

Navajo County Community College District Governing Board Study Session Minutes

August 16, 2011

2251 East Navajo Boulevard, Holbrook, Arizona, 86025

Governing Board Members Present: Bill Jeffers, Ginny Handorf, E.L."Dusty" Parsons, Louella Nahsonhoya and Daniel Peaches.

Staff Present: President, Jeanne Swarthout; Vice President, Blaine Hatch; Vice President, Mark Vest; Information Services Director, Eric Bishop; Recording Secretary to the Board, Kristin Thomas.

Reports:

- 1. Study Session Agenda Item 1.: Legislative Update (Informational) – Kristen Boilini and President Swarthout**
Dr. Swarthout introduced Ms. Kristen Boilini lobbyist for Northland Pioneer College and Cochise College. Ms. Boilini presented budget information from the Arizona Joint Legislative Budget Committee. Dr. Swarthout asked Ms. Boilini, what she thought the effect would be on community colleges when universities present their proposed legislation on funding. Ms. Boilini responded that when universities present their performance based budget package it will send a signal to state legislators that universities are well prepared. She felt the community colleges need to present community college performance indicators and student success rates. She added that Community colleges need to redefine student success to capture all the reasons why community college education important, particularly noting that community colleges serve students for more than degree transfers.
- 2. Study Session Agenda Item 2.: Summary of NAVIT Heavy Equipment Decision (Informational) – President Swarthout**
On June 8, 2011, the NAVIT Board convened with the possible sunset of the Heavy Equipment Program as an agenda item for the second time. The NAVIT board decision was summarized.
Dr. Swarthout reported that Apache County has requested an adult section of HQO to be offered in the afternoon. Based on the decreasing enrollment NPC has declined to offer this course section. Mr. Parsons asked President Swarthout if the differential of \$3500 and \$5400 is per student and how it is measured. Dr. Swarthout responded that it is per student and enrollment is difficult to capture because the tracking of student success is fluctuating. A closer cost analysis of Apache County Supplemental Budget will also provide more answers. Currently the total estimated loss for the program is between 35K and 45K. Based on the previous 3 year enrollment Mr. Vest stated he and Dean Belknap reviewed that the fees would need to triple. NPC raised fees to \$100 per course for the current academic year but based on 2010-2011 fees would have to be \$300 per course to break even.
- 3. Study Session Agenda Item 3.: Summary of Statewide Environment (Informational) – President Swarthout**
The requirement that the state of Arizona design the SLDS system is a result of accepting ARRA stimulus money on the part of the state. The SLDS system is intended to track students in any part of Arizona's educational system from K-12 through post-graduate studies. In 2011-2012, the community colleges and universities are being charged \$6.00/FTSE to Arizona Department of Education to assist in the cost of designing the system. Initial implementation must be in place and operational by October 1. ACCPC voted to use ASSIST, the data system of APASC, to feed data into SLDS. In releasing data from ASSIST to SLDS, the community colleges and universities must work within the higher education FERPA requirements and create new release documents to present to each community college district governing board for approval. Mr. Jeffers asked if there will be a statewide audit of \$6.00 per FTSE. Dr. Swarthout confirmed there will have to be.
Arizona has received a grant to participate in PARCC along with 25 other states. Arizona's PARCC grant is being managed by Project Achieve. The intent of the grant is to link Arizona's K-12 Common Core Standards to readiness for college and career. The high school core standards were developed without higher education's participation, for the most part. Higher education in Arizona will be required to accept the 25-state assessment of these standards and receive graduating high school students into their programs without assessing readiness or need for developmental



education preparation for college or career coursework. Dr. Swarhout stated that Northland Pioneer College has an English and Math faculty attending the October 17- 18, 2011 Arizona PARCC Summit.

Dr. Swarhout next addressed that MOWR is closely linked with the PARCC effort, attempting to provide curriculum and assessment at the high school level for college readiness. MOWR has resulted in the statute providing high school students with the Grand Canyon Diploma. MOWR is also working closely with some school districts to design clear pathways to higher education pathways. Thus far, rural high school districts are not very involved with MOWR or the GCD because they do not have the qualified staffing to meet the requirements of either Getting AHEAD in Arizona is funded through a Lumina Foundation grant, assisted by a grant from Lumina to Public Agenda, a communications firm. The GA committee on funding reform has been central and perhaps most controversial in activities. The community college work on funding reform has been difficult at best, anchored in issues surrounding both operational and equalization money

APASC is rapidly becoming the central organization in integrating all of the above state-wide activities. With the dramatic restructuring of APASC into a comprehensive organization, it is recognized as a logical place for synthesis of these various efforts. APASC now reports to the Joint Council of Presidents.. APASC is currently considering the position of Executive Director as it is recognized that the voluntary efforts of the university and community college co-chairs cannot continue to manage the workload. Mr. Jeffers asked if there are funds to support an Executive Director in APASC. Dr. Swarhout confirmed there are funds to support a paid position for approximately five years.

4. Study Session Agenda Item 4.: Update on New and Emerging Federal Regulations(Informational)- Vice President Vest

Mr. Vest reports since Congress has been heavily involved with the Debt Ceiling crisis, relatively no change has occurred in respect to federal regulatory issues affecting the post secondary environment. New federal regulations regarding “gainful employment” of program graduates go into effect in two phases. Phase One goes into effect on July 1, 2011. Phase One requires institutions to publicly disclose available certificate programs and CIP codes, program enrollment data, complete program costs, on-time completion rates, job placement rates, and loan debt rates for all programs covered by the regulations. For Northland Pioneer College, these programs would include all Certificate of Proficiency and Certificate of Applied Science programs. Ann Hilliard has been identified to be the point person for NPC in collecting, submitting and tracking data on Gainful Employment Phase One because much of it is in line with the Carl Perkins grant requests which Ms. Hilliard is currently responsible for. Many institutions and legislators have raised concern over the regulation, especially the cost associated with tracking job placement rates. NPC has not historically tracked job placement. Arizona is considering how best to address this issue, perhaps utilizing Department of Labor employment data and matching it against program completion data provided by community colleges and universities. Implementation of responses to these regulations in Arizona is currently pending, awaiting Department of Education responses to nationwide institutional concerns. A recent (April 20) clarification letter from the Department of Education addressed, some, but not all, of these concerns. Phase Two, an effort to measure whether specific instructional programs lead to gainful employment and, if not, whether those programs should continue to be eligible for federal financial assistance, goes into effect on July 1, 2012. This regulation, like Phase One, has generated significant controversy. The initial public comment period generated 90,000 responses from postsecondary institutions, mostly negative, as well as a letter from 118 House Democrats and Republicans urging President Obama to withdraw the regulation. Given that all the current metrics for this regulation involve student loan repayment, it is unclear whether this regulatory effort will ultimately have any impact on NPC. When the Director of Institutional Effectiveness position is filled it will be time to sit down and discuss how to prepare for Phase Two. Mr. Vest addressed new federal regulations regarding state-by-state authorization of online education go into effect on July 1, 2011 with a compliance deadline of July 1, 2014. The regulation appears to have two purposes. First, the regulation provides individual states with more authority to govern online postsecondary education within their state borders. The regulation will do so by enforcing longstanding but unenforced requirements that institutions offering online courses obtain authorization from each state in which they have enrolled online students. Federal regulations give states wide latitude to establish authorization processes (if any) and attach associated fees, thus potentially creating 50 different authorization processes and associated costs. Second, the regulation prevents students from utilizing federal Title IV (Pell Grant) funds to take online courses from institutions that have not received state authorization. Clearly, the implication is that an institution puts its ability to award Pell funds at risk if it offers online instruction without state authorization. Compliance with this regulation in its current form will be extremely onerous for NPC, when one compares time



involved to enrollment. In 2009-2010, NPC had 159 out-of-state students from 34 states enrolled in online courses. The vast majority of those students were enrolled in one credit Political Science US and Arizona Constitution courses. Two of those 159 students were identified by NPC Financial Aid as receiving federal financial funding. Given that it is a violation of federal regulations to discriminate against students receiving Title IV funds, NPC could not simply tell students they may not use Title IV funds for online courses. Compliance costs are unknown, given that many states are just now looking at their current authorization processes, which may be subject to change. President Swarthout has drafted a letter and sent it each state. The letter will define Northland Pioneer College, its current education presence in their state, and request clarification on what process and costs, if any, will be required for state authorization. Dr. Swarthout reports receiving a reply from approximately 40 states. In the interim, it may be necessary to temporarily suspend out-of-state student enrollment in online courses. Estimated enrollment impact of such a decision would be a loss of 5-15 annualized FTSE. On June 3, 2011, Congresswoman Virginia Foxx (R-NC) introduced HR 2117, a bill repealing the state authorization requirement and the new Department of Education mandated definition of a credit hour. The bill would also block any future attempts by the Department of Education to address credit hour definitions. 68 higher education associations and accrediting organizations have signed on in support of HR 2117. Representative Foxx is the chair of the House higher education subcommittee. The chair of the House education committee, John Kline (R-MN) is co-sponsor of the legislation. Couple that with a recent court decision passed by the District of Columbia that the federal government does not have the Constitutional authority to make these kinds of decisions. Northland Pioneer College will meet regulatory guidelines until we are directed to do otherwise by the Department of Education. Despite their approach is constantly changing.

5. **Study Session Agenda Item 5.: 2010 Non-Returner Survey Summary (Informational)- Vice President Vest**
Mr. Vest reports that every other year, NPC attempts to contact each student who did not graduate and chose not to re-enroll from spring to fall semester. Beginning in 2010, we excluded students who fell only into the following categories: dual enrollment, NAVIT, Department of Corrections, or enrolled in fewer than six credits during the prior year. These groups were eliminated from the survey because we are trying to capture responses from students who have full access to college services, who are pursuing degrees, certificates, or other multi-course goals, and who spend significant amounts of time utilizing college academic programs and services. For 2010, we attempted to contact 1368 students and garnered 165 responses. (A 10% response rate is considered acceptable for such surveys; this year we had a 12% response rate.) As with the two previous surveys, this latest non-returner survey indicates that students choose not to re-enroll at NPC for a wide variety of reasons, most of which are beyond the college's direct control. One area of the survey has changed significantly, which is the number one indicator of enrollment decline being that fewer course sections are offered. Mr. Vest proceeded to read the details of the survey. Ms. Handorf noted that question #2 is ambiguous and hopes that next time goal achievement will be more clearly defined. Mr. Vest commented that pending the arrival of the Director of Institutional Effectiveness all three major surveys generated out of VPLSS office will be turned over to Institutional Effectiveness office. Given that this survey is the equivalent of a business contacting its dissatisfied customers, students who are not returning and haven't graduated continue to have a remarkably positive view of the college (86% positive or neutral) and a high regard for programs and services (92% say met/exceeded expectations). At least based on these results, our conclusion based on other data that small tuition increases do not significantly impact enrollment appears to be validated. The decision to eliminate the tuition plateau, while it did affect enrollment, also does not appear to have generated negative feelings or caused students to not return. Finally, as with the prior two surveys, there appears to be a strong basis for the admissions office to make contact with these students and assist with re-enrollment, since virtually identical numbers (81% and 80%, respectively) say they have not met/only partially met their goal and plan to/might re-enroll at NPC in the future. Yield will be identified after the registration process is complete to determine what can be done to increase enrollment and help our students to achieve their goals. Mr. Parsons disagreed that the tuition plateau does not have an impact on enrollment. Mr. Vest reports the total number of students did not change significantly but that some part-time students enrolled in fewer credit hours. Mr. Vest stated that he believed the evidence to show that eliminating the tuition plateau affected FTSE, but not the decision for students to enroll or not. For example the student who originally enrolled in 6 credits now only takes 3 credits.

6. **Study Session Agenda Item 6.: Request to Ratify President's Contract (Action)- Vice President Hatch**
The District Governing Board approved an addendum to President's Contract at the June 2011 meeting. While Staff understood the intent of the Board was to renew the contract for a three-year period and to adjust the compensation, the addendum only addressed compensation. Mr. Hatch explained the changes in the revised contract.



7. Study Session Agenda Item 7.: Request to Approve Intergovernmental Agreement with Prescott College (Action)- Vice President Vest

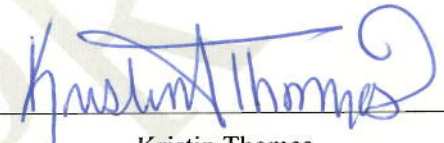
Mr. Vest reported that as costs have significantly increased for students to move out of the area. Northland Pioneer College has been working with state universities and other entities to try to provide options for the student. Mr. Vest explained that this program creates an opportunity for students to complete 90 credits in the Northland Pioneer College system, transfer the credits to Prescott College. Then the student will continue in Early Childhood Education or Elementary Education, complete 30 credits through Prescott College's limited residency program, the majority of these 30 credits can be completed while the student is able to reside in Navajo or Apache County. This allows the student to earn a Bachelors Degree in Early Childhood Education or Elementary Education. Prescott is not a state institution so therefore is not bound to state regulation regarding credit transfer. So this agreement serves as a starting point with the possibility of more programs like this to be added. The disadvantage to our students since Prescott is not a state university or institution is the higher cost. However in recent years the cost gap has significantly decreased in state and private institutions. This item has passed through our Northland Pioneer College Instructional Council, Dean Henderson and I. Ms. Handorf thinks this is a great idea but suggests that we try to do what we can to ensure our partnership is with private institutions who will guarantee graduation before state university start date.

8. Study Session Agenda Item 8.: Request to Approve Facility Lease for Welding Arts (Action)- Vice President Hatch

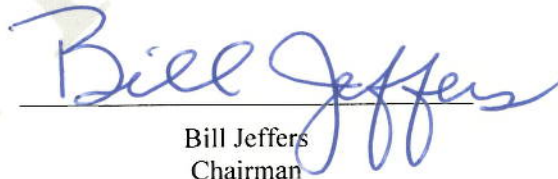
President Swarthout reported that this agenda item is introduced at a critical time with a goal to have the Welding Arts Program relocated before the semester begins. President Swarthout reported there are no other existing NPC facilities to house this type of program. Mr. Hatch added a request to include authorization for Dr. Swarthout to finalize and sign the formal lease agreement upon approval.

Study session ended at 10:54 a.m.

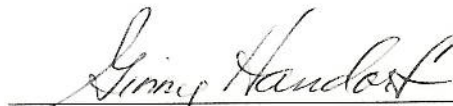
Respectfully submitted,



Kristin Thomas
Recording Secretary to the Board



Bill Jeffers
Chairman



Ginny Handorf
Secretary to the Board

