grievance Appeals:** If the formal grievance is not successfully resolved at the first step, the employee would be able to appeal to the College official responsible for grievant's department. The College official could meet with the employee and others involved in the grievance as appropriate. The official would provide written response to the grievance either: (a) concluding the issue is not grievable; (b) providing a final ruling; or (c) determining the need for a panel hearing.
- **Panel Hearings:** In the event the employee isn't satisfied with the response of the third step College official, the individual would be able to request a panel hearing. The decision of the panel would be final with regard to all determinations relating to the College position on the complaint. The panel would not be empowered to award compensation or damages. It may make recommendations to the appropriate official.

There is no automatic right of appeal to the President of the College. However, the President reserves the right to review and rule on any grievance. In addition all employees have unfettered access to the Office of Equal Employment Opportunity, its advice and processes.

The specific elements involved in all the steps in this process will be delineated in the relevant policy document that will be completed by September 2008.

SEVERANCE POLICIES

While, the Act and the Management Agreement (Sections D 12 and 13) require the College to provide severance benefits to salaried employees who are involuntarily separated for reasons unrelated to performance or conduct, they eliminate coverage for University Employees by the state's Workforce Transition Act (WTA). Classified employees remain covered by the Virginia Personnel Act and the Workforce Transition Act. Therefore, the College must develop its own severance benefits program for operational and professional employees. Hourly employees and employees in grant funded positions are not eligible for severance benefits.

The Act and the Management Agreement specify that the College shall have one or more layoff and severance policies for salaried University employees who lose their jobs due to financial exigency or reorganization and that the terms and conditions of these severance policies shall be determined by the Board of Visitors. The Act further specifies that the College and the Board of the Virginia Retirement System (VRS) may negotiate a formula according to which cash severance benefits may be converted to years of age or creditable service for eligible employees who participate in VRS. This agreement will be executed through a memorandum of understanding. The College is proposing two severance policies, one for operational and one for professional employees. These policies are comparable to the severance benefits provided under the WTA.

OPERATION EMPLOYEES' SEVERANCE POLICY

Eligibility

Severance benefits would be provided to eligible salaried Operational Employees who are involuntarily separated due to financial exigency, agency reorganizations, or work force downsizings, or for reasons unrelated to performance or conduct. Operational Employees hired on restricted appointments funded from sponsored contracts or grants, or term appointments with a specified ending date, regardless of funding source, would not be eligible for severance benefits. Voluntary resignations for any reason would not be deemed "involuntary separation" for purposes of this policy.

Computation of Benefits

Severance benefits would be based on length of service.

Payment of Benefits

Severance benefits would be paid as a regular salary payment over the course of the benefit period. Any employee who receives severance benefits could also receive unemployment compensation, but employees entitled to unemployment compensation would have their severance benefits offset by the amount of such compensation. All severance payments would be subject to applicable federal and state tax laws.

Insurance

Employees would continue to be covered under the health insurance and group life insurance plans administered by VRS for twelve months after the date of severance. The College would continue to pay its share of the premiums for the twelve month period commencing with the initial severance date and based on the plan the employee held during his or her tenure.

Retirement Program

In lieu of severance payments, eligible employees who on the date of involuntary separation are vested members of the VRS or VALORS (the law enforcement retirement program) and who are at least fifty years old would be able to elect to purchase years to be credited to either age or creditable service or a combination of age and creditable service. The College would use the formulas established by the VRS under the WTA and the Memorandum of Understanding between the VRS and the College to calculate the purchase amount.

An employee who has purchased service credits as a part of the severance process in order to enhance his or her retirement benefit may at any time return to employment with the state. If that employee enters a retirement-eligible position, the retirement benefits the employee is currently receiving cease. In addition the purchased service credit would not be applicable to any future retirements.

Termination of Severance Payments and Benefits

Severance payments would stop if a terminated employee is reemployed in any capacity or hired as an independent contractor by the College or another state agency.

All severance benefits would end if the severed employee declined a recall to his or her former position or an equivalent position providing there is no salary reduction or requirement to relocate.

All severance benefits would end if an employee is re-employed by any state agency in a salaried position, hourly/wage employment, or a contractual agreement as an independent contractor or consultant. If the employee subsequently ended that employment relationship before the original severance payments would have ended, he or she would be able to receive the remaining severance payments. However, missed payments would not be made up.

Professional Employees' Severance Policy

In accordance with the terms of the Act, professional employees regardless of the date of hire are no longer covered by the WTA. Severance benefits would be provided to eligible salaried professional employees on non-restricted appointments, without regard to hire date, who are involuntarily separated due to financial exigency, agency reorganizations, non-reappointment, work force downsizings, or for reasons unrelated to performance or conduct. Professional employees hired on restricted appointments funded from sponsored contracts or grants, or term appointments with a specified ending date, regardless of funding source, would not be eligible for severance benefits. Voluntary resignations for any reason would not

be considered to be “involuntary separation.” The amount of severance would be granted in accordance with the schedule outlined in Exhibit 3.

Most professional employees’ positions are fiscal-year appointments with the appointment period extending from July 1 to June 30. Reappointments are not considered automatic. Job performance, productivity and effectiveness and continued need by the College for the scope and level of services being provided will be the important determinants of any reappointment decision.

Professional employees may be removed from their position by one of the following procedures: non-reappointment, removal for cause or abolishment of position.

Non-Reappointment

Appointments to professional employee positions are term contracts with lengths of service that may vary depending on programmatic needs. Contract renewal is not automatic. In the decision to renew a professional employee’s contract, consideration will be given to performance and to the College’s continued need for the scope and level of service provided by the position. A professional employee whose contract is not renewed would be notified no later than 90 days prior to the end of his or her contract. The notification would specify the severance benefits based on length of service.

Removal for Cause

A professional employee may be discharged for cause at any time. Discharge for cause does not require advance notification, nor would the employee be eligible to receive separation pay. Cause includes any form of unethical conduct, dishonesty, violation of policy, malfeasance, insubordination, falsification of credentials or records, misappropriation/misuse of College funds or property, inappropriate behavior that adversely affects the administration and operation of the college, criminal convictions for acts occurring on or off the job that are plainly related to job performance or are of such a nature that to continue the employee in the assigned position would constitute negligence in regard to the agency’s duties to the public, students, or to other state employees. Discharge for cause may also include an employee’s inability, unwillingness, or refusal to perform essential functions of the job, job abandonment, and other appropriate reasons.

Abolition of position:

Professional employees may be severed in the event of financial exigency within an office or department that cannot be alleviated by ordinary budgeting practices or if the specific services for which they are employed are reduced or eliminated. A professional employee whose position is abolished would be notified no later than 90 days prior to the end of his or her contract period. The notification would specify the severance benefits based on the length of service.

Instructional faculty who have tenured or continued appointments who are serving in a professional employee position that is to be abolished would return to their department. This typically is in accordance with the memorandum of understanding signed at the time of their acceptance of the professional assignment.

Payment of Benefits

Severance benefits would be paid as a regular salary payment over the course of the benefit period. Any employee who receives severance benefits could also receive unemployment compensation, but employees entitled to unemployment compensation would have their severance benefits offset by the amount of such compensation. All severance payments would be subject to applicable federal and state tax laws.

Insurance

Employees would continue to be covered under the health insurance and group life insurance plans administered by VRS for twelve months after the date of severance. The College would continue to pay its share of the premiums for the twelve month period commencing with the initial severance date based on the plan the employee held during his or her tenure.

Retirement Program

In lieu of severance payments, eligible employees who on the date of involuntary separation are vested members of the VRS or VALORS and who are at least fifty years old would be able to elect to purchase years to be credited to either age or creditable service or a combination of age and creditable service. The College would use the formulas established by the VRS under the WTA and the Memorandum of Understanding between the VRS and the College to calculate the purchase amount.

Professional employees who are removed for just cause are not eligible for the severance benefits and, therefore, not eligible for this retirement program.

An employee who has purchased service credits as a part of the severance process in order to enhance his or her retirement benefit may at any time return to employment with the state. If that employee enters a retirement-eligible position, the retirement benefits the employee is currently receiving cease. In addition the purchased service credit would not be applicable to any future retirements.

Termination of Severance Payments and Benefits

Severance payments would stop if a terminated employee is reemployed in any capacity or hired as an independent contractor by the College or other state agency.

All severance benefits would end if an employee is re-employed by any state agency in a salaried position, hourly/wage employment, or contractual agreement as an independent contractor or consultant. If the employee subsequently ends that employment relationship before the original severance payments would have ended, he or she would be able to receive the remaining severance payments. However, missed payments would not be made up.

Schedule of Severance Benefits

The proposed schedule for severance benefits based on years of service (Exhibit 3) represents a change from the current schedule. Severance for Professional Employees has been

revised based on additional benefits and protections provided to this category of employees. As a result, a period of three (3) years is being proposed to transition from the current program to the new program. The new schedule also proposes to enhance severance benefits for operational employees who have worked for the College for more than 18 years.

Classified		University Staff		Professional Faculty		Professional Faculty		Professional Faculty	
Current Weeks of Severance		Proposed Weeks of Severance		Current Severance		Transition Period Weeks of Severance		Weeks of Severance	
1 year	4	1 year	4	2 years or less	3 months (12 weeks)	1 year	8	1 year	6
2 years	4	2 years	4	During third year	6 months (24 weeks)	2 years	12	2 years	10
3 years	5	3 years	5	After third year	12 months (52 weeks)	3 years	16	3 years	14
4 years	6	4 years	6			4 years	20	4 years	16
5 years	7	5 years	7			5 years	24	5 years	18
6 years	8	6 years	8			6 years	28	6 years	20
7 years	9	7 years	9			7 years	30	7 years	22
8 years	10	8 years	10			8 years	32	8 years	24
9 years	11	9 years	11			9 years	34	9 years	26
10 years	14	10 years	14			10 years	36	10 years	28
11 years	16	11 years	16			11 years	40	11 years	32
12 years	18	12 years	18			12 years	42	12 years	36
13 years	20	13 years	20			13 years	44	13 years	40
14 years	22	14 years	22			14 years	46	14 years	44
15 years	30	15 years	30			15 years	48	15 years	46
16 years	32	16 years	32			Greater than 15 years	52	Greater than 15 years	52
17 years	34	17 years	34						
18 years	36	18 years	36						
		19 years	38						
Maximum of 36 weeks		20 years	42						
		21 years	42						
		22 years	44						
		23 years	46						
		24 years	48						
		25 or greater	52						

BENEFITS

Philosophy

Proposed Benefits

COLLEGE OF WILLIAM AND MARY BENEFITS PHILOSOPHY

The College is committed to offering its employees a program of benefits that fosters well-being now and in retirement. The program acknowledges the need for balance in the work, family and personal lives of employees which, in turn, enables and sustains a productive and performance-driven workplace. The College aspires to provide an affordable benefits package and a robust program of dynamic work/life services and resources that assist employees in managing their personal and professional lives. Such a program yields greater productivity, reduces absenteeism, and encourages improved morale and performance.

The College aspires to provide a benefits program that:

- Recognizes benefits as important components of total compensation.
- Assists the College in competing successfully for human resources.
- Provides a “safety net” of basic benefits protection against the financial impact of catastrophic life events.
- Provides individual choice and flexibility in benefits selection, and recognizes the diverse needs of the employee population.
- Is managed in a fiscally responsible manner, complies with state and federal regulations, and is administered efficiently and effectively.
- Is communicated effectively to provide employees with a full understanding of the value and opportunities of the benefits program.
- Is dynamic and can be revised to meet the needs of the College’s workforce.

BENEFITS PROGRAM

In accordance with the ACT the University System will offer fringe benefits to all benefits-eligible employees including retirement, health care insurance, life, disability and accidental death and dismemberment insurance and workers compensation. Optional benefits including additional insurance coverage, long-term care insurance, tax deferred annuities, flexible reimbursement accounts, employee assistance programs, and other wellness programs are a part of the system as well. These fringe benefits will continue to be provided through the state and are identical to the benefits that exist today.

In addition, the College, using the authority granted to it by the Act, proposes to enhance certain benefits for its University Employees and to establish a benefits program for its hourly employees. These additional benefits will be implemented over a period of several years. This chapter describes the proposed new and enhanced benefits package as well as benefits that may be added over time if feasible and as funding permits.

BENEFITS FOR HOURLY EMPLOYEES

The state currently does not have a benefits program in place for hourly employees. Certain areas within the College have tasks that are more suited to hourly employment. In order to retain trained, competent employees in those hourly positions over time, it would be more productive and cost effective to provide some level of benefits for those employees. The result will be more effective management of payroll costs associated with seasonal and hourly employees, reduction in turnover in hourly positions and increased morale within the work force.

The following recommendations for Hourly Employees are listed in order of priority.

1. Holiday Pay

Definition: Hourly employees would receive the following paid holidays: New Year's Day, Memorial Day, July 4th, Thanksgiving and Christmas.

Eligibility: Any employee who has been in the college employ for one full year and has worked at least 1000 hours is eligible for paid holidays.

Proposed Implementation: January 1, 2009

2. Leave Program

Definition: The program being proposed is a consolidated hourly employee leave program the purposes of which include, but are not limited to sick, vacation, personal and bereavement. Leave would be “use or lose” and subject to maximum carry over rules. Regardless of the reason, upon severing employment from the College, the employee would not be eligible to receive payment for any remaining leave balances.

Eligibility: Any hourly employee who has been in the College employ for one full year and has worked at least 1000 hours would be eligible for leave. At the time of implementation, any employee who meets these criteria will be awarded leave beginning January 10, 2009. Any employee who meets these criteria after January 10 of a given year will have his or her leave credited on the next annual leave cycle. In the initial year of implementation, eligible hourly employees would receive one year’s allotment based on their length of service. The program is not retroactive.

Length of Service:

1 - 5 years: At end of each service year earns 48 hours; maximum carryover 48 hours

5 - 9 years: At end of each service year earns 60 hours; maximum carryover 60 hours

10 - 14 years: At end of each service year earns 72 hours; maximum carryover 72 hours

15 - 19 years: At end of each service year earns 84 hours; maximum carryover 84 hours

20 - 24 years: At end of each service year earns 96 hours; maximum carryover 96 hours

More than 25: At end of each service year earns 108 hours; maximum carryover 108 hours

Proposed Implementation: January 1, 2009

OTHER HOURLY BENEFITS UNDER CONSIDERATION

The College will continue to investigate the possibility of adding the following benefits as funding and feasibility permit.

- Health Insurance

The College will continue to investigate the feasibility of providing a level of health benefits to hourly employees. The possibilities include offering group HMO insurance to hourly employees. The College would contribute a portion of the premium. This is considered the most difficult to achieve given the health care market and the small number of potential participants. The College will also explore the possibility of providing wellness benefits such as a yearly physical or other cash contributions to wellness procedures for hourly employees.

Eligibility: An employee must have been in the College's employ for two full years and have worked at least 1000 hours during each of those years. At time of implementation, any employee who meets the requirements would be offered coverage with no additional waiting period. The 1000 hour requirement would be reviewed each year, in order to determine continued eligibility. Continued coverage at that point would be subject to COBRA.

Benefit to the College: Increased productivity as employees are more likely to seek medical treatment when needed. Retention of employees who wish to work part-time, but who require medical insurance.

- A Retirement Program

Definition of Coverage: The College would offer a 403b plan providing 3% of wages to employees with two full years of service. Upon completion of two years of service, the College would contribute a sum of 3% for each of the qualifying years. The program would include a cash match provision which would allow and encourage employees to contribute as well.

- Employee contributes 0-2 % College contributes 3%;
- Employee contributes 3-4% College contributes 4%
- Employee contributes 5% or more College contributes 5%

Eligibility: The employee must have been in the college employ for two years and must have worked an average of 1000 hours per year for each of those years. At time of implementation, any employee who meets criteria would be offered coverage with no additional waiting period.

Length of Service: The 1000 hour requirement would be reviewed in January of each year in order to determine continued eligibility. As this is a defined contribution plan, the

employee owns all contribution at the time of investment. Those funds remain the property of the employee even if the College contribution stops due to ineligibility.

Benefit to the College: The institution of a retirement program for hourly employees recognizes the value to the College of the years of services these hourly employees have given. It would increase morale and retention of those employees who wish to remain part time, but need to plan for retirement.

- Life Insurance

Definition of Coverage: Life and accidental death coverage would be offered to eligible employees. The College would pay a portion of the premiums based on single coverage and the employee would pay the remainder.

Eligibility: An employee must have been in the college employ for two years and have worked at least 1000 hours during each year. At time of implementation, any employee who meets criteria would be offered coverage with no additional waiting period. Employees would be permitted to purchase insurance for their dependents at the full cost of the premium.

Length of Service Required: The 1000 hour requirement would be reviewed in January of each year, in order to determine continued eligibility. Continued coverage is subject to Federal law.

Benefit to the College: Increased morale for employees and increased retention rate.

ENHANCED BENEFITS FOR UNIVERSITY EMPLOYEES

1. Leave Sharing

Currently, the state program permits eligible classified employees with medical emergencies who have exhausted their leave balances—and whose only remaining option is leave without pay—to use annual leave hours donated by other employees. The program requires a 10 day waiting period. It also does not permit Administrative and Professional faculty to participate.

The College proposal would waive the 10-day waiting period for University Employees and expand the program to include the professional employee category. Donors and recipients would only be permitted to participate in the leave sharing program if leave accounts are current and accurate.

While this may appear to be a peripheral benefit, it provides critical assistance to presently uncovered employees in times of dire emergencies. It fosters personal giving and a sense of community.

Implementation: January 1, 2009

Benefit to the College: Increased morale. There is no incremental cost to the College. However, it will require a strict adherence to and monitoring of leave reporting on the part of professional employees.

2. Family Leave with Pay

Under the state program, employees who experience the illness or death of an immediate family member are permitted to use family and personal leave granted under the Virginia Sickness and Disability Program (VSDP) or up to 48 hours of accrued sick leave under the traditional sick leave plan. We believe the definition of immediate family is too restrictive and does not reflect today's meaning of "family." The current definition includes the following:

- parents, including step-parents or persons who stood in place of the parent and performed parental duties and responsibilities;
- spouse as defined by state law;
- children, including step-children, foster children, and legal wards;
- siblings, including step-siblings; and
- any relatives, either by blood or marriage, living in the employee's household.

In today's society, immediate family is much more broadly defined. The College recognizes that "family" members vary among employees according to their individual situation. By enhancing the definition of "immediate family," the College demonstrates its support for employees during a difficult time.

The proposal expands the definition of “immediate” family under the University system to include, aunts, uncles, grandparents, in-laws and adults domiciled in the household.

Implementation: January 1, 2009

Benefit to the College: Increased morale. There is no incremental cost to this program as there is no increase in the amount of leave afforded.

OTHER UNIVERSITY EMPLOYEE BENEFITS UNDER CONSIDERATION

The College will continue to investigate the possibility of adding the following benefits as funding and feasibility permit.

- Tuition Assistance Program

The Employee Tuition Waiver Program is available to all full-time staff. Eligible employees may elect to take one course each semester and two courses in the summer for a maximum of 16 credit hours per year. Each course may not exceed 4 credit hours. Course-related fees or charges other than (or in addition to) tuition are **not** subject to the waiver. Class attendance is on the employee’s own time. Employees may be required to use annual leave for time away from work.

While the current benefit would be retained, the College is considering expanding it to include non-degree seeking spouses of University Employees. Credit hours taken by spouse will be counted toward the employee’s total 16 credit hour maximum. Such a step would require gradual implementation over the restructuring period. The Vice President for Finance, in collaboration with Admissions, must determine the probable costs associated in order to evaluate the feasibility of this recommendation.

- Increased College Contribution to Cash Match Program

Currently, all full-time salaried or part-time state employees may contribute \$20 or more per paycheck to a tax-sheltered annuity (403b) or deferred compensation plan (457). The College of William and Mary, as a “participating employer,” has established a match plan in which it matches 50% of the employee’s contribution up to a \$20 cap per pay period. While the VRS regulations limit the College’s contribution to the \$20.00 cap, current law permits participating employers in the state to match up to 50% of the employee’s contribution with a \$50.00 cap per pay period.

The College will consider increasing the cap on the match over time until the College has reached the maximum allowable by law of \$50 per pay period. The College will also investigate the possibility and legality of means testing this additional benefit.

WORK/LIFE PROGRAM

at

THE COLLEGE OF WILLIAM AND MARY

Balancing the Responsibilities of Work and Life

WORK/LIFE PROGRAM

Introduction

A Work/Life program strives to support a productive and performance-driven workplace by accommodating the balance of work, family and personal life. Our belief is that assisting employees with resources and options to manage their personal and professional lives yields greater productivity, less absenteeism and improved morale and performance.

“(A)bsenteeism has tripled at the workplace in the last year due to stress.” (“Good Morning America,” ABC TV, 2001). Forty percent of working caregivers are absent from work regularly, one-third leave work early, and 14 % have reduced their regular work hours. (AARP 2000). According to data from the Bureau of Labor Statistics, workers who take time off work due to stress, anxiety or a related disorder are likely to be off the job for approximately 20 days annually. (Bureau of Labor Statistics). Appendix D provides additional statistics related to employee work/life issues.

Despite a softening economy and corporate downsizing, 75% of employers named employee retention as their top objective. Fully 58% of these employers find that developing a benefits program that helps employees balance work and life responsibilities is the most effective way to retain employees (Met Life Study of Employee Benefit Trends, November 2001). Further, any funds spent by the employer to help with caregiving have a payback to the employer of 2.5 to 5 times the cost (Pfizer, 1997). The leading factor in employees’ commitment and loyalty to their employer is whether they believe management recognizes the importance of their personal and family lives (Aon Consulting’s America @Work Study 2000 Study).

The number of women and the number of working mothers in the nation’s workforce continue to increase; and the total workforce is aging. The median age of the workforce at the College of William and Mary is 47 years.

Providing information and resources related to work/life issues is a positive solution to an emerging problem. While the ultimate goal is the establishment of a work/life office, given funding constraints and other priorities related to this restructuring, the initial proposal focuses on establishing a program under the auspices of the Office of Human Resources.

Program

The purpose is to provide employees with information about resources and programs available at the College and within the community which assist them in resolving issues creating tension between their work and life responsibilities. The program would

offer referrals to a multitude of services that can ultimately address and meet the needs of the employee.

Employees would be able to receive, at no cost, educational materials: videotapes, books, fact sheets, brochures, checklists and kits. A quarterly newsletter would provide current information about work/life topics, a reminder of the services and encouragement for employees to avail themselves of the information. At the beginning it may be possible to employ student interns or assistants to research various work/life topics and to build and maintain relevant databases.

Alternative Work Schedules (also known as Flex Time)

Alternative work schedules allow employees to either vary the starting and ending times of an 8-hour workday or complete their 40 hourly work requirement in fewer than 5 workdays (working longer hours per day). The flex time option is permitted by the College, but this option needs to be more fully explained to supervisors, deans and department heads and encouraged as a useful practice.

Telecommuting

Telecommuting (permitting employees to work from a satellite office or a home office for an agreed upon portion of the workweek) is currently permitted by the College, but this option needs to be more fully explained to supervisors, deans and department heads and encouraged as a useful practice.

Job Sharing

Job sharing is a form of part-time employment in which two employees perform the responsibilities of a single full-time position. There is a much greater opportunity to utilize job-sharing formulas. This option would be explored by the College for the purpose of providing additional flexibility to employees.

Child Care

A Work/Life program could serve as the principal contact for the employee who needs information on child care. Currently the Williamsburg Campus Child Care (WCCC) facility is located on campus in the Sara Ives Gore Center and serves William & Mary faculty, staff and students, as well as the Williamsburg community. There are spaces for 75 children.

A study published in Working Mother magazine, "100 Best Companies 2007," showed that 50 of the 100 best companies provided company-sponsored child care facilities on site. The remaining 50 provided employees access to company sponsored childcare centers near site.

Many schools use their child care facilities to enhance the education of their students by offering internships, work and research programs. Other child care services are offered in the form of family counseling, kids' summer camp, nutrition services, web resources, and financial assistance for childcare.

The College needs to explore the possibilities of expanding its child care program to more adequately meet the needs of the W&M community. This could be accomplished by:

1. Adding a satellite facility, refurbishing an unoccupied building or perhaps including a child care facility on the new education building site.
2. Partnering with other child care facilities in the community and negotiating discounted services.
3. Approaching other area employers with the notion to share child care services and support for the program.
4. Developing a student child care study program.

The fact that the median age of a William and Mary employee is 47 may indicate why the employee survey did not rank childcare as an important benefit. That being said, the College needs to consider in planning for its future workforce the need to attract and retain a younger population.

Currently, there is no childcare subsidy offered by the College. For the long-term, the College should consider the possibility of providing childcare scholarships based on a sliding income scale as a part of a potential cafeteria plan for benefits. A subsidy could be used for:

1. On- campus child care facilities
2. Local child care facilities
3. After-school programs
4. Early childhood education programs

The possibility also exists for a fund-raising campaign by the Child Care centers that would establish an endowment for need-based scholarships.

Elder Care

A Work/Life Office program could serve as the main contact for the employee who needs information on Elder Care. As the College workforce ages, the issue of resources for aging parents of employees or for aging employees and their spouses becomes increasingly important. The reality is that employer's must find ways to accommodate employees' needs to manage these issues. There is a wealth of information and advice on the internet with regard to elder care. It takes time to sort and assimilate that information. This program would maintain regularly updated research information that would allow employees to, at a minimum, orient themselves to this issue. Links could be provided to the Peninsula Agency for the Aging, AARP, local directories of elder care lawyers, and to purveyors of elder home and health care. The HR office could house materials provided by local elder

care facilities, and receive and maintain updated AARP magazines, elder care magazines, etc. A database of the types of elder care options within a 50-mile radius of Williamsburg would be created and maintained. It might be possible to coordinate with the Law School to set up an elder care clinic as a part of their clinical programs component.

Fitness/Recreation

Fitness is considered one of the most important elements in maintaining a healthy work/life. It is in the College's interest to support fitness programs as a means to a healthier and more productive employee.

A Work/Life program could:

- Increase awareness of current fitness options available to employees through its website and newsletter. This would include information on the state's Commonwealth Program, the College's Weight Watchers Program, any classes in which staff are invited to participate, etc.
- Encourage supervisors to become more aware of and sensitive to employees' fitness needs.
- Explore ways to provide recreational activities/programs for families. Evaluate the possibility and staffing and budget implications of expanding the Recreation Center's hours when students are not on campus. Create incentive programs for employees with rewards such as massage and fitness class certificates.
- Negotiate (in conjunction with Procurement) discounts to other fitness facilities for memberships and classes.

Employee Assistance Program

The majority of all Work/Life offices offer an employee assistance program for the mental and emotional well-being of their employees. The state offers an Employee Assistance Program for its employees, but it is not widely used by William and Mary employees due to the mechanics of requesting and securing assistance from Richmond. A Work/Life program could work with the College's Counseling Center in securing a list of "trusted" therapists for referral as part of the Medical Referral option as well as links to websites and other sources of information.

Community Resources

Employees could receive advice and access to resources related to such issues as:

- 1) Health & Safety
- 2) Disabilities
- 3) Relocation - For example change of address kits from the Post Office, relocation kits from various realtors, and a list of realtors/rental agencies in the area.

- 4) Medical - referrals lists of doctors, hospitals, emergency care centers, and dentists in the area.
- 5) Child Care and Elder Care – Information that would assist employees in becoming educated on the complexities of these issues, enabling them to make better informed decisions on difficult matters.
- 6) Baby sitting services - Lists of individuals who are willing to baby sit, house sit and pet sit. Perhaps students could indicate their willingness to provide such services when they enroll. College employees would also have the opportunity to provide such services. The Office would compile a database of services, individuals available, and their fees, and provide this information to the employee. As part of the pet sitter service referral, there might be a pet resource center that includes a directory of sitters, internet sites for taking trips with pets, information on pet insurance, pet resorts and rehab center, and local kennels.
- 7) Community Links - including the Chamber of Commerce, eating establishments, banks, and financial centers, the DMV, local schools, legal services, recreational parks, etc.
- 8) Testimonials - A database of testimonials from other employees who have positive experiences with certain service providers.

Employee Discounts

A Work/Life Office could, in cooperation with Procurement and Auxiliary Services, contact and negotiate with local vendors for discounts for W&M employees. While there are many discounts available to employees now through the W&M Express card, there may be more that could be negotiated given the size of the workforce.

Such discounts could include:

- Fitness facilities
- Childcare facilities
- Dry cleaners
- Realtors
- Automotive dealers
- Public transportation
- Local events and attractions
- Banks
- Travel services
- Insurance policies

Conclusion

The priority of other recommendations in this report and the College's current funding levels do not permit the establishment of an office at this time. While this is understood, the establishment of such a function should remain a goal for the University system. In the interim a Work/Life program website should be created to gather in one

place information about available community resources to assist employees with these issues.

HUMAN RESOURCE DEVELOPMENT

Training

Professional Development

And

Education

COLLEGE OF WILLIAM AND MARY

HUMAN RESOURCE DEVELOPMENT PHILOSOPHY

The College of William and Mary recognizes that people are our most important resource for sustaining excellent in teaching, research and service. To enhance the ability of employees to contribute to their departments and to provide career satisfaction for productive employees, we are committed to supporting on-going development for our employees. Human resource development is defined as growth in an individual's knowledge, skill, and personal effectiveness.

Training, development and education can only have sustained effects if they influence the actions and practices of managers, supervisors and employees so as to better serve both the needs of the College and the tangible and intangible personal interests of employees. Our goal is for all employees to make the maximum contribution to their schools or departments, while having opportunities to develop their talents, to acquire and use new skills, and thus to achieve greater career effectiveness and satisfaction.

The role of employees is to pursue growth by:

- Sharing responsibility for their development;
- Developing, with their supervisors, plans to acquire or enhance skills, assume responsibilities and prepare for future opportunities.

The role of management/administration is to encourage employee development by:

- Providing ongoing training for current and newly assigned responsibilities;
- Designing jobs that are challenging;
- Providing candid feedback on performance;
- Encouraging employees to learn and grow throughout their careers, and to pursue appropriate career goals;
- Offering or supporting education and training opportunities to enhance an individual's performance and capacity, even beyond his or her current position;
- Publicizing job opportunities so that individuals can pursue positions which they believe will advance their development.

The College seeks a systematic human resource development process that is well-executed, fiscally responsible, respectful of individual learning styles and based on individual and organizational performance improvement goals.

THE ROLE OF EMPLOYEE TRAINING, DEVELOPMENT AND EDUCATION AT THE COLLEGE OF WILLIAM AND MARY

The College lacks a formal, comprehensive Professional Development and Training Program. This gap must be filled if the College is to be efficient and effective organizationally and to remain competitive among its peers.

A successful training and development program requires commitment on the part of senior management to its philosophy, principles and progress. The foregoing philosophy statement will serve as the foundation for a program reflecting the critical importance of employee training, professional development and education.

Objectives of a Development and Training Program Include:

- Designing and implementing programs and services that provide new knowledge, new skills, innovative thinking, and motivation.
- Sustaining a responsive, well-executed and fiscally responsible approach to individual and organizational development.
- Evaluating training effectiveness and making changes to maximize resources.
- Encouraging workplace harmony and effectiveness through programs that encourage appreciation of and sensitivity toward all.
- Assisting managers and administrators in identifying appropriate human resource development activities.
- Facilitating sharing of knowledge and skills among College departments.
- Promoting an understanding of College policies, Commonwealth and federal laws, health, safety, and other environmental procedures by collaborating with other campus units to provide training programs and resources on these critical topics.
- Promoting the concept of human resource development as an ongoing, shared responsibility among faculty, staff, supervisors, administrators, and the Human Resource Development (e.g., Training, Development and Education) Department.
- Fostering an environment of organizational and individual lifelong learning.
- Promoting human resource development as an integral part of the College of William and Mary's strategic plan.

Categories of Human Resource Development

Human Resources Development programs can be divided into three categories.

Training: Activities designed to improve employee performance in a current or new job, including training for a promotion with greater scope, responsibility and authority.

Education: Activities designed to improve the overall competence of an employee in a field other than the job now held or at a level beyond his or her current responsibilities.

In other words preparing an employee for a different opportunity in the College, including promotion and long-range career advancement.

Development: Activities that increase competencies and abilities and allow an employee to change with the College. Development is concerned with the future of the College and the individual and usually has goals that cannot be stated in specific behavioral terminology, since future conditions and standards of proficiency are still taking shape. Employee development is designed to produce a viable and flexible work force as the College moves into the future.

Adapted for the College from example in Handbook of Training Evaluation and Measurement Methods by Jack J. Phillips, Gulf Publishing Company, 1991 – pages 59-60

Program Characteristics

A training, development and education system should have the following characteristics:

1. Management commitment and follow-up ensuring that individuals accomplish their objectives and the mission of their organizations.
2. Measurable training outcomes, preferably in cost savings or productivity increase.
3. Agility to adjust as the goals of the College and individual departments change.
4. The ability to distinguish training, education, and development.
5. Individuals who keep current on best practices in training, education and development techniques and procedures and recommend needed changes.

Phases

The program would be implemented in three phases.

- Phase 1: July 1, 2008
 1. Adopt Human Resources Development Philosophy.
 2. Hire a Human Resources Development Director reporting to the Associate Vice President for Human Resources. The director's goals during the first phase would be to conduct a needs assessment, develop a strategic plan, coordinate the use of current available resources, and develop relationships with local Colleges as appropriate. A total of \$150,000 is included in current base budget to fund a position, start up and ongoing operation within the Office of Human Resources.

3. Promote a culture of support and acceptance for learning and development across the campus. The success of this initiative rests on the new HRD Director's ability to become a highly visible and recognizable member of the campus community as an advocate of learning and development.
4. Until a formal needs analysis can be completed, the new HRD Director would organize available training opportunities to address the most frequently identified development issues, relying heavily on available internal and external resources. One of the HRD Director's objectives would be to negotiate and organize available training resources, develop a schedule via a website dedicated to learning and development, and to present the site and the learning and development philosophy and concepts to all departments.

Among the types of training consistently identified as critical are computer training, particularly Banner basics; supervisory training including performance evaluation, communication strategies and people/interpersonal skills; understanding the Classification, Compensation and Benefits Systems; basic life skills such as reading, writing, management of personal finances, online research techniques and time management; and personal skills including stress and anger management.

5. Conduct campus-wide needs assessment employing several methods to gather data: focus groups, general attitude surveys, individual interviews, data from the web site, course attendance and research from other organizations.
6. Appoint college-wide Advisory Committee to meet quarterly to discuss the HRD program and to provide advice and support to the staff. Many members of the design team are willing to serve on this committee to continue and build on the work envisioned by these recommendations.
7. Establish a mentoring program that pairs veteran employees with new hires. The goal is to provide new challenges for knowledgeable, long-term employees who can offer information on how to get things done as well as ongoing insight into campus life and culture. This provides new employees with personal follow up that otherwise might not be possible. HACE and the Professional Employee Association could help facilitate this program.
8. Develop a strategic plan that includes: an action plan for developing a culture of acceptance for learning and development; a method for holding managers/supervisors accountable to setting and achieving development goals; a progressively robust selection of program offerings based on the results of the needs assessment; and a process for the continuing assessment of needs and for evaluating effectiveness of initiative. This planning process would also develop a budget for the program.

- Phase 2 - January 2010

Phases 2 and 3 would continue to use assessment and planning tools outlined in Phase 1. Additionally, the HRD function would evolve in response to needs discovered during the assessment process and budgetary realities. The lessons learned during Phase 1 may dramatically alter the strategy and structure adopted.

1. Set deadline for the creation of individual employee development plans.
2. Establish a defined evaluation process for each learning and development approach. Refine the evaluation process as needed to include such elements as: assessing the types of courses offered based on campus-wide needs assessment and evaluation of activity during Phase One
3. Develop a Phase One Progress Report showing return on investment and an evaluation of the overall initiative.
4. Create a learning and development website linked to the W&M home page that would include: course offerings, FAQs, searchable knowledge repositories similar to a reference desk, Feedback & Forum section to conduct surveys, and a Training Tracker to house development records. A Learning Management System (LMS) or online management tool other than Blackboard is recommended. Supervisors and employees can use the website to identify potential opportunities in preparing the employee's professional development plan.
5. Establish training space with computers, conference/individual seating, a library of books, cds, online courses and other training resources based on the results of the needs assessment. HRD office should be large enough to house this area.

- Phase 3. - June 2012

By the beginning of this phase, the Human Resource Development function should be well established with offices at both W&M and VIMS, have a highly visible role in campus life, and should have become the centralized campus-wide source for professional development information. It should offer a well-defined professional development program on par with other higher education organizations.

Every employee would have a professional development plan with a clearly communicated procedure for periodic reviews in addition to the annual evaluation. Every employee would have training and development opportunities supported by all managers and supervisors. Managers and supervisors would understand they are expected to support professional development and are required to communicate details of professional development plans and work with staff members to coordinate training needs and goals.

1. Program offerings are determined based on continuing campus-wide needs assessment and evaluation.
2. Strategic Plan is reviewed and revised according to lessons learned.
3. Web Site is maintained and updated on a regular basis.
4. Adequate space has been secured for training functions.
5. Budget requirements are regularly reviewed.
6. Relationships have been established with external providers.

CONCLUSION

The College of William and Mary and its employees will benefit substantively and substantially from the implementation of the proposed University Human Resources System. Taken as a whole, the recommendations contained in this report work together to create a comprehensive whole that will greatly assist the College in fulfilling its goal to attract, reward and retain the best and brightest in an increasingly competitive environment.

The Committee on Administration is asked for its consent to continue to pursue these recommendations in anticipation of full Board consideration at its September 2008 meeting.

APPENDICES

Appendix A: Management Agreement

Appendix B: Restructuring Committees

Appendix C: Employee Survey Results

Appendix D: Work/Life Statistics