EXECUTIVE SESSION
The meeting was called to order at 5:01 p.m. in the Sherman Building Conference Room and the following motion was made:

MOTION: 09-24-03: 24 Motion was made by Trustee Williams and seconded by Trustee Armon to adjourn to Executive Session under Idaho Code Section 67-2345(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against a public officer, employee, staff member or individual agent.

Roll call vote was as follows:
Mic Armon: aye
Denny Hague: aye
Judy Meyer: aye
Fred Ostermeyer: aye
Rolly Williams: aye

Time: 5:01p.m.

Present in Executive Session were Mic Armon, Denny Hague, Judy Meyer, Fred Ostermeyer, Rolly Williams, College Attorney Marc Lyons, and Charles Dodson, Attorney for Trustee Ostermeyer.

RECONVENE
The meeting reconvened at 6:20 p.m., at which time no other items were discussed or business conducted. The meeting was then temporarily adjourned and recalled to order in the Driftwood Bay room of the SUB as follows:

CALL TO ORDER
Board Chair Ostermeyer called the meeting to order at 6:24 p.m.

VERIFICATION OF QUORUM
A roll call verified that a quorum of the Board was present at the meeting.
ATTENDANCE
Trustees: Mic Armon
          Denny Hague
          Judy Meyer
          Fred Ostermeyer
          Rolly Williams
Also present: Michael Burke, President
              Jerry Gee, Vice President for Instruction
              Rolly Jurgens, Vice President for Administrative Services
              Robert Ketchum, Assistant Vice President for Instruction
              Kathy Christie, Assistant Vice President for Institutional Research
              and Outcomes Assessment
              Marc Lyons, Attorney for North Idaho College
              Donna Ward, Secretary for the Board of Trustees
              Peggy Schnell, Staff Assembly Chair
              Rhena Cooper, Faculty Assembly
              Sandra Jacquot, Senate Chair
              Joel Crane, ASNIC President

VERIFICATION OF QUORUM
Board Chair Ostermeyer verified that a quorum of the board was present.

INTRODUCTION OF GUESTS
Board Chair Ostermeyer introduced guest Suzan Scott of the Coeur d’Alene Chamber of Commerce and Senator Kent Bailey.

APPROVAL OF MINUTES
Motion was made by Trustee Meyer and seconded by Trustee Williams to approve the minutes of the regular meeting of August 27, 2003, as amended to include under “Remarks for the Good of the Order” Trustee Meyer’s visit on behalf of NIC to Lewis-Clark State College with the mayors of Post Falls and Coeur d’Alene and to include the forthcoming visit to NIC by the Legislative Joint Finance-Appropriations Committee. Roll call vote was unanimous for approval.

OPEN FORUM FOR PUBLIC REMARKS
Colleen Allison, a grant writer for Kootenai County, appearing on behalf of herself, requested information regarding Fort Sherman Institute (FSI). Chair Ostermeyer directed her to Kent Propst, Assistant to the President for Community Relations, for the proper process for records requests.

Richard Seward, a local citizen, expressed his concern about the expenditures for FSI, NIC’s budget process, and his property tax bill.
Donna Montgomery, Kootenai County taxpayer, said she had toured FSI and thinks it is a positive thing. She read a letter from Bob Paulos, contributing writer to the Coeur d'Alene Press, and expressed her concern that FSI may be eliminated before revenue-producing contracts come in.

Sharon Culbreath, local realtor, spoke out of concern for FSI, and said she felt it should be supported, that marketing efforts were lacking, and that if marketed properly the Institute would succeed.

**Official Fall Credit Enrollment**

Tami Haft, Registrar, presented the official fall enrollment report on behalf of Vice President Bruce Gifford, who was unable to attend the meeting. Haft told the trustees that NIC has a Fall semester record enrollment 4,452 students. She provided graphs for total student headcount as well as for total FTE, for academic transfer, for professional/technical enrollments, and for dual enrollment students.

Haft explained the academic transfer rate data from the years 2000 to 2003. She cited that professional/technical enrollment had increased from 396 to 453 during 2002-2003, that the top designated majors are education, business administration, and nursing/prenursing. The nursing/prenursing major has increased 85% over Fall 1999.

Additionally, Haft provided enrollment totals by state and county residency, the top feeder high schools, and the number of valedictorian and salutatorians from the five northern counties.

It was reported that although dual enrollment is not increasing, distance education class enrollments are increasing. There are currently 1,255 students enrolled in 69 internet classes. Haft explained that the internet classes have about 18 students each, and that the students may be enrolled in more than one internet class.

Haft indicated that enrollment of Indian students has increased; however, Haft indicated that ethnicity is difficult to track because the response to ethnicity is optional for student enrollees. She said that the average age student is 26 years old, and that women make up 62% of the campus enrollment. This data has been static for the past five years.

Haft also report that 140 sections of evening classes are currently being instructed and that internet classes are very popular. Trustee Meyer requested the administration to survey students and determine what evening class needs are necessary to increase enrollment.

**Head Start Update**

Vice President Rolly Jurgens introduced Doug Fagerness, Director of Head Start. Fagerness presented a powerpoint about the “Day in the Life’ of a Head Start child.
He illustrated how each of the activities of the children were important to learning and development. Fagerness reported on the family-centered, collaborative philosophy of Head Start, and he provided information about activities for the families, including home visits by Head Start family service workers. Head Start has served 317 families in seven centers in the five northern counties of Idaho. Fagerness said that each center is unique to each region and addresses the specific needs of the families involved in those Head Start centers.

The centers provide outreach to Latino families, TEACH scholarships as incentive to people working in the field of children's education, adult basic education, a family literacy office, and a resource library where parents can check out books. The centers also provide internet access to the families and have 63 computers at the seven centers.

Head Start is partnering with other entities in order to overcome family challenges such as access to health and dental care, increase in substance abuse, increased incarceration of parents, seasonal employment, working two-parent families, transportation, and budget constraints.

Fagerness gave each trustee a coffee mug to commemorate the 30-year anniversary of NIC serving as the grantee for Head Start. He thanked the trustees for their support of Head Start.

**Educational Corridor Update**
President Burke reported that conversations continue with the entities involved in the proposed educational corridor. He said that he had talked with JFAC members during their visit about the possible design of educational corridor. Burke cited the entities involved in the ongoing discussions. He said that the Chilco site was discussed for relocation of the Stimson mill until that site was purchased by Riley Creek Lumber. Other possible sites are now being explored. Burke indicated that Stimson wants to remain a local employer and employs over 100 people. The University of Idaho, NIC, and others are discussing a joint-use agreement for the property, and ingress and egress issues are being explored.

President Burke said that discussion with railroads is continuing, and that a meeting took place that morning regarding the “four-corners” area, which includes the intersection of Mullan, Garden, Northwest Blvd, and Sherman avenues. Issues discussed included the campus, Memorial Field, parking, safety, and traffic flow.

**Reports**

**President’s Report**
President Burke reported that the Legislative Joint Finance-Appropriations Committee and several local legislators toured the NIC campus and had dinner with representatives
of NIC. He stated that it was a significant visit for the college, and that coincidentally, a health care conference, Silly Hat Day, a seminar on date rape, ASNIC elections, and the painting of the crosswalks were occurring on the same day. Burke said that it was just everyday life on the campus and that the JFAC members got a clear understanding of how busy NIC is.

Burke also reported that the NIC Distinguished Alumni Award was recently presented to Jack Lemley, who was chief architect and engineer for the channel tunnel project between England and France.

A meeting took place among the three local school district superintendents, President Burke, and Vice President Gee. Their discussions included professional/technical education in this region, facilities and possible shared use of those facilities, and the Fourth Street building vacancies. Burke described the meeting as productive with a commitment by all parties for a coordinated effort for education within the region.

A lunch was held by the Native American Student Alliance, which was attended by Burke and the Coeur d’Alene Tribal elders. The proposed cultural center was discussed at that time.

Burke also shared that he was notified recently that he has been appointed a member of the AACC Commission on Diversity and Inclusion. He expressed his opinion that his appointment to this commission is a result of NIC’s commitment to human rights and the well-known track record of resolving diversity issues within our community. Burke expressed kudos to faculty, staff, and the board for their efforts in making this happen.

Burke then provided updates on Fort Sherman Institute as requested by the board. The financial analysis for September indicated $62,267 in revenue, $117,337 in expenditures, with a $55,070 negative difference.

President Burke then provided the board of trustees with an update on the Fort Sherman Institute. He reviewed contracts that had been signed and revenue and expenditures to date. He explained that most expenses to date have been for equipment, consultants, and payroll. Trustee Williams said that this is the first year that a budget had been established for FSI. Trustee Meyer said budget was set at $138,000 for FY03-04 as requested by FSI in their business plan, and she asked if the revenue was coming in as predicted. Burke replied that revenue projections were based on client contracts, and those contracts have not been forthcoming as initially projected. Currently, FSI is approximately $90,000 short of revenue projections.

Discussion took place about potential contracts and the positive support from the national legislators, as well as Governor Kempthorne, and General Kane, commander of the Idaho National Guard. However, it was noted that support and promises were not signed contracts with the promise of potential revenue.
Trustee Armon said that the college does not have an unlimited source of revenue, nor can NIC continue to fund FSI to whatever degree is necessary to make the program successful. In citing the many requests from the public and the media to keep Fort Sherman Institute viable, Trustee Armon held there are limited funds to support the program. He commented that if FSI is a program that NIC has to keep, then someone from the community has to step up with funding.

The trustees then requested that Vice President Gee provide them with information that provides cash flow as compared to the projected budget. Gee was asked to include funds that are charge-backs (or revenue) to NIC such as those from Computer Services.

The status of discussions taking place for possible federal contracts was reviewed. Trustee Armon questioned if the services of Fort Sherman Institute cover too narrow of a focus, and if the training is something that a client will buy. He said that there is great support from the community, and much hoopla, but there doesn’t seem to be credible evidence at this time that there is a market that will buy.

Vice President Ketchum explained that hostage survival is the niche market for FSI, and there are strong indicators that the market is there and willing to buy. He questioned whether NIC can and will withstand the costs to create products and service and sustain the losses until the market can be captured. Ketchum indicated that FSI is not a business, FSI is an educational program, and that it takes approximately 3-5 years to build a program. Ketchum gave his opinion that FSI’s credibility is well-established and well-known people and entities have praised its value and quality. He said he did not believe anyone could predict that FSI will be a huge financial success, and that revenue projections are “guesstimates” of client interest, but not “hard” dollar figures.

President Burke stated that projecting probabilities is fine, but it is not a receivable or a contract, which is what is necessary to ensure the success of Fort Sherman Institute. He said that enthusiasm, support, and credibility are fine—but not a receivable. These are “less a sure thing” according to Burke, and it is challenging to “hang your hat” on these kinds of probabilities.

Trustee Hague indicated that his training (as a retired U. S. Air Force General) allows him to state publicly that FSI has the “all stars” as far as trainers. Ketchum says that the attempt to capture a national market is an expensive process that can take considerable time. Ketchum said that implementation of the program has cost NIC a lot of money, and he questioned, “will it be viable within a timeframe acceptable to the college?” He is not sure, but will provide quantitative as well as qualitative information.

Burke said NIC is looking at providing training through FSI for first responder training for the Financial Aid and others in front line jobs on campus.
Trustee Meyer said it is important to clarify how much training can be done here at FSI and how much will go out of the area. She indicated that the college’s costs increase when NIC employees need to travel to other areas to provide training. This would also negate the scenario of extra dollars spent in the community by people coming here for training and spending money in the community.

**Senate**

Senate Chair Sandra Jacquot said the Senate has met twice and discussed the Staff Professional Improvement Funds Procedure. Revisions were made to make the funds available every two years instead of every three and increase the amount available from $500 to $750 every two years. These revisions are based on the faculty professional improvement policy. Jacquot said that the Senate endorsed the procedure, that the President’s Cabinet has approved it, and is now available for staff to implement.

The Professional Development Leave for Faculty Policy and the Attendance Policy both have been approved by the Senate and have been sent on to the President’s Cabinet.

**Faculty Assembly**

Faculty Assembly Chair Rhena Cooper said that the semester is one-quarter completed. She shared some positive conversations that she had overheard including a mother and daughter at the salad bar celebrating a first speech and a first “A” in a college class. She shared the joy of her Chemistry students upon the balancing of an equation, and the delight of another student having a “teacher learn my name that quickly.” Cooper invited the trustees to come to campus, be in the classroom, and experience the “ah-ha” moments of the students.

Trustee Meyer told Cooper she appreciated the Faculty Assembly resolution with regard to Fort Sherman Institute and the positive manner in which it was constructed. Meyer said that the trustees have made a commitment to salary action as soon as possible given the budget considerations.

**Staff Assembly**

Staff Assembly Chair Peggy Schnell said that the Staff Assembly website has been revised by Cindy Deschamp. She said it is a great resource for staff, and she invited the trustees to visit it.

Schnell also shared that she has received many questions about the salary consultant report, when those people found to be paid below the salary study findings would see adjustments, and when employees will be receiving an increase. She said that she had heard from Denise Clark, Chair of Meet and Confer, that conversations will be starting soon about the salary study.
ASNIC
ASNIC President Joel Crane said that the students were holding elections and committee assignments would be completed soon. A lunch with Lewis-Clark State College will take place on October 14, and student leaders from the seven Idaho institutions will meet in Lewiston next week.

Crane said that JFAC was on campus, and ASNIC appreciated the willingness to have students involved with the tours and dinner. It helps the student understand how legislative funding affects students. He said that there are 20 clubs sponsored by ASNIC, and those clubs are very active. Crane also said a flag ceremony and plaque will be dedicated in a ceremony that is being planned.

BOARD CHAIR
Board Chair Ostermeyer said at the next meeting he would like to see an agenda item on the Athletic Review Committee, an update on the possible acquisition of a bus, and the status of the summer school grants-in-aid. He said that board elections will be held in November, and he encouraged the board members to consider who is going to run for the offices on the board, as he may not be available for the November board meeting.

ADJOURNMENT

Motion was made by Trustee Hague, seconded by Trustee Armon, and unanimously approved to adjourn the meeting.

Time: 9:05 p.m.

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Board of Trustees Chair    Board of Trustees Secretary