

**NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEES MEETING
June 10, 2024 – 4:30 pm – Washington County Campus Room 210**

Call to Order

Action Information

Action Information

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Pledge of Allegiance

Recognition, Awards, and Information Items

- HLC Visit Update (*Dr. Rittle*)
- Campus Grounds Update (*Dr. Rittle*)

Attendance

Approval of Minutes

- Regular Board Meeting – May 20, 2024

ENDS Monitoring Report

- E-102: Robotics Program (*Ms. Starlinda Sanders*)

Executive Limitations Monitoring Report

- EL-208: Budgeting

Committee Reports

- Land Use Committee (*Mrs. Amber Latimer*)

President's Report

- Campus Master Planning Update
- Rebranding Update
- Enrollment Update

Chairman's Report

- ACCT Conference in October (*See events sheet; deadline June 10th to let Sammantha know if interested*)
- Board Retreat/August Board Meeting Combined (August 5th)
- Summary of June 6th Futures Training

Other Board Action Items and Considerations

- Approval of Provisional Positions

Adjourn

For upcoming events, please see the Board of Trustees Calendar of Upcoming Events document located in the front pocket of binder.

**NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEE MEETING
Monday, May 20, 2024**

MINUTES

Chair Mark Scott called the Board of Trustees of NorthWest Arkansas Community College meeting to order on Monday, May 20 at 4:30 pm in the Burns Hall Third Floor Boardroom.

Members Present: Mark Scott (Chair), Rachel Harris (Vice Chair), Todd Schwartz (Secretary), Carolyn Reeves, Lori Frank, Ron Branscum, Jonathan Woods, Amber Latimer, and Joe Spivey

Absent: None

Also in Attendance: Dr. Dennis C. Rittle

MINUTES

April Regular Board Meeting

Dr. Reeves moved and Mr. Schwartz seconded the motion to approve the minutes of the Regular Board Meeting on April 8, 2024. The motion passed unanimously.

RECOGNITION

Welcome Dr. Lenora Clouse, Dean of Social and Behavioral Science

Dr. Rittle announced that Dr. Lenora Clouse has been hired as the Dean of Social and Behavioral Science.

Faculty Emeritus

Dr. Rittle recognized Professor Curtis Harrell as NWACC's newest Faculty Emeritus. Dr. Rittle gave a brief bio of Professor Harrell and his accomplishments. Professor Harrell addressed the Board with words of gratitude towards NWACC. Dr. Rittle and Dr. Jennifer Swartout awarded Professor Harrell with his certificate. Mr. Scott and Mr. Spivey expressed words of gratitude to Professor Harrell. Professor Harrell played a short tune on his banjo for everyone.

GED Top 25 Ceremony

Dr. Rittle recognized Adult Education and Ben Aldama for their accomplishment of having seven students highlighted in the Top 25 Adult Education Students for Arkansas. Dr. Rittle read the

names of each of the NWACC students highlighted and informed the Board these students were recognized at the GED Top 25 Ceremony at the State Capitol on April 24th.

2024 NWACC Academic All-Star: Angelina Smith

Dr. Rittle recognized Angelina Smith, who was named the 2024 NWACC Academic All-Star. He gave a brief bio and her accomplishments. Angelina addressed the Board with words of gratitude towards NWACC. Dr. Justin White expressed words of gratitude towards Angelina.

Recognition of Outgoing Student Trustee Sammy Massri

Dr. Rittle recognized Sammy Massri as the outgoing Student Trustee and explained that Sammy could not be present for the meeting. Dr. Rittle expressed words of gratitude for Sammy's service to the Board. Mr. Scott also spoke of his gratitude for Sammy's service to the Board.

Eagle View Awarded at Competition

Dr. Rittle informed the Board that NWACC's Eagle View students attended a competition and received 14 awards. He recognized the students for their tremendous work and Ms. Debbie Miller for her incredible leadership.

ENDS MONITORING REPORT

E-102: "Cooking with Cops"

Chef Marshall Shafkowitz shared information with the Board about Brightwater's "Cooking with Cops" program. He explained this program pairs at-risk youth with cops to positively impact the youth's lives. Chef Shafkowitz stepped through the other events and partnerships Brightwater provides to the community and local businesses. He also showed some testimonials from Brightwater students showing the Board where these students are working now. He explained that many Brightwater students are working for many local businesses which strengthens Brightwater's relationship with their surrounding community.

Approval of E-102 Monitoring Report

Mr. Spivey moved and Mrs. Latimer seconded the motion to approve the ENDS-102 Monitoring Report. The motion passed unanimously.

EXECUTIVE LIMITATIONS MONITORING REPORT

EL-201: Financial Conditions

Dr. Rittle stated that 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

from the Board approved budget and priorities established in Ends policies. Further, without limiting the scope of the foregoing by this enumeration, he or she shall not fail to monitor the College's revenues and expenses to ensure responsible fiscal stewardship, fail to ensure that the College is not indebted beyond trade payables in the normal course of business, fail to maintain adequate Board approved cash reserves, fail to conduct interfund transfers consistent with the fund accounting principles and Governmental Accounting Standards Board (GASB) standards, fail to settle financial obligations in timely manner, fail to ensure that tax payments or other government-ordered payments or filings are timely and accurately filed, or fail to aggressively pursue receivables after a reasonable grace period.

Approval of EL-201 Monitoring Report

Mr. Woods moved and Ms. Frank seconded the motion to approve the Executive Limitations Monitoring Report. The motion passed unanimously.

COMMITTEE REPORTS

Finance Committee

Mr. Woods announced to the Board that the Finance Committee met to review the proposed budget for Fiscal Year 2025. He explained the Finance Committee's focus for this budget is to move employee compensation to at least the baseline of the recommended ranges according to the ongoing compensation study and to increase funds for maintenance of existing buildings and grounds. He passed to Mrs. Catherin Doner, who presented the proposed budget to the Board.

Dr. Reeves asked about the funds that would be in the reserves. Catherin explained that current amounts are conservative estimates. Dr. Rittle explained that, per Board of Trustee policy, the Cabinet has discretion for funds in the reserves and Cabinet is comfortable with the budget as is, even if the reserves are slimmer than previous budgets.

Mrs. Lisa Milam gave the Board some insight into the Compensation Study progress. Mr. Scott asked how the general responses have been towards the study. Mrs. Milam explained that many NWACC personnel are surprised by how quickly the study has been moving forward.

Approval of FY2025 Budget Request

The Finance Committee recommended the approval of the FY2025 Budget as presented by Mr. Woods and Mrs. Catherin Doner. Mr. Spivey seconded the motion. The motion passed unanimously.

PRESIDENT'S REPORT

Dr. Rittle announced to the Board that NWACC has submitted a Letter of Notification to delete the Associate of Applied Science in Fire Science program. A Certificate of Proficiency in Fire Science satisfies local requirements and students are utilizing it more than the Associate's Degree. The Associate of Applied Science is no longer a needed program.

Dr. Rittle informed the Board that the Campus Master Planning Committee is solidifying a contract with the selected firm.

Dr. Rittle informed the Board that the Rebranding Project is projected to finish this week and is planning a full release in the Fall 2024 Semester.

Dr. Rittle passed to Dr. Justin White to give a recap of NWACC's Commencement which occurred on May 13th. Dr. White said that 429 students walked; more were projected to walk but the weather was a hurdle for students and NWACC employees. He stated that overall, he has heard high praise from students, parents, faculty, and staff. Dr. White named Sherri Bennett, Diane Boss, Austin Schader, Sammantha Philippe, Juanita Franklin, and Codie Ryan as key players in the event's success. Mr. Spivey praised all the Commencement Event and the GED Graduation Event.

CHAIRMAN'S REPORT

Mr. Scott mentioned the upcoming ACCT Conference in October and instructed them to let Sammantha Philippe know if they plan to attend by June 10th.

Mr. Scott thanked Ms. Frank and Mr. Spivey for attending the Adult Ed GED Graduation.

Mr. Scott reminded the Board that June's Board of Trustees Meeting will be held at the Washington County Campus. The Board will not meet in July and will have a retreat in August.

OTHER ACTION ITEMS

Approval of Provisional Position

Dr. Rittle stated that as outlined by the General Assembly of the State of Arkansas, 80 provisional positions have been identified in the 2024 – 2025 biennium to use by NorthWest Arkansas Community College. The administration recommends that the Board of Trustees approve all 80 positions to be used based upon the acquisition of external revenue from sources other than general revenue as approved by the college's President.

Approval of Provisional Position

Mr. Spivey moved and Ms. Frank seconded the motion to approve the presented Student Services Representative provisional positions. The motion passed unanimously.

ADJOURNMENT

The meeting adjourned at 5:37 p.m.

Mr. Mark Scott, Chair

Mr. Todd Schwartz, Secretary

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, financial ratios, and benchmarking analysis and analysis of changes.
- The college regularly monitors the significant revenue and expense categories to analyze the trends, financial ratios, 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 FY2025, and it was approved at the May 20, 2024, BOT Meeting.
- The projected expenditures in the college's unrestricted and capital funds operating budgets do not exceed the projected revenue for these funds. The FY2025 Operating Budget for educational & general (E&G), designated, and auxiliary funds total \$49,402,675 both in revenue and expenditures.
- NWACC remains an affordable option of higher education institute in NWA.
- The regional and national trends and developments that affect state, millage, grants revenue sources are analyzed.
- NWACC also plans for an increase in county millage revenue by \$287,403 and an increase in tuition/fees/other revenue by \$3,221,911 due to approved tuition and fee increase, and increased enrollment census.
- The FY2025 budget includes plans for a net increase in state revenue appropriation revenue by \$427,029.
- The FY2025 budget includes plans for increase in payments for full-time staff and full-time to market baseline per our compensation study, step raises for full time faculty, and 3% COLA for staff totaling \$2,619,219.
- NWACC budget includes an increase in employee benefits costs by \$654,805, an increase to capital expenditures by \$40,000, and an overall operating/maintenance/service increase of \$694,720.
- The FY2025 approved budget reflects an increase of 5.8% or \$4,106,343 in the overall revenue and expenditure base compared to the FY2024 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 FY2025 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 4fiscal 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 \$3,754,603 or 7.6% of E&G fund budget of \$49,402,675 in the FY2025 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 FY2025 budget.

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

Dennis C. Rittle, Ph.D.
President
June 10, 2024