

# Navajo County Community College District Governing Board Meeting Minutes

March 17, 2015 – 10:00 a.m.  
Painted Desert Campus, Tiponi Community Center  
2251 East Navajo Boulevard, Holbrook, Arizona

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

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

**Others Present:** Betsyann Wilson, Rickey Jackson, Everett Robinson, Ann Hess, Stuart Bishop, Betsy Peck, Larry Hildebrand, Peggy Belknap, Jeremy Raisor, Maderia Ellison, Sharon Hokanson, Margaret White, Tiffani Martin, Peg Erdman, Tamara Martin, Eric Henderson, Sandy Johnson, Beulah Bob-Pennypacker, James Jayne, Mary Springer

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

Chair Handorf called the meeting to order at 10:05 a.m. Mr. Winslow led the Pledge of Allegiance.

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

*Mr. Matteson moved to adopt the agenda as presented. Mr. Winslow seconded the motion. The vote was unanimous in the affirmative.*

## **Agenda Item 3: Call for Public Comment**

Larry Hildebrand addressed the Board opposing the Silvercreek reinvention. Chair Handorf stated that it is important to be careful of rumors and unless there actual facts and documentation is offered statements made in public should be made carefully. The Board does in fact receive a lot of information from staff.

## **Agenda Item 4: Reports**

### **4.A. Financial Position – Vice President Hatch**

Vice President Hatch stated that the College has issued a press release regarding the Award of the Certificate of Excellence for the most recent Comprehensive Annual Financial Report and recognized Maderia Ellison for the level of work that made it possible. Vice President Hatch then summarized the Financial Position report to the Board.

### **4.B. Human Resources – Director Sharon Hokanson**

Director Sharon Hokanson reviewed the Human Resources report with the Board.



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

Margaret White, co-chair of CASO, addressed the Board and stated candy bar sells are still ongoing to raise scholarship money. There will be a non-food drive for the upcoming College Picnic in April, and also discussed the history of Warm and Fuzzy Award.

Mr. Winslow stated it would be nice to know why a person got a warm and fuzzy every now and again, especially if involving a student in order to get an idea of best practice.

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

Betsy Peck, ECD, Faculty addressed the Board and stated that the ECD Club is now off the ground. The decentralized nature of the institution was initially an obstacle to its development but three students have been recruited as officers. The ECD Club met in early October and decided to do a coat drive which collected over 200 coats that were distributed back to the communities where they were collected. Betsy Peck reviewed the ECD Department functions with the Board, and stated that the ECD Fair meets every other year and the 25<sup>th</sup> Early Childhood Fair will be held this year in October.

Sandy Johnson addressed the Board and stated that the Faculty Association meets every second Friday, and met last Friday. The current State budget and concerns about providing services were discussed. FA officers will be elected next month and the FA constitution will be amended to move the Association back from a co-chair model to having a president, vice president and treasurer. The faculty also discussed the scholarships they fund yearly and the faculty association retreat is being planned.

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

Tiffani Martin, Vice President of SGA, addressed the Board regarding the SGA sponsored road trips to three universities and discussed her experience.

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

Betsyann Wilson handed a flyer to the Board and stated NPC Friends and Family has received an advertising grant to place the flyer in Snowflake, Holbrook and Show Low newspapers regarding the Tuesday, April 7 Arizona Gives Day which is sponsored by the Alliance of Arizona Non-profits. The link for donation is at [www.npcfriendsfamily.org](http://www.npcfriendsfamily.org), under “events” there’s a link for giving a donation on Arizona Gives Day. On that day she will be asking everyone to send out requests to ten people in Facebook, Twitter, or email to request donations on April 7. First prize for non-profit who raises the most is \$15,000, second \$10,000, and third prize is \$8,000. The non-profit with the most donors overall will receive \$8,500.

Friends and Family is also finalizing the nursing scholarships with Summit Healthcare and Frontier Communications, which provide ten \$1,000 scholarships for students who are entered into the nursing program for spring of this year. Cell One is offering a scholarship challenge in which \$1700 in books, tuition, and course fees and then the remainder is applied to a cellphone and three months of free cell service. It is open to anyone coming to NPC in Fall of 2015 and will be available in April closing May 1.



The Leg Up and Fill the Gaps grants were awarded for spring, these are \$500 grants provided at each campus and center.

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

- A. February 17, 2015 Regular Board Minutes
- B. Request to Approve Intergovernmental Agreement with Northeast Arizona Technological Institute of Vocational Education (NATIVE)
- C. Request to Approve Modification of the Business AAS, CAS, CP in Accounting, Entrepreneurship, Management and Leadership, Medical Office Technologies, Medical Transcription, Modern Office Technologies and Retail Management
- D. Request to Approve Modification of the Computer Information Systems CP in Network and PC Support
- E. Request to Approve Modification of the Medical Assistant AAS, CAS
- F. Request to Approve Modification of the Nursing Assistant CP
- G. Request to Approve Modification of the Associate of General Studies (AGS)
- H. Request to Approve Modification of the Paramedicine (EMT) AAS, CAS, CP
- I. Request to Approve Modification of the General Education AA, AAEE, AAS, ABUS, AGES, and AS
- J. Request to Approve Modification of the Association of Science
- K. Request to Approve New Program - Associate of Arts in Early Childhood
- L. Request to Approve New Program - Film and Digital Video
- M. Request to Approve 2016-2017 Academic Calendar

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

### **Agenda Item 6: Old Business: None**

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

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

Vice President Hatch reviewed the Preliminary Budget Analysis with the Board, and stated that the development process is moving forward. Budget Hearings were completed but Capital Budget Hearings will be finalized today.

Vice President Hatch reviewed the Primary Property Tax Levy Limit worksheet with the Board and stated the Board will decide on property taxes at the April District Governing Board meeting.

Mr. Lucero asked if the actual increase was 8%. Vice President Hatch stated the change from \$166 to \$174 is around an 8% increase. Chair Handorf asked if \$3.42 is the annual increase. Vice President Hatch stated it was. Chair Handorf stated the increase would be \$.28 a month if a house is valued at \$100,000, \$.84 a month for a house valued at \$300,000, and a house valued at \$500,000 would increase \$1.40 a month, and those are the numbers taxpayers need to hear.

Vice President Hatch stated if the Board decides to go forward with the maximum property tax, the Truth in Taxation notice will show the \$3.42 per year as the amount that is the subject of the hearing.

Vice President Hatch stated tuition will increase \$2 per hour. It is expected that State aid will decrease in operating aid funding and increase \$566,000 in equalization aid. The State Budget has passed however there are concerns that the State is defunding the two major community colleges in the state and what possible impact that will have on NPC going forward. It is



possible that the budget in the future may put a much larger target on state equalization aid, which is 50% of all funding provided to community colleges.

Vice President Hatch reviewed general fund expenditures with the Board.

Mr. Matteson asked if reductions in wages and other expenditures help bring the College back into balance with the expenditure limitation. Vice President Hatch stated unfortunately the reductions helps with expenditure limitation issues but does not bring the College into balance. The current year budget most likely will be around \$3 million out of balance on the expenditure limitation, and this will be the case in the 2015-2016 year.

Mr. Winslow asked for examples of line items under nonemployee related costs.

Vice President Hatch stated nonemployee related costs would be something like construction supplies, utilities, general maintenance of facilities, subscriptions and other information required by faculty, staff and administration.

Mr. Winslow asked how the 1.9% increase in nonemployee related cost compares to last year. Vice President Hatch stated he did not have that information would provide it.

Mr. Winslow asked if budget managers were aware of the need to minimize requests for increases. Vice President Hatch stated that budget managers were aware and willing to do everything they can to keep costs reasonable and appropriate.

Mr. Matteson asked about a bill in the legislature that would require all public buildings be brought into compliance by a 20% increase of green energy and modifications to buildings. Vice President Hatch stated that in the past when the State Board for Community Colleges was dissolved, building titles were transferred to the local district so have not been considered state buildings.

### ***7.B. Request to Approve 2015-2016 Tuition & Fees Schedules***

Vice President Hatch stated staff recommends approval the proposed 2015-2016 Tuition and Fees Schedule and course fees schedules. This recommendation follows budget development assumptions that gives consideration to the impact to students, have incremental increases and to be competitive in the market by maintaining a comparative position for the average tuition at other Arizona community colleges. Vice President Hatch reviewed the comparison chart provided.

Mr. Winslow stated he is in support of this small tuition increase, stating it is better to increase tuition gradually especially in light of the fact that the College offers more scholarships and this small amount will not be a deal breaker for most people.

Mr. Matteson asked what percentage of the annual cost the \$2 increase was. Vice President Hatch stated he didn't have actual numbers but knew it was a small percentage. Mr. Matteson



stated when the cost of an organization has gone up, that cost must be accommodated or the quality of service will fall behind.

*Mr. Matteson made a motion to approve the proposed 2015-2016 Tuition and Fees Schedules. Mr. Winslow seconded the motion. The vote was unanimous in the affirmative.*

### **7.C. Request to Approve 2015-2016 Wage & Salary Schedules**

Vice President Hatch stated the Board approved budget assumptions incrementally increase wages by considering competitive market conditions by maintaining a comparative position to other local entities including community colleges in similar institutions, and to consider salary recommendations that come through the shared governance process. The proposed 2% for faculty and hourly employees is accomplished by a change in the schedule, plus a step, to reach 2%. For employees still getting a step that will be a 2% increase, and those employees at end of the schedule they are currently on, faculty will receive a half a percent adjustment, while hourly employees will receive a ten cent increase between steps. Exempt employees who are not administrators will receive a 2% increase. The schedules for the minimum and maximum will increase a half a percent, and non-administrator employees would receive a 2% increase as long as an employee was not redlined, and administrators would receive a 1% increase.

Vice President Hatch stated benefit costs have not changed. Health insurance costs have been finalized and for the College there will be a 3% increase and employees with dependent coverage will have a 2% or 4% increase. If an employee does not have dependent coverage, there is no increase as the College covers cost for employee.

Mr. Matteson stated his agreement with the wage proposal but with increased cost of living he felt the administrator increase of 1% is too low and suggested that a 1.5% would be fairer than a 1%.

Mr. Winslow asked what the additional half a percent for administrators would cost the College. Vice President Hatch stated it would increase costs by about \$10,000.

Mr. Lucero asked if this wage recommendation came from faculty members. Vice President Hatch stated the recommendation for 2% came through a joint recommendation from the Faculty Association and CASO, and the Employee Relations Committee recommended 2.5%, and College Council and SPASC recommended a 2% increase. The recommendation for 1% for administrators was made at the executive level.

*Mr. Lucero made a motion to approve the proposed 2015-2016 Wage & Salary Schedules. Mr. Winslow seconded the motion. The vote passed with a majority vote.*

Chair Handorf called for a short break.



**7.D. Request to Modify/Accept Policy 1087**

President Swarthout stated staff recommends review and any recommendations for changes to Policy 1087.

*Mr. Matteson moved to accept Policy 1087 as written. Mr. Winslow seconded the motion. The vote was unanimous in the affirmative.*

**7.E. Request to Approve Purchase of Laptops**

President Swarthout stated staff recommends purchase of replacement laptops, the cost of which is included in the current budget. The laptop replacement is part of regular three year cycle renewal of equipment.

*Mr. Matteson moved to approve the purchase of laptops from CDWG in the amount of \$72,413.25. Mr. Winslow seconded the motion. The vote was unanimous in the affirmative.*

**7.F. Request to Approve Purchase of PCs**

President Swarthout stated staff recommends purchase of replacement PCs, the cost of which is included in the current budget. The PC replacement is part of a regular three year cycle renewal of equipment.

*Mr. Matteson moved to approve the purchase of PCs from WWT in the amount of \$68,970.00. Mr. Winslow seconded the motion. The vote was unanimous in the affirmative.*

**7.G. Review of Board of Nursing Response**

President Swarthout stated as requested by the Board, the Board of Nursing was contacted regarding the possibility of moving the Nursing Program to SCC. President Swarthout stated that the opinion from the Board of Nursing during the discussion was that the request was likely not to be approved.

Mr. Lucero asked why it would be unlikely to get approval. President Swarthout stated several reasons were stated, mainly that moving a successful program would result in weakening the program.

**7.H. ACCT Conference Update**

President Swarthout the GISS conference sponsored by ACCT will be held on April 10 and 11. Vice President Vest and President Swarthout will be attending.

**7.I. EMSI Report**

Director Leslie Wasson reviewed the Economic Impact summary from the EMSI Report with the Board.

Mr. Winslow stated some of the charts and graphs in the appendices show that when education increases, incarceration decreases dramatically.



### **7.J. Review of Northeast Arizona Training Center.**

Vice President Hatch reviewed the summary of NATC history, stating that it is not comprehensive but provides information on key events. Vice President Hatch also stated that NATC is audited separately from the College and was folded into the CAFR for the period ending June 30, 2014. The assets of NATC are just over 1.9% million, cash assets are just under \$67,000. Cash balances at the end of June 2014 stand at about \$63,000. The liabilities of NATC are at \$345,000, all of the liability is associated with the existing principle balance of the GADA loan. There is an option presently to pay off the loan, and need to make notice prior to May 15, 2015, and the payoff amount is \$302,150, which results in an estimated present value savings of \$22,647, based on current market.

Estimated Cost to NPC: The College provides an executive director and support staff to NATC however, the amount of time those employees spend on NATC activities is less than 6% for the director and less than 2% of staff hours. Total contribution from NPC for these services is no more than \$8,000 a year. The College does pay rent to NATC at the cost of \$24,000, and as a condition of the agreement the College does provide custodial services at the cost of \$3,000.

The total annual cost to NPC currently for utilizing and operating the NATC facility outside of normal program related cost is approximately \$35,000.

Vice President Hatch referenced a copy of a letter to the Board by Navajo County, Town of Taylor, Fire Chief's Association and Police Chief Association requesting that NPC become owner of NATC.

Vice President Hatch stated he has provided to the Board a detailed breakdown of expenses in the two programs that are operated at NATC; fire science training and criminal justice program.

Mr. Winslow asked that assuming NATC be an action at next month's meeting with three options presented: 1) status quo, not pay off the GADA loan, and then, 2) what are the legal documents, and implications, and finances of NPC becoming the owner of the property and all its buildings, and option, 3) NPC becoming owner of NATC property as well as the NATC 501(c)3, if keeping the 501(c)3 intact is an option. Mr. Winslow also requested an insurance estimate for liability insurance.

Vice President Hatch stated NATC is currently insured and the present cost annually for liability insurance is around \$16,000 through a separate provider.

Mr. Lucero asked about current value of the facilities. Vice President Hatch stated it would be difficult to get an appraisal as comparables would be difficult to find.

Mr. Matteson asked where the funds would come from to purchase NATC. Vice President Hatch stated it would be a capital fund expenditure, and would not count against expenditure limit.



Mr. Winslow asked about projections of the Fire Science and Law Enforcement programs, regardless of who owns the facility. Director Stuart Bishop stated the Fire Science Program is very active, and partners with NAVIT. Phoenix Police is looking at hiring 600 police officers, and there are 12 academies in the state but they will not be able to fulfill all of this required training. Class and program enrollment reflects a strong demand.

Mr. Winslow asked if there are revenues that come into NATC. Director Bishop stated there are 15-20 fire departments and 13 law enforcement agencies that paid a total of \$64,000 in membership fees this last year. Mr. Winslow asked Vice President Hatch to outline how this membership would change if NPC took over the NATC facility.

Chair Handorf asked if there were summer classes. Director Bishop stated there was not since summer is wild land fire season and fire fighters are gone, although the police academy could run through the summer.

James Jayne, Navajo County Manager, addressed the Board regarding a possible NATC acquisition. He stated that the partnerships with NATC are a model of regional partnership that provides services to enhance public safety and to serve the public interest. Local residents can attend a Post certified academy in the area to make it easier for law enforcement agencies to hire employees that already live in the region. Navajo County appreciates the partnership with NATC and NPC, and will continue to work on building and ground maintenance as part of the partnership.

Rich Upham, Northeastern Arizona Fire Chief's Association president, addressed the Board and stated that all area fire districts are small, and rely on NPC to train potential fire fighters. NATC is the only option for these districts and the Fire Chief's Association wanted to express their support of NPC taking over NATC.

Director Stuart Bishop addressed the Board in support of NPC taking control of NATC.

Mr. Lucero asked about the the one time option to pay off loan. Mr. Winslow stated that financing through GADA is part of a pool of other loans that were made at the same time so there needs to be enough partners that want to proceed with refinancing for the deal to go ahead, and the NATC loan is not a standalone loan.

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

#### **8.A. Strategic Planning and Accreditation Steering Committee (SPASC) Report – Vice President Vest**

None

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

President Swarthout introduced Colleen Readel who coordinates commencement every year and she invited the Board to participate in the commencement ceremony on May 9, 2015, and that they needed to arrive at noon.



Chair Handorf requested that the entire Board be in the receiving line.

Colleen Readel stated there were 330 graduates this year, but does not have numbers yet on who will be walking.

President Swarhout gave a brief legislative update to the Board.

**8.C. Agenda Items/Informational Needs**

-NATC as action item

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

Chair Handorf stated NPC music event on April 10, 2015 at 700 p.m. will highlight the poems of Jo Baeza and will take place at the PAC in Snowflake.

**Agenda Item 10: Announcement of Next Regular Meeting:** April 14, 2015.

**Agenda Item 11: Adjournment**

*The meeting was adjourned at 1:05 p.m. upon a motion by Mr. Winslow, a second by Mr. Lucero, and a unanimous affirmative vote.*

Respectfully submitted,



Lisa Jayne  
Recording Secretary to the Board

