

Yavapai College
District Governing Board
Budget Workshop

Tuesday, February 13, 2024
9:00 a.m.

The meeting location will be open to the public at 8:45 a.m. at the latest.

Prescott Campus
Rock House
1100 East Sheldon Street
Prescott, AZ 86301

Pursuant to Arizona Revised Statutes (A.R.S.) §38-431.02, notice is hereby given to the members of the Yavapai College District Governing Board and to the general public that the Board will hold a public meeting, open to the public as specified below. The Board reserves the right to change the order of items on the agenda. One or more members of the Board may participate in the meeting by telephonic communication.

Pursuant to A.R.S. §38-431.03.A.2, A.3 and A.4, the Board may vote to go into Executive Session, which will not be open to the public, for legal advice concerning any item on the agenda to review, discuss and consider records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law; or to consult with and instruct its attorneys regarding its position on contracts, litigation or settlement discussions. If indicated on the agenda, the Board may also vote to go into executive session, which will not be open to the public, to discuss specific agenda items.

Persons with a disability may request reasonable accommodation, such as a sign language interpreter or closed caption, by contacting the Executive Assistant at (928)776-2307. Requests should be made as early as possible to allow time to arrange the accommodation.

Please note that the meeting conclusion time is included for planning purposes only and does not necessarily reflect the actual time of the agenda item. When regular board meetings, public hearings (both truth in taxation and budget adoption public hearings) and budget adoption special meetings are scheduled for the same date, each hearing or meeting will begin immediately upon adjournment of the preceding hearing or meeting.

If the agenda includes an Open Call, members of the public will have no more than 3 minutes to speak. The time allotted for each speaker may be less than 3 minutes, depending on the number of individuals wishing to address the board at the meeting and the board president's determination of the total time available for open call at the meeting, given the other matters on the board's agenda. *In addition, if there are a number of people who wish to speak about the same issue and who have the same viewpoint about that issue, the board president may direct them to appoint a representative or representatives to speak for the entire group. Members of the board may not discuss items that are not specifically identified on the agenda but that are raised in Open Call. Matters raised during Open Call that are on the current board agenda may be discussed and/or decided by the board at the appropriate time on the agenda.

AGENDA

1. General Functions: Procedural
 - a. Call to Order {Time: 1}
 - b. Adoption of Agenda – **DECISION** {Time: 1}

2. Study Session
 - a. Overview of Arizona Economy – Dr. George W. Hammond, Director of the Economic and Business Research Center – Eller College of Management at The University of Arizona - **INFORMATION AND DISCUSSION** {Time: 45}
 - b. Environmental Scan Highlights for Fiscal Year 2023-2024 - Dr. Tom Hughes - **INFORMATION AND DISCUSSION** {Time:15}
 - c. Yavapai College Finances for Fiscal Year 2024-2025 – Dr. Clint Ewell - **INFORMATION AND DISCUSSION** {Time: 60}
 - d. Receipt of the Yavapai College’s Comprehensive Annual Financial Report (CAFR), Independent Auditors’ Report on Internal Controls and Independent Auditors’ Report on Compliance for Each major Federal Program – for the Fiscal Year Ended June 30, 2023 – Dr. Clint Ewell and Mr. Frank D’Angelo - **INFORMATION AND DISCUSSION** {Time: 15}
3. Board Business
 - a. Consent Agenda – **DECISION** {Time: 5}
 - i. DGB Workshop Minutes – Tuesday, January 16, 2024 (*Attached*)
 - ii. Executive Session Confidential Minutes - Tuesday, January 16, 2024
 - b. Executive Session
 - i. A.R.S. §38-431.03(A)(7), Discussion and Consultation with College Representatives Regarding Potential Lease and/or Purchase of Real Property, or Properties, in Prescott – **PROCEDURAL** {Time: 60}
 - c. Reconvene in Public Session
 - i. Possible Action: Confirm Instructions to College Representatives Regarding Negotiations for Potential Lease and/or Purchase of Real Property, or Properties, in Prescott, as the Result of Executive Session – **DECISION** {Time: 5}
4. Adjournment of Board Workshop: Procedural - **DECISION** {Time: 1}

Yavapai College
District Governing Board
Policy & Attorney Education Workshop

Tuesday, January 16, 2024

9:00 a.m.

The meeting location will be open to the public at 8:45 a.m. at the latest.

Career and Technical Education Center
220 Ruger Road
Prescott, AZ 86301

Members Present:

Ms. Deb McCasland, Board Chair

Mr. Chris Kuknyo, Secretary

Mr. Ray Sigafos, Board Member

Mr. Steve Bracety, Board Member

Mr. Toby Payne, Board Member

Administration Present:

Dr. Lisa B. Rhine, President

Atty. Lynne Adams, Board Attorney

Ms. Yvonne Sandoval, Executive Assistant

Ms. Deanne Petty, DGB Coordinator

MINUTES

1. General Functions: Procedural
 - a. Call to Order {Time: 1}

Chair McCasland called the Yavapai College District Governing Board Workshop to order at 9:00 a.m.

- b. Adoption of Agenda – **DECISION** {Time: 1}

Member Sigafos moved, seconded by Member Bracety, to adopt the agenda. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety, and Payne).

- c. 2024 Board Member Liaison Committee Appointments – **DISCUSSION AND DECISION** – Ms. Deborah McCasland, Board Chair {Time: 10}

Ms. Deborah McCasland, Board Chair, informed the board of her intentions regarding liaison committee appointments. Ms. McCasland indicated she would like to leave the liaisons as they were for the previous year, because she thinks things have been great with the current selections. She asked if board members had any comments or concerns about this decision. No one had any comments.

Appointments confirmed:

Board Spokesperson: Ms. Deborah McCasland, Board Chair
AACCT Liaison: Ms. Deborah McCasland, Board Chair
YC Foundation Liaison: Mr. Steve Bracety, Board Member

2. Board Business

a. Executive Session

- i. Pursuant to A.R.S. Section 38-431.03(A)(9), Discussion Regarding the College's Information Technology Security Plans, Procedures, Assessments, Measures or Systems – Mr. Patrick Burns, Chief Information Officer - **PROCEDURAL** {Time: 60}

Member Sigafos moved, seconded by Member Bracety, to go into Executive Session pursuant to A.R.S. § 38-431.03(A)(9), for discussion regarding the College's Information Technology security plans, procedures, assessments, measures or systems. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

b. Reconvene in Public Session

- i. Possible Action RE: Yavapai College's Information Technology Security Systems and Plans as a result of Executive Session – Attorney Lynne Adams – **DECISION** {Time: 5}

The Board reconvened in public session at 9:56 a.m. No action was taken related to the executive session.

c. Consent Agenda – **DECISION** {Time: 5}

- i. Regular Meeting Minutes – Tuesday, November 28, 2023 (*Attached*)
- ii. Executive Session Confidential Minutes - Tuesday, November 28, 2023
- iii. Special Meeting Minutes – Thursday, December 14, 2023 (*Attached*)
- iv. Executive Session Confidential Minutes – Thursday, December 14, 2023
- v. Cooperative Purchase Agreement – Mohave Educational Services Cooperative, Inc. – Shamrock Food Services (*Attached*)
- vi. Land Lease Agreement – Northern Arizona Council of Government (NACOG) – Head Start Program (*Attached*)
- vii. Waiver of Conflict of Interest for Yavapai Library Network (YLN) for School Libraries (*Attached*)

Secretary Kuknyo asked that item vi. Land Lease Agreement – NACOG be removed from the Consent Agenda for discussion.

Secretary Kuknyo moved, seconded by Member Bracety, to approve the Consent Agenda with the exception of item vi. Land Lease Agreement - NACOG. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

Secretary Kuknyo and Member Payne both questioned whether the College could enter into agreements with terms longer than 3 years. Attorney Lynne Adams, with

confirmation from Dr. Borofsky, indicated that there is nothing in statute that limits the College to contracting for 3 years or less.

Secretary Kuknyo asked if there was a reason the contract term was being changed from 3 years to 5 years. Mr. Rodney Jenkins stated that a term of 5 years is consistent with the funding cycle. Secretary Kuknyo then asked if there had been any issues with the Head Start centers in the past. Mr. Jenkins responded that they had been a consistent partner with the College and had not created any problems for the College.

Secretary Kuknyo moved, seconded by Member Sigafos, to approve the Consent Agenda item vi. Land Lease Agreement - NACOG. Motion carried (Ayes: McCasland, Kuknyo, Sigafos, and Bracety; Didn't Vote: Payne).

- d. Revision to Yavapai College District Governing Board Policy 204 – Financial Conditions - **INFORMATION, DISCUSSION, AND DECISION** – Dr. Clint Ewell, Vice President of Finance {Time: 20} (*Attached*)

The board was provided with the current version of policy 204 and the proposed version of policy 204. Dr. Ewell explained he is asking for the revisions to allow for reductions to the budget to reflect actual expenditures without governing board action. Additionally, the proposed changes to items 6 & 7 would not allow the President to exceed the authority provided in the policy without governing board approval.

Member Sigafos moved, seconded by Member Bracety, to revise Policy 204 as follows:

- **Add roman numeral “I” before “Accordingly, the President shall not:”**
- **Add “without the District Governing (DGB) approval” to item I.6.**
- **Add “without the DGB approval” to item I.7.**
- **Add roman numeral “II” following I.8 with verbiage as follows: “For purposes of the Expenditure Limit Report, the District Budget may be reduced to an amount equal to actual expenditures without DGB action, once expenditures have been determined by the annual audit conducted on the District’s Financial Statements. Any other modifications to the approved District Budget must be via formal DGB resolution.”**

Motion carried (Ayes: McCasland, Kuknyo, Sigafos, Bracety, and Payne).

- e. Revision to Yavapai College District Governing Board Policy 304 – Board Elections & Appointments - **INFORMATION, DISCUSSION, AND DECISION** – Attorney Lynne Adams {Time: 20} (*Attached*)

The board was provided with the current version of policy 304 and the proposed version of policy 304 (copies in Workshop Agenda Packet). Attorney Lynne Adams explained that in the past, board elections and appointments were for one-year terms, because there was uncertainty about whether two-year terms were allowed by statute. A few years ago, the Attorney General determined that two-year terms for

Current Status: Active

PolicyStat ID: 10631237



Origination: 6/2/2021 Effective: 10/19/2021
Last Approved: 10/19/2021 Last Revised: 10/19/2021
Next Review: 1/31/2024

Owner: Yvonne Sandoval: President's Office Executive Assistant Area:

References: **204 Financial**

Conditions

With respect to the actual, ongoing financial conditions and activities, the Yavapai College President shall not cause or allow the development of financial jeopardy or a material deviation of actual expenditures from Board-stated priorities.

I. Accordingly, the President shall not:

1. Expend more funds than have been received or are available in reserves in the fiscal year
2. Allow current fund reserves to drop below seventeen percent (17%) or plant fund reserves to drop below eight percent (8%) of the operating budget (including general fund and auxiliary fund budgets).
3. Allow reserve funds to replenish at an inappropriate rate after, in accordance with specified Board approvals, funds have dropped below the President's authorized limits.
4. Allow the Board to be without monthly reports of budget deviations and reserves.
5. Allow planning that is not fiscally sound or doesn't build organizational capabilities sufficient to achieve board goals in future years.
6. Enter into any lease agreement as lessee for more than five-years in duration or that exceeds \$200,000 per year **without the District Governing Board (DGB) approval.**
7. Make any tenant improvements over \$30,000 to leased property **without the DGB approval.**
8. Make or delegate financial decisions for which legislation specifically requires delegation of authority from the Board except for the following, which the Board authorizes without the need for further Board approval provided the decisions are compliant with the Board's policies: pursuant to A.R.S. Section 15-1444(B)(2), the authority to enter into a lease for real property either as lessor or lessee on behalf of the College.

- II. **For purposes of the Expenditure Limit Report, the District Budget may be reduced to an amount equal to actual expenditures without DGB action, once expenditures have been determined by the annual audit conducted on the District's Financial Statements. Any other modifications to the approved District Budget must be via formal DGB resolution.**

Attachments

No Attachments

Approval Signatures

Step Description	Approver	Date
	Yvonne Martinez-Sandoval: President's Office Executive Assistant	10/26/2021

community college officers were allowed by statute, and the governing board therefore elected the current officers last year for two-year terms. Therefore, the policy needs to be revised to allow for two-year officer terms, if desired in the future.

Secretary Kuknyo moved, seconded by Member Bracety, to approve the revisions as proposed to policy 304. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

The first sentence of the policy will read as follows: “As required by A.R.S. § 15-1443(B), the Board will elect a Chair and a Secretary in January of the year in which the current terms of the Chair and Secretary expire.”

- f. Yavapai College District Governing Board Meeting Delivery Procedures – **INFORMATION, DISCUSSION, AND DECISION** – Ms. Deborah McCasland, Board Chair {Time: 30}
 - i. Livestream, Board Meeting Locations, and Executive Session – Mr. Ray Sigafos, Board Member

Member Sigafos delivered a presentation on his recommendation to livestream the board meetings and to hold the physical meetings primarily in the Rock House on the Prescott campus. Member Sigafos read a quotation from a blog about the College that he wanted to be noted to record.

“The District Governing Board meeting distinguishes itself from nearly all significant governmental bodies in the county by refusing to livestream its proceedings. This decision seems like another attempt to withhold information about its activities, discussions, and debates from county residents.”

Member Sigafos explained that he agrees and believes that the board has an obligation to make certain that taxpayers have the opportunity to understand the board’s decision-making process and decisions.

Member Sigafos continued to explain that the inconvenience to the staff to attend meetings and to set up the meeting rooms in other locations is significant. He suggested that in addition to livestreaming meetings, he would like the board to consider holding meetings in the Rock House and only travelling to other campuses on special occasions.

Dr. Rhine explained that during the pandemic, the College livestreamed board meetings on YouTube and provided a Zoom link for board members and presenters to participate. There were questions and discussion by the board members about technology for allowing Open Call participation by the public and livestreaming. Ms. Sandoval explained that Zoom has limitations on the number of people who can participate without quality deterioration and that the College’s license only allows so many people to join a meeting.

Member Payne asked if there was a way that someone could request to make comments to the board after a meeting had started. Ms. Sandoval explained the Open Call procedure to Member Payne. Member Payne indicated he would not support a virtual Open Call that would include a deadline for members of the public to register to speak prior to the meeting.

Current Status: Active

PolicyStat ID: 10647518



Owner:

Origination: 6/2/2021
Effective: 10/19/2021
Last Approved: 10/19/2021
Last Revised: 10/19/2021
Next Review: 1/31/2024

Yvonne Sandoval: President's
Office Executive Assistant Area:

District Governing Board Policies References:

304 Board Elections & Appointments

As required by A.R.S. 15-1443(B), the Board will elect a Chair and a Secretary in January of the year in which the current terms of the Chair and Secretary expire. The expectation will be that the newly-elected Chair and Secretary will serve a two-year term. The Chair and Secretary will serve from the date of election until the date on which their replacements are elected. The newly-elected Board Chair will appoint Board Liaisons for one-year terms at the January meeting. The following procedure will be used by the Board for the nomination and election of a Chair and Secretary:

1. The current Board Chair shall call for nominations.
2. After the Board Chair determines that no other nominations are forthcoming, the Board Chair shall declare the nominations to be closed.
3. Board Chair shall call on nominees in alphabetical order based on their last names to speak. After all nominees have been offered the opportunity to speak, Board members may speak about the candidates being considered regarding their nomination. The Board Chair shall call for the vote of each nominee, in randomly-selected order, until a nominee receives at least a majority vote of the Board.
4. After nominee receives at least a majority vote of the Board, the process is complete even if there are remaining nominees who have not been voted on.
5. If no nominee receives at least a majority vote of the Board, the Board Chair shall begin the process again.

Attachments

No Attachments

Approval Signatures

Step Description	Approver	Date
	Yvonne Martinez-Sandoval: President's Office Executive Assistant	10/29/2021

Member Sigafos moved, seconded by Secretary Kuknyo, to livestream all DGB Meetings as soon as possible, and to have staff report back about the options available for members of the public to provide comments during Open Call if they do not attend a meeting in person. Motion carried 4-1 (Ayes: McCasland, Kuknyo, Sigafos, and Bracety; Nay: Payne).

Member Sigafos then addressed the meeting location issue. He indicated he does not believe it is worth the expense, wear and tear on equipment, and staff hours to hold meetings in locations other than the Rock House, except on special occasions. Secretary Kuknyo indicated that he did not like the idea of not having a meeting on the Verde side, and he wants to keep holding some meetings on that side of the mountain. Member Payne suggested that the board consider setting up a designated board meeting room in the Verde to accommodate meetings on both sides without moving and setting up equipment for each board meeting.

Member Sigafos moved, seconded by Secretary Kuknyo, for staff to research and report back regarding two potential designated Board meeting rooms, one in Prescott and one in the Verde Valley, for meetings held next fiscal year. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety, and Payne).

3. Study Session

- a. Government Affairs Update – **INFORMATION** – Mr. Rodney Jenkins, Vice President of Community Relations {Time: 20} (*Attached*)

Mr. Rodney Jenkins gave a presentation to the board about the upcoming Legislative Conference in Washington, DC, as well as the Community College Day at the State Capitol. His presentation was a review of the information provided for the Government Affairs Update included in the Agenda Packet. (Refer to the Agenda Packet for those details.)

LUNCH BREAK

- b. Yavapai College District Governing Board Policies – **INFORMATION AND DISCUSSION** – Dr. David Borofsky, Director of the Arizona Association of Community Colleges Trustee {Time: 90}

Dr. David Borofsky reviewed the following board policies with the board:

- 101 College Priorities
- 207 Presidential Compliance
- 301 Board Budget
- 305 Governing Board Style and Focus
- 306 Board Code of Conduct and Ethics
- 401 Delegation to and Accountability of the President
- 402 Monitoring Presidential Performance

A lot of good collaborative discussion occurred during this session, and based off of that discussion, the following board policies will have be discussed for potential revisions at a future board meeting:

- 101 College Priorities – revise to include information relevant to the College’s baccalaureate degrees.
 - 307 Board Member Responsibilities and Obligations – revise the Law section to reflect the correct board practices.
 - 305 Board Governing Focus & Style – consider potential revisions to item 1.
 - 306 Board Member Code of Conduct & Ethics – consider potential revisions to include a time schedule and to indicate that Conflict of Interest forms are submitted to the board attorney and presented to the board in the January meeting.
 - 401 Delegation to and Accountability of President – revise numbering on policy to be correct and consider addressing an appeal process if a request for information or assistance is refused by President due to amount of staff time and/or funds or if it is disruptive.
- c. Open Meeting Law Review - **INFORMATION AND DISCUSSION** – Attorney Lynne Adams {Time: 30} (*Attached*)

Attorney Lynne Adams provided training to the board about the three main Open Meeting Law topics: email and meetings, serial discussions, and sticking to the agenda. Her presentation was a review of the information provided for the Open Meeting Law Review included in the Agenda Packet (Refer to the Agenda Packet for those details).

- d. 2024 Board Member Conflict of Interest Forms – **INFORMATION AND DISCUSSION** – Attorney Lynne Adams {Time: 5}

Attorney Lynne Adams reported that all board member Conflict of Interest Forms were completed and submitted, and there are no conflicts of interest reported by any board member at this time.

4. Adjournment of Board Workshop: Procedural - **DECISION** {Time: 1}

Member Sigafos moved, seconded by Secretary Kuknyo, to adjourn the Workshop. Motion carried unanimously (Ayes: McCasland, Kuknyo, Sigafos, Bracety and Payne).

Workshop adjourned at 2:17 p.m.

Respectfully submitted:

Deanne K. Petty, Recording Secretary

Date

Ms. Deb McCasland, Board Chair

Mr. Chris Kuknyo, Secretary