

**AGENDA FOR CALLED MEETING OF BOARD OF TRUSTEES
OF
UNIVERSITY OF CENTRAL ARKANSAS
AT
2:00 P.M.
ON
JUNE 2, 2016
CALL-IN NUMBER 1-855-332-4181
ACCESS CODE 4503173**

**Ms. Shelia Vaught – Chair
Ms. Elizabeth Farris – Vice Chair
Mr. Joe Whisenhunt – Secretary
Mr. Bunny Adcock
Mr. Victor Green
Ms. Kay Hinkle
Mr. Brad Lacy
Mr. Joe Whisenhunt**

I. CALL TO ORDER

II. ROLL CALL

III. ACTION AGENDA

**Year-end Merit Bonus for Classified Staff for FY 2016; Revision to Cost-of-living
Adjustment for Classified Staff in FY 2017 Budget**

IV. ADJOURNMENT

III. Action Agenda

Year-end Merit Bonus for Classified Staff for FY 2016; Revision to Cost-of-living Adjustment for Classified Staff in FY 2017 Budget

At the meeting on May 23, 2016, the Board of Trustees approved a lump-sum, year-end bonus to all employees (faculty, non-classified staff and classified staff) of \$500, to be paid on June 30, 2016. In addition, as part of the FY 2017 budget, the board also approved a 2% cost-of-living adjustment (COLA) for all employees (faculty, non-classified staff and classified staff).

It has now been determined that the COLA for classified employees at UCA cannot be paid because the FY 2017 balanced budget for the State of Arkansas does not include any provision for a COLA for state employees. Because of this, the administration has reviewed the budgets for FY 2016 and FY 2017, as well as the letter from Mr. Larry W. Walther, Director of the Department of Finance and Administration (DF&A), authorizing a year-end bonus for state employees of 1.5%; 3%; or 4.5%, depending on the employees' evaluations.

Based on this review, the administration proposes that (a) the \$500 year-end bonus and 2% COLA for faculty and non-classified staff remain in place, and (b) the \$500 bonus and 2% COLA for classified staff be rescinded and replaced with a year-end bonus to be calculated pursuant to the percentages set forth in a letter dated April 27, 2016, from DF&A Director Larry W. Walther. In addition, the administration will hold the sums for the 2% COLA for FY 2017 for classified staff in a special contingency reserve, with such funds to be paid to classified staff, if and when the State authorizes such COLA to be paid.

The budget cost associated with these proposed changes would be to increase the year-end payment by approximately \$457,000 if all classified employees received the highest percentage on their evaluations. The FY 2017 budget will then have \$362,000 (the salaries and benefits of a 2% COLA for classified staff) placed in a special contingency reserve fund.

Therefore, the president recommends to the Board of Trustees the following resolution:

“BE IT RESOLVED: That the \$500 year-end bonus for FY 2016 and the 2% cost-of-living adjustment for FY 2017 for classified staff is hereby rescinded; that the administration is authorized to pay year-end bonuses to classified staff for FY 2016 based upon the merit bonus authorization set forth in the April 27, 2016, letter from Larry W. Walther, Director of the Department of Finance and Administration; and that for FY 2017, any funds budgeted for salaries and benefits for a 2% COLA for classified staff shall be held in a special contingency reserve, and shall be paid if and when such sums are authorized to be paid under Arkansas law to classified staff.”