

# Staff Congress: At-A-Glance

January 09, 2017

## Chair Report: Dr. Scott Niles

Chair Niles didn't have anything new to report, but urged all members to attend Convocation on 1/11/16.

## Vice-Chair Report: Clarissa Purnell

Vice-Chair Purnell indicated that all items on the portal should be up-to-date. If any employee has not received their new Anthem insurance card, please call 1-888-650-4047 and speak to a representative to have a new one issued.

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## Committee Reports

### ***Benefits & Compensation: Committee Chair Craig Dennis***

\* **Committee Chair Dennis** said the Benefits & Compensation met during the fall semester to discuss UAR 323.04. HR Director, Harold Nally, had asked the committee to review the UAR and make suggestions for possible rewording of the section regarding internal applicants and their (current) non-ability to negotiate salary should they be chosen for a position through the job search process. Committee Chair Dennis took the committee's recommendation of giving all applicants the same salary negotiation abilities regardless of internal/external status. However, Director Nally suggested that the committee reconvene to discuss a minimum amount or percentage that an internal applicant should receive to guarantee an increase in salary with an increase in job level. The Benefits & Compensation committee will meet soon to discuss Director Nally's suggestion.

### ***Credentials & Elections: Committee Chair Lora Pace***

\* **Committee Chair Pace** informed Staff Congress that the Credentials & Elections committee will meet to discuss making an amendment to the by-laws regarding Representative illness that results in a member exceeding the number of missed meetings. The committee will also be getting ready for the upcoming spring elections for Staff Congress Representatives.

### ***Staff Issues: Committee Chair Jill McBride***

\* **Committee Chair McBride** reported that following staff concerns were submitted since the November 2016 meeting:

#### **\*\*CONCERN (submitted 12/06/2016)\*\***

I am concerned that there are NO crosswalks to the new enrollment service building.

**RESPONSE** The issue was sent to Rick Linio, AVP Facilities Management. As of January 13, 2017, we have not received a response from Mr. Linio.

#### **\*\*CONCERN (submitted 12/14/2016)\*\***

I recently saw this article in the Herald-Leader that talks about pay cuts beginning at the first of the year and it states "The settlement affects all governmental employers in various retirement plans, including the executive, legislative and judicial branches of state government; eight universities; the community and technical college system; and 1,471 county and city governments and local school districts."

Is MSU included in the "eight universities"? Will we see a pay cut beginning in January 2017?

<http://www.kentucky.com/news/local/education/article120559853.html>

**RESPONSE** The issue was sent to Harold Nally, Human Resources Director and the following response was received:

Per the Employee's request is further explanation concerning the FICA Taxation change and an example showing the difference for an employee participating in KRS with 5% contribution.

Brief Summary of IRS and Commonwealth FICA Taxation Change

1/1/2017

Recently, the IRS notified the Commonwealth that its method for withholding taxes for employee retirement contributions was not aligning with the United States Court of Appeals ruling (Public Employees Retirement Board v. Shalala) in May 2014. Therefore, effective January 1, 2017, it is mandated by the Personnel Cabinet to update the FICA computation method.

This means that all employees that participate in the KRS (5%) (6%), HKRS (8%) (9%), and KTRS (8.185%) at Morehead State University (other universities are also required to make this change if they participate in the state retirement systems) will now be subject to Social Security and Medicare taxation. The following example shows the difference for an employee participating in a KRS with 5% contribution:

|   | <u>Current Calculation</u> | <u>New Calculation</u> |
|---|----------------------------|------------------------|
| <b>Semi-Monthly Gross</b>                       | \$1,265.00                 | \$1,265.00             |
| <b>Less Retirement Contributions</b>            | (63.25)                    | --                     |
| <b>Base Wages for Social Security/Medicare</b>  | <u>\$1,201.75</u>          | <u>\$1,265.00</u>      |
| <b>Social Security/Medicare Tax</b>             | \$91.93                    | \$96.77                |
| <b>Increase in Social Security/Medicare Tax</b> |                            | <b>\$4.84</b>          |

For this example, the employee will see a decrease of \$4.84 in each check (subject to change based on gross per pay period). Both employers and employees will have to pay the increased amount. The additional contributions in the FICA taxes will result in increased Social Security benefits upon retirement.

This interpretation is exclusively controlled by the IRS... the Commonwealth must comply.

*NOTE: All submitted Staff Concerns may be seen in their entirety, along with the corresponding response, on the Staff Congress Portal site. Login to the Portal site, go to Employee Services, select Staff Congress, and then choose the Past Staff Concerns button. There will be a listing by month and year of the Staff Concerns from which you may choose to review.*

### ***Sustainability Committee***

\***Representative Niehoff** was unable to attend the meeting and no report was submitted.

## Other Reports

### ***Staff Regent Report: Dr. Shannon Harr***

**Staff Regent** was unable to attend the meeting, but submitted the following report:

The BOR met on December 9<sup>th</sup> for its regularly scheduled quarterly meeting. The board approved the minutes of the 9/30/16 meeting, approved 2016 Fall graduates, ratified personnel actions and accepted the 2015-16 audit report and amended operating budget. The board also approved the Master of Science in Nursing--Family Nursing Practitioner degree, accepted the first quarter financial report, and approved a revision to Personnel Policy PG-5 Affirmative Action/Equal Opportunity for Employment.

The Presidential Search and Selection Advisory Committee will meet again on Wednesday, January 11<sup>th</sup> at 1:30. Since our last meeting, the committee has been talking with references for the 10 candidates we

previously identified. Also, our search firm, R William Funk and Associates, has been doing Lexus-Nexus/Google searches as well as background checks.

We will be conducting neutral site interviews in the very soon. We will continue to narrow down our pool of 10 candidates until we have identified the candidates that will be invited to visit campus.

***Human Resources Report: Harold Nally, Director of Human Resources***

**Director Nally** was unable to attend the meeting. However, Gaylena Cline, Payroll Manager, visited Staff Congress to elaborate on a mass email (received 1/6/17 from Beth Patrick titled “Division of Administration and Fiscal Services”) which mentioned FICA retirement changes. According to Payroll Manager Cline beginning with the 1/15/17 pay release, an employee’s gross salary will include taxable FICA wages and taxable Medicare wages. This change will result in employees seeing a smaller paycheck, but Ms. Cline also reminded Congress members that other applicable deductions will reduce an employee’s paycheck in addition to the new taxes:

- Money contributed to a Health Savings Account (HSA) account.
- Elimination of the wellness incentive. During 2016, employees that met certain wellness requires in 2015 earned a wellness incentive that lowered health insurance premiums. Beginning in 2017, no incentives will be deducted from insurance premiums thus resulting in less money in an employee’s paycheck.
- Bridge the gap payment reimbursement. Employees moved to a non-exempt status who chose to utilize MSU’s \$1,000 “bridge the gap” payment will begin to see \$83.33 deducted from each check (January 15 – June 30) to reimburse the university for that amount.

***Cabinet Report: Beth Patrick***

**VP Patrick** was unable to attend the meeting but reported that the primary issue the Cabinet is working on is the development of the 2017-2018 operating budget. Additionally, there is a budget retreat planned for January 17, 2017.

***Guest Speaker: April Hobbs Nutter, MSU Web Director***

Director Nutter visited Staff Congress to provide information on MSU’s new and improved website and tag line. She stated that the Cabinet decided it was time for a new MSU tagline to replace “Much More” that had been used for the last few years.

Director Nutter also shared some of the results stemming from the market research conducted by the Boston-based company, Fuseideas, to gauge not only the public perception of MSU, but also why students ultimately chose MSU as their school of choice. Participants in the research reported they felt MSU had excellent academic programs along with faculty and staff members that are supportive of their academic and career goals and that are easily accessible when needed. Students also reported choosing MSU for our value and affordability in these difficult financial times.

As a result of this research, the new slogan “Major in You” was released in the fall of 2016. Additionally, MSU unveiled a new website on October 26, 2016, which ironically was six years to the day from when our previous website went live. The new slogan and website were designed by the Office of Communications and Marketing in conjunction with Fuseideas, to utilize the research and present MSU as a friendly and helpful institution that focuses on our students and their academic goals.

According to Director Nutter, all departmental files that were contained on the previous site have been moved to the new site. However, if anyone notices any of their files are missing, please contact Communications and Marketing.

A question was posed by Representative Dennis asking why the new site was implemented in the middle of advanced registration and open enrollment for employee benefits. Director Nutter indicated that a mixture of our current web contract with Ektron ending and tight timeline presented by the Cabinet forced them to roll things out during the Fall term. She indicated that her preference would have been to go live during the summer when fewer students were on campus and there would have been less impact on employees as well.

Phase 2 of the web project will focus on governance and determining who truly needs access to edit a webpage and what level of access they need. After determining maintenance needs, training will begin to be available for employees. If you have edits that need to be made to your page, please contact Communications and Marketing until training can be made available.

## UPCOMING EAGLE EVENTS

- Tuesday, January 3: Cotinine testing and biometric screenings for 2017 WellPoints begins.
- Monday, January 9: Winter session ends.
- Wednesday, January 11: Convocation, Button Auditorium.
- Thursday, January 12 – Friday, January 13: Class scheduling in departments.
- Thursday, January 12 – Friday, January 13: The Recreation and Wellness Center will be closed for staff training.
- Monday, January 16: MSU closed in recognition of Martin Luther King Jr. day.
- Tuesday, January 17: Spring 2017 classes begin.
- Monday, February 6: Next STAFF CONGRESS meeting Combs Building 413 1:00 p.m.

### CAMPUS ANNOUNCEMENTS

- Staff/Faculty are encouraged to participate in intramurals by joining an existing team or starting a new team.
- Don't forget to check [www.msueagles.com](http://www.msueagles.com) for upcoming MSU athletic events.
- Cotinine testing and biometric screenings for 2017 begin **January 3, 2017** in Counseling & Health Services! **Please don't wait until the last minute to schedule your test.** Call 3-2123 to schedule your appointment today!

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OPPORTUNITIES

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