

**NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEES MEETING
June 12, 2017 4:30 p.m. – Burns Hall 3rd Floor Board Room**

Call to Order				Page	
<input type="checkbox"/>	Action	<input type="checkbox"/>	Information	Recognition, Awards, and Information Items	
				<ul style="list-style-type: none"> • None 	
<input checked="" type="checkbox"/>	Action	<input type="checkbox"/>	Information	Attendance	
<input checked="" type="checkbox"/>	Action	<input type="checkbox"/>	Information	Approval of Minutes	
				<ul style="list-style-type: none"> • Regular Board Meeting – May 8, 2017 	2
<input checked="" type="checkbox"/>	Action	<input type="checkbox"/>	Information	ENDS Monitoring Report	
				<ul style="list-style-type: none"> • E-101 & 104: Recruit, Retain, Connect for Student Success: Academic Literacy AY 2017 <i>(Dr. Johnna Burns)</i> 	
<input checked="" type="checkbox"/>	Action	<input type="checkbox"/>	Information	Executive Limitations Monitoring Report	
				<ul style="list-style-type: none"> • EL-208 Budgeting 	7
				Committee Reports	
				<ul style="list-style-type: none"> • None 	
<input type="checkbox"/>	Action	<input type="checkbox"/>	Information	President's Report	
				<ul style="list-style-type: none"> • Legislative Recap <i>(Mr. Jim Hall)</i> 	
<input type="checkbox"/>	Action	<input checked="" type="checkbox"/>	Information	Chairman's Report	
				<ul style="list-style-type: none"> • Mid-Year Board Retreat- July 21 at Brightwater • Board of Trustees Role and Responsibilities 	
				Other Board Action Items and Considerations	
<input checked="" type="checkbox"/>	Action	<input type="checkbox"/>	Information	<ul style="list-style-type: none"> • Approval of Promotional Items 	9
<input checked="" type="checkbox"/>	Action	<input type="checkbox"/>	Information	<ul style="list-style-type: none"> • Approval of Provisional Positions 	10
Adjourn					

**NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEE MEETING
Monday, May 8, 2017**

MINUTES

Chair Mauricio Herrera called the Board of Trustees of NorthWest Arkansas Community College meeting to order on Monday, May 8, at 4:28 p.m. in the Burns Hall 3rd Floor Board Room.

Members Present: Mauricio Herrera (Chair), Joe Spivey (Vice Chair), Ron Branscum (Secretary), DeAnne Witherspoon, Mike Shupe, Todd Schwartz, Mark Scott, Debra Hobbs, and Lucas Pointer.

Also in Attendance: Dr. Evelyn E. Jorgenson and Veronica Garcia-Carvajal

MINUTES

April 10 Regular Board Meeting

Dr. Witherspoon pointed out one correction to the minutes. She said that under the “Approval of Resolution Disallowing the Carrying of a Concealed Handgun”, the minutes stated that the motion passed unanimously, but the vote was 4-3. Mr. Shupe moved and Mr. Scott seconded the motion to approve the minutes as corrected from the Board Meeting on April 10, 2017. The motion passed unanimously.

RECOGNITION

April Student of the Month Golden Eagle Award

Dr. Todd Kitchen introduced Ms. Becky Hudson, who then introduced the April student of the month, Ms. Kimberly Kay. Ms. Hudson told the Board that Ms. Kay is a freshman at NWACC and will also graduate high school this month. She is a longtime 4-H member and helped start a non-profit called Ozark STEM. She had over 800 community service hours last year. She also works two jobs and helps her parents with her 12 siblings. Ms. Kay expressed her appreciation for the award and said she is enjoying her time at NWACC. Mr. Branscum congratulated Ms. Kay, stating that she has a great resume. He encouraged her to keep being a leader.

Recognition of Student Trustee

Mr. Herrera recognized Ms. Garcia-Carvajal and thanked her for her time and service as the student trustee and SGA president. He wished her the best as she continues her college career in Texas. Ms. Garcia-Carvajal thanked the Board for the opportunity and said she would not be where she is today without her NWACC experience.

Recognition of SAAB and SGA

Ms. Becky Hudson recognized the student leaders of SAAB and SGA. She stated that within their leadership positions, they must work 80-120 hours doing things such as guiding campus tours, managing the food pantry, doing student surveys, and participating in the mentoring program. Ms. Hudson presented awards to each of the officers and also presented medals to the graduates.

ENDS MONITORING REPORT

E-105: Enrollment Support Center

Dr. Kitchen told the Board that the Enrollment Support Center (ESC) was launched in the fall. He stated that the ESC provides students with a singular point where most of their questions can be answered. The goals of the ESC are to offer better customer service, reduce multiple visits, reach more callers, increase enrollment numbers, and increase conversion of applicants to registered students. He said there are three parts to the ESC which include the call center (telephone calls and call campaigns), the enrollment center front desk (student inquiries and document pick-up/drop-off), and the enrollment support office (case managing prospective students, recruiting, scholarships). Mr. Spivey commended Dr. Kitchen on this accomplishment and encouraged him to keep up the good work. Mr. Scott asked if phone calls are the main way that individuals inquire about coming to college. Dr. Kitchen responded that most applications are initiated online but the call center gets many questions about what students need to do after the online application has been submitted.

Approval of E-105

Mr. Spivey moved and Mrs. Hobbs seconded the motion to approve the END 105 Report. The motion passed unanimously.

EXECUTIVE LIMITATIONS MONITORING REPORT

EL-201 Financial Conditions

Dr. Jorgenson stated that the Board-approved cash reserve for FY2017 is 7.6% of educational and general revenues of \$35,477,624 or \$2,812,749. She also said that adequate cash reserves were maintained in both the educational and general (E & G) funds and the unrestricted funds. She outlined EL-201, stating that the College is operating within the guidelines of the policy and that she was reporting compliance with EL-201. Mr. Herrera asked Dr. Jorgenson to describe the cash reserve. She said that the cash reserve is what is set aside for a specific purpose and the E & G revenues are looked at specifically when setting aside the cash reserve.

Approval of EL-201 Report

Mr. Shupe moved and Mr. Spivey seconded the motion to approve the EL-201 Report. The motion passed unanimously.

COMMITTEE REPORTS

Finance/Audit Committee

Mr. Branscum told the Board that the Finance Committee met and reviewed the budget to actual numbers. He reported that revenue is up 1.4% and expenditures are down 1.2%. He also said that the cash flow has improved. He stated that receivables are down compared to this time last year. Mr. Branscum said the committee reviewed the FY2018 budget and he invited Ms. Debi Buckley to present the proposed budget to the Board. Ms. Buckley stated that the College did not receive any additional state funding, but there was an increase in the local millage. She also reported that tuition and fee revenue is based on 149,505 SSCH. She stated that there was no tuition rate increase and only a limited number of fee rate changes. Ms. Buckley also said that some new positions will be added. She told the Board that there is a proposed faculty step increase of 2 steps and a staff salary increase of approximately 3%. She said that there is also funding for career service awards and proposed an

increase in the part-time faculty pay rate. She reported that maintenance and operation budgets remained at the FY2017 level and the Board of Trustees cash reserve is at 7.6% of E & G funds. Mr. Scott asked about funding for next year based on the new performance-based funding model and Ms. Buckley said that some of the new positions that will be filled are specifically to meet some of the objectives of the new model. She also stated that as the College writes their improvement plan, they will look closely at the budget and determine where additional budgeted items can be revised.

Approval of FY 2018 Budget

The Finance/Audit Committee recommended the approval of the FY 2018 budget. The motion passed unanimously.

Land Use Committee

Mr. Spivey told the Board that the Land Use Committee met recently and discussed several projects around campus. He said that Mr. Jim Lay provided an update regarding the status of the railroad and I-49 projects. Crossland Construction has refilled the former railroad property in exchange for their I-49 project laydown area. They also removed piles of unusable dirt and broken concrete and leveled several areas on campus. Mr. Spivey stated that Mr. Jack Thompson gave an update on the construction and modification of campus sidewalks. He said that student foot traffic is used to determine locations for additional sidewalks and that additional curb cuts, crosswalks, and sidewalks were constructed for increased safety and ADA compliance. Mr. Spivey told the Board that two recommendations came out of the committee meeting including the Integrated Design Lab Architect approval and the request for support for approval of a traffic signal at Eagle Way and SE 14th Street.

Mr. Spivey read the recommendation to approve the architect for the Integrated Design Lab. Ms. Hobbs asked for more information on SCM Architects. Ms. Buckley stated that SCM Architects has been in the area for many years and they have 12 registered architects. She said that the architect selection committee reviewed 15 submissions and evaluated the firms based on their application and presentation. SCM Architects was chosen because they have a great deal of experience with colleges and universities, and they have a local office so they would be readily available. SCM Architects also did the College's master plan for the Washington County Center. Mr. Scott asked if the College negotiates a 'not to exceed' fee and Ms. Buckley responded that limits are set by the state and that limit is 6.5% of the total building cost. Mr. Spivey invited Board members to serve on the contractor selection committee.

Approval of Architect for Integrated Design Lab

The Land Use Committee recommended the approval of SCM Architects as the architect for the Integrated Design Lab. The motion passed unanimously.

Mr. Spivey read the recommendation to approve the support of a traffic signal at Eagle Way and SE 14th Street. He introduced Mr. Matt Sitton, a local developer, to answer any questions about the traffic signal at Eagle Way and SE 14th Street. Mr. Schwartz asked if there are any laws preventing a traffic signal being placed so closely to another traffic signal. Mr. Sitton and Mr. Ernie Peters of Peters & Associates Engineers in Little Rock, stated that a study has been conducted on traffic in this area and it has been determined that this is an appropriate location for a traffic signal. There is no law preventing

this traffic signal from being installed, but the new traffic signal must be coordinated with other ones close by. Mr. Shupe and Mr. Schwartz both commented that the traffic signal is needed in this area.

Approval of Support for a Traffic Signal at Eagle Way and SE 14th Street

The Land Use Committee recommended the approval of the support of a traffic signal at Eagle Way and SE 14th Street. The motion passed unanimously.

Accreditation Committee

Mr. Schwartz stated that it is important for the Board to routinely talk about how they are continuously improving the College. He said that doing so will allow the Higher Learning Commission (HLC) to see the College's improvements. He requested that Dr. Lisa Anderson make a presentation on the Board responsibilities to HLC at the Mid-Year Retreat in July.

PRESIDENT'S REPORT

Dr. Jorgenson thanked the Board members and community for their support of the "Plant a Seed" event at Brightwater. She also said that the Paramedic Graduation was a great event and that the Nurse Pinning and Commencement ceremonies will take place soon. She encouraged the Board to attend if possible.

CHAIRMAN'S REPORT

Mr. Herrera also thanked the Board for their attendance at the "Plant a Seed" event.

He introduced and welcomed Mr. Lucas Pointer to the Board as the newest Trustee, who filled the Zone 1 vacancy.

OTHER ACTION ITEMS

Approval of Provisional Positions

Ms. Buckley stated that provisional positions are paid for by restricted (grant) funds, which means the funds must be used for a certain purpose. She told the Board that the General Assembly approved 80 provisional positions for NWACC, but that does not necessarily mean they will all be filled. She said that currently, 28 of the 80 positions are filled. Ms. Buckley stated that Board approval is needed for the 80 provisional positions, and also to transfer the 28 filled positions to FY2018. Mr. Scott asked if all 80 positions would be filled right away and Ms. Buckley responded that they would not, but the Board must approve all 80 positions at once as required by the General Assembly.

Approval of Provisional Positions

Mr. Branscum moved and Mr. Spivey seconded the motion to approve the provisional positions. The motion passed unanimously.

Approval of New Mission and Vision Statements

Dr. Bryan Aguiar recapped the new mission and vision statements, and stated that the College's vision is built on top of the mission, and encircled by the College's values. Mr. Spivey thanked Mr. Aguiar and his team for their work on these statements. Mr. Scott added his appreciation.

Approval of New Mission and Vision Statements

Dr. Witherspoon moved and Mr. Scott seconded the motion to approve the new mission and vision statements. The motion passed unanimously.

MOVED TO EXECUTIVE SESSION AT 6:04 PM

RETURNED FROM EXECUTIVE SESSION AT 8:25 PM

OTHER BOARD ACTION ITEMS AND CONSIDERATIONS

Approval of Resolution Adopting Use of Act 1404 of 2001 Authorizing the President's Salary

Mr. Spivey moved and Mr. Shupe seconded the motion to approve the resolution adopting the use of Act 1404 of 2001 authorizing the President's salary. The motion passed unanimously.

ADJOURNMENT

The meeting adjourned at 8:26 p.m.

Mr. Mauricio Herrera, Chairperson

Mr. Ron Branscum, Secretary

POLICY TYPE: EXECUTIVE LIMITATIONS

EL-208

POLICY TITLE: BUDGETING

Policy 208: The College budget for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Board's Ends priorities, risk fiscal jeopardy, or fail to provide financial guidance for all college units.

Definition: Deviate materially refers to creating a budget that does not follow the Board's Ends priorities in a given planning cycle. Fiscal jeopardy is defined as not having sufficient funds to cover the cost of planned expenditures. Provide financial guidance is defined as producing a comprehensive budget that is transparent and provides a roadmap for annual financial transactions.

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

1. Fail to include credible projection of revenues and expenses, separation of capital and operational items, and disclosure of planning assumption.

Definition: Credible projections is defined (1) a projection based on multi-year college trends in tuition and fee, millage, state, and other revenue and (2) a projection based on current and next year forecasts of expenditures related to priorities established by the Cabinet. Separation of capital and operational items refers to adherence to Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB). Planning assumptions are specific revenue and expense assumptions based on strategic plans developed by the College.

Narrative:

- NWACC's annual budget development process includes review of historical multi-years' operating revenue and expenditures, trends and benchmarking analysis and analysis of changes.
- The college regularly monitors the significant revenue and expense categories to analyze the trends and variances for credible, fact-based future financial planning and budgeting assumptions.
- NWACC's budgeting and accounting processes adhere to GASB and GAAP. NWACC also complies with Arkansas Legislative audit requirements of distinguishing and maintaining the separation of capital and operating revenue and expenditures.

2. Fail to ensure that the expenditure budget in any fiscal year is balanced with the revenue budget, which is based on conservative projections for the same period.

Definition: A balanced budget has revenues equal to or greater than total expenditures. Annual revenue projections should be based on prior year trends;

college annual planning assumptions; enrollment projections; and local, regional, and national economic forecasts.

Narrative:

- The President presented a balanced operating budget for FY2018, and it was approved at the May 8, 2017, BOT Meeting.
- Based on previous years' trends and agreed assumptions, the enrollment revenues were estimated to be at same level as current academic year numbers.
- The regional and national trends and developments that affect state, millage, grants revenue sources are analyzed. In addition, administration completed the benchmarking analysis for tuition rates, cost per students, and cost per employee with peer institutions.
- The projected expenditures in the college's unrestricted and capital funds operating budgets do not exceed the projected revenue for these funds. The FY2018 Operating Budget for educational & general (E&G), designated, and auxiliary funds totals \$41,879,279 both in revenue and expenditures.
- The FY18 approved budget reflects an increase of 3% or \$1,222,575 in the overall revenue and expenditure base compared to the FY17 budget.

3. Fail to provide sufficient funds for Board prerogatives in any fiscal year budgets as is set for in the Cost of Governance Policy.

Definition: The annual operating budget should have sufficient funds needed for Board operation under the Policy Governance.

Narrative:

The FY2018 Budget provides sufficient funds for the Board to carry out its role according to the Cost of Governance Policy.

4. Fail to propose the percent of annual BOT cash reserve to ensure fiscal stability.

Definition: The Board shall annually approve a cash reserve to cover potential operational costs due to natural disasters or other emergencies. The approved cash reserve for the fiscal year (generally 8-10%) should be taken from the projected educational and general revenue or carryover funds before the annual expenditure budget is established.

Narrative:

The President proposed and set aside \$2,855,947 or 7.6% of E&G fund budget of \$37,578,256 in the FY2018 Operating Budget as the BOT reserve to cover potential operational costs due to natural disasters or other unforeseen emergencies. This reserve was approved by the Board of Trustees along with the FY2018 budget.

I am reporting in compliance with Executive Limitations, Policy 208.

Evelyn E. Jorgenson, Ph.D.
President
June 12, 2017