

Navajo County Community College District Governing Board Meeting Minutes

August 18, 2009 – 11:00 a.m.
2251 Navajo Boulevard, Holbrook, Arizona, 86025

Governing Board Member Present: Bill Jeffers, Ginny Handorf, E.L. Parsons, Daniel Peaches and A.T. Siquah.

Staff Present: President, Dr. Jeanne Swarhout; Vice President, Blaine Hatch; Vice President, Mark Vest; Director of Information Services, John Velat; Recording Secretary to the Board, Russell Dickerson.

Others Present: Everett Robinson, Ann Hess, Linda Kor, Peggy Belknap, Maderia Ellison, Jake Hinton, Beulah Bob-Pennypacker, Karalea Kowren, Matt Weber, Sandy Johnson, Lance Chugg, Don Richie and Autom Christensen.

Agenda Item 1: Call to Order and Pledge of Allegiance

Chairman Jeffers called the meeting to order at 11:00 a.m. Ms. Handorf led the Pledge of Allegiance.

Agenda Item 2: Adoption of Agenda

Mr. Siquah moved to adopt the agenda as presented. Ms. Handorf seconded the motion. *The vote was unanimous in the affirmative.*

Agenda Item 3: Invitation of Public Comment

No public comment.

Agenda Item 4: Reports

4.A – Financial Position Report– Vice President Hatch

Mr. Hatch reported that through May, the college is 92% through the budget period and in all cases, expenses are lower than revenues in each of the accounts and all are on target. Mr. Hatch presented a report of financial position through the end of the fiscal year, reminding Board members that the figures are unaudited and that adjustments will be necessary pertaining to stimulus funds and the transfer of faculty salaries from the general fund to the restricted fund.

Speaking of the general, unrestricted fund, Mr. Hatch reported that the college is close to 100% on primary tax levy collections and is currently short by approximately \$50,000 which will eventually be collected. Mr. Hatch added that receipts in May were slightly higher than the prior two years and seems to follow the pattern of April being a higher revenue month. Mr. Hatch reported that the retirement of indebtedness fund is approaching 100% in collections with a shortfall of approximately \$6,000 and that revenues in the fund are on target. Mr. Hatch reported that state aid collection is at 89% and is a result of a mid-year revision. Mr. Hatch added that there may be some adjustments to tuition and fees and investment earnings continue to run behind by two-thirds of what was initially anticipated. Mr. Hatch reported that grants and contracts are running slightly ahead, the miscellaneous fund is slightly below initial budget amounts and transfers are running slightly ahead and are primarily related to the bookstore. Mr. Hatch reported that total revenues were just below expectations, primarily related to shortages in investment earnings and state operating aid.

Speaking of expenditures, salaries and wages are at 103% of budgeted amounts and Mr. Hatch explained that this is primarily related to additional instructional costs in the form of adjunct faculty salaries and overload pay for



instructors and is indicative of higher demand. Mr. Hatch reported that operating expenditures are below 80%, capital expenditures are at 41%, total expenditures for the general fund are at 94% and that there is \$1.2 million in excess revenue in the fund as compared to expenditures. Mr. Hatch reported that unrestricted plant fund total expenditures are at 64% of budget with revenues of \$1.8 million. Mr. Hatch added that expenditures for the fund are \$2.4 million and reflect a shortfall in state aid and that the difference of approximately \$600,000 will come out of the fund balance. Mr. Hatch reminded Board members that this the final payment on general obligation bond and for the coming year, the college will have no retirement of indebtedness expenditures or revenue. Mr. Hatch reported that restricted fund revenues and expenditures are close to balancing and that the auxiliary fund is at 106% of budget which reflects a large May expenditure for textbooks for the fall semester. Mr. Hatch reported that net cash for all activities is currently approximately \$700,000 and that figure will increase once adjustments are made for fall textbook purchases.

4.B – CASO Report

No report.

4.C –NPC Faculty Association –Dr. Sandra Johnson

Faculty Association President, Dr. Sandra Johnson, reported that the first Faculty Association meeting of the year will occur Friday after convocation. Dr. Johnson reported that in June, two ad hoc committees were formed to look at instructional support from Information Services and Shared Governance. At the Friday meeting, the Association will set goals and objectives for the year with the main focus being how to prepare faculty and students for the October Higher Learning Commission visit.

4.D. – Student Government Association –Jake Hinton

Mr. Hinton reported that signs will be posted regarding the SGA election process for Senate positions and that students can get the application online. Mr. Hinton reported that all students returned safely from Costa Rica and made good grades in their Spanish courses. Dr. Swarthout added that SGA representative will sell water bottles at convocation to raise funds.

4.E. – NPC Foundation – Lance Chugg

Mr. Chugg presented gift bags from the August NPC golf tournament to Board members and reported that one golfer shot a hole in one and received a three-year automobile lease from Tate's of Show Low. Mr. Chugg also reported that the Music in the Pines event was very successful. Mr. Chugg anticipates that the annual Foundation meeting will occur in mid-October in Snowflake/Taylor. Mr. Chugg reported that last year, contingency funds were not spent and will be phased out this year. Mr. Chugg reported that the Foundation has identified recipients for 2009-2010 restricted, endowed scholarships. Mr. Chugg explained that transfers of scholarship funds will be delayed until August for fall semester and January for spring semester in an effort to maximize interest accrual. Mr. Chugg explained that this year, the Foundation will seek to more finely target students and new scholarships will be available. Mr. Chugg reported that the Foundation is looking at scholarships for students who have exceeded the 96 credit hour financial aid limit, will seek nominations from faculty and staff for exceptional students who will receive \$100 scholarships and will offer President's Scholars a \$200 per semester supplemental scholarship to help cover increased textbook and tuition costs. Mr. Chugg also reported that the Foundation will depart from only pure scholarships and provide funding for a sustainability project and work with business partners to explore ways to further leverage donations. Mr. Chugg announced that the Foundation will provide funding to the Career and Technical Education division this year and that other divisions should identify funding needs and make a similar request to the Foundation for subsequent awards.



Agenda Item 5: Consent Agenda

Mr. Peaches moved to approve the consent agenda as presented. Mr. Sinquah seconded the motion. *The vote was unanimous in the affirmative.*

Consent Agenda (Action):

- A. June 16, 2009 Study Session Minutes
- B. June 16, 2009 Executive Session Minutes
- C. June 16, 2009 Regular Board Meeting Minutes

Agenda Item 6: Old Business

A. Determination of Board Retreat Date, Time and Location – President Swarthout

Mr. Parsons moved to hold the September Board meeting on Monday, September 14, 2009 at the Silver Creek Campus, Performing Arts Center to be followed by the Board retreat. Mr. Peaches seconded the motion. *The vote was unanimous in the affirmative.*

Agenda Item 7: New Business

7.A. – Request to Approve POS 221 and POS 222 Course Fees – Vice President Vest

Mr. Vest presented the staff recommendation to approve course fees for POS 221 and POS 222 as discussed in study session. Mr. Vest explained that prior to fall 2009, there was a \$35 technology fee associated with the courses. Because the two POS course are one credit hour each, Mr. Vest estimated that 95% of students enrolled in the two courses do not register for other classes and do not pay the \$35 media fee. Mr. Vest explained that based upon an analysis of operating cost for offering the courses, staff recommends a \$50 course fee be approved and become effective immediately. Mr. Sinquah moved to approve the course fees for POS 221 and POS 222 as presented. Ms. Handorf seconded the motion. *The vote was unanimous in the affirmative.*

7.B. – Request to Approve GADA Loan Payment – Vice President Hatch

Mr. Hatch presented the staff recommendation to approve the GADA loan reimbursement to the Town of Taylor in the amount of \$30,537.19 as discussed in study session. Mr. Hatch noted that this is the last reimbursement payment as the \$1 million allocation from the state is exhausted. Ms. Handorf moved to approve the GADA loan payment as presented. Mr. Parsons seconded the motion. *The vote was unanimous in the affirmative.*

8.A. – Annualized FTSE Report – Vice President Vest

Mr. Vest explained that each year, the Board is provide a summary of the annualized FTSE number which is used by the legislature to determine the state operating aid allocation for the college. Mr. Vest added that prior to this year, there was a hold harmless provision which effectively kept college funding levels based on a formula and the highest college enrollment level of 2001-2002. Mr. Vest explained that the annualized FTSE number is calculated by combining fall, spring, short term and summer enrollments. Mr. Vest reported that the college enrollment low point occurred in 2006-2007 with 2,305 annualized FTSE but recently, the college has seen a significant recovery. Mr. Vest reported that for 2008-2009, the college had annualized FTSE of 2,683. Mr. Vest warned that due to reductions in state aid and resultant decisions to limit course offerings, the college may not see significant enrollment movement above 2,683 despite increasing demand due to economic conditions in Navajo and Apache counties. Mr. Vest commented that enrollment numbers are moving in the right direction but the college will need to take into account that only a certain percentage of overall revenue is affected by enrollment. Mr. Vest added that every time the college enrolls a new student it creates a strain on instructional and staff resources and that the college must find a good balance of service and instruction to students.



Responding to a question from Chairman Jeffers, Mr. Vest explained that the college has increase minimum class size from 10 to 15 effective fall 2009. Mr. Vest added that the college has moved toward increased early enrollment which makes course planning somewhat easier and that the decision to add more classes is driven by demand, faculty capacity, facility capacity and whether funds are available to pay an adjunct faculty member or overload pay for full time instructors. Responding to a Board question, Mr. Vest explained that the decentralized nature of the college makes class wait lists impractical and added that there is a lot of student movement between campuses in Winslow and Holbrook, Snowflake and Show Low as well as Show Low and Whiteriver. In summary, Mr. Vest stated that the college must do what will keep the institution financially stable while addressing the best interests of students and faculty.

8.B. – SPASC Report – President Swarthout

Dr. Swarthout reported that the group did not meet frequently over the summer as it is comprised largely of faculty members who were off contract. Dr. Swarthout reported that the self-study package was sent out last week to HLC team members and the college's HLC liaison in paper and electronic forms and that logistics of the visit are being organized in terms of Information Services capacity, accommodations, etc. Dr. Swarthout informed Board members that the HLC visit will be discussed at convocation and that SPASC will meet on August 28 to work on the strategic plan. Dr. Swarthout reported that input for the strategic plan was received through a series of visioning meetings with faculty and staff and more visioning sessions will be held during convocation. Dr. Swarthout reported that there have not been any changes to the HLC team member roster. Dr. Swarthout requested at least one Board member be present at the October 28 HLC exit interview.

8.B. – Human Resources Update – Peggy Belknap

Ms. Belknap, Human Resources Director, reported that new employee orientations were held August 5th and a second part will be held on January 6, 2010. In addition, administrator's training was held on August 14th. Ms. Belknap reported that the Whiteriver Center Manager position has closed with eight applicants; the Apache Families First Coordinator is posted as open until filled with one applicant; Faculty in Educational Technology position was posted August 18th; and the Bookstore Manager position was posted August 18th.

8.C. – Outstanding Alumnus Award

Dr. Don Richie, Dean of Career and Technical Education presented the Outstanding Alumnus Award to Autom Christensen. Ms. Christensen is a 2004 graduate and is currently a Cosmetology instructor for NPC. Dr. Richie, Board members and President Swarthout congratulated Ms. Christensen. Ms. Christensen commented that she is very happy to be named an Outstanding Alumnus.

Agenda Item 9: President's Report – President Swarthout

Dr. Swarthout reported that the Arizona Community College Presidents' Association did not meet or take action over the summer and that the first meeting will occur next week.

Agenda Item 10: Board Report/Summary of Current Events

Ms. Handorf announced that Pinetop/Lakeside will hold a 25th anniversary celebration at the Mountain Meadow Recreation Center and that she will sing the National Anthem.


Agenda Item 11: Announcement of Next Regular Meeting: Monday, September 14, 2009 at the Silver Creek Campus Performing Arts Center.



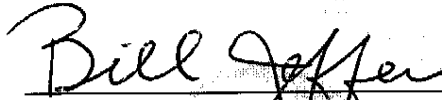
Agenda Item 12: Adjournment

The meeting was adjourned upon a motion by Ms. Handorf, a second by Mr. Parsons and a unanimous affirmative vote.

Respectfully submitted,



Russell Dickerson
Recording Secretary to the Board



Bill Jeffers
Chairman



Ginny Handorf
Secretary to the Board

