



# Jackson College Board of Trustees

## MONITORING REPORT FOR EL – 07 Compensation and Benefits DATE: 1.9.23

**Board Policy is indicated in bold typeface throughout.**

I present this monitoring report regarding your Executive Limitations Policy: “Compensation and Benefits”, according to the schedule previously defined and approved by the Board. I certify that the information contained in herein is true and represents compliance, within a reasonable interpretation of the policy, unless specifically stated otherwise. Interpretations are unchanged from the previous report, unless otherwise noted.

1/9/23

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Daniel J. Phelan, Ph.D.  
Chief Executive Officer

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Date

**POLICY STATEMENT: With respect to employment, compensation and benefits to employees, consultants, independent contractors and volunteers, the Chief Executive Officer shall not cause, or allow jeopardy to the College’s fiscal integrity or public image.**

INTERPRETATION:

I report full compliance with this policy statement unless specified within the following report.

**Further, without limiting the scope of the above statement by the following list, the Chief Executive Officer shall not:**

- 1. Change his/her own compensation and benefits.**

INTERPRETATION:

Compliance will be demonstrated when:

- The Chief Executive Officer’s compensation amount has been verified by the Chief Financial Officer and does match the approved amount established by the Board, and also appears in his contract
- The Chief Executive Officer’s ordinary and necessary expenses match his employment contract. This interpretation is reasonable because internal controls are used for verification.

EVIDENCE:

- a) On 12.2.22, The Comptroller verified that the gross pay the President received as compensation, as well as retirement and benefits, for the period of 12.21- 08.22 is the amount listed in the Employment agreement for the period of 09.01.19 through 08.31.24 and amended 03.09.22.
- b) On 12.12.22, the Comptroller confirmed that the President's ordinary and necessary expenses which have been reimbursed or paid for by the College match his employment contract.

**2. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.**

INTERPRETATION:

Compliance will be demonstrated when:

- a) Prior to the time of contract negotiations, the College conducts a comparison with other community colleges in the State for salaries and benefits.
- b) The College's Chief Operating Officer and Director of Human Resources are members of the Michigan Community College Human Resource Association and engage in the listserv for best practice conversations.
- c) The Chief Executive Officer and the Chief Operating Officer review secondary salary and compensation data obtained from the annual survey of the Chronicle of Higher Education and the League for Innovation which provides normative data from a national perspective.

This interpretation is reasonable because institutional benchmarking is done to provide comparison data.

EVIDENCE:

- a) The Chief Operating Officer confirmed on 12.09.22 that a comparison was completed in 04.22.
- b) The Chief Operating Officer confirmed as of 12.09.22 that herself and the Director of Human Resources are all current members of MCCHRA.
- c) On 12.09.22 the Chief Operating Officer confirmed that this review was held.

**2.1. Establish or change salary schedules and plans prior to monitoring to ensure compliance with the criteria in this policy.**

INTERPRETATION:

Compliance will be demonstrated when:

- a) A salary schedule is prepared annually by the Chief Executive Officer and the Chief Operating Officer. Salary schedules are established by the bargaining

process with both unions.

- b) The salary schedules that have been established, have not been changed prior to this period's monitoring.

This is reasonable because internal verification is provided.

EVIDENCE:

- a) On 12.09.22, the Chief Operating Officer confirmed that salary schedules have been established as part of the bargaining process with both unions.
- b) On 12.09.22, the Chief Operating Officer confirmed that salary schedules have been changed for cost of living of adjustments during this period's monitoring.

**3. Establish or change compensation and benefits that deviate from the current collective bargaining agreements.**

INTERPRETATION:

Compliance will be demonstrated when:

- a) The College Comptroller confirms that all employees part of the collective bargaining agreements have been paid consistently with the most recent bargaining unit.

This is reasonable because payment of benefit and salaries are agreed upon within the contract.

EVIDENCE:

- a) On 12.02.22, the Assistant Comptroller confirmed that all union employees were paid consistently as per the last bargaining agreement.

**3.1. Finalize negotiated collective agreements which exceed parameters established by the Board of Trustees.**

INTERPRETATION:

Compliance will be demonstrated when:

- a) The Chief Executive Officer discusses and sets parameters with the Board of Trustees This interpretation is reasonable because it includes the Trustees in the decision.

EVIDENCE:

- a) On 12.09.22, the Chief Operating Officer Confirmed that the JCESPA collective bargaining agreement was extended through 06.30.23 during this period and is within Board of Trustees parameters.

**3.2. Ratify collective agreements prior to monitoring to ensure compliance with the relevant criteria in this policy.**

INTERPRETATION:

Compliance will be demonstrated when:

- a) When the Chief Executive Officer submits a monitoring report that the collective bargaining agreements are in compliance with 2, 4 and 5 in this policy.

This interpretation is reasonable because a monitoring report will be provided during periods when there are negotiations.

EVIDENCE:

- a) A negotiated contract with the JCFA was reached during this monitoring period on 09.01.22 as confirmed by the Chief Operating Officer on 12.09.22.

**4. Create obligations over a longer term than revenues can be safely projected.**

INTERPRETATION:

Compliance will be demonstrated when:

- a) Compensation and benefits agreed to within the letters of appointment for administrators and obligations created under union agreements do not exceed the forecasted budget for the term of the agreement.

EVIDENCE:

- a) On 12.12.22, the Comptroller agreed that the compensation and benefits agreed to within the letters of appointments for administration and obligations created under the union agreements do not exceed the forecasted budget.

This interpretation is reasonable because there are internal controls in place.

**5. Change retirement benefits such that the provision:**

- **Introduce retirement benefits beyond what is currently offered (MPERS, the ORP and Emeriti)**

INTERPRETATION:

Compliance will be demonstrated when:

- a) No new retirement benefits beyond what are currently offered are introduced.

This interpretation is reasonable because it confirms no change in retirement benefits.

**EVIDENCE:**

- a) On 12.09.22, the Chief Operating Officer confirmed no new retirement benefits have been implemented during this monitoring period.

**6. Promise or imply permanent or guaranteed employment.**

I have fully interpreted this within 6.1 and 6.2.

**6.1 Employ College administrators under a contract in excess of one year's duration.**

**6.2 Employ Executive Administration under a contract in excess of two year's duration.**

**INTERPRETATION:**

Compliance will be demonstrated when:

- a) All administrators are issued a letter of appointment in June for one-year.
- b) No members of Executive Administration are issued a contract for a period greater than two years.

This is reasonable because it fits with best practice in the higher education industry.

**EVIDENCE:**

- a) On 12.09.22 the Chief Operating Officer confirmed all letters of appointment for salaried employees are issued for a one-year time period.
- b) No members of Executive Administration have been issued a two-year letter of agreement, only one-year letters of agreement for this monitoring period, as confirmed by the Chief Executive Officer on 12.26.22.

**The Jackson College Board of Trustees accepted this monitoring report as fully compliant at the regular Jackson College Board Meeting on January 9, 2023.**