BOARD OF TRUSTEES MEETING
EXECUTIVE SESSION - 4:00 P.M.
POWDERHORN BAY ROOM
6:00 P.M.
DRIFTWOOD BAY ROOM
STUDENT UNION BUILDING
OCTOBER 26, 2005

MINUTES

CALL TO ORDER AND VERIFICATION OF QUORUM
Board Chair Williams called the meeting to order at 4:05 p.m. in the Powderhorn Bay Room of
the SUB and verified that a quorum of the Board was present at the meeting. Those in
attendance were: Mic Armon, Denny Hague, Rolly Williams, Judy Meyer (who joined the meeting
at 4:20 p.m.), Michael Burke, Rolly Jurgens, Jerry Gee, and Marc Lyons. Christie Wood was unable
to attend the meeting. The following motion was made:

EXECUTIVE SESSION

MOTION: 10-26-05: 29  Motion was made by Trustee Hague and seconded by
Trustee Armon to adjourn to executive session under Idaho Code Sections 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
Rolly Williams  aye

A discussion took place regarding possible acquisition of property not owned by a public agency.
At 5:49 p.m. the executive session was ended, and the Trustees reconvened as follows:

CALL TO ORDER AND VERIFICATION OF QUORUM
Board Chair Williams called the meeting to order at 6:04 p.m. and verified that a quorum of the
Board was present.

ATTENDANCE

Trustees  Mic Armon
          Denny Hague
          Judy Meyer
          Rolly Williams

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
            Robert Ketchum, Assistant Vice President for Instruction
            Kent Propst, Assistant to the President for Community Relations
Josh Gittel, ASNIC President, introduced the following ASNIC Senators: Stephanie Ambrosetti, Jessica Beehner, and Ryan Robinson.

APPROVAL OF MINUTES
Motion was made and seconded to approve the minutes of the September 28, 2005 meeting as presented. The motion was unanimously approved.

AMENDMENT TO AGENDA
Trustee Williams stated that the trustees would need to add acquisition of property to the agenda. Therefore, the following motion was made:

MOTION: 10-26-05: 30 Motion was made by Trustee Armon and seconded by Trustee Meyer to add the topic, Acquisition of Property, Tab 4-A, to the agenda. The motion was unanimously approved.

EXTERNAL AUDIT
Vice President Jurgens introduced Stan Wood of Magnuson McHugh & Co., CPAs P.A., who recapped the recent audit. Wood stated that the financial statements were presented fairly and the information contained therein was in accordance with generally accepted accounting principles. He discussed the unrestricted fund balance and its uses, such as capital expenditures or improvements or emergencies to meet expenses. Wood noted that 12-14% of current revenue is the acceptable fund balance. NIC’s fund balance now at about 9.85%, and he noted the one-time projects that had reduced the fund balance. He explained that the findings of the previous year’s audit regarding the EOC Trio federal projects had been resolved. Wood stated that there no compliance findings from the current audit.

Wood encouraged the continued education of staff on sound internal control policies and procedures for the prevention of fraud and financial abuse. He stated that there was no indication of any financial fraud or financial abuse in the audit.

Trustee Armon commented on the in-depth work involved in the audit and praised the staff involved in that process. He also discussed re-examining the college budget in a public forum, and stressed that if the budget was re-opened, it would not mean a financial crisis, but possible re-alignment of new revenue and possible capital expenditures.

Board Chair Williams also praised Vice President Jurgens and his staff for the “clean” audit. The following motion was then made:
MOTION: 10-26-05: 31 Motion was made by Trustee Armon and seconded by Trustee Hague to accept the external audit for FY04-05 as presented. The motion was unanimously approved.

LEGISLATIVE AGENDA
Kent Propst, Assistant to the President for Community Relations, reported that the Legislative Committee has eleven members in place, and he noted that Tony Stewart is Chair, and Margaret Fedje is Vice Chair. The committee has been discussing dates for the annual Legislative Luncheon and the annual joint legislative pizza party, co-sponsored with the College of Southern Idaho. Propst said that the dates for the Joint Finance Appropriations Committee hearings had not yet been set. He anticipated that the legislature would be considering an expanded role for community colleges in Idaho, that governance of higher education, split funding between NIC and CSI, professional-technical education, compensation for employees, and property tax relief will be topics of consideration by the legislature.

Propst noted that a draft of the Legislative Agenda would be brought to the trustees for approval in December. He requested that the trustees advise either him or President Burke of topics for possible inclusion in the Legislative Agenda.

ACQUISITION OF PROPERTY
Vice President Jurgens told the trustees that over the past few months the college had been working with a homeowner in the vicinity of the educational corridor for the possible sale of property. An agreement had been reached to sell property to the NIC Foundation, and Jurgens requested approval to enter into a lease agreement and sale for that property. Closing of the escrow on the property is anticipated by January 1, 2006. The following motion was then made:

MOTION: 10-26-05: 32 Motion was made by Trustee Armon and seconded by Trustee Hague to authorize Vice President Jurgens to enter into and proceed with the lease agreement and purchase of property located at 719 Military Drive, Coeur d’Alene. Vice President Jurgens is further authorized to exercise the option on the property. The motion was unanimously approved.

FIRST QUARTER BUDGET REPORT
Vice President Jurgens provided information on the first quarter of the FY05-06 budget including revenue and expenditures through September 2005. He said there were no significant changes as compared to the previous five years. Revenue is slightly above those comparators, and expenditures are on track. Tuition and fees revenue is down slightly due to lower enrollment.

WORKFORCE TRAINING CENTER UPDATE, FY05
Vice President Robert Ketchum provided a PowerPoint presentation of the Workforce Training Center enrollment data. He reported on new workforce developments, educational enrollments, and other services including customized training, qualified worker retraining, the Idaho Small Business Development Center, and Riverbend Professional-Technical Center.

Ketchum stated that fire service training is one of the larger programs at WFTC; other offerings include apprenticeship programs, on-line Ed-2-Go, and Lean Enterprise training. He also reported that Bill Jhung had been hired as the new director of the Idaho Small Business Development
Center and Mark Markey as the new director of Qualified Worker Retraining Program. Ketchum said that more space was needed, so WFTC had leased additional space in the Jacklin building, across the street, to accommodate the recent growth. He also provided data on the ABE-GED enrollment and graduates.

REPORTS
PRESIDENT
President Burke reported on his activities for the past month including the dedication of the Meyer Health & Sciences Building in September, a presentation before the Permanent Building Fund Committee, and the State Board meeting. He also noted upcoming athletics events and the Lewis-Clark State College 25th anniversary on October 25.

SENATE
Shelley Cobetto, Senate Chair, stated that the Senate had reviewed the Reclassification Procedure. Rather than approve the procedure, the Senate recommended that it be sent to the Staff Assembly or its executive committee for review and possible amendment.

FACULTY ASSEMBLY
Faculty Assembly Chair Bill Richards stated that the faculty recently approved a resolution. He read the resolution as follows:

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\text{We, the members of the North Idaho College Faculty Assembly, hereby express our appreciation to the Board of Trustees of North Idaho College for its efforts during the past two fiscal years to address the issue of faculty salaries. The Board is applauded and commended for the progress that has been made toward its goal of faculty salaries at the midpoint of North Idaho College peer institutions. It has taken courage, vision, and resolve by the Trustees to make such progress. The Faculty Assembly gratefully acknowledges this commitment by the Board.}
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Richards also reported that faculty members on Meet and Confer and other committees are meeting, and reports of those meetings are published on the Faculty Assembly website.

STAFF ASSEMBLY
Lewis Watkins, Staff Assembly Chair, said that the staff appreciated the work Human Resources had done on the reclassification process, and that the process should be in place by January, 2006. Watkins stated the last Staff Assembly meeting was held at WFTC to include the staff working in that location.

ASNIC
Josh Gittel, ASNIC President, reported that the Senators are working on committees and on their individual projects for the year. The students participated in the United Way Chili Cook-Off and hosted an ASNIC Open House. Gittel also said that the St. ASNIC party for children would be held in December.
BOARD CHAIR
Board Chair Rolly Williams noted that because of recent information reported in the local newspaper, he wanted to point out that NIC was the only Idaho institution that offers tenure for the professional/technical staff. Williams stated that this information was not reported by the media.

REMARKS FOR THE GOOD OF THE ORDER
Trustee Meyers made the following motion:

MOTION: 10-26-05: 33 Motion was made by Trustee Meyer and seconded by Trustee Hague to consolidate the November 30th and December 21st Board of Trustees meetings to one meeting on December 14. The motion was unanimously approved.

Trustee Armon said that on November 6-7 he would be flying to Twin Falls with Steve Griffits of Jobs Plus to learn how CSI interacts with the Jobs Plus counterpart there.

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

Time: 7:20 p.m.

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Board of Trustees Chair               Board of Trustees Secretary