

NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEES MEETING
April 14, 2008 4:30 P.M.
STUDENT CENTER — MULTI-PURPOSE ROOM (SC-108)

	<u>Page No.</u>
1. Call to Order	
2. Recognitions, Awards, and Informational Items	
• Student of the Month Golden Eagle Award: Sheryl Slaughter	
• PTK All-USA Academic Team Nominees: Miranda Moore & Tim Payne	
• Global Communities Center Presentation: Dale Montgomery	
• Civic Symphony/Sabbatical Presentation: Miles Fish	
3. Attendance	
4. Approval of Minutes	2
5. Approval of Goals Monitoring Report(s)	
• No Report	
6. Executive Limitations Monitoring Report(s)	5
• EL-201 Financial Condition	
7. Committee Reports	
• Land Use and Facilities Committee	
8. President's Report	
9. Chairman's Report	
10. Executive Session: President's Employment Review	
11. Other Board Action Items and Considerations	
• Approval of President's Evaluation and Compensation	8
• Approval of Resolution Adopting Use of Act 1404 of 2001 Authorizing Dr. Paneitz's salary	9
12. Board Self-Evaluation	
• <i>Did we operate as a policy board?</i>	
• <i>Did we serve our constituents?</i>	
Adjourn	

NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEES MEETING
Monday, March 10, 2008

MINUTES

Board Chairman Mr. Coleman Peterson called the regularly scheduled NWACC Board of Trustees meeting to order on Monday, March 10, 2008, at 4:30 p.m. in the Student Center Multipurpose Room.

Members Present: Coleman Peterson (Chair), Dr. Les Carnine (Vice Chair), Robert Teague (Secretary), Joan Clifford, Johnny Haney, Krista Khone, Mark Lundy, Joe Spivey, and Alex Vasquez

Also in Attendance: NWACC president Dr. Becky Paneitz and student trustee Tim Payne.

RECOGNITION

Miranda Smith was introduced as the new Administrative Coordinator/Project Specialist in the Office of the President. Next, the Golden Eagle Award was presented to student Vanessa Burrous. Ms. Burrous thanked the Board and said that NWACC had allowed her to change her life. She said that she had overcome adversity to get to where she is today. She noted that “coming to this school helped me realize anything is possible.”

APPROVAL OF MINUTES

Mr. Spivey moved and Mr. Lundy seconded the motion to approve the minutes of the regular monthly Board Meeting, which was held on February 18, 2008. The motion passed unanimously.

GOALS MONITORING REPORT: ENDS 105-College Community

Dr. Steve Gates presented the report on the college community, addressing organizational development, AQIP, and the Teaching & Learning Center. He also discussed information related to the Business Continuity Plan, Risk Management, and noted progress in the Master Plan update. Dr. Gates mentioned that recruitment of diversity has been a challenge. Dr. Paneitz stated that recruitment and retention continue to be a challenge because of location and salary limitations. Mr. Spivey asked why people are leaving and Dr. Paneitz stated that we will need to look into exit interview data. Mr. Peterson agreed that exit interview data will help. He also added that he is glad that we’re looking at diversity in positions.

Mr. Peterson asked the trustees to consider: does the achievement of outcomes means we have met our strategic goals? Dr. Paneitz said that she thought it was time we revisit the benchmarks and targets. Mr. Peterson wondered if we might be better served by focusing on a few key things like quality and not necessarily quantity.

Dr. Paneitz drew the Board’s attention to the compensation study which is worthy of recognition. She noted we’ve implemented the compensation software and it is something we will have to keep working on, just like recruitment and retention.

EXECUTIVE LIMITATIONS MONITORING REPORT: EL-207 Compensation and Benefits

The Board reviewed the report for EL-208, Compensation and Benefits. Mr. Spivey moved and Ms. Clifford seconded the motion to approve the report. The motion passed unanimously.

COMMITTEE REPORTS: Land Use & Facilities Committee

Dr. Carnine presented the report from the Land Use & Facilities Committee. He said that Burns Hall roofing project is progressing as scheduled. He also discussed the Global Business Development Center timeline. He noted that Mr. Jim Lay discussed the appraisal process and timelines, which will be a consideration for the alternative delivery method. Ms. Clifford observed that we used an alternative delivery method successfully on both the parking garage and the student center.

Dr. Carnine then discussed the seven options considered for the 8th street interchange. He noted that there are seven proposals, but there may be eight, nine, or ten by the end. He also noted the concerns of the interchange coming through campus such as safety and outdoor classrooms. Dr. Paneitz told the Board she has talked with stakeholders and the consensus is that we should work with the 8th street interchanges and move the building as needed. It will not be adjacent to the Shewmaker center, but it will be connected which is important for the donors.

Dr. Carnine discussed going forward with the Global Business Development Center. All agreed unanimously. Mr. Haney that there might be value in taking a broader view as that we may have to reconsider the footprint of this building. Mr. Tim Payne expressed his desire to see green space preserved even though he acknowledges the construction of the interchange is inevitable and we need the Global Business Development Center. Dr. Carnine noted the Global Business Development Center will be ready for June or late May ground breaking.

Dr. Carnine distributed the revised draft resolution. He noted some of the options will affect us as a college, so minimizing impact is important. He requested we address the safety issue at the forefront. Mr. Peterson asked the Board to comment on the upsides and downsides of having a resolution. Ms. Clifford asked how serious resolutions are taken. She asked what may happen if we take the text and put it into a letter from our attorney. Mr. Peterson asked Ms. Khone for her view as a Chamber staff member.

Mr. Haney suggested Dr. Paneitz could convey the college's position through a letter rather than a Board resolution. He also noted that anyone, a student, staff, faculty, attorney could send a letter. He thinks the resolution is too much at this time. He commended Dr. Paneitz for her ability to speak well on behalf of the college all the time. Dr. Paneitz stated that she had met with Mayor McCaslin and expressed our sense of urgency because of the Global Business Development Center and the Master Plan. Mr. Peterson summarized the discussion saying that the Board did not appear to be in support of the resolution. Ms. Clifford made a motion that a letter be written by our chairperson and president stating our concerns in being included in the discussions regarding the interchange. Dr. Carnine seconded the motion. The motion passed unanimously.

Next, Dr. Carnine discussed the use of NWACC's property for the 4th of July Firework celebration, and noted that the Land Use & Facilities Committee had voted to approve the use of college property for this purpose. Mr. Peterson recognized the fire chief and expressed his appreciation to Dr. Carnine for his leadership of this committee.

OTHER BOARD ACTION ITEMS AND CONSIDERATIONS

Dr. Ates presented information about the Dental Assisting Certificate. He introduced Glenda Lee, the instructor for this certification option. She described the development of the long standing dental program. Mr. Teague moved and Mr. Haney seconded the motion to approve the Dental Assisting Certificate. The motion passed unanimously.

Dr. Marvin Galloway and faculty member Cindy Hammonds presented information regarding the Proficiency for Environmental Management GIS Technician Certificate. Mr. Spivey moved and Mr. Lundy seconded the motion to approve the Certificate for Proficiency for Environmental Management GIS Technician. The motion passed unanimously.

Dr. Donna Wood presented information regarding the Business Management Certificates. Dr. Carnine moved and Mr. Teague seconded the motion to approve the Business Management Certificates. The motion passed unanimously.

PRESIDENT'S REPORT

Dr. Paneitz shared information with the Board about the college's efforts to improve communication by disseminating daily Campus Announcements. She also recognized Ms. Clifford for the recent wine-tasting event, which proved a successful fund-raising event.

CHAIR'S REPORT

Mr. Peterson spoke about the Trustee Conference in Little Rock. He noted that Dr. Purcell spoke about the state of education in Arkansas. He summarized the conversations related to performance funding, identifying the workforce, and traditional financial aid. Mr. Peterson then announced the Board would go into executive session, and noted that no action would be taken during or after this executive session. The Board moved into executive session at 6:30 p.m. and returned at 8:12 p.m.

ADJOURNMENT

Mr. Spivey motioned and Ms. Clifford seconded the motion to adjourn; the motion was approved unanimously. The meeting adjourned at 8:16 p.m.

Coleman Peterson, Chairperson

Robert Teague, Secretary

POLICY TYPE: EXECUTIVE LIMITATIONS**EL-201****POLICY TITLE: FINANCIAL CONDITION**

Policy 201: With respect to the actual, ongoing financial condition and activities, the President shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Ends policies.

Definition: Fiscal jeopardy refers to unrestricted cash reserves in the amount of less than 8-10% payroll and operating expenses held in the unrestricted operating and investment accounts of the college. Material deviation of actual expenditures refers to a plus or minus 10% difference from Board priorities.

Narrative: Six percent of FY2008 budgeted payroll and operating expenses equaled \$1,679,955. The Board of Trustees, when it approved the FY2008 budget, agreed to a 6% reserve which amounts to \$1,679,955 of FY2008 budgeted payroll and operating expenses of \$27,999,258.

Available unrestricted cash reserves as of January 31, 2008 are \$ 3,844,536 or 23.58% of actual FY2008 year-to-date expenses. Therefore, the President maintained adequate cash reserves and did not materially deviate from the priorities established in the Board of Trustees approved FY2008 budget.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Expend more funds than available from fiscal year receipts plus 10% of available reserves.

Definition: Available reserves refer to the balance of all unrestricted bank or investment accounts as of June 30 of any preceding fiscal year.

Narrative: **Actual Beginning Unrestricted Cash Balance as of 6-30-07** \$ 1,781,394

10% of Available Reserve as of 6-30-07	\$ 178,139
Total FY2008 Year-to-Date Unrestricted Revenues	<u>\$ 16,164,487</u>
Total FY2008 Unrestricted Cash Available as of 1-31-08	\$ 16,342,626
Less: Total FY2008 Year-to-Date Unrestricted Expenditures	<u>\$ 16,306,595</u>
Year-to-Date Ending Unrestricted Cash Balance at 1-31-2008	\$ 36,031

Available unrestricted reserves as of June 30, 2007 were \$1,781,394. Year-to-Date unrestricted revenues plus 10% of the unrestricted reserve at January 31, 2008 were \$16,342,626. Actual Year-to-Date unrestricted expenditures for FY2008 were \$16,306,595

Therefore, the President did **not** expend more funds than available from FY2008 revenue receipts plus 10% of the available reserve.

2. Indebt the organization beyond trade payables in the normal course of business.

Definition: Trade payables refer to unsecured accounts payable debt incurred to purchase maintenance and operating materials and services in the normal course of college activity.

Narrative: The College's only indebtedness at this time is trade payables and construction bond indebtedness, which was specifically authorized by the Board.

3. Fail to maintain adequate reserves.

Definition: Adequate reserves refer to a budgeted 8-10% carryover of funds in the college unrestricted bank and investment accounts from one fiscal year to the next.

Narrative: Unrestricted reserves as of January 31, 2008 were \$3,844,539 approximately 13.73% of the unrestricted budget for FY2008 of \$27,999,258. A 6% reserve was approved by the Board for FY2008. Therefore, the President maintained adequate reserves consistent with the Board-approved budget.

4. Conduct interfund transfers inconsistent with the fund accounting principles and Governmental Accounting Standards Board (GASB) standard.

Definition: Inconsistent refers to not following Generally Accepted Accounting Principles (GAAP) and GASB standards in all accounting procedures and practices.

Narrative: No interfund transfers inconsistent with GAAP and GASB standards have been made.

5. Fail to settle payroll and obligations in timely manner.

Definition: A timely manner in payroll matters refers to paying each payroll on time and meeting all payroll tax obligations according to applicable federal and state laws. A timely manner in other obligations refers to paying all payables obligations on the due date or no later than 10 days past the due date if valid reasons exist and paying all other obligations on or before the due date.

Narrative: All payroll and other obligations are being settled in a timely manner.

6. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.

Definition: No governmental ordered payment or filing will be made past the due date or contain information that is known to be incorrect or inaccurate.

Narrative: All tax payment and government ordered payments and filings are filed in a timely and accurate manner.

7. Fail to aggressively pursue receivables after a reasonable grace period.

Definition: Aggressively pursue refers to using an in-house collection program followed, if necessary, by the use of a professional collection agency. Reasonable grace period refers to immediate contact by in-house collection personnel when the obligation is past due, and, if not successful, referral to professional collection agency within 10 days of the last contact by in-house collection personnel.

Narrative: Current and past-due student billings are mailed monthly. Past-due accounts are being contacted by telephone and receive mailed past due notices. Receivables are routinely turned over to collections after debtor does not pay following three contacts by in-house collection personnel.

I am reporting compliance with Policy #201.

Becky Paneitz, Ph.D.

President

Recommendation: *It is the recommendation of the College Administration that the Board of Trustees approve Dr. Paneitz's compliance report for EL-201 Financial Conditions.*

MONITORING:

Methods: Written report with verbal explanation of variances

Frequency: Twice a year – April and October

Date Monitoring Method Approved: September 11, 2006

Frequency Dates Amended and Approved: September 10, 2007



Date: April 14, 2008
To: Board of Trustees
From: Dr. Linda Dayton, Interim Vice President for Finance and Administration
Subject: Resolution To Approve Dr. Rebecca Paneitz's Annual Salary
In Excess of Maximum Amount

In order to allow the Board of Trustees to employ Dr. Paneitz at a salary that exceeds the annual line item maximum salary written in the Appropriation Act 1310 (HB1559) of 2007 the Board of Trustees must adopt the use of Act 1404 of 2001.

Recommendation: The Administration recommends that the Board of Trustees approve the resolution found on the next page to adopt the use of Act 1404 of 2001 that will allow NWACC to pay Dr. Rebecca Paneitz an annual salary in Fiscal Year 2009 in excess of the maximum salary amount for the position of NorthWest Arkansas Community College President.

Approved this 14th day of April, 2008

Coleman Peterson, Chairperson

Robert Teague, Secretary



**NORTHWEST ARKANSAS COMMUNITY COLLEGE
RESOLUTION**

WHEREAS, the Board of Trustees of NorthWest Arkansas Community College is employing Dr. Rebecca Paneitz as President of the college beginning July 1, 2008, and ending June 30, 2009, and

WHEREAS, Dr. Rebecca Paneitz is an exceptionally well-qualified, non-academic, non-classified administrator, and

WHEREAS, the Board of Trustees desires to pay Dr. Rebecca Paneitz an annual salary during this period of employment based on her exceptional qualifications that exceeds the annual line-item maximum salary written in the Appropriation Act 1310 (HB1559) of 2007 for the position of President at NWACC.

THEREFORE, be it resolved that the Board of Trustees of NorthWest Arkansas Community College hereby adopts the use of Act 1404 of 2001 that allows this college to pay Dr. Rebecca Paneitz an annual salary in Fiscal Year 2009 in excess of the maximum salary amount for the position of NorthWest Arkansas Community College President.

Dated this 14th day of April, 2008

Coleman Peterson, Chairperson

Robert Teague, Secretary