

# Navajo County Community College District Governing Board Meeting Minutes

March 22, 2016 – 10:00 a.m.  
Painted Desert Campus, Tiponi Community Center  
2251 East Navajo Boulevard, Holbrook, Arizona

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

**Staff Present:** President Jeanne Swarhout; Interim Vice President Maderia Ellison; Vice President Mark Vest; Director PJ Way; Recording Secretary to the Board Paul Hempsey.

**Others Present:** Betsyann Wilson; Josh Rogers; Rebecca Hunt; Bill Fee; Bobbi Sample; Everett Robinson; Ann Hess; Curtis Stevens; Kim Reed; David Huish; Amber Hill; Jason LaBute; Linda Kor; Jeremy Raisor; Kelley Harvey-Brannon; Margaret White; Sandra Johnson; Eric Henderson; Ernie Hess; Ian Graham; Ed Gentry; Colleen Readel; Tom Poscharsky ; Gus Lundberg; Dave Smith.

## **Agenda Item 1: Call to Order and Pledge of Allegiance**

Chair Handorf called the meeting to order at 10:00 a.m. and Mr. Matteson led the Pledge of Allegiance.

## **Agenda Item 2: Adoption of Agenda**

*Mr. Matteson moved to adopt the agenda as presented. Mr. Peaches 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 – Interim Vice President Ellison**

Interim Vice President Ellison addressed the Board and reviewed the Financial Position report with the Board.

### **4.B. Human Resources**

Written Report Only.

### **4.C. NPC CASO**

Written Report Only.

### **4.D. Faculty Association**

Written Report Only.



#### **4.E. NPC Student Government Association**

Written Report Only.

#### **4.F. NPC Friends and Family – Director Wilson**

Director Wilson addressed the Board and stated Arizona Gives Day is slated for Tuesday, April 5<sup>th</sup> this year. Donations can be made ahead of time and post-dated. Last year was the first year NPC participated and raised over \$14,200. This year Frontier Communications has partnered with NPC Friends and Family to provide an exciting \$5,000 Challenge Gift. If NPC Friends and Family can raise \$5,000 by noon Frontier Communications will match that amount. A link to make donations will be emailed by Friends and Family and donations can also be made at [azgives.org](http://azgives.org).

#### **Agenda Item 5: Consent Agenda**

- A. **February 16, 2016 Regular Board Minutes;**
- B. **Curriculum Modifications:**
  - 1. Program Modification - CON AAS, CAS, CP, Drafting CP
  - 2. Program Modification - WLD AAS, CAS, 3 CPs
  - 3. Program Modification - AAEC
  - 4. Program Modification - CIS AAS & CIS
  - 5. Program Modification - CIS AAS Required Electives
  - 6. Program Modification - CIS AAS, CAS & 2 CPs Web Development and Graphic Design
  - 7. Program Modification - CIS AAS, CAS & CP Network and PC Support
  - 8. Program Modification - AAEE
  - 9. Program Deletion - CIS AAS, CAS & CP Graphic Design
  - 10. Program Deletion - CIS AAS, CAS & CP Web Design

*Mr. Matteson requested Items B4, B5, B6, and B7 be removed for further discussion, without opposition. Mr. Matteson then made a motion to approve the remaining consent agenda. Mr. Lucero seconded. The vote was unanimous in the affirmative.*

#### **Discussion of Consent Agenda Items B4-7, Program Modifications in CIS.**

Mr. Matteson commented that he was encouraged to read about the changes and asked Vice President Vest to comment on the Program Modifications to the CIS programs. Vice President Vest commented that the changes are relatively small and reflective of recommendations from an industry advisory board and what current faculty is qualified to offer. They are not reflective of larger changes discussed at a previous Board meeting and a much larger discussion will need to be held on the direction we need to move with CIS offerings in the future.

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

#### **Agenda Item 6: Old Business**

None.

#### **Agenda Item 7: New Business**

##### **7.A. Preliminary Budget Analysis**

Interim Vice President Ellison reviewed the Preliminary Budget Analysis with the Board.



President Swarthout commented the State has only just begun negotiations on the budget this year and, although we believe the figures will remain stable, we do not have a final allocation at this point.

Mr. Matteson asked if the Board decided not to adopt the maximum levy rate, it would cause a reduction of \$428,000. Interim Vice President Ellison clarified if the Board adopted the TNT rate the reduction would be \$428,000.

Mr. Winslow requested clarification on the 2% levy cap not being the Tax rate but the amount of money raised compared to the previous year. Interim Vice President Ellison affirmed and referred to the Levy Limit Worksheet in the Board packet showing the calculations. Mr. Winslow asked for an explanation of how we can set the maximum raise in the tax rate, but still bring in less money than before. Interim Vice President Ellison responded that taking the maximum increase will allow for a maximum allowable tax rate of 1.7884. However this rate is then applied against assessed values, which have seen a significant decrease, meaning we will see less income from a higher tax rate.

Mr. Lucero asked if we were assuming the County will request a maximum increase also and, if we did not have that information, would it be available before the Board makes a final decision on the budget. Interim Vice President Ellison responded that the college does not have the information currently but would have it by the next Board meeting when a final decision is required. Mr. Winslow commented that, when it comes to taxation, there are a lot of moving parts and other taxing authorities involved and it would be nice to have figures on the impact to Residential Property owners and Small Business owners, before making the decision. Interim Vice President Ellison responded that the college is reviewing a draft document for tax payers that will be placed on the NPC website for the Public to review.

Mr. Winslow commented the Board needed to look at the budgets over more than a one year timeframe and not just year-by-year as trends showing increases in Equalization aid each year could be deceptive and lead to thinking that it will always go up which is not the case. President Swarthout commented that, as centrally assessed values in the area go down and affect the college's ability to raise property tax revenues, our equalization may go up. President Swarthout believes there is a good chance that centrally assessed values will continue to decline. A statute allows companies to remove infrastructure from centrally assessed values which leads to negatives. Mr. Winslow commented the importance of Equalization needs to be clear to the Public.

Mr. Lucero asked, realizing it is a three year cycle, if Property Valuations were going up. Interim Vice President Ellison commented that locally assessed Property taxes were going up. President Swarthout also commented that it is on a three year cycle making it uneven. Mr. Lucero asked what percentage the increase was. Interim Vice President Ellison offered to calculate the percentage increase arriving at the figure of 1.2%.

Tom Poscharsky, Mayor of Snowflake raised the issue that APS announced they would not be operating Units one and three till the summer, and maybe not even then, and are not taking



delivery of coal that they still are paying for, and the college might want to consider whether the plant may be decommissioned earlier than originally thought. President Swarthout responded that the college was considering the possibility as it made plans for the future.

### ***7.B. B. Request to Approve 2016-2017 Tuition and Fees Schedule***

Interim Vice President Ellison reviewed the 2016-2017 Tuition and Fees Schedule commenting that this was the last year in a three- year cycle the college had previously adopted.

Mr. Matteson asked if the NPC's Tuition and Fees are comparable to neighboring states. President Swarthout responded that looking at western states and, primarily sister schools in Utah, Colorado and New Mexico, NPC is one of the lowest in the west.

Mr. Winslow requested information from other colleges on waivers and/or discounts for tuition that may be similar to those offered by NPC, noting that NPC is already great value without these deals and an excellent deal with them. President Swarthout responded that, from keeping a close eye on these matters, the kinds of Tuition Waivers NPC has in place are still unusual across the western states. NPC is probably the only Arizona College offering these types of innovation to tuition. However staff will collect and provide the data at a future meeting.

*Mr. Matteson made a motion to approve the 2016-2017 Tuition and Fees Schedule as presented. Mr. Lucero seconded. The vote was unanimous in the affirmative.*

### ***7.C. Request to Approve 2016-2017 Wage and Salary Schedules***

Interim Vice President Ellison reviewed the options requested by Board members regarding the 2016-2017 Wage and Salary Schedules.

Mr. Matteson commented that he tries to weigh the impact to both the college and to employees. A consideration not talked about was the impact of taxes. For example, using Option 1 with a 2% rise to salary, the net amount going into the pocket of the employee is significantly less due to the deductions from federal, state and local agencies. The cost of Medical Insurance, however, has no deductions he is aware of. Therefore a dollar spent in support of employee's medical insurance provides a lot more than a dollar spent on a wage increase. For that reason he would prefer to receive an increase through medical plan support than a straight wage increase. As a result he recommends something between Options 2 and 3.

Chair Handorf asked if the employees knew of the actual Healthcare increases when they made their salary recommendations. Interim Vice President Ellison responded that when the Faculty Association and CASO made their recommendation at the February Board meeting they were working from estimations only. Chair Handorf asked if there had been any feedback from employees since learning the actual increases. President Swarthout responded that there had not been a lot of feedback but staff and faculty attending the Board meeting may have comments to make. Chair Handorf then opened the meeting to comments from those in attendance.

David Huish, Director of Facilities and Vehicles, commented that once he received the information he compared it in the same way as Mr. Matteson and decided it would be more



beneficial to his family to receive the help with Health Insurance costs than to receive a percentage rise in salary. Chair Handorf commented that she arrived at the same conclusion upon receiving the information.

Kelley Harvey-Brannon, Whiteriver Center Manager, commented that from the perspective of a single mother, who has not needed to see a doctor in over 20 years, she personally thought Option 3 would be the best option.

Mr. Lucero commented that with a percentage salary increase the higher earners at the college see a much greater benefit than lower earners and had considered taking the dollar amount increase from a 2% rise and dividing the amount evenly between employees. If he was an employee he would be opting for Option 2 as he would lose less money.

Mr. Winslow thanked the finance department staff for preparing and presenting the material in a way that helps everyone understand the total compensation packages available. As opposed to a for-profit organization looking to minimize labor expenses the college needs to look at employee morale, productivity, which is related to morale and remaining competitive to keep current staff and faculty while being able to attract new staff and faculty. Often when we see 3 options presented where there is a high number and a low number there is the attempt to drive people towards the middle number, but when he looks at the options presented he is inclined to see Option 3, although the most expensive, as his preference. A one percent salary increase adds less to the total wage structure and covering health and dental cost for employees works out at \$840 savings to them while a percentage pay rise for the lowest earners at the college would be around \$640 minus deductions like taxes.

Mr. Matteson asked if Dental coverage was a covered benefit to staff in the past. Interim Vice President Ellison responded that it was. Mr. Matteson thought that an option of removing an existing benefit should be off the table.

Mr. Lucero commented that he still took issue with a percentage pay rise as the rich get richer and the poor get poorer. He would rather take the cost of a one percent pay rise, \$125,000, and divvy it up evenly between staff instead. It would work out at close to \$550 per staff member. President Swarthout commented that, due to the salary and wage scales used by NPC it might be best done as a stipend otherwise it will be very complex. Mr. Matteson commented he would support this idea.

Mr. Winslow commented that every employee has a different economic situation to deal with, whether it is a spouse, children, elder care, etc. and while we can't accommodate every situation we need to look at helping as many as possible. Covering Healthcare cost equates to the best increase for all staff to receive.

Jason LaBute, Information Services Manager at NPC, wondered if his family could be covered by the college instead of himself as he couldn't afford to cover them currently. Mr. Winslow commented on the risks of thinking you are invulnerable and why he leaned towards income protection and a small increase to take home pay.



Mr. Matteson summarized the discussion into a proposal. He suggested a \$550 stipend be paid to staff spread over a 12 month period, NPC pays employee cost of \$30 per month for those selecting PPO medical plan, NPC contributes \$30 per month to HSA for employees selecting HDHP medical insurance, NPC pays employee portion of \$40 per month for dental coverage.

Mr. Winslow suggested pro-rating the \$550 dollars for staff that work less than 40 hours and asked staff how difficult that might be. Interim Vice President Ellison stated that it would be possible and would affect approximately 25 staff members who work less than 40 hours per week. Mr. Lucero asked if there was Health coverage for employees working less than the 40 hours per week. Interim Vice President Ellison said the college offers Health Insurance to any staff working 30 hours or more.

Betsyann Wilson clarified that the stipend would be paid over a 12 month period as suggested by Mr. Matteson and suggested it would be better to receive in a lump sum. Mr. Winslow asked if that would be easier from an administrative stand point and Interim Vice President Ellison confirmed it would require a lot less work to provide a lump sum from July 1<sup>st</sup> and payable on July 15<sup>th</sup>.

Mr. Winslow asked, of the individuals not working enough hours to receive Health coverage from NPC, if they had to go into the individual marketplace or were covered by a spouse. Interim Vice President Ellison responded that there may be one person who was not covered by NPC or a spouse but would have to seek clarification. Mr. Matteson commented that there will most likely be some unique case that was not foreseen and suggested the President be authorized to adjudicate for the college as appropriate.

Vice President Vest commented that Vice President Ellison would most likely require direction on the Adjunct Faculty scale, paid on a per-credit hour taught basis, as they would not be included in this proposal. President Swarhout suggested distinguishing between contract employees and adjunct faculty in two separate recommendations as they will most likely turn out to be quite different. Mr. Matteson agreed and suggested letting the Adjunct schedule remain the same.

Mr. Peaches asked for clarification that, if a situation arose that was not covered under the motion; the President would have the power to modify the package appropriately. President Swarhout responded that she understood, from the discussion, that the administration would have the authority to make a decision for an individual's situation that was not covered.

*Mr. Matteson made a motion to approve a \$550 stipend for full-time staff, pro-rated for staff working less than 40 hours per week, paid as a lump sum after July 1<sup>st</sup>, 2016. Furthermore NPC pays employee cost of \$30 per month for those selecting PPO medical plan, NPC contributes \$30 per month to HSA for employees selecting HDHP medical insurance, NPC pays employee portion of \$40 per month for dental coverage. The Adjunct Faculty schedule would remain the same. Administration would retain the authority to make a decision on unique situations not*



*covered in this motion as appropriate. Mr. Lucero seconded. **The vote was unanimous in the affirmative.***

#### **7.D. Get Into Energy Grant Report Out**

Interim Director Fee reviewed the Get Into Energy Grant Report Out with the Board commenting that the numbers show that NPC was a major player in the grant.

Mr. Winslow asked if the expected payback of funds was from the Consortium or just NPC. Interim Director Fee responded that it was from NPC and due to overestimations made by industry during the initial set-up of the grant. Mr. Winslow commented that it was great for the college to be able to add a building and equipment that can be used for many years to come.

#### **7.E. E. Memorandum of Understanding with Northeastern Arizona Innovative Workforce Solutions**

President Swarthout addressed the Board and reviewed the Memorandum of Understanding with Northeastern Arizona Innovative Workforce Solutions with the Board.

Mr. Winslow asked if the college was providing additional training for advisors, learning assistant, CCP faculty who may come in contact with eligible students. President Swarthout commented that the tasks are divided and the college's role will be more focused on advising and identifying necessary skills and competencies for the in-demand occupations.

Mr. Winslow clarified that Northeastern would be identifying and referring candidates to the college and the college would provide the training. President Swarthout affirmed.

#### **7.F. F. Request to Approve PDC Reroofing and Mechanical Equipment Installation**

Interim Vice President Ellison reviewed the Request to Approve PDC Reroofing and Mechanical Equipment Installation with the Board and stated staff recommended approval of the bid from Edge Construction in the amount of \$404,967.

*Mr. Matteson made a motion to approval of the bid from Edge Construction in the amount of \$404,967. Mr. Lucero seconded. **The vote was unanimous in the affirmative.***

Mr. Matteson asked if the roof on the Nizhoni Building was flat. David Huish commented that there is a 6 inch slope to allow water runoff.

#### **7.G. G. Request to Approve Title III Evaluation Contract**

Vice President Vest addressed the Board and reviewed the Request to Approve Title III Evaluation Contract with GeoDriven LLC commenting that Eva Putzova of GeoDriven was the external evaluator of the previous Title III grant and the college was very satisfied with her services.

Mr. Winslow asked if Eva Putzova had worked with any similar institutions. Vice President Vest responded that Eva Putzova was also a lead at NAU on Strategic and Policy planning.



*Mr. Winslow made a motion to approve the Title III Evaluation Contract as presented. Mr. Matteson seconded. **The vote was unanimous in the affirmative.***

**7.H. Request to Approve Additional Costs for Drainage and Landscaping Contract at SCC**  
Interim Vice President Ellison reviewed the Request to Approve Additional Costs for Drainage and Landscaping at the Silver Creek Campus and stated staff recommends approval.

Mr. Matteson commented that he had the opportunity to survey the work and approved with the wisdom of the changes. Mr. Matteson asked if the college had written approval from Property Owners to the north and south of the project for completion of the work. David Huish responded that initially the property owner to the north of campus refused permission but had since passed away. His son had then approached NPC to give verbal approval to the changes. Mr. Huish offered to approach the new owner for get written approval. Mr. Matteson commented that he believed it would be good to have a written confirmation of agreement. David Huish stated that anything south of the campus was not affected by the changes made.

*Mr. Matteson made a motion to approve the additional costs in the amount of \$34,785.47. Mr. Winslow seconded. **The vote was unanimous in the affirmative.***

**7.I. Request to Approve Purchase of Equipment for TALON Grant**

Director Way addressed the Board and reviewed the Request to Approve Purchase of Equipment for the TALON Grant stating staff recommended accepting the bid from Sentinel Technologies at a price of \$163,450.00 plus sales tax.

Mr. Lucero asked what the amount of sales tax would be. Director Way responded that they do not have a final figure on sales tax but having discussed cost with Cisco for their products he feels the final quote, including taxes, will come in lower than the \$163,450 quoted.

Mr. Winslow asked if we had prior experience with any of the vendors. Director Way believed we had worked with some in the past but Sentinel Technologies offered a comprehensive solution.

*Mr. Matteson made a motion to approve the Request to Purchase Cisco Solutions for 10 high school classrooms at a price of \$163,450.00 plus sales tax. Mr. Peaches seconded. **The vote was unanimous in the affirmative.***

**7.J. Space Use Study**

Interim Vice President Ellison reviewed the Space Use Study with the Board.

Members of the District Governing Board voted to take a recess of 30 minutes. The meeting recessed at 11:55am.

The meeting reconvened at 12:35pm.



Mr. Lucero suggested the item be tabled till next month's meeting to give everyone time to read over it a few more times.

Mr. Winslow commented that he was glad the study was completed and it seems to confirm the suspicions of the Executive Team and Staff. The report provides a lot of details that the Board would not get into directly, such as class scheduling. The Report does provide useful reference material when looking at future proposals brought to the Board by the Executive Team as well as helping with long term strategic planning.

Tom Poscharsky, Mayor of Snowflake, thanked the Board for their service and commented that many conversations have taken place in the past 14 months since plans were announced and the Space Use Study authorized. There has been a lot of participation by the Snowflake and Taylor community. The study had been forwarded to members of the Snowflake City and Taylor City councils to review.

Mayor Poscharsky thought the study was interesting but possibly not completed as the Board proposed. Bandwidth was identified as an issue and Mayor Poscharsky invited Board members to attend a meeting with the RealAZ group which has a sub-meeting on bandwidth immediately following the main meeting. The group is comprised of IT directors from the hospital, County, and several institutions including NPC. They are looking at bandwidth as a utility and therefore a requirement. He hoped to discuss using NPC's microwave system as a possible solution to expand bandwidth or to help in emergency situations.

Time has been spent working with the school system to inform students of opportunities to obtain an Associate degree, at NPC, while still in high school. Mayor Poscharsky commented that one of the points of the study was to move judiciously and cautiously into the future and he predicted a lot of changes with respect to classes on demand. Snowflake acquired a radio service providing 4G Plus and hope to continue working with NPC.

Mr. Winslow thanked Mayor Poscharsky and asked if Snowflake was interested in a Strategic Partnership with NPC on building on the technology infrastructure such as broadband and wireless connectivity to benefit both entities. Mayor Poscharsky responded that this was the hope and sees this as another component to economic development in the area. Snowflake is working to attract other entities to utilize the Railroad and have more development in the Industrial Park. They hope to have classes which will fold into programs already at NPC. Mr. Winslow commented that there is mutual interest in developing the property base in the county.

Gus Lundberg thanked President Swarthout and commented that he appreciated the opportunity to discuss the changes with her and be part of the dialogue on potential changes at the Snowflake campus.

Mr. Matteson commented that the Space Use Study was requested by the Board as they did not have the required knowledge or data to make any kind of decisions. This study has done a great deal in providing data for today and future planning. The study provides the college with a good idea of where we currently are and shows there is capacity for all kinds of opportunities at all



four campuses. He is pleased the study was completed and will be used to help the college grow and help all the communities the college affects.

Mr. Winslow suggested bringing this topic back at another Board meeting.

President Swarthout commented that members of the community had a great deal to do with bringing the Expenditure Limit legislation to a senator who carried it throughout the session and the college appreciated their efforts.

## **Agenda Item 8: Standing Business**

### **8.A. Strategic Planning and Accreditation Steering Committee (SPASC) Report**

Vice President Vest highlighted the Strategic Plan page on the website and the information to be found on each Priority.

Mr. Matteson asked if there was a sense from the faculty and student body on how the webpage is being received. Vice President Vest responded that the Board is the first people to receive this information and, if they approved, it would be rolled out to the college. Mr. Matteson commented that he likes it and feels it is the correct way to provide the information to the rest of the college. He believed that once the college does receive the information they will concentrate on the issues that directly affect them and we will start to see feedback. Mr. Matteson also commented that having the person responsible for each priority clearly listed provides accountability and the expectation to complete their tasks. Vice President Vest commented that they have already seen the positive influence of posting the information as the attempt to reach an 80% completion for the SOAR orientation by staff and faculty had stalled at the 60% mark and just seeing that had reenergized the effort to reach the benchmark.

### **8.B. President's Report**

President Swarthout stated the Expenditure Limit Bill passed through the Committee Of the Whole 39-17 and now goes to the Governor's desk. There are still concerns of a veto and we are asking community businesses, chambers, etc. to weigh in. An AZ Republic article on Maricopa perks for executives was published and this will weigh heavily on the Governor.

President Swarthout introduced Colleen Readel, Commencement Coordinator, who addressed the Board and invited members to the 2016 Commencement Ceremony on Saturday, May 14th, at Show Low High School. As a graduate last year Colleen really appreciated shaking the hands of Board Members. A reception will follow the ceremony.

Mr. Winslow commented that the speakers last year did not seem to work. Colleen Readel responded that they had worked on that issue and hoped it would be fixed this year.

Mr. Matteson asked who the Key Note speaker will be this year. Colleen Readel responded that Dr. Rufus Glasper would take the role.



## 8.C. Agenda Items/Informational Needs

### **Agenda Item 9: Board Report/Summary of Current Event**

Mr. Matteson commented that Friends and Family will hold a golf tournament at the end of April to raise funds for scholarships. Two major sponsors had already shown support and a Chevrolet Impala will be posted at the seventh hole as a hole-in-one prize. Mr. Matteson issued a challenge to those present to enter teams and participate. The tournament will take place at the Silver Creek Golf course and it is important to support such a good cause. Betsyann Wilson commented about the importance of getting the word out and asked everyone to use their social media accounts to spread word of AZ Gives day as well as the Golf Tournament.

**Agenda Item 10: Announcement of Next Regular Meeting:** Regular District Governing Board meeting on Tuesday, April 12, 2016.

### **Agenda Item 11: Adjournment**

*The meeting was adjourned at 1:13a.m. upon a motion by Mr. Matteson , a second by Mr.Lucero, and a unanimous affirmative vote.*

Respectfully submitted,



Paul Hempsey  
Recording Secretary to the Board

