



## Maricopa County Community College District Governing Board Minutes October 6, 2015

Agenda Review and a Work Session of the Maricopa County Community College District Governing Board was scheduled to be held beginning at 6:00 p.m. at the District Support Services Center, 2411 West 14th Street, Tempe, Arizona, pursuant to ARS §38-431.02, notice having been duly given.

### GOVERNING BOARD

Tracy Livingston, President (Absent)  
Johanna Haver, Secretary  
Doyle Burke, Member  
Alfredo Gutierrez, Member  
John Heep, Member  
Jean McGrath, Member  
Dana Saar, Member

### ADMINISTRATION (AGENDA REVIEW)

Rufus Glasper  
Maria Harper-Marinick  
Debra Thompson  
LaCoya Shelton-Johnson  
Ed Kelty  
Lee Combs  
Irene Kovala

### ADMINISTRATION (WORK SESSION)

Rufus Glasper  
Maria Harper-Marinick  
LaCoya Shelton-Johnson  
Debra Thompson

### AGENDA REVIEW

Agenda Review began at 6:04 p.m. Board President Tracy Livingston was only able to join the meeting for a brief time via phone while Board Secretary Johanna Haver chaired the meeting. Mrs. Haver took the assembly through the proposed agenda for the October 27, 2015 Regular Board Meeting. Clarification was asked on a few items as they were presented; below are requests made by Board Members for additional information.

### GENERAL COMMENTS ON AGENDA

- A Board member proposed the Executive Session be moved from following the Regular Board Meeting to being held immediately prior to.
- Five Board members asked the President to return the Chancellor's contract as an action item, after it had been removed by the President, rather than put it off in order to have outside counsel review.
- Board members asked that changes to the agenda be consistent with statutory requirements and that the President work with the Chancellor to create the agendas as per Board policy.

### CONSENT AGENDA

- **ITEM 13.5 TAKE ACTION ON U.S. DEPARTMENT OF EDUCATION FOR ENGLISH LANGUAGE ACQUISITION GRANT PROGRAM AT MESA COMMUNITY COLLEGE**
  - A Board member asked if this was the first year for this grant. (No, it reflected year 4 of a 5-year grant; additional information about the scope and effect of 13.5 will be provided.)
- **ITEM 13.6 TAKE ACTION ON RIO SALADO COLLEGE PLAN FOR UNDERGRADUATE SUCCESS (PLUS) OCTOBER 1, 2015 – SEPTEMBER 30, 2019**
  - A Board member asked if this was a new grant. (Yes, grant over four years, through 2019; results of the grant will be provided to the Board.)
- **ITEM 14.1 (change to Item 13.7 and move under Academic Affairs) TAKE**

**ACTION ON RIO SALADO COLLEGE BUSINESS PLANNING: STUDENT SUCCESS & SCALING INITIATIVES OCTOBER 1, 2015-MAY 31, 2016**

- A Board member asked if this was a one-time grant. (More information about the grant will follow.)

**NON-CONSENT AGENDA**

- **ITEM 15.1** (will be renumbered to 14.1; as will subsequent items on the agenda) **TAKE ACTION ON CONCEPTUAL APPROVAL FOR VETERANS SERVICES CENTER REMODELING AND EXPANSION AT GLENDALE COMMUNITY COLLEGE**
  - A Board member remarked that the \$1M price tag seemed excessive for the amount of square footage and stated the planning seemed poor (i.e., building over an existing dry well. It was recommended that a new location be considered to meet the needs of GCC veterans. Other Board members disagreed saying the costs are comparable to others in the District with a reminder that this was a contextual item and the actual budget would be brought before the Board at a later date for action.
  - Another Board member commented that the current location was mindful of the services GCC veterans would need to have access to with its proximity to the student services area on campus. It was also noted that 9-11% of a 30-year lifecycle is usually reflected in the cost of a building and costs could actually be \$25-30M over the life of the facility (janitorial, changes in use, etc.) In the long run, it is the best location and makes it more user friendly for students—which is important enough to make this adjustment.
- **ITEM 15.2 TAKE ACTION ON PURCHASE ORDER FOR CARPET REPLACEMENT AT THE PAUL ELSNER LIBRARY AT MESA COMMUNITY COLLEGE**
  - Board members wanted to know what the replacement schedule will be and how it will affect students' access to the library. (A schedule will follow.)
- **ITEM 15.3 TAKE ACTION ON JOB ORDER CONTRACTING PURCHASE ORDER FOR JOHN PAUL THEATER ADDITION AT PHOENIX COLLEGE**
  - A Board member wanted to know what areas use the John Paul Theater and which use the Builpitt Auditorium. (Specifics will be forthcoming to the Board.)
- **ITEM 15.4 TAKE ACTION ON EXTENSION OF PEOPLESOFT FINANCIAL MANAGEMENT SYSTEM AND HYPERION CONSULTANTS**
  - Board members wanted to know if there were any long-term issues that might be coming. (There were issues within the first couple of months into the transition to the new software and time has been spent on correcting for them. MCCCCD will continue to work with consultants on them.
  - Are they systems working well from the IT perspective? (Yes, very well, although more time is needed for knowledge transfer from the consultants.) Does MCCCCD have enough IT staff? (Yes, previous systems required programmers to make changes; the new systems can be changed by end users.)

**ADJOURNMENT**

Agenda Review was adjourned at 6:50 p.m.

**CALL TO ORDER**

The Work Session was called to order a 7:02 p.m.

**POLICY DISCUSSION**

Secretary Haver turned the discussion over to Ms. LaCoya Shelton-Johnson, Vice Chancellor of Human Resources, to provide an update on the Classification and Compensation study. Ms. Shelton-Johnson indicated work on the review began back in 2012 and was designed to address Board Policy 2.7 *Staff Compensation and Benefits - Chancellor Limitation*. A copy of the full presentation is included in the appendix.

Board members commented, when the transition is complete, the Board will need to deal with or perpetuate issues and they wanted to be prepared for what the study results might be (regarding reclassification and movement of employees up or down on the pay scale.) They asked if she could predict the results at this stage of the review. Ms. Shelton-Johnson replied they expected it to look like a standard Bell curve with the majority of employees ending up being paid what they currently make. It's possible some people working in specialized areas may have a large disparity but it won't be known until the study is complete. MCCCDC is one of the most complex institutions of higher education in the country and also one of the largest. For jobs where the market says MCCCDC has a scarcity of employees it may need to pay at the 75<sup>th</sup> percentile just to get applicants, but it would not change the scope and focus of the job.

A Board member remarked this coming change will not be universally accepted. He asked the Board to consider if it wants to consider a compensation increase in the FY17 budget in preparation for these changes. Another member commented that the changes being considered are huge so feels less impatience with the implementation time frame. There is an urgency to complete the study but it needs to be done mindfully.

Ms. Shelton-Johnson noted there has been a general demographic change in society including a sizeable number of employees is eligible to exit the workforce (80 million). The group available to fill those vacant positions (50 million) will be in high demand. This next group expects comes in with an expectation of entitlement and who want to be challenged. They also move around a lot which puts the burden on the institution to keep employees engaged.

**ADJOURNMENT**

The Work Session was adjourned at 8:09 p.m.

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Johanna Haver  
Governing Board Secretary

# **Appendix**

## **Classification and Compensation Study**

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COMMUNITY COLLEGES

**Classification and Compensation Study Update**

Prepared for Governing Board  
October 6, 2015

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**Integrated Talent Management Framework**

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**What a Classification and Compensation Study Does Not Address**

- Workload – Not intended to address workload issues
- Organization – Not intended to address organizational structure
- Span of Control – Not intended to redirect span of control
- Performance – Not intended to identify the relative performance of employees

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Term	Alternate Term	Definition
Class Series	Job Series, Career Path/Ladder	Closely related classifications that represent a possible career path for employees
Classification	Class or Job	Official, standardized title that represents a specific type and level of work
Class Specification	Class Spec, Job Spec, or Job Description	Broadly written definition for each classification, describing typical duties, experience, education...
Position		The unique "seat" for each employee. Similar positions are assigned to the same classification.
Equity		Pay fairness with either external market or internally among peers or between supervisor & employee
Compression/Inversion		Little to no difference in pay between employees with different lengths of employment, or in severe cases, newer employees earning greater than existing EEs
FLSA	Fair Labor Standards Act	Federal Law mandating minimum wage and the payment of overtime based on duties performed

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**Current State**

- 1855 Job Class Titles (350 single-incumbent jobs)
- 9 Salary Schedules – Step Based
- No Internal Equity Review Practice
- Inconsistent Policies/Application
- District-wide inconsistencies (e.g. classifications and pay)
- Structure moves with employee pay (i.e. no salary advancement) when COLAs are awarded

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**Illustration of Current Step System**

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MARICOPA COMMUNITY COLLEGES

### Why a Study? Proposed Study Outcomes

- Create valid, reliable classification and compensation system
  - Designed to be fiscally responsible as stewards of public funds
  - Externally market competitive/ internally equitable
  - Recruiting and retaining top talent
  - Best practices and industry standards
  - District-wide consistency and equity

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MARICOPA COMMUNITY COLLEGES

### Why a Study? Proposed Study Outcomes (continued)

- Compliance
  - Up to date and defensible plan
  - Complies with pay equity laws
  - Complies with Fair Labor Standards Act (FLSA) and Americans with Disabilities Act (ADA)

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### Why a Study? Proposed Study Outcomes (continued)

- Job title consolidation – from 1855 to 500 or less
  - Based on Job Family/Job Classification - not on person doing the job
  - Includes career paths and job families
    - more clearly defined career paths/opportunity for movement throughout the district within and outside of job families

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### Why a Study? Proposed Study Outcomes (continued)

- The new systems will support the use of performance-based programs
  - Step equals entitlement
  - Performance based = appropriate reward for performance\*
    - Implementation of the plan will result in no salary, benefit, or leave of absence reduction of persons in filled positions

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**Benefits of an Open-Range Pay Structure**

- Support culture and business objectives
- Flexibility
- Precise and fiscally responsible
- Easy to explain
- Ability to reward high-performing employees
- Minimizes entitlement
- Industry best practice

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**Initial Study Observations**

- District appears generally market competitive based on preliminary review of data
- Too much overlap with job classifications
- Job class descriptions are narrowly written with few distinguishing characteristics

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**Initial Study Observations (continued)**

- Minimum qualifications are weak or non-existent on the job class description
- Job postings: inconsistent or inappropriate minimum and desired qualifications for same job classification creating potential FLSA and ADA issues
- Misuse of the classification system for compensation purposes

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**Estimated Class/Comp Project Timeline**

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**Compensation Closing Thoughts**

- × 71% of organizations tie base pay increases to performance against job standards
  - ✓ Only 9% award everyone the same salary increase
  - ✓ Only 11% adjust base pay based on length of service
- × 85% of organizations target the 50<sup>th</sup> percentile (market median) for base pay
- × 87% of organizations have variable pay programs
- × 89% of organizations utilize market pricing

**Maricopa's use of longevity-based step plans are an outdated way of addressing employee compensation**

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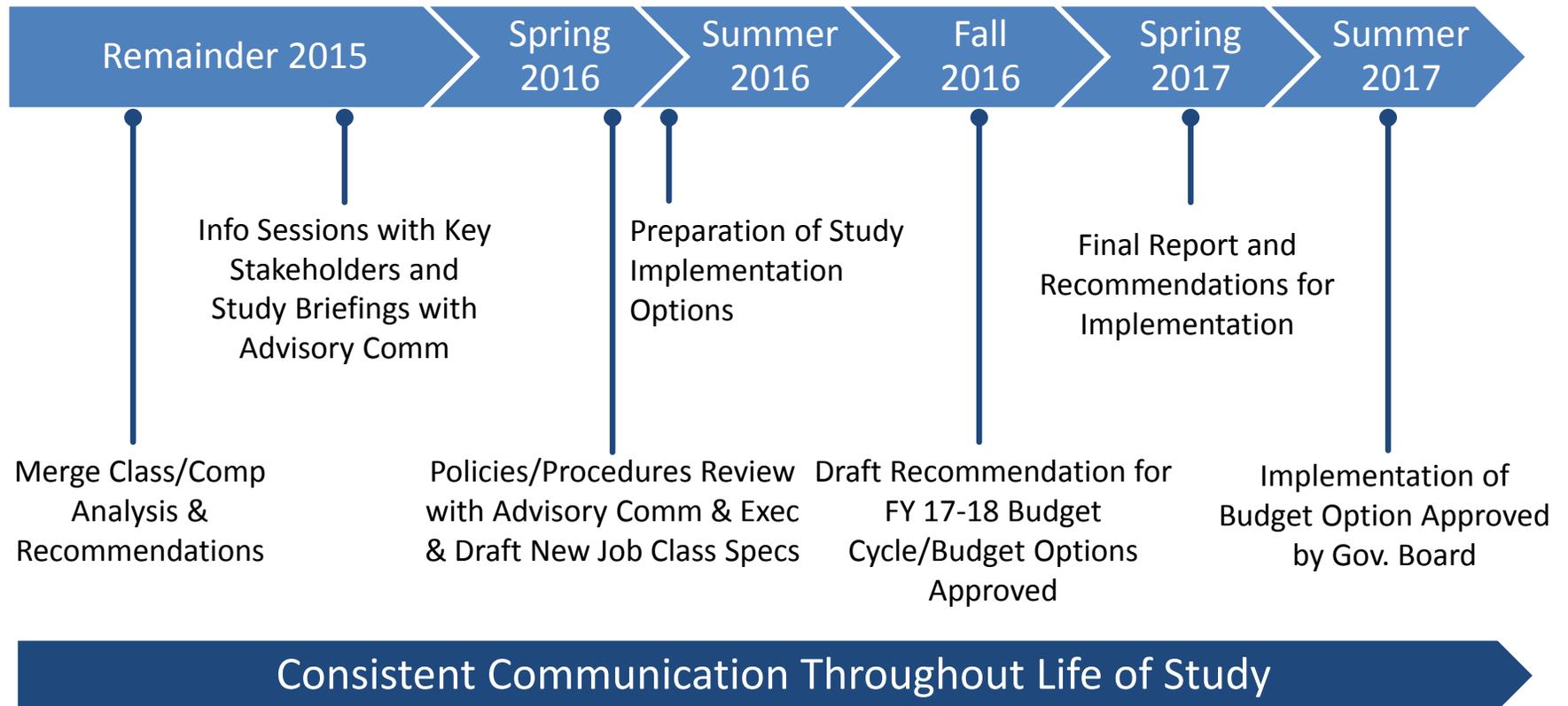
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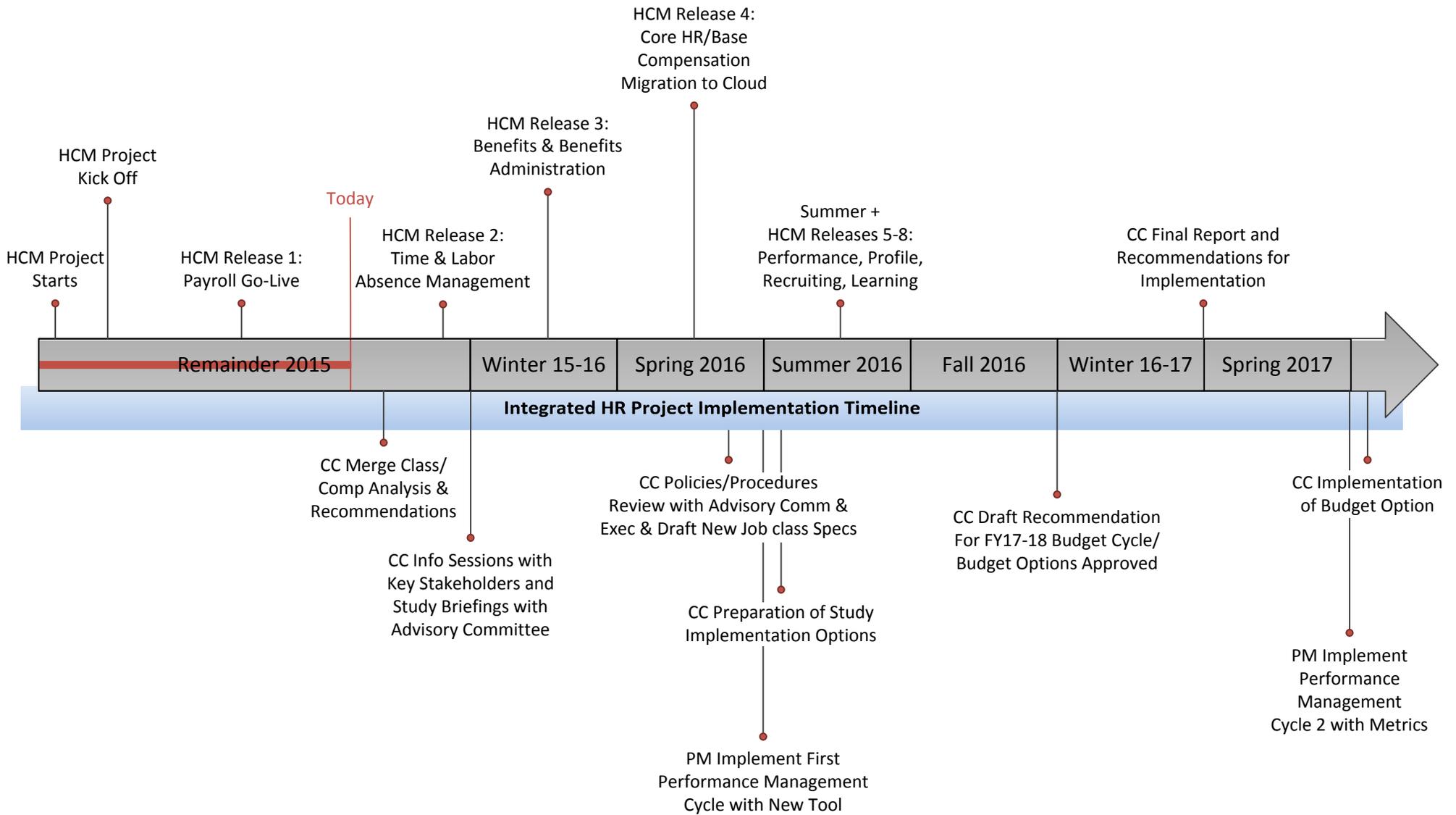
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# Estimated Class/Comp Project Timeline







## Examples of Potential Pay Strategies

### **Base-Pay Increases** – Permanent increases to employees’ pay

- Merit Increase – Pay increase based on performance, typically tied to a performance review
- Market Adjustment – Pay increase based on a classification being significantly underpaid vs. the market
- In-Range Progression – Discretionary increase based on any number of factors set in policy (ex: additional scope/duties that do not warrant reclassification)
- Internal Equity Adjustment – Base pay increase used to correct an inequity between peers or between a supervisor and subordinate

### **Variable Pay Increases** – Short-term or one-time payments that are not permanent or part of base pay

- Performance Award – One-time payment awarded based on performance in-lieu-of a permanent base pay increase (this strategy became very common in merit-based orgs during the Great Recession)
- Spot Incentive – A small, one-time payment awarded “on the spot” to recognize an employee for some feat as determined by policy
- Goal-based Incentive – A one-time award given typically to a team, but sometimes individually, for completing a difficult project or objective
- Stipend – An ongoing payment, not part of base pay, that continues to be paid as long as original criteria applies (e.g. uniform allowance or shift differential)



## **Summary of Work Completed to Date (affirmed by Advisory Committee)**

- Position Analysis Questionnaire (PAQ) data collection (just completed 2<sup>nd</sup> round of data collection)
  - PAQ collection is critical piece of the classification analysis

\*Note: This is the data necessary to classify staff and create job classification descriptions
- Classification analysis and draft classification structure reducing 1855 job classifications to under 500
- Identification of Job Families (Broad Occupational Categories)
- Market survey/benchmark analysis of peer/3<sup>rd</sup> party comparators
- Use direct market pricing with identified peer and 3<sup>rd</sup> party comparators
- Reduce the number of salary plans based on best practice
- Adopt open range salary structure; (minimum, midpoint, and maximum for each grade); Exempt, Non-Exempt, and Faculty Salary Schedule; and increase range spread from min to max
- Use a market competitive control point for all jobs

### Illustration: Merge Classification Compensation

Current Job Code	Current Formal Job Class Title	Recommended Class Code	Recommended Occupational Job Families and Job Class Title	FLSA	-- Recommended --**			
					Grade	Minimum	Midpoint	Maximum
		1700	<b>Engineering and Planning Group</b>					
2588	Chief Engineer	1701	Engineer, Chief	E	70	\$78,030	\$97,537	\$117,044
2589	Assistant Engineer	1702	Engineer	E	59	\$59,470	\$74,337	\$89,205
1347	Planner	1703	Planner	E	49	\$46,458	\$58,072	\$69,687
1225	Staff Biologist	1704	Biologist	E	53	\$51,281	\$64,101	\$76,921
1347	Survey Assistant	1705	Survey Technician	NE	36	\$33,701	\$42,127	\$50,552

\*\* 50% Range spread from Min to Max

Illustration

## Common Classification/Compensation Terms with Definitions

Term	Alternate Term	Definition
<b>Job Family</b>	Occupational Group	Broadly-related classifications based on the field of work, used as a means of organization
<b>Class Series</b>	Job Series, Career Path/Ladder	Closely related classifications that represent a possible career path for employees
<b>Classification</b>	Class or Job	Official, standardized title that represents a specific type and level of work
<b>Class Specification</b>	Class Spec, Job Spec, or Job Description	Broadly written definition for each classification, describing typical duties, experience, education...
<b>Position</b>		The unique “seat” for each employee. Similar positions are assigned to the same classification.
<b>Market Rate</b>	Job Rate	The prevailing external pay for a classification
<b>Equity</b>		Pay fairness with either external market or internally among peers or between supervisor & employee
<b>Salary Structure</b>	Salary Schedule	A listing of pay grades and their respective ranges
<b>Compression/ Inversion</b>		Little to no difference in pay between employees with different lengths of employment, or in severe cases, newer employees earning greater than existing EEs
<b>Pay Grade</b>		An alphanumeric label for a pay range
<b>Pay Range</b>		The minimum and maximum pay for a grade
<b>FLSA</b>	Fair Labor Standards Act	Federal Law mandating minimum wage and the payment of overtime based on duties performed