

Administrators Association Meeting Minutes
Wednesday, October 14, 2015

- I. **Members present:** Janice Johnston, Terry Hawthorne, MJ Coats, Tiffani Crosley, Ernesto Olmos, Amber Brookshire, Heather Atchley, Diane Brice, Tina Babb, Jacqui Jones, Terry Kleffman, Kristen McDonald-Willey, David Ziegler, April Sessler, Kelly Prater

Guest: Dr. Russell Lowery-Hart

- I. **Meeting called to order:** 8:15 a.m.

II. **Approval of Minutes:**

Diane Brice made a motion to approve the minutes as written. April Sessler seconded the motion. Motion passed.

III. **Committee Report Updates:**

- a. **Administrator's Development Committee** has been disbanded. There's no money to organize a formal event but folks are welcome to suggest self-pay activities.
- b. **No Excuses Core Team** hasn't met in several months.
- c. **AC Benefit Plan** – Sharon Doggett is out today.

IV. **President's Report – Dr. Russell Lowery Hart**

- a. There will be a Budget Town Hall Meeting next Wednesday at 2 pm. We're reducing our financial footprint because although we're not in financial distress now, we will be if we don't take steps to fix it. The email regarding a potential voluntary retirement incentive program went out this week and will affect 65 current employees who are eligible for a retirement buyout. The board won't consider increasing tuition or taxes until we streamline operations as much as possible. Losing 65 positions will force increased efficiency and incentivize department heads to streamline processes within their area.

Eliminating all pay raises is not an option because it's important to keep high-functioning, talented staff and faculty from jumping ship. Up until now we've funded the deficit with accounting sleight of hand but that's no longer an option because a new law requires us to keep \$13 million in reserves to fund our pension obligations (even though it's the state's responsibility). We have to cut expenses and payroll is our biggest expense. We currently have 263 faculty, 72 administrators, 363 classified employees.

Diane Brice: Can't existing full-time employees administer grants?

President Russell Lowery Hart: Yes, we're looking at that option.

Currently any position that is vacated cannot be filled unless the President's Cabinet votes for it. We've asked VPs, "What are the most critical positions in your area?" We're starting with the retirement buyout because we have to have a reduction in forces. After the reduction we'll be able to re-organize by leveraging technology to increase efficiencies and discarding outmoded processes and practices that don't serve our primary mission of serving students.

In 2011 we had the highest enrollment we've ever had and accomplished the biggest deficit reduction in the history of the college, but we were understaffed, so we hired more staff. Now in 2015, our student base is the lowest it's been in 13 years yet our number of employees is the highest it's ever been.

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DB: Does retirement eligible mean the employee has reached the rule of 80?

RLH: Yes. The folks we're aware of will have 45 days after being notified to decide to take the buyout or not. There may be some folks we're unaware of who qualify from accumulating years at other institutions. We'll have to see.

I want to reiterate that we are not desperate, we just need to get our financial house in order after kicking the can down the road for so long.

We've started Leadership training for cabinet members, deans and directors and will be offering a Presidential Leadership College for interested employees in January to which staff will be able to apply. We have not done a good job of training our leaders but that's changing.

DB: Many jobs that will be vacated could be filled by non-degreed, but experienced staff. Will that option be considered?

RLH: Yes, we'll look at that on a case by case basis.

I'd like to apologize for the continuing budget crisis that is happening every year. When we cut 5% of the budget we only cut 3 positions but 84% of the budget is in salaries and so that's the place we have to cut. Travel is important even though we've cut it.

The ultimate goal for the college is to achieve the 70% completion rate and it's an absolutely achievable goal. Reorganization gives us the best opportunity to achieve that goal.

Terry Kleffman: We're budgeting a reduction in state appropriation.

RLH: The Lieutenant Governor has said they're going to look long and hard at community college funding which, I believe, means they are looking at zero level funding down the road.

Amarillo College is more competitive in performance funding than enrollment funding. We are moving toward block schedules and 8-week courses and certificates that can be completed in one semester. We are becoming more aggressive in our method of advising by creating default schedules instead of building schedules class by class from scratch.

One of our biggest expenses is health care costs. The state of Texas continues to increase the cost the college pays. Benefits are now 35% of a salary. These are costs we don't control.

We are not a junior college anymore, we are a community college. Boutique classes can't be part of the curriculum, but because we're obligated to a three-year teach-out cancelling these classes won't help the bottom line immediately.

MJ Coats: Can you tell us exactly what you want us to do? I understand, conceptually, what you mean by "re-organize by leveraging technology to increase efficiencies and discarding outmoded processes and practices that don't serve our primary mission of serving students" But I need help understanding exactly what you're looking for.

RLH: I need you folks, this group - AC's leaders, to figure it out. There are 5 goals: completion, equity, labor market, learning and fiscal responsibility. Don't sit and wait, because if you do, then I'll figure it out for you. YOU are the experts and you have to use the end goals as a guide to streamline your processes and get rid of anything that doesn't help reach those goals. If it's not helping students it should be fixed or discarded. We've accelerated programs, we've made a shift in advising, we've systematized our approach to poverty...we're figuring it out and we need you to do the same at every level.

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WTAMU got \$7 million to build a downtown campus 2 blocks from our downtown campus. Here's the thing: Amarillo College and WTAMU collectively contribute \$1 billion a year to the economy but the numbers break out as follows: AC: \$660 million, WTAMU: \$432 million. 35% of WT's students are not from the Panhandle. They come from Dallas, Austin, San Antonio and Houston and they'll go back to those cities after they graduate. Our students live here and, for the most part, will stay here. Amarillo College is 5% of the Gross Regional Product (GRP), WTAMU is 2%.

We have to tie our programs and performance to the local labor market because it's our job to prepare our citizens for jobs here in the local economy. We are fine tuning our mission and accomplishing an historic reorganization to provide quality, accelerated career pathways to professions and jobs here in the Panhandle.

When people are worried about losing their jobs, it causes the entire institution to contract in fear. This fear stifles creativity, dampens enthusiasm, and subverts innovation when we need it the most. I'm asking everyone to overcome their fears to help control the destiny of the college by giving their best effort now to turn their part of this ship around. I have faith in the ability of everyone here to rise to the occasion and to give 110% every day. Amarillo is only as strong as its college, and once we get past this financial crisis and put our fiscal house in order we'll be the college that this city needs and loves, and can be proud of for many decades to come.

V. Announcements

- a. **November 9** opens Spring 2016 class registration.
- b. **Terry Hawthorne:** We've passed the \$250,000 mark in energy savings
- c. **Daniel Esquivel:** Hereford in hosting the Board of Regent's Meeting on October 20 and invites everyone to come. Thursday 10/22 is Enrollment/Financial Aid night.
- d. **Don't forget the Common Reader** lecture is 10/29 at 7 pm at Ordway Hall.
- e. **Kelly Prater** canvassed the group to see about repeating our Holiday Cheer Project of soliciting donations from administrators to award a Walmart gift card to a student in need. She'll tell us how much we raised last year in order to give us the opportunity to beat it this year. 😊 The response was positive.

VI. The meeting adjourned at 9:45.

VII. The next meeting is November 10, 2015. Location TBD.

Minutes recorded by:
M.J. Coats, Secretary



Administrators Association