NORTHWEST ARKANSAS COMMUNITY COLLEGE
BOARD OF TRUSTEES MEETING
April 14, 2014 4:30 pm - Burns Hall 3rd Floor Board Room

Call to Order

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recognitions, Awards, and Information Items</td>
</tr>
<tr>
<td></td>
<td>• April Student of the Month Golden Eagle Award: Dennis Cameron Jr.</td>
</tr>
<tr>
<td></td>
<td>• Letter of Appreciation from Senator Boozman: Ric Clifford</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Attendance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approval of Minutes</td>
</tr>
<tr>
<td></td>
<td>• Regular Board Meeting – March 10, 2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ENDS Monitoring Report</td>
</tr>
<tr>
<td></td>
<td>• Five-Year Plan Progress Report: Dr. Ricky Tompkins</td>
</tr>
<tr>
<td></td>
<td>• Concurrent Enrollment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Executive Limitations Monitoring Report</td>
</tr>
<tr>
<td></td>
<td>• EL 201 – Financial Conditions: Debi Buckley</td>
</tr>
</tbody>
</table>

Committee Reports

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Finance/Audit Committee: Scott Grigsby</td>
</tr>
<tr>
<td></td>
<td>• Approval of FY 2015 Budget</td>
</tr>
<tr>
<td></td>
<td>• Approval of Inducement Resolution for Washington County</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>President’s Report</td>
</tr>
<tr>
<td></td>
<td>• Commencement Update</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Chairman’s Report</td>
</tr>
<tr>
<td></td>
<td>• Board Retreat Update</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Other Board Action Items and Considerations</td>
</tr>
<tr>
<td></td>
<td>• Approval of Resolution Disallowing the Carrying of a Concealed Weapon</td>
</tr>
<tr>
<td></td>
<td>• Approval of Provisional Positions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Executive Session: President’s Employment Review</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Other Board Action Items and Considerations</td>
</tr>
<tr>
<td></td>
<td>• Approval of Resolution Adopting Use of Act 1404 of 2001 Authorizing President’s Salary</td>
</tr>
</tbody>
</table>

Adjourn
Chair Ric Clifford called the Board of Trustees of NorthWest Arkansas Community College meeting to order on Monday, March 10, at 4:31 p.m. in the Burns Hall 3rd Floor Board Room.

Members Present: Ric Clifford (Chair), Joe Spivey, Dan Shewmaker, Amy Forrest, Mauricio Herrera, Geovanny Sarmiento, Todd Schwartz

Also in Attendance: Dr. Evelyn E. Jorgenson and Cyndi Beltran

MINUTES
February Meeting
Mr. Spivey moved and Mr. Herrera seconded the motion to approve the minutes of the Board Meeting on February 17, 2014. The motion passed unanimously.

RECOGNITION, AWARDS, AND INFORMATIONAL ITEMS
Student of the Month Golden Eagle Award: Lakisha Edens
Ms. Dale Montgomery introduced Ms. Lakisha Edens, March Student of the Month. Ms. Montgomery said Ms. Edens was on the Dean’s and President’s list and served on the National Society of Leadership and Success as well as ENACTUS. Ms. Montgomery added that Ms. Edens also worked part-time in the Financial Aid office.

Ms. Edens thanked the Board for the award. She said she was excited to graduate from NWACC in May and had met many wonderful people at the College. Mr. Clifford congratulated Ms. Edens.

Concealed Carry Update: Ethan Beckcom
Mr. Clifford told the group a forum regarding Act 226, allowing concealed carry on campus, had been held Wednesday, March 5. Mr. Ethan Beckcom, Director of Policy, Risk & Compliance, gave an update on initiatives in his area over the past year. He explained the College had worked hard to put additional filters in place to prevent man-made emergencies. He said it was important to keep in mind the College is an open access campus when making decisions related to safety.

Mr. Beckcom told the group about the Behavioral Review Team (BRT) which reviews students of concern. He explained that the BRT connects students to campus and community resources and monitors behaviors of concern. He also noted that since a third party counseling center
had been brought on campus, the number of students using the service has increased from 23% to 74%.

Mr. Beckcom talked about the multi-layered warning systems used to reach all groups at the College. He said the College communicates via the Wireless Emergency Notification System, IPcelerate, and NWACC Alert:me systems to spread information quickly. He said security cameras, panic alarms and emergency phones which are placed in strategic locations across campus.

Mr. Beckcom said groups participate in departmental and division wide exercises following the lockdown model. He said the College works close with the Bentonville and Rogers police and fire departments to be better able to respond to an incident on campus.

Mr. Beckcom said the Public Safety department has 14 police officers and 9 security officers. He said the officers come to the College with a highly specialized skill-set, having over 300 years of experience and 10,000 plus hours of continuing education in law enforcement. He said this year the officers have been provided with Tasers and will soon have on-body cameras.

Mr. Beckcom told the Board the College holds a specific insurance portfolio based on risk analysis. He highlighted the new Cyber Liability policy which the College purchased just 45 days prior to the Target breach.

Mr. Schwartz asked how the College would communicate in the event of phones being down during an event. Mr. Beckcom answered that College police have interoperable communications with adjacent police departments.

Mr. Schwartz asked how much additional insurance cost would be involved in allowing concealed carry on campus. Mr. Beckcom said that the insurance providers he had spoken with are not providing rates for the College if concealed carry were allowed.

Mr. Schwartz asked if the College would consider allowing those with a concealed carry license to carry in their vehicle. Mr. Beckcom said the College was in conversations with the Attorney General’s office to see if that is an option that could be pursued.

Mr. Spivey complemented Mr. Beckcom on his work. He said the College is in the community to educate students and it was troubling that so much time and effort need to be put into campus safety. Mr. Beckcom thanked Mr. Spivey and said keeping the College safe was a balancing act since it is an open campus.

Mr. Shewmaker asked if IPcelerate was being implemented into all the buildings on campus. Ms. Buckley said the Physical Plant, Burns Hall, and the Shewmaker Center should be equipped with the IPcelerate systems by the end of the year.
Mr. Sarmiento asked if the College felt comfortable that students know what to do in case of an emergency. Mr. Beckcom said the College continues to employ better technology, training and additional information to help students know how to appropriately respond.

Mr. Clifford asked Dr. Diana Nagel what the faculty’s thoughts were regarding concealed carry. Dr. Nagel said the Faculty Senate decided against surveying the faculty members regarding concealed carry this year. She said the expectation for faculty to give their opinion on the subject every year was too much. Mr. Beckcom said his team works with faculty, staff and students to ensure feedback is received from across campus.

Mr. Clifford said the State Legislature gave the responsibility to the Board to review Act 226 each year. He said the objective was to have open discussion on the issue and review the College’s safety and risk management procedures.

ENDS MONITORING REPORT
Workforce Development
Mr. Tim Cornelius gave an update on workforce development at NWACC as it related to the five-year plan. He highlighted the partnership between the College and Pea Ridge Charter School which will open in the fall. He said the school will offer their students the opportunity to take classes in health profession fields. Mr. Cornelius added that the College also continues to work with other area high schools to enhance student opportunities.

Mr. Cornelius said the College works closely with local business and industry to develop and refine course offerings which meet the needs of their employees. He told the group Walmart was in the process of updating their Retail Link program which would provide an opportunity for those already trained in the program to be re-trained.

Mr. Shewmaker told Mr. Cornelius the Retail Link changes create a great opportunity for the College to retrain people from the vendor community. Mr. Cornelius said the change in curriculum is an opportunity for the degree to be offered in an online format.

Mr. Schwartz asked what the Board could do to help enhance the workforce development programs. Ms. Teresa Whitmire said the team is always looking for friends of the College to introduce them to others in the business community. She said many people in the community do not know the training capabilities available at NWACC.

Approval of Workforce Development Report
Mr. Spivey moved and Ms. Forrest seconded the motion to approve ENDS Five-Year Progress Report on Workforce Development. The motion passed unanimously.
COMMITTEE REPORTS

Honorary Degree Committee
Mr. Sarmiento told the Board the Committee received several nominations for the Honorary Degree. He said the committee unanimously voted to recommend Ms. EvaLena Mayo as the Honorary Degree recipient in Educational Service and Mr. Bob Crafton as the Honorary Degree recipient in Entrepreneurial Leadership.

Approval to Name EvaLena Mayo and Bob Crafton as Honorary Degree Recipients
Mr. Spivey moved and Mr. Herrera seconded the motion to approve EvaLena Mayo and Bob Crafton as Honorary Degree recipients. The motion passed unanimously.

Land Use Committee
Mr. Spivey reviewed the minutes of the Land Use Committee meeting with the group. He told the Board the railroad purchase was discussed and was in the hands of the attorneys for review. He also told the group Crafton, Tull & Sparks was awarded the “Award of Excellence” in the large building category at the American Council of Engineering Company Awards program for the Center for Health Professions Category. He said Mr. David Swearingen presented the award to the College.

Mr. Spivey read the approval to start negotiations for the purchase of the acreage located at the south east corner of Watkins Ave. & 64th Street in Springdale, AR. Dr. Jorgenson told the Board that it was an opportune time to move forward with the negotiations.

Dr. Jorgenson said the College recently held focus groups to discuss the need for a center in Washington County. She said that representatives from various industries, including schools, realtors, chambers, banks and Tyson, attended the focus groups. She said the College heard from the groups that a strength of the College is that it is responsive, cooperative with workforce and business. She said they also appreciated the fact that the College is flexible and adaptable to meet their training needs. She said many needs came up including healthcare, business and technology, computer skills, and applications programming and development to name a few. Dr. Jorgenson said feedback from the sessions was very positive and the feeling was the College needed to move forward.

Dr. Jorgenson shared a NWA Council study on job openings in northwest Arkansas. The study included a list of industries and the number of residents that completed training or education through a NWA post-secondary facility in each of the fields. She highlighted information technology which 120 people completed training or education for and 1,066 positions were available. She also noted skilled trades which 87 people completed training or education for and 1,070 positions were available. She said it is easy to see from the information received the skill needs required to begin to fill the open jobs.

Dr. Jorgenson reminded the Board of the development of the School of Innovation in Springdale requiring students to complete an Associate Degree at the same time as graduating from high
school. She said this provides the College with a unique opportunity for the College to move forward with the Washington County Center.

Mr. Shewmaker said it was announced earlier that the Foundation would purchase the Washington County land. Dr. Jorgenson responded that the focus group participants were asking if the Washington County facility would ever be built. She said she felt it was important to show Washington County that the College is moving forward. Dr. Jorgenson said one way to move forward was to purchase the land using tuition revenue bonds. She added that she had made it clear that a building could not be built without their help.

Mr. Shewmaker asked if tuition revenue currently goes into the operating budget. Ms. Debi Buckley said the College would build the payment on the tuition revenue bonds into the budget. The payments would escalate as the College finished payment on other obligations. Mr. Shewmaker asked if moving forward with the purchase was doable. Ms. Buckley responded it was feasible. She said additional enrollment declines could make it more of a challenge. She said it was a matter of budgeting and determining the priorities.

Mr. Shewmaker asked if the funds for the purchase of the Washington County land needed to be appropriated. Ms. Buckley said the purchase would need approval from the Arkansas Building Authority, Arkansas Department of Higher Education, and the Legislative Review committee.

Mr. Clifford reminded the group the vote in front of them was to continue negotiations. Mr. Spivey said the Land Use Committee would come back to the Board before making a purchase.

Mr. Sarmiento asked if the Foundation was ready to move forward with fundraising for the building. Dr. Meredith Brunen said the Foundation would re-evaluate and re-strategize before moving forward. She said the Foundation would move forward with focus groups prior to starting a campaign.

Approval to Start Negotiations for the Purchase of Washington County Land
Approval to start negotiations for the purchase of acreage located at the south east corner of Watkins Ave. & 64th Street in Springdale, AR was approved with no objections.

PRESIDENT’S REPORT
Dr. Jorgenson said the College is continuing to work on the FY 2015 budget. She said departments are being asked to cut 5-6% of their budget. She said reviewing positions as they become vacant, limiting travel and decreasing memberships are examples of areas being reviewed. Dr. Jorgenson explained that the goal was to bring no tuition increase to the Board.
CHAIRMAN’S REPORT
Mr. Clifford reminded the Board three Commencement ceremonies would be held on Saturday, May 10 at the Arend Arts Center. He told the group they did not need to attend all three ceremonies, but to please attend at least one.

Dr. Brunen gave an update on the April 3 Plant A Seed Gala. She said Mr. Archie Schaffer, Cox Communications, and Rotary Clubs of NWA would be receiving Quality of Life awards at the event. She told the room to call the Foundation office for information on purchasing tickets.

Dr. Brunen also recognized Mr. and Mrs. Mike and Mary Shupe for their new scholarship endowment. She said the Foundation was honored to have their support.

OTHER BOARD ACTION ITEMS AND CONSIDERATIONS
Approval to Increase Tuition Waiver for Early College Experience
Ms. Buckley read the approval to increase the tuition waiver for students in the Early College Experience (ECE) program from 50% to 60%. She said this was a great deal for high school students and hopes it encourages students to take additional courses. Mr. Clifford asked what the investment was in order to increase the waiver. Ms. Buckley said they believe enrollment will increase about 10% in the coming year, costing the college about $9,500. She said the College anticipates a return on the investment.

Mr. Shewmaker asked if the new Springdale School of Innovation would fall into the adjusted waiver. Dr. Jorgenson answered that since it would be considered an ECE class it would fall into the new waiver amount. Mr. Sarmiento asked how much a 3 credit class cost with the new waiver amount. Dr. Diana Johnson said the waiver adjustment will drop the cost to around $90 for in-district students and $147 for out-of-district students.

Mr. Sarmiento asked if students or schools pay for the classes. Dr. Johnson said the College sends the school the bill and they collect the money from the students. Ms. Beltran asked how the tuition rate is decided. Dr. Johnson said the tuition is based on the location of the school. She added that when the student graduates high school the tuition rate becomes residency based. Ms. Beltran said Dreamers could be taking the ECE classes and saving a lot of money if they knew about the classes.

Mr. Shewmaker asked if the College collected statistics on the students participating in the ECE program. Dr. Johnson explained that 15% of ECE students enroll at NWACC the fall after their graduation. She said another 10% of the ECE students over the following 2-3 years.

Approval to Increase Tuition Waiver for Early College Experience
Mr. Spivey moved and Mr. Sarmiento seconded the motion to approve a 60% tuition waiver to student enrolled in the Early College Experience program. The motion passed unanimously.
Approval to Waive Out-of-State Tuition for Veterans
Ms. Buckley read the approval to waive out-of-state tuition for veterans. She explained that the waiver allows the College to appreciate veterans and attract those from outside Arkansas. She said the maximum cost would be around $19,000 which would be built into the budget.

Mr. Shewmaker asked how the College defined a veteran. Ms. Buckley said a DD214 must be presented to receive the benefit. Mr. Shewmaker said the College should look into considering expanding this to National Guard members. Mr. Clifford asked for clarification of the definition to be presented at a later date.

Approval to Waive Out-of-State Tuition for Veterans
Mr. Spivey moved and Mr. Shewmaker seconded the motion to approve to waive out-of-state tuition for veterans. The motion passed unanimously.

Approval to Amend the Early Retirement Incentive
Ms. Buckley read the approval to amend the prior approved retirement incentive to offer $10,000 plus 10% of the annual salary. She told the group the state has a $250,000 cap on incentives which can be offered. Mr. Shewmaker asked if the College would pull the incentive if they hit the $250,000 limit. Ms. Buckley responded that they would pull the incentive if it hit the limit.

Mr. Schwartz asked if the lump payment would be included in the last year’s salary for the employee. Ms. Buckley said yes, it would be included. Mr. Schwartz asked if the payment would modify their retirement. Ms. Buckley responded it depended on which retirement plan the retiree was enrolled. She said it may raise the retiree’s 3-year contribution.

Approval to Amend the Early Retirement Incentive
Mr. Spivey moved and Mr. Shewmaker seconded the motion to approve the prior retirement incentive to offer $10,000 plus 10% of the annual salary. The motion passed unanimously.

MOVED TO EXECUTIVE SESSION AT 6:25 P.M.

RETURNED FROM EXECUTIVE SESSION AT 7:50 P.M.

ADJOURNMENT
The meeting adjourned at 7:50 p.m.

___________________________  _______________________________
Mr. Ric Clifford, Chairperson     Mr. Dan Shewmaker, Secretary
Serving High School Students in Northwest Arkansas: Update on the Early College Experience Program

Schools and Students Served
- High School Based Enrollment and SSCH for last 5 years attached
- Secondary Career Center Enrollment for last 5 years attached

Changes for the Fall 2014 Semester
- Scholarship increase
- New Tech High School
- Pea Ridge Conversion Chart School
- Digital Learning Provider
- Offering Additional Secondary Career Center Dental Assisting course at the Center for Non-Profit

Upcoming Large Scale Projects
- Springdale School of Innovation
- National Alliance of Concurrent Enrollment Partnerships – Reaccreditation

Expansion of programs and services to area high school students
- Online
- Advanced Placement/Concurrent Blends
- Private High Schools
- Career & Technical classes

What Constituents Are We Serving (ENDS)?
- K-16 Community
Policy 201: With respect to the actual, ongoing financial condition and activities, the President shall not cause or allow the development of fiscal jeopardy, or a material deviation from the Board approved budget and priorities established in Ends policies.

Definition: Fiscal jeopardy is defined as exhibiting a pattern of overspending the Board approved annual cash reserve. The Board cash reserve is calculated exclusive of designated, auxiliary, and restricted funds. Material deviation is defined as overspending realized revenues by more than 10% and failing to comply with Board priorities established in the Ends policies.

- The Board approved cash reserve for FY2014 is 7.5% of educational and general revenues of $38,145,288, or $2,860,897.
- Available unrestricted cash reserves exclusive of designated, auxiliary and restricted funds as of February 28, 2014 were $8,251,269 or 31.66% of actual February 28, 2014 revenues of $26,061,466.
- Therefore, the President maintained adequate cash reserves and did not materially deviate from the priorities in the Board of Trustees approved FY2014 budget.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Fail to monitor the College’s revenues and expenses to ensure responsible fiscal stewardship.

Definition: Responsible Fiscal stewardship includes monitoring expenditures on a monthly basis making sure that adequate reserves are maintained. Monthly reports of cash flows, accounts receivable, comparisons of actual expenses to budget and actual revenue to expenses will be presented at Finance and Audit Committee meetings or to the committee chair, and reported out at Board meetings.

- Monthly reports of cash flows, accounts receivable, comparisons of actual expenses to budget and actual revenue to expenses have been presented at Finance and Audit Committee meetings or to the committee chair and reported out at Board meetings.

2. Fail to ensure that the College is not indebted beyond trade payables in the normal course of business.
Definition: Trade payables are unsecured accounts payable debt incurred to purchase maintenance and operating materials and services in the normal course of college activity.
- The College’s only indebtedness at this time is normal trade payables, normal payroll liabilities and Board authorized construction bond issues.

3. Fail to maintain adequate Board approved cash reserves.

Definition: Adequate cash reserves refer to the Board budgeted annual amount, generally 8-10% reserve. Cash reserves are calculated exclusive of designated, auxiliary, and restricted funds.
- The Board approved cash reserve for FY2014 is 7.5% of educational and general revenues of $38,145,288, or $2,860,897, and has been maintained.
- Therefore, the President maintained adequate cash reserves.

4. Fail to conduct interfund transfers consistent with the fund accounting principles and Governmental Accounting Standards Board (GASB) standards.

Definition: Consistent with fund accounting principles means following GAAP and GASB standards in all accounting procedures and practices.
- All interfund transfers were consistent with GAAP and GASB standards.

5. Fail to settle financial obligations in timely manner.

Definition: A timely manner in payroll matters is defined as paying each payroll on time and meeting all payroll tax obligations according to applicable federal and state laws. A timely manner in other obligations is defined as paying all payables obligations on or before the due date, unless valid reasons exist for remitting later payments.
- During the 2014 fiscal year there have been no material instances of failure to settle financial obligations in a timely manner.

6. Fail to ensure that tax payments or other government-ordered payments or filings are timely and accurately filed.

Definition: Government-ordered payment or filing will be made on or before the due date and contain correct and accurate information.
- The last report disclosed a concern regarding an Internal Revenue Service (IRS) notice proposing penalties for missing or incorrect taxpayer identification numbers on Form 1098-T filed for 2011.
  o The IRS has waived penalties for tax year 2011.
• The College has experienced no material interest or penalty charges for late or deficient payments or filings during this period.

7. **Fail to aggressively pursue receivables after a reasonable grace period.**

*Definition:* Aggressively pursue refers to using an in-house collection program followed, if necessary, by the use of a professional collection agency. Reasonable grace period refers to immediate contact by in-house collection personnel when the obligation is past due, and, if not successful, referral to professional collection agency within 10 days of the last contact by in-house collection personnel.

• Current and past-due student billings other than third-party are mailed monthly.
• Past-due student accounts are mailed past-due notices.
• Receivables are routinely turned over to a collection agency after nonpayment following three contacts and within 10 days of the last contact by in-house personnel.

**Recommendation:** It is the recommendation of the College Administration that the Board of Trustees approve Dr. Jorgenson’s compliance report for EL-201 Financial Conditions.”
Date: April 14, 2014

To: NorthWest Arkansas Community College Board of Trustees

From: Debi Buckley, Sr. VP for Administrative Services/CFO

Subject: FY2015 Budget

The budget process for the FY2015 budget year began in February 2014, with discussions of preliminary budget assumptions and guidelines and the distribution of the budget calendar. During February and March, the Senior Vice President /CFO and the Director of Budget and Financial Analysis met with Cabinet members and division administrators to review the division budget, priorities, and answer questions.

During the development of the FY2015 budget, the college’s 5-year Strategic Plan, operating revenue projections, financial stability, and critical needs were emphasized. College Administration decided not to request tuition and fee increases even though projections for FY2015 included flat state general revenue, and a 3% tuition revenue reduction. The FY2015 Operating Budget also includes a projected millage revenue increase of $358,128. The Board of Trustees approved a Retirement Incentive Program that offered employees $10,000, plus 10% of the retiree’s annual salary; and increased tuition waivers for the Early College Experience students, and out-of-state veteran students. The Board of Trustees Reserve was increased from 7.5% of Educational & General revenues to 7.6%.

The college President reviewed the final draft of the FY2015 Operating Budget, consisting of Educational & General, Designated, and Auxiliary Funds. The preliminary budget was presented and discussed with the College community on April 4, 2014.

The FY2015 proposed operating budget is $41,144,956.

Recommendation: The NorthWest Arkansas Community College Finance/Audit Committee recommends NWACC Board of Trustees approval of the FY2015 Operating Budget based on the recommendations of NWACC Administration.

___________________________     _______________________________
Mr. Ric Clifford, Chairperson     Mr. Dan Shewmaker, Secretary
NorthWest Arkansas Community College

Fiscal Year 2015
PROPOSED BUDGET

April 14, 2014
FY2015 Budget Development Objectives

- Continue to ensure financial stability
- No increase in tuition and fee rates
- Increase efficiencies and omit redundancies

FY2015 Budget Development Strategies

- Target efforts toward increased enrollments
- Offer new Board-approved tuition waivers
- Offer retirement incentives
- Decrease maintenance and operation (M&O) expenses
- Continue faculty step increases
- Provide 1% COLA for non-academic staff
- Review existing programs for efficiencies
- Review unfilled positions
FY2015 Budget Enrollment Data

Budgeted SSCH 154,233

Enrollment (SSCH) ratios
In District 42.2%
Out of District 50.6%
Out of State 7.2%

Credit Instruction Tuition Rates (per Credit Hour)
In District $75.00
Out of District $122.50
Out of State $175.00

Major Revenue Sources & Forecast Amounts

Revenue Stabilization Act - (A)* $10,619,202
Educational Excellence Trust $991,952
Millage** $5,995,000
Tuition Credit $16,375,123
Designated Funds $3,253,093
Auxiliary Funds $580,672

* Flat to previous year
** Increased from FY2014
FY2015 Operating Revenue Sources
General & Educational, Designated, and Auxiliary Funds Combined

Total: $41,144,956
FY 2015 Operating Expenditures
General & Educational, Designated, and Auxiliary Funds Combined

Total Salaries and Wages $23,633,162
Benefits $8,191,712
Maintenance & Operating $9,320,082
FY 2015 Proposed New Positions
General & Educational Funds Only

2 Tutors funded with Part-time extra help reallocation
Date: April 14, 2014

To: Board of Trustees

From: Debi Buckley, Sr. VP for Administrative Services/CFO

Subject: Approval of Inducement Resolution for Washington County

Recommendation: The NorthWest Arkansas Community College Finance/Audit Committee recommends to the NWACC Board of Trustees approval of the inducement resolution for Washington County.

___________________________      _______________________________
Mr. Ric Clifford, Chairperson      Mr. Dan Shewmaker, Secretary
RESOLUTION NO. __________

RESOLUTION EXPRESSING THE INTENT OF THE BOARD OF TRUSTEES OF NORTHWEST ARKANSAS COMMUNITY COLLEGE TO REIMBURSE EXPENDITURES OF THE COLLEGE PERTAINING TO CERTAIN REAL ESTATE ACQUISITION AND CAPITAL IMPROVEMENTS FROM THE PROCEEDS OF CAPITAL IMPROVEMENT REVENUE BONDS TO BE ISSUED BY THE BOARD OF TRUSTEES; AUTHORIZING SELECTION OF AN UNDERWRITER AND BOND COUNSEL; AND AUTHORIZING THE MARKETING OF THE BONDS AND THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT

WHEREAS, The Board of Trustees of NorthWest Arkansas Community College (the “College”) has determined that it is in the best interest of the College to undertake the acquisition of certain real estate and capital improvements to the College, consisting generally of the acquisition, construction and equipping of a Washington County, Arkansas campus; and

WHEREAS, the Board of Trustees of the College has evidenced its interest in such acquisition, construction and equipping if the permanent financing can be provided through the issuance of bonds by the College; and

WHEREAS, the Board of Trustees of the College has determined the need to expend funds of the College to pay certain costs of the acquisition and capital improvements prior to the issuance of its bonds; and

WHEREAS, in order to utilize the proceeds of tax-exempt bonds to reimburse the original expenditures made by the College with respect to such acquisition and capital improvements, it is necessary under United States Treasury Regulation §1.150-2 that the Board of Trustees of the College make a present declaration of its official intent to make such reimbursement; and

WHEREAS, the Board of Trustees of the College desires also to delegate authority to take action associated with the issuance of the bonds to certain officials of the College;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE NORTHWEST ARKANSAS COMMUNITY COLLEGE that:

Section 1. Intent to Reimburse. The Board of Trustees of the College hereby declares its official intent pursuant to United States Treasury Regulation §1.150-2 to reimburse itself for all qualified expenditures, including original expenditures made in the acquisition, construction and equipping of capital improvements described above between the date that is 60 days prior to the date of this Resolution and the date the bonds are issued by the College, plus a de minimis amount and preliminary expenditures, with proceeds of one or more series of tax-exempt bonds
in principal amount not to exceed $3,000,000, together with such other amount of refunding bonds as deemed beneficial by the Board of Trustees of the College at the time of issuance.

Section 2. Professionals and Authority. The Board of Trustees hereby authorizes the Chairman of the Board of Trustees and the officers of the College, including the College’s President, Chief Financial Officer, and Provost, or any one of them, to select the investment firm to serve as underwriter for the bonds, and the law firm to serve as bond counsel for the bonds, and to execute and deliver on behalf of the Board of Trustees an engagement letter or other contract for services with such underwriter and bond counsel on such terms as they shall approve.

Section 3. Preliminary Actions. The Board of Trustees further authorizes such preliminary actions as are determined to be necessary by the Chairman of the Board of Trustees, the College’s President, Chief Financial Officer, and Provost, or any one of them, for the marketing of the bonds; provided, however, that at such time as the Chairman of the Board of Trustees may determine to be in the best interest of the College, the final terms of the sale of the bonds shall be submitted for approval by the Board of trustees, together with the proposed form of the documents necessary for the issuance of the bonds, including, but not limited to, the bond purchase agreement and any trust indenture or supplemental trust indenture.

Section 4. Preliminary Official Statement. The Board of Trustees hereby approves the preparation of a preliminary official statement and the distribution of the preliminary official statement to prospective purchasers of the bonds. The Chairman of the Board of Trustees, the College’s President, Chief Financial Officer, and Provost, or any one of them are hereby authorized and directed to cause the preliminary official statement to be delivered for an in the name of the Board of Trustees, with such provisions therein as the underwriter, when requested by the underwriter, a certificate to the effect that the preliminary official statement is deemed final for purposes of Securities and exchange Commission Rule 15c2-12.

Section 5. Effect. This Resolution shall be in full force and effect from and after its adoption.

PASSED: ______________, 2014

Ric Clifford, Chairman of the Board of Trustees
NorthWest Arkansas Community College

ATTEST:

Daniel Shewmaker, Secretary Board of Trustees
NorthWest Arkansas Community College
The NWACC administration recommends that the Board exercise its option to exempt the institution from Act 226 of 2013 and not allow employees (with a permit to carry a concealed weapon) to carry a concealed weapon on the College’s Campus or instructional Centers by approving the resolution disallowing the carrying of a concealed weapon.

**Recommendation:** The administration recommends that the Board exercise its option to exempt the institution from Act 226 of 2013 and not allow employees (with a permit to carry a concealed weapon) to carry a concealed weapon on the College’s Campus or instructional Centers by approving the resolution disallowing the carrying of a concealed weapon.

---

Mr. Ric Clifford, Chairperson

Mr. Dan Shewmaker, Secretary
WHEREAS, Northwest Arkansas Community College (NWACC) is a public institution of higher education that receives regular budgetary support from the State of Arkansas, and that is required to report to the Arkansas Higher Education Coordinating Board, and

WHEREAS, it is unlawful for any person other than a law enforcement officer or a commissioned officer in the employ of NWACC to knowingly carry or possess a loaded firearm or other deadly weapon in any publicly owned building or facility, and

WHEREAS, a “staff” member means a person who is not enrolled as a full-time student at NWACC, and is either employed by NWACC full time or is on a nine-month or twelve month appointment at NWACC as a faculty member, and

WHEREAS, Act 226 of 2013 requires that the Board of Trustees at NorthWest Arkansas Community College approve a policy with regard to the carry of concealed handguns on campus by trained and licensed staff members who possess a concealed carry permit.

NOW, THEREFORE, BE IT RESOLVED:

- That the Board of Trustees of NWACC adopts this policy expressly disallowing the carrying of a concealed handgun by staff members in college owned or controlled buildings and grounds, and
- That this Board policy expires one (1) year after adoption and must be readopted each year by the Board of Trustees to remain in effect, and
- That NWACC’s commissioned law enforcement officers employed within the NWACC Department of Public Safety are exempt from this policy, and
- That NWACC’s Administration will conduct an annual analysis of its capacity to provide a safe and resilient environment that enhances the learning experience and supports the College’s educational mission, and
- That this analysis will accompany future requests to either readopt this policy or to adopt differing policies for the carrying of a concealed handgun by trained and licensed staff members for different campuses, areas of a campus, or individual buildings of the college for which the Board of Trustees is responsible, and
- That NWACC will post at the entrance of all facilities and parking lots controlled or owned by NWACC clearly written notifications readable at a distance of not less than ten feet that “Carrying A Handgun Is Prohibited”

Mr. Ric Clifford, Chairperson

Mr. Dan Shewmaker, Secretary
ADDITIONAL JOINT SIGNATURES
NWACC BOARD OF TRUSTEES
RESOLUTION ON THE CONCEALED CARRY OF HANDGUNS
ON CAMPUS BY TRAINED AND LICENSED STAFF ON CAMPUS

[Signatures]

NWACC President

NWACC Faculty Senate President

NWACC Staff Council President

NWACC Student Government Association President
Date: April 14, 2014

To: Board of Trustees

From: Debi Buckley, Sr. VP for Administrative Services/CFO

Subject: Approval of Provisional Positions

In response to the ARK and Adult Education grants awarded to NWACC, the administration recommends the authorization of the following provisional position of ARK – Higher Ed Program Coordinator and Adult Education – Computer Support Technician.

**Recommendation:** It is recommendation of the administration that the Board of Trustees approve one (1) Higher Ed Program Coordinator position and one (1) Computer Support Technician position to be used based upon the acquisition of external revenue from sources other than general revenue as approved by the college’s President.

Mr. Ric Clifford, Chairperson

Mr. Dan Shewmaker, Secretary
RESOLUTION

WHEREAS, the Board of Trustees desires to act in the best interest of the students of NorthWest Arkansas Community College, and

BE IT RESOLVED, that the Board of Trustees of NorthWest Arkansas Community College hereby authorizes the 2014 provisional positions to support the ARK and Adult Education programs at NWACC as listed below:

1. (1) Higher Education Program Coordinator – ARK
2. (1) Computer Support Technician – Adult Education

Dated this 14th day of April, 2014

______________________________  ______________________________
Mr. Ric Clifford, Chairperson     Mr. Dan Shewmaker, Secretary
Date: April 14, 2014
To: Board of Trustees
From: Debi Buckley, Sr. VP for Administrative Services/CFO
Subject: Resolution to Approve Dr. Evelyn E. Jorgenson’s Annual Salary in Excess of Maximum Amount

In order to allow the Board of Trustees to employ Dr. Jorgenson at a salary that exceeds the annual line item maximum salary written in the Appropriation Act 155 of 2014 for FY 2014-15 the Board of Trustees must adopt the use of Act 1404 of 2001.

**Recommendation:** The Administration recommends that the Board of Trustees approve the resolution found on the next page to adopt the use of Act 1404 of 2001 that will allow NWACC to pay Dr. Evelyn E. Jorgenson an annual salary in Fiscal Year 2015 in excess of the maximum salary amount for the position of NorthWest Arkansas Community College President.

Mr. Ric Clifford, Chairperson

Mr. Dan Shewmaker, Secretary
WHEREAS, the Board of Trustees of NorthWest Arkansas Community College is employing Dr. Evelyn E. Jorgenson as President of the college beginning July 1, 2014, and ending June 30, 2015, and

WHEREAS, Dr. Evelyn E. Jorgenson is an exceptionally well-qualified, non-academic, non-classified administrator, and

WHEREAS, the Board of Trustees desires to pay Dr. Evelyn E. Jorgenson an annual salary during this period of employment based on her exceptional qualifications that exceeds the annual line-item maximum salary written in the Appropriation Act 155 of 2014 for FY 2014-2015 for the position of President at NWACC.

THEREFORE, be it resolved that the Board of Trustees of NorthWest Arkansas Community College hereby adopts the use of Act 1404 of 2001 that allows this college to pay Dr. Evelyn E. Jorgenson an annual salary in Fiscal Year 2015 in excess of the maximum salary amount written in the Appropriation Act 155 of 2014 for FY 2014-2015 for the position of NorthWest Arkansas Community College President.

Dated this 14th day of April, 2014

Mr. Ric Clifford, Chairperson  Mr. Dan Shewmaker, Secretary