

Notice of Public Meeting

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Navajo County Community College District Governing Board (Board) and to the general public that the Board will hold a Study Session open to the public on **January 21, 2014 beginning at 9:30 a.m.**, and also a regular District Governing Board Meeting open to the public on **January 21, 2014 beginning at 10:00 a.m.** The meeting will be held at the Northland Pioneer College Painted Desert Campus, Tiponi Community Center meeting room, located at 2251 E. Navajo Blvd., Holbrook, Arizona.

One or more Board members and/or staff members may participate in the meeting by telephone if necessary.

The public is invited to check on addenda that may be posted up to 24 hours prior to the meetings. Copies of the meeting agenda may be obtained through the Office of the President, Northland Pioneer College, Painted Desert Campus, 2251 E. Navajo Blvd., Holbrook, AZ, telephone (928) 524-7418 or (800) 266-7845 Ext. 7418, at least 24 hours in advance of the meeting. If any disabled person needs any type of accommodation, please notify Lisa Jayne at the above address or telephone number at least 24 hours prior to the scheduled time.

The Board may vote to hold an executive session for the purpose of obtaining legal advice from the District's attorney on any matter listed on the agenda pursuant to A.R.S. §38-431.03 (A)(3). Should the District's attorney not be present in person, notice is further given that the attorney may appear by speakerphone.

I, Lisa Jayne, certify that this notice of public meeting, prepared pursuant to A.R.S. § 38-431.02, was posted on or before the 17th day of January 2014, at 9:30 a.m.

Lisa Jayne, Recording Secretary to the Board

NOTICE DISTRIBUTION

1. WHITE MOUNTAIN INDEPENDENT NEWSPAPER
2. TRIBUNE-NEWS & SNOWFLAKE HERALD NEWSPAPERS
3. NAVAJO TIMES
4. NAVAJO-HOPI OBSERVER
5. KINO RADIO
6. KNNB RADIO
7. KONOPNICKI COMMUNICATIONS [KQAZ/KTHQ/KNKI RADIO]
8. KRZV RADIO
9. KTNN RADIO
10. KUYI RADIO
11. KWKM RADIO
12. WHITE MOUNTAIN RADIO
13. NPC WEB SITE
14. NPC ADMINISTRATORS AND STAFF
15. NPC FACULTY ASSOCIATION PRESIDENT
16. NPC CLASSIFIED AND ADMINISTRATIVE SUPPORT ORGANIZATION PRESIDENT
17. NPC STUDENT GOVERNMENT ASSOCIATION PRESIDENT

Governing Board Study Session Agenda

Painted Desert Campus, Tiponi Community Center Eagle's Nest
2251 East Navajo Boulevard, Holbrook, Arizona

Date: January 21, 2014

Time: 9:30 a.m. (MST)

<u>Item</u>	<u>Description</u>	<u>Resource</u>
	Office of the Auditor General(Informational)	Vice President Hatch
	Introduction of Audit Staff	
	Overview of Auditor General's Responsibilities	
	Overview of Audit Process	
	NPC Audit Process & Results	
	Review Governance Letter	
	Review ELR	

The District Governing Board may consider any item on this agenda in any order and at any time during the meeting.
The District Governing Board may take action to approve, or may take other action, regarding all items of New Business, Old Business, Standing Business, or the President's Report.



Northland Pioneer College

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Governing Board Meeting Agenda

Painted Desert Campus, Tiponi Community Center
2251 East Navajo Boulevard, Holbrook, Arizona

Date: January 21, 2014

Time: 10:00 a.m. (MST)

<u>Item</u>	<u>Description</u>	<u>Resource</u>
1.	Call to Order and Pledge of Allegiance	Chair Handorf
2.	Adoption of the Agenda (Action)	Chair Handorf
3.	Election of Board Officers (Action)	Chair Handorf
4.	Call for Public Comment	Chair
Individuals may address the Board on any relevant issue for up to 5 minutes. At the close of the call to the public, Board members may not respond to any comments but may respond to criticism, ask staff to review a matter or ask that a matter be placed on a future agenda.		
5.	Reports:	
	A. Financial Position	Vice President Hatch
	B. CASO	Margaret White
	C. NPC Faculty Association	Cynthia Hutton
	D. NPC Student Government Association	Jake Hinton
6.	Consent Agenda (Action)	Chair
	A. December 17, 2013 Regular Board Minutes	
	B. Dual Enrollment Intergovernmental Agreements between the Navajo County Community College District and Red Mesa USD	
7.	Old Business: None.	
8.	New Business:	
	A. Request to Approve NIMS Resolution (Action)	Vice President Hatch
	B. Request to Approve Award of Design/Build Contract for NATC (Action)	Vice President Hatch
	C. Request to Approve Hearing Officer (Action)	Vice President Hatch
	D. Review of Budget Development	Vice President Hatch
	E. Request to Approve Single Audit Reporting Package (Action)	Vice President Hatch
	F. Request to Approve Adjustment to Fiscal Year 2012-2013 Adopted Budget (Action)	Vice President Hatch
	G. Request to Approve Program Modification: Cosmetology (COS) (Action)	Vice President Vest
9.	Standing Business:	
	A. Strategic Planning and Accreditation Steering Committee Report ..	Director Wasson
	B. Human Resources Update	Director Hokanson
	C. President's Report	President Swarhout
10.	Board Report/Summary of Current Events	Board Members
11.	Announcement of Next Regular Meeting February 18, 2014	Chair
12.	Adjournment (Action)	Chair

The District Governing Board may consider any item on this agenda in any order and at any time during the meeting. The District Governing Board may take action to approve, or may take other action, regarding all items of New Business, Old Business, Standing Business, or the President's Report. The Board may vote to hold an executive session for the purpose of obtaining legal advice from the District's attorney on any matter listed on the agenda pursuant to A.R.S. §38-431.03 (A)(3).
Should the District's attorney not be present in person, notice is further given that the attorney may appear by speakerphone.
One or more Board members and/or staff members may participate in the meeting by speakerphone, if necessary.



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NAVAJO COUNTY COMMUNITY COLLEGE DISTRICT

Statement of Financial Position

For the period

July 1, 2013 to November 31, 2013

Budget Period Expired 42%

Tax Supported Funds				
General Unrestricted				
Current Month				
Budget	Actual	Y-T-D Actual	%	
REVENUES				
Primary Tax Levy	13,341,335	2,833,707	7,126,500	53%
State Aid:				
Maintenance and Operations	1,646,600		823,300	50%
Equalization	5,514,200		2,757,100	50%
Tuition and Fees	4,755,000	31,547	1,588,164	33%
Investment earnings	125,000	14,737	51,441	41%
Grants and Contracts	1,600,000		11,989	1%
Other Miscellaneous	200,000	14,780	101,337	51%
Transfers:	(2,750,000)	(168,292)	(1,291,632)	47%
TOTAL REVENUES	\$24,432,135	\$2,726,480	\$11,168,199	46%
EXPENDITURES				
Salaries and Wages	17,067,805	1,360,879	5,937,326	35%
Operating Expenditures	6,587,182	321,167	2,140,835	33%
Capital Expenditures	253,000	9,192	38,036	15%
TOTAL EXPENDITURES	\$23,907,987	\$1,691,238	\$8,116,197	34%
Unrestricted Plant				
Current Month				
Budget	Actual	Y-T-D Actual	%	
REVENUES				
State Aid:				
Capital	199,300	0	61,300	31%
Other Miscellaneous				
Transfers:	2,000,000	166,667	833,333	42%
TOTAL REVENUES	\$2,199,300	\$166,667	\$894,633	41%
EXPENDITURES				
Salaries and Wages				
Operating Expenditures				
Capital Expenditures	12,199,300	282,237	1,918,893	16%
TOTAL EXPENDITURES	\$12,199,300	\$282,237	\$1,918,893	16%

NAVAJO COUNTY COMMUNITY COLLEGE DISTRICT

Statement of Financial Position

For the period July 1, 2013 to November 30, 2013

Budget Period Expired 42%

Restricted and Auxiliary Funds

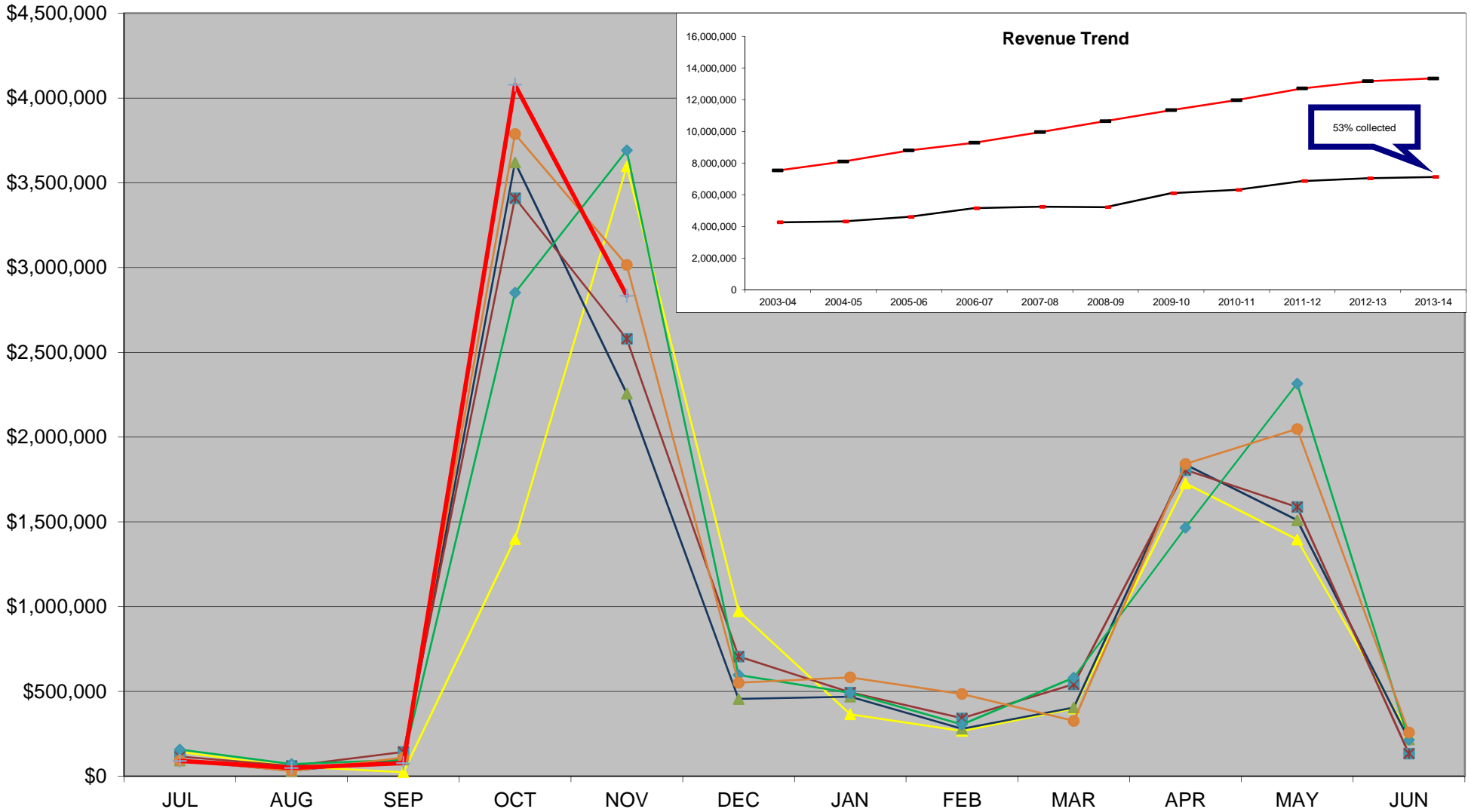
	Restricted			
	Budget	Current Month Actual	Y-T-D Actual	%
REVENUES				
Grants and Contracts	6,400,000	204,227	1,976,035	31%
Donations				
Transfers:	600,000		390,147	65%
TOTAL REVENUES	\$7,000,000	\$204,227	\$2,366,182	34%
EXPENDITURES				
Salaries and Wages	935,960	111,097	431,535	46%
Operating Expenditures	5,914,040	63,242	1,609,685	27%
Capital Expenditures	150,000		295,074	197%
TOTAL EXPENDITURES	\$7,000,000	\$174,339	\$2,336,294	33%

	Auxiliary			
	Budget	Current Month Actual	Y-T-D Actual	%
REVENUES				
Sales and Services				
Bookstore	100,000	754	64,312	64%
Other	306,000	15,828	101,449	33%
Donations				
Transfers:	150,000	1,625	68,152	45%
TOTAL REVENUES	\$556,000	\$18,207	\$233,913	42%
EXPENDITURES				
Salaries and Wages	377,903	23,240	114,448	30%
Operating Expenditures	178,097	15,287	119,465	67%
Capital Expenditures				
TOTAL EXPENDITURES	\$556,000	\$38,527	\$233,913	42%

Cash Flows

Cash flows from all activities (YTD)	\$14,662,927
Cash used for all activities (YTD)	\$12,605,297
Net Cash for all activities (YTD)	\$2,057,630

Monthly Primary Property Tax Receipts



Navajo County Community College District Governing Board meeting Minutes

December 17, 2013 – 10:00 a.m.
Painted Desert Campus, Tiponi Community Center
2251 East Navajo Boulevard, Holbrook, Arizona

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

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

Others Present: Stuart Bishop, Peggy Belknap, Ann Hess, Margaret White, Bill Fee, Cynthia Hutton, Sharon Hokanson, Everett Robinson, Beulah Bob-Pennypacker, Matt Weber, Julie Wiessner, Donna Ashcraft, Terry Yazzie, Jeremy Raisor.

Agenda Item 1: Call to Order and Pledge of Allegiance

Chair Handorf called the meeting to order at 10:00 a.m. Chair Handorf 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 – Vice President Hatch

Vice President Hatch reviewed the Financial Report with the Board.

4.B. NPC CASO – Margaret White

Margaret White addressed the Board and stated CASO recently took a survey to see if the Warm and Fuzzy award needed renamed. 69% voted to keep it Warm and Fuzzy. Candy sales are doing well. CASO awarded two \$1,000 scholarships to students for the 2013/2014 semester. CASO raised \$900 for the CASO textbook scholarships. Margaret White thanked President Swarhout for funding the scholarship. Margaret White offered each board member a chocolate bar.

4.C. Faculty Association – Cyndi Hutton

Cyndi Hutton, Co-Chair of the Faculty Association, addressed the Board and stated the faculty association salary resolution was complete. The Employee Relations Committee is currently



reviewing the suggested salary step changes. The Faculty Association has had good attendance at monthly meetings and has also discussed adopting a highway. Cyndi Hutton introduced faculty members Cotillion Sneddy and Betsy Peck from the Early Childhood Program.

Betsy Peck discussed a current grant the program has been awarded to help recruit workers for the field of early childhood education, as well as help move students toward general education classes. This year there will be 15 students close to finishing their AA. The goal of the grant was to recruit 30 new people to the field and the College has exceeded this goal with 42 people ultimately recruited. Betsy Peck also shared about the early childhood fair that took place in 2013 and that there will be another fair in 2015. Betsy also announced a new Early Childhood Development student club. Cotillion Sneddy stated that she works with the Early Childhood Program on the reservations. Mr. Winslow asked if they knew demographic breakdown of the 42 new students. Betsy Peck stated the students came from all different demographics.

4.D. NPC Student Government Association

None.

Agenda Item 5: Consent Agenda

- A. November 19, 2013, regular meeting minutes.
- B. Dual Enrollment Intergovernmental Agreements with Heber-Overgaard USD, Window Rock USD

Mr. Matteson moved to accept the consent agenda. Mr. Lucero seconded the motion. *The vote was unanimous in the affirmative.*

Agenda Item 6: Old Business

None.

Agenda Item 7: New Business

7.A. Alumni Award – Terry Yazzie

Ann Hess presented Terry Yazzie as the outstanding alumnus awardee for fall 2013. Ann Hess introduced Jeremy Raisor who has taken over the NPC alumni activities. Jeremy Raisor shared Terry Yazzie's achievements and history. Ann Hess presented Terry Yazzie with the alumni award. Terry Yazzie thanked the governing board and staff for the honor and shared some of his past experiences with NPC staff and faculty.

7.B. Request to Approve Program Modification for Industrial Maintenance & Operations Program

Vice President Mark Vest presented curriculum changes to the Industrial Maintenance & Operations Program.

Mr. Matteson moved to approve the program modifications for the Industrial Maintenance & Operations Program. Mr. Lucero seconded the motion. *The vote was unanimous in the affirmative.*



7.C. Request to Approve Program Modification for Computer Information Systems Program
Vice President Mark Vest presented curriculum changes to the Computer Information Systems Program.

Mr. Winslow asked if MAT 109 and MAT 112 are the same as high school algebra. Vice President Vest stated they were not.

Mr. Matteson moved to approve the program modification for the Computer Information Systems Program. Mr. Lucero seconded the motion. *The vote was unanimous in the affirmative.*

7.D. Review of Arizona Community College Coordinating Council 2013 Annual Report
President Swarthout did a brief summary of requirements for the Annual Report and stated that next year staff would only present NPC's report to the board. Mr. Winslow stated he appreciated administration being candid about challenges the College faces.

7.E. Request to Approve 2014-2015 Budget Development Assumptions
Vice President Hatch went through the Budget Development Assumptions with the Board. Mr. Lucero asked what time-span Vice President Hatch meant by no short-term impact of the expenditure limitation. Vice President Hatch stated it was a multi-year approach, particularly if the College is planning to make adjustments and plan to invest in changes that will increase enrollment, as well as make adjustments to expenditures, so probably 3-5 years. Mr. Lucero clarified that the College will have carry-forward funds for those 3-5 years. Vice President Hatch stated that was the case.

Mr. Lucero asked if the cost of the loss of paper mill to NPC has been determined. Vice President Hatch stated that impact on assessed valuation would not be known until February 15 when hard numbers from the County Assessor's office are available.

Mr. Lucero asked if student enrollment was still down and if it was expected to go down further. Vice President Vest stated if the College was not in a trough for enrollment but instead is at a new baseline for enrollment, then the College and the Board would need to discuss the long-term ramifications.

Chair Handorf asked if the Governor's Office has made any comments on equalization for the upcoming year. President Swarthout stated there has not been much discussion at this point as it is early in the legislative process. Vice President Hatch stated equalization becomes a bigger focus when it goes up. Mr. Winslow asked how increasing student enrollment helps the College in regards to financial security. Vice President Hatch stated it helps in planning expenditures as funding depends largely on growth and when there's no growth it is much more difficult to manage. President Swarthout stated that growth comes with the factor of expenditure limitation as it, somewhat unrealistically, is predicated on an average 3% student growth per year.



Chair Handorf asked if enrollment is down at all community colleges in the State. President Swarthout stated all colleges but Yavapai has had enrollment reduction. Mr. Winslow stated that sometimes in a business model a company has to spend money to make money. Focusing on enrollment by incentivizing with decreased tuition and advertising could help increase enrollment. Mr. Winslow stated hopefully the College is providing a benefit directly to the taxpayer. Mr. Lucero stated that might be true, but the college needs to consider that the taxpayer might not see it that way. Vice President Vest stated that the College's yield rate of traditional age high school graduates has remained steady over time, what has changed dramatically is the adult student population because it has been the most affected by changes in third party ability to pay.

Mr. Matteson moved to approve the 2014-2015 Budget Development Assumptions. Mr. Lucero seconded the motion. *The vote was unanimous in the affirmative.*

7.F. Request to Approve 2014-2017 Strategic Plan

Director Wasson stated the 2014-2017 Strategic Plan had been reviewed at the November board meeting and there had not been many suggestions for changes. Mr. Matteson stated that the detail in the Pillar III addenda was much appreciated and asked if all pillars could include similar addenda. Director Wasson stated that had been discussed and that it would be included in next year's version. Mr. Winslow stated there seemed to be mis-numbering as 2.5.1. appeared in the document twice. Dr. Wasson stated that would be fixed. Mr. Winslow stated he felt that due to restrictions of open meeting law that the Board is engaged in the strategic plan at the end of the process rather than the beginning. He requested that if possible he would like the Board to be more engaged in strategic planning on the front end.

Mr. Winslow moved to approve the 2014-2017 Strategic Plan. Mr. Matteson seconded the motion. *The vote was unanimous in the affirmative.*

7.G. Review of Community Survey Results – Director Wasson

Director Wasson reviewed the community survey results with the Board and stated that the College intends to repeat a community perception survey in 3-5 years.

Agenda Item 8: Standing Business

8.A. Strategic Planning and Accreditation Steering Committee Report

SPASC is currently on hiatus and will meet again on January 17 at which time the committee will move toward specific operational plans connecting the Strategic Plan directly to the budgeting process.

8.B. Human Resources Update – Sharon Hokanson

Director Sharon Hokanson summarized the human resources report with the Board.

8.C. President's Report – President Swarthout

President Swarthout stated AC4 has accepted Kristen Boilini as lobbyist and so she will not be representing NPC any longer. Also, the College has five teams for the Holbrook Kiwanis



fundraiser. The insurance meeting with the college health care trust has been rescheduled to the 31st of January at Torreon.

Agenda Item 9: Board Report/Summary of Current Event

Chair Handorf wished everyone a Merry Christmas.

Agenda Item 10: Announcement of Next Regular Meeting: January 21, 2014.

Agenda Item 11: Adjournment

The meeting was adjourned at 12:26p.m. upon a motion by Mr. Winslow, a second by Mr. Matteson, and a unanimous affirmative vote.

Respectfully submitted,

Lisa Jayne
Recording Secretary to the Board



**INTERGOVERNMENTAL AGREEMENT
BETWEEN
NAVAJO COUNTY COMMUNITY COLLEGE DISTRICT
AND
RED MESA UNIFIED SCHOOL DISTRICT #27**

This Intergovernmental Agreement (“Agreement”) is entered into this 12 day of December, 2013 between Navajo County Community College District, (“College”), and Red Mesa Unified School District No. 27, (“School District”) (collectively “Parties”). Both Parties are public agencies of the State of Arizona as defined in Arizona Revised Statutes (“A.R.S.”) § 11-951.

BACKGROUND

College and School District are authorized to enter into this Agreement pursuant to A.R.S. § 15-342(13), § 15-701.01(G), § 15-1444(B)(4), and § 15-1821.01. Grant schools are authorized to participate in this Agreement under the Tribally Controlled Schools Act, 25 U.S.C. § 2501 *et seq.* This Agreement and its use are mandated under A.R.S. § 15-1821.01(1).

College has determined that it is desirable to offer college level courses that may be counted toward both high school and college graduation requirements at the high school during the school day.

School District desires that College provide to high school students college level courses that may be counted toward both high school and college graduation.

AGREEMENT

In consideration of the mutual promises contained herein, the Parties agree as follows:

1. PURPOSE

The purpose of this Agreement is to set forth the understanding of the Parties as to their respective responsibilities and rights in providing Dual Enrollment Courses, as defined in Section 2 below, to eligible School District students.

2. DEFINITION

Pursuant to A.R.S. § 15-101(11), a “Dual Enrollment Course” is defined as a college level course that is conducted on the campus of a high school or on the campus of a joint technological education district, and that is:

- A. applicable to an established community college academic degree or certificate program, and transferable to a university under the jurisdiction of the Arizona Board of Regents; or

- B. applicable to a community college occupational degree or certificate program.
- C. Notwithstanding the foregoing, physical education shall not be available as a Dual Enrollment Course.

3. EFFECTIVE DATE AND TERM

- A. This Agreement shall be effective:
 - i. After the governing boards of School District and College have approved it; and
 - ii. On the date that authorized representatives of both Parties have signed it (“Effective Date”).
- B. The term of this Agreement shall be from the Effective Date through June 30, 2014 (“Term”).

4. OBLIGATIONS OF COLLEGE

4.1 General Course Requirements

- A. College will offer Dual Enrollment Courses to School District juniors and seniors, and to freshman and sophomore students subject to Paragraph F in this Section 4.1 who meet College’s prerequisites.
- B. Pursuant to A.R.S. § 15-1821.01(3), College will ensure that all Dual Enrollment Courses offered to School District students are:
 - 1. of a quality and depth to qualify for college credit as determined by College;
 - 2. evaluated and approved through the College curriculum approval process;
 - 3. at a higher level than taught by the School District high school;
 - 4. transferable to an Arizona public university or applicable to an established community college occupational degree or certificate program; and
 - 5. compliant with all other standards for College courses.

Dual Enrollment Courses offered pursuant to this Agreement are listed in Exhibit B attached to this Agreement.

- C. Students enrolled in Dual Enrollment Courses shall be admitted to College for college level credit under current procedures for admission of students to College, and in compliance with A.R.S. § 15-1821.01 and A.R.S. § 15-1805.01. A student who is under eighteen (18) years of age may be

granted admission if the student meets the pre-requisites for the Dual Enrollment Course and the student achieves any one of the following:

1. a composite score of ninety-three (93) or more on the preliminary scholastic aptitude test;
2. a composite score of nine hundred thirty (930) or more on the scholastic aptitude test;
3. a composite score of twenty-two (22) or more on the American college test;
4. a passing score on the relevant portions of the Arizona instrument to measure standards test;
5. the completion of a college placement test designated by College that indicates the student is at the appropriate college level for the course; or
6. is a graduate of a private or public high school or has a high school certificate of equivalency.

Home schooled students are exempt from Sections 1-6 of this Paragraph C. Notwithstanding the above, a student who enrolls in a vocational or occupational education course may be admitted on an individual basis with the approval of College if the student meets the established requirements of the course for which the student enrolls and College determine that the student's admission is in the best interest of the student. College retains the right to refuse admission to and remove a student from Dual Enrollment Courses in accordance with College policy.

D. College has the right to limit the number of semester hours in which a student may enroll in Dual Enrollment Courses to not less than six (6) credit hours per semester.

E. College shall determine residency status of students for tuition purposes in accordance with A.R.S. § 15-1801 *et seq.*

F. Pursuant to A.R.S. § 15-1821.01(2)(b) and subject to Section 5.1(E) below, College may waive the class status requirements set forth in Section 4.1(A) for up to twenty-five percent (25%) of the students enrolled for Dual Enrollment Courses by College. College shall have written criteria for waiving the requirement for each Dual Enrollment Course which shall include a demonstration, by an examination of the specific purposes and requirements of the course, that freshman and sophomore students who meet the Dual Enrollment Course prerequisites are prepared to benefit from the college level course. College shall report all exceptions and the justification for each exception.

G. College will provide to School District the instructional information necessary to meet the goals of the courses delivered, including but not limited to College approved textbook titles, syllabi, course outlines and grading standards applicable to the Dual Enrollment Courses.

H. College will ensure that instructors of Dual Enrollment Courses follow the Dual Enrollment Course guidelines, and that the same standards of expectation and assessment that are applied to other College courses are applied to the Dual Enrollment Courses.

I. For each student, College will assign an identification number to the student that shall correspond to or reference the Student Accountability Information System (SAIS) number assigned to the student. School District will provide College with the SAIS number for each student as provided in Section 5.1(G).

J. College will grant College credit for a Dual Enrollment Course when a student satisfactorily completes the course.

4.2 Instructors and Instruction

A. College will ensure that School District instructors teaching Dual Enrollment Courses have valid College teaching qualifications in the field being taught and are selected and evaluated by College using the same procedure and criteria that are used for instructors at College campus.

B. If College is providing the instructor for a Dual Enrollment Course, College will provide at College's expense a substitute instructor, as necessary and as agreed upon by School District, to cover the absence of any College instructor teaching a Dual Enrollment Course.

4.3 Assessment and Monitoring

A. Except for vocational and occupational Dual Enrollment Courses, and if required by College policy, College will assess each student who seeks enrollment in a Dual Enrollment Course through an assessment test prior to, or at the time of, enrollment to determine and assure proper placement in the Dual Enrollment Courses.

B. College will involve full-time College faculty who teach a particular discipline in the selection, orientation, ongoing professional development and evaluation of School District faculty teaching Dual Enrollment Courses.

C. College will designate a liaison officer to assist with dual enrollment activities and to meet with the liaison designated by School District as necessary and, at least once within a two-year period, to review Dual Enrollment Course outlines and School District's high school Scope and Sequence, and to review and amend the course outlines as necessary.

D. College will provide career counseling and advisement for School District students while they are enrolled in Dual Enrollment Courses.

4.4 Policy and Procedure

A. College will comply with all applicable procedures and requirements for the Dual Enrollment Courses set out in state statute and College policy.

B. College will provide School District with College policies and procedures applicable to students enrolling in Dual Enrollment Courses.

C. College will provide School District access to the educational records of students as necessary to carry out the terms of this Agreement, and limit access to such records to employees who have a legitimate interest and a need to know the substance of the particular record, understanding that students enrolled in the Dual Enrollment Courses will be enrolled in both School District and College. Pursuant to Title 34, Part 99, Section 99.31 of the Code of Federal Regulations, the Family Educational Rights and Privacy Act of 1974, as amended ("FERPA"), School District and College may disclose educational records of students to each other as "officials of another school system" where the student is enrolled.

4.5 Students with Disabilities

A. After notification from School District of a student's need, if College is providing the instructor, College will cooperate with School District to ensure the instructor complies with Section 504 of the Rehabilitation Act of 1973, as amended, and the Individuals with Disabilities Education Act ("IDEA"). College shall work with School District in determining appropriate accommodations, however, School District shall have the primary financial and administrative responsibility for providing and implementing necessary accommodations.

B. College will provide training and guidance to instructors and other personnel in the area of compliance with the Americans with Disabilities Act ("ADA") and Rehabilitation Act of 1973, as amended, as the Acts specifically relate to instructing students in a postsecondary education situation.

4.6 Reporting

College will submit a report to the Joint Legislative Budget Committee pursuant to A.R.S. § 15-1821.01(2)(b) when necessary, and School District will provide College with data that is required for inclusion in any such report in a timely fashion, as specified in Section 5.6.

5. OBLIGATIONS OF SCHOOL DISTRICT

5.1 General Course Requirements

A. School District will provide an opportunity for School District students who meet criteria pursuant to Paragraph B of this Section 5.1 to enroll in Dual Enrollment Courses and to receive college credit and credit toward high school graduation.

B. Pursuant to A.R.S. § 15-1821.01(6), School District will ensure that each student who enrolls for a Dual Enrollment Course pursuant to this Agreement is a full-time student and is currently enrolled in and attending a full-time instructional program, as defined in A.R.S. § 15-901, in a school in School District, except that high school seniors who satisfy high school graduation requirements with less than a full-time instructional program shall be exempt from this provision.

C. If School District is providing the instructor for the Dual Enrollment Course, School District will provide instruction in accordance with the policies, regulations and instructional standards of College in courses designated as Dual Enrollment Courses to students of School District at the School District facility during the day.

D. School District will verify that each student enrolled in a Dual Enrollment Course, including those not electing to enroll for College credit, satisfies the prerequisites for the Dual Enrollment Course as published in College's catalog and complies with College policies and this Agreement regarding student placement in courses.

E. The School District Superintendent or designee may allow freshman and sophomore students to enroll in Dual Enrollment Courses subject to Section 4.1(F) above.

F. School District will adopt and utilize College approved textbooks, course outlines, and grading standards applicable to the Dual Enrollment Courses being taught. School District shall provide textbooks for the students. Each student shall be responsible to purchase other supplies, if any, required for the Dual Enrollment Course. Classroom supplies normally supplied by College are included in tuition charges.

G. For each student enrolling in a Dual Enrollment Course, School District will enroll the student using the student's SAIS number and provide that number to College.

5.2 Instructors and Instruction

A. If School District is to provide the instructor, School District will nominate an instructor qualified in the appropriate subject area for each Dual Enrollment Courses and submit each instructor's name and credentials to College for approval.

B. School District will ensure that instructors teaching Dual Enrollment Courses provide instruction in accordance with policies, regulations and instructional standards of College and comply with College assessments.

C. If School District is providing the instructor, School District will provide at School District's expense a substitute instructor, as necessary and as agreed upon by College, to cover the absence of a School District instructor who teaches a Dual Enrollment Course. In the case of substitutions exceeding ten (10) consecutive school days, School District shall notify College in writing of the name and credentials of the substitute instructor.

5.3 Assessment and Monitoring

A. School District will designate a liaison officer to assist with dual enrollment activities and to meet with the College designated liaison as necessary and, at least once within a two-year period, to review Dual Enrollment Course outlines and School District's high school scope and sequence to review and amend the course outlines as necessary.

B. School District will provide counseling and advisement for School District students while they are enrolled in Dual Enrollment Courses.

5.4 Policy and Procedure

A. School District will ensure that each student seeking enrollment in a Dual Enrollment Course:

1. has completed the necessary registration forms;
2. has completed College assessment examinations, if required by College;
3. is aware the student is subject to both School District policies and procedures and College policies and procedures;
4. is aware the student is participating in a college level course, even though provided at the School District, and should act appropriately; and

5. is aware of the requirements for determination of resident/nonresident tuition.

B. School District will ensure that each instructor of Dual Enrollment Courses agrees to be subject to School District policies and procedures and College policies and procedures, including the right of College to withdraw authorization of the instructor's participation in the dual enrollment program for failure to follow College requirements.

C. School District will provide College access to the educational records of students as necessary to carry out the terms of this Agreement, and limit access to such records to employees who have a legitimate interest and a need to know the substance of the particular record, understanding that students enrolled in the Dual Enrollment Courses will be enrolled in both School District and College. Pursuant to FERPA, School District and College may disclose educational records of students to each other as "officials of another school system" where the student is enrolled.

5.5 Students with Disabilities

School District will determine the appropriate accommodations for each qualified student with disabilities in accordance with the ADA and Section 504 of the Rehabilitation Act of 1973, submit appropriate documentation on students with disabilities to the Disabilities Coordinator at College, and implement accommodations as required by Federal and State law and as negotiated between the College Disability Resource office and School District. School District shall work with College in determining appropriate accommodations. School District shall have the primary financial and administrative responsibility for providing and implementing necessary accommodations.

5.6 Reporting

School District will provide to College any data or other information that is required for the submission of the report required by A.R.S. § 15-1821.01(2)(b).

5.7 Facilities and Funding

A. School District will provide classroom/laboratory space in which Dual Enrollment Courses and activities will be conducted. Facilities and ancillary services provided for the delivery of Dual Enrollment Courses shall comply with all applicable provision of the state Fire Marshall Code, A.R.S. § 41-2161 et seq. (access for disabled persons), and all other applicable federal and state laws.

B. Payment, if any, for facilities and ancillary services shall be designated in Exhibit A attached to this Agreement.

6. MUTUAL AGREEMENTS

6.1 Instructor

A. Throughout the term of this Agreement, an instructor provided by School District shall remain an employee of School District, and shall be subject to the terms and conditions of the instructor's employment contract and School District policy, but shall also be subject to continuing approval by College. Should a School District instructor violate College procedure or policy, College may

withdraw authorization for the instructor to participate in the dual enrollment program and School District, upon such withdrawal of authorization, shall substitute another qualified instructor and notify College in writing of such substitution. The instructor must be approved by College pursuant to the terms of this Agreement.

B. Throughout the term of this Agreement, an instructor provided by College shall remain an employee of College, and shall be subject to the terms and conditions of the instructor's employment contract and College policy, but shall also be subject to School District policy. Should an instructor violate School District procedure or policy, School District may ask College to withdraw authorization for the instructor to participate in the dual enrollment program and College, upon such withdrawal of authorization, shall substitute another qualified instructor and notify School District in writing of such substitution.

6.2 Student

Each student enrolled in a Dual Enrollment Course, even though enrolled as a College student during the term of the Dual Enrollment Course, shall remain a student of School District and shall follow the schedule and calendar of classes as established by School District and approved by College.

6.3 Removal from Course

School District retains the right to refuse to allow a student to enroll in a Dual Enrollment Course and to discipline and/or remove any student from the Dual Enrollment Course in accordance with School District policies. College shall have the right to request School District to remove a student from a Dual Enrollment Course in accordance with College policy.

6.4 Schedule and Number of Students

School District and College shall mutually determine the schedule of, and maximum and minimum number of students to enroll in, each Dual Enrollment Course. Such schedule shall not be changed except by written agreement of School District and College. School District and College must mutually agree if any student who is not a student of School District will be enrolled in a Dual Enrollment Course; provided, however, that any such student must comply with the admissions requirements and course prerequisite requirement provisions of this Agreement.

6.5 Availability of Instructors

Availability of Dual Enrollment Courses offered by College shall be dependent on the availability of appropriately qualified instructors. College may compensate School District for the services of a qualified instructor provided by School District or, alternatively, College may provide a qualified instructor to deliver any Dual Enrollment Course.

6.6 Guidelines

School District and College shall ensure that each student enrolled in a Dual Enrollment Course, and all personnel of School District and all personnel of College who are involved in the dual

enrollment program are provided with dual enrollment guidelines, and that such persons agree to review and comply with the guidelines.

6.7 Rigor of Courses

College and School District agree that college level courses are rigorous and demanding courses, and the standards and criteria of any Dual Enrollment Course shall meet statutory and College criteria, and such criteria shall not be diminished for the purpose of the dual enrollment program.

7. FINANCIAL PROVISIONS AND FORMAT FOR BILLING: See Exhibit A attached.

7.1 Fees

Fees and charges for the Dual Enrollment Courses and program are provided on Exhibit A attached to this Agreement.

7.2 Supplies

School District will provide and pay for basic textbooks, workbooks, supplies and other costs related to the teaching of and the administration of Dual Enrollment Courses within School District.

7.3 Tuition

A. Either the student or School District shall be responsible for payment of tuition to College, as specified in Exhibit A.

B. College may provide grants, scholarships or financial aid in accordance with College policies and as set forth in Exhibit A. In addition, College may offset tuition payments owed to College by School District with payments due from College to School District.

C. School District understands and agrees that tuition charges for students enrolled under this program may vary from student to student depending upon the total number of student credit hours for which each student has enrolled each term, and depending upon the residency status of the student. Pursuant to A.R.S. § 15-1802(C), the residency of an unemancipated student under the age of nineteen years will be that of the student's parent or legal guardian, and any student who is not a legal resident of Arizona will be charged out of state tuition rates.

7.4 Billing Format

The format for the billing of all services pursuant to this Agreement is set forth on Exhibit A. The Billing Format shall include all information required by A.R.S. § 15-1821.01(1)(a).

8. CONTINUATION OF AGREEMENT

The continuation of this Agreement beyond the initial fiscal year is dependent on and subject to the appropriation and availability of funding for each Party in each subsequent fiscal year. If sufficient funding is not made available to allow a Party to continue meeting its contractual obligations under this Agreement, that

Party shall so notify the other Party and either Party may cancel this Agreement and have no further obligation to the other Party. In the alternative, the Parties may by mutual written agreement, modify this Agreement to reduce the level of compensation, services or other consideration provided.

9. RECORDS

All accounts, reports, files and other records relating to this Agreement shall be kept for a minimum of five (5) years after termination of this Agreement and shall be open to reasonable inspection and audit by the other party during that period. Audits may be conducted, at a time mutually agreed upon by the parties, by any appropriate political subdivision or agency of the State of Arizona or by representatives of the comptroller General of the United States or the Secretary of Education when required by applicable federal regulations.

10. CONFIDENTIALITY

All written student records shall be kept confidential in accordance with FERPA and regulations adopted pursuant to FERPA, the IDEA and regulations adopted thereunder, and applicable state laws and school board policies controlling the disclosure of personally identifiable information from a student's education records.

11. TERMINATION/DISPOSITION OF PROPERTY

11.1 Termination

Either Party may terminate this Agreement for any reason following written notice to the other Party of intent to terminate delivered not less than 90 days prior to the intended date of termination. Except as provided in this section 11, termination shall only be effective at the end of a semester, and no Dual Enrollment Course shall be terminated prior to such effective date.

11.2 Risk to Health or Safety

If either Party has reason to suspect that any activities undertaken pursuant to this Agreement present a risk to the health or safety of students or is contrary to the Party's mission or operations, that Party may request that a meeting between the Parties be convened within 48 hours and promptly confirm the meeting in writing. In such circumstances, the Parties to this Agreement will attempt to reconcile differences within five working days of such meeting. If reconciliation is not achieved within the five day period, this Agreement will automatically terminate.

11.3 No Relief from Obligations

Termination shall not relieve either Party from its obligation to pay for services provided prior to termination and those for any student already admitted and enrolled in a course or courses and obtaining dual credit at the time of termination or notice thereof.

11.4 Disposition of Property

The Parties do not contemplate joint acquisition of any property pursuant to this Agreement. Upon termination of this Agreement, equipment furnished or purchased by College for the program

shall be retained by College, and equipment furnished or purchased by School District for the program shall be retained by School District.

12. RESPONSIBILITY

12.1 Conduct of Operations

Each Party agrees to be responsible for the conduct of its operations and performance of contract obligations and the actions of its own personnel while performing services under this Agreement, and each party shall be solely responsible for supervision, daily direction, control of payment of salary (including withholding for payment of taxes and social security), workers' compensation and disability benefits.

12.2 Indemnification

Each Party, to the greatest extent legally permissible, shall indemnify, defend, and hold harmless the other Party from any liability resulting from the negligence, intentionally tortious, or willful misconduct of the indemnifying Party's employees, officers, students and agents.

13. CANCELLATION FOR CONFLICT OF INTEREST

This Agreement may be canceled pursuant to A.R.S. § 38-511, the pertinent provisions of which are fully incorporated herein by reference.

14. NON-ASSIGNABILITY

Neither Party may assign any right or delegate a duty or responsibility under this Agreement without the prior written consent of the other Party.

15. COMPLIANCE WITH NON-DISCRIMINATION LAWS

To the extent applicable, the Parties shall comply with all College policies and State and Federal laws and regulations, including Executive Order 99-4, which prohibit discrimination against any person based on race, religion, handicap, color, age, sex, sexual orientation, political affiliation or national origin, and the Parties shall prohibit discrimination in the employment or advancement in employment of a qualified person because of physical or mental disability including all applicable provisions of the ADA.

16. RIGHTS/OBLIGATIONS OF PARTIES ONLY

The terms of this Agreement are intended only to define the respective rights and obligations of the Parties. Nothing expressed herein shall create any rights or duties in favor of any potential third Party beneficiary or other person, agency or organization.

17. ENTIRE AGREEMENT

This Agreement, and its attachments as noted herein, constitutes the entire agreement between the Parties, and, except as previously noted, all prior or contemporaneous oral or written agreements are superseded by this Agreement. There are no representations or other provisions other than those contained

herein, and any amendment or modification of this Agreement shall be made in writing and signed by the Parties to this Agreement.

18. INVALIDITY OF PART OF THE AGREEMENT

If any part of this Agreement is held to be illegal, invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect with those offending portions omitted.

19. GOVERNING LAW

This Agreement shall be construed under the laws of the State of Arizona and shall incorporate by reference all laws governing intergovernmental agreements and mandatory contract provisions of state agencies required by statute or executive order.

All statutes and regulations referenced in this Agreement are incorporated herein as if fully stated in their entirety in the Agreement. Each Party agrees to comply with and be responsible for the provisions, the statutes, and the regulations set out in this Agreement.

20. NOTICE

All notices, requests for payment, or other correspondence between the Parties regarding this Agreement shall be mailed United States postage prepaid or delivered personally to the respective parties at the following addresses:

If to College:

Dr. Jeanne Swarthout, President
Northland Pioneer College
P.O. Box 610
Holbrook, Arizona 86025

If to School District:

Tommy Yazzie, Superintendent
Red Mesa Unified School District No. 27
HC 61 Box 40
Teec Nos Pos, AZ 86514

COLLEGE

SCHOOL DISTRICT


By: Dr. Jeanne Swarthout, President
Title: Superintendent



By: Tommy Yazzie, Superintendent
Title: Superintendent

Date

Date



Attorney Approval: This Agreement has been reviewed pursuant to A.R.S. § 11-952 by the undersigned attorney who has determined that it is in proper form and is within the powers and authority granted under the laws of Arizona to the Governing Board of the College.

By: _____
Legal Counsel for College

Attorney Approval: This Agreement has been reviewed pursuant to A.R.S. § 11-952 by the undersigned attorney who has determined that it is in proper form and is within the powers and authority granted under the laws of Arizona to the Governing Board of the School District.

By:  _____
Legal Counsel for School District

EXHIBIT A

FINANCIAL PROVISIONS

1. APPROVED TUITION AND FEES APPLICABLE TO THIS AGREEMENT

Tuition: \$64 per credit hour.

2. IDENTITY OF PERSON OR ENTITY RESPONSIBLE FOR PAYING STUDENT TUITION AND FEES

Students are responsible for payment of tuition and fees. An individual billing account will be established for each participating student.

3. ADDITIONAL CHARGES

Except as provided in this section, no additional fees shall be charged for assessment tests, if any, used for placement purposes. Assessment fees, if any, will be charged subject to and in compliance with College policies and procedures, and relevant state statutes and regulations.

4. FINANCIAL AID POLICIES

Except as indicated in this section, College offers no grant, scholarship or financial aid for the dual enrollment program. The provision, if any, of any grant, scholarship or financial aid shall be subject to and in compliance with College policies and procedures, and relevant state statutes and regulations.

All students enrolled in an authorized dual enrollment course are eligible for tuition and fee scholarships.

5. FORMAT FOR BILLING

Except as provided below, charges will be assessed each semester and invoices shall be sent no later than thirty (30) days after the end of the semester. Payment shall be due within thirty (30) days of receipt of the invoice.

NCCCD shall reimburse the School District at a rate of Ten Dollars (\$10.00) per credit hour for each properly enrolled student, to a maximum amount of One Hundred Dollars (\$100.00) per credit hour for each dual enrollment course. The invoice shall be based on NCCCD course rosters and include the information listed in Exhibit B of this Agreement.

6. FULL TIME STUDENT EQUIVALENT

Amount College received in FTSE in prior academic year	<u>\$1,689,700</u>
Portion of that FTSE distributed to School District	<u>0</u>
Amount School District returned to College	<u>0</u>

EXHIBIT B

**TYPE OF INSTRUCTION
DUAL ENROLLMENT COURSES**

COURSES AND CREDITS

For complete course descriptions, refer to the current College catalog.

All courses listed with an asterisk are also offered to freshmen and sophomore students.

The number of students admitted for any Dual Enrollment Course shall not be less than **six (6)** students per section and shall not exceed a maximum of **thirty (30)** students per section.

COURSE	TITLE	CREDITS	SEMESTER	INSTRUCTOR
BUS220	PRINCIPLES OF MARKETI	3.00	FALL	KRAUS, PHILL
BUS220	PRINCIPLES OF MARKETI	3.00	SPRING	KRAUS, PHILL

Attorney Approval: This Agreement has been reviewed pursuant to A.R.S. § 11-952 by the undersigned attorney who has determined that it is in proper form and is within the powers and authority granted under the laws of Arizona to the Governing Board of the College.

By: 
Legal Counsel for College

Attorney Approval: This Agreement has been reviewed pursuant to A.R.S. § 11-952 by the undersigned attorney who has determined that it is in proper form and is within the powers and authority granted under the laws of Arizona to the Governing Board of the School District.

By: 
Legal Counsel for School District

REQUEST TO APPROVE RESOLUTION 14-1: DESIGNATING THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) AS THE BASIS FOR ALL INCIDENT MANAGEMENT FOR THE NAVAJO COUNTY COMMUNITY COLLEGE DISTRICT

Recommendation:

Staff recommends approval Resolution 14-1: Designating the National Incident Management System (NIMS) as the basis for all incident management for the Navajo County Community College District.

Summary:

The National Incident Management System (NIMS) identifies concepts and principles that answer how to manage emergencies from preparedness to recovery regardless of their cause, size, location or complexity. NIMS provides a consistent, nationwide approach and vocabulary for multiple agencies or jurisdictions to work together to build, sustain and deliver the core capabilities needed to achieve a secure and resilient nation.

Consistent implementation of NIMS provides a solid foundation across jurisdictions and disciplines to ensure effective and integrated preparedness, planning and response. NIMS describes the planning, organizing, equipping, training and exercising needed to build and sustain the core capabilities required across the whole community to prevent, protect against, mitigate, respond to and recover from the threats and hazards that pose the greatest risk.



RESOLUTION NUMBER 14-1

A RESOLUTION OF THE NAVAJO COUNTY COMMUNITY COLLEGE DISTRICT GOVERNING BOARD, DESIGNATING THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) AS THE BASIS FOR ALL INCIDENT MANAGEMENT FOR THE NAVAJO COUNTY COMMUNITY COLLEGE DISTRICT.

WHEREAS, the President of the United States in Homeland Security Directive (HSPD)-5 directed the Secretary of the Department of Homeland Security to develop and administer a National Incident Management system (NIMS) to provide a consistent nationwide approach for federal, state, local and tribal public entities to work together more effectively and efficiently to prevent, prepare for, respond to and recover from domestic incidents, regardless of cause, size or complexity; and

WHEREAS, to facilitate the most efficient and effective incident management it is critical that federal, state, local and tribal public entities utilize standardized terminology, standardized organizational structures, interoperable communications, consolidated action plans, unified command structures, uniform personnel qualification standards, uniform standards for planning, training and exercising, comprehensive resource management, and designated incident facilities during emergencies or disasters; and

WHEREAS, it is necessary and desirable that all Navajo County Community College District departments and employees coordinate efforts to effectively and efficiently provide the best incident management activities; and

WHEREAS, the NIMS standardized procedures for managing personnel, communications, facilities, and resources will improve the Navajo County Community College District's ability to utilize federal funding to enhance local readiness, maintain safety, and streamline incident management processes; and

WHEREAS, the Incident Command System components of NIMS are already an integral part of various incident management activities throughout the Navajo County Community College District,

NOW, THEREFORE, BE IT RESOLVED that the Navajo County Community College District Governing Board hereby declares and establishes the National Incident Management System (NIMS) as the Navajo County Community College District standard for incident management.

PASSED AND ADOPTED this ___ day of _____, _____, by the Navajo County Community College District Governing Board.

Chair

ATTEST:

Clerk

REQUEST TO APPROVE AWARD OF CONTRACT FOR NATC METAL CLASSROOM DESIGN-BUILD PROJECT

Recommendation:

Staff will make a recommendation to award a contract based on the recommendation of the NATC Board of Directors and a separate project review committee. The recommendation will be for the highest ranking design-build team from the short-list of the teams listed below. For the development of the site and building concepts and preparation of the final construction documents, Staff also recommends the selected design-build team be awarded an amount not to exceed 10% of the cost of construction.

Summary:

NATC received eight (8) responses to the recently issued Request for Qualifications (RFQ). The RFQ called for design-build teams to submit a Statement of Qualification to complete the design and construction of a new Metal Classroom Building and associated site work at the NATC facilities.

The responses were opened on January 7, 2014 and have been evaluated according to the criteria described in the RFQ. A review team was selected in accordance with Section 34-603 of the Arizona Revised Statutes. The five-member review committee consisted of the following individuals: Joe Hancock (a general contractor), Jim Matteson (an engineer), Mary Jane Springer (Navajo County), Clint Burden (Town of Taylor) and Stuart Bishop - Chair (NPC). The review team selected a short-list of three teams based on the submittals:

1. DW Lusk Contracting and SPS+ Architects
2. SDB Contracting Services and Loren V. Sadler Architect
3. Core Construction and Perlman Architects

A construction proposal including a not-to-exceed cost will be brought to the Board for approval at future regular meeting.

Funds for this project will be drawn from the appropriation received from the State of Arizona for the construction of a public safety training facility. The current balance of the appropriation is expected to be sufficient to fund the entire project.





REQUEST FOR QUALIFICATIONS

FOR

DESIGN-BUILD PROJECT

**NEW METAL CLASSROOM
BUILDING AND ASSOCIATED
SITE WORK (TAYLOR, AZ)**

**NORTHEAST AZ. TRAINING CENTER
TAYLOR, ARIZONA**

**Contract Number:
NATC #2013 -001**

November 5, 2013

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NORTHEAST AZ. TRAINING CENTER

NOTICE OF REQUEST
FOR QUALIFICATIONS
NATC #2013-001

FOR DESIGN-BUILD PROJECT
for
CONSTRUCTION OF A NEW METAL CLASSROOM BUILDING AND ASSOCIATED SITE WORK

Notice is hereby given that the Northeast Arizona Training Center is requesting Statements of Qualifications (SOQ) for design-build teams to complete the design and construction of a new Metal Classroom Building and associated site work at 1840 W. Papermill Road, Taylor, Arizona.

The Request for Qualifications (RFQ) is available from the Director of the Northeast Arizona Training Center, P.O. Box 1911, Taylor, AZ 85939, (928) 536-6265 or in person at 1840 W. Papermill Road, Taylor, AZ.

SOQ from firms or teams must be submitted in a sealed envelope. The RFQ number and the respondent's name and address should be clearly indicated on the outside of the envelope, to be delivered to the Director of the Northeast Arizona Training Center at 1840 W. Papermill Road, or mailed to: P.O. Box 1911, Taylor, AZ 85939, on or before January 7, 2014, **at 10:00 AM M.S.T.** The original SOQ and four copies (five total) must be submitted. All SOQ will be opened and publicly verified at that time.

SOQ will be evaluated according to the criteria described in the RFQ, and a team or firm selected in accordance with Section 34-603 of the Arizona Revised Statutes to perform the work.

The Northeast Arizona Training Center reserves the right to reject any or all SOQ, or waive any informality in any SOQ. No respondent may withdraw its SOQ for sixty days after the date set for the opening thereof, and each respondent shall include as a team member an appropriately licensed contractor for the work.

Northeast AZ Training Center reserves the right to cancel the RFQ at any time.

Published dates:

Tribune-News: December 5th, 12th - 2013

Arizona Capitol Times: November 29th, December 6th, 2013

White Mountain Independent: December 4th, 11th, 2013

SECTION I - PROJECT DESCRIPTION

The project described as the **New Metal Classroom Building and Associated Site Work** is further described below:

Background

The Northeast Arizona Training Center (NATC) is located at 1840 W. Papermill Road, Taylor, AZ and consists of a 20 acre parcel of land that is used primarily for the training of Emergency Services personnel. The property currently has a six story burn tower, large metal garage building, with restroom (40' X 40'), along with modular classrooms. The desire of NATC is to construct an enclosed metal building, with locker room/shower capabilities similar to that of the current metal garage with similar architectural design features to enable students the ability to conduct various training during inclement weather.

Project Description

This project will provide for design of site modifications to allow for the design and construction of either a new Metal Classroom Building with locker room/shower capabilities of approximately 2,400 square feet (40' X 60') located adjacent and just east of the existing metal garage; or a new Metal Classroom Building with locker room/shower capabilities of approximately 3,000 square feet (50' X 60') located adjacent and just east of the existing metal garage, depending on cost.

SECTION II – SCOPE OF WORK

The design-build team selected to develop this project will be retained to, at a minimum, develop site and building concepts, work with NATC staff to refine them, and prepare the final construction documents. When the designs are completed, and building permits obtained from the Town of Taylor, the team will construct the new Metal Classroom Building just east of the existing garage located on the north side of the Training Center. The contract may, or may not, include significant site construction, depending on the plans that are developed.

The work to be completed by the design-build team will be accomplished using a two-phase process. The design phase will be substantially completed before a Guaranteed Maximum Price for the construction phase is negotiated. **It is Northeast AZ Training Center's goal that all design and construction be completed by April 30, 2014.**

The Scope of Work will include, at a minimum, the following:

- A. Review of all available plans for existing buildings and the project site.
- B. Review Soils investigation reports and core drilling (already done)
- C. Prepare drainage report for the entire site, with recommendations for any storm water facilities required.
- D. Develop concepts for the Metal Classroom Building and site modifications and present same for review and approval.
- E. Prepare detailed cost estimates for selected elements of the project.

- F. Prepare preliminary plans for the selected concept for the new Metal Classroom Building, site work, and any building modifications or remodels identified during the project's concept development stage.
- G. Present preliminary plans for approval to the NATC Executive Board and staff.
- H. Upon approval of the selected preliminary plan, proceed to final construction documents.
- I. Prepare final Guaranteed Maximum Price (GMP) for the work selected for construction.
- J. Upon approval of the GMP, and issuance of the Notice to Proceed, construct the selected Metal Classroom Building and site work.
- K. Obtain all required permits in the name of Northeast Arizona Training Center.
- L. Provide required project oversight during construction.
- M. Provide NATC with a finished project, ready for occupancy, after final punch list items are completed.

SECTION III –QUALIFICATIONS EVALUATION CRITERIA

The design-build team will be selected through the two-step qualifications-based selection process, as described in ARS § 34-603. Firms interested in providing design-build services for this project must submit an SOQ that addresses the following issues:

- A. General Information (**5 points**).
 - 1. Provide a general description of the firm or team that is proposing to provide design and construction services. Explain the legal organization of the firm or team. Provide an organization chart showing the key personnel.
 - 2. Provide the following information:
 - a. List the Arizona professional and contracting licenses held by the firm and/or team members.
 - b. Identify any contract or subcontract held by the firm, or any team member, which has been terminated in the last five years.
 - c. Identify any claims arising from a contract held by the firm, or any team member, in the last five years, and the outcome of the claim.
 - d. Provide proof that the firm or team can provide bonding by an A- or better surety company.
- B. Experience and qualifications of the firm or team (**20 Points**).
 - 1. Identify three recent comparable projects which the firm or team has successfully completed.
 - 2. For each project listed above, provide:
 - a. Description of the project,
 - b. the role of the firm or team member,
 - c. the original and completed cost,
 - d. the date of the work,
 - e. the name of the owner, and

f. reference information (current names and telephone numbers).

- C. Experience of key personnel assigned to the project (**15 points**).
1. For each key person identified, provide a short resume of the person's professional qualifications and experience.
 2. Provide each key person's project role.
 3. Provide at least two references for each key person.
 4. List any proposed sub-consultants, their qualifications and their role in the project.
- D. Understanding of the project, and approach to performing the required services (**30 points**).
1. Discuss the major issues your team has identified on this project, and how you intend to address each issue.
 2. Describe your team's organization and project management approach during the design and construction phases of the project. Briefly describe systems to be used and team experience in planning, scheduling, estimating and managing of similar projects.
- E. Principal office and local participation (**10 Points**).
1. A strong local participation in this project is desired. Describe your firm's or team's, approach to maximize utilization of local resources, including local suppliers and equipment providers.
 2. Identify the team's principal office. Identify local staffing of your team, and the percentage of the work each will perform.
 3. Provide a subcontractor selection plan, indicating whether you will select subcontractors based on qualifications alone or on a combination of qualifications and price, and affirming that you will not select subcontractors on the basis of price alone.
- F. Other selection criteria (**10 Points**).
1. List projects of a similar nature, size and complexity.
- G. Overall evaluation of the firm or team and its perceived ability to provide the required services (**10 Points**).

This is to be determined by the selection committee members. No submittal response is required.

SECTION IV – SUBMITTAL REQUIREMENTS

Firms interested in the **New Metal Classroom Building and Associated Site Work** project should submit an SOQ which includes a one page letter of transmittal, plus a maximum of twelve pages of response to address the SOQ criteria (excluding resumes, but including an organization chart). Resumes for each key team member shall be limited to a maximum length of two pages, and should be included in an appendix at the end of the SOQ. **Please submit the original SOQ plus four copies (five total) by 10:00 AM on Tuesday, January 7, 2014.**

All submittals shall be either mailed to:

**Director of Northeast AZ Training Center
P.O. Box 1911
Taylor, AZ 85935**

Or delivered to:

**Director of Northeast AZ Training Center
1840 W. Papermill Road, Taylor, AZ**

Please be advised that failure to comply with the following criteria may be grounds for disqualification and will be strictly enforced:

- Receipt of the SOQ by the specified time and date.
- The correct number of copies of the submittal.
- Adherence to the maximum page limit.
- Deposit of the submittal in the correct location.

All information in the SOQ shall be machine printed for legibility. Only signatures are to be handwritten. SOQ found to be illegible in the judgment of Northeast AZ Training Center will be rejected.

Northeast AZ Training Center reserves the right to reject any SOQ not properly signed. All SOQ marked as original shall include a transmittal letter signed by an authorized representative of the respondent in ink.

Fees and Pricing

Do not include any fees or pricing related to the project with the SOQ. However, after the award, the firm selected for the award shall submit and certify costs and pricing data in accordance with ARS § 34-603.

Integrity of SOQ

By submitting an SOQ, the respondent affirms:

- That it has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted SOQ.
- The submission of the SOQ did not involve collusive or other anti-competitive practices.
- The respondent shall not discriminate against any employee or application for employment in violation of any and all applicable law.

Mistake in SOQ

A respondent may withdraw the SOQ or correct any mistake by modifying the SOQ prior to the time and date set for receipt.

Rejection

Northeast AZ Training Center reserves the right to reject any or all SOQ or any part thereof, or accept any SOQ or any part thereof, and to waive or decline to waive any formality or informality in an SOQ as deemed to be in the best interest of the Northeast AZ Training Center. Northeast AZ Training Center expressly reserves the right to reject any or all SOQ or reissue the RFQ.

Return of Documents

Any documents submitted in response to the RFQ become the property of the Northeast AZ Training Center, and will not be returned.

Disclosure of Data

SOQ will not be open for public inspection until a binding contract is executed with a respondent and all other respondents have been so notified.

SOQ may contain confidential or proprietary data that the respondent does not wish disclosed for any purpose other than evaluation of the SOQ. If so, the respondent shall clearly identify the specific pages of the SOQ to be restricted. Northeast AZ Training Center assumes no liability for disclosure or use of unmarked data, or for the disclosure of marked data if that disclosure is required by law. Unless confidentiality is requested, information submitted in response to the RFQ may be disclosed in response to a request for inspection of public records submitted pursuant to applicable Arizona Revised Statutes.

SECTION V – SELECTION PROCESS AND SCHEDULE

Northeast AZ Training Center will conduct a two-step qualifications-based selection process, in accordance with ARS § 34-603. A selection committee will evaluate each SOQ submitted according to the criteria and weighting set forth in Section III above. The selection committee will select a short list of no more than three firms or teams from the SOQ receive. If deemed necessary by the selection committee, each firm on the short list may be interviewed. Northeast AZ Training Center will also perform a due diligence investigation of the firms and teams on the short list.

At the conclusion of the evaluation of SOQ, the interviews (if any), and the due diligence investigation, the selection committee will rank in order of preference the firms and teams on

the short list. Northeast AZ Training Center will enter into negotiations with the highest-ranked firm/team and execute a contract upon satisfactory negotiation of fees and contract terms. The firm/team selected will deliver the project through a fixed lump sum contract for design services, followed by a Guaranteed Maximum Price construction contract. The firm/team will be responsible for all construction means and methods for the delivery of the completed and operational project.

The following tentative schedule has been prepared for the project:

SOQ due: January 7, 2014 10:00AM.

Selection committee evaluation complete: January 14, 2014

If Northeast AZ Training Center is unsuccessful in negotiating a contract with the highest-ranked firm/team, the Northeast AZ Training Center may negotiate with the second or third most qualified firm, or may decide to terminate the selection process.

SECTION VI – INDEMNIFICATION AND INSURANCE REQUIREMENTS

Northeast AZ Training Center will require the selected firm or team to execute a Design-Build Services Contract. Submission of your SOQ shall indicate your firm's ability and agreement to execute a contract and provide the required indemnification and insurance.

SECTION VII– RESERVATION OF RIGHTS BY NORTHEAST AZ TRAINING CENTER

Northeast AZ Training Center expressly reserves the right to undertake any of the following if advantageous to the Northeast AZ Training Center:

- Reject any or all SOQ.
- Withhold the award for any reason it may determine.
- Terminate the RFQ process at any time.
- Reissue the RFQ.
- Extend the time frame for submission of the responses by notification to all parties who are known to have received a copy of the RFQ.
- Request more information from any or all submitting respondents.
- Hold all SOQ for a period of 60 days after the opening date and time, and accept an SOQ not withdrawn before the scheduled date and time for receipt.
- Waive or decline to waive irregularities in any SOQ, or in the RFQ process.
- Decline to enter into a contract with any of the respondents.

SECTION VIII – GENERAL INFORMATION

This RFQ will be advertised in the official county newspaper (the Tribune-News), the White Mountain Independent and the Arizona Capitol Times.

All firms submitting an SOQ must refrain from influencing any member of the selection committee to protect the integrity of the selection process. A non-collusion affidavit will be required from the successful respondent.

All cost for preparation, submission and/or delivery incurred by the respondent is the sole responsibility of the respondent and will not be paid by the Northeast AZ Training Center

Questions should be addressed to:

Stuart Bishop
Director of Northeast AZ Training Center
1840 W. Papermill Road
P.O. Box 1911
Taylor, AZ 85939

Phone (928) 536-6265
stuart.bishop@npc.edu

Certification Regarding
Debarment, Suspension, and Other Responsibility Matters
Primary Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 *Federal Register* (pages 19160-19211). Copies of the regulations are available from local offices of the U.S. Small Business Administration.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTION ON NEXT PAGE)

- (1) The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
- (a) Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective primary participant shall attach an explanation to this proposal.

Business Name : _____

Date: _____

By: _____
Printed Name and Title of Authorized Representative

Signature of Authorized Representative

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is submitted for assistance in obtaining a copy of those regulations (13 CFR Part 145).
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which

it determines the ineligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instruction, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may termination this transaction for cause or default.

REQUEST TO APPROVE EXTERNAL HEARING OFFICERS, Procedure 2755

Recommendation: Staff recommends the approval of the list of external Hearing Officers under Procedure 2755, Discipline of Employees.

Summary: College Procedure 2755 requires that the District Governing Board approve a list of acceptable hearing officers on an annual basis (Procedure 2755, II.C). The approval of acceptable external hearing officers will be used for calendar year 2014. The list of Hearing Officers is provided by the college attorney and these individuals have agreed to serve if called on.



NORTHLAND PIONEER COLLEGE

LIST OF HEARING OFFICERS/INVESTIGATORS

1. Jack Barker, Esq.
1630 East White Mountain Blvd., Suite B
Pinetop, Arizona 85935-7042
(928) 367-2448
2. Rod McDougall, Esq.
6739 North 2nd Avenue
Phoenix, Arizona 85013-1206
(602) 274-0522
3. Robert J. Higgins, Esq.
1630 East White Mountain Blvd., Suite B
Pinetop, Arizona 85935-7042
(928) 367-2448
4. Robert Van Wyck, Esq.
114 North San Francisco, Suite 204
Flagstaff, Arizona 86001-4539
(928) 213-0258
5. Russell Skelton, Esq.
2901 North Central Avenue
Suite 800
Phoenix, Arizona 85012-2703
(602) 263-1716

2014-15 BUDGET UPDATE

Summary:

Staff will provide an overview of the progress on development of the proposed 2014-15 budget. The approved calendar and budget development assumptions are included. Staff will seek additional input and guidance from the Board.



STRATEGIC PLANNING AND BUDGET DEVELOPMENT CALENDAR

FISCAL YEAR 2014 – 2015

APPROVED NOVEMBER 19, 2013

ACTIVITY	RESOURCE	DUE BY
1. Receive and approve budget calendar	DGB	✓19 November
2. Receive proposed three-year strategic plan	DGB	✓19 November
3. College Council review of wage/salary recommendations	✓ERC-FA-✓CASO	*13 December
4. Approve three-year strategic plan	DGB	✓17 December
5. Receive and approve budget assumptions & overview	DGB	✓17 December
6. Review approved strategic plan and current year budget	Budget Managers	*20 December
7. Distribute materials for departmental operational & capital	Director Fin Svcs	✓3 January
8. College President receives wage & salary recommendation	College Council	✓4 January
9. Receive departmental operational & capital requests	Executive Team	3 February
10. Executive review of operational & capital budget	Executive Team	10 February
11. Receive introductory budget analysis	DGB	18 February
12. Receive wage and salary recommendation	DGB	18 February
13. Receive tuition and fee schedules	DGB	18 February
14. Budget hearings	SPASC co-chairs Director Fin Svcs Budget Managers	3 March
15. Receive preliminary budget analysis	DGB	18 March
16. Approve tuition and fee schedules	DGB	18 March
17. Approve salary schedules	DGB	18 March
18. Receive complete budget analysis	DGB	16 April
19. Approve budget publication	DGB	16 April
20. Adopt tentative current budget & three-year capital budget	DGB	16 April
21. Publish notice of budget public hearing/TNT hearing	VP Adm Svcs	2 May
22. Notice of TNT hearing second publication	VP Adm Svcs	9 May
23. Publish notice of budget public hearing/TNT hearing	VP Adm Svcs	16 May
24. Public hearing conducted for taxpayers	DGB	20 May
25. Final current budget and three-year capital budget adopted	DGB	20 May
26. Notify PTOC of primary property tax levy	VP Adm Svcs	21 May
27. Submit Tax levy to Navajo County	VP Adm Svcs	21 May

**Northland Pioneer College
Budget Development Assumptions
FY 2014-15**

GENERAL ASSUMPTIONS

- Budget Development Calendar will be followed
- Introductory budget analysis for DGB in February will be prior to budget hearings and will be limited to an overview of expenditure and revenue trends.
- Preliminary budget analysis for DGB in March will include a detailed examination of budget planning similar to prior year preliminary budget analyses
- Statutory Expenditure Limit will be breached. Carry-forward is available to address short-term issues and expenditures will not be restricted by statutory limitations

REVENUE ASSUMPTIONS

- Overall revenues are expected to remain flat compared to current fiscal year
- State funding expected to be decreased in FY14-15 by approximately \$260,000
- Tuition and general fees will be set at a rate that
 - (A) Gives consideration to the impact on students, student enrollment, and student retention rates
 - (B) Increases incrementally
 - (C) Is competitive in our market by maintaining a comparative position to the average tuition at other Arizona community colleges
- Course fees will be set at a rate calculated to offset expendable supplies and equipment
- Primary property tax will be levied at the maximum rate, which is 4% higher than current year tax and will require a truth-in-taxation hearing. Property tax valuation is expected to continue to decline causing a greater than 4% increase in the current tax rate of \$1.4769/\$100 NAV.
- Other revenues will be estimated based on historical information and emerging trends

EXPENDITURE ASSUMPTIONS

- Items in budget requests will be linked to the current **NPC Strategic Plan** through operational plans developed at the division or departmental level. Any budget amounts that are higher than FY13-14 budget **or** actual historical spending will require written **justification and review during the budget hearing process.**
- Budget requests for operational and capital expenditures will be completed by **Friday, February 3, 2014.**

- SALARY SCHEDULES will be developed with
 - (A) Incrementally increasing rates
 - (B) Consideration to competitive market conditions with the goal to maintain a comparative position to the average increases/rates at other local public entities, other Arizona community colleges, and other similar institutions.
 - (C) Consideration to salary recommendations received through the shared governance process
 - (D) Other
- BENEFITS will be developed with
 - (A) No major changes expected in plan benefit structure or options
 - (B) Consideration on impacts from third-party partnerships
 - (1) Navajo County Schools Employee Benefit Trust for medical and dental insurance
 - (2) Arizona State Retirement System for retirement contributions
- Education partner relationships will be maintained
 - (A) Apache County
 - (B) NAVIT
 - (C) Dual enrollment
 - (D) Other
- CAPITAL budget requests will be developed for a three-year period (2014 – 2017)
- GRANT funding will continue to be identified and pursued
- AUXILIARY fund activities will be maintained
- Other

**Budget Development Assumptions
FY 2014-15**

Budget Categories & Targets:

Revenues	<ul style="list-style-type: none"> • Budget will be prepared by Administrative Services.
Salaries/Wages & Benefits	<ul style="list-style-type: none"> • Budget will be prepared by Administrative Services except for the following that budget managers will <u>include in budget request:</u> <ul style="list-style-type: none"> ○ Adjunct Salaries, ○ Overload, ○ Temporary Salaries, ○ Lab Aids, and ○ Substitute Salaries.
Operating Expenditures	<ul style="list-style-type: none"> • Funding expected to remain level in FY 14-15. • Budget requests should reflect only those items identified in division or departmental operational plans. • Any new programs/services must demonstrate linkage to the adopted strategic plan.
Capital Expenditures	<ul style="list-style-type: none"> • All requests for funding will be linked to revenues from the operational budget, grant funds, or reserved funds. • Minimal state funding for STEM is expected to continue.

REQUEST TO ACCEPT THE SINGLE AUDIT REPORTING PACKAGE FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Recommendation:

Staff recommends acceptance of the Single Audit Reporting Package for the fiscal year ended June 30, 2013.

Summary:

Copies of the Single Audit Reporting Package have separately been sent to the Board by the Office of the Auditor General. The audit resulted in an Unmodified Opinion on the Financial Statements with one finding regarding access to our information systems and a second concerning the 39-hour work week. An “unmodified” opinion is comparable to the previously used term “unqualified” and indicates a positive result. Two findings are identified in the Federal Awards section, resulting in an Unmodified Opinion for all major programs except for the Adult Education-Basic Grants to States program, for which a qualified opinion was expressed. Corrective action plans to address all findings have been identified. The “fully corrected” status of prior year Federal Award findings have also been reported.

The 2013 audit was again completed on November 22, well ahead of the submission deadline established by the US Department of Education, March 31, 2014. The audit has been submitted to the US Department of Education. Many people across many departments were involved in the completion of the audit, including Business Office, Financial Aid, Information Services, Human Resources, and Adult Education. The key facilitator of the effort was Maderia Ellison, Director of Financial Services. John Bremer, Controller, also plays an important role.

The draft financial statements and the draft financial statement audit findings were reviewed by the NPC Audit Committee on November 5, 2013 and the final Single Audit Report will be reviewed by the Audit Committee at the next regular meeting scheduled for February 5, 2014.

Management and staff of the Office of the Auditor General continue to provide timely and professional work. Staff members from the Office of the Auditor General will be in attendance to review the audit report.





REPORT HIGHLIGHTS
FINANCIAL STATEMENT AND
SINGLE AUDITS

Condensed financial information

Our Conclusion

Navajo County Community College District is responsible for preparing annual financial statements and a schedule of expenditures of federal awards, maintaining effective internal controls, and being accountable for its use of public monies. Our Office is responsible for auditing the District's financial statements, schedule, and major federal programs annually. A summary of the financial statements and schedule of expenditures of federal awards is presented to the right.

Based on our audits, we issued reports that included our opinions on the District's financial statements and its schedule of expenditures of federal awards, and reports on its internal control and compliance over financial reporting and major federal programs. The information in the District's fiscal year 2013 financial statements and schedule of federal awards is reliable. Our reports identified internal control deficiencies and instances of noncompliance over financial reporting and major federal programs. These findings are summarized on the next page.



2013

Year Ended June 30, 2013

Statement of net position—This statement reports all of the District's assets, deferred outflows and inflows of resources, liabilities, and net position. Net position is reported in the following three major categories:

- **Net investment in capital assets**—shows the equity in property, buildings, and equipment.
- **Restricted**—shows the resources that must be used for restricted purposes as specified by donors and other external entities, such as the federal government.
- **Unrestricted**—shows the resources available for general operations.

Statement of revenues, expenses, and changes in net position—This statement reports all revenues, expenses, and other changes in net position. The change in net position indicates whether the District's financial health has improved or deteriorated as a result of the current-year activities. During fiscal year 2013, net position increased by \$4.5 million, or 6 percent, as compared to an increase of \$5.7 million, or 9 percent, in fiscal year 2012.

Schedule of expenditures of federal awards—During fiscal year 2013, the District expended \$4.7 million in federal awards, which consisted primarily of student financial assistance that was spent as educational and general operating expenses. The District's federal award expenditures decreased by \$73,000, or 2 percent, compared to fiscal year 2012.

**Condensed statement of net position
As of June 30, 2013
(In thousands)**

Assets	
Current assets	\$39,409
Noncurrent, other than capital	799
Capital assets, net of depreciation	<u>38,701</u>
Total assets	<u>78,909</u>
Liabilities	
Current	2,056
Noncurrent	<u>152</u>
Total liabilities	<u>2,208</u>
Net position	
Net investment in capital assets	38,627
Restricted	691
Unrestricted	<u>37,383</u>
Total net position	<u>\$76,701</u>

**Condensed statement of revenues,
expenses, and changes in net position
For the year ended June 30, 2013
(In thousands)**

Operating revenues	
Tuition and fees, net of scholarship allowances	\$ 2,467
Government contracts	2,969
Other	<u>748</u>
Total operating revenues	<u>6,184</u>
Operating expenses	
Educational and general	25,636
Auxiliary enterprises	451
Depreciation	<u>1,544</u>
Total expenses	<u>27,631</u>
Operating loss	(21,447)
Nonoperating	
Property taxes	13,180
State appropriations	7,060
Government grants	5,018
Other	<u>735</u>
Net nonoperating revenues	<u>25,993</u>
Increase in net position	4,546
Net position—beginning	<u>72,155</u>
Net position—ending	<u>\$76,701</u>

**Condensed schedule of expenditures
of federal awards by grantor agency
Year ended June 30, 2013
(In thousands)**

U.S. Department of Education	\$4,066
U.S. Department of Labor	540
U.S. Small Business Administration	126
Total federal expenditures	<u>\$4,732</u>

Summary of audit findings and recommendations

For the financial statement audit, we found an internal control weakness over the District's information systems and an instance of noncompliance with laws and regulations. For the federal compliance audit, we tested four federal programs under the major program guidelines established by the Single Audit Act and noted that the District did not always have adequate internal controls and did not always comply with federal program requirements for two of its programs. Our Single Audit Report includes a Schedule of Findings and Questioned Costs that contains further details to help the District correct these deficiencies. The most significant findings and recommendations are summarized below.

Inadequate system access controls

The District lacked adequate internal controls over its information systems to ensure that users' access rights were appropriate for their job responsibilities and that activity of system users with elevated access was monitored. As a result, there was an increased risk of theft, manipulation, or misuse of financial, sensitive, or confidential information by users whose access was not adequately restricted or monitored.

Recommendation

The District should restrict access to its information systems to help ensure that access granted is needed and is compatible with job responsibilities. Furthermore, the activity of system users with elevated access should be monitored for propriety.

Noncompliance with federal program requirements

- The District did not always maintain complete and accurate records for equipment purchased for the Higher Education—Institutional Aid program. Specifically, the District's capital assets listing did not always contain an identifying number or accurate location information, and the District did not always tag its equipment as required by its own procedures.
- Between July 2012 and December 2012, the District did not certify that employee compensation charged to the Adult Education—Basic Grants to States program represented the employees' actual time and effort spent on the program. Beginning in January 2013, the District implemented procedures to require its employees paid with federal grant monies to certify the percentage of time they worked on a specific program. The District is also maintaining these certification documents as required.

Recommendations

To improve the controls over the District's federal programs and ensure compliance with federal requirements, the District should:

- Ensure that its policies for tagging equipment and maintaining an accurate and complete capital assets listing are followed.
- Continue to require its employees paid with federal grant monies to certify the percentage of time they worked on a specific program.



A REPORT
TO THE
ARIZONA LEGISLATURE

Financial Audit Division

Single Audit

Navajo County Community College District

(Northland Pioneer College)
Year Ended June 30, 2013



Debra K. Davenport
Auditor General

The **Auditor General** is appointed by the Joint Legislative Audit Committee, a bipartisan committee composed of five senators and five representatives. Her mission is to provide independent and impartial information and specific recommendations to improve the operations of state and local government entities. To this end, she provides financial audits and accounting services to the State and political subdivisions, investigates possible misuse of public monies, and conducts performance audits of school districts, state agencies, and the programs they administer.



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Navajo County Community College District
(Northland Pioneer College)
Single Audit Reporting Package
Year Ended June 30, 2013

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DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent Auditors' Report

Members of the Arizona State Legislature

The Governing Board of
Navajo County Community College District

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component units of the Navajo County Community College District as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the aggregate discretely presented component units were not audited by the other auditors in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal

control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and aggregate discretely presented component units of Navajo County Community College District as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As described in footnote 1 on the Statement of Activities-Component Units and Note 1 to the financial statements, beginning in fiscal year 2013, the Northeast Arizona Training Center is reported as a discretely presented component unit of the District, which represents a change in the District's reporting entity. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis on pages i through viii be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information—Schedule of Expenditures of Federal Awards

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Debbie Davenport
Auditor General

November 22, 2013

Navajo County Community College District
(Northland Pioneer College)
Management's Discussion and Analysis
Year Ended June 30, 2013

This discussion and analysis prepared by the District's management introduces the basic financial statements and provides an overview of the District's financial activities for the year ended June 30, 2013. Please read it in conjunction with the financial statements, which immediately follow.

Basic Financial Statements

The District's annual financial statements are presented in accordance with U.S. generally accepted accounting principles prescribed by the Governmental Accounting Standards Board (GASB), the authoritative body for establishing Generally Accepted Accounting Principles (GAAP) for state and local governments, including public institutions of higher education. These standards permit public colleges and universities to use the guidance for special-purpose governments engaged in business-type activities. The standards allow for the presentation of the District's financial activity in a consolidated, single-column, entity-wide format. This format is similar to the type of financial statements typical of a business enterprise or not-for-profit organization. The basic financial statements consist of the following:

The *Statement of Net Position* reflects the financial position of the District at June 30, 2013. It shows the various assets owned or controlled, related liabilities and other obligations, and the various categories of net position. Net position is an accounting concept defined as total assets less total liabilities, and as such, represent institutional equity or ownership in the District's total assets.

The *Statement of Revenues, Expenses, and Changes in Net Position* reflects the results of operations and other changes for the year ended June 30, 2013. It shows the various revenues and expenses, both operating and nonoperating, reconciling the beginning net position amount to the ending net position amount, which is shown on the *Statement of Net Position* described above.

The *Statement of Cash Flows* reflects the inflows and outflows of cash and cash equivalents for the year ended June 30, 2013. It shows the various cash activities by type, reconciling the beginning cash and cash equivalents amount to the ending cash and cash equivalents amount, which is shown on the *Statement of Net Position* described above. In addition, this statement reconciles cash flows from operating activities to operating loss on the *Statement of Revenues, Expenses, and Changes in Net Position* described above.

Financial Highlights and Analysis

Consistent with its mission, the District creates, supports and promotes lifelong learning. Major funding sources supporting all functions include property taxes, state appropriations, government grants and contracts, and tuition and fees. The District may exercise primary and secondary property tax levy authority for generation of funds used for operating, capital equipment, and debt retirement purposes.

The condensed financial information below highlights the main categories of the *Statement of Net Position*. Assets are distinguished as either current or noncurrent. Current assets are resources available to meet the District's operating needs. Other liabilities are made up of accounts payable, deferred revenues, and accrued payroll and employee benefits. Net position is divided into three categories reflecting the broad characteristics of institutional equity in the assets of the District. In addition to the District's capital assets,

Navajo County Community College District
(Northland Pioneer College)
Management's Discussion and Analysis
Year Ended June 30, 2013

the District holds resources that external parties have restricted for specific programs or purposes. The remaining net position is unrestricted but is dedicated to the District's primary mission. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

Condensed Financial Information

The following is a listing of condensed financial information for the District as of June 30, 2013 and June 30, 2012:

Condensed Statement of Net Position—Primary Government
Year Ended June 30

	<u>2013</u>	<u>2012</u>	<u>% Change</u>
Assets:			
Current assets	\$39,408,725	\$41,337,582	-5%
Noncurrent assets, other than capital assets	799,138	880,298	-9%
Capital assets, net	<u>38,701,227</u>	<u>33,030,762</u>	17%
Total assets	<u>78,909,090</u>	<u>75,248,642</u>	5%
Liabilities:			
Other liabilities	1,757,716	2,745,030	-36%
Long-term liabilities	<u>450,164</u>	<u>348,345</u>	29%
Total liabilities	<u>2,207,880</u>	<u>3,093,375</u>	-29%
Net Position			
Net investment in capital assets	38,626,891	33,030,762	17%
Restricted	691,628	735,512	-6%
Unrestricted	<u>37,382,691</u>	<u>38,388,993</u>	-3%
Total net position	<u>\$76,701,210</u>	<u>\$72,155,267</u>	6%

Total assets increased \$3.7 million, or 5 percent, related to current assets and net capital assets. Current assets decreased \$1.9 million related to a decline in cash and investments used to help fund capital projects. Net capital assets increased by \$5.7 million related to the construction of a new Skills Center in Holbrook, completion of a major parking lot expansion at the Show Low campus, and improvements at various locations.

Total liabilities decreased \$885,000, or 29 percent, driven by other liabilities that decreased \$987,000 related to timing of payments for accounts payable and accrued payroll last year.

Navajo County Community College District
(Northland Pioneer College)
Management's Discussion and Analysis
Year Ended June 30, 2013

Total net position increased by \$4.5 million related to \$5.6 million net investment in capital assets offset by a decrease of \$1 million in unrestricted net position. The District previously committed to using unrestricted net position to support capital needs over the next several years, dedicating \$26 million for fiscal years 2013, 2014, and 2015. While the District plans to use portions of its unrestricted net position to allow it to provide consistent quality of services to students and communities, regular evaluation of financial resources will continue during the uncertain economic climate.

The condensed financial information on the next page highlights the main categories of the *Statement of Revenues, Expenses, and Changes in Net Position*. Generally, revenues generated by the District from exchange transactions are considered operating revenues. Other revenues such as state appropriations, property taxes, and certain government grants are considered nonoperating revenues. In compliance with U.S. generally accepted accounting principles, scholarships applied to tuition and fees are recorded as an offset to operating revenues instead of being reported as an expense to the District.

Depreciation expense is recorded in accordance with the adoption of the economic resources measurement focus. The construction and acquisition of capital assets, although budgeted and tracked as expenditures in the accounting system, are not reflected as expenses in these statements. Such transactions are instead capitalized and reported as assets, with the systematic depreciation of the costs expensed over the useful lives of the assets constructed or acquired.

The District shows an operating loss because the three largest revenue sources, property taxes, state appropriations, and government grants, are considered nonoperating revenues. Please refer to the Summary of Significant Accounting Policies (Note 1), which directly follows the presentation of the basic financial statements, for a description of the differences between operating and nonoperating revenues.

Navajo County Community College District
(Northland Pioneer College)
Management's Discussion and Analysis
Year Ended June 30, 2013

**Condensed Statement of Revenues, Expenses, and
Changes in Net Position—Primary Government
Year Ended June 30**

	2013	2012 (As adjusted*)	% Change
Revenues:			
Operating			
Tuition and fees, net	\$ 2,466,640	\$ 2,690,260	-8%
Government contracts	2,969,273	2,638,049	13%
Bookstore income, net	42,460	33,564	27%
Other	<u>379,831</u>	<u>291,648</u>	30%
Total operating revenues	<u>5,858,204</u>	<u>5,653,521</u>	4%
Nonoperating			
Property taxes	13,180,294	12,703,703	4%
State appropriations	7,059,800	8,181,800	-14%
Government grants	5,018,111	5,502,290	-9%
Private grants	325,919	360,370	-10%
Share of state sales taxes	545,682	372,308	47%
Investment earnings	170,717	136,283	25%
Gain (loss) on disposal of capital assets	<u>18,627</u>	<u>(180,305)</u>	-110%
Total nonoperating revenues	<u>26,319,150</u>	<u>27,076,449</u>	-3%
Total revenues	<u>32,177,354</u>	<u>32,729,970</u>	-2%
Expenses:			
Operating	27,631,411	26,984,441	2%
Nonoperating	<u>6,854</u>	<u>6,854</u>	-100%
Total expenses	<u>27,631,411</u>	<u>26,991,295</u>	2%
Increase in net position	4,545,943	5,738,675	-21%
Total net assets, July 1	<u>72,155,267</u>	<u>66,416,592</u>	9%
Total net assets, June 30	<u>\$76,701,210</u>	<u>\$72,155,267</u>	6%

* The 2012 Private grants were adjusted to reclassify the amounts from operating to nonoperating revenue.

Operating revenues increased \$205,000, or 4 percent. Tuition and fees decreased by \$224,000, or 8 percent, related to declining enrollment of \$116,000 and an increase in scholarship allowances of \$107,000, which reduces net tuition and fees. The increase in scholarship allowance is driven primarily by inclusion of tuition and fee waivers that were not previously identified as scholarship allowances. Government contracts increased \$331,000 related to contracts to provide educational services to Apache County and Northern Arizona Vocational Institute of Technology (NAVIT); these increased \$223,000 and \$156,000, respectively. Apache County prepaid a portion of its contract in fiscal year 2012; that amount was shown as an offset to revenues causing a variance compared to the current year of \$232,000. NAVIT increased \$156,000 related to increased rental costs for instructional facilities. Other revenues increased \$88,000 driven by recovery of bad debt associated with the State Treasurer's investment pool, which had been previously written off for \$52,000.

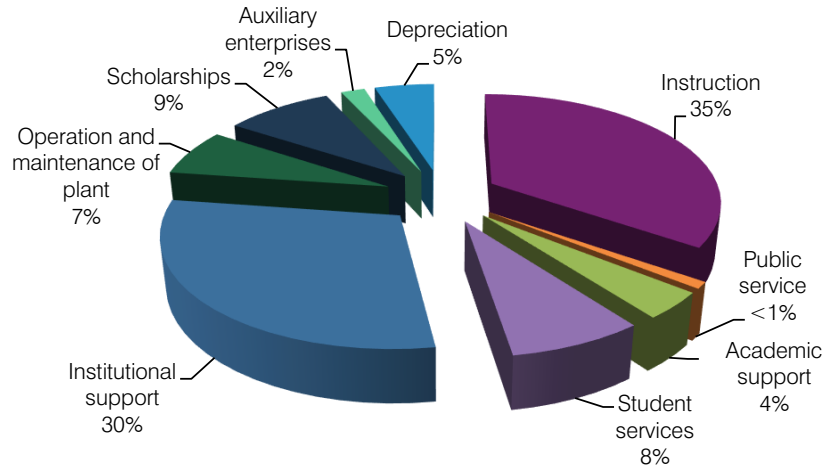
Navajo County Community College District
(Northland Pioneer College)
Management's Discussion and Analysis
Year Ended June 30, 2013

Nonoperating revenues decreased \$757,000, or 3 percent. State appropriations, which include operating state aid and equalization aid, decreased \$1.1 million, or 14 percent, compared to the prior year and is related primarily to equalization funding. Although operating state aid was nearly level, it is still below historical values. The \$173,000 increase in the share of state sales taxes is driven primarily by a change in the timing of the recognition of this income. This change resulted in the recognition of 14 months' income in the current fiscal year. The increase in property taxes was related to the District's decision to set the tax levy at the maximum; a practice the District will not be able to maintain in the upcoming year because of concerns of increasing taxpayer opposition. Government grants decreased \$484,000 driven primarily by a decrease in the Federal Pell Grant Program of \$727,000 offset by an increase of \$536,000 related to a new Department of Labor (DOL) grant. The decrease in Pell awards is related to declining student enrollment and growing constraints of new eligibility requirements for students. The DOL awarded a Trade Adjustment Assistance Community College and Career Training Grants (TAACCCT) to the Arizona Sun Corridor Get Into Energy Consortium, made up of five Arizona community colleges, including the District. The District will receive nearly \$2 million for the period October 2012 to September 2015, which will be used to establish a mechatronics program. Mechatronics combines mechanical technology with electrical and electronic circuitry. The program is designed to prepare the students for careers in a number of diversified manufacturing and energy fields.

	<u>2013</u>	<u>2012</u>	<u>% Change</u>
Operating Expenses			
Educational and general:			
Instruction	\$ 9,660,102	\$ 8,827,606	9%
Public service	29,387	25,647	15%
Academic support	1,047,037	1,009,880	4%
Student services	2,151,538	2,015,021	7%
Institutional support	8,308,926	8,481,782	-2%
Operation and maintenance of plant	1,867,890	1,758,007	6%
Scholarships	2,570,647	3,094,923	-17%
Auxiliary enterprises	451,470	404,767	12%
Depreciation	<u>1,544,414</u>	<u>1,366,808</u>	13%
Total operating expenses	<u>27,631,411</u>	<u>26,984,441</u>	2%
Nonoperating Expenses			
Interest expense	<u> </u>	<u>6,854</u>	-100%
Total nonoperating expense	<u> </u>	<u>6,854</u>	-100%
Total expenses	<u>\$27,631,411</u>	<u>\$26,991,295</u>	2%

Navajo County Community College District
 (Northland Pioneer College)
 Management's Discussion and Analysis
 Year Ended June 30, 2013

2013 Operating Expenses by Category



Operating expenses increased \$647,000, or 2 percent. The District continues to focus on maintaining comprehensive and quality services to the students and communities in its service area, and as a result both instruction and student services increased for a combined total of \$969,000, or 9 percent. Scholarships decreased \$524,000 driven primarily by a decrease in federal financial aid awards, specifically the Federal Pell Grant Program, which has also impacted student enrollment.

Capital Assets and Debt Administration

Capital assets are defined as those items costing over \$5,000 and that have an estimated useful life of more than 1 year.

During the last 2 fiscal years, the District has set aside a portion of its unrestricted net position to address capital funding needs. It has focused on maintenance of facilities that had been deferred for several years and has pursued capital acquisitions and new construction to meet the demands of its students and the communities it serves.

- In fiscal year 2012, the District spent \$2.3 million on deferred maintenance, repairs to existing buildings and parking lots, and development of a Master Facilities Plan to assess future needs. Another \$1.9 million was used to address upgrades to its enterprise resource planning (ERP) system and replace its telephone system and other network infrastructure. Of the \$4.2 million spent on facilities and technology infrastructure needs, \$2.8 million was identified as capital assets based on the definition above: \$2 million related to facilities and \$800,000 related to technology infrastructure.

Navajo County Community College District
(Northland Pioneer College)
Management's Discussion and Analysis
Year Ended June 30, 2013

- In fiscal year 2013, the District started construction of the 26,600 square-foot Skills Center located on the Painted Desert Campus in Holbrook and has spent \$3.6 million. An estimated \$1.6 million will be required to complete the building. Construction of the building started in October 2012 and is expected to be completed in December 2013. The District also completed a major parking lot expansion at the White Mountain Campus in Show Low for \$2.4 million. It spent \$1.2 million on equipment for program development and continued enhancement of distant learning technology.
- Over the next 3 years, the District plans to spend \$26 million on major capital acquisitions and new construction while continuing to address deferred maintenance. The construction of new facilities at the White Mountain Campus in Show Low is included in the plans, but decisions have not been finalized.

Additional information on the District's capital assets can be found in Note 3 to the basic financial statements.

The District currently has no long-term debt other than compensated absences and capital leases and does not anticipate acquiring new debt.

Current Factors Having Probable Future Financial Significance

The District has four primary revenues sources: property taxes, state appropriations, government grants and contracts, and tuition and fees.

The District historically set the property tax levy at the maximum rate allowed by statute. Due to concerns of growing taxpayer opposition and the sluggish economic recovery, the District set the property tax levy below the maximum rate allowed by statute for fiscal year 2014. It is unclear what impact this will have to the District in future years and whether or not assessed property taxes will become more difficult to collect.

State appropriations used to support the District's operations decreased by 14 percent for fiscal year 2013 from fiscal year 2012. The District received equalization aid of \$5,370,100 in fiscal year 2013, which was a decrease of 17 percent from the prior year. Future equalization aid funding is expected to decline as a result of decreased property values throughout rural Arizona. STEM funding was approved for fiscal year 2014, but is significantly lower than the capital state aid funding that has not been provided to community colleges for several years. State funding is expected to be in transition as the funding mechanisms for community colleges in the State continue to be reevaluated. Performance-based funding has been discussed at a variety of governance levels and is expected to be implemented by fiscal year 2015. The impact to the District is unknown, but the potential for an increase in state appropriations to the District is low.

Funding from external sources, including federal and local grants and contracts along with community and business partnerships, are important to the District. The District continuously pursues additional grant and partnership opportunities.

Navajo County Community College District
(Northland Pioneer College)
Management's Discussion and Analysis
Year Ended June 30, 2013

- The District is part of the Arizona Sun Corridor Get Into Energy Consortium along with four other community colleges, Estrella Mountain, Chandler-Gilbert, Pima, and Yavapai. The Consortium received a \$13.5 million grant from the DOL to develop programs to meet the State's energy industry workforce needs.
- The District also entered into an unprecedented agreement to improve workforce development among populations living along rural stretches of Interstate 40 (I-40) with two other community colleges, Coconino and Mohave. The I-40 Corridor Coordinating Council will provide a cooperative higher education network to invest in shared comprehensive new programs and equipment. The partnership will enhance education and job opportunities throughout the three college districts.

The District continuously evaluates its tuition and fee structure. The District is limited in the amount of increases it can implement based on the demographics of its service area. The District's service area covers approximately 21,158 square miles and is one of the poorest, most remote, and least populated of both Arizona and the United States. In-state tuition increased 3 percent, up \$2 from \$60 to \$62 per credit hour in fiscal year 2013, and for fiscal year 2014 it was increased an additional 3 percent to \$64. The District continues to offer one of the lowest tuition rates in the State.

Requests for Information

This discussion and analysis is designed to provide a general overview of the Navajo County Community College District's finances for all those with an interest in such matters. Questions concerning any of the information provided in the basic financial statements or requests for additional information should be addressed to Administrative Services, Northland Pioneer College, PO Box 610, Holbrook, AZ 86025.

Separately issued financial statements are issued for Northland Pioneer College Foundation and Northeast Arizona Training Center, Inc., discretely presented component units of Navajo County Community College District. Complete financial statements for both component units can be obtained from Northland Pioneer College, PO Box 610, Holbrook, AZ 86025.

Navajo County Community College District
(Northland Pioneer College)
Statement of Net Position—Primary Government
June 30, 2013

	<u>Business-Type Activities</u>
Assets	
Current assets:	
Cash and investments	\$ 35,751,154
Receivables (net of allowances for uncollectibles):	
Accounts	1,848,670
Property taxes	529,545
Student, current portion	775,473
Inventories	47,710
Prepaid items	<u>456,173</u>
Total current assets	<u>39,408,725</u>
Noncurrent assets:	
Restricted assets:	
Cash and investments	691,648
Property taxes receivable (net of allowances of \$100,000)	22,349
Student receivable (net of allowances of \$1,106,054)	85,141
Capital assets, not being depreciated	4,381,906
Capital assets, being depreciated, net	<u>34,319,321</u>
Total noncurrent assets	<u>39,500,365</u>
Total assets	<u>78,909,090</u>
Liabilities	
Current liabilities:	
Accounts payable	774,041
Accrued payroll and employee benefits	312,453
Deferred revenues	671,222
Current portion of compensated absences payable	281,871
Current portion of capital lease payable	<u>16,591</u>
Total current liabilities	<u>2,056,178</u>
Noncurrent liabilities:	
Compensated absences payable	93,957
Capital lease payable	<u>57,745</u>
Total noncurrent liabilities	<u>151,702</u>
Total liabilities	<u>2,207,880</u>

(Continued)

See accompanying notes to financial statements.

Navajo County Community College District
 (Northland Pioneer College)
 Statement of Net Position—Primary Government
 June 30, 2013
 (Concluded)

	Business-Type Activities
Net Position	
Net investment in capital assets	\$ 38,626,891
Restricted:	
Nonexpendable—endowments	12,414
Expendable:	
Scholarships, grants, and contracts	238,120
Capital projects	441,094
Unrestricted	<u>37,382,691</u>
Total net position	<u>\$ 76,701,210</u>

See accompanying notes to financial statements.

Navajo County Community College District
(Northland Pioneer College)
Statement of Financial Position—Component Units
June 30, 2013

	<u>Northland Pioneer College Foundation</u>	<u>Northeast Arizona Training Center, Inc.</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 81,656	\$ 100,392	\$ 182,048
Restricted cash—savings	46,675		46,675
Accounts receivable	1,666	8,100	9,766
Investments:			
Marketable securities	356		356
Marketable securities—restricted	111,868		111,868
Real estate	8,000		8,000
Prepaid expense	7,348	3,313	10,661
Land and building, net of accumulated depreciation	<u>34,454</u>	<u>1,952,894</u>	<u>1,987,348</u>
Total assets	<u>\$ 292,023</u>	<u>\$ 2,064,699</u>	<u>\$ 2,356,722</u>
Liabilities			
Accounts payable	\$ 47,198		\$ 47,198
Accrued interest		\$ 8,925	8,925
Other current liabilities	37,470		37,470
Long-term obligations due within 1 year	<u> </u>	<u>25,000</u>	<u>25,000</u>
Total liabilities	<u>84,668</u>	<u>33,925</u>	<u>118,593</u>
Long-term debt	<u> </u>	<u>345,000</u>	<u>345,000</u>
Total liabilities	<u>84,668</u>	<u>378,925</u>	<u>463,593</u>
Net Assets			
Unrestricted	86,281	1,685,774	1,772,055
Temporarily restricted	55,110		55,110
Permanently restricted	<u>65,964</u>	<u> </u>	<u>65,964</u>
Total net assets	<u>207,355</u>	<u>1,685,774</u>	<u>1,893,129</u>
Total liabilities and net assets	<u>\$ 292,023</u>	<u>\$ 2,064,699</u>	<u>\$ 2,356,722</u>

See accompanying notes to financial statements.

Navajo County Community College District
(Northland Pioneer College)
Statement of Revenues, Expenses, and Changes in Net Position—Primary Government
Year Ended June 30, 2013

	<u>Business-Type Activities</u>
Operating revenues:	
Tuition and fees, net of scholarship allowances of \$2,503,484	\$ 2,466,640
Government contracts	2,969,273
Bookstore income, net of scholarship allowances of \$37,555	42,460
Other sales and services	106,429
Other	<u>273,402</u>
Total operating revenues	<u>5,858,204</u>
Operating expenses:	
Educational and general:	
Instruction	9,660,102
Public service	29,387
Academic support	1,047,037
Student services	2,151,538
Institutional support	8,308,926
Operation and maintenance of plant	1,867,890
Scholarships	2,570,647
Auxiliary enterprises	451,470
Depreciation	<u>1,544,414</u>
Total operating expenses	<u>27,631,411</u>
Operating loss	<u>(21,773,207)</u>
Nonoperating revenues:	
Property taxes	13,180,294
State appropriations	7,059,800
Government grants	5,018,111
Private grants	325,919
Share of state sales taxes	545,682
Investment earnings	170,717
Gain on disposal of capital assets	<u>18,627</u>
Total nonoperating revenues	<u>26,319,150</u>
Increase in net position	4,545,943
Total net position, July 1, 2012	<u>72,155,267</u>
Total net position, June 30, 2013	<u><u>\$ 76,701,210</u></u>

See accompanying notes to financial statements.

Navajo County Community College District
(Northland Pioneer College)
Statement of Activities—Component Units
Year Ended June 30, 2013

	Northland Pioneer College Foundation	Northeast Arizona Training Center, Inc.	Total
Changes in Unrestricted Net Assets			
Unrestricted support	\$ 13,800		\$ 13,800
Memberships and usage fees		\$ 31,285	31,285
Interest income	28	234	262
Rental income	54,728	8,100	62,828
Realized gain on investments	8		8
Unrealized gain on investments	40		40
Total unrestricted support	<u>68,604</u>	<u>39,619</u>	<u>108,223</u>
Net assets released from restrictions	<u>3,985</u>		<u>3,985</u>
Total unrestricted revenues and support	<u>72,589</u>	<u>39,619</u>	<u>112,208</u>
Expenses:			
Program services	47,268	193,961	241,229
Support services	22,349	11,427	33,776
Loss on sale of asset	3,500	901	4,401
Interest expense		18,350	18,350
Total expenses	<u>73,117</u>	<u>224,639</u>	<u>297,756</u>
Decrease in unrestricted net assets	<u>(528)</u>	<u>(185,020)</u>	<u>(185,548)</u>
Changes in Temporarily Restricted Net Assets			
Contributions	2,500		2,500
Interest income	2,809		2,809
Realized gain on investments	2,359		2,359
Unrealized gain on investments	6,170		6,170
Net assets released from restrictions	<u>17,624</u>		<u>17,624</u>
Increase in temporarily restricted net assets	<u>31,462</u>		<u>31,462</u>
Changes in Permanently Restricted Net Assets			
Contributions	5,000		5,000
Interest income	33		33
Realized gain on investments	28		28
Unrealized gain on investments	70		70
Net assets released from restrictions	<u>(21,609)</u>		<u>(21,609)</u>
Decrease in permanently restricted net assets	<u>(16,478)</u>		<u>(16,478)</u>
Increase (decrease) in net assets	14,456	(185,020)	(170,564)
Net assets, beginning of year, as restated ¹	<u>192,899</u>	<u>1,870,794</u>	<u>2,063,693</u>
Net assets, end of year	<u>\$207,355</u>	<u>\$1,685,774</u>	<u>\$1,893,129</u>

¹ The beginning net assets balance has been restated to include the Northeast Arizona Training Center, Inc. as a new component unit for 2013. See Notes 1 and 10 for additional information on the component units.

See accompanying notes to financial statements.

Navajo County Community College District
(Northland Pioneer College)
Statement of Cash Flows—Primary Government
Year Ended June 30, 2013

	<u>Business-Type Activities</u>
Cash flows from operating activities:	
Tuition and fees	\$ 2,342,096
Government contracts	2,669,273
Bookstore receipts	42,460
Other receipts	379,831
Payments to suppliers and providers of goods and services	(6,774,830)
Payments for employee wages and benefits	(17,221,064)
Payments to students for scholarships and loans	<u>(2,570,845)</u>
Net cash used for operating activities	<u>(21,133,079)</u>
Cash flows from noncapital financing activities:	
Property taxes	13,193,976
State appropriations	7,059,800
Grants	5,018,111
Private grants	325,919
Share of state sales taxes	373,849
Deposits held in custody for others disbursed	<u>(40,504)</u>
Net cash provided by noncapital financing activities	<u>25,931,151</u>
Cash flows from capital and related financing activities:	
Proceeds from sale of capital assets	26,891
Purchase and construction of capital assets	<u>(7,148,809)</u>
Net cash used for capital and related financing activities	<u>(7,121,918)</u>
Cash flows from investing activities:	
Interest received on investments	<u>170,717</u>
Net cash provided by investing activities	<u>170,717</u>
Net decrease in cash and cash equivalents	(2,153,129)
Cash and cash equivalents, July 1, 2012	<u>38,595,931</u>
Cash and cash equivalents, June 30, 2013	<u>\$ 36,442,802</u>

(Continued)

See accompanying notes to financial statements.

Navajo County Community College District
(Northland Pioneer College)
Statement of Cash Flows—Primary Government
Year Ended June 30, 2013
(Concluded)

	<u>Business-Type Activities</u>
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (21,773,207)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	1,544,414
Changes in assets and liabilities:	
Increase in:	
Accounts receivable	(449,290)
Compensated absences payable	27,483
Decrease in:	
Student receivable	412,790
Inventories	20,987
Prepaid items	30,554
Accounts payable	(249,533)
Accrued payroll and employee benefits	(309,235)
Deferred revenues	(388,042)
Net cash used for operating activities	<u>\$ (21,133,079)</u>
Reconciliation of cash and cash equivalents, as presented on the Statement of Net Position:	
Cash and investments	\$ 35,751,154
Restricted assets:	
Cash and investments	<u>691,648</u>
Total cash and cash equivalents, June 30, 2013	<u>\$ 36,442,802</u>

See accompanying notes to financial statements.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

Note 1 - Summary of Significant Accounting Policies

Navajo County Community College District's accounting policies conform to generally accepted accounting principles applicable to public institutions engaged only in business-type activities adopted by the Governmental Accounting Standards Board (GASB).

A. Reporting Entity

The District is a special-purpose government that is governed by a separately elected governing body. It is legally separate and fiscally independent of other state and local governments. The accompanying financial statements present the activities of the District (the primary government) and its discretely presented component units, the Northland Pioneer College Foundation (Foundation), and the Northeast Arizona Training Center, Inc. (NATC).

The Foundation is a legally separate, tax-exempt organization. It acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships and other educational purposes. Although the District does not control the timing or amount of the receipts from the Foundation, the Foundation's restricted resources can only be used by, or for the benefit of, the District or its constituents. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

For financial reporting purposes, the Foundation follows the Financial Accounting Standards Board (FASB) statements for not-for-profit organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information included in the District's financial report. Accordingly, those financial statements have been reported on separate pages following the District's respective counterpart financial statements. For financial reporting purposes, only the Foundation's statements of financial position and activities are included in the District's financial statements as required by generally accepted accounting principles for public colleges and universities. The Foundation has a June 30 year-end.

During the year ended June 30, 2013, the Foundation distributed \$11,825 to the District for both restricted and unrestricted purposes. Complete financial statements of the Foundation can be obtained from the Northland Pioneer College Foundation, PO Box 610, Holbrook, AZ 86025-0610.

NATC is a legally separate, tax-exempt organization. It acts primarily as a certified regional training center to meet the educational and testing needs of fire and law enforcement professionals in Northeast Arizona. The enabling legislation for NATC calls for the District to exercise operating control over NATC. Therefore, the voting members of NATC's Board of Directors are employees of the District and the District is able to significantly influence the programs, projects, activities or level of services provided by NATC. Consequently, NATC is considered a component unit of the District and is discretely presented in the District's financial statements.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

For financial reporting purposes, NATC follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to NATC's financial information included in the District's financial report. Accordingly, those financial statements have been reported on separate pages following the District's respective counterpart financial statements. For financial reporting purposes, only NATC's statements of financial position and activities are included in the District's financial statements as required by generally accepted accounting principles for public colleges and universities. NATC has a June 30 year-end.

NATC's complete financial statements can be obtained from the Northeast Arizona Training Center, PO Box 610, Holbrook, AZ 86025-0610.

B. Basis of Presentation and Accounting

The basic financial statements include a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows.

A statement of net position provides information about the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the District at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy district obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation, less any outstanding debt incurred to acquire or construct the assets. Nonexpendable restricted net position includes gifts that have been received for endowment purposes, the corpus of which cannot be expended. Expendable restricted net position represents grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that have been designated by management to be used for other than general operating purposes.

A statement of revenues, expenses, and changes in net position provides information about the District's financial activities during the year. Revenues and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital contributions and additions to endowments. Operating revenues and expenses generally result from exchange transactions. Accordingly, revenues such as tuition and bookstore charges are considered to be operating revenues. Other revenues, such as property taxes, state appropriations, and government grants, are not generated from exchange transactions and are considered to be nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense on debt, are considered to be nonoperating expenses.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

A statement of cash flows provides information about the District's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as either operating, noncapital financing, capital financing, or investing.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized in the year for which they are levied. State appropriations are recognized as revenue in the year in which the appropriation is first made available for use. Grants and donations are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The District eliminates all internal activity.

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

C. Cash and Investments

For the statement of cash flows, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the County Treasurer, investments in the State Treasurer's Local Government Investment Pool, and highly liquid investments. All investments are stated at fair value.

D. Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

E. Capital Assets

Capital assets are reported at actual cost or estimated historical cost if historical records are not available. Donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the financial statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$5,000	Not applicable	Not applicable
Buildings	5,000	Straight-line	10 – 40 years
Improvements other than buildings	5,000	Straight-line	20 – 40 years
Equipment	5,000	Straight-line	5 – 10 years
Library books	All	Straight-line	10 years

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

F. Investment Earnings

Investment earnings is composed of interest, dividends, and net changes in the fair value of applicable investments.

G. Compensated Absences

Compensated absences payable consists of vacation leave earned by employees based on services already rendered.

Employees may accumulate up to 224 hours of vacation depending on years of service, but any vacation hours in excess of the maximum amount that are unused at the end of August are forfeited. Upon terminating employment, all unused and unforfeited vacation benefits are paid to employees. Accordingly, vacation benefits are accrued as a liability in the financial statements.

Generally, sick leave benefits provide for ordinary sick pay and are cumulative but do not vest with employees. Therefore, a liability for sick leave benefits is not accrued in the financial statements.

H. Scholarship Allowances

A scholarship allowance is the difference between the stated charge for goods and services the District provides and the amount that is paid by the student or third parties making payments on the student's behalf. Accordingly, some types of student financial aid, such as Pell grants and scholarships awarded by the District, are considered to be scholarship allowances. These allowances are netted against tuition and fees revenues, and bookstore income in the statement of revenues, expenses, and changes in net position.

Note 2 - Deposits and Investments

Arizona Revised Statutes (A.R.S.) requires the District to deposit special tax levies for the District's maintenance or capital outlay with the County Treasurer. The statutes do not require the District to deposit other public monies in its custody with the County Treasurer; however, the District must act as a prudent person dealing with another's property when making investment decisions about those monies. The statutes do not include any requirements for credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District's investments.

Deposits—At June 30, 2013, the carrying amount of the District's deposits was \$1,816,615, and the bank balance was \$2,597,486. The District does not have a policy for custodial credit risk.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

Investments—The District’s investments at June 30, 2013, were as follows:

Investment Type	Amount
State Treasurer’s investment pool 5	\$14,510,443
County Treasurer’s investment pool	<u>20,110,634</u>
Total	<u>\$34,621,077</u>

The State Board of Investment provides oversight for the State Treasurer’s pools. The fair value of a participant’s position in the pool approximates the value of that participant’s pool shares, and the participant’s shares are not identified with specific investments. No comparable oversight is provided for the County Treasurer’s investment pool, and that pool’s structure does not provide for shares.

Credit risk—The District does not have a formal policy for credit risk. At June 30, 2013, credit risk for the District’s investments was as follows:

Investment Type	Rating	Rating Agency	Amount
State Treasurer’s investment pool 5	AAAf/S1+	Standard and Poor’s	\$14,510,443
County Treasurer’s investment pool	Unrated	Not applicable	<u>20,110,634</u>
Total			<u>\$34,621,077</u>

Custodial Credit Risk—For an investment, custodial credit risk is the risk that, in the event of the counterparty’s failure, the District will not be able to recover the value of its investments or collateral securities that are in an outside party’s possession. The District does not have a formal investment policy for custodial credit risk.

Concentration of Credit Risk—The District does not have a formal policy for concentration of credit risk.

Interest Rate Risk—The District does not have a formal policy for interest rate risk. At June 30, 2013, the District had the following investments in debt securities:

Investment Type	Amount	Weighted Average Maturity
State Treasurer’s investment pool 5	\$14,510,443	0.8 months
County Treasurer’s investment pool	<u>20,110,634</u>	41.4 months
Total	<u>\$34,621,077</u>	

A reconciliation of cash, deposits, and investments to amounts shown on the Statement of Net Position follows:

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

Cash, deposits, and investments:		Statement of Net Position:	
Cash on hand	\$ 5,110	Cash and investments	\$35,751,154
Amount of deposits	1,816,615	Restricted assets:	
Amount of investments	<u>34,621,077</u>	Cash and investments	<u>691,648</u>
Total	<u>\$36,442,802</u>	Total	<u>\$36,442,802</u>

Note 3 - Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital assets not being depreciated:				
Land	\$ 709,291			\$ 709,291
Construction in progress	<u>1,759,614</u>	<u>\$6,103,277</u>	<u>\$4,190,276</u>	<u>3,672,615</u>
Total capital assets not being depreciated	<u>2,468,905</u>	<u>6,103,277</u>	<u>4,190,276</u>	<u>4,381,906</u>
Capital assets being depreciated:				
Buildings	32,249,075	1,774,778		34,023,853
Equipment	5,097,302	1,065,101	22,124	6,140,279
Improvements other than buildings	7,149,853	2,415,499		9,565,352
Library books	<u>605,303</u>	<u>54,764</u>	<u>60,178</u>	<u>599,889</u>
Total capital assets being depreciated	<u>45,101,533</u>	<u>5,310,142</u>	<u>82,302</u>	<u>50,329,373</u>
Less accumulated depreciation for:				
Buildings	\$ 9,130,685	\$ 780,130		\$ 9,910,815
Equipment	2,793,384	529,445	\$ 13,860	3,308,969
Improvements other than buildings	2,266,217	185,393		2,451,610
Library books	<u>349,390</u>	<u>49,446</u>	<u>60,178</u>	<u>338,658</u>
Total accumulated depreciation	<u>14,539,676</u>	<u>1,544,414</u>	<u>74,038</u>	<u>16,010,052</u>
Total capital assets being depreciated, net	<u>30,561,857</u>	<u>3,765,728</u>	<u>8,264</u>	<u>34,319,321</u>
Capital assets, net	<u>\$33,030,762</u>	<u>\$9,869,005</u>	<u>\$4,198,540</u>	<u>\$38,701,227</u>

Note 4 - Construction and Commitments

The District had a major contractual commitment related to a capital project at June 30, 2013. At the Painted Desert Campus, located in Holbrook, the District committed to a skill center building to house several constructional and technical education division courses. At June 30, 2013, the District had spent \$3,659,000 on the project and had remaining contractual commitments with contractors of \$1,637,000. This project is being financed by unrestricted net position designated by the District Governing Board for these purposes.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

Note 5 - Long-Term Liabilities

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due within 1 year
Compensated absences payable	\$348,345	\$336,165	\$308,682	\$375,828	\$281,871
Capital leases payable		96,587	22,251	74,336	16,591
Total long-term liabilities	<u>\$348,345</u>	<u>\$432,752</u>	<u>\$330,933</u>	<u>\$450,164</u>	<u>\$298,462</u>

Capital leases—The District has acquired printing and duplicating equipment under the provisions of long-term lease agreements classified as a capital leases for accounting purposes because it provides for a bargain purchase option.

The carrying value of the assets acquired through these capital leases is \$96,587.

The following schedule details debt service requirements to maturity for the District's capital leases payable at June 30, 2013

<u>Year ending June 30</u>	
2014	\$22,251
2015	22,251
2016	22,251
2017	<u>22,251</u>
Total minimum lease payments	89,004
Less amount representing interest	<u>14,668</u>
Present value of net minimum lease payments	<u>\$74,336</u>

Note 6 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates with other Arizona community college districts and school districts in the Arizona School Risk Retention Trust, Inc. (Trust), a public entity risk pool. The Trust insures the District against liabilities arising from general liability, professional liability, property, automobile, boiler and machinery, and commercial crime risks. The coverage limit for general liability is \$50 million with no deductible except for employer's liability, which is \$500,000. The coverage limit for professional liability is \$10 million with no deductible. The coverage limit for property insurance is \$49 million with a \$1,000 deductible. The coverage limit for automobile liability is \$10 million with no deductible. The coverage limit for commercial crime is \$1.5 million with a \$100 deductible.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

The Trust's operating agreement includes a provision for the member to be charged an additional assessment in the event that total claims paid by the Trust exceed the members' contributions and reserves in any one year. The District will be charged for any such assessment in the following year. The District has never been charged such an assessment.

The District also carries commercial insurance for other risks of loss, including workers' compensation, accidental death and dismemberment for students and employees, employee travel, and extended reporting for errors and omissions. Settled claims resulting from these risks have exceeded commercial insurance coverage in one of the past 3 fiscal years. In the year ended June 30, 2011, the District paid additional expenses of \$12,805. There were no uninsured losses in the year ended June 30, 2013. The District reached its lifetime, no-fault limit on mold coverage for one campus in 2010. The no-fault mold coverage is limited to \$25,000 per campus and covers direct physical loss or damage caused by fungus, wet or dry rot, or bacteria, including the cost of removal and the cost for clearance testing. The limitation is for mold damage not linked to a specific occurrence. Property damage insurance continues to be available for occurrences reported within 30 days of the event.

The District participates with several local school districts in the Navajo County Schools Employee Benefit Trust (Trust). The District uses the Trust to manage risks of loss related to employee health and accident claims. The Trust is a public entity risk pool operating as a common risk management and insurance program for its member school districts. The Trust is funded by irrevocable contributions from the District for employee coverage and from employees for dependent coverage. The Trust, which is managed by a separate board of directors, allows the fund to be self funded, insured, or both. Additionally, if the Trust becomes insolvent, the District may be assessed, on a pro rata basis, an additional assessment not to exceed the amount of the annual contribution. Should the District withdraw from the Trust, it would then be responsible for its proportional share of claims and would forfeit all rights to the return of any surplus, unearned contributions, or other legally permitted distributions from the Trust. Whether the District withdraws or the Trust becomes insolvent, the District remains liable for assessments for liabilities of the Trust incurred during the District's period of membership in the Trust. The Trust has not assessed the District any additional assessments above its annual contribution in any of the past 3 fiscal years.

Note 7 - Operating Leases

The District leases land, classroom and office space, information systems equipment, and vehicles under the provisions of various long-term lease agreements classified as operating leases for accounting purposes. Rental expenses under the terms of the operating leases were \$232,701 for the year ended June 30, 2013. The operating leases have remaining noncancelable terms of 1 to 5 years and provide renewal options.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

Of the current rental expenses, \$52,728 was paid to the Foundation. The nature of the relationship between the District and the Foundation is stated in Note 10. The District entered into an operating lease with the Foundation for a building and parking lot. The term of the lease began February 14, 2006, and continues to February 13, 2015. There is a step-down rental provision of 20 percent that began March 1, 2011, and continues each March 1 thereafter.

The future minimum payments required under the operating leases at June 30, 2013, were as follows:

Year ending June 30	
2014	\$332,479
2015	142,829
2016	123,951
2017	82,289
2018	<u>81,571</u>
Total minimum lease payments	<u>\$763,119</u>

Note 8 - Pension and Other Postemployment Benefits

Plan descriptions—The District contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan, all of which are administered by the Arizona State Retirement System. The Arizona State Retirement System (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., a monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report is available on its Web site at www.azasrs.gov, by writing the Arizona State Retirement System, 3300 N. Central Ave., PO Box 33910, Phoenix, AZ 85067-3910, or by calling (602) 240-2000 or 1-800-621-3778.

Funding policy—The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the year ended June 30, 2013, active plan members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.9 percent for retirement and 0.24 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.14 percent (10.25 percent for retirement, 0.65 percent for health insurance premium, and 0.24 percent for long-term disability) of the members' annual covered payroll.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

The District's contributions for the current and 2 preceding years, all of which were equal to the required contributions, were as follows:

Year ended June 30,	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
2013	\$1,156,519	\$73,340	\$27,076
2012	968,778	61,837	23,940
2011	838,641	54,916	23,254

Note 9 - Operating Expenses

The District's operating expenses are presented by functional classification in the Statement of Revenues, Expenses, and Changes in Net Position—Primary Government. The operating expenses can also be classified into the following:

Personal services	\$16,939,312
Contract services	2,138,098
Supplies and other services	3,223,900
Communications and utilities	1,191,308
Scholarships	2,570,647
Depreciation	1,544,414
Other	<u>23,732</u>
Total	<u>\$27,631,411</u>

Note 10 - Discretely Presented Component Unit Disclosures

A. Summary of Significant Accounting Policies

The significant accounting policies of the Foundation and NATC are described below to enhance the usefulness of the financial statements to the reader.

Nature of the Component Units—The Foundation is a not-for-profit corporation operating in accordance with Section 501(c)(3) of the Internal Revenue Code. The Foundation is located in Snowflake, AZ, and provides supplemental philanthropic support for students, and programs and services that advance the mission of Northland Pioneer College (College). The Foundation receives cash contributions, gifts, membership dues, and rental income, administers and invests securities and property, conducts special event fund-raisers, and disburses payments to the College for educational purposes.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

NATC is a not-for-profit corporation operating in accordance with Section 501(c)(3) of the Internal Revenue Code. NATC owns and operates a regional training center located in Taylor, AZ, which is utilized by Fire and Law Enforcement personnel throughout Northeast Arizona. NATC derives its operating revenues primarily through membership dues paid by the various user agencies and through user fees charged to other private organizations.

Basis of Accounting—The financial statements of the Foundation and NATC have been prepared on the accrual basis of accounting. All revenues received for support of current operations are immediately recorded as revenues while revenues received for support of future operations are deferred and recognized over the periods to which the revenues relate.

Financial Statement Presentation—The Foundation and NATC are required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Income Taxes—The Foundation and NATC are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 43-1201 of the Arizona Revised Statutes. Therefore, the accompanying financial statements contain no provision or liability for income taxes. In addition, the Foundation qualifies for the charitable deduction under Internal Revenue Section 170(b)(1)(A).

The Foundation and NATC file informational tax returns with the U.S. federal and Arizona state governments.

Use of Estimates—The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents—The Foundation and NATC recognize highly liquid investments with an original maturity of 3 months or less as cash equivalents and are stated at fair value.

Investments—The Foundation recognizes investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets.

NATC has no investments as of June 30, 2013.

Property & Equipment—The Foundation capitalizes purchased property and equipment, with estimated useful lives of more than 1 year, at cost. Donations of property and equipment are recorded as contributions at their estimated fair value on the date of donation. Such donations

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets, which range from 10 to 40 years.

NATC capitalizes purchased property and equipment with a cost of \$5,000 or more and having estimated useful lives of more than 1 year. Property and equipment are recorded at cost or, for donated items, at their estimated fair value on the date of donation. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets, which range from 5 to 50 years

Contributions—The Foundation and NATC record contributions received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Endowment Funds—The Foundation is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), which requires enhanced disclosures for all its endowment funds. UPMIFA provides the Foundation with guidance on accounting for the net asset classification of such endowment funds.

Property Held for Sale—The Foundation receives certain assets from donors that are held for resale. Such assets are recorded at their approximate fair market values at the date of donation. Property held for sale as of June 30, 2013, is reported as real estate investments.

Date of Management's Review—Management has reviewed events subsequent to June 30, 2013, up through the financial statements report date, for the Foundation, September 25, 2013, and for NATC, August 20, 2013, to evaluate their effect on the fair presentation of the financial statements. As of the report date, there have been no events subsequent to June 30, 2013, that are required to be disclosed in order to present fairly the financial position and changes in net assets of either the Foundation or of NATC.

B. Cash

The total cash held by the Foundation and NATC at June 30, 2013, are as follows:

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

	Foundation	NATC
Checking	\$ 92,035	\$100,392
Money market	27,978	
Investment account	11	
Savings	8,307	
Petty cash		
	<u>\$128,331</u>	<u>\$100,392</u>
Unrestricted cash	\$ 81,656	\$100,392
Restricted cash	46,675	
	<u>\$128,331</u>	<u>\$100,392</u>

C. Investments

For the year ended June 30, 2013, the Foundation had investments consisting of marketable securities held with Edward Jones and real estate comprising several lots of land. The marketable securities have a fair value of \$112,224 and the real estate totaled \$8,000 as of June 30, 2013.

NATC had no investments as of June 30, 2013.

D. Property and Equipment

The total property and equipment held by the Foundation and NATC at June 30, 2013, are as follows:

	Foundation	NATC
Land	\$ 10,000	\$ 110,000
Buildings	50,000	293,971
Furniture & equipment	2,233	
Training facilities		2,082,781
	62,233	2,486,752
Less accumulated depreciation	(27,779)	(533,858)
	<u>\$ 34,454</u>	<u>\$1,952,894</u>

E. Restrictions on Net Assets

The Foundation had temporarily restricted net assets in the amount of \$55,110 as of June 30, 2013, consisting of donated contributions and investment earnings, which are available for scholarships in future years. The Foundation had permanently restricted net assets of \$65,964 as of June 30, 2013, representing two endowed scholarship funds.

Navajo County Community College District
(Northland Pioneer College)
Notes to Financial Statements
June 30, 2013

NATC had no restricted net assets as of June 30, 2013.

F. Endowment Funds

The Foundation's endowment consists of a fund established for the Martia A. Smith Memorial Art Scholarship.

As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

NATC had no endowment funds as of June 30, 2013.

G. Related Parties

For the year ended June 30, 2013, the Foundation subcontracted its Executive Director and made payments to Chugg Financial Services, LLC, a company that is owned and operated by its Executive Director.

For the year ended June 30, 2013, NATC received certain use of facilities and staff services from the College. However, since the provided facilities and services also benefit the College's educational programs, no value for these amounts are recorded on NATC's financial statements. The College also leases the training facility and equipment owned by NATC on a year-to-year lease. The lease income to NATC from Northland Pioneer College was \$8,100 for the year ended June 30, 2013.

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Supplementary Information

Navajo County Community College District
(Northland Pioneer College)
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Labor			
Workforce Investment Act (WIA) Cluster:			
WIA Adult Program, passed through the White Mountain Apache Tribe	17.258	AB171810855A4	\$ 4,126
Total Workforce Investment Act (WIA) Cluster			<u>4,126</u>
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants, passed through Maricopa County Community College District			
	17.282	TC-23759-12-60-A-4	<u>536,151</u>
Total U.S. Department of Labor			<u>540,277</u>
U.S. Small Business Administration			
Small Business Development Centers, passed through Maricopa County Community College District			
	59.037	SBAHQ-13-B-0061	<u>125,376</u>
U.S. Department of Education			
Adult Education—Basic Grants to States, passed through the Arizona Department of Education			
	84.002	V002A1100003	324,936
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007		98,350
Federal Work-Study Program	84.033		89,326
Federal Pell Grant Program	84.063		<u>2,950,689</u>
Total Student Financial Assistance Cluster			<u>3,138,365</u>
Higher Education—Institutional Aid	84.031		328,356
Career and Technical Education—Basic Grants to States, passed through the Arizona Department of Education			
	84.048	V048A110003	<u>274,436</u>
Total U.S. Department of Education			<u>4,066,093</u>
Total Expenditures of Federal Awards			<u><u>\$ 4,731,746</u></u>

See accompanying notes to schedule.

Navajo County Community College District
(Northland Pioneer College)
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Navajo County Community College District and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 2 - Catalog of Federal Domestic Assistance (CFDA) Numbers

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2013 *Catalog of Federal Domestic Assistance*.

Note 3 - Subrecipients

The District did not provide federal awards to subrecipients during the year ended June 30, 2013.

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DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Basic Financial Statements
Performed in Accordance with *Government Auditing Standards***

Members of the Arizona State Legislature

The Governing Board of
Navajo County Community College District

We have audited the financial statements of the business-type activities and aggregate discretely presented component units of Navajo County Community College District as of and for the year ended June 30, 2013, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 22, 2013. Our report includes a reference to the other auditors who audited the financial statements of the aggregate discretely presented component units, as described in our report on the District's financial statements. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. However, the financial statements of the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance associated with the aggregate discretely presented component units.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2013-01 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and that is described in the accompanying Schedule of Findings and Questioned Costs as item 2013-02.

Navajo County Community College District's Response to Findings

Navajo County Community College District's responses to the findings identified in our audit are presented on pages 39 through 43. The District's responses were not subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Debbie Davenport
Auditor General

November 22, 2013



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

**Independent Auditors' Report on Compliance for Each Major Federal
Program and Report on Internal Control over Compliance**

Members of the Arizona State Legislature

The Governing Board of
Navajo County Community College District

Report on Compliance for Each Major Federal Program

We have audited Navajo County Community College District's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Basis for Qualified Opinion on Adult Education—Basic Grants to States

As described in item 2013-102 in the accompanying Schedule of Findings and Questioned Costs, the District did not comply with requirements regarding allowable costs/cost principles that are applicable to its Adult Education—Basic Grants to States program. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

Qualified Opinion on Adult Education—Basic Grants to States

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Navajo County Community College District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Adult Education—Basic Grants to States for the year ended June 30, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Navajo County Community College District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2013.

Report on Internal Control over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2013-102 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2013-101 to be a significant deficiency.

Navajo County Community College District's responses to the internal control over compliance findings identified in our audit are presented on pages 42 through 43. The District's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on them.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Debbie Davenport
Auditor General

November 22, 2013

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Navajo County Community College District
 (Northland Pioneer College)
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2013

Summary of Auditors' Results

Financial Statements

	Unmodified	
	Yes	No
Type of auditors' report issued:		
Internal control over financial reporting:		
Material weaknesses identified?	<u>X</u>	___
Significant deficiencies identified?	___	<u>X</u> (None reported)
Noncompliance material to the financial statements noted?	___	<u>X</u>

Federal Awards

Internal control over major programs:		
Material weaknesses identified?	<u>X</u>	___
Significant deficiencies identified?	<u>X</u>	___
Type of auditors' report issued on compliance for major programs: Unmodified for all major programs except for the Adult Education—Basic Grants to States program, which was qualified.		
Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (section .510[a])?	<u>X</u>	___
Identification of major programs:		

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
17.282	Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants
84.002	Adult Education—Basic Grants to States Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work-Study Program
84.063	Federal Pell Grant Program
84.031	Higher Education—Institutional Aid

Navajo County Community College District
 (Northland Pioneer College)
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2013

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Yes **No**

Auditee qualified as low-risk auditee? _____ X

Other Matters

Auditee's Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (section .315[b])? X _____

Navajo County Community College District
(Northland Pioneer College)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Financial Statement Findings

2013-01

The District needs to establish effective internal controls for granting access to its information systems

Criteria: The District should have effective system access controls to help prevent and detect unauthorized use, damage, loss, or modification of programs and data, including sensitive and confidential information.

Condition and context: The District did not adequately restrict or monitor logical access to its information systems during the year. For 15 of 27 user accounts tested, auditors determined the District allowed elevated access to the system when this access was either not necessary or inappropriate for the job responsibilities. Further, the activity of user accounts with elevated access was not periodically monitored.

Effect: There is an increased risk of theft, manipulation, or misuse of financial, sensitive, or confidential information by unauthorized users or by users whose access was not adequately restricted and monitored.

Cause: The District has used the same information systems for many years, but has not established effective internal controls for granting appropriate access to its information systems.

Recommendation: The District should continue developing and establishing policies and procedures to strengthen access controls and help prevent or detect unauthorized use, damage, or loss of information. These procedures should include the following:

- Restrict elevated and unlimited system access to only those individuals who need that level of access.
- Monitor system access for unusual or suspicious activity.

This finding is similar to a prior-year finding.

2013-02

The District should have effective payroll policies and procedures for its contracted hourly employees

Criteria: Effective internal controls over payroll should ensure that employees are being paid for only the hours they worked.

Condition and context: The District's personnel policies and employment contracts required full-time, nonexempt employees to work 40 hours each week. For two of eight payroll transactions tested for full-time, nonexempt employees, auditors determined the employees did not meet the terms of their employment contracts and were paid for time that was not worked. Specifically, the employees were paid for 80 hours of work over a 2-week period while the time sheets reflected only 78 hours of work.

Navajo County Community College District
(Northland Pioneer College)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Effect: The District paid employees for hours not worked. Auditors determined the District may have paid an estimated \$37,800 to full-time, nonexempt employees for hours not worked during the fiscal year.

Cause: The District allowed full-time, nonexempt employees to have 1 hour off each Friday during the months the District operated on a 5-day workweek. Accordingly, full-time, nonexempt employees could potentially be paid for 80 hours while actually working only 78. Auditors were informed that this practice has been in place at the District for more than 30 years.

Recommendation: The District should change its procedures for full-time, nonexempt employees to help ensure that employees meet the terms of their employment contracts and are paid for the actual number of hours worked.

Federal Award Findings and Questioned Costs

2013-101

CFDA No. and Name:	84.031 Higher Education—Institutional Aid
Award Number and Years:	P031X100002-12; October 1, 2010 through September 30, 2015
Federal Agency:	U.S. Department of Education
Compliance Requirement:	Equipment and real property management
Questioned Costs:	None

Criteria: In accordance with 2 Code of Federal Regulations (CFR) §215.34, the District should maintain accurate records for equipment acquired with federal grant monies that include all required information such as an identification number and the physical location. Furthermore, the District's internal procedures require that all equipment meeting the District's capitalization thresholds should be tagged in order to help the District track, report, and inventory these items.

Condition and context: The District did not always maintain accurate and complete records for equipment purchased with federal grant monies. Specifically, for three of three equipment items tested, the District's capital assets listing did not contain an identification number, such as a manufacturer's serial number, model number, federal stock number, or national stock number. Additionally, for one of the items tested, the location was incorrect on the District's listing and the item was not tagged as required by the District's procedures.

Effect: Failure to maintain control over equipment purchased with federal grant monies can result in equipment being lost, stolen, or misused and result in noncompliance with federal regulations. This finding has the potential to affect other federal programs that the District administers.

Navajo County Community College District
(Northland Pioneer College)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Cause: The District did not follow its own policies for tagging equipment and maintaining an accurate and complete capital assets listing.

Recommendation: To help ensure compliance with federal regulations and to help prevent loss, theft, or misuse of the program's equipment, the District should ensure that its policies for tagging equipment and maintaining an accurate and complete capital assets listing are followed.

2013-102

CFDA No. and Name:	84.002 Adult Education—Basic Grants to States
Award Number and Year:	V002A1100003; July 1, 2012 through June 30, 2013
Federal Agency:	U.S. Department of Education
Pass-through Grantor	Arizona Department of Education
Compliance Requirement:	Allowable costs/cost principles
Questioned Costs:	None

Criteria: The District should have policies and procedures to ensure that employee compensation charged to federal programs is supported by records and represents employees' actual time and effort worked on federal programs. Specifically, 2 CFR §220, Appendix A, Section J(10), requires the District to maintain records that certify or confirm on an after-the-fact basis that employee compensation charged to federal programs represents a reasonable distribution of employees' actual time and effort worked on federal programs. In addition, such records should be retained for at least 3 years to comply with 34 CFR §80.42

Condition and context: The District did not certify that \$125,810 of employee compensation charged to the program between July 2012 and December 2012 represented the employees' actual time and effort spent on the federal program. Specifically, the District had 40 employees who worked on the program during that period; however, they did not prepare documentation certifying their time and effort was spent working for the program.

Effect: The District did not comply with the allowable costs/cost principles requirements outlined in 2 CFR §220, Appendix A, Section J(10). Auditors were able to perform additional auditing procedures to determine that the employees were authorized to work, and did work, on the program as allowed by the grant agreement; therefore, no questioned costs were noted. This finding has the potential to affect other federal programs that the District administers.

Cause: The District lacked policies and procedures for certifying or confirming employees' time and effort spent on federal programs between July 2012 and December 2012.

Recommendation: As of January 2013, the District implemented procedures to require its employees paid with federal grant monies to certify the percentage of time they worked on a specific program. The District is also maintaining these certification documents to be in compliance with retention requirements. The District should continue this practice.

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November 15, 2013

Ms. Debra K. Davenport
Auditor General
2910 North 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport:

The accompanying Corrective Action Plan has been prepared as required by the standards applicable to financial audits contained in *Government Auditing Standards* and U.S. Office of Management and Budget Circular A-133. Specifically, we are providing you with the corrective action planned for the financial reporting findings and the names of the contact persons responsible for corrective action, the corrective action planned, and the anticipated completion date for each audit finding included in the current year's Schedule of Findings and Questioned Costs.

Sincerely,

V. Blaine Hatch
Vice President for Administrative Services

Quality education you can *afford*.

Navajo County Community College District • P.O. Box 610, Holbrook, AZ 86025-0610 • (800) 266-7845 • www.npc.edu

Navajo County Community College District
(Northland Pioneer College)
Corrective Action Plan
Year Ended June 30, 2013

Financial Statement Findings

2013-01

The District needs to establish effective internal controls for granting access to its information systems

Eric Bishop, Director of Information Services
Anticipated completion date: June 30, 2014

Corrective Action Plan:

The District is aware of the issues related to its information systems and concurs with the finding and recommendations. The district will continue with its efforts to develop policies, procedures and mechanisms to strengthen access and monitoring system access for unusual or suspicious activity related to its computer systems.

The District has developed and approved a standardized form to document when system access is granted and revoked.

The District will continue to:

- Determine the proper balance of access levels related to job responsibilities and overall system security.
- Minimize number of users who have elevated access to the system.
- Develop a means to monitor the activities of elevated access users.
- Monitor system access for unusual or suspicious activity.

Navajo County Community College District
(Northland Pioneer College)
Corrective Action Plan
Year Ended June 30, 2013

Financial Statement Findings

2013-02

The District should have effective payroll policies and procedures for its contracted hourly employees.

Sharon Hokanson, Director of Human Resources
Anticipated completion date: January 1, 2014

Corrective Action Plan:

The District is aware of the issues related to its payroll policies and procedures, and concurs with the finding and recommendations. The district will make the necessary changes to its procedures to ensure contracted hourly employees are paid for the actual hours worked each pay period.

Navajo County Community College District
(Northland Pioneer College)
Corrective Action Plan
Year Ended June 30, 2013

Federal Award Findings and Questioned Costs

2013-101

CFDA No.: 84.031 Higher Education – Institutional Aid

John Bremer, Controller, and Eric Bishop, Director of IS & Title III Grant/Program Director

Completion Date: November 5, 2013

Corrective Action Plan:

The District has been made aware of procedural requirements related to equipment and concurs with the finding and recommendation. The District will train employees to ensure that processes for tagging equipment and maintaining an accurate and complete capital assets listing are followed.

All Higher Education – Institutional Aid (Title III) grant capital assets will be tagged with a radio frequency identification (RFID) tag by Information Services (IS) when received. IS will record the deployed location of Title III grant assets. This record will be shared with the Business Office. The Title III grant capital asset records, maintained in the Business Office, will include the asset's serial number, when applicable, and the location where the asset is deployed. The District will use its Equipment Disposition and/or Transfer Request forms when a Title III grant capital asset is moved to a different location or disposed of.

Navajo County Community College District
(Northland Pioneer College)
Corrective Action Plan
Year Ended June 30, 2013

Federal Award Findings and Questioned Costs

2013-102

CFDA No.: 84.002 Adult Education – Basic Grants to States

John Bremer, Controller, and Rickey Jackson, Director of Developmental Services &
Adult Education Grant/Program Director

Completion Date: January 1, 2013

Corrective Action Plan:

The District has been made aware of procedural requirements related to employee compensation charged to federal programs and concurs with the finding and recommendation. The District has established processes to certify that employee compensation charged to federal programs is supported by records and represents actual time and effort worked on federal programs. This certification is maintained in the District's records and is prepared and signed by the employee. In addition, the employee's supervisor, or other responsible individual having first-hand knowledge to verify the work performed by the employee, reviews and approves the certification.

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November 15, 2013

Ms. Debra K. Davenport
Auditor General
2910 North 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport:

The accompanying Summary Schedule of Prior Audit Findings has been prepared as required by U.S. Office of Management and Budget Circular A-133. Specifically, we are reporting the status of audit findings included in the prior audit's Schedule of Findings and Questioned Costs related to federal awards. This schedule also includes audit findings reported in the prior audit's Summary Schedule of Prior Audit Findings that were not corrected.

Sincerely,

V. Blaine Hatch
Vice President for Administrative Services

Quality education you can afford.

Navajo County Community College District • P.O. Box 610, Holbrook, AZ 86025-0610 • (800) 266-7845 • www.npc.edu

Navajo County Community College District
(Northland Pioneer College)
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2013

Status of Prior Year Federal Award Findings and Questioned Costs

CFDA No.: 84.048 Career and Technical Education – Basic Grants to States,
U.S. Department of Education
Finding Number: **11-102**
Status: Fully Corrected

CFDA No.: 84.031 Higher Education — Institutional Aid, U. S. Department of
Education
Finding Number: **12-101**
Status: Fully Corrected

CFDA No.: 84.031 Higher Education — Institutional Aid, U. S. Department of
Education
Finding Number: **12-102**
Status: Fully Corrected.

CFDA No.: 84.031 Higher Education — Institutional Aid, U. S. Department of
Education
Finding Number: **12-103**
Status: Fully Corrected.

REQUEST TO APPROVE ADJUSTMENT TO FISCAL YEAR 2012-13 ADOPTED BUDGET

Recommendation:

Staff recommends approval of the adjustments to the fiscal year 2012-13 adopted budget.

Summary:

The Annual Budgeted Expenditure Limitation Reports (ABELR) for the fiscal year ending June 30, 2013 incorporates adjustments to reconcile the budgeted expenditures with the actual expenditures for the fiscal year. The details of the budget adjustments are included in the attached document.

The 2013 ABELR is under final review by the Office of the Auditor General and may be discussed at the study session prior to the meeting of the District Governing Board. It is expected the final ABELR will be discussed in additional detail at the February 2014 regular meeting of the Board.



ADJUSTMENT TO FISCAL YEAR 2013 ADOPTED BUDGET

The proposed adjustment to the adopted budget is an outcome of the completed financial audit for the fiscal year ended June 30, 2013. The adjustment produced a favorable variance in the expenditure limitation report for the same year. The expenditure limitation report is under review by the State of Arizona Office of the Auditor General.

The adopted budget in the fiscal year ended June 30, 2013 for the General Fund, Auxiliary Enterprises Fund, Restricted Fund, and Unexpended Plant Fund were \$24,199,362, \$500,000, \$6,000,000, and \$11,085,000, respectively. As the District did not spend all of the General Fund, Auxiliary Enterprises Fund, Restricted Fund, and Unexpended Plant Fund, as of June 30, 2013, the budgets for these funds were reduced to the actual expenditure amounts of \$19,177,686, \$456,800, \$5,057,665 and \$7,498,118, respectively.

The following summarizes the original adopted budget, the revisions, and the actual expenditures reported for the year ended June 30, 2013.

	General Fund	Auxiliary Enterprises Fund	Restricted Fund	Unexpended Plant Fund	Total
Adopted Budget	\$ 24,199,362	\$ 500,000	\$ 6,000,000	\$ 11,085,000	\$ 41,784,362
Budget Adjustment	(5,021,676)	(43,200)	(942,335)	(3,586,882)	(9,594,093)
Revised Budget	19,177,686	456,800	5,057,665	7,498,118	\$ 32,190,269
Actual Expenses	19,177,686	456,800	5,057,665	7,498,118	\$ 32,190,269
Variance	\$ -	\$ -	\$ -	\$ -	\$ -

REQUEST TO APPROVE PROGRAM MODIFICATION FOR COSMETOLOGY

Recommendation:

The Instructional Council recommends approval of changes to the Cosmetology (COS) Associate of Applied Science (AAS), Certificate of Applied Science (CAS) and Certificate of Proficiency (CP). Details of the changes noted in the text below.

Summary:

The proposed changes are minor and COS has requested that the current practicum courses be split in half (from 4 credit hour courses to 2 credit hour courses) so that students may register for courses sequentially and keep moving. Course fees for all classes will be split as well. The changes would go into effect Fall, 2014.

Cosmetology (COS) (AAS/CAS/CP)

About this Program

~~The Cosmetology program offers exceptional training necessary to prepare prospective students for the Arizona State Board of Cosmetology License Exam. This 1600-hour program is offered at three locations — Little Colorado Campus in Winslow, White Mountain Campus in Show Low and the St. Johns Center.~~

~~The Associate of Applied Science degree in Cosmetology is based on a two-year curriculum. The Certificate of Applied Science in Cosmetology requires students to complete the Area of Specialization and designated English and mathematics courses. Completion of the Certificate of Proficiency prepares students to meet the state licensure examination requirements.~~

~~Prospective students are encouraged to make application to the program, including successful completion of a pre-admission interview. Admission is made on either a full- or part-time basis. Call the cosmetology department at (800) 266-7845, ext. 6161 for information on how to obtain an admissions packet or~~

~~see an academic adviser at a campus or center near you.
Applicants with the goal of Cosmetology Instructor
Certificate of Proficiency must have a current Arizona
cosmetology license and one year of experience.~~

This is a 1600 hour program that will prepare individuals in hair cutting/styling; nails; facial/scalp treatments; shampooing; chemical applications; salon management; customer service; and Arizona State Laws and Regulations. Upon successful completion you will be prepared to take the AZ State Board of Cosmetology Licensing Practical/Written Examinations. Associate of Applied Science (AAS)

About this Degree • 68 credits

To complete an Associate of Applied Science degree in Cosmetology a student must complete the 16 general education requirement credits and 52 credits of required electives.

General Education Requirements • 16 credits

Communications • 6 credits

ENL 101 College Composition I.....3 credit

Plus one of the following:

ENL 102 College Composition II.....3 credit

ENL 109 Technical Writing.....3 credit

SPT 120 Public Speaking.....3 credit

Mathematics • 3 credits

Select MAT 101, MAT 103, MAT 105, MAT 109 or MAT 112 or any math course for which MAT 112 is a prerequisite.

Discipline Studies • 7 credits

Per the AAS Discipline Studies list on page 64-65.

Core Requirements • 52 credits

COS 113 Introduction to Cosmetology.....10 credit

COS 114 Theory of Cosmetology II.....3 credit

COS 115 Theory of Cosmetology III -

General Science of Cosmetology.....3 credit

COS 116 Theory of Cosmetology IV - Hair Care.....2 credit

COS 117 Theory of Cosmetology V -

Skin Care and Nail Care.....2 credit

COS 201 Basic Clinical Practice I.....4 credit

COS 215 Basic Practicum Practice I.....2 credit

COS 216 Basic practicum Practice II.....2 credit

COS 202 Basic Clinical Practice II.....4 credit

COS 217 Basic Practicum Practice III..... 2 credit



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COS 218 Basic Practicum Practice IV.....	2 credit
COS 203 Basic Clinical Practice III.....	4 credit
COS 219 Basic Practicum Practice V.....	2 credit
COS 220 Basic Practicum Practice VI.....	2 credit
COS 204 Advanced Clinical Practice IV.....	4 credit
COS 221 Advanced Practicum Practice VII.....	2 credits
COS222 Advanced Practicum Practice VIII.....	2 credits
COS 205 Advanced Clinical Practice V.....	4 credit
COS 223 Advanced Practicum Practice IX.....	2 credits
COS 224 Advanced Practicum Practice X.....	2 credits
COS 206 Advanced Clinical Practice VI.....	4 credit
COS 225 Advanced Practicum Practice XI.....	2 credits
COS 226 Advanced Practicum Practice XII.....	2 credits
COS 207 Advanced Clinical Practice VII.....	4 credit
COS 227 Advanced Practicum Practice XIII.....	2 credits
COS 228 Advanced Practicum Practice XIV.....	2 credits
COS 208 Advanced Clinical Practice VIII.....	4 credit
COS229 Advanced practicum Practice XV.....	2 credits
COS 230 Advanced Practicum Practice XVI.....	2 credits

Certificate of Applied Science (CAS)

To complete a Certificate of Applied Science in Cosmetology, the student must complete 6 credits of general education requirements: ENL 101 and MAT 101 or MAT 103 or MAT 105 or MAT 109 or MAT 112 or any math class for which MAT 112 is a prerequisite and the 52 credits of core requirements.

Certificates of Proficiency (CP)

To earn a Certificate of Proficiency in Cosmetology the student must complete the requirements as follows:

Cosmetology • 52 credits

Student must complete the cosmetology program’s 52 credits of core requirements.

Cosmetology Instructor • 16 credits

COS 209 Science for Cosmetology Instructors.....	1 credit
COS 210 Management for Cosmetology Instructors.....	3 credit
COS 211 Instructing in Cosmetology I.....	3 credit
COS 212 Instructing in Cosmetology II.....	3 credit
COS 213 Instructing in Cosmetology III.....	3 credit
COS 214 Instructing in Cosmetology IV.....	3 credit

Nail Technician • 18 credits



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COS 101 Manicuring I.....4 credit
COS 102 Manicuring II.....4 credit
COS 103 Manicuring III.....4 credit
COS 104 Manicuring IV.....4 credit
COS 118 Manicuring, Hand and Arm Massage..... 2 credit



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Human Resources UPDATE
DGB-January 21, 2014

FILLED

1. **Head Librarian** – Stan Pirog started January 10, 2014. He received his Master of Arts degree from the University of Arizona and his Bachelor of Arts Degree from Arizona State University. He also has an Associate of Applied Science and Associate of General Studies degree from Gateway Community College.
2. **Center Assistant/Monitor** – Lori Torres started January 2, 2014. She has two Associate of Applied Science degrees from Northland Pioneer College.
3. **Campus Manager** – Bonnie Pastorino started January 2, 2014. Bonnie received her Associate of applied Science from Scottsdale Community College
4. **Faculty in Nursing** – Amber Gentry started January 6, 2014. Amber has her Associate of Arts degree from Tarrant County College, her Bachelor of Science degree from Texas Christian University, and her Master of Science degree from Texas Woman’s University.

OPEN

5. **Faculty in Business** – Closed November 15, 2013; 16 applicants
6. **Faculty in Business and Computer Information Systems** – Closed October 15, 2013; 21 applicants
7. **Purchasing and Fixed Asset Specialist** – Extended to November 13, 2013; 7 applicants
8. **Systems Analyst** – Open until filled.; 2 applicants
9. **Faculty in Cosmetology** – Extended to November 30, 2013; 4 applicants
10. **Academic Advisor and Student Activities Coordinator** – Closed November 25, 2013; 43 applicants
11. **Audio/Video Support Technician**; Search closed, will be re-advertised.
12. **Interim Faculty in Nursing Assistant Training** – Open until filled.
13. **Center Advisor/Library Tech WRV** – Closes January 31, 2014; 4 applicants