

**COCONINO COUNTY COMMUNITY COLLEGE
DISTRICT GOVERNING BOARD**

WORK SESSION

MARCH 25, 2014



**COCONINO COUNTY COMMUNITY COLLEGE
MINUTES OF A WORK SESSION
OF THE
DISTRICT GOVERNING BOARD
MARCH 25, 2014**

A Work Session of the Coconino County Community College District Governing Board was held at the Lone Tree campus in the Board Room at 2800 S. Lone Tree Road, Flagstaff, Arizona. Board Chair, Mr. Patrick Hurley, called the meeting to order at 4:00 p.m.

PRESENT: Patrick Hurley
Patricia Garcia
Gioia Goodrum
Lloyd Hammonds
Nat White

Also present: Dr. Leah Bornstein, CCC President; Mr. Brandon Kavanaugh, Legal Counsel; Ms. Jami Van Ess, Dr. Russ Rothamer, Ms. Veronica Hipolito, Mr. Scott Talboom, Ms. Gayle Benton, Ms. Suzzanna Rodriguez, Dr. Ingrid Lee, Mr. Joe Traino, Ms. Emily McRobbie, Ms. Jennifer Jameson, Ms. Rosa Mendoza Logan, Mr. Michael Merica, Mr. Brian Harris, Mr. Dan Vigil, Ms. Sarah Southwick, Mr. Dan Begay and Ms. Joan White, staff.

All lists, reports, summaries, background material, and other documents referred to in these minutes can be found in the March 25, 2014 Documents File.

A. Financial Austerity Plan – Mr. Patrick Hurley

Mr. Hurley asked the Board members for feedback on any public response to the Financial Austerity Plan.

- Mr. Hammonds reported that at first he didn't hear anything but eventually he began receiving feedback from almost everywhere he went including Mesquite, Nevada. Two very positive comments he received were expressing gratitude for "saving the Page Campus." Other comments he received were not so positive such as those folks who thought that the Page Campus was not being given the consideration and funding that it should receive and having an instructional site with only a few employees would not work. This feedback came from well-respected leaders in the Page community.
- Mr. Hurley reported that he hasn't received any substantial comments which really surprises him as he expected some feedback from the community.
- He realizes that a lot of decisions have not been made yet regarding the process of implementing the cuts.
- Dr. White echoed Mr. Hurley's comments.
- Dr. White thought it would be good for the Board to receive reminders as the process progresses as to why certain things are being done and what it will accomplish.
- Dr. White said he has received some comments expressing concern about eliminating the Early Childhood Education program.
- Mr. Hurley did request that the Board be kept in the loop as the process progresses.
- Mr. Hurley hopes that the College can create some innovative ideas that will contribute to its future financial sustainability. He referenced Yavapai Colleges new Viticulture and

Enology program which is the only program of its kind in the United States and it not only teaches how to raise grapes for wine but has a working winery as well. He thinks that Yavapai has created a great niche for itself.

Ms. Van Ess reported that she is sending an update to all employees every two weeks on the status of the Financial Austerity Plan implementation. The following is the update that was last sent out:

Revenue Items Update:

- The \$2.00 tuition increase has been implemented by registration.
- Elimination of the tuition plateau has been implemented and a communication plan for students is in progress.
- Implementation of the Differential Tuition schedule has been tested in Banner and some additional work needs to take place to remove some of the fees in the catalog section.
- Registration begins for the fall semester on April 1st so these changes need to be made by this date.
- The credit card convenience fee is ready to be implemented and is effective July 1st.
- The no show fee of \$40.00 per credit hour is in the testing stage.
- The increase in the parking fees for both students and staff will be effective for the fall semester and is ready to be implemented as is the communication plan.

Dr. Rothamer commented on how difficult this process has been for faculty, students and staff, and although difficult, everyone has been very understanding of the process and cooperative in moving forward.

Expense Items Update:

- Elimination of the core mission of the Corporate and Community Learning: Meetings have taken place with the various partners regarding closing out contracts as of June 30, 2014 as well as looking at how to transition areas like Prior Learning Assessment and the Goodwill partnership to Academic Affairs. Dr. Rothamer has also met with Ms. Janice Washington, the State Director for the Small Business Development Center network to discuss someone else taking over this program.
- Changing the Page Campus to an Instructional Site: Several meetings have taken place with Mr. Jim Hunter and the plan is to have a general outline of what this will look like by the end of this week.
- Reducing the Nursing Program from 40 graduates to 20 graduates per year: Dr. Monica Baker and Mr. Don Johnson have been meeting with the nursing faculty to create a plan on what this will look like and will communicate with the Arizona State Board of Nursing.
- Elimination of the dance degree and the education programs: Dr. Lee, the department chairs and Student Services have been meeting to create an implementation plan for these two items.
- Elimination of vacant positions: The position vacancies simply will not be filled.
- Reorganization of Academic Affairs: This process is continuing.
- Tuition waiver benefit changed to tuition reimbursement: Process is also continuing.

Dr. White said that the process is much further along than he had anticipated.

B. Salary and Benefits – Ms. Gayle Benton

Ms. Benton gave a PowerPoint presentation to the Board that began with a timeline on the Pay for Performance initiative.

- March 2013 – Governing Board approved the Pay for Performance plan for staff
- October 2013 – January 2014 – Training was provided
- February 1, 2014 – Performance evaluations were received
- July 1, 2014 – Merit increases go into effect

Reasons for implementing Pay for Performance

- Rewards high performers - Increases retention - Rewards innovation/creativity
- Increases high quality of work - Moves employees across the pay schedule based upon performance, not seniority/tenure - Provides a system like faculty to move through the schedule

Rating/Increase

| | |
|---------------|---------------|
| 3.74 – 4.00 | 2% increase |
| 3.25 – 3.75 | 1.5% increase |
| 3.00 – 3.24 | 1.0% increase |
| 2.99 or lower | 0% |

The College average rating: 3.25

Normalization with three-year data history: average 3.28

Compensation Committee – has been meeting for the last four months to strategize and develop compensation adjustment options for the Board to consider. Ms. Benton recognized the Committee for their hard work in developing these options. The recommendation of the Committee is for Plan 1 and Plan 2 as a package. Ms. Benton noted that any and all adjustments must be financially sustainable, fair and equitable.

Plan 1(Preferred) Keeps Employees Whole: College picks up the cost of the ASRS increase and the vision insurance increase (\$5,437)

| Plan 1 (Preferred) – Keep Employees Whole | | ASRS – 0.06% Staff & Faculty | Vision Insurance | Cost | Beginning Budget |
|--|---------------|---|-------------------------|-------------|-------------------------|
| | | | | | \$ 237,900 |
| Keep Employees Whole | Employer Cost | \$ 2,645 | \$ 147 | \$ 2,792 | \$ (2,792) |
| | Employee Cost | \$ 2,645 | | \$ 2,645 | \$ (2,645) |
| Total | | \$ 5,290 | \$ 147 | \$ 5,437 | \$ (5,437) |
| | | | | | \$ 231,563 |

| Plan 2 (Preferred) – 2.0% | | Part-Time Faculty | Full-Time Faculty | Full-Time Staff | Cost |
|----------------------------------|--------------------------------|--------------------------|--------------------------|------------------------|-------------|
| 2.0% - PT Faculty | 2.0% Adjustment | \$ 33,562 | | | \$ 33,562 |
| 2.0% - FT Faculty | 2.0% Adjustment (eligible) | | \$ 21,877 | | \$ 21,877 |
| | Proposed Equity Steps | | \$ 7,114 | | \$ 7,114 |
| 2.0% - Staff | 1.0% CPI | | | \$ 38,294 | \$ 38,294 |
| | P4P | | | \$ 45,368 | \$ 45,368 |
| | CAF Increase of \$156 | | \$ 5,460 | \$ 17,004 | \$ 22,464 |
| | Reclass/Degree Attain: 4 Staff | | | \$ 23,473 | \$ 23,473 |
| | Benefits | \$ 6,850 | \$ 7,032 | \$ 25,008 | \$ 38,890 |

| | | | | | |
|--|-------|-----------|-----------|------------|------------|
| | TOTAL | \$ 40,412 | \$ 41,483 | \$ 149,147 | \$ 231,042 |
| | | | | | \$ 521 |

| Plan 3 – 2.5% | | Part-Time Faculty | Full-Time Faculty | Full-Time Staff | Cost |
|----------------------|---------------------------------|-------------------|-------------------|-----------------|-------------|
| 2.5% - PT Faculty | 2.5% Adjustment | \$ 41,952 | | | \$ 41,952 |
| 2.5% - FT Faculty | 2.0% Adjustment (eligible) | | \$ 21,877 | | \$ 21,877 |
| | Proposed Equity Steps | | \$ 7,114 | | \$ 7,114 |
| | Increase Salary Schedule by .5% | | \$ 31,239 | | \$ 31,239 |
| 2.5% - Staff | 1.5% CPI | | | \$ 57,098 | \$ 57,908 |
| | P4P | | | \$ 45,368 | \$ 45,368 |
| | Reclass/Degree Attain 4 Staff | | | \$ 23,473 | \$ 23,473 |
| | Benefits | \$ 8,563 | \$ 12,248 | \$ 25,529 | \$ 46,340 |
| | TOTAL | \$ 50,515 | \$ 72,478 | \$ 152,278 | \$ 275,271 |
| | | | | | (\$ 43,708) |

Plans 1 and 2 together are preferred over Plan 3.

- The Board discussed the plans as well as how they felt individually.
- Mr. Hurley felt that Pay for Performance should include faculty.
- Mr. Hurley is hesitant to approve much of an increase considering all the cuts that were made last month; however he feels that faculty and staff should be recognized for doing a good job as it tells them they are valued.
- Ms. Goodrum agreed with Mr. Hurley.
- Mr. Hammonds is sympathetic of the employees who are losing their jobs but also feels that CCC must be competitive with other community colleges in the region and doesn't want to see the College lose ground in this area. He feels that the increases being proposed are quite small and not terribly motivating. He is in favor of the recommended Plan 2.
- Ms. Garcia does value the staff and faculty and feels they should be compensated; however in light of the recent decisions made last month (i.e. Page Campus change, tuition increases, job eliminations), she does not feel comfortable approving a pay increase of this size. She can agree with keeping employees whole and possibly the Cost of Living or Pay for Performance but not the plans being presented.
- Dr. White felt that part of the budget being discussed over the last several months, included the specified amount of funds listed in the above proposals. He feels that employee morale is tied to some kind of compensation and being competitive is part of the whole picture. He is in favor of recommended Plan 2.
- In the future there will be increases in the medical plan premiums as the reserves go away.

Mr. Hurley suggested that the Board members think about this discussion during their short break and be prepared to discuss further at the regular Board meeting.

Motion was made by Ms. Garcia and seconded by Ms. Goodrum to adjourn the Work Session. The motion was approved.

The Work Session adjourned at 5:04 p.m.

MINUTES PREPARED BY:

Joan White
Board Recorder

ATTEST:

Patricia Garcia
Vice Chair/Secretary of the Board

APPROVED:

Patrick Hurley
Board Chair