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August 21, 2019

TO: Keli Hite McGee, UA Chief Human Resources Officer
FROM: Mathew Mund, UAF Staff Council President 
SUBJ: Support of Layoff Benefits for University of Alaska Staff

The UAF Staff Council supports maintaining, and in the case of tuition benefits, expanding layoff benefits for University of Alaska staff and their dependents during this period of financial exigency and time of institutional transition. When the Alaska Governor's office announced the ~\$130 million cuts to the university budget, it had negative impacts on university staff, not limited to financial stress, loss of job security and the pursuit of alternative employment. In addition, the Board of Regents' declaration of financial exigency means that staff contracts can be modified and layoff notice periods are shortened. While the Alaska Governor's Office has made an agreement with the UA President and the UA Board of Regents' on a \$70 million cut over a period of three years, staff continue to be concerned about how layoff benefits will be affected.

Staff have a vital role at the University of Alaska in departments, administrative services, student services, and the overall function of the university. Staff are unclear what benefits are lost under termination as it is not defined in Policy. Are termination and layoff the same? Are notice periods for staff going to be different? Can regular staff be released without notice? The UAF Staff Council requests an explanation for why, in the case of termination, we would not receive certain layoff benefits anymore (outside of a blanket exigency clause).

Staff benefits, such as the tuition waiver, encourage professional development, retain university employees, and attract qualified employees in times of uncertainty. UA is the best equipped system in Alaska to train professionals for high-demand jobs. Staff may have difficulty finding a job in their current field of work due to the large number of staff that will enter the local job market due to layoffs. Staff may need to be re-trained into a high-demand field to find a local job. In many cases, longer-term staff members who have dependent children have been anticipating and planning the use of their tuition waivers to provide their dependents with an education at UA. Those staff members have based financial decisions on the existence of the UA tuition waivers and, thus, may not have put aside enough money to pay for college otherwise. Tuition waivers do not "cost" the university as those using this benefit fill seats that would otherwise be empty and the tuition waivers produce revenue through the fees assessed by each class.

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Leave is an important benefit to staff. Staff have earned annual leave and expect this to be paid out if they are terminated. Is there a status difference in layoff regarding accrual of annual leave? For example, if laid off and then rehired, will a staff member retain their years of service? Will annual leave balances be expunged in the event of layoffs? Will staff have the ability to cash out leave balances (in addition to 40 hours per the cash out program) if terminated? Will leave balances be treated differently based on employment status (exempt versus non-exempt status)?

Staff have questions about retirement. Will staff who are laid-off or terminated due to budget cuts and who have not fully vested in their retirement plan(s) keep the employer contributed retirement funds, or do they lose everything? Will retirement plans survive the financial turmoil if a large number of staff are laid-off? Will staff be given the opportunity and/or be requested to take early retirement? If there are plans for early retirement offers, when will the details be finalized and released?

The recent compensation review has impacted staff. If a staff member takes a new position in the new structure, how will that affect their pay? If a staff member was deemed by the compensation review as being paid more than the market average, would they be targeted for layoffs or reductions?

Staff need assurances that they will receive prorated refunds to staff related expenses such as parking permits, employee meal plans, housing, etc., in the event of layoffs/termination.

Transparency and clarity is needed for layoffs and rehires. The UAF Staff Council recommends that answers to staff layoffs be posted publicly on the University of Alaska HR website. This will help alleviate concerns and address the numerous unanswered questions that have come from the budget crisis.

UAF Staff Council advocates maintaining all layoff benefits, and in some cases expanding layoff benefits, regardless if layoff or termination is used to reduce workforce.

Keli, please respond to each of these issues directly to this memo or refer UAF Staff Council to where these questions are answered in writing.

cc: Daniel M. White, UAF Chancellor

Attached: Addendum

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Addendum:

Hello Kelly,

I wanted to include a short addendum to the recently passed memo on “Support of Layoff Benefits for University of Alaska Staff”. While the situation has changed with the Board of Regents lifting financial exigency yesterday, we are still concerned about these subjects outlined in the memo as it is likely that large scale layoffs will occur with this and future years budget cuts. We would also like our leaders to be aware of what staff truly value in their benefits and what we would appreciate leadership to fight for. If you can still respond in writing to each of the items addressed in the memo, we would greatly appreciate it.

If you have any questions or need clarification, please let me know.

Thank You,
Mathew Mund
UAF Staff Council President

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