

LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

Changing Lives,
Creating Futures

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Louisiana
Community
& Technical
College System

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Baton Rouge, LA 70806

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TO: Dr. Monty Sullivan
LCTCS President
THROUGH: Joseph F. Marin
Chief Operations Officer
FROM: Suzette Meiske
Director of Human Resources
SUBJECT: Layoff Avoidance/Reduction in Force Plan for Northwest
Louisiana Technical College
DATE: January 3, 2017

APPROVED

1/6/17
LCTCS BOARD OF SUPERVISORS

FOR BOARD ACTION

Recommendation: Staff recommends the provisional approval of the layoff avoidance/reduction in force plan as presented for Northwest Louisiana Technical College in accordance with LCTCS Policy #6.026, with authority provided to the system president to implement the plan in conjunction with college leadership, contingent upon future fiscal projections, with a report to be provided to the full board at the next subsequent meeting. This measure is proposed for approval to address lower than anticipated self-generated revenues of \$197,857, with anticipated reductions in state revenues of \$200,000 for fiscal year 2017.

Background: The layoff avoidance/reduction in force plan for Northwest Louisiana Technical College is attached for the Board's information. The proposed plan reflects organizational restructuring to limit deficit spending while factoring reductions in state funding for FY 2017. The plan includes a reduction in force of sixteen positions (three of which are vacant) and reduced hours for one position due to reorganization; a freeze on merit increases for all unclassified and classified employees; and a reduction of operating expenditures.

Fiscal Impact: Anticipated savings of approximately \$400,000 in FY 2017 and projected annual savings of \$800,000 in FY 2018 and onward.






History of Prior Actions: The Board of Supervisors of the Louisiana Community & Technical College System approved system Policy #6.026, Financial Exigency/Reduction in Force, establishing guidelines, requirements, and allowable layoff avoidance and layoff measures. The policy was last revised at the March 14, 2016 Board meeting.




Benefits to System: Approval of this plan and the incorporated layoff avoidance measures will allow Northwest Louisiana Technical College to alleviate an anticipated structural deficit to better address the needs of the college's clients.

Approved for Distribution to the Board
Dr. Monty Sullivan, President

Date





1-6-17

	<b>Northwest La. TC - FY17 Financial Health Index</b>			
	<u>A</u> <b>Change in Beginning FY16 to Beginning FY17 Fund Balance</b> 	<u>B</u> <b>Current Fund Balance as a Percentage of Current Operational Budget</b> 	<u>C</u> <b>Year-To-Date Revenues vs. Expenditures As of October 31st</b> 	<u>D</u> <b>Impact of YTD Revenues vs. Expenditures on Beginning Fiscal Year Fund Balance</b> 

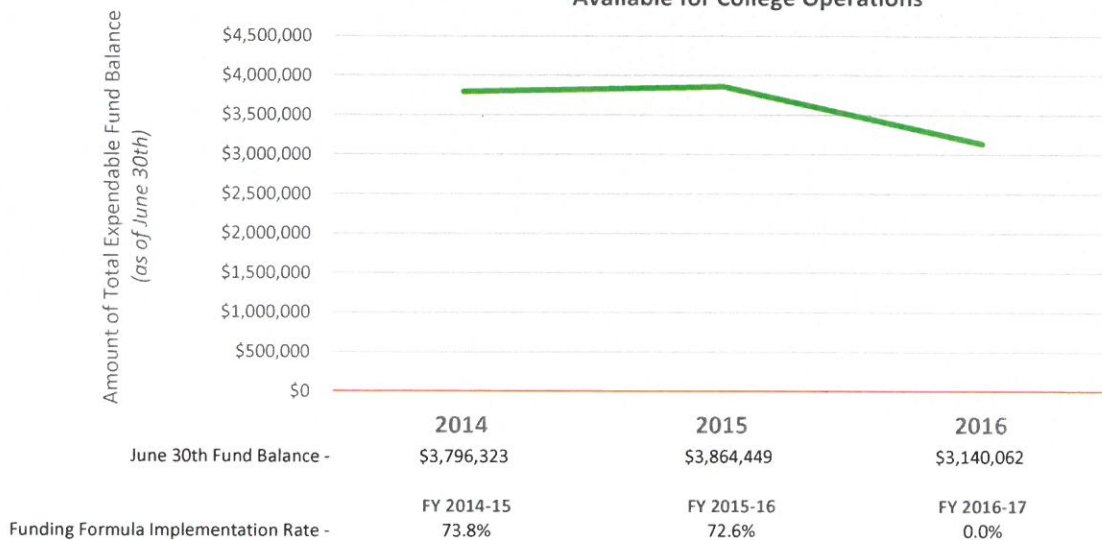
Description	Flag Triggers		
			
A Change in Expendable Fund Balance from Beginning FY16 Balance to Beginning FY17 Balance	Increase in expendable fund balance	Decrease in expendable fund balance of up to 10%	Decrease in expendable fund balance of more than 10%
B FY17 Beginning Expendable Fund Balance as a Percentage of FY17 Appropriated Total Budget	Beginning fund balance more than 10% of Current Budget	Beginning fund balance less than 10% but more than 5% of Current Budget	Beginning fund balance less than 5% of Current Budget
C FY17 Actual Revenues vs Expenditures	Revenues exceed expenditures	Expenditures exceed revenues by up to 5%	Expenditures exceed revenues by more than 5%
D Change in FY17 Beginning Expendable Fund Balance after inclusion of FY17 Revenues vs Expenditures	Increase in expendable fund balance	Decrease in expendable fund balance of up to 10%	Decrease in expendable fund balance of more than 10%

Note: Fund balances are calculated as non-grant and non-student assessed restricted funds plus Unrestricted Net Assets, after removing both OPEB and current and non-current compensated absences payables. The trial balance, less prior year receivables, will be used to calculate current year revenues and expenditures.

**Calculations:**

A	Change in Expendable Fund Balance from 6/30/15 to 6/30/16	<u>6/30/15 Fund Balance</u> \$3,864,449	<u>6/30/16 Fund Balance</u> \$3,140,062	<u>% Chg. in Fund Balance</u> <b>(18.7%)</b>	
B	6/30/16 Expendable Fund Balance as a % of FY17 Total Operating Budget	<u>6/30/16 Fund Balance</u> \$3,140,062	<u>FY17 Appropriated Operating Budget</u> \$9,681,579	<u>FB as % of Budget</u> 32.4%	
C	Actual Revenues vs Actual Expenditures from the FY17 Trial Balance	<u>Actual Revenues</u> \$6,734,304	<u>Actual Expenditures</u> <b>(\$5,393,915)</b>	<u>% of Rev. over Exp.</u> 19.9%	
D	Change in 6/30/16 Expendable Fund Balance with the Addition of FY17 Revenues and Expenditures	<u>6/30/16 Fund Balance</u> \$3,140,062	<u>FY17 Revenues Over/ (Under) Expenditures</u> \$1,340,389	<u>% Chg. in Fund Balance</u> 29.9%	

**Fund Balance (Unrestricted Revenues and Student Fees)  
Available for College Operations**





Thursday, December 22, 2016

Louisiana Community and Technical College System  
Board of Supervisors  
265 South Foster Drive  
Baton Rouge, LA 70806

RE: Unclassified Layoff Plan for Budget Cuts FY 2015-2016 and FY 2016-2017

Dear Board Officers and Board Members:

In accordance with the provisions of LCTCS Policy 6.026 Financial Exigency/Reduction in Force, Northwest Louisiana Technical College respectfully submits this reduction in force/layoff plan with phase one and phase two to be effective January 9, 2017. Positions occupied by employees affected by this proposal are domiciled in the parishes of Caddo, Webster, Claiborne, Natchitoches, Desoto, and Sabine. And employees at the following campuses will be affected: Shreveport Campus, Minden Campus, Mansfield Campus, Natchitoches Campus, and Sabine Valley Campus. The layoff is being proposed due to a reduction to the state general fund for Fiscal Years 2016 2017. We have also reduced our self generated revenue due to the fact we do not expect to meet our original estimate. The total proposed cut is \$397,857.

- Phase one Reduction in Force of nine (9) positions due to budget constraints and funding reductions. Program needs and operating efficiency determined the positions to be eliminated and employees separated.
  - (1) PCT Instructor 9 month position
  - (1) Electrician Instructor 12 month position
  - (1) Cosmetology Instructor 12 month position
  - (1) IT staff member position
  - (2) Welding adjunct faculty positions
  - (1) Student Services staff member (part time)
  - (1) Adult Education staff member (part time)
  - (1) Maintenance Employee (*classified- employee retiring*)
  
- Phase two Reduction in Force of nine (9) positions due to budget constraints and funding reductions. Program needs and operating efficiency determined the positions to be eliminated and employees separated.
  - (1) Business Instructor 9 month position
  - (1) Administrative Assistant 2 position (*approval requested from State Civil Service*)
  - (1) Carpentry Instructor 12 month position
  - (1) Developmental Education Instructor 12 month position

- (1) Director of Admissions (*employee will work through March 2017*)
  - (1) Collision Repair Instructor 12 month position
  - (1) Barber/Styling Instructor 12 month position (*teach out until May 10, 2017*)
  - (1) Barber/Styling adjunct faculty position (part time)
- Withholding of merit increases for Fiscal Years 2015-2016 and 2016-2017 for both classified and unclassified employees.
  - Employee flex schedules implemented when possible to cover more instructional hours during the day and reduce the cost of night class instruction.
  - Reduction to operational costs. Operating services, supplies, maintenance, and general repairs were reviewed and reduced where possible. Summer 2016 all employees worked a four day work week to save on operational costs.
  - Moving some employees from state general fund to alternate funding.
  - Implementation of a hiring freeze on all positions not deemed mission critical. When employees resign or retiree all jobs will be reviewed before filling the position. Positions putting student learning in jeopardy will be given priority. Adjunct faculty members will be used in lieu of full time instructors when possible.
  - Teachout plans for each program closure will be submitted to the Council on Occupational Education for review and approval. Students will not be permitted to enroll in these programs beginning Spring 2017. Continuing students will be offered teachout opportunity to the next exit point through May 2017. Existing instructors will be asked to provide teachout assistance at multiple campuses. Adjunct instructors will be utilized for teachouts when feasible.

Northwest Louisiana Technical College presents this reduction in force/layoff plan as the best means at this time to address current budget constraints, to avoid additional employee layoffs, and maintain a focus on the mission of the College.

Thank you for considering approval of this plan. Should you have any questions or require any additional information, please do not hesitate to contact me at (318) 371-3035.

Sincerely,



Dianne Clark  
Interim Director  
Northwest LTC

**LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM**  
**NORTHWEST LOUISIANA TECHNICAL COLLEGE**  
**UNRESTRICTED OPERATING REVENUE AND EXPENDITURE ANALYSIS**  
for the Period July 1, 2016 - June 30, 2017

	FY 2017 Operating Budget	FY 2017 Reduction	New Anticipated 2017 Budget	%
				Change
<b>Means of Financing:</b>				
State General Fund Direct	6,037,682	-200,000	5,837,682	-3.31%
Statutory Dedications-SELF	342,997		342,997	0.00%
Statutory Dedications-HIED				
Statutory Dedications-Orleans Parish Excellence Fund				
Statutory Dedications-Calcasieu Parish Fund				
Statutory Dedications-Calcasieu Parish HIED Improv. Fund				
<b>Total State Funds</b>	<b>6,380,679</b>	<b>-200,000</b>	<b>6,580,679</b>	<b>-3.13%</b>
Self - Generated Revenues	3,300,900	-197,857	3,103,043	-5.99%
<b>TOTAL REVENUES</b>	<b>9,681,579</b>	<b>-397,857</b>	<b>9,283,722</b>	<b>-4.11%</b>
<b>Functional Expenditures:</b>				
Instruction	4,146,907	-150,133	3,996,774	-3.62%
Research			0	
Public Service			0	
Academic Support (Includes Libraries)			0	
Student Services	1,131,540	-41,612	1,089,928	-3.68%
Institutional Support	2,777,076	-36,201	2,740,875	-1.30%
Scholarships & Fellowships	14,750		14,750	0.00%
Plant Operations/Maintenance	1,220,245	-169,911	1,050,334	-13.92%
<b>Total E &amp; G Expenditures</b>	<b>9,290,518</b>	<b>-397,857</b>	<b>8,892,661</b>	<b>-4.28%</b>
Transfers (Leg. Auditor, ORM, Civil Serv. Fees)	391,061		391,061	0.00%
Athletics			0	
Other			0	
<b>TOTAL EXPENDITURES BY FUNCTION</b>	<b>9,681,579</b>	<b>-397,857</b>	<b>9,283,722</b>	<b>-4.11%</b>
<b>Object Expenditures:</b>				
Salaries	4,360,524	-189,690	4,170,834	-4.35%
Other Compensation		21,338	21,338	
Related Benefits	2,748,712	-75,505	2,673,207	-2.75%
<b>Total Personal Services</b>	<b>7,109,236</b>	<b>-243,857</b>	<b>6,865,379</b>	<b>-3.43%</b>
Travel	26,718		26,718	0.00%
Operating Services	1,144,876	-154,000	990,876	-13.45%
Supplies	182,387		182,387	0.00%
<b>Total Operating Expenses</b>	<b>1,353,981</b>	<b>-154,000</b>	<b>1,199,981</b>	<b>-11.37%</b>
Professional Services	85,193		85,193	0.00%
Other Charges	636,815		636,815	0.00%
Debt Service	86,993		86,993	0.00%
Interagency Transfers (Leg. Auditor, ORM, Civil Serv. Fees)	384,061		384,061	0.00%
<b>Total Other Charges</b>	<b>1,193,062</b>	<b>0</b>	<b>1,193,062</b>	<b>0.00%</b>
General Acquisitions	25,300		25,300	0.00%
Library Acquisitions			0	
Major Repairs			0	
<b>Total Acquisitions and Major Repairs</b>	<b>25,300</b>	<b>0</b>	<b>25,300</b>	<b>0.00%</b>
<b>TOTAL EXPENDITURES BY OBJECT</b>	<b>9,681,579</b>	<b>-397,857</b>	<b>9,283,722</b>	<b>-4.11%</b>
<b>EXPENDITURES OVER/(UNDER) REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**NWLTC Reduction in Force Summary  
FY 2016-2017 (Headcount Positions)**

<b>Personnel Action</b>	<b>NWLTC</b>
Layoffs	13
Retired	1
Reduced Hours	1
Resign/separated	2
Other	0
<b>College Totals</b>	<b>17</b>

Faculty Tenured	2
Faculty Other	9
Staff	6
Vacant	0
<b>College Totals</b>	<b>17</b>

**NORTHWEST LOUISIANA TECHNICAL COLLEGE**

**Summary**

**Reduction Plan Impact Statement**

**FY 2016-2017**

<b>Department/Program</b>	<b>% Reduction/ Elimination</b>	<b>Estimated Reduction</b>	<b>Positions</b>
<b>Instruction</b>		<b>\$150,133</b>	<b>11</b>
Barber Styling	0.4%	\$22,047	2
Business	0.6%	\$35,160	2
Collision Repair	0.4%	\$22,116	1
Cosmetology	0.5%	\$29,625	2
Electrical	0.4%	\$24,795	1
Nursing	0.1%	\$7,990	1
Welding	0.1%	\$8,400	2
<b>Institutional Support</b>		<b>\$36,201</b>	<b>2</b>
Administrative Staff	0.2%	\$14,098	1
IT	0.4%	\$22,103	1
<b>Student Services</b>		<b>\$41,612</b>	<b>3</b>
Student Services Admin	0.4%	\$22,190	2
Student Services Financial Aid	0.3%	\$19,422	1
<b>Plant Operations/Maintenance</b>		<b>\$169,911</b>	<b>1</b>
Maintenance	0.3%	\$15,911	1
Operating Services	2.55%	\$154,000	0
<b>Add additional Function areas as needed</b>			
<b>Totals</b>	<b>6.6%</b>	<b>\$397,857</b>	<b>17</b>