

DALLAS COUNTY COMMUNITY COLLEGE DISTRICT

FY 2013 Budget Development Proposed Pay Adjustments

~~June 5, 2012~~ revised 7/19/2012

Material changed or added in this revision is reflected in green, blue or red print.

Proposed Pay Adjustments – Contingent on Local Funding Decisions

- Cost of Living Adjustment, up to \$11.4 million
 - 2 options for consideration
 - faculty, staff, administrators
 - full-time, part-time
- **Competitive Market Adjustments-**
 - Faculty** **\$1.5 million**
- **PSS & Admin Pay Scale Adjustments** **\$1.2 million**

Note: these are only the top priority pay adjustments. As Board disposition on local funding is determined, proposals for remaining pay issues will be advanced. If necessary, pay issues will be presented for resolution in successive budget years.

Proposed COLA catch-up Rate

• 7.54% increase*	\$13.35 million
less “caveat provision”	<u>(\$1.98 million)</u>
Adjusted Catch-Up Cost	\$11.37 million or 6.4%

*7.54% = change in CPI, Feb. 2008 to Feb. 2012

note: each 1% of salary increase = \$1.77 million

Caveat – COLA “Catch-Up” Effort

- In Nov. 2009, FT & LFT employees were granted a \$300/year increase to offset increased cost of health insurance premiums. Cost was \$963,300. In a year when CPI change was near -0-, this would likely have been the only pay adjustment.
- In Sept. 2011, FT & LFT employees were granted a \$625/year increase to offset increased cost of health insurance premiums (for prior year and current year). Cost was \$1,981,250
- Had COLA increases been granted in these most recent years, the COLA would have likely eclipsed the adjustments for increased dependent health premiums; perhaps only COLA would have been granted.
- The \$1.98 million should be a deduction from the amount of any COLA catch-up increase.

Tiered COLA Recommendation

- Stratify percent-of-increase based on annual base pay levels (all FT and PT employees)
 - Up to \$100K 6.4%
 - More than \$100K, less than \$200K 5.75%
 - More than \$200K 5.0%
- Estimated cost: \$11.32 million

Proposed Competitive Market Adjustments: Full-time Faculty Minimum

- Current Minimum Base Pay:
 - Tarrant \$47,800
 - Collin \$42,024
 - Dallas \$40,000
- Adjust minimum base pay by 6.4% COLA \$2,560
- **Additional adjustment to base pay \$1,925**
 - this additional amount would also go to current FT faculty in addition to COLA

Proposed Competitive Market Adjustments: Full-time Faculty Minimum

Regional minimums AFTER adjustments:

– Tarrant	\$47,800
– Dallas	\$44,485
– Collin	\$42,024

Note – for FY13 Summer Formula @ 50% level (6.67% of base pay for up to 3 credit hours of instruction; after that, adjunct/extra service rates apply)

Proposed Competitive Market Adjustments: Full-time Faculty

- Minimums for all four DCCCD faculty ranges would be adjusted in same manner: 6.4% plus **\$1,925**
- DCCCD faculty range maximums would be adjusted up on a proportionate basis
- Current FT faculty would receive pay increase of 6.4% of current pay, after which **\$1,925** will be added
- Estimated cost for **\$1,925** adjs: **\$1.5 million**

Recommended Competitive Market Adjustments: Part-time Faculty

- Current pay for 3-credit hour course:
 - Collin \$2,085
 - Tarrant \$2,015
 - Dallas \$1,969
- Adjust adjunct pay by 6.4% COLA percentage
- Proposed pay for 3-credit hour course: **\$2,095**
- Cost of increase already in total for proposed COLA pay increases (\$11.37 million or \$11.32 million)

Proposed Adjustments to Professional Support Staff and Administrative Pay Scales (7/19/2012)

- 4 professional support staff pay schedules:
 - PSS regular
 - IT
 - Facilities
 - Police
- 1 administrative pay schedule
- 1 pay schedule for licensed counselors

Proposed Adjustments to Professional Support Staff and Administrative Pay Scales (7/19/2012)

- Recommendation: uniformly adjust the pay ranges within each of the 6 pay schedules by the same percentage.
 - The minimums (and maximums) for every range within each of the 6 pay schedules: PSS regular, IT, Facilities, Police, Administrative & Licensed Counselors) should be adjusted upward by **5%**
 - Current employees whose salary is less than new minimum will be brought up to minimum AND granted the applicable cost-of-living adjustment.

Proposed Adjustments to Professional Support Staff and Administrative Pay Scales (7/19/2012)

Rational for proposed 5% adjustment:

- In Sept. 2011, standard work week went from 37.5 hours to 40 hours, a 6.67% increase.
- No adjustment to pay was granted.
- Increase in gross number work days: 16
- Additional days off, for spring break -4
- Net additional days: 12
- DCCCD nets 75% of additional gross work days (12 divided by 16); DCCCD adjusts pay scales up by 75% of the 6.67% increase in hours:

5%

End Notes

- These proposals would require increase in tuition rate or tax revenues or both.
- **These proposals would remedy most of our current compensation concerns (or “slippage”). Status of faculty summer formula will be the largest issue to address following summer of 2013.**
- These proposals represent a **“strong and excellent start”**.
- Collin and Tarrant faculty pay data are from TCCTA 2012 Survey.

Appendix: Impact of Tuition and Tax Increments

Additional Revenue Generated by Tuition Increase In \$1 increments		Additional Cost to FT Student each Semester (15 hrs)	
\$	Amount	Amount	% increase
\$1	\$1,700,000	\$15	2.22%
\$2	\$3,400,000	\$30	4.44%
\$3	\$5,100,000	\$45	6.67%
\$4	\$6,800,000	\$60	8.89%
\$5	\$8,500,000	\$75	11.11%
\$6	\$10,200,000	\$90	13.33%
\$7	\$11,900,000	\$105	15.56%
\$8	\$13,600,000	\$120	17.78%
\$9	\$15,300,000	\$135	20.00%
\$10	\$17,000,000	\$150	22.22%
\$11	\$18,700,000	\$165	24.44%
\$12	\$20,400,000	\$180	26.67%
\$13	\$22,100,000	\$195	28.89%
\$14	\$23,800,000	\$210	31.11%
\$15	\$25,500,000	\$225	33.33%

*****based on current enrollment levels*****

note: 15 credit hours currently cost \$675

Additional Revenue Generated by M&O tax increase in \$0.001/\$100 increments		Additional Cost to Homeowner of a \$131,780 home	
\$	Amount	Amount	% increase
\$0.001	\$1,600,000	\$1.05	1.27%
\$0.002	\$3,200,000	\$2.11	2.54%
\$0.003	\$4,800,000	\$3.16	3.80%
\$0.004	\$6,400,000	\$4.22	5.07%
\$0.005	\$8,000,000	\$5.27	6.34%
\$0.006	\$9,600,000	\$6.33	7.61%
\$0.007	\$11,200,000	\$7.38	8.87%
\$0.008	\$12,800,000	\$8.43	10.14%
\$0.009	\$14,400,000	\$9.49	11.41%
\$0.010	\$16,000,000	\$10.54	12.68%
\$0.011	\$17,600,000	\$11.60	13.94%
\$0.012	\$19,200,000	\$12.65	15.21%
\$0.013	\$20,800,000	\$13.71	16.48%
\$0.014	\$22,400,000	\$14.76	17.75%
\$0.015	\$24,000,000	\$15.81	19.01%

*****based of current taxable assessed valuation*****

note: current M&O taxes for \$131,780 home, net of homestead exemption is \$83.17

Appendix: Needs Not Yet Met – annual amounts

• Compensation:	
– COLA “Catch Up”, for everyone (7.54% - FY12 adj.)	\$11.4 million
– Faculty Pay Issues, amount TBD.... up to	\$ 2.5 million
– PSS & Administrative issues, amount TBD	\$ 0.8 million
– PSS & Administrative Scale Adj’s proposed 7/19/2012	\$ 1.2 million
– Reinstate Cyclic PSS Job Evaluation Process	\$ 0.5 million
– Increased Cost of Benefits (discussed 7/17/2012)	\$ 3.5 million
• Facilities Projects	
– \$86 million spread over 5 yrs (less \$5.5 million former MTN pmts)	\$11.7 million
• Enhance Technology “Edge” Provision	\$ 2.0 million
• Fully fund cost of facilities operations @ \$7.50/sq ft	\$ 4.5 million
• Restore full funding to Visiting Scholar program	\$ 1.0 million
• Provision for internal “Momentum Points”	\$ 2.0 million
• Provision for instructional equipment upgrades	\$ 1.5 million
• Retrofit closets, IP telephony upgrades, (5 years)	\$ 2.4 million
• Provision for new program development	<u>\$ 1.0 million</u>
	Total
	\$40.8 million
	\$45.2 million

Fully used in
6/5/12
proposal

\$1.5
million in
7/19/12
proposal

Note: Items above are listed in priority order