CALL TO ORDER AND VERIFICATION OF QUORUM

Board Chair Williams called the meeting to order at 6:00 p.m. and verified that a quorum of the Board was present at the meeting.

ATTENDANCE

Trustees: Mic Armon
Denny Hague
Judy Meyer
Rolly Williams
Christie Wood

Also present: Michael Burke, President
           Jerry Gee, Vice President for Instruction
           Rolly Jurgens, Vice President for Administrative Services
           Bruce Gifford, Vice President for Student Services
           Kathy Christie, Assistant Vice President for Planning, Assessment and Research
           Robert Ketchum, Assistant Vice President for Instruction
           Kent Propst, Assistant to the President for Community Relations
           Marc Lyons, Attorney for North Idaho College
           Donna Ward, Secretary for the Board of Trustees
           Nancy Edwards, Staff Assembly Chair
           Susanne Bromley, Faculty Assembly Chair
           Jim Jeitler, Senate Chair
           Heather Ericson, ASNIC President

INTRODUCTION OF GUESTS

Guests at the meeting included Stan Wood of Magnuson McHugh CPAs and his wife, Renee, Fred and Mary Ostermeyer, and Brittany Hanson from the Coeur d’Alene Press.

APPROVAL OF MINUTES

Motion was made by Trustee Meyer and seconded by Trustee Armon to approve the minutes of the October 20, 2004 meeting. The motion was unanimously approved.

OPEN FORUM FOR PUBLIC REMARKS

Board Chair Williams congratulated former Trustee Fred Ostermeyer for his six years of service with the Board of Trustees. A commemorative plaque was presented to Ostermeyer.
APPROVAL OF MINUTES
Motion was made by Trustee Meyer and seconded by Trustee Hague to approve the minutes as amended of the November 17, 2004 meeting. Said amendment to include under Remarks for the Good of the Order that Trustee Meyer is a member of the Idaho Business Council Education Committee reviewing a proposed community college system in Idaho. The motion was unanimously approved.

LEGISLATIVE AGENDA FOR FY05-06
Kent Propst, Assistant to the President for Community Relations, told the Trustees that the Legislative Agenda for FY05-06 was presented for a second reading and approval. He said that the revisions suggested at the last meeting had been incorporated. Therefore, the following motion was made:

MOTION: 12-15-04: 26 Motion was made by Trustee Meyer and seconded by Trustee Armon to approve the Legislative Agenda for FY05-06 as presented. The motion was unanimously approved.

EXTERNAL AUDIT FY03-04
Vice President Jurgens introduced Stan Wood, of Magnuson, McHugh & Company, CPAs, as auditor for NIC’s external audit. Wood gave a recap of the audit including the current funds in the unrestricted fund balance, the fixed assets inventories, and the testing of compliance with federal grants received by NIC and those agencies under its supervision. Wood noted that although there was turnover in the controller’s position and the current controller was away on medical leave, there was no breakdown in internal control. He stated that the audit was a clean report, and that the financial statements contained within the audit accurately represent the financial position of the college.

Wood reported that the NIC Foundation balances were included in the audit this year, although the Foundation financial statements had been prepared by another financial auditor. He stated that the college’s current fund balance of approximately $4.1 million represents a healthy percentage (12.35%) of the overall college revenue of $33 million. It was additionally noted by Wood that fixed asset monitoring and the Perkins loan default rate had improved.

Other audit findings pertained to the EOC grants, which served less than the minimum number of participants in its first year. However, Wood did note that this finding was for the first year or “start-up” year of the grant award, and that for the second year of the grant, the number of students served by the grant was adequate.

Fraud awareness and financial abuse were other subjects discussed by Wood. He stated that the auditors found that staff is very aware of steps needed to prevent fraud and he found no indication of financial abuse. He encouraged education of staff on sound internal control policies and procedure.
MOTION: 12-15-04: 27 Motion was made by Trustee Armon and seconded by Trustee Hague to accept the audit for FY03-04 as presented. The motion was unanimously approved.

AGING AND ADULT SERVICES
Vice President Jurgens introduced Pearl Bouchard, Director of Aging and Adult Services. She reported to the Board that Aging and Adult Services is an organization under the “umbrella” of NIC. The college administers the federal grant for the state Agency on Aging, which in turn administers it to the regional office of Aging and Adult Services.

Bouchard explained that the Aging and Adult Services is a national network that exists to protect people 60 and older and to help with independence and dignity through advocacy and service. She reviewed the areas of services, the primary goals, the sources of revenue, and the future plans of the agency.

REPORTS
COLLEGE PRESIDENT
President Burke reported that the NIC Foundation has donations and pledges of $1.3 million to date. He also stated that the volleyball team competed, and subsequently finished 10th at the national level. Other recent activities reported by Burke include his participation in the local library bond campaign, his attendance at the State Board meeting in Pocatello, the President’s Council meeting in Boise, and the legislative luncheon on December 14. He thanked the various presenters at the luncheon, and he stated it was very successful.

SENATE
Jim Jeitler, Chair of the college Senate stated that there had been no Senate meeting, so he had no report.

FACULTY ASSEMBLY
Susanne Bromley, Faculty Assembly Chair, stated that the semester was winding to a close. She reported on the highlights of the semester and thanked the NIC Foundation for the staff and faculty grants. Bromley also said that faculty have been identifying ways to help connect and enhance the valued roles of adjunct faculty.

STAFF ASSEMBLY
Nancy Edwards, Staff Assembly Chair, reported that she had participated in the ASNIC focus group which met with the recreation center consultant as well as the awards committee for the NIC Foundation grants to faculty and staff. Edwards expressed her gratification for being a participant on both of these committees. She stated that staff has been collecting food and money for needy families for the holidays, and that Randy Bennett in Food Services would be assembling and delivering the food baskets.

ASNIC
Heather Erikson, ASNIC President, stated that the recreation center consultant had visited the campus on November 30 and December 1. The consultant met with several groups, and the report is expected around January 1. Erikson thanked the administration for including her in
the Legislative Luncheon activities; she congratulated the NIC Foundation grant recipients; and reported on the success of the St. ASNIC party for 86 children from the campus.

BOARD CHAIR
Rolly Williams, Board Chair, reported that he had participated in the Head Start interview with the federal officers. He congratulated Rolly Jurgens on his excellent supervision of that program, and he said that the auditors were pleased with the job that NIC is doing. Williams also stated that the January Board meeting would be on January 19, 2005, due to the JFAC hearings the following week.

REMARKS FOR THE GOOD OF THE ORDER
President Burke stated that the March Board meeting is scheduled during the week of Spring Break. After discussion, the following motion was made:

MOTION: 12-15-04: 28 Motion was made by Trustee Armon and seconded by Trustee Hague to move the March 30, 2005, Board of Trustees meeting to March 23, 2005. The motion was unanimously approved.

Burke thanked Heather Erikson and Emily Thompson for their participation in the Legislative Luncheon. Trustee Meyer mentioned her participation with the Idaho Business Council on Education Excellence, comprised of business people in the state interested in higher education. She stated that the committee is reviewing tuition as well as other obstacles that might prevent college attendance. She also noted that a consultant funded by the Albertson Foundation had been engaged to study education in Idaho, and to provide the legislature with specific suggestions. Meyer stated that the information will be forthcoming soon, and that she was pleased to represent community colleges on this committee.

EXECUTIVE SESSION
MOTION: 12-15-04: 29 Motion was made by Trustee Armon 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.

Roll call vote was as follows:

Mic Armon: aye
Denny Hague: aye
Judy Meyer: aye
Christie Wood: aye
Rolly Williams: aye

Time: 8:00 p.m.
RECONVENE/ADJOURNMENT

The meeting reconvened at 8:45 p.m. at which time no other business was conducted. The following motion was then made:

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

Time: 8:46 p.m.

______________________________   ________________________________
Board of Trustees Chair    Board of Trustees Secretary