

CRRA Organizational Synergy & Human Resources Committee
January 21, 2004 Meeting

Draft Minutes

Members Present: Stephen Cassano, Committee Chairman
Mark Cooper
James Francis

CRRA Staff Present: Jim Bolduc, CFO
Chris Hyfield, Human Resources Administrator
Tom Kirk, President
Angelica Mattschei, Corporate Secretary

Others Present: Larry Brown, Horton International, Inc.

Director Francis called the meeting to order at 10:05 a.m.

1. Approval of the Minutes of the November 13, 2003 O&HR Committee Minutes

Chairman Cassano requested a motion to accept the minutes of the November 13, 2003 Committee meeting. The motion made by Director Cooper and seconded by Director Francis was approved unanimously.

2. Approval of the Personal Policy Manual

Mr. Kirk noted that the page numbers in the Table of Contents were off by one beginning with page 8 through 67. Hours of Work and Pay Practices should be page 9 instead of 8 and so on, he said. Mr. Kirk said that the document was a handbook, not a policy and that its function was to better communicate CRRA's policies to employees. Employees received different responses to policy questions depending on who they asked, he explained, and the handbook would be a centralized source of consistent information accessible to every staff member at any time.

Chairman Cassano asked what the process of distribution would be. Mr. Kirk replied that current and new employees would receive a handbook as well as having it available through the Intranet. Mr. Kirk noted that Messrs. Escalera and Myers of Kainen, Escalera & McHale, P.C. constructed the handbook.

Mr. Kirk noted that the procedure for taking progressive discipline or warning steps was not ready for inclusion. Mr. Kirk said that the procedure was already in place but not well documented. The written guidelines would help both employees and managers, Mr. Hyfield added.

Director Francis suggested that staff review the vacation section on page 24. He explained that a 6-month hold on vacation privileges could be detrimental to new hires, especially those that occur in the springtime since many people planned vacations for the summer. The Committee agreed that the manual be forwarded to the Board at its January 2004 meeting, and amend any changes made to the vacation policy at its subsequent meeting. There was a question whether changes to the manual required a 30-day public notice. Chairman Cassano requested that the procedure for how changes are made be well documented within the manual. Mr. Kirk replied that a language would be added to page 2 of the document.

Director Francis suggested that the definition of a part-time employee be reviewed and standardized with FMLA rules and definitions. Mr. Hyfield offered that he would construct an eligibility table so that employees had a clear understanding of issues that applied to them.

Director Francis made a motion to recommend approval of the Personal Policy Manual to the full Board, with the provision that changes made would be brought back as an amendment to the document. Director Cooper seconded the motion which was approved unanimously.

3. Approval 2003 Merit Increase Plan

Mr. Kirk led a discussion on how merit increases would be evaluated and distributed. He said that the annual merit adjustments were moved forward according to the Compensation Plan already passed by the Board to remove the contentious issue of adjustments from a Board approved item into management with guidance from the Committee and approval by the Board of the budgetary information. Mr. Kirk stated that the merit evaluations required by the approved plan had already been performed and concluded. Each employee received a merit evaluation from their supervisors, he said, and those evaluations were used in comparison to a new market survey that established salary ranges for every position in the company.

Chairman Cassano asked where the outside salary ranges were obtained. Mr. Kirk replied that Mr. Larry Brown of Horton International, Inc. researched the salary ranges for executive positions while Ms. Marchese of Marchese Consulting did the rest. Mr. Kirk added that some ranges were difficult to obtain due to the specific nature of the positions and that Ms. Marchese had done the research well and confirmed ranges that already existed. Mr. Kirk commented that CRRRA was on track to introduce a performance management system that would very fairly reflect individual performance and salary in the context of the market. The Committee examined and discussed preliminary documents regarding salary ranges and agreed that the matrix distributed to them should not be treated as an absolute.

Mr. Kirk said that he believed they were in good shape with the salary ranges, but commented that management might have its consultants examine the range data for part-time educators with an eye to redefining the positions in the assistant teachers rather than teacher's category.

Director Cooper noted that the proposed Compensation Plan was within the budget previously approved by the Board.

Executive Session

Chairman Cassano requested a motion to convene an executive session in order to discuss various confidential personnel issues. The motion made by Director Cooper and seconded by Director Francis was approved unanimously. Messrs. Kirk, Bolduc, and Brown remained during the Executive Session.

The Executive Session began at 11:15 a.m. and concluded at 11:48 a.m.

Chairman Cassano reconvened the Committee meeting at 11:50 a.m.

Chairman Cassano noted that no votes were taken in Executive Session.

ADJOURNMENT

There being no other business to discuss before the Committee, Chairman Cassano requested a motion to adjourn. The motion to adjourn made by Director Francis and seconded by Director Cooper was approved unanimously. The meeting was adjourned at 11:51 a.m.

Respectfully submitted,

Angelica Mattschi
Corporate Secretary