

**NORTHWEST COLLEGE BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING**

May 13, 2024

MEMBERS PRESENT: President MS. TARA KUIPERS; Vice President/Secretary MS. DENISE LAURSEN; Treasurer MR. BOB NEWSOME; and Trustees MR. JOHN HOUSEL, MR. R.J. KOST, DR. LARRY TODD, and DR. MARK WURZEL.

MEMBERS ABSENT:

OTHERS PRESENT: MS. LISA WATSON, President; MR. DAVE ERICKSON, Interim Vice President for Academic Affairs; MR. DEE HAVIG, Interim Vice President for Student Services; MS. JILL ANDERSON, MR. DUSTIN DICKS, MS. TRACY GASAWAY, MR. MARK GRANT, MS. JEN LITTERER-TREVIÑO, MS. CAREY MILLER, MR. DENNIS QUILLEN, MS. LINDA SPOMER, MR. MARTIN STENSING, MR. OSCAR TREVIÑO, MS. SHELBY WETZEL, MR. ZAC TAYLOR, *Powell Tribune*; and MS. KELI BORDERS, Executive Secretary to the President and Board of Trustees.

CALL TO ORDER: President Tara Kuipers called the regular meeting of the Northwest College Board of Trustees to order on Monday, May 13, 2024, at 4:01 p.m. in the Yellowstone Building.

A APPROVE THE AGENDA: **A motion was made by Trustee Wurzel and seconded by Trustee Kost to approve the agenda. Motion carried.**

A CONSENT AGENDA: **A motion was made by Trustee Kost and seconded by Trustee Wurzel to approve the consent agenda.**

In response to a question about a check register entry to VMware Inc., President Watson stated that it is for a two-year renewal for five servers that run the virtual machines. A sixth server was eventually added and is on a different contract schedule.

In response to a question about a check register entry to MDU for the DeWitt Student Center, President Watson stated that the payment is for services at the new Student Center.

President Watson informed the Board that the city's attorney is reviewing the retention basin contract, and the College awaits feedback on the agreement.

Trustee Housel referenced President Watson's report on the CREG report released in April. He noted that coal production and prices are down considerably due to stockpiles, natural gas, and the recent warm winter. The reduced revenue could impact education.

President Watson stated that WACCT provided a presentation earlier in the day related to property taxes. They also discussed other sources of revenue, with coal being the third largest natural resource. In the past, the State received federal coal lease money, which is no longer provided. Only four counties still collect large amounts of mineral tax for the state. The other counties rely most on residential property taxes, which is why legislation reducing property taxes would affect the College operationally.

In response to a question from Trustee Kost, President Watson stated that the county assessor has indicated that the overall valuation in the county is expected to be lower than last year. Final numbers won't be available until the end of June.

In response to a question from Trustee Housel about WIP III funding requests, President Watson stated that the College submitted renewal applications to continue efforts in Tourism, Software Development, and Virtual Reality. The requests are to continue programs established with WIP I funds, not new initiatives, as the State was not going to support those.

The College seeks funding to support the Outdoor Education academic lab and programs in the Student Center, staffing, curriculum design, research related to tourism needs, and student internships. The College wants to expand and provide K-12 and community experiences in the new academic space.

The University of Wyoming conducted a gap analysis and learned that most educational attainment needs in the hospitality and tourism industry are two-year degrees or certificates. The colleges would like to continue to work together to provide K-12 students with courses that get them on pathways that guide them in areas of interest. Ensuring that the jobs they seek offer living wages is also essential.

President Watson reminded the Trustees that Northwest College's Software Development AAS degree was approved and will begin in the Fall. The program will be taught at four community colleges, and the course loads can be interchanged, meaning the cohort does not need to be in one location to take the classes. The program continues to morph positively. The WIP III funding request is for staffing the program at Northwest College.

President Watson stated that the idea behind virtual reality instruction is growing. Northwest College received two small WIP I grant awards geared toward nursing. The College recently received larger grants for Nursing, Archaeology/Anthropology, and Criminal Justice programs. As part of a statewide consortium, the Library received twenty-five virtual reality goggles and charging stations that students can use for upcoming classes.

In response to a question from Trustee Housel, President Watson stated that while attending the Forward Cody meeting, she and James Klessens discussed ways the College could offer training to future employees of the shooting complex in Cody.

Trustee Housel acknowledged the retirement of Jo Ann Heimer, the college's Finance Manager, who had served for over fifty years.

President Kuipers thanked the Foundation Board for hosting the Board Member Mixer, which included Foundation staff, the Foundation Board, the Booster Club, and Alumni Association representatives. It was a great event that brought together a group of leaders who deeply care about the College.

Motion carried, and the consent agenda, including the minutes of the April 8, 2024, regular meeting, was approved.

**DISCUSSION/
INFORMATIONAL ITEMS:**

PVCE Contract for Services

President Watson reminded the Trustees that the College has an agreement with the BOCES Board and the School District to operate Powell Valley Community Education. BOCES funds the College with a grant to provide services through PVCE. The contract in the Board packet is for review and has remained unchanged for recent years.

Preliminary FY2025 Budget

Upon invitation from President Watson, Mark Grant, Finance Director, presented the Preliminary FY2025 Budget.

Director Grant explained that the Wyoming Community College Commission allocates the state appropriations to the community colleges. Northwest College's allocation rate is expected to decrease slightly from 11% to 10.75% for the next biennium. However, the total appropriation from the state is larger due to the inflationary adjustment, increasing the College's appropriations by

approximately \$450,000 for FY2025.

The legislative session allocated an additional \$1.1 million for compensation for all of the Colleges, effective FY2026, and will not impact the upcoming budget year.

The 2023 legislative session changed the value of online instruction courses from 80% to 100% for the weighted credit hour calculation. There is a lag in how the funding allocation model functions; this change will be used when determining allocations for FY2026 and will have minimal impact on Northwest College.

Mark stated that property taxes are delayed by eighteen months, which means the County Assessor uses numbers from the 2023 calendar year to determine county assessments. The College will receive those payments in the fall and spring and will be able to plan accordingly. However, during the 2021 legislative session, legislation eliminated the eighteen-month delay for oil and gas companies to pay mineral taxes. Instead of having the extra lag time and being able to plan for increased or decreased revenue, there is now a four-month time between production and when the College receives the payment, making it difficult to plan for fluctuations in the market and necessitating a conservative approach when developing that portion of the budget. The CREG report will continue to be monitored before final revenue numbers are set.

Tuition and fees are another large portion of the College's revenue. Last year's high school graduating class was one of the largest in the service area in recent years. The May 2024 class is also large but slightly smaller than the previous year, resulting in a slight decline in enrollment. The College will budget conservatively for enrollment for FY2025.

Director Grant referenced the chart on page seventy-nine of the Board packet that compares the approved FY2024 budget to the projected FY2025 budget. State appropriations are up slightly; local appropriations are down due to budgeting conservatively for mineral taxes. Tuition is down due to the smaller graduating class, and fees and other sources are relatively flat. Overall, there is a very slight increase (2%) in operating funds.

President Watson explained that the College has been unable to run contingency funding at best practice levels due to past budget cuts. However, the College must be conservative and build contingency funds to provide flexibility and adjust to volatile market and mineral tax fluctuations.

Director Grant referenced a chart on page eighty of the Board packet that compares weighted credit hours produced, completed weighted credit hours, and weighted degrees and certificates compared to the other community colleges in the state. These numbers are used to determine funding allocation. Northwest College's averages across the three performance metrics have been approximately 9% for the last four years. As a reminder, the Commission kept tuition rates the same, and the Board elected to keep the mandatory fees the same.

Mark stated that the College works with the Park County Assessor to estimate county valuations and local tax levy revenue. The County expects the valuation to be split between 35% mineral valuation and 65% property valuation. In the past, the College budgeted the total of the two, but because the cash will arrive at different points in time, they need to be considered separately.

Mark explained that when developing the budget each year, the business office communicates with various groups on campus, such as the Academic Advisory

Council, the Institutional Effectiveness Committee, the President's Staff, and the Budget Managers. Budget projections are discussed, and feedback is gathered regarding area needs and how the College can effectively support students.

Mark stated that the Welcome to Wyoming scholarship was designed to recruit students from the highest-cost tuition category, the out-of-state rate. In FY2024, over 100 out-of-state students were on campus, which increased enrollment, housing, and dining usage. The estimated cost of soft dollar scholarships for FY2025 is \$350,000 - \$400,000.

In May, budget work will continue related to compensation and the Fair Labor Standards Act, which increases the exemption rate for employees and will go into effect in two steps: July 1, 2024, and January 1, 2025. A group of employees will be affected and will likely move from salaried to hourly positions. Other budget considerations will be given to open and interim positions and revenue and expenditure lines will undergo a final review. Inflationary cost considerations will also be evaluated.

President Watson stated that the College had eighteen interim positions at the beginning of the year. Within the year, sixteen of the eighteen positions have been hired permanently. She also noted that the Personnel Status Report included in the Board packet indicates fewer open positions as the College has been able to hire and fill many positions. It has been a busy year with many great personnel additions.

President Watson stated that during her budget preparation work, she compared expenditures from 2016 to those of 2024. She has also visited with Budget Managers affected by inflationary increases. One area in particular is the Physical Plant, whose budget was reduced the most over the last three budget cuts. The timing of the inflationary funds from the state is very beneficial, as the College has several lines affected hard by inflation.

While the projected total revenue shows an increase of 2%, President Watson stated that the College needs to consider the budget flat. Budget Managers have been instructed to visit with the Finance Director if they have specific needs. Adjustments are being made in those fixed line items most affected by inflation.

President Watson stated she would continue to work to educate the Governor's Office and Commission on the need to provide more compensation, primarily related to the new FLSA regulations. The threshold has been raised for employees who can be considered salaried vs. hourly. To keep certain employees (C41 & C42 banded positions) on a salary vs. hourly rate, the College would have to raise those salaries considerably, and the College does not have the funds to do so. Flexibility is lost when employees are paid hourly, as students' needs can occur outside of a daily workday.

President Watson stated that the proposed budgets included in the packet had not been reduced; however, she made small modifications to some line items. The budgets were trimmed significantly during prior years' budget cuts, but having funds for travel and continuing education remains a priority. Election costs could also be expensive this fall, with five Trustee positions up for election.

In response to a question from Trustee Wurzel, President Watson stated that while the budget has not exceeded the expenses for the past three years, she

hesitates to reduce it in case there is significant turnover due to the election. Training will be necessary for new trustees, and it will allow flexibility for the Board. The travel line was doubled a few years ago since travel costs have risen dramatically. Trustees have also expressed a desire to provide more advocacy for the College, which could result in more travel costs. If Trustees elect to reduce their budget, the money would be moved to contingency funds.

Renewal of President's Contract

President Watson stated that she could not travel to some of the conferences she usually would have in the past year due to timing conflicts. She kept the President's budget relatively flat to accommodate the expected travel in FY2025. The funding was increased the previous year to accommodate printing and postage costs associated with the President's postcards.

Perkins V – Notice of Intent to Participate

President Kuipers stated that she and President Watson had conducted preliminary conversations about renewing her contract. The Trustees will be able to discuss the contract at the upcoming spring retreat. She anticipates the contract being finalized for renewal in July.

President Watson stated that the College would again participate in the Perkins grant. The Perkins V grant requires the College to notify the Board of its intent to participate during the program year 2024-2025. Many programs are Perkins-eligible, and the College receives approximately \$100,000 per year for instructional equipment.

CITIZENS' OPEN FORUM

The Citizens' Open Forum convened at 5:00 p.m. No citizens requested to address the Board; therefore, the Citizen's Open Forum adjourned.

A UNFINISHED BUSINESS:

There were no unfinished business items on the agenda.

A NEW BUSINESS:

There were no new business items on the agenda.

**FUTURE AGENDA ITEMS
FEEDBACK TO CITIZENS'
OPEN FORUM TOPICS:**

June 10, 2024, upcoming:

- Quarterly Budget Adjustments
- Accounts Receivable write-offs
- Preliminary Budget
- BOCES Budgets for Greybull, Lovell, and Powell
- 2025 Board Goals and President Goals
- Other TBD

ANNOUNCEMENTS:

Spring Board Retreat, May 28, 2024, 8:30 a.m. – 5:00 p.m., YB 226/231
Summer Classes Begin, June 3, 2024, NWC
WCCC meeting, June 6-7, 2024, CWC Riverton
June Board meeting, June 10, 2024, 4:00 p.m., Yellowstone Building
Yellowstone Summer Music Camp, June 16-21, 2024, NPA

President Watson stated that trustees and the campus community need to stay focused and diligent regarding cybersecurity. In 2020, the State provided the community colleges with funds to work with a security consultant to evaluate their cybersecurity designs. Northwest College is considered to be the best in the state as far as being able to keep attackers out of the system. The College recently paid for additional consulting to analyze our internal design and operations. Recommendations were given, and many items were easily fixed. President Watson appreciates the staff's willingness to go through the analysis to ensure that the campus is as safe as possible from cybersecurity attacks.

President Watson announced that Northwest College hired a new Vice President for Student Services, Tom Havron, who will begin his role on May 20, 2024.

President Watson expressed her sincere appreciation and gratitude to retiring Interim Vice President Dee Havig for all he has done to support the College, provide leadership to his division, and for his commitment to the College over the years.

President Kuipers expressed her gratitude to Dee and stated that his service has indeed impacted the College over the years.

A ADJOURNMENT:

The meeting adjourned at 5:32 p.m.

DENISE LAURSEN, Vice President/Secretary

Date