

**Office of Human Resources Board Report  
Thursday, April 15, 2010, 12:00 p.m.****Minutes****Cost Controls**

A recent publication by the Office of Management and Budget revealed that total national health expenses are projected to increase from 5.7% to 6/1% for fiscal year 2011. For City Colleges, health benefits costs have increased to 4.3% in comparison to the same time period last year. Our continued participation in the City Agency Health Coalition has greatly facilitated City Colleges to realize cost savings with respect to health benefits while still maintaining a quality benefit program.

Another cost control measure we monitor closely is the management of unemployment claims. In the interest of full transparency, I have included in your folder a report marked Chart A showing our experience in controlling unemployment costs from the first quarter of 2006 to the present. The chart shows we were trending down until we began to experience the effects of the recession. With federal mandates extending the length of time you can remain on the unemployment roles and the increase in benefits, our liability has increased.

The Board requested that the Office of Human Resources recommend ways to reduce the (State University Retirement System) SURS 6% liability expenses. This liability is generated by employees retiring who have earned salary increases over 6% within the last 4 years of their employment. Earnings determine the retirement annuity. Any earnings over the 6% that resulted in a higher annuity is charged to the employer.

Based on the direction given to us by the Board, we established a committee with representatives of Finance, legal and Information Technology. The committee continues to meet to discuss ways in which we can mitigate our liability. That said we hope to submit formal recommendations next month.

By way of background information, we have enclosed in your packet Chart B which shows our year-to-date billing from the State University Retirement System of \$427,000, but we have only had to pay approximately \$56,000 by providing evidence that certain earnings were exempted from the 6% rule.

**Organization Development**

City Colleges adopted a Tuition Reimbursement plan for Non-Bargained-For employees similar to the Tuition Reimbursement plan used by the City of Chicago. Reimbursements are contingent upon available funds. On March 16 we notified the colleges that the 2010 budget was depleted resulting in the suspension of the program. Chart C in your package shows YTD expenditures not only for non-bargained-for employees but also for those covered under a collective bargaining agreement.

Over the last three months the Benefits Unit has been working diligently to lay the foundation for the implementation of the new Voluntary Long Term Disability Plan. The brochure, premium

worksheets, plan highlights and open enrollment forms have been finalized. These communication pieces will be used to explain the benefits of the Voluntary Long Term Disability Plan to full-time employees. Open enrollment is scheduled for April 12 through the 26 and the plan is targeted to become effective May 1, 2010. Representatives from Reliance Standard Life Insurance Company, the plan administrator, will be present at each open enrollment meeting and be available for questions eligible employees may have about the program.

The Recruiting Unit held a faculty career fair March 4 at the Arturo Velasquez Institute in anticipation of faculty needs for the summer and fall semesters. Approximately 220 candidates attended the event. We collected some interesting data from participants: 65% had Master degrees and 15% had PhDs; approximately 75% heard about the Career Fair through our web advertisements; 73% are currently employed. The dominate disciplines represented were business, English and humanities. Our hard-to-fill openings are all the allied health disciplines, Arabic language and automotive specialists.

We continue to rollout PeopleSoft self-service capabilities to our employees. We have given employees the right to select voluntary contributions to the CCC Foundation, each individual college scholarship fund, and WYCC through self-service functionality. We have already made available to employees the ability to obtain their paycheck advices, make changes to their W4s, enter emergency and non-emergency contact information, view their benefit enrollment, their leave banks and YTD balances.

We have completed the groundwork for the implementation of the new Performance Management evaluation program. The new evaluation system will be based on job standards which will be developed in concert with managers and employees.

The training curriculum and implementation strategy have now been completed. During the months of April and May we are holding workshops for all non-bargained-for employees at each college and the District Office.

I want to thank all the College Presidents, Vice Chancellors and College HR Administrators for support and active participation to ensure this project gets completed. We have an aggressive schedule and hope to have the foundation of the program established by the end of July.