

# Navajo County Community College District Governing Board Study Session Minutes

April 22, 2008 – 9:30a.m.

2251 North Navajo Boulevard, Holbrook, Arizona, 86025

**Governing Board Members Present:** Chairman A.T. Siquah, Neal Thompson, Bill Jeffers, Daniel Peaches, Dr. Kem MacNeille

**Staff Present:** President, Dr. Jeanne Swarthout; Vice President, Dr. Eric Henderson; Vice President, Mark Vest; Vice President, Blaine Hatch; Director of Information Services, John Velat; Recording Secretary to the Board, Brandy Shumway.

## Reports:

### 1. Commencement Invitation:

Hallie Lucas, Commencement Coordinator and Administrative Assistant to Vice President Mark Vest, invited the Board members to NPC's 2008 commencement ceremony which will be held May 17<sup>th</sup> at Show Low High School Auditorium.

### 2. Agenda Item 5.F.: WireOne Communications Requisition – Mira White

Mira White presented Staff's recommendation for approval to purchase one Tandberg 6000 MXP HD video classroom equipment system from WireOne Communications. This request is part of the video classroom learning environment modernization and performance improvement project, and aligns with goals in Pillar 3 of the NPC Strategic Plan. The total cost for the equipment is \$36,566.90. Ms. White distributed an equipment replacement schedule plan to Board members.

### 3. Agenda Item 5.G.: CCS Presentation Systems Requisition – Mira White

Mira White presented Staff's recommendation for approval to purchase fifteen (15) Samsung Syncmaster 46" LCD monitors and mounts for the video classrooms. This request is part of the video classroom learning environment modernization and performance improvement project, and aligns with goals in Pillar 3 of the NPC Strategic Plan. The total cost for the equipment is \$35,869.63.

### 4. Agenda Item 5.I.: Names for Painted Desert Buildings – President Swarthout

President Swarthout distributed a summary of options for naming the buildings at the Painted Desert Campus, which included recommendations by the staff at the Petrified Forest National Park, as well as suggestions from NPC staff and District Governing Board members. Dr. Swarthout explained that while there was no formal protocol for naming campus buildings, campuses have adopted name themes based on locale, such as the forested area in Show Low, or based on contributions/donations to the college, such as the Blunk building in Winslow. The Board discussed the interpretations and English translations of the Native American terms and their applications to the three buildings to be named. The staff recommendation was: the Community Education Center will be named Tiponi Community Center; the southeast end building will be named Tawa Center; and the Learning Center will be named Nizhoni Learning Center. The names reflect sites at the Painted Desert.



**5. Report 5: 2007 Audit Report – Vice President Blaine Hatch**

Vice President Hatch presented the 2007 Single Audit Report as sent to the District Governing Board members by the Office of the Auditor General of Arizona. Vice President Hatch pointed out that the “Management Discussion and Analysis” provided a comprehensive overview of the District’s financial condition as of June 30, 2007. Mr. Hatch reviewed the “Schedule of Findings and Questioned Costs Year Ended June 30, 2007, Section I – Summary of Auditors’ Results and Section II – Financial Statement Findings.” Addressing the auditors’ findings, Vice President Hatch responded that the District was aware of the issues and concurred with the findings. The District recently hired a Director of Financial Services and a Controller to develop and implement new procedures and reorganize the finance staff to ensure bank reconciliations were performed monthly and reconciling items were properly investigated, as well as design and implement effective internal controls over financial reporting at the financial statement level.

Vice President Hatch encouraged Board members to review Management’s Discussion and Analysis starting on page three of the report and the Condensed Statement of Revenues, Expenses, and Changes in New Assets – Primary Government on page six of the report. Vice President Hatch referred Board members to the two charts in the Board packet showing total net asset growth and cash amounts from June 30, 2002 to June 30, 2007. Board discussion included times lines, manpower hours needed for bank reconciliations, and staffing issues.

Vice President Hatch stated that the Foundation was shown as a separate unit, per State Auditor’s Office guidelines.

Responding to Board questions, Vice President Hatch affirmed that the total net assets were based on a book value and that the college was required to include depreciation in statements. Mr. Hatch stated that an audit was due nine months after the end of the fiscal year and that the 2007 audit was submitted to federal agencies, including the Department of Education, within the required timeline. NPC used a contractor that the Auditor General’s Office hired, Heinfeld, Meech & Co, P.C. Vice President Hatch stated that NPC was prepared early and that a goal of the college was to have future audits completed and submitted by the end of the calendar year, per contract. Neal Thompson expressed his appreciation to the financial staff for the progress and improvements made by their hard work and timely submissions.

**6. Agenda Item 7.C.: Preliminary Budget – Vice President Blaine Hatch**

Vice President Hatch presented Staff’s recommendation to approve the 2008-2009 Preliminary Budget as presented in the Board packet. Vice President Hatch stated that the preliminary budget document included operational and staffing adjustments based on the NPC Strategic Plan previously approved by the DGB and that extensive involvement at the Department and Executive levels produced the proposal. The preliminary budget included an average 4.5% wage increase for all employee classes. The Arizona State Retirement System (ASRS) decreased slightly the contribution rate for employees and employers each from 9.6% to 9.45%. The cost of employee basic health insurance will remain the same in FYE 2009, with significant benefit improvements realized through participation in the Arizona School Board Association Insurance Trust (ASBAIT). Vice President Hatch briefly reviewed the various budget schedules as per Board packet. Board discussion included NAVIT and tax revenues, expenditure limit calculations, and possible future legislative budget options.

**7. Agenda Item 5.H.: Final Salary Proposal – Vice President Hatch**

Vice President Hatch presented Staff’s recommendation to approve the proposed salary schedules as presented in the Board packet, and summarized the recommendation per Board packet. Mr. Hatch referred the Board to the wage comparison chart per Board packet. Responding to Board questions, Vice President Hatch stated that Cochise Community College’s market analysis indicated that their college needed to make a significant increase to their faculty salary, similar to that done at NPC several years ago. Vice President Hatch stated that Administration has not been approached with budget questions by faculty or staff members; the general feeling was that faculty and staff were satisfied with the 2008-2009 salary recommendations. Mr. Jeffers expressed his appreciation for the timely submission of the proposal.



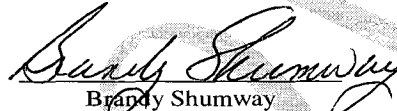
**8. Agenda Item 7.A.: Master Facility Plan Fee Proposal**

Vice President Hatch recognized the presence of John Blackwell, representative of the DLR group. Mr. Hatch presented Staff's recommendation for approval to negotiate a final fixed lump sum fee with the DLR Group for Master Facility Planning services at a price not to exceed \$180,000 per Board packet. Mr. Hatch stated that the Master Facility Plan (MFP) is an integral part of NPC's strategic planning and that Staff feels strongly that it is an important aspect of NPC's future development. Responding to Board questions, Mr. Hatch stated that the DLR Group will utilize and consider existing data and information in conjunction with input from the College and local communities. Vice President Hatch stated that the proposal for the MFP included all locations where NPC currently owns facilities: the Silvercreek Campus in Snowflake, the Little Colorado Campus in Winslow, the White Mountain Campus in Show Low, the Painted Desert Campus in Holbrook, and the Hopi Center.

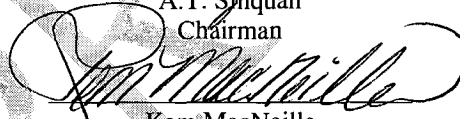
Dr. Swarthout suggested that the last two agenda items be moved to regular session.

Study session ended at 10:55a.m.

Respectfully submitted,

  
Brandy Shumway  
Recording Secretary to the Board

  
A.T. Siquah  
Chairman

  
Kem MacNeille  
Secretary to the Board

