RECOMMENDATION OF THE BOARD: That the Highland Community College Board of Trustees approves an amendment to the contract for President Joe M. Kanosky to increase the amount paid by the Board on behalf of the President toward a tax-sheltered annuity under Section 403(b) of the Internal Revenue Code in a company of the College President’s choice, increasing the contribution amount to $14,500 effective FY’14 and $15,144 effective FY’15.

BACKGROUND: While eligible administrative, exempt professional and non-union classified staff received a salary increase of up to 2.5% mid-year of FY’13 and an $800 flat increase for FY14, Dr. Kanosky did not receive these increases (totaling $6,045).

Dr. Kanosky’s current contract provides a tax-sheltered annuity contribution in the amount of $10,000. The recommended increases to the annuity contributions equate to foregone salary increases in FY’13 and FY’14, and an increase to FY’15 403(b) in lieu of a salary increase.

Dr. Kanosky’s current contract expires on June 30, 2015, at which time Dr. Kanosky plans on retiring from the College presidency. The rest of the terms of the contract remain unchanged.