

**NORTHWEST COLLEGE BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
July 15, 2013**

MEMBERS PRESENT: Vice President/Secretary Mr. JOHN HOUSEL; Treasurer MR. RICK LAPLANTE; Trustees MS. CAROLYN DANKO, DR. PAUL FEES, MS. NADA LARSEN, and MR. JIM VOGT.

MEMBERS ABSENT: President Mr. MARK WESTERHOLD.

OTHERS PRESENT: DR. STEFANI HICSWA, President; DR. SEAN FOX, Vice President for Student Services; DR. GERALD GIRAUD, Vice President for Academic Affairs; MR. MARK KITCHEN, Vice President for College Relations; MS. SHELBY WETZEL; MR. SHELDON FLOM; MS. JILL ANDERSON; MS. JEANNE HUNT; DR. MATTHEW EWERS; MS. KARA WARREN; MS. ILENE OLSON, the *Powell Tribune*; and MS. CYNTHIA CICCI, Executive Secretary to the President and Board of Trustees.

CALL TO ORDER: The regular meeting of the Northwest College Board of Trustees was held on Monday, July 15, 2013, at 3 p.m. in the Trapper Room of the DeWitt Student Center (DSC).

A APPROVE THE AGENDA: Board Chair Housel amended the agenda to include an action item to approve Dr. Hicswa signing documents and entering into contractual agreements on behalf of Northwest College (NWC) and an action item to approve a revised Board of Cooperative Educational Services (BOCES) agreement with Big Horn School District #3 (Greybull). **A motion was made by Trustee Danko and seconded by Trustee Vogt to approve the agenda as amended. Motion carried.**

On behalf of the Board of Trustees, Board Chair Housel thanked Vice President Kitchen for serving as Interim President the past two weeks.

WELCOME PRESIDENT STEFANI HICSWA: The Board welcomed President Hicswa who told Trustees that she is happy to be here and thanked them for putting their confidence in her.

STUDY SESSION: Finance Director Flom presented the Board with a financial analysis outsourcing the Bookstore to the Follett Higher Education Group is the best course of action for Northwest College (NWC). An income statement showed a complete breakdown of the Bookstore's revenue and expenses from FY05 through FY13. The sales graph illustrated the revenue generated from textbooks and logo merchandise which are the two main categories of sales. The expense graph showed the expenses for textbooks, logo merchandise and payroll which are the largest expense categories. A combined revenue and expense graph indicates that FY10 was the last break-even year for the Bookstore. The graphs illustrate that the profit margin has decreased as competition from outside sources has increased.

Mr. Flom reviewed with the Trustees a worksheet showing the estimated closing cost for payroll and purchasing NWC's inventory by Follett. The inventory obsolescence was based on rough estimates by Follett but an independent firm will conduct a second inventory after which the final inventory purchase price will be negotiated. The cost recovery from obsolete inventory will come from a "close out" sale that would take place sometime in August.

Another worksheet showed the estimated ongoing expenses and the estimated commission that Follett will pay the College, although the commission rates have not been finalized. Finance Director Flom estimates a net cash inflow of \$200,000 from the Bookstore transition. It is not profit, but inflow and the money will go into the auxiliary depreciation fund for future projects.

There will be ongoing overhead expenses after the transition; however, it's expected the College will net \$16,470 per year from the estimated commission on sales.

The Bookstore staff (who will become Follett employees) and the College Council support this change in operation. It makes very good financial sense for the College; the students will see lower costs; and the services to students, faculty and staff should improve due to Follett's expertise and buying power.

In response to an earlier request from the Board, Mr. Flom determined that textbooks sales would need to increase by \$200,000 in order for the Bookstore to break even. It has been reported that an FTE of approximately 5,000 is required to successfully operate a bookstore.

The contract is still being negotiated, but attorneys from Follett and NWC have reviewed it and no major issues are expected.

A motion was made by Trustee Vogt and seconded by Trustee Larsen to allow the President, the Vice President for Administrative Services, and the Finance Director to continue negotiations with the Follett Higher Education Group and to sign a contract that will outsource the NWC Bookstore to Follett. Motion carried.

BUDGET HEARING:

The budget hearing of the Northwest College Board of Trustees was held on Monday, July 15, 2013, at 4 p.m. in the Trapper Room of the DeWitt Student Center (DSC).

The budget hearing was adjourned at 4:27 p.m. and the regular meeting resumed.

A APPROVE SIGNATORY AUTHORITY FOR PRESIDENT HICSWA:

A motion was made by Trustee LaPlante and seconded by Trustee Fees to approve Dr. Hicswa as signatory authority on all contracts and documents on behalf of NWC, on accounts as needed and recommended by Finance Director Flom, and to engage in other agreements as she deems necessary in her discretion as NWC President during her tenure. Motion carried.

A APPROVE MINUTES OF REGULAR MEETING OF JUNE 10, 2013:

A motion was made by Trustee Larsen and seconded by Trustee Vogt to approve the minutes of June 10, 2013 as presented. Motion carried.

**CONSTITUENT GROUP
REPORTS:**

Faculty Organization (FO) President Hunt welcomed Dr. Hicswa. She reported that faculty members have been busy this summer with a student trip to Cuba and two music camps. Also, several faculty members have been attending professional development conferences. Ms. Hunt commented on an article in last month's *Powell Tribune* regarding the bad debt write-off which characterized faculty as resistant to the proposed solution. She reported that no faculty members were consulted, and that faculty already report attendance three times per year. While NWC's write-off amount is well within the national average, she is glad that a taskforce was established. The overall consensus of faculty members is they would rather have a conversation about the issue rather than receiving an edict to change the *Faculty Employment Handbook*. In response to an inquiry from Trustee Danko, Ms. Hunt explained that most faculty she spoke with report that attendance is part of the student's grade. She also explained that while it's new and its effectiveness is unknown, a Help System is in place to identify students who miss three consecutive class periods.

Professional Staff Organization (PSO) Executive Committee Chair Ewers reported that the PSO will hold its first meeting in September.

Classified Staff Organization (CSO) President Warren reported that the CSO will meet sometime in August.

A CHECK REGISTER:

After a brief question/answer session, a motion was made by Trustee Vogt and seconded by Trustee Danko to approve the check register as presented. Motion carried.

**YELLOWSTONE BUILDING
UPDATE:**

Finance Director Flom gave a progress report on the Yellowstone Building construction. Mr. Flom and Vice President Mills hold weekly meetings with CTA, Sletten Construction, the State Construction Manager, the major contractors, and Physical Plant Director Plute. For security purposes, the construction site will be fenced off when the heavy equipment work is complete. Two web cams will be installed on surrounding buildings in order to monitor activity 24 hours/day, seven days/week.

The original financing plan for the Yellowstone Building was to use \$2 million from NWC reserves, obtain a commercial loan of up to \$3 million, and receive \$1.2 million from the Foundation's fundraising campaign. However, since the bid on the project came in \$1.1 million less than estimated, the College would like to restructure the financing plan. Mr. Flom explained there could be construction material price increase, for example, if a disaster were to occur, so the College must remain flexible. However, this circumstance presents an avenue to take \$500,000 of the \$1.2 million that the Foundation is raising to create and fund an endowment for technology associated with current programs in the building or be used for start-up funds with new programs. The endowment portion can be matched by the State as long as funds are available, so we could possibly have an equipment endowment of nearly \$1 million. It would give continued life to the campaign.

Mr. Flom added that we could also reduce the commercial loan by half a million dollars which would decrease the term of the loan and reduce the amount of interest the College would pay.

In response to Mr. Flom's request for feedback on the new financing proposal, Trustee LaPlante remarked that he is thankful for the partnership with the Foundation and is happy that the amount coming from reserves is not being reduced because he feels the College needs to pay its share.

With regard to the administrative process for change requests, Mr. Flom explained that all change order requests from the owner need to go through the State Construction Manager who has said that no change orders will be accepted from the College for 6-8 months. Building construction is on a very tight schedule and is the priority.

When asked if the Board would need to approve any change orders, President Hicswa said her understanding is that the Board's action on an earlier motion gives her permission to approve such things. She will check into the extent of her authority and report back to the Board.

**A APPROVAL OF REVISED
BOCES AGREEMENT
WITH BIG HORN
SCHOOL DISTRICT #3
(BHSD#3):**

Finance Director Flom reported that in May, the Board approved a BOCES agreement with Greybull. However, the State requested two changes on the agreement: make it renewable every three years, and specify Board membership. **A motion was made by Trustee LaPlante and seconded by Trustee Larsen to approve the revised BOCES agreement with BHSD#3. Motion carried.** Trustees Vogt and Housel agreed to serve as NWC representatives on the Greybull BOCES.

CITIZENS' OPEN FORUM:

Citizens' Open Forum convened at 5:21 p.m. There were no citizens present to address the Board, so Citizens' Open Forum adjourned.

**UNCOLLECTED DEBT
TASK FORCE:**

Dean Matthew Ewers, co-chair of the Uncollected Debt Task Force, reported that the first meeting is scheduled for tomorrow and he will have more information within the next couple of weeks. President Hicswa commended Vice President Kitchen for commencing the task force while serving as Interim President.

**PRELIMINARY FALL
ENROLLMENT:**

Vice President Fox distributed an enrollment report comparing Fall 2013 and 2012 headcount and FTE as of July 8, 2013. Although the numbers are very preliminary, the report indicates an approximate 4% decline from the same time last year.

This summer individuals from several departments are meeting weekly to address the situation and determine if the enrollment decrease is returning students or new students. Dean Ewers staff is contacting all students who attended classes spring semester (who did not graduate or receive failing grades) and have not enrolled for the fall, to invite them to register for fall 2013 classes. The Admissions Office is calling prospective students who have indicated an interest in attending NWC but have not registered for fall classes. Letters are being sent to the parents of students who have been accepted to NWC but have not enrolled inviting them to encourage their students to register. Also, students who apply for admission are being fast tracked so they can register for classes very quickly.

**HLC TEAM'S FINAL
REPORT AND
INSTITUTIONAL
RESPONSE:**

Vice President Fox reported that other Wyoming colleges are reporting similar data. He will provide the Board with comparative information at next month's meeting.

Vice President Giraud reported that the College received the Higher Learning Commission's (HLC) final report from the focused visit. The report has been reviewed and it was determined there is nothing to dispute. The evaluation team recommended no further reports or visits until the next comprehensive evaluation in 2017-2018. Interim President Kitchen signed and returned the required Institutional Response Form.

REPORTS:

Board President:

Board Vice President/Secretary Housel reiterated his thanks to Vice President Kitchen for serving as Interim President.

Board Committees:

Trustee Vogt reported on the Wyoming Community College Commission (WCCC) meeting which he and Interim President Kitchen attended in Gillette on June 27-28, and Trustee Danko reported on the Wyoming Association of Community College Trustees (WACCT) meeting.

Vice Presidents:

There were no new bid or contract issuances, but Finance Director gave an update on current projects, and Physical Plant Director Plute gave an update on the asphalt projects. Trustee Housel requested that these concrete projects be included on a deferred schedule when the Facilities Master Plan is redone.

Human Resources Director Anderson gave an update on the Personnel Status Report.

Standing in for Vice President Mills, Mr. Flom distributed his written report from Administrative Services. He added that he and Vice President Mills attended the Joint Appropriations Interim Committee (JAIC) meeting in Riverton at which there was a discussion regarding how major maintenance money is to be used. They also attended the Presidents' Council meeting at which the funding formula was discussed. Discussion will continue at the upcoming Wyoming Community College Commission (WCCC) meeting in Torrington.

Vice President Kitchen briefly reported on Complete College America (CCA) discussion that occurred at the WCCC meeting. From his written report in the Board materials, Vice President Kitchen highlighted that the online *2012-13 Annual Report* was launched, including a postcard direct mail campaign, newspaper advertisements and news releases to promote the report. He distributed copies of the updated *2013 Institutional Fact Card* which will be mailed to stakeholders with a letter from President Hicswa.

In addition to his written report in the Board materials, Vice President Giraud reported on the statewide meetings he attended. He briefly reported on the metrics data discussion that took place at the Wyoming Complete College America Team meeting. In response to an inquiry by Trustee LaPlante if the College needs an additional institutional researcher support position, Dr. Giraud said that he had advocated for a Director of Assessment position in the Action Resource Planning (ARP) process. He added that the CCA will require voluminous amounts of data.

Vice President Fox offered to respond to questions on his written report in the Board materials.

Foundation Executive Director Wetzel reported that next week's Foundation Board meeting will be held at the Trapper Arena. Rodeo Coach Del Nose and Associate Professor of Welding Bill Johnson will give a presentation and direct a tour of the facility. At the meeting, there will be a discussion regarding collaboration with the Board of Trustees regarding possible fundraising projects.

Other Business

Trustee Vogt requested a synopsis of what's occurred over the past year with regard to the Strategic Plan. After a brief discussion, Trustee LaPlante requested there be a monthly or quarterly standing report on the Strategic Plan. Trustee Larsen recommended the discussion be continued at the upcoming Board Retreat.

The Board retreat is scheduled for August 15, 2013 at St. Thomas Apostle Center and will be facilitated by Dr. Walt Packard and Dr. Cindra Smith. President Hicswa will work with Board President Westerhold and the facilitators to develop an agenda.

Trustee LaPlante invited Trustees to attend the receptions planned for Powell Economic Partnership (PEP) Director candidates.

NEXT MEETING:

The next regular Board of Trustees meeting is scheduled for Monday, August 12, 2013, at the Meeteetse School Cafeteria.

A ADJOURNMENT:

On a motion by Trustee Danko and seconded by Trustee Larsen, the meeting adjourned at 6:20 pm.