

YAVAPAI COLLEGE DISTRICT GOVERNING BOARD

Approved Amended Minutes of Meeting

Tuesday, January 23, 2007

Yavapai College
Prescott Campus
1100 E. Sheldon St.
Prescott, AZ 86301

Recorded Board meetings may be viewed in the Tri-City area on
Cable Channel 13 on Wednesdays at 3:00 a.m. and 10:00 p.m.

Members Present:

Mr. Herald Harrington, Board Chair
Dr. Dale Fitzner, Board Member
Dr. Patricia McCarver, Board Member
Dr. Donna Michaels, Board Secretary and Spokesperson
Mr. Ray Sigafoos, Board Member

Attorney Lynne Adams of Lewis and Roca was present. Staff Attending Meeting List is on file in the District Office.

1. Call to Order

2. Chair Harrington called the Yavapai College District Governing Board meeting to order at 1:00 p.m.

3. Welcome to Guests and Staff

Chair Harrington welcomed guests and staff and thanked them for their attendance. He introduced and thanked Mr. Tim Carter, Yavapai County Superintendent who took time out of his busy schedule to swear in our continuing board members, Dr. Dale Fitzner, Dr. Patricia McCarver and Mr. Ray Sigafoos.

4. Pledge of Allegiance

The Pledge was led by Dr. Michaels.

5. Oath of Office

Mr. Tim Carter swore in Dr. Dale Fitzner and Dr. Patricia McCarver for a term to expire on December 31, 2008 and Mr. Ray Sigafoos for a term to expire on December 31, 2012. Chair Harrington thanked the Board members and their families for their commitment and willingness to serve. Official documents were signed.

6. Approval of December 12, 2006 Regular Meeting Minutes and Executive Session Minutes

Mr. Sigafoos requested that the December 12, 2006 meeting minutes be amended to correct the spelling of guest Ralph Weiger's name. Dr. Michaels moved, seconded by Mr. Sigafoos, that the December 12, 2006 regular minutes be approved as amended and Executive Session minutes approved. The motion carried unanimously. (Executive Session minutes are confidential by statute and are therefore not included in public meeting documents.)

7. Adoption of Agenda

Chair Harrington recommended that Item No. 28, Review of Tuition and Fees, be tabled until February after the County Sales Tax numbers are in. The review of Tuition/Fee changes will occur at the February Board meeting, and the adoption of Tuition/Fee changes as necessary will occur in April. The 2006 -2007 District Governing Board Annual Calendar will be revised to reflect this change for future years. Dr. Fitzner moved, seconded by Dr. Michaels that the agenda be approved as amended (tabling Item No. 28 until February meeting). Motion carried unanimously.

8. Open Call

There were no requests to address the Board.

9. Consent Agenda

10. Receipt of Transfers and Other Expenditures – November and December, 2006

11. Receipt of Report of Revenues and Expenditures – November and December 2006

12. Acceptance of Lease-Purchase for Computer Equipment for the Sedona Center

Dr. Fitzner moved, seconded by Dr. Michaels that consent agenda item Nos. 10 and 11 be accepted as printed. Dr. McCarver called for discussion on No. 12, Acceptance of Lease-Purchase for Computer Equipment for the Sedona Center. Motion carried unanimously.

Regarding item No. 12, Dr. McCarver questioned whether the lease purchase was the responsibility of the Board to approve, or whether College administration could enter into leases without Board approval. Legal Council, Lynne Adams, advised the Board that leases are the Board's business. Mr. Sigafoos moved, seconded by Dr. Michaels to accept the Lease-Purchase for Computer Equipment for the Sedona Center. Motion carried unanimously.

13. Monitoring Reports

14. Board Self Evaluation – RE: Governing Board Policy 3.1 – Governing Focus and Style

Chair Harrington reported that the Board members reported compliance.

15. Board Self Evaluation – RE: Governing Board Policy 3.2 – Board Job Description

Chair Harrington reported that though the monitoring report indicates only four Board members responded, Dr. McCarver was traveling and upon her recent return, responded confirming all Board members reported compliance.

16. Board Self-Evaluation - RE: Governing Board Policy 3.7 – Cost of Governance

Chair Harrington reported that the majority of Board members reported compliance. One Board member requested more data regarding Policy 3.7.1.2 (Outside monitoring assistance may be arranged so that the Board can exercise confident control over organizational performance). Through discussion, the Board interpreted this policy to mean that when an independent or outside resource is needed for a specific activity, action can be taken.

Dr. Michaels moved and seconded by Dr. Fitzner to accept the monitoring reports related to Governing Policies 3.1, 3.2 and 3.7. Motion carried unanimously.

17. Monitoring Report and Data by President – RE: Policy 2.1 – Treatment of Consumers

Dr. McCarver stated the data that was connected with the report was appreciated. It would be helpful if plans/areas of improvement were reported. Dr. McCarver moved and seconded by Dr. Michaels that Dr. Horton was in compliance. Motion carried unanimously.

Mr. Sigafoos inquired about statistics in regard to retention. Dr. Horton responded that on February 2, 2007, the leadership team will be discussing the strategic plan for retention. A report will be presented to the Board in the future.

18. Comprehensive Annual Financial Report (CAFR) – Annual Audit for Fiscal Year Ended June 30, 2006.

Included with this document Mr. Lynch prepared an illustration of the FY 2005-07 financial statements presented in the "fund accounting" format (unaudited). This method of presentation was requested by the District Governing Board last year as a supplement to the GASB Statement 35 presentation. (Refer to attachment)

Mr. Frank D'Angelo, Yavapai College Comptroller, talked about implementation of GASB 44, which brought about various enhancements to the statistical tables. Several new tables were added: Statement of Changes in Net Assets – expanded our presentation of Revenues and Expenditures, Capital Asset Information and Population and Personal Income of Yavapai County. There were 12 statistical tables enhanced by addition of comparative information. The Board believed this information was very helpful.

19. Ownership Linkage

20. Reports from Board Liaisons

Foundation Report – Dr. McCarver reported the Foundation Executive Board isn't meeting until February 14, 2007.

AADGB (Arizona Association of District Governing Boards) Report – Mr. Sigafos reported that their next meeting is Thursday, January 25, 2007. There is an ACCA Legislative meeting on Wednesday, January 24, 2007.

21. Ownership Linkage – Planning Decision

Sue Sammarco presented the proposal for the Verde Valley Forums. The Board packet addresses the proposed structure, facilitator, location and date. She has worked with Tom Schumacher, Dean of Verde Valley Campus and his management team. The audience should include a mixture of those who will be invited as well as those who have shown up as a result from advertising that has taken place through local print ads and local direct mail pieces. It should also include students from Verde Valley and Sedona campuses as well as students from local high schools. Perhaps high school faculty can offer classroom extra credit to those high school students for attendance. Rick Marcum, college staff, has offered to be the facilitator. Dr. Michaels commented that she really liked the inclusion of high school students and suggested working with the district superintendents. The following points were discussed by the Board:

- a. Forums will be posted as a regular meeting, encouraging all Board members to attend.
- b. A half-hour meeting will be arranged with the facilitator prior to the forum to frame the dialogue.
- c. Dr. Horton suggested that staff frame some suggested ownership and customer related questions.
- d. The purpose of the meeting and questions should be published prior to the meeting.
- e. There should be an opportunity for open dialogue after the formal questions.
- f. Office of Public Information will contact district superintendents by phone encouraging involvement of high school students.
- g. Sandwich buffet will be provided.
- h. Invitations will be sent out with an R.S.V.P.
- i. There will be a session in March, 2007 at 5:00 p.m. at Clarkdale's Memorial Clubhouse to include people from Clarkdale, Jerome and Cottonwood and in April, 2007 at 5:00 p.m. at Cliff Castle Casino to attract people from Sedona the Village of Oak Creek, Lake Montezuma, Rimrock and Camp Verde.

22. Ownership Linkage – Ownership Guide for Taxpayers

Dr. MrCarver reported that the Ownership Guide for Taxpayers brochure, *The Friendly Side of Policy Governance*, will be sent out after the election of the new Board Chair. Caroline Oliver, Consultant on Policy Governance, suggested that the brochure focus more on how to interact with the Board and the Board's job. Suggestions were sent to Sue Sammarco, Director of Office of Public Information, for incorporation. Another final draft will be presented at the February 13, 2007 meeting.

23. Board Education

24. Sustainable Economic Development Issues for Yavapai County; Legislative Impact and Relevant Public Policy Issues on Yavapai College.

Sue Sammarco reported that she and Will Fisher, college staff, will be taking nine honor students to the Legislature on Wednesday, January 24, 2007. They will be having breakfast with legislators and college presidents from around the State, meeting with Senator Tom O'Halleran, Representatives Jennifer Burns and Lucy Mason. They will also attend a Higher Education Senate session which Senator O'Halleran is chairing.

Dr. Horton reported that on Thursday, January 25, 2007, he will be attending the ACCA/AADGB meeting. A hugh piece of the agenda is on legislature issues.

JTED Appointment:

County Superintendent, Mr. Tim Carter, is leading the effort along with a group of business people to organize a West Yavapai County Joint Technological Education (JTED) steering committee. Seven school districts and the College will have representatives on this task force. Dr. Horton recommended

appointing Dr. Utpal K. Goswami, Vice President of Academic Affairs/Provost, to this position. Dr. Michaels suggested that at the next meeting there be discussion with possible action on this topic. Mr. Sigafoos requested from Dr. Horton send briefing materials in advance of the next meeting for review and Dr. Fitzner asked to see a JTED model from Coconino, Pinal or Navajo counties that includes how it works and is working.

CC Tuition Comparison Presentation

Senator O'Halleran is Chair of Higher Education and serves on the K-12 Education Committee. Representative Jennifer Burns chairs the House Higher Education Committee. On January 10, 2007, per Senator O'Halleran's request, Mr. Lynch presented to the Higher Education Committee a statistical report on Tuition Impact. (Report included in Board Packet). The Legislators are looking at escalating tuition and comparing it across the State of Arizona and other states. Dr. Horton distributed the Yavapai College Gross General Fund Revenue Budget Comparison from 1992 to current day. State funding has gone from 24% to 12%, probably 11% in 2008; average is 30%. ACCA is asking from the legislature \$ 12 million for financial aid and 1.4 multiplier for occupational technical programs that are so expensive, particularly in the health field.

It is inevitable that there will be a State Board for Community Colleges. Representative Pete Hershberger is leading this charge. They have determined that the issue of ownership of facilities is not on the table. There are interesting legal issues of how a State Board impacts elected officials on District Governing Boards. It is being requested to formulate a Community College Stakeholders Task Force to work through some of these issues.

Dual Enrollment Presentation

On January 22, 2007, Dr. Ron Minnich and Dr. Horton presented to a Stakeholder's meeting the Summary of Dual Enrollment (refer to Board Packet). Dual Enrollment is under attack. Yavapai College has gone from 0 to 559 students (headcount) in one year. A major goal for Arizona is to increase the number of students pursuing the baccalaureate. According to the National Center for Higher Education Management Systems (NCHEMS) study, which will be e-mailed to Board members, Arizona needs approximately 75,000 more citizens with bachelor degrees to meet the national average. That does not even take into consideration the retirees that have those degrees. The best thing that we can possibly do is to get high school students enrolled in college courses. Data shows that these students do well. The cost savings to parents and the state is evident.

Chair Harrington called for a brief recess at 2:12 p.m.
Regular Session reconvened at 2:30 p.m.

25. Policy Issues

26. Election of Board Officers and Appointments

Dr. Michaels moved, seconded by Dr. Fitzner to nominate Ray Sigafoos for Chair of the Yavapai College District Governing Board. Bio is available in Board packet. Motion carried unanimously.

Dr. Fitzner moved, seconded by Mr. Sigafoos to nominate Dr. Michaels as Secretary of the Yavapai College District Governing Board. Motion carried unanimously.

The following liaison positions were officially appointed by Chair Harrington and accepted:

ACCA/AADGB – Mr. Sigafoos representative with Dr. Fitzner as co-representative,
Foundation Liaison – Dr. McCarver,
Yavapai Combined Benefits Trust Representative – Mr. Harrington,
Board Spokesperson – Dr. Michaels

27. Discussion and Possible Action Regarding Chair-Elect Position to Begin January, 2008

Legal counsel, Lynne Adams, mentioned that she had some legal concerns about electing a chair-elect position which could bind future boards. She advised this be legally reviewed before action is taken. Chair Harrington stated that this position would be elected a year out. Dr. Michaels agreed with the concerns; however she believes that it is important for all Board members to become familiar with each other's roles,

especially within the role of the Chair. Chair Harrington mentioned that the purpose of the position was to allow the individual the opportunity to become familiar with what was involved, but does not want to spend money for legal advice on this topic. Dr. Michaels moved and seconded by Dr. McCarver not to elect a Chair-Elect Position. Motion carried unanimously.

28. Discussion and Possible Action Regarding Tuition and Fees

Item was tabled for the February, 2007 meeting.

29. Receipt of Faculty Grievance Policy – Executive Limitations Policy 2.2.3

Chair Harrington congratulated Faculty Senate and administration on an easy-to-follow and useful policy. Dr. McCarver stated that this is an internal policy handled by the President and staff up to the level of addressing the Board. She suggested that the Board consider developing their own policy/statement that defines a clear process. She believes it is important that the Board direct any concerns along the levels of the flow chart, however it is also important that employees know that if the system didn't work, the Board is open to listening to concerns. Dr. McCarver was asked to work with Caroline Oliver in drafting some policy language that acknowledges the College has a grievance policy, and there is always the opportunity to address the Board during the Open Call to the Public. This grievance policy is primarily for faculty, and it was suggested that in the future there be a general one to apply to staff and faculty.

30. Other Information

31. Correspondence to the Board

Dr. McCarver received correspondence from Mary Poncel Bricker on ethics training that will be forwarded to Rose Hurley, Director of Human Resources.

32. Information from the President – ACCA (Arizona Community College Association) Report; Economic Development Efforts – Dr. James Horton; Faculty Report – College Staff; College Highlights – January 2007

Vikki Bentz, Faculty Senate President highlighted what faculty as a whole is accomplishing.

Faculty Grievance Policy – Pleased on the collaborative effort that administration and faculty worked on and produced a good product.

Peer Review Process – This process was implemented this semester. This is a process where three tenured faculty members to one new faculty member are allowed to review and mentor the new faculty member. Faculty and Human Resources worked together to establish this process.

Faculty Handbook – A committee has been established to create a faculty handbook. They will be working with AAUP who has a number of recommendations.

Faculty Workload Committee – With the various instructional delivery models, Dr. Goswami has developed some workload models that he has asked faculty to review for input.

Faculty Constitution – This document has been updated.

33. Meeting Evaluation – Dr. Dale Fitzner

Dr. Fitzner reported that the Board adhered to its allotted agenda times. He believed that the Board's time was appropriately spent on Ends as opposed to Means and that there was a clear distinction. Overall, the meeting was given an A.

34. Date and Place of Next Meeting/Future Discussions

The next Board meeting is scheduled for Tuesday, February 13, 2007 on Verde Valley Campus at 1:00 p.m.

35. Executive Session – A.R.S. §§ 38-431.03 (A)(3) and (7)

(A) Chino Valley; (B) Prescott; (C) Prescott Valley; (D) Sedona Cultural Park; (E) Electrical Issues on the Prescott Campus; (E) Auxiliary Relationships

It was moved by Dr. Michaels, seconded by Mr. Sigafos that the Board convene in Executive Session for the purposes indicated on the agenda. The motion carried unanimously. Executive Session convened at 3:33 p.m. The confidentiality statement was read by Dr. Michaels.

Legal Counsel, Lynne Adams, advised the Board that Item D, Discussion regarding the Sedona Cultural Park property, could not be addressed in Executive Session if it was for a purpose other than to have discussions with the College's representatives.

Regular Session reconvened at 3:47 p.m. Chair Harrington informed Van McDonald, a developer who wanted to present information to the Board regarding development of the Sedona Cultural Park Property, that in Executive Session per the Open Meeting Law, the Board can only receive legal advice or discuss very prescribed topics. The Board therefore decided to come out of Executive Session and allow ten minutes of Open Call to the Public to listen to Mr. McDonald's presentation.

Van McDonald reported that Mr. Smyth and he have been working 2 – 3 years to do something very logical and proper for the Sedona Cultural Park. Mr. Fitch, principle of Fitch Industries, has purchased the Sedona property. Van McDonald and Joseph Smyth have had several meetings with Fitch Industries regarding the purchase of the park. Mr. McDonald referred to the two-page Sedona Cultural Park Business Plan outline that was provided to the Board. Per McDonald, the reason Fitch would stay in would be for tax advantages resulting from selling a portion of the land to the College. The plan at this point is to go ahead and have the brokerage house explain the tax ramifications to Mr. Fitch and the College Board. Chair Harrington indicated that the Board will take your information under advisement and direct Dr. Horton accordingly.

Dr. Horton asked who would issue the \$600 million dollar bonds? Mr. McDonald responded they would have to be similar to tax-free municipal bond which would be the county or Yavapai College. He sees the College issuing these bonds of \$600 million, but none of the property that the college has would be used to back the bond. The bond would be strictly by the lease. The bonds on the commercial activities undertaken will receive a high bond rating.

The executive session reconvened at 4:00 p.m.

36. Possible Action As A Result of Executive Session

- (A) Chino Valley
- (B) Prescott Valley
- (C) Sedona Cultural Park
- (D) Prescott campus electrical issues
- (E) Auxiliary Relationships - No discussion took place in executive session regarding this matter.

Regular session convened at 4:47 p.m.

Dr. Michaels moved and seconded by Dr. Fitzner to direct Dr. Horton to instruct the College administration to proceed along the lines of the discussions that were held in executive session. Motion carried unanimously.

37. Adjournment of Regular Meeting

Dr. Michaels moved, seconded by Dr. Fitzner, that the meeting be adjourned. The motion carried unanimously. The meeting was adjourned at 4:48 p.m.

Respectfully submitted:

_____/S/_____
Marilyn Yetter, Recording Secretary
Reviewed by Attorney Lynne Adams

Date: January 26, 2007

_____/S/_____
Ray Sigafoos, Chair

_____/S/_____
Donna Michaels, Board Secretary

Board agenda, packet materials, handouts from meeting are on file in the District Office and posted on the College website: www2.yc.edu.

The mission of Yavapai College is to provide cost-effective, convenient learning opportunities for the diverse populations of Yavapai County.