

September 12, 2002

03-018

PRESIDENT AND EXECUTIVE OFFICER
COMPENSATION FOR FY 2002-2003

PREPARED BY: Jerry Donnelly, Director, Human Resources Department

APPROVED BY: Randy McEwen, Vice President, Administrative Services
Jesus "Jess" Carreon, President

REPORT: This resolution is to adjust the compensation package of the College President and the Executive Deans and Vice-President – Administrative Services. In prior years the compensation package for Executive Deans and the Vice-President have been treated under the same resolution as applied to all other management and supervisory employees of the College.

When conducting searches for Executive staff of the College, PCC competes in a national market. A well-documented wave of retirements is occurring nationally among community college leaders and it is creating a highly competitive environment. A common practice among other large, multi-campus institutions is to provide individual employment contracts similar to the contract of the PCC President. These individual contracts allow greater flexibility in establishing a competitive overall compensation package at the executive level with the ability to tailor such a contract to the needs of the individual being selected for the position. In order to prepare for future recruitments at the executive level, we recommend establishing this practice with the current incumbents.

RECOMMENDATION: That the Board of Directors approve adjustment to the salary schedule and benefits package of the President of the College:

- That the President's salary be increased by \$5,000 (3.22%) retroactive to July 1, 2002;
- That the President's auto allowance be increased by \$2,400 retroactive to July 1, 2002;
- That the President's incidental expense allowance be increased by \$1,950 retroactive to July 1, 2002;
- That the College will make a one-time, lump sum payment into the President's TIAA-CREF retirement account of \$5,000.
- That the President's other benefits be increased for FY03 to the same extent as all other managers of the College;
- That the term of the contract be extended through June 30, 2003.

That the Board of Directors approve the establishment of individual employment contracts for the Executive Deans and the Vice-President-Administrative Services, and that the Board of Directors authorize the President to execute the appropriate contract documentation. These contracts will include the following provisions:

- That each executive's compensation will be increased by 4.25% effective with the first pay period of FY03;
- That each executive's compensation will include an annual auto allowance of \$3,600 payable in equal monthly payments in lieu of mileage;
- That each executive's compensation will include an annual incidental expense allowance of \$1,000 paid in equal monthly payments;
- That each executive's other benefits be increased for FY03 to the same extent as all other managers of the College;
- Contract term to be two years, renewable upon recommendation of the President.

Director Germond moved to approve Resolutions 03-013 through 03-015 and 03-017 through 03-024 and it passed unanimously.