

CARL SANDBURG COLLEGE
Board of Trustees Meeting
Regular Meeting – January 24, 2008

Item 12 Supplemental Retirement Plan

Focal Points and Goals

B-3 & 4, E-2, 4, 5 & 6

Background

First articulated in September 2003, the PHENIX Initiative envisioned a RE-SHAPED INSTITUTION which would begin to manifest itself during the FY-2009 through 2014 school years.

Towards this end, the Administration continues to investigate creative ways of responding to challenges including (but not limited to):

- Significant decline in enrollments (2005 to present),
- Stagnant state operating aid,
- Total absence of state capital funding,
- Tax base (EAV) erosion/moderate growth,
- 50% of district households earning less than \$25,000/year,
- 33% of families eligible for free/reduced lunch program,
- 15% of residents holding a Bachelors Degree (26.1% nationally),
- 17.3% of adults lack a high school diploma,
- Increased utility rates,
- Growing competition,
- Safety and security of students and employees.

Outcomes assessed and circumstances that have already been addressed include:

- Changes to administrative and support staff organizational structure,
- Implementation of Expenditure Control Program,
- Independent evaluation of all non-instructional operating costs.
- Audits (annual financial, campus security, and I/T functions),
- Adoption of District Site and Construction Master Plan,
- Extension of Rolling Labor Agreement with the Sandburg Education Association (SEA) through June of 2012,
- Risk Management Program,
- Energy Conservation – Phase IV,
- Wind Energy Consortium.

Given that 70% (plus) of the College's operating budget appropriately entails salaries and fringe benefit costs; the Administration has now completed an analysis of the probable impact of offering a Supplemental Retirement Plan (SRP) at this time.

This voluntary plan would be effective as of January 25 until March 10, 2008, for the benefit of eligible employees. No other SRP will be instituted at Carl Sandburg College until the conclusion of the PHENIX Program, which is scheduled for completion in 2014.

The attached SRP has been crafted with the guidance of appropriate legal counsel and have been reviewed by the Sandburg Education Association (SEA).

Recommended Action

The Administration recommends the Board of Trustees approve the attached Supplemental Retirement Plan (SRP) effective January 25, 2008, with an expiration date of March 10, 2008.