Call to Order

Board Chair Wood called the meeting to order at 6:00 p.m.

Verification of Quorum

Board Chair Wood verified that a quorum of the Board was present at the meeting.

Introduction of Guests

Guests Winston Ross of the Spokesman-Review, Rick Thomas of the Coeur d’Alene Press, Idaho State Representative Jim Clark, and Daylene Dewey, Center Partners’ Director of Learning and Development, were introduced by Chair Wood.

Attendance

Trustees: Mic Armon
          Denny Hague
          Fred Ostermeyer
          Rolly Williams
          Sheila Wood

Also present: Michael Burke, President
              Jerry Gee, Vice President for Instruction
              Bruce Gifford, Vice President for Student Services
              Rolly Jurgens, Vice President for Administrative Services
              Tim Hansen, Director, Human Resources
              Sholeh Johnson, Assistant Vice President for External Relations
              Robert Ketchum, Assistant Vice President for Instruction
              Beth Anderson for Donna Ward, Secretary for the Board of Trustees
              Ray Keevy, Staff Assembly
              Bob Bohac, Faculty Assembly
              Bob Vogeler, Senate Chair
              Mike Ramsden, Attorney for North Idaho College
Approval of Minutes

Ray Keevy noted that Randy Hill reported at the last meeting for the Staff Assembly and asked for a correction to be made to the minutes. Whereupon, the following motion was made:

**MOTION: Motion was made by Trustee Williams and seconded by Trustee Armon to approve the minutes of the regular meeting April 24, 2002, as amended. The motion was unanimously approved.**

Opportunity for Public Comment

Members of the audience were invited to make public comment. Dr. Robert Ketchum introduced Daylene Dewey, Center Partners’ Director of Learning and Development. Center Partners has asked NIC to offer a credit management course to their employees, based upon a leadership program curriculum developed by their Fort Collins office in cooperation with Front Range Community College. Ms. Dewey presented the Board with information on this program, including an outline of courses and contact information.

Tennis Court Replacement

Vice President Jurgens requested that the Board direct him to draft a Memorandum of Understanding between North Idaho College, the City of Coeur d’Alene, and the Idaho Department of Parks and Recreation regarding the transfer of $170,000 into accounts for the purchase and development of property for outdoor recreation. This transfer would replace the recreational opportunities lost after the removal of some of the tennis courts during the residence hall construction. Jurgens said that the funds must be transferred before April, 2003. Whereupon, the following motion was made:

**MOTION: 05-29-02: 22  Motion was made by Trustee Williams and seconded by Trustee Hague to negotiate a Memorandum of Understanding with North Idaho College, the City of Coeur d’Alene, and the Idaho Department of Parks and Recreation regarding the transfer of $170,000 for development of outdoor recreational property to replace the lost use of removed tennis courts. The motion was unanimously approved.**
**Leave of Absence**

Vice President Gee requested an unpaid leave of absence in accordance with Policy 3.04.06 for Paula Atkinson, who is expecting twins in October. Whereupon, the following motion was made:

**MOTION: 05-29-02: 23** Motion was made by Trustee Williams and seconded by Trustee Ostermeyer to approve and grant an unpaid leave of absence per Board Policy 3.04.06 for the 2002-2003 school year to Paula Atkinson. The motion was unanimously approved.

**Major Capital Budget (SBOE)**

Vice President Jurgens stated that the State Board of Education (SBOE) requires that NIC submit a six-year plan and budget request for major capital construction by June 15 of each year. The SBOE determines the approval, delay, or elimination of capital construction requests. Those recommendations are forwarded to the Department of Public Works, which may fund all, part, or none of the SBOE recommendations. Most items on the list are from NIC’s Facilities Master Plan, with the exception of the University of Idaho Harbor Center commitments. Subsequent to discussion, the following motion was made:

**MOTION: 05-29-02: 24** Motion was made by Trustee Hague and seconded by Trustee Williams to approve the six-year capital improvement request as presented for submission to the State Board of Education. The motion was unanimously approved.

**Meet and Confer Recommendations and Administrative Response**

President Burke thanked the committee members and Chair Bill Richards for their work on this very challenging and complex project, made more difficult by reductions and continuing cost increases. The committee studied both monetary and non-monetary options for improving the quality of work life at NIC. At the President’s request, Mike Miller developed a timeline incorporating significant events in the budgetary process, including the setting of tuition and fees and property tax revenues. The Meet and Confer Committee recommended a 2% salary increase for faculty and staff, but due to budget constraints no increase is included in the projected budget. Instead, money earmarked for salary adjustments will be placed in a reserve account in the event that there are future “holdbacks.” If there are no holdbacks and it becomes possible to make salary adjustments later in the fiscal year, President Burke will reconvene the Meet and Confer Committee. The Meet and Confer Committee recommended that the current wellness equipment be replaced; this action will wait until more is known about the holdbacks for FY03. The committee also recommended closing the campus from December 24 to January 1. The administration approved December 30 and 31 as paid closure days.
not December 24. They also asked that the college fund or subsidize flu shots for all college employees, which the administration supports. Trustee Wood thanked the President and Mike Miller for clarifying the budget process and demonstrating the willingness of NIC to do everything possible to improve salary and benefit packages. Whereupon, the following motion was made:

**MOTION: 05-29-02: 25** Motion was made by Trustee Armon and seconded by Trustee Hague to accept the recommendations from Meet and Confer for FY02. The motion was unanimously approved.

**ASNIC Budget FY02-03**

Vice President Gifford introduced Sandra Jacquot, the accountant for NIC Auxiliary Services and financial advisor for ASNIC, and Lanny Stein, Director of NIC Auxiliary Services. Gifford offered the first reading of the ASNIC budget for FY02-03, which is funded by student fees and approved by the student senate. He also answered questions concerning the budget.

**Auxiliary Services Budget FY02-03**

Vice President Gifford offered the first reading of the Auxiliary Services budget for FY02-03. The Board discussed revenue generated by the bookstore, including computer sales and sales of books on-line. Trustee Ostermeyer mentioned that other schools rent books to students through their student government organizations. Lanny Stein said that NIC has considered this approach in the past, and many variables must be taken into account, including how books are purchased and how long they are kept in circulation by instructors. This option would also impact how texts are selected for classes and kept available to students. Gifford and Vice President Gee will discuss this option. Gifford also announced that Bill Rutherford is instituting a National Association of College and University Food Services “Best Practices” procedures in the cafeteria, and he is working on ways to cut costs to drop below the 40% threshold of cost of food used by most restaurants. The Residence Hall is on track for 90% occupancy in the Fall, 2002; 118 students have made reservations as of the date of the Board meeting.

**Preliminary Operations Budget FY02-03**

Vice President Rolly Jurgens offered the first reading of the preliminary Operations Budget for FY02-03. He explained that the second reading of the budget will be by department, while the first reading highlights exceptions and changes. President Burke noted that the enrollment projection of 4% is the largest ever forecast. An explanation ensued regarding funding, application, and faculty salary structures represented within the professional-technical budget. Representative Jim Clark questioned the reduction of NICHE funding, explaining that the money was allocated by the legislature to create
collaborative centers statewide, not to help balance NIC’s budget. Burke explained that it is difficult to leave NICHE untouched when the rest of the college is facing cuts.

**Preliminary Plant Fund Budget FY02-03**

Vice President Jurgens presented the first reading and explanation of the preliminary Plant Fund Budget FY02-03. Trustee Armon inquired whether we have a depreciation fund, and Vice President Jurgens explained that there is no funded depreciation, and all assets are maintained on the books at cost. Burke explained that over the next two years all colleges and universities will start depreciating assets, to comply with Governmental Accounting Standards Board (GASB) requirements.

**Faculty Tenure Policy 3.02.09**

Vice President Gee presented the revised Faculty Tenure Policy 3.02.09 for a first reading. He explained that items were removed from the original policy to create three new policies. Discussion followed regarding clarification of the responsibilities of the Board pertaining to employee termination.

**Faculty Remediation Policy 3.02.29**

Vice President Gee presented the new Faculty Remediation Policy 3.02.29 for a first reading. Trustee Williams noted that the language in item #4 is confusing, and Gee agreed to discuss possible changes in the language with the Tenure Committee.

**Faculty Suspension Policy 3.02.30**

Vice President Gee presented the new Faculty Suspension Policy 3.02.30 for a first reading. This policy is intended to afford an employee the opportunity to know any charge against him/her and have the opportunity to be heard within five days. It is designed to reduce the stigma of suspension, and it gives the employee the opportunity to clear his/her name as quickly as possible.

**Faculty Termination Policy 3.02.31**

Vice President Gee presented the new Faculty Termination Policy 3.02.31 for a first reading and explained the Trustees’ role in the process.

**Reclassification Policy 3.02.32**

HR Director Hansen presented the Reclassification Policy 3.02.32 for a first reading. He explained that this policy is new, and the procedure has been revised to broaden its scope. The Senate and Staff Assembly have approved the new policy.
**Budget Update, FY02**

Vice President Jurgens presented a FY01-02 budget update. He indicated revenue and expenditures are tracking well with five-year averages. He also explained that some departments will exceed their budgets, but not to a large degree. Trustee Williams asked if the college could save money by self-insuring, and if have additional coverage for catastrophic injuries would be available. Jurgens indicated that he will research self-insurance, although he expressed concern over it being cost-effective.

**College President**

President Burke commented on the graduation ceremonies, stating that they were the highlight of the semester. He read a letter from a member of the Class of ‘42, expressing her delight and gratitude with being included in the commencement ceremony this year. Burke noted that the signing of the Memorandum of Understanding with the City, University of Idaho, and the Lake City Development Corporation is a significant event in the college’s history. He expressed thanks to Vice President Gifford and Lanny Stein for their efforts in housing the residents of the Budget Saver Motel, which was recently destroyed by fire.

**Senate**

Bob Vogeler, the new Senate President, was introduced and welcomed by Trustee Wood. He announced that elections had been held and new officers were elected.

**Faculty Assembly**

Bob Bohac announced that the Faculty Assembly had also had elections, and the new officers will take office in August. He stated that the Assembly has passed resolutions requesting the college consider revising the evaluation policy to bring it in line with the college’s tenure policies, and that the Assembly supports the new tenure policies as written. He asked that retiring members of the faculty be replaced quickly, in order to maintain appropriate attention to students and small class sizes. Discussion followed regarding fee structure, the rate of withdrawal from classes, imposition of fees for withdrawal, and other possible ways to limit the withdrawal rate. Bohac announced that names have been forwarded to the President for inclusion on the new Academic Advisory Committee on Athletics. He asked that the Board consider claiming foregone taxes or additional taxes to avoid further cuts in programs and positions.
**Staff Assembly**

Ray Keevy announced that the Staff Assembly has held elections, and officers have been named. This will be his last meeting as President; Randy Hill will take over next month. He noted that $8,000 of the $12,000 professional improvement fund for the staff has been used, and he urged the Board to continue this fund. Keevy strongly encouraged the Board to take the additional 3% on property taxes to begin to meet budget deficits, and he asked that they look at all possible sources of revenue to retain staff and programs.

**ASNIC**

No report.

**Board Chair**

Trustee Wood reported that the Board held a retreat on May 21 to orient the new trustees and look at “benchmarks” to assess the status of the institution. She also noted that Commencement was one of the most entertaining and inspiring in years.

**Remarks for the Good of the Order**

None.

**Executive Session**

**MOTION: 05-29-02: 26** Motion was made by Trustee Ostermeyer and seconded by Trustee Hague to adjourn to Executive Session under Idaho Code Section 67-2345 (c) to conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency; and (f) to consider and advise its legal representatives in pending litigation or where there is a general public awareness of probably litigation. Roll call vote was as follows:

- Mic Armon: aye
- Denny Hague: aye
- Fred Ostermeyer: aye
- Rolly Williams: aye
- Sheila Wood: aye

Time: 10:03

Present in Executive Session were Mic Armon, Michael Burke, Denny Hague, Fred Ostermeyer, Rolly Williams, Sheila Wood, and Mike Ramsden.
Reconvene

The Board returned to open session at 10:40 p.m. at which time no further business was discussed or action taken.

Adjournment

Motion was made by Trustee Ostermeyer, seconded by Trustee Williams, and unanimously approved that the meeting adjourn.

Time: 10:43 p.m.

______________________________________________________________________________
Sheila Wood, Board Chair                                                   Mic Armon, Board Secretary