Benefits and Finance Committee Meeting
February 28, 2014

The following members attended the meeting: Joe Holt, Emily Chamlee-Wright, Alan Chesney, Peggy Fulton, Ken Schweitzer, Lansing Williams, Leslie Sherman, Susanne Kelly, LaToya Felton, Lane Conaway and guest Ryan Kelty, Associate Professor of Sociology, Co-chair of the Ad Hoc Committee on Child Care at Washington College also attended the meeting.

Prior to the meeting Joe provided the committee a memo that was presented to the Washington College Board of Visitors & Governors from Professor John Seidel regarding Child Care Issues at Washington College.

Alan announced that it was proposed to Senior Staff to adjust minimum wage for benefit eligible employees from $9.48 to $10/hour effective March 1, 2014. This will be reflected in the FY15 budget as well as the last quarter of FY14. The structural adjustments were applied to employees in positions which are designated as benefit eligible. The new minimum wage of $10.00 per hour does not apply to student, part time, or temporary employees. The adjustment for full-time employees making less than $10 an hour to that level does create "salary compression" for those employees who are presently at $10 an hour or slightly higher and who have been here for a while. This issue was considered, but it was the recommendation of Senior Staff that there was more merit in moving employees to a minimum wage of $10 per hour than to wait until such time as we could move all employees by a cost of living increase or other adjustments.

Structural adjustments were also recommended for employees who are paid significantly below their peers. The criteria for reviewing, and in some cases increasing, faculty salaries focused on faculty who are paid less than 80% of the average of their faculty rank. The review for staff analyzed those employees who were being paid below the minimum for their pay grade of their position. In both cases internal salary comparisons were reviewed to understand if a salary adjustment was warranted.

Peggy mentioned the extremely high January/February energy bills. According to our consultant this is due to the polar vortex and supply and demand. Peggy projected that our electric bill will run approx. $150K over budget. She stated cost per kilowatt hours is hurting us not consumption.

Professor Kelty expressed the growing needs, affordability, and other issues regarding child care. He reported two childcare facilities have closed in the last year. Partnerships have great selling points but also challenges as well. He stated the Ad Hoc Committee feels any approach or negotiations for partnering with local child care facilities should come from the Administration not the Ad Hoc Committee.

Joe referred to the handout, and noted the total commitment from the college for a college-built, third party operated day care (Hildebrand) would be $260K in subsidy assuming it was fully occupied at 64 placements and employees paying for daycare. This comes out to per child subsidy of $4,062. The question why does Hildebrand require such a huge subsidy? Discussions with Radcliffe Creek School still continue. The committee questioned the cost of this benefit and concern that some employees would not be able to afford this. It was noted there is a lot competition for benefits, and it is understood childcare is important for the recruitment of employees. Developing a child care registry providing age of child/children along with the current cost of child care would be very helpful information. Also mentioned was the importance of employee participation in our flex spending
account program. Joe stated there are at least four other franchises in the area that should be visited to see if they have a facility we may be interested in and see what type of business model they could provide.

Professor Kelty added that the committee should speak to Gary Grant regarding grants for rural communities and the grant writer position.

The meeting adjourned at approximately 11:35.