



LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

Changing Lives,
Creating Futures

Monty Sullivan
System President

Officers:

Timothy W. Hardy
Chair

Stephen Toups
First Vice Chair

Helen Bridges Carter
Second Vice Chair

Members:

- Tari T. Bradford
Alterman L. "Chip" Jackson
Erika McConduit
Willie L. Mount
Michael J. Murphy
Joe Potts
Paul Price, Jr.
Stephen C. Smith
Mark D. Spears, Jr.
Craig Spohn
Vincent St. Blanc, III

Student Members:

- Jeremy Gray
Raissa Oliveira Yantis

Louisiana
Community
& Technical
College System

265 South Foster Drive
Baton Rouge, LA 70806

Phone: 225-922-2800
Fax: 225-922-1185

www.lctcs.edu

TO: Dr. Monty Sullivan
President
FROM: Joseph F. Marin
Chief Operations Officer
SUBJECT: Layoff Avoidance Measures for FY 2019
DATE: June 12, 2018

APPROVED

Signature and date 6/13/18
LCTCS BOARD OF SUPERVISORS

FOR BOARD ACTION

Recommendation: Staff recommends that the Board authorize the President to negotiate layoff avoidance plans with the LCTCS college chancellors and directors that factor restrictions on travel, equipment purchases, contracts and personnel actions to potentially include a retirement incentive for full time faculty and staff who are eligible to retire. In the event that a reduction in force is necessary, individual college plans will be brought to the Board for action.

Background: The LCTCS, along with the most of higher education institutions, finds itself in the unfortunate fiscal position of not knowing what fiscal budget it may have for the oncoming fiscal year. With that said, after years of falling state resources, the increased uncertainty of tuition revenues, and rising operational costs (as evident from reductions of personnel which have more than been offset by rising related benefits costs), LCTCS colleges may need to take immediate action to further decrease college budgeted expenditures, which unfortunately, are mainly comprised of personnel. While some savings can be realized through reductions in certain operational costs, targeted action for personnel savings is the only one area where substantial savings can be realized. Aside from freezing or reducing positions outright, colleges may be able to provide savings in subsequent fiscal years through retirement incentives.

Retirement incentives provide a financial incentive to those employees who are already eligible to retire. Obviously, the potential savings realized in the first year is impacted by a variety of factors to include: the extent of the incentive, the timeframe it is to be accepted (earlier in the fiscal year provides more of a savings), the number of employees that accept the offer, the affiliated leave payout for each employee and whether positions vacated from retirements will be refilled and if so, the compensation provided new incumbents. While there will not be a significant savings in the first fiscal year given the above, savings should be realized in the second and subsequent fiscal years.

Fiscal Impact: Unknown at this time pending specific layoff avoidance measures.

History of Prior Action: N/A

Signature of Monty Sullivan
Approved for Recommendation to the Board
Dr. Monty Sullivan, President

6-13-18
Date