

Oakton Community College Memo

Date: 19 February 2013

From: Adam Hayashi, Dean of Science and Health Careers
Linda Korbel, Dean of Languages, Humanities & the Arts
Gary Newhouse, Dean of Library and Media Services
Bob Sompolski, Dean of Math and Technologies
Brad Wooten, Dean of Social Sciences and Business
Tom Hamel, Vice President for Academic Affairs

To: Chairs and Coordinators.

Re: Maximum 21 LHE's for Adjunct and Part-Time Faculty in Calendar Year 2013

Thank you for the discussion and input last Monday regarding scheduling and planning for Summer and Fall Terms, 2013, as they may be affected by the Patient Protection Affordable Care Act. We have been able to include that in our review, and below is information on how to proceed for the immediate future.

As you work on loads for Adjunct and Part-Time Faculty for the *current calendar year*, please assign a maximum *calendar year* total of 21 LHE's to each adjunct and Part-Time Faculty member.

In calculating this 21-LHE maximum, please

- 1) ***First add Fall Semester 2013 LHE's to Spring Semester 2013 LHE's. Observe Article 2.6 of the Adjunct Agreement.***
- 2) ***Then determine whether the individual faculty member has sufficient capacity to accommodate additional LHE's in summer school 2013 up to the maximum 21.***

I understand that some individuals have the impression that all adjunct and part-time faculty are being limited to 6 LHE's for future assignments. As you can see, that is not the case. Depending on a faculty member's load for Spring, 2013, he or she may in fact be eligible to teach well in excess of 6 LHE's for Fall, 2013. As always, please follow contract language and the usual criteria you use in assigning load.

Here are the semesters and terms whose LHE's contribute to the 21-hour maximum in calendar year 2013:

- Winterim December 2012 – January 2013
- Spring Semester
- Fall Semester
- Summer School (all durations – e.g., Interims, 6-week, 7-week, 8-week, etc.)

We will also track the hours/LHE's/compensation for any instructional and non-instructional assignments for which an adjunct or part-timer receives compensation. Such assignments would include but are not limited to:

- Advising and Placement
- Club Advising
- Coaching
- Committee Service
- Course Development
- Seminars (e.g., Oakton seminars for professional development)
- Stipend-based pay (e.g., grants, short-term projects, etc.)
- Tutoring
- Other Work at Oakton (e.g., working 20 hours a week in the Learning Center or working 10 hours a week for Information Technology at Oakton, etc.)

We will work with you and other supervisors in order to calculate how to measure these activities as part of total compensation. These measurements need to be included in each adjunct's/part-timer's total work for the entire calendar year 2013.

Thank you for your collaboration and assistance in integrating these additional criteria in the scheduling process.

Cc: Adjunct and Part-time Faculty
Kathleen Carot, President of OCCFA
Barbara Dayton, President of AFA
Kathleen De Courcey, President of Classified Staff

Clarifications, Previews, and Background Information

Why are we doing this?

We are doing this as part of our planning for the Patient Protection Affordable Care Act (PPACA). We are doing analyses of its implications on student learning, eligibility for health care coverage, faculty loads, and the college's budget.

The proposed rule establishes several safe harbors that employers may use to determine whether an ongoing employee is a full-time employee. Employers who offer coverage but need to determine whether employees work full time (i.e., whether they work an average of 30 hours per week or 130 hours per month) must establish procedures and testing periods in order to take advantage of the safe harbors. There are slight variations among the safe harbors, depending on whether the employees are ongoing employees or new employees.

In order to determine whether variable employees are full-time, the employer will look back at a standard measurement period. If the employee was a full-time employee during the standard measurement period, then they must be offered coverage during a subsequent stability period.

Standard Measurement Period: Employers will establish a "standard measurement period" of not less than three but not more than twelve consecutive calendar months, as chosen by the employer. This will be the "look-back" or "measurement" period. The employer must establish when the standard measurement period starts and ends (e.g., calendar-year, non-calendar plan year or other 12-month period).

Some if not all of calendar year 2013 will be used to determine eligibility for health care coverage for employees in 2014. Calendar Year 2013 is thus being termed a "look back year."

Why 21 LHE's?

We are anticipating that 75% of full-time employment will be the threshold at which colleges and universities will be required to provide health care coverage for part-time workers. 75% of 30 LHE's (Oakton's requirement for full-time faculty employment) = 22.5 LHE's. However, it is uncertain whether 75% will be the threshold, and it is unclear when this will be determined. It is also possible that the threshold will depend on a metric or metrics other than percentage of full-time employment. So, until we have fuller and clearer information about the PPACA, we are planning to assign load beneath that 75% threshold.

When will we have fuller and clearer information?

We don't know. The IRS has said it will issue guidelines for colleges and universities later this spring. That information will probably become available after we have completed initial scheduling for Summer and Fall 2013 terms. In the meantime, we obviously need to move forward with scheduling. And we will continue to honor our collective bargaining agreements. As soon as the college has fuller and clearer information, we will communicate that to you. It is

possible that this additional information will allow us to change planning for adjunct and part-time faculty loads.

What are the major unknowns associated with the AHCA?

- When the IRS will issue guidelines for colleges and universities
- What the threshold for health care coverage will be
- Whether summer responsibilities will be included in the calculations

Why are Summer LHE's being included in the total? We have not had to include them as part of annual Adjunct/Part-Time Load in the past.

In order to be cautious, we are including Summer LHE's in total annual load. We do not yet know if federal guidelines will require the inclusion of Summer Loads as part of the complete 2013 summation of an adjunct/part-time faculty member's work.

If an adjunct faculty member's load is close to 21 LHE's for Spring and Fall 2013 assignments, can I assign that person a load for Summer, 2013?

At this point it would be best not to do so. Please work with your faculty in order to determine what works best for them during this period of uncertainty.

Can I assign a total load that is a fraction above 21 LHE's?

Please work with us on any and every load that appears as though it will fractionally exceed 21 LHE's. There will need to be an approval process for such situations.

We will be identifying a process (with clearly articulated principles and guidelines) whereby we can identify those exceptions that need to occur so that the College can remain fiscally responsible and maintain the quality of instruction.

The expiring Adjunct Faculty Contract states that an Adjunct may teach up to 12 LHE's per term without a waiver. Is that still possible?

Possibly for one term, but not for two. Please share the loads of every adjunct and part-time faculty member in your area with your Dean. We will work with you to determine whether a 12 LHE load is possible.

The expiring Adjunct Faculty Contract lists certain courses for which a waiver is not required. Is that still true?

The Adjunct Faculty Agreement remains in force, but *at this point* we are not planning to assign loads in excess of 24 hours, so it will not be necessary to be concerned about waivers after this spring semester.

With these new limitations, how are we going to offer curricula at Oakton? Will I need to find many more adjunct and part-time faculty?

We are beginning to define strategies for dealing with these significant changes in how we schedule and deliver curricula. We are hoping that a reasonable approach emerges. We know that the administration in Washington is highly supportive of affordable community college education, and we also know that they are committed, now by law, to affordable health care. We will be sharing strategies and seeking input as soon as we have articulated them. Illinois Community College Presidents, Chief Financial Officers, and Human Resource Directors will be addressing these issues in a meeting on March 8, after which we hope to know more.

What about student learning and quality instruction? How will we maintain our commitment to these if we have to find many more adjuncts and part-time faculty?

Please use the same criteria and high standards that you have always used to attract, hire, and maintain the best adjunct and part-time faculty. If we need to increase the size of our faculty, we will identify strategies for maintaining quality, supporting professional development, and managing the additional employees. We may need to re-examine other practices that we have had in place for years in support of students and faculty. We may need to examine other areas of the college budget in order to support both the college's and the nation's priorities.

Would it be more cost-effective simply to hire more full-time faculty?

We don't know, since clear and complete guidelines have not yet been issued. We are looking at formulas comparing the cost of full-time instructors with the cost of adjunct instructors who are provided health insurance. However, until we see the actual guidelines, these comparisons are strictly speculative.

What about the financial needs of adjunct and part-time faculty? Won't the 21-LHE maximum hurt them significantly?

Our first review of past loads indicates that roughly 20% of adjuncts will be affected by the 21-LHE maximum. We are very conscious of the commitments and loyalty of our adjunct and part-time faculty, particularly those who teach annual loads in the range of 20-24 LHE's. We are trying to maintain as high a commitment to them as we can. Since there are many unknowns associated with the PPACA, at this point we are simply being cautious. Our approaches may change.

Why don't we go ahead and budget for health insurance for some or all adjunct faculty? Oakton has substantial financial resources, and it could rely on reserves to sustain these extra costs until our true obligations become clear.

Since we have an incomplete picture of federal guidelines, it is impossible to project Oakton's PPACA costs with any accuracy. It is possible that Oakton could incur annual additional costs of several million dollars as a result of the PPACA. The college has long observed a widely

accepted and prudent business practice whereby annual operations are funded through revenues, not reserves.

Will we have additional opportunities to listen and provide input regarding all of this?

Yes. Once we actually have enough clear information to share and discuss, we'll schedule a time to do so.