

**NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEE MEETING
Monday, April 13, 2009**

MINUTES

Chairman Coleman Peterson called the Board of Trustees of NorthWest Arkansas Community College meeting to order on Monday, April 13, 2009, at 4:31p.m. in the Multipurpose Room of the Student Center.

Members Present: Coleman Peterson (Chair), Robert Teague, Alex Vasquez, Joan Clifford, Linda Bisbee, Johnny Haney, Mike Shupe, Joe Spivey

Also in Attendance: President Dr. Becky Paneitz and Student Trustee Kelly Henderson

RECOGNITIONS, AWARDS, AND INFORMATIONAL ITEMS

Dr. Diana Johnson introduced this month's Golden Eagle Award winner, Robert Lovejoy. Mr. Lovejoy has served in the Marine Corp, SIFE Community outreach programs, Campus Sustainability Task Force, and teaches Fire Safety Classes to young students. He decided to come back to school after being injured in the line of duty. He said he was very humbled for the nominations and he works very hard to do as well as he can in school. Mr. Lovejoy said one of the key things that brought him back to school was the cost and the learning environment at NWACC. He said the instructors are always there to answer questions and strive to make the delivery in the right light. He didn't just want to be another number at another institution. Mr. Peterson, Mr. Spivey thanked Mr. Lovejoy for his service. Mr. Shupe thanked him as well.

Dr. Showalter introduced Gina Miller, the new Associate Vice President of Human Resources and Organizational Development. Ms. Miller has taught at NWACC since 2004 and has 12 years of human resources experience. She said it was day number 21 and she has had the warmest of welcomes. She added that the human resources team has been very helpful as well as Dr. Showalter.

Mr. Bruce Johanson with the Johanson Group presented a Compensation Study. He said that when he started working with NWACC in 2004, there were no formalized compensation plan in place, inconsistent or non-existent job descriptions, no means to evaluate positions across campus, and a need for formalized salary policies and procedures. Mr. Johanson said that by May 2009, a formalized compensation plan covering all of the college's positions had been put into place, 198 job descriptions had been created, all faculty/staff and administrative positions had been evaluated using a 15 factor evaluation process, there was a variance of 10.15% behind the market, and the salary policies/procedures are being updated.

Mr. Johanson recommended implementing new salary ranges for all college positions and a 4% budget increase in payroll. He explained that applying mandated legislative State Pay Plan adjustments to Classified Staff would cost \$170,000. He said that to adjust Non-classified and

Faculty currently under minimum to minimum based on revised the NWACC Compensation Plan would cost \$140,000. He added that providing compensation adjustments to remaining employees would cost \$425,000. The payroll impact of these increases would be \$735,000 and the benefit cost impact would be \$227,850, making the total impact \$962,850.

Dr. Paneitz stated that in 2008 NWACC had the highest average pay for full time faculty for community colleges in the state. Mr. Johanson said that if you benchmark against the K-12 system, we do not pay as much. Mr. Vasquez asked if part time faculty were included in the increases. Mr. Johanson said that they were not. Dr. Paneitz said the market being down helped the college enrollment increase. Mrs. Bisbee asked if the time commitment was different between K-12 teachers and NWACC instructors. Dr. Paneitz said that the K-12 teachers do work more hours.

Mr. Steve Pelphrey introduced Mr. Bob Kitterman and Mr. Gary Dennis who along with others had a significant role in implementing the Emergency Communication System across campus. He said the system is only for emergencies, not for meetings or announcements. The system is installed in all four NWACC buildings in Bentonville. He said that the system can be installed in other locations in the radius of the signal. He said that it is set up with 9 preprogrammed messages such as Hazmat warnings, tornado, active shooter, and ice storm. He added that it just takes the press of a button for these messages to go out. He noted the system can operate on a generator if needed, and can be activated via cell phone if necessary.

Mr. Peterson said that Ms. Delcie Kincade needs recognition for the student newspaper. He asked if the board would appreciate her for her hard work. Mr. Teague asked if the advertising was sold by the college. Ms. Kincade said the Morning News sells the ads. Dr. Paneitz said this was our second year doing the student newspaper.

MINUTES

Mr. Peterson asked if there were any changes to the March 16, 2009 Board Minutes. Mrs. Clifford said that in the second paragraph under Tuition Rate Discussion, the sentence "Mrs. Clifford asked if Mr. Haney had looked at other areas of the state to see what their tuition is compared to NWACC" should be changed to "Mrs. Clifford asked if Mr. Haney had looked at areas out of the state to see what their tuition is compared to NWACC." Mr. Peterson added that there was a typo in the second to last sentence in the same paragraph. Mr. Peterson requested that the minutes be corrected to reflect the changes.

Mr. Shupe moved and Mr. Spivey seconded the motion to approve the minutes of the Board Meeting on March 16, 2009 with changes. The motion passed unanimously.

ENDS MONITORING REPORT ENDS-105 College Community

Dr. Ricky Tompkins gave some background on the ENDS Monitoring Report to the new trustees. He explained that with the ENDS-105 College Community, Strategic Goal 1 is to develop and refine the organizational structure. The year one measurable is to employ an Associate Vice President for Human Resources to manage the area and better serve the entire college community. The year two measurable is to employ an Associate Vice President/Controller for Business Services to manage the area and better serve the entire college community.

Strategic goal two is to recruit and retain a diverse and effective workforce. The year one measurable is to develop an employee evaluation system that will allow performance-based pay raises for full-time faculty and staff and develop and review a plan for salary equity within the College and northwest Arkansas. The year two measurable is to increase the number of employees hired to equal the percentage of ethnicity of student enrollment. Dr. Paneitz said that the evaluation form is something that we need to do. She said that merit needs to be given to employees but currently there is not a good evaluation system for this.

Strategic goal three is to promote a culture of inclusiveness, participation, collaboration, professional service, and mutual respect within a learning-centered environment. The year one measurable is to provide at least one organizational development program per academic year related to cultural diversity, sexual harassment, organizational ethics, physical safety, and area specific professional development. The year two measurable is to provide in-house training sessions to encourage all faculty and staff to make inquiries of policies and procedures, and to explore existing informational reports located on the K-Drive which will help provide them with explanations to their questions.

Strategic goal four is to enhance the quality of work life for faculty and staff. The year one measurable is to provide monthly activities that recognize all faculty and staff. The year two measurable is to provide comparable renovated and decorated working environments and spaces to build morale and productivity.

Strategic goal five is to develop a plan for continuous quality improvement for all programs and services. The year one measurable is to develop a systematic process for data collection to support development of the Systems Portfolio. The year two measurable is to complete the Systems Portfolio.

APPROVAL OF ENDS-105

Mrs. Clifford moved and Mr. Spivey seconded the motion to approve the ENDS-105 College Community Report. The motion passed unanimously.

EXECUTIVE LIMITATIONS AND MONITORING REPORT (EL-201 FINANCIAL CONDITION)

Dr. Rodney Showalter said that as of March 31, 2009, the college is in good financial shape. He said that the only debt the college has is what we have not paid for yet for invoices and bond issues. He said that he met with the staff in accounts receivable today and they are doing a great job. Mrs. Clifford asked if the receivables include what students owe. Dr. Showalter said

that it does. He said that there is an automated service that calls students. Dr. Paneitz said that three years ago this was a problem. She said that now we use a collection agency and are much better at collecting the money. Mr. Spivey asked if we are seeing more students coming in that are not able to pay. Dr. Diana Johnson said that the college is seeing some people who are unable to pay and the staff helps do what they can. There are emergency loans that can assist in heating payments, etc. Dr. Paneitz said that Dr. Johnson had put telecounselors in place and there has been a very intentional effort to get students in to pay.

APPROVAL OF EL-201

Mr. Teague moved and Mrs. Clifford seconded the motion to approve the EL-201 Financial Condition Monitoring Report. The motion passed unanimously.

LAND USE COMMITTEE:

Dr. Spivey told the Board that the Land Use Committee met on April 2, 2009. He said that alternative energy was discussed. He said that several companies have been contacted regarding energy conservation and a possible energy audit. A report on the audit will be given to Expanded Cabinet. He said that the Global Business Development Center is on schedule and that things are progressing. The fabrication of steel is being completed currently.

Mr. Spivey also told the board that the Land Use Committee had unanimously recommended that the BOT approve the Easement for the Bentonville Walking Trail. Mr. Vasquez asked where the walking trail would be located. Dr. Steve Gates said it would run from near I-540 next to the railroad tracks straight over to Water Tower road. Mr. Haney said that the city of Rogers is doing extraordinary things to catch up with Bentonville on the walking trails.

APPROVAL OF WALKING TRAIL EASEMENT

The motion to approve the Walking Trail Easement passed unanimously.

PRESIDENTS REPORT

Mrs. Jill Wagar said that the Annual Foundation Gala went very well. She said that there was revenue of about \$95,000 and 500 guests in attendance. She said that \$22,000 was raised for Becky's Book Club. Mrs. Wagar added that there were fewer large donations but more people giving less. Mr. Teague asked how the students apply for Becky's Book Club. Mrs. Wagar said the book vouchers go out to students via financial aid. She thanked the student waiters including Student Trustee Kelly Henderson. She said that the idea of student waiters was Dr. Paneitz and Mrs. Peaches Peterson's brainchild. Mr. Peterson said that the content of this year's Gala was amazing. He said that the speaker was powerful. Dr. Paneitz said that Mrs. Wagar and her staff did a great job.

Dr. Susan Holmes told the board about AQIP Conversation Day. She said that NWACC moved to AQIP accreditation several years ago. She said that around 400 full time faculty and staff attended Conversation Day this year. She said that it was shown in the evaluations that people

enjoyed this year's event more than last year. She added that seats were assigned to diversify the tables. Dr. Holmes said that some of the information from Conversation Day will be shared with Steven Spangel with the Higher Learning Commission. She said that faculty and staff were very open in their comments. Dr. Paneitz said that Mr. Bruce Moses, our new AQIP coordinator, attended the Conversation Day.

Dr. Paneitz told the board that they each should have a list of events that they are invited to surrounding Graduation. She also mentioned the upcoming Chamber appreciation luncheon.

CHAIRMAN'S REPORT

Mr. Peterson stated that one way to help ourselves is encouraging online engagement, and this is something that needs considered.

OTHER BOARD ACTIONS:

Mr. Peterson and Dr. Paneitz opened the discussion regarding a possible tuition increase. Dr. Paneitz directed the Board's attention to the materials in their packets regarding tuition revenue. The Board reviewed information about Pell grant rates; Dr. Showalter noted that Pell grants will increase in the coming year, which will help those students most in need. Dr. Paneitz summarized the difference between the tuition charged by the University of Arkansas and tuition charged at NWACC, and noted that several years ago NWACC identified the four bordering counties as in-district instead of out-of-state.

The Board discussed projected expenses for the College. Dr. Paneitz noted that Mr. Johanson's proposal would cost almost a million dollars, and added that new positions are needed to help with the growth of the college. She added that healthcare premiums have not gone up and the college has been picking up the increases. She said if the tuition increase goes through and the state funds are enough, the college would pick up what they could of the increase likely to take effect in early 2010. Other anticipated expenses include lease operation costs, which are being calculated and will be provided at the next Land Use meeting. Dr. Paneitz did state that, while there will be a decreased lease cost at RTC, other lease costs will increase. Additionally, there will be utility costs of the Global Business Development Center in 2010.

Dr. Paneitz said detailed information regarding the budget will be brought to the Board at the next meeting. She said that several grant positions will be transitioning and dollars will be needed to compensate. Some of the state funds will be one time dollars for adjustments and that long-term expenditures will need to be monitored carefully. She noted that funds requested from the state legislature would be in the form of general improvement funds, which will likely be used to get the new building into operation. Dr. Paneitz thanked Mr. Jim Hall and Mr. Preston Bynum for their work with the Legislature this year, and also thanked Senator Bledsoe and Hendren for their help in securing funds for NWACC.

Mr. Haney suggested the Board consider moving the tuition increase to 5% rather than 3%, which would be 40% of the University of Arkansas cost. Board members discussed rate options ranging from 3% to 5% and the possibility of a multi-year increase plan. Student Trustee Kelly

Henderson said that she had spoken with many students about the possibility of a tuition increase, and shared the opinion that students said they would be willing to pay more if they could see that the additional funds were used for improvements benefitting students.

Mr. Haney made a motion to increase tuition 5% or \$66 per credit hour for in-district, \$103 per credit hour for out of district and \$145 per credit hour for out of state tuition effective July 1, 2009. Mr. Vasquez seconded the motion.

APPROVAL OF TUITION INCREASE:

Mr. Haney moved and Mr. Vasquez seconded the motion to increase tuition to \$66 per credit hour in-district, \$103 per credit hour out of district, and \$145 per credit hour out of state. Mr. Peterson, Mr. Vasquez, Mrs. Clifford, Mrs. Bisbee, Mr. Haney, and Mr. Shupe voted in favor. Mr. Teague and Mr. Spivey voted against the increase. The motion passed.

Mr. Peterson asked that the Board look at the multiyear plan be looked at the July retreat.

MOVE TO EXECUTIVE SESSION AT 5:52 p.m.

RETURN FROM EXECUTIVE SESSION AT 7:54 p.m.

APPROVAL OF RESOLUTION TO APPROVE DR. PANEITZ ANNUAL SALARY IN EXCESS OF MAXIMUM AMOUNT-2% INCREASE:

Mr. Spivey moved and Ms. Clifford seconded the motion to approve the resolution to approve the annual salary for Dr. Paneitz in excess of maximum amount. The motion passed unanimously.

APPROVAL OF RESOLUTION ADOPTING USE OF ACT 1404 OF 2001 AUTHORIZING PRESIDENT'S SALARY:

Mr. Spivey moved and Mr. Shupe seconded the motion to approve the resolution. The motion passed unanimously.

ADJOURNMENT

Mr. Spivey moved and Mr. Shupe seconded the motion to adjourn; the motion was approved unanimously. The meeting adjourned at 7:57 p.m.

Mr. Coleman Peterson, Chairperson

Mr. Alex Vasquez, Secretary