

NORTHWEST COLLEGE BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
June 10, 2019

MEMBERS PRESENT: President MR. DUSTY SPOMER; Vice President/Secretary DR. MARK WURZEL; Treasurer MR. LUKE ANDERSON; and Trustees MS. CAROLYN DANKO, MR. JOHN HOUSEL, MS. NADA LARSEN, and MR. BOB NEWSOME.

MEMBERS ABSENT:

OTHERS PRESENT: DR. STEFANI HICSWA, President; DR. GERALD GIRAUD, Vice President for Academic Affairs; MR. DEE HAVIG, Interim Vice President for Student Services; MR. MARK KITCHEN, Vice President for College Relation; MS. LISA WATSON, Vice President for Administrative Services and Finance; MR. MIKE ADKINS; MS. JILL ANDERSON; MS. DIEDRE ASAY; MS. HOLLY BERRYMAN; MR. LEE BLACKMORE; MR. BRAD BOWEN; MR. DEAN BRUCE; MS. ANNA CRAGOE, MS. MARNEÉ CRAWFORD; MS. JENNIFER DARE; MS. ELAINE DEBUHR; MR. VERN DOOLEY; MR. FRED EBERT; MS. KAREN ELTON; MS. AMANDA ENRIQUEZ; MR. DAVE ERICKSON; MS. ALEJANDRA GONZALEZ; MS. RACHEL HANAN; MR. JASON HORTON; MS. BETH HRONEK; MS. JENNIFER LITTERER-TREVINO; MS. AMY MCKINNEY; MS. CAREY MILLER; MS. NANCY MILLER; MS. ASTRID NORTHRUP; MR. DAVID NORTHRUP; MR. DAVE PATTERSON; MR. DENNIS QUILLEN; MS. HALEY SORENSON; MS. LISA SMITH; MR. GREG THOMAS; MR. NEIL WAITE; MS. SHELBY WETZEL; MR. KEVIN KILLOUGH, *Powell Tribune*; and MS. DIANA GWYNN, Executive Secretary for the President and Board of Trustees.

CALL TO ORDER: The regular meeting of the Northwest College Board of Trustees was called to order on Monday, June 10, 2019, at 3:05 p.m. in the Yellowstone Building Conference Center.

A APPROVE THE AGENDA: **A motion was made by Trustee Anderson seconded by Trustee Wurzel to approve the agenda. Motion carried.**

WORK SESSION: President Hicswa introduced the FY20 Preliminary Budget. She explained that in order to present a balanced budget, a recommendation for Reduction in Force, which will be discussed later in the meeting, is included in this budget. President Hicswa also explained that the Support Services Program Reviews, conducted last year, were vital in evaluating budget utilization and needs and in assessing potential efficiencies. She then stressed that remaining student-centered was a focus in all of the budget discussions and recommendations.

Vice President Watson then presented an overview of the FY20 Preliminary Budget. She began by explaining that with reductions in state funding, further enrollment declines, and local levies projected to be flat, there is a budgetary shortfall of \$1.6M.

Vice President Watson explained that though this budget process has been difficult, she was left with a very positive impression of so many members of the campus community being creative in finding solutions and new ways of doing things. She then outlined a list considerations that was developed to serve as a guide throughout the budgetary process:

- Support Service Program Reviews- Central Assessment Team and Institutional Effectiveness Committee work relating to Support Services assessments will be reviewed, and recommendations will be analyzed to determine the viability of implementation
- Instruction, Student Services, Administrative Services, and College Relations –review all campus operations for continued program support, potential service changes, reductions, or eliminations
- Academic Programs – No academic program eliminations
- Competitive and Co-Curricular Activities- Review, streamline or reduce

activities

- Attrition and Retirements - Reduce or reallocate positions to regulatory or highest operational need
- Compensation- Compensation will continue to be reviewed for market premium shifts
- Reserves or Early Retirement Special Offers – Reserve utilization may be considered only to transition away from existing operations. No special offering provided for early retirements
- Space Utilization- Facility use must be reviewed for optimal utilization and potentially closed

Vice President Watson explained that the projected shortfall of \$1.6M has been addressed on campus for months, but in reality the total shortfall is \$2.8M when including the loss of supplemental state appropriations from eliminated positions. She then reviewed some of the factors which have led to the shortfall:

- Decline in enrollment (20% on top of a 20-year low)
- Uptick in dual/concurrent enrollment (which does not translate to increased revenue for NWC, but does have associated expenses)
- Increased WUE use (tuition discounts)
- Reductions in state appropriations
- Flat mil fund projection

Next, Vice President Watson discussed several revenue factors taken into account in the creation of the FY20 budget:

- Tuition increases, passed by the State of Wyoming, effective beginning Fall 2019; however, with recent enrolment declines, no revenue increase will be realized at NWC
- State appropriations to offset last year's compensation increase; however this was not as much as expected
- Programs ensuring that fees match actual course expenses
- Evaluating all operational budgets for necessity (what needs to remain, what can be cut)
- Board passing residence hall and dining services increases to help off-set shortfalls in those budgets
- Continued assessment of facility utilization (this proposed budget assumes keeping Cody Hall closed and only opening Colter Hall if all other halls reach capacity)
- FY20 total budget for campus is \$30M; FY19 total budget was \$34M

Vice President Watson reminded Trustees that last year the major maintenance funds were strategically spent down, so they will not see a \$3-4M plant fund, as in the past. She explained that this is not a loss of revenue, but a use of assets. She also reminded the Board that state major maintenance funds cannot be used for anything but facilities.

In closing, Vice President Watson explained that strategic prioritization was used in making budget decisions, as well as maintaining a focus on student success.

MISSION MOMENT:

President Hicswa introduced the 2019 NWC Summer Leadership Class, explaining that Dean Greg Thomas helped facilitate the class as part of an innovation project for a graduate class. She then asked each of the class members to introduce themselves and share one takeaway from the class.

President Hicswa explained that these emerging leaders may be asked to step into leadership roles that are not necessarily part of their assigned job responsibilities,

and that another Summer Leadership Institute class is planned for next year.

A CONSENT AGENDA:

A motion was made by Trustee Larsen and seconded by Trustee Wurzel to approve the consent agenda as presented.

President Hicswa responded to questions on the check register and other reports.

Motion carried and the consent agenda, including the minutes of the May 13, 2019 regular meeting, the May 13, 2019 executive session, and the May 21, 2019 special meeting/retreat, was approved.

**DISCUSSION/
INFORMATIONAL ITEMS:**

Board of Cooperative Education Services (BOCES) budgets:

- Park County SD#1
- Big Horn County SD#2
- Big Horn County SD#3

The Trustees reviewed the budgets for the Boards of Cooperative Education Services (BOCES) for Park County School District #1, Big Horn County School District #2 and Big Horn County School District #3.

Trustee Housel reported on his attendance at a recent Lovell BOCES meeting. He noted that the Lovell BOCES is very active in promoting dual and concurrent enrollment, even offering scholarships to cover the associated costs. The Lovell BOCES also has a very robust Driver's Education program.

Trustee Danko reported that the Powell BOCES offers both a spring and summer Driver's Education course.

Trustee Larsen reported that the Greybull BOCES has expanded its offerings to include a Driver's Education program. She also noted that the Greybull BOCES is very active in the community and does a wonderful job of allocating their funds for BOCES-sponsored programs.

A UNFINISHED BUSINESS:

A NEW BUSINESS:

Course/lab fee proposals
(first reading)

President Hicswa presented several course/lab fee proposals to the Board. She reminded the Trustees that all programs have been very deliberate in ensuring associated fees match actual expenses for courses. President Hicswa recommended approval of the proposed course/lab fees.

A motion was made by Trustee Larsen and seconded by Trustee Newsome to approve the proposed course/lab fees. Motion carried.

CITIZENS' OPEN FORUM:

The Citizens' Open Forum convened at 4:29 p.m.

Wyoming State Representative David Northrup gave a brief synopsis of his attendance at the recent Joint Education Interim Committee, where higher education was discussed in depth. He reported that he was saddened to learn that 6 of the Wyoming community colleges are planning to offer Bachelor of Applied Science degrees, but that NWC is not. He indicated that would like to see NWC offer a BAS degree. Representative Northrup also reported that the decline in enrollment is a major concern at the legislative level. He encouraged NWC to consider rebranding itself to help bolster recruitment and increase enrollment.

The Citizens' Open Forum adjourned at 4:33 p.m. Shortly after 5:00 p.m., Board President Spomer opened the Citizens' Open Forum again to allow any citizens not present at the first convening to have an opportunity to address the Board. There were no other citizens who opted to address the Board.

A NEW BUSINESS (CONT.):

Reduction in Force (Policy
1.13.8 and Policy 3.5.4)

President Hicswa presented a handout with the most up-to-date information regarding personnel attrition and retirement. The handout also included her recommendations for units and areas to be subject to Reduction in Force (RIF). President Hicswa asked the Board to take into consideration the following prior to voting whether or not to invoke RIF:

- The savings generated by Reduction in Force is proposed to be \$247,260 of the total \$1,274,905 personnel reductions. The remaining amount is due to attrition and retirement.
- The numbers showing attrition and retirement do not include several open faculty positions that will be filled. Some recently-opened positions had failed searches, but will be filled temporarily this year. Searches will then be conducted during prime faculty hiring season.
- Because of high turnover, and previous early retirement offerings, early retirement was not offered as part of the FY20 budget planning.
- All interim positions have been evaluated. There will still be a few permanent positions which will be filled as interim until searches can be conducted at strategic times.
- 8 total positions are being recommended for RIF

President Hicswa then reviewed the process for invoking RIF. First, in accordance with policy, two conditions must exist:

1. Anticipated expenditures for personnel, considered together with those for non-personnel, exceed anticipated revenues and/or when current staffing is out of alignment with the programs and/or services which are offered now or are to be offered in the near future.
2. Less severe means of personnel adjustment (ex: attrition, retraining) are insufficient to accomplish reductions and/or realignments of the scale or within the time constraints indicated by the conditions indicated above.

Should the Board determine those two conditions do exist and vote to invoke RIF, then the Board must designate those units or areas along with the number of positions to be to be subject to RIF.

Trustee Anderson, Finance Committee Chair, reported on the multiple meetings that the Finance Committee has had during which the FY20 budget was reviewed and discussed. He reported that though this action is not desirable, it is necessary and the Finance Committee recommends invoking RIF.

Finding that the two conditions outlined in the Reduction in Force policy do exist, a motion was made by Trustee Anderson and seconded by Trustee Larsen to invoke Reduction in Force, for the following units/areas and number of positions:

- **Academic Affairs – Library (2)**
- **Academic Affairs – First Year Seminar (1)**
- **Student Services – Registration and Records (1)**
- **Student Services – Student Financial Aid (1)**
- **Student Services – Student Health (2)**
- **Administrative Services/Plant – Business Office (1)**

Trustee Larsen recounted some of the history leading up to this decision and acknowledged that, though painful, this course of action is the only course to take at this time.

Trustee Wurzel acknowledged that based on the Support Services Program

Reviews, efficiencies and reductions have been taken in all areas, as much as can be done.

Trustee Housel reminded the Board that when they implemented the 2018 compensation increases, they knew it would have a significant impact on the budget. Trustees understood that the impact on future budgets could result in RIF, but the Board determined that maintaining compensation levels was necessary and they accepted the potential ramifications of that course of action.

Trustee Newsome noted that, for months, the Board has been wrestling with the issues of declining enrollment, declining income, and increasing expenses. He expressed his hope that NWC will only go up from here, but he acknowledged that the future is unclear. He recognized that invoking RIF is a tough decision, but that there is nothing else to be done. He noted that the Trustees have struggled to find another way, but have been unable to do so.

Trustee Anderson concurred with the other Trustees that this decision is a most difficult one, but that it is the only course of action.

Trustee Danko also concurred with the difficulty of the decision, but noted that until the State can find other sources of revenue for community colleges, there isn't much that can be done. She noted that we must have more support from the legislature.

Trustee Spomer recounted the recent use of reserves - in 2017 as part of the budget solution and again in 2018 for compensation increases. With those two major hits, the reserves are at a level at which using them again is not an option. He noted that NWC has encountered a 'perfect storm' of assessed mil valuation, cuts from the State, and declining enrollment. He indicated that it is clear the College has done all that it can, and invoking RIF is the only solution. Trustee Spomer also noted that it can sometimes be easy to gloss over things that the institution is doing, but he hopes the community is aware of the data behind the success of the institution. He hopes citizens recognize the great things NWC provides as an employer, how NWC furthers the economic drive in community, and how highly successful NWC is at fulfilling the mission of the college. He also hoped the community would recognize that enrollment is down across the nation, not just at NWC. He then stated that at their recent retreat, the Board affirmed that they are willing to think outside of the box to find a way to help with the issues that NWC faces, to re- envision NWC's future. The Board also affirmed the areas NWC is required to maintain for accreditation and regulatory compliance as well as to remain focused on student success. He explained that this is being reflected in the Board's decision today.

President Hicswa reported that other options, such as furlough or reduction in hours for all employees were also considered; however, like using reserves, the Board determined not to pursue those options. She also related that as reduction of faculty leads to offering fewer course sections and fewer electives, ways to shore up course offerings are being considered, so NWC can continue to offer strong transfer programs. She noted that this new staffing pattern represents right-sizing to NWC's current enrollment. She also noted that though NWC is not looking at offering a BAS degree at this time, due to the budget situation, it is a consideration for the future. Increasing online enrollment, summer offerings and continuing to support the international program is current and ongoing work being done to ensure student success.

After much discussion and consideration, the motion carried.

Preliminary FY20 budget

President Hicswa asked the Trustees to continue to review the Preliminary FY20 budget, which was reviewed in depth as a first reading during the work session prior to the business meeting. She asked that any changes or improvements be submitted to her prior to the July 8, 2019 Board meeting.

FUTURE AGENDA ITEMS:

ANNOUNCEMENTS:

College Rodeo National Finals, June 9-15, 2019, Casper
WACCT Meeting, June 12, 2019, Riverton
WCCC Meeting, June 13, 2019, Riverton
Next Meeting, July 8, 2019, 3:00 p.m., Yellowstone Building
WACCT Annual Conference, September 24-25, 2019, Cody
ACCT Leadership Congress, October 16-19, 2019, San Francisco, CA

A ADJOURNMENT:

The meeting was adjourned at 5:12 p.m.

MARK WURZEL, Vice President/Secretary

Date