

Navajo County Community College District Governing Board Meeting Minutes

October 21, 2014 – 10:00 a.m.
Painted Desert Campus, Tiponi Community Center
2251 East Navajo Boulevard, Holbrook, Arizona

Governing Board Member Present: Ms. Ginny Handorf, Mr. Daniel Peaches, Mr. James Matteson, Mr. Prescott Winslow, Mr. Frank Lucero

Staff Present: President Jeanne Swarhout; Vice President Blaine Hatch; Vice President Mark Vest; Institutional Effectiveness Director Dr. Leslie Wasson; Recording Secretary to the Board Lisa Jayne.

Others Present: Sheriff K.C. Clark, James Molesa, Stuart Bishop, Josh Rogers, Beulah Bob-Pennypacker, Ann Hess, Everett Robinson, Betsyann Wilson, Randy Hoskins, Che' Shockey, Tiffani Martin, Sharon Hokanson, Linda Kor, Mary Springer, Margaret White

Agenda Item 1: Call to Order and Pledge of Allegiance

Chair Handorf called the meeting to order at 10:02 a.m. Mr. Matteson led the Pledge of Allegiance.

Agenda Item 2: Adoption of Agenda

Mr. Matteson moved to adopt the agenda as presented. Mr. Winslow seconded the motion. The vote was unanimous in the affirmative.

Agenda Item 3: Call for Public Comment

None

Agenda Item 4: Reports

4.A. Financial Position – Vice President Hatch

Vice President Hatch summarized the Financial Position report to the Board. Mr. Lucero asked if the salary increases were reflected in the report. Vice President Hatch stated they were effective in July. Mr. Lucero asked if there was any idea why property tax receipts are lower than normal this time of year. Vice President Hatch stated there's really not a reason for concern at this point as it's such a small amount collected for the first three months anyway. Mr. Lucero asked if by the end of October that low revenue might become a worry. Vice President Hatch stated that October revenues are reported in December so not until December will there be a better sense of any possible shortcomings.

Mr. Winslow asked if the grants and contracts line included Pell grants. Vice President Hatch stated Pell grants show up in the restricted funds. The majority of the money in grants and contracts is contract money such as NAVIT, Apache County, and out-of-county funds. Mr. Matteson asked what type of investments investment earnings are derived from. Vice President



Hatch stated there are limitations on types of funds that the College can invest in. The Navajo County Treasurer's Office invests excess College funds. Other investment funds are in a local government investment pool that is managed by the State of Arizona's Treasurer's Office.

Mr. Winslow asked if grants and contracts included the Get into Energy grant and Business and Industrial Training. Vice President Hatch stated that Business and Industry Training revenues are in the auxiliary fund along with community education revenues and other revenues from auxiliary type activity. Mr. Winslow asked what else is included in the grants and contracts line. Vice President Hatch stated that other grants such as SBDC grants and nursing grants related to the Science Foundation. If there are any restrictions on how the money is used it flows through the restricted fund. Mr. Winslow asked if grant revenues comes in on a predictable basis or does it require reimbursement after justification. Vice President Hatch stated it is both predictable, as there are cycles that we receive funding from for the most part, but almost always it is a reimbursement process. Documentation is done on an ongoing basis and then the federal government distributes the money. Some grants do run through the State of Arizona or other entities. Mr. Winslow asked if any of the significant contracts the College has requires meeting certain metrics or outcomes in order to get full funding. Vice President Hatch stated that typically there is a performance component to it but is typically funded based on whatever the report is, even when not meeting the goal criteria. Explanations are necessary if not meeting goal criteria but almost always the College receives full funding because of reporting our results.

4.B. Human Resources – Director Sharon Hokanson

Director Sharon Hokanson reviewed the Human Resources report to the Board.

Mr. Winslow asked if she had received any feedback or response to the new internal postings. Sharon Hokanson stated employees seem to be very happy with it.

4.C. HLC Assurance – Director Leslie Wasson

Director Leslie Wasson stated the College's accreditation agency, the Higher Learning Commission (HLC), will be looking for evidence that the College is meeting the criteria on a consistent basis over time. There are five overall criteria that the HLC looks at. A team has been assigned to each criterion to evaluate evidence for each. The first two criterion teams have given their initial reports to SPASC. The first Criterion is Mission. Criterion 2 is Integrity. Criterion 3 and 4 are about Teaching and Learning, and Criterion 5 is Institutional Effectiveness.

The first two reports have recommended more documentation as it is clear the College is doing the right things but are not always documenting this with a paper trail that can be provided to the HLC when they visit. Criterion 3 will report to SPASC at the November 7 meeting.

4.D. NPC CASO

Margaret White addressed the Board and stated that CASO at last meeting had Betsyann Wilson report to them on the progress and purpose of NPC Friends and Family. CASO member Sandy Manor who is on the Strategic Planning committee reported to CASO about SPASC goal setting and assignment to CASO regarding key priorities, on providing supporting documentation, and explained how CASO members can fulfill the mission of the college. CASO member Shawntel Skousen, who is on College Council reported to CASO that College Council is working on



developing a process for a sick leave bank and have sent ideas to the Employee Relations Committee. CASO is also getting ready to put together a newsletter for November. Also, salary proposals for the upcoming contract year are under discussion. CASO Retreat will take place on the same day as January Convocation with hopes of having better turn out for employees as temps won't have to be found to fill in.

Mr. Matteson clarified that there currently was no sick leave bank and asked for details about it. Margaret White stated CASO only received the report that it was being worked on but didn't have any further details. Mr. Matteson stated it was a good idea that should be pursued.

Chair Handorf asked if College Council could report to the Board. President Swarthout stated College Council reports to the executive team but it could get definitely have a reporting cycle to the Board.

4.E. Faculty Association

Randy Hoskins, Faculty in Welding at White Mountain Campus (WMC), addressed the Board and stated he has taken over Curtis Casey's position at WMC. His replacement at Painted Desert Campus (PDC), Wes King, is doing well and moving the program forward. Enrollment in the Welding Program at all three locations is strong. Randy also stated he is co-chairing SPASC with Mark Vest and is on the writing team for the Quality Initiative. Welding students are participating in the Get into Energy grant, so they are being tested which helps them on the academic side, and they will get career readiness certification which will help them in their field. Also, the PDC Skills Center was host for the Get into Energy grant this weekend. The Faculty Association is discussing competency based instruction.

4.F. NPC Student Government Association

Josh Rogers introduced SGA President Che' Shockey, and Vice President Tiffani Martin, and stated that all four campuses are represented on SGA as well as three of the centers. Che' Shockey will be recruiting in Springerville and St. Johns. Tiffany Martin, Vice President of the SGA, addressed board and stated SGA has funded the laptop scholarship again this year. SGA will also be funding the study aboard scholarship. Three members of SGA are attending the ASGA Leadership Convention in Los Angeles in late November; members attending will be Che' Shockey, Jorge Morales, and Tiffany Martin. President Che' Shockey stated the SGA will be hosting a turkey drive for this Thanksgiving. The goal is to start advertising at the beginning of November and will run the food drive through the month of November. Also, every spring SGA hosts a talent show and basketball tournament.

Mr. Winslow asked if the outlying centers know that activities and funding are available. Josh Rogers stated if there are activities students would like to organize then the procedure would be to meet with SGA and have them vote on it. Mr. Winslow asked who takes the initiative to contact students at centers to let them know about the ability to request activities from SGA. Josh Rogers stated the SGA representative from each center is are responsible for conveying information to other students. Communication on upcoming events could be stepped up. Chair Handorf suggested simply asking students to be involved. Josh Rogers stated a survey was run at the meeting at the beginning of the year and asked what kind of activities the students



were interested in being involved in and the top three choices were service activities, leadership development, and family activities.

4.G. NPC Friends and Family – Betsyann Wilson

Betsyann Wilson addressed the Board and stated Pedal the Petrified in September was a great success and raised over \$12,000 for scholarships. She acknowledged the volunteers from administration, Prescott Winslow from the Board, NPC staff, faculty, and community members. She stated that she received positive feedback from riders.

Betsyann stated Friends and Family is adding board members from across the communities served, and there will be a regular meeting on audio system the third Friday of every month from 11am-1pm. She will attend at a different location every time.

Also, three new grants for students have been approved; NPC Friends and Family Leg Up grant, which is \$500 for one campus student and one center student who don't qualify for Pell but still need financial help, also Fill the Gap grant for one campus and one center student for \$500 for student who receive Pell but still have unmet needs since low income students completion rates are lower, so helping them overcome obstacles is very important. And finally, an Emergency fund for \$1000, \$250 to four students a semester. As an example, a student at White Mountain Campus had books stolen, and he was able to use the emergency fund to replace the books. Vicki Bessinger asked for vendor sponsorships for this and donated \$500 toward the grant.

Finally the building on Hopi Drive has sold to Community Counseling Services for \$230,000. \$200,000 of that will be invested in interest bearing accounts to have fall back money, and \$30,000 will help self-fund four projects: Pedal the Petrified, PGA Golf Tournament and several other fund raisers. Friends and Family is continually looking for donors and sponsors for scholarships.

Agenda Item 5: Consent Agenda

- A. September 16, 2014 DGB Minutes; September 16, 2014 Executive Session Minutes
- B. Dual Enrollment Intergovernmental Agreement between the Navajo County Community College District and Heber-Overgaard USD

Mr. Matteson made a motion to approve the consent agenda. Mr. Winslow seconded. The vote was unanimous in the affirmative.

Agenda Item 6: Old Business

6.A. None

Agenda Item 7: New Business

7.A. Review of Policy 1075 – Board Self-Evaluation

President Swarthout stated staff recommends the Board adopt revisions to Policy 1075 which includes the self-evaluation tool and an annual December self-assessment date. If there are any comments from the Board regarding these changes or there are any other suggested revisions please let the President's Office know.



7.B. Revision of Policy 1030 – Policy Creation and Review

President Swarthout stated Policy 1030, Policy Creation and Review, had language changes added at first read. Staff recommends adoption of these changes.

Mr. Mattson made a motion to approve revisions to Policy 1075 – Policy Creation and Review. Mr. Lucero seconded the motion. The vote was unanimous in the affirmative.

7.C. First Read for revision or review: Policy 1007, Policy 1010, Policy 1015, Policy 1020

President Swarthout stated there are very few changes to be made. Primary change is of Policy 1007 where the name of the College's accrediting association is changed to The Higher Learning Commission. These will be presented for final approval at the next board meeting. Any comments or concerns can be directed to the President's Office.

7.D. Review of College Bound Scholarships

Vice President Vest stated for fall semester, 30 students have used the College Bound Scholarship across the district. The Finish Line scholarship was utilized by 57 students. The College set aside \$150,000 for each of these. Although College Bound scholarship is not anywhere near the desired utilization, it was introduced just a few weeks before school ended and staff did not anticipate large participation this fall. With Finish Line, potentially over 100 students will be awarded by the end of the year, and will end up around 60-65% utilization which is very good for the first year.

Vice President Vest stated that some changes to the College Bound Scholarship have been made. One of the requirements tied to a student's level at their school district made the scholarship open only to junior and senior students, and this blocked homeschool students from being able to participate in the program because they couldn't independently verify a junior or senior status unless they were going through a national online school organization. Also, the 7 credits per semester limitation forced students to make decisions between student activities and college courses. So the 7 credit limit was removed and now a student has 28 credits of scholarship eligibility while in high school so there is more time in which to use the 28 credits. In addition to a high school GPA requirement, another option will be to take and pass the automatic placement tests for classes in lieu of a GPA. This would, again, help homeschool students who don't necessarily have a high school GPA, and would also help students who are slightly below the GPA requirement.

Vice President Hatch will be giving flyers to superintendents at the Navapache School Administrators meeting and Vice President Vest will send out flyers to the school district staffs to help get students informed about the availability of these scholarships. During high school visits, NPC staff will provide high schools with flyers and posters.

Mr. Winslow asked for a survey on Finish Line students, to find out why Finish Line was attractive to them. Vice President Vest stated there's not large enough pool of completers to get a good sense, but currently there is more utilization from currently enrolled students than from students who have stopped or dropped out. Students with a credit level close to graduation were informed. Most nursing students have a difficult time working while in the nursing program and



are at or above the Pell eligibility limit and have difficulty applying for scholarships as the last two semesters of the nursing program are not full load. Mr. Matteson asked how homeschool students are placed into programs. Mark Vest stated the College is open access so admission criteria do not require a high school degree to take classes here. Placement into courses is the only requirement. The College prefers a high school degree, and students are not Pell eligible without a high school diploma or GED.

Chair Handorf asked if SGA was informed of these scholarships so they could notify other students. Vice President Vest stated they were informed in the spring and again in the fall.

7.E. Request to Approve Apache County IGA

Vice President Hatch stated the red lined version in the packet laid out the changes that were made from what was approved in June to the version staff is recommending for approval today. The primary difference in the two IGAs is this updated version is going to be an 18-month IGA. It will still cover the two-year period but the College will revisit the agreement much further in advance of the school year starting. Mr. Matteson commended staff and administration for their efforts in working through the IGA approval process.

*Mr. Matteson moved to approve the Intergovernmental Agreement with Apache County. Mr. Lucero seconded the motion. Mr. Lucero abstained. **The motion passed with a majority.***

7.F. Review of NPC Foundation Audit

Vice President Hatch reviewed the 2013/2014 non-profit entity audit for the NPC Foundation. Vice President Hatch stated that it was a clean audit with no findings. It should be noted that the Foundation had reached ground zero before the transition to Friends and Family. Based on reports, a more positive financial position will be seen moving into the coming years.

Vice President Hatch stated the assets of the Foundation shows a significant reduction of total assets, \$292,000 in 2013 to \$214,000 in 2014, which is a 27% reduction in assets. This audit will be included in the College's financial audit report as a component unit.

Mr. Lucero asked about reduction of total assets. Vice President Hatch stated that it was an actual cash reduction but also there was a slight increase on investments. In 2014 there was a significant amount of expense that exceeded revenues. Mr. Matteson asked if all assets transferred to Friends and Family. Vice President Hatch stated the change from NPC Foundation over to NPC Friends and Family was a name change only and so assets did not need transferred.

7.G. Review of Show Low Auto-shop Lease

Vice President Hatch stated that in August the Board approved a five-year lease for a 12,000 SF dedicated facility at a base rental amount of \$8500 per month. The College does pay for utilities, repairs of the facility except for the roof and exterior walls, and maintenance of facility and grounds. The operational cost of the program is evenly divided between NPC and NAVIT. There are no current plans to move the automotive instruction from this facility prior to the end of the lease term and there are no current plans to add additional automotive instruction within



the NPC service area. President Swarouth stated that Superintendent Matt Weber, NAVIT, was in audience if there were any questions.

Mr. Lucero asked if there was any chance NAVIT might lose the ability to pay their half of the rent. Vice President Hatch stated that from NPC's perspective NAVIT is an ongoing, healthy entity that NPC will continue to partner with for high school students. Mr. Lucero stated there are both NPC and NAVIT students in the location. Vice President Vest stated that even if there is a NAVIT program there are adult students mixed into the courses. There are 19.2 FTE in the automotive program this fall, 12.2 of that is NAVIT, and 7 are adult. Mr. Lucero asked if NPC provided the instructors. Vice President Vest stated that the College provides instruction for all programs taught at NPC facilities.

Mr. Lucero asked why NPC pays for half of the automotive rent. Vice President Hatch stated NAVIT and NPC has shared 50/50 operational costs from the inception of their relationship. NAVIT also pays tuition for the students, so the College receives more funding for NAVIT students than for other students. Mr. Lucero asked if NAVIT pays for half of the instructional costs. Vice President Hatch reiterated that NAVIT pays half of all operational costs, including instruction.

Mr. Lucero asked what happened during the last lease period that required NPC to take over the lease from NAVIT. Vice President Hatch stated that NAVIT had originally entered into the lease agreement, but statutory changes in state law made it less enticing for NAVIT to be the lessee, and since the College was already splitting the costs, the College determined to take over all leased facilities that NAVIT had. The cost doesn't change any to NPC, the College just became the lease holder rather than NAVIT.

Superintendent Matt Weber stated that in recent months with Sam Harris as the new instructor in automotive, there is an increase in demand for this program. Mr. Lucero asked if there could be so many NAVIT students that there was no room for adult students. Vice President Vest stated NAVIT students allow the program to be offered as there would not be enough adult students to fill the program.

Mr. Winslow stated NAVIT students don't always finish their degrees while in the program, so NAVIT students are a feeder to full-time students as more NAVIT students come back to finish their degrees.

7.H. NATC Facility Agreement

Vice President Hatch stated the NATC lease agreement is \$24,000 per year, 12-month agreement, and includes access to classrooms and all training facilities plus office space dedicated to NPC staff at the facility. NPC provides custodial services, phone, and internet but does not pay other utilities not directly related to instruction. The College doesn't pay the membership contribution that other users pay. Under a separate agreement, directly with NATC, Navajo County provides significant facility maintenance services and Town of Taylor has provided assistance in the past. Fire and law enforcement entities, along with other facility users, do pay an annual membership contribution in exchange for use of facilities on a scheduled basis.



When NPC was not operating the facility, staff provided instruction in Snowflake for Fire Science and had rental agreements with fire entities for use of other facilities. The law enforcement academy had not been offered for some time prior to the NATC facility.

Mr. Lucero asked what the total cost per year for the College is to run NATC including instructors, maintenance, internet, phone. President Swarthout stated instruction is not part of a facility agreement. Mr. Lucero stated he was asking for the entire cost to NPC to run the programs at NATC.

Vice President Hatch stated there is no location based cost accounting, but rather a program based accounting. He stated he could provide Mr. Lucero with the Fire Science Department's overall budget but did not have it in front of him.

Mr. Lucero stated the last budget showed \$250,000 a year for NATC expenses, and would like to know how much NPC is putting into the facility. The facility itself is need of repairs, and just the driving track alone needs \$1,000,000 in repairs. The buildings are going to need repaired. Mr. Lucero asked why the College investing money in property they don't own. The College either needs to own it or get out of it.

Vice President Hatch stated that currently NPC is paying for the \$24,000 rental of the facility. The funds for capital improvements are not NPC funds but are funds given by the State of Arizona for capital improvements. Currently there are no recommendations in place for NPC to do any capital improvements at the facility outside of the state funding.

Mr. Lucero stated he would like to the College to send a letter to NATC asking that the \$24,000 rent be considered in lieu of what the College is providing.

Vice President Hatch clarified that the educational services that the College is providing that happens to be at the NATC facility is services that NPC provides regardless of location. Facility contributions are minimal compared to the instructional cost which is primarily personnel and staff expenses.

Mr. Lucero stated that he does not feel the College should pay to provide instructors. Since the College provide a service that is beneficial to NATC the College should not pay rent.

Mr. Lucero made motion to send a letter to NATC asking that College services be considered in kind instead of paying \$24,000 in rent. The motion died for lack of a second.

Mr. Winslow stated the College has an awkward relationship with NATC. He said, the Auditor General has advised the College needs to control it and legal counsel has advised that we shouldn't own it for liability issues, one of the liabilities being the outstanding loan to the Town of Taylor. However, despite this NATC does not provide fire science and law enforcement instruction, NPC does. Although it's not as a clean of an arrangement, paying rent at NATC is similar to the Show Low auto shop lease. Where would NPC find appropriate facilities to provide fire science and law enforcement instructional programs? Mr. Winslow stated the



question is, is \$24,000 a reasonable amount to pay for these facilities in order to provide these programs. Mr. Winslow stated it would be useful for long-term planning to evaluate whether the goal is to eventually own the facilities. Waiting until NATC pays off the loan to Town of Taylor being a consideration. Mr. Winslow stated he was not clear about what the Board was being asked to do with the NATC facility agreement. President Swarouth stated the NATC item was requested by a board member and there was no recommendation from staff for any action.

Chair Handorf asked how much money originally came from the State for NATC capital improvements. Vice President Hatch stated \$1.5 million. Chair Handorf stated that perhaps the needed repairs could be presented to the legislature as an additional need for further funding, but she didn't feel the \$24,000 in rent was an issue.

Mr. Winslow stated the new building has been bought with State funds, but asked if the deteriorating buildings were being used for instruction. Vice President Hatch stated they were. Mr. Winslow asked if the classroom facilities are a necessity to continue services at NATC. Vice President Hatch stated there are concerns about the facility, but an inspection was done by the Town of Taylor determined that because of soil movement, the facility will need to be kept level and will be an ongoing maintenance need.

Mr. Winslow stated one of the biggest problems with the facility is the only voting members are NPC representatives, so NPC has full control, but NPC does not own it. Vice President Hatch stated NATC Board did request the inspection of the building to ensure quality of the facility, and he believes that \$24,000 is supportable as a fair market value of leasing the classrooms and office space. NATC does need to make sure the facility stays in as good as a condition as possible, the maintenance cost of leveling and taking care of facility is NATC's responsibility. In some cases Navajo County provides services that help maintain the facility as well.

Vice President Hatch stated the DGB is the tenant of the NATC lease, but the NATC board is the landlord, so the DGB becomes the equalizer to ensure that Vice President Hatch and Vice President Vest are managing well.

Chair Handorf stated that it is not all that unusual for a tenant to make improvements to a rental property.

Sheriff K.C. Clark addressed the Board and stated he understood the awkwardness of the NATC and NPC relationship, and in the future there might be an easier relationship, but the program benefits the citizens of Navajo County, and is a great partnership between the County, NATC, the College, as well as the Town of Taylor. The Fire Science program is huge, and the law enforcement academy has done well. The County is committed to the partnership and appreciates NPC support. Sheriff Clark finished by saying he hopes the College and the County will continue to partner with these programs.



Agenda Item 8: Standing Business

8.A. Strategic Planning and Accreditation Steering Committee (SPASC) Report – Vice President Vest

Vice President Vest stated SPASC has developed a template to use in the future for a short and succinct clear set of strategic priorities. Operational planning in November will begin a series of sessions on how operational planning can be done. Also, a group has been identified to attend the HLC conference in March 2015, and will include members of the Quality Initiative. A group was also chosen to participate in the Completion and Persistence Academy in June.

Mr. Matteson asked where all the meetings are held. Vice President Vest stated that the meetings are a mixture of live and distance meetings held both at PDC and WMC as well as on the video system. The national meeting will be in Chicago and the academy in St. Charles. Mr. Winslow asked if SPASC is responsible for wordsmithing the draft strategic plan. Vice President Vest stated it was. Mr. Winslow stated that when the strategic plan is presented he would like to be provided with some idea of the debate that went into the development. Chair Handorf stated the Board has asked that items brought to them be linked to the strategic plan.

8.B. President's Report – President Swarthout

Mr. Winslow asked if Coconino Community College's situation has had any recent changes. President Swarthout stated nothing much has changed, but Coconino's timelines did put off until this fall decreasing the nursing program so some things just haven't happened yet so the impact is yet to be seen. Mr. Winslow asked if EAC had communicated about their Gear Up program in Navajo County. President Swarthout stated there had been no communication from EAC.

8.C. Agenda Items/Informational Needs

Chair Handorf stated the GISS student success literature could be brought to the next meeting. President Swarthout suggested it be sent by email. Chair Handorf agreed, and stated that she felt it was important to get as many board members as possible to attend. ACCT will be presenting at Maricopa Community College and will pay 80% of attendance and will help toward overnight lodging. Chair Handorf stated she would like to have Board participation on April 24 and 25, 2015.

Mr. Winslow requested that Vice President Vest report on the status of NPC's Gear Up application.

Mr. Matteson stated that Mr. Lucero and he visited the NATC to look at the track and other facilities. His conclusion was that the County engineer was going to make recommendations for some expenditure of funds to do tests on soil and the foundation around building on the driving track.

Agenda Item 9: Board Report/Summary of Current Event

Agenda Item 10: Announcement of Next Regular Meeting: November 18, 2014



Agenda Item 11: Adjournment

The meeting was adjourned at 12:10p.m. upon a motion by Mr. Matteson, a second by Mr. Lucero, and a unanimous affirmative vote.

Respectfully submitted,



Lisa Jayne
Recording Secretary to the Board

APPROVED

