

Navajo County Community College District Governing Board Meeting Minutes

March 20, 2012 – 10:00 a.m.

2251 East Navajo Boulevard, Holbrook, Arizona, 86025

Governing Board Member Present: Bill Jeffers, Ginny Handorf, Daniel Peaches and E.L. "Dusty" Parsons (excused at 12:15pm)

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

Others Present: Everett Robinson, Ann Hess, Stuart Bishop, Eric Henderson, Dan Watron, Beulah Bob-Pennypacker, Peggy Belknap, Ina Sommers, Janet Hunter, Kenny Keith, Teri Walker, Dave Roberts, Melissa Webb, Melissa Luatua, April Overstreet, Colleen Readell, Sandra Johnson

Agenda Item 1: Call to Order and Pledge of Allegiance

Chairman Jeffers called the meeting to order at 10:04am and Mr. Peaches led the Pledge of Allegiance.

Agenda Item 2: Adoption of Agenda

Mr. Peaches moved to adopt the agenda as presented. Ms. Handorf 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

Mr. Hatch presented standard financials of fiscal budget period with 58% expired. Mr. Hatch reports the primary property tax levy for January is on target at 63%. Mr. Hatch reports capital State Aid was received is 75% collection. Mr. Hatch stated all areas are on target. Revenues are 71% and expenditures are 52% in general fund. The unrestricted plant fund is 41%. Mr. Hatch stated the restricted fund is balanced with transfers of \$359,083 from the general fund. Mr. Hatch reports all items on the lower portion of the report are on target. Mr. Hatch stated net cash, year-to-date, for all activities is \$5,721,408.

4.B. – NPC CASO – Ina Sommers

Ms. Sommers reports \$475 was raised for student scholarships from Valentines Day candy grams sales. Ms. Sommers started 7 applications were received from staff for textbook reimbursement scholarships, which is a total of \$1500. Ms. Sommers stated the non-food commodities drive takes place during the NPC picnic on April 27, 2012; it will benefit The Hope House in Whiteriver where the unemployment rate is 80%. Ms. Sommers reported the NPC Shared Governance process is appreciated and garnered positive feedback and results in respect to salary and wage discussions.

4.C. – NPC Faculty Association – Brian Burson

Kenny Keith, President Elect reported the Faculty Financial Achievements Position Statement passed on March 15, 2012. Please read attached statement with archived material.



4.D. – NPC Student Government Association- Melissa Luatua

Ms. Luatua introduced Student Government President, April Overstreet and Vice President, Fernanda Alekay. Ms. Overstreet stated the SGA Talent Show auditions are complete with approximately 50 auditions. The SGA Talent Show is on April 14, 2012 in the Performing Arts Center at SCC. Ms. Overstreet reports the SGA is hosting the University Road Trip, April 27-29; approximately 25 NPC students will visit NAU, ASU and U of A. Ms. Overstreet stated SGA is in process of finalizing decision for a coffee cart to deliver beverage services in a fundraising effort. Community Service Projects are in planning process at all locations.

4.E. – NPC Foundation- Lance Chugg

No report.

Agenda Item 5: Consent Agenda

Ms. Handorf moved to approve the Consent Agenda, as presented. Mr. Peaches seconded the motion.

The vote was unanimous in the affirmative.

Consent Agenda (Action):

- A. February 21, 2012 Study Session Meeting Minutes (T2)
- B. February 21, 2012 General Meeting Minutes (T2)

Agenda Item 6: Old Business

None.

Agenda Item 7: New Business

7.A. – Possible change in relationship between the college and the NPC Foundation as a result of opinion issued by the Arizona Office of Auditor General- (Action) – President Swarouth

To allow for client attorney privilege consultation Mr. Peaches moved for Executive Session pursuant to A.R.S. §38-431.03. Ms. Handorf seconded the motion. ***The vote was unanimous in the affirmative.***

Following the executive session, Mr. Peaches made a motion stating that the Northland Pioneer College District Governing Board will sever its relationship with the NPC Foundation in 30 days (April 20, 2012). This action is based on the NPC Foundation's refusal to submit their financial information as a component unit of the College audit and the Arizona Office of the Auditor General's opinion that such refusal by the Foundation will have a detrimental effect on the College audit findings in the future. Ms. Handorf seconded the motion. ***The vote was unanimous in the affirmative.***

7.B. – 2012-13 Preliminary Budget Analysis (First Read) – Vice President Hatch

Mr. Hatch stated the budget development process is on target. Mr. Hatch stated the major components presented include: President's Initiatives and Strategic Plan priorities and linkages, General Fund revenue estimates, General Fund expenditures, Unrestricted plant fund (capital), Restricted fund, Auxiliary fund and Expenditure limitation. Mr. Hatch highlighted the relationship between property tax levy and equalization. Mr. Hatch stressed the importance of the Governors office position relative to equalization and property tax. The position of the Governors office is in order to deliver equalization funding community colleges are expected to maintain the maximum property tax levy. Mr. Hatch reports other two equalization colleges in the state, Cochise and Graham, currently maintain the maximum property tax levy. Mr. Hatch stated the proposed current primary property tax maximum levy is \$13,167,562. Mr. Hatch estimates the proposed current year state aid according to equalization formula is \$6,777,000. Mr. Hatch reports the target for general fund expenditures has been identified at \$22,300,000 but will be addressed during the budget hearing process since total requests exceed the target by approximately \$2,000,000. Mr. Parsons asked about the difference in capital between this year and last year. Mr. Hatch responded to say we are moving forward with the skill center on the Painted Desert Campus and the master facility plan implementation with parking and roadway on the White Mountain Campus; these are the two primary differences. Mr. Parsons asked if the capital expenditure target is an increase of \$5.6 million over last year. Mr. Hatch confirmed.



7.C. – 2012-13 Wage and Salary Recommendation (First Read)- Vice President Hatch

Mr. Hatch reviewed the board approved budget assumptions for salary criteria. Mr. Hatch stated the recommendation of staff includes providing a step to all employees on the faculty schedule, which equals a 3% increase; increasing the overload/adjunct pay rates by 3%; providing a step to all employees on the non-exempt schedule and adjusting the base in the non-exempt schedule to assure that each employee in this class receive an increase of at least 3% as long as the employee is eligible for a step increase; providing a 3% increase to all exempt employees, with no change to the group minimum/maximum. Mr. Hatch reports the expected budget impact of this recommendation and the potential impact of salary schedule compression have been factored in and represent an annual increase of approximately \$600,000. Mr. Hatch reviewed the employee related expenses including ASRS, Health Insurance and cost of living. Mr. Hatch stated as a result of anticipated legislation, a return to ASRS 50/50 split of the employer/employee contributions is expected to increase the employer contribution by 1%. This change is expected to increase expenditures approximately \$125,000. Mr. Hatch stated the recommendation of staff is to split the Alternate Contribution Rate of 8.64% with Return to Work employees, which is expected to impact the college by approximately \$25,000. Mr. Hatch reported the only change in health coverage is for employees enrolled in the premier plan, they will see an increase of \$564 annually to \$1,932 for their own coverage. The Premier plan family coverage will cost an employee \$3,800 more than an employee with Basic plan coverage. Mr. Hatch reported the cost of living according to the Consumer Price Index is at about 3%.

7.D. –Request to Approve Tuition and General Fees (Action)- Vice President Hatch

Mr. Hatch reported the staff recommendation, based on information presented last month during tuition and fees first read, is to increase tuition and general fees to \$2 per credit hour which will generate approximately \$100,000. Mr. Hatch presented the updated comparative tuition rates projection chart. Other equalization schools, Cochise and Eastern, move into the center of the tuition rates for the state and NPC remains at the low end of the graph. The law enforcement academy will include a program fee at this time. Mr. Hatch stated proposal to eliminate discounted rate for less than seven credit hours for non-Arizona residents. Mr. Parsons moved to approve the request as presented. Ms. Handorf seconded the motion. ***The vote was unanimous in the affirmative.***

7.E. –Request to Approve Course Fees (Action)- Vice President Hatch

Mr. Hatch reported the staff recommendation is to approve the course fees as presented. Mr. Hatch stated no changes have been made from the first read of course fees presented during the February District Governing Board meeting. Ms. Handorf moved to approve the request as presented. Mr. Peaches seconded the motion. ***The vote was unanimous in the affirmative.***

7.F. –Request to Award Contract for Aspen Center Canopy Project (Action)- Vice President Hatch

Mr. Hatch reviewed existing perimeter concerns and changes made to reduce water infiltration at the Aspen Center on White Mountain Campus. Mr. Hatch stated that the initial cost estimate for this project was \$389,000. Mr. Hatch reported the formal bidding process included the receipt of seven bids on February 29, 2012 with the lowest bid of \$339,100 from Flagstaff Design and Construction. DLR group has reviewed the bid and the firm. DLR Group recommends acceptance of the bid from Flagstaff Design and Construction. Mr. Hatch added this project is included in the existing capital budget plan and funds are available. Mr. Parsons moved to approve the request as presented. Ms. Handorf seconded the motion. ***The vote was unanimous in the affirmative.***

7.G. – Request to Award Contract for Re-roofing Project (Action)- Vice President Hatch

Mr. Hatch reviewed deferred maintenance project discussion presented during February District Governing Board meeting. Mr. Hatch reported four bids were received on March 8, 2012; the low bid of \$687,000 was submitted by Edge Construction. Mr. Hatch confirmed DLR group researched why this bid is significantly lower than originally estimated; the outcome is a result of negotiated pricing of the roofing material and the cost savings associated with the HVAC equipment pre-purchase. Mr. Hatch reported the total cost savings of the project will be approximately \$1 million. Mr. Jeffers asked if Edge Construction is in Arizona. Mr. Hatch confirmed. Ms. Handorf moved to approve the request as presented. Mr. Peaches seconded the motion. ***The vote was unanimous in the affirmative.***



7.H. –Request Approval of PDC Skill Center Bid Package Services (Action)- Vice President Hatch

Mr. Hatch stated that staff recommends approval of an amendment to the current agreement with DLR Group, Inc. to provide design, engineering, bid preparation and construction management services for this project at a lump sum cost of \$315,770 plus estimated reimbursable expenses of \$12,200. Mr. Hatch reviewed the discussion presented during the February District Governing Board meeting. Mr. Hatch reported the proposed facility is approximately 26,600 square feet in area. Mr. Hatch reviewed the space program summary, which is a breakdown of specific space allocations to each usage area by department. Mr. Hatch reported the approximate cost of the project is \$5 million. Mr. Parsons moved to approve the request as presented. Mr. Peaches seconded the motion. *The vote was unanimous in the affirmative.*

7.I. –Request Approval of WMC Roadway and Parking Expansion Bid Services (Action)- Vice President Hatch

Mr. Hatch stated staff recommends approval of an amendment to the current agreement with DLR Group, Inc. to provide design, engineering, bid preparation and construction management services for this project at a lump sum cost of \$82,900 plus estimated other expenses of \$17,500 and reimbursable expenses of \$1,500. Mr. Hatch referenced the conceptual map provided. Mr. Hatch stated this plan more than doubles parking availability on the White Mountain Campus in respect to future planning and development. Mr. Hatch stated the construction cost estimate is \$2.4 million. The three-year capital budget now includes \$1.65 million: \$450,000 in current fiscal year; \$550,000 in the upcoming fiscal year (FYE 2013); and, \$650,000 in the 2013-14 fiscal year. An upward revision of \$750,000 to the 2012-15 three-year capital budget will be made if the project moves forward as proposed, with an adjustment of nearly \$2 million to the upcoming fiscal year capital budget. Mr. Jeffers asked if they will use the lay of the land to complete this project. Mr. Hatch confirmed with the exception of limited tree removal on the southern part of concept map. Mr. Parsons moved to approve the request as presented. Ms. Handorf seconded the motion. *The vote was unanimous in the affirmative.*

7.J. –Request to Approve Purchase of Additional Data Storage (Action)- Director Bishop

Mr. Bishop stated the recommendation to purchase two XIOTECH data packs at a combined cost of \$50,579.16 plus tax. Mr. Bishop stated the proposed purchase for additional storage will be purchased with Title III funding and current capital budget. Mr. Bishop reported the purchase of additional data storage will increase storage capacity for server and desktop virtualization at both WMC and PDC. Ms. Handorf moved to approve the request as presented. Mr. Peaches seconded the motion. *The vote was unanimous in the affirmative.*

7.K. –Request Approval of Sabbaticals (Action)- President Swarthout

Dr. Swarthout reviewed sabbatical request details for Jennifer Witt and Shannon Newman that were presented during District Governing Board February meeting. Dr. Swarthout stated both proposals were very strong and are approved by all proper channels in the sabbatical approval process. Ms. Handorf moved to approve the request at presented. Mr. Peaches seconded the motion. *The vote was unanimous in the affirmative.*

7.L. –Commencement (Information)- Colleen Readel

Ms. Readel invited District Governing Board Members to attend Northland Pioneer College Commencement Saturday, May 19, 2012. The host location is Show Low Auditorium and the ceremony begins at 1pm.

7.M. –NPC Outstanding Alumnus Jonathan Nez (Information)- Ann Hess
Rescheduled for the April 17, 2012 District Governing Board meeting.

Agenda Item 8: Standing Business

8.A. –Request to Approve Curriculum Program Modifications and Deletion: Program Modifications: AA, AS, ASBUS, AAEE, AAS & AGS Degrees; CIS Web Design; AAS Registered Nursing; Cosmetology AAS, CAS & CP; Program Suspension & Division Change AJS (formerly ACJ); Delete Community Health Adviser Program (Action)- Vice President Vest

Mr. Vest reviewed details of thirteen curriculum program modifications and deletions. Ms. Handorf moved to approve the request as presented. Mr. Peaches seconded the motion. *The vote was unanimous in the affirmative.*



8.B. – Strategic Planning and Accreditation Steering Committee (SPASC) Report – Director Bishop
Mr. Bishop reports current SPASC focus is completion and retention. Defining and measuring completion for community colleges remains at the forefront. Mr. Bishop stated each Pillar Lead plans to incorporate student success into the number one priority. Priority One team has been established to monitor and measure progress. Mr. Bishop stated HLC has approved the pathways model criteria of accreditation and it will be effective January 2013.

8.C. – Human Resources Update – Dan Wattron
Mr. Wattron reports three position were filled and there are six positions open. February Employee of the month: Anna Calhoun, Information Services Technician on the White Mountain Campus.

Agenda Item 9: President’s Report – President Swarthout

9.A. Friends of the Petrified Forest National Park Update
Dr. Swarthout reports process is underway in formalizing an agreement that will benefit all participating parties. Dr. Swarthout requested volunteers for the first project, which is to create a webpage and social media outlets to share the partnership with the community.

Agenda Item 10: Board Report/Summary of Current Events

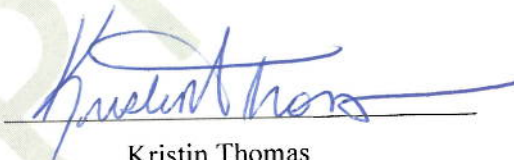
Ms. Handorf reported the White Mountain Belles performed March 9 and March 10; the attendance was good.

Agenda Item 11: Announcement of Next Regular Meeting: Tuesday, April 17, 2012.

Agenda Item 12: Adjournment

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

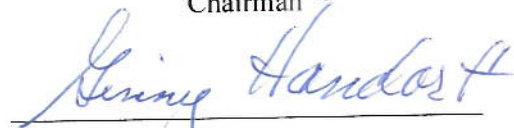
Respectfully submitted,



Kristin Thomas
Recording Secretary to the Board



Bill Jeffers
Chairman



Ginny Handorf
Board Secretary

