Ozarka College

Board of Trustees

Finance Committee Meeting

Tuesday, May 12, 2015

President’s Conference Room – Administration Building

2:00 p.m.

Item No.

1. Call to Order
2. Approval of Minutes from May 6, 2014
3. Discussion Items
4. Tuition and Fee Structure
5. General Technology Program Fee
6. 2015 – 2016 Cost of Living Adjustment
7. 2015 - 2016 Operating Budget
8. 2014 – 2015 Merit Increase for Classified Employees
9. Bond Refinancing
10. Adjournment

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Discussion Item A – Tuition and Fee Structure/Ozarka College

Rationale:

Ozarka College has experienced significant program, facilities and staffing improvements over the past few years.  Although these changes were much needed and have benefited both our students and the communities we serve, they have also led to greater financial obligations for the institution.  The changes have been made during a time when we have experienced level funding from the state and have experienced post-recession decreases in student enrollment.

A tuition increase of $5.00 per credit for both in-state and out-of-state tuition is being recommended. The fees will be effective July 1, 2015 and the income generated from the increases in tuition fees will be used for operating expenses.

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Discussion Item B – General Technology Program Fee

Rationale:

Technical programs use a variety of consumable supplies during the course of a semester for educational purposes.

To help offset the growing costs of the supplies needed for classroom and laboratory instruction a new program fee needs to be assessed for the general technology program. This fee is consistent with the current program fees being charged for other technical programs.

A new fee of $60.00 per semester is proposed for the general technology program.

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Discussion Item C – Cost of Living Adjustment

Rationale:

Ozarka College is fortunate to have such a dedicated and conscientious workforce. In recognition of this, the Administration recommends that a two percent (2%) cost of living adjustment be effective July 1, 2015 for all eligible non-classified personnel and a one (1%) cost of living adjustment to be effective July 1, 2015 for all eligible classified personnel. Should merit pay be awarded for FY2016, funds have been budgeted to allow for merit increases to be awarded to classified staff.

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Discussion Item D –2016 Operating Budget

Rationale:

The 2016 Operating Budget has been completed and is being presented for your consideration and review.

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Discussion Item E – FY2015 Merit Increase for Classified Employees

Rationale:

Ozarka College could not operate efficiently without the tireless efforts of our support staff. On April 21, 2015, we received a memo from the Department of Finance & Administration approving employee performance merit bonuses for Fiscal Year 2015. Although no funding was provided by the state for the bonuses, the Administration feels strongly that merit pay should be awarded at board designated percentages based upon performance categories to all classified staff meeting the following requirements:

1. Employee must have been continuously employed for 12 consecutive months prior to the last employee performance evaluation cycle. (To be considered for merit pay, an employee must have an effective hire date prior to February 1, 2014).

2. An employee who received a disciplinary reprimand, written or verbal, during the 12 month rating period (February 1, 2014 – February 1, 2015) is not eligible for a merit increase.

3. Employee must be in active pay status during the last pay period of the fiscal year to receive merit pay.

It is recommended that merit bonuses be paid to all classified personnel meeting the established merit pay criteria on the last pay period of the fiscal year.

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Discussion Item F – Bond Refinancing

Rationale:

Ozarka College consistently strives to be fiscally responsible in all aspects of its operations. With the low interest rates that are available in the marketplace, the College could realize substantial savings by refinancing the 2009 Bond Issue.

Investment firms will be invited to present information to the full Board of Trustees at the May 12, 2015 meeting.