



North Idaho College

Special Report

Submitted to the Northwest Commission
on Colleges and Universities

August 30, 2024

Introduction

This report is North Idaho College's (NIC) response to an [action letter](#) and the support document titled "[A Plan for North Idaho College](#)" received from the Northwest Commission on Colleges and Universities (NWCCU) dated March 1, 2024.

NIC continues to be open and transparent throughout the entire period of NWCCU sanctions by posting relevant, accurate, and timely accreditation information on its [Accreditation Key Points](#) and [Accreditation Communications](#) Websites.

Due to the direct relevance of all the recommendations to the NIC Board of Trustees, NIC has taken a unique approach to addressing the recommendations outlined in the action letter dated March 1, 2024. The board has entrusted Ken Burke, CPA, and Debbie DiThomas, Ed.D., two consultants from the Association of Community College Trustees, to lead the writing of the college's response. Additionally, it avoids placing the president in a position to evaluate and assess the board. Furthermore, the consultants' year-long collaboration with the trustees makes them well-suited to this task.

During the July 2, 2024, training session, the board accepted a process for developing the report. Ken Burke updated the board about the writing process, including how the team plans to incorporate evidence into the report. He also notified the trustees that they would have ten days to review the drafts in a [NIC Memorandum on Writing of Report](#) to the trustees.

Throughout this process, the board and the president continue to collaborate with consultants from the ACCT to foster a culture of informed decision-making and enhance overall governance. NIC's ongoing [contract](#) with ACCT, from August 14, 2023, to December 31, 2024, underscores this commitment.

The president and accreditation liaison officer provided writing support for the ACCT consultants. The Board of Trustees and Attorney Stanley Freeman of Eversheds-Southerland provided periodic feedback.

The trustees were provided recommendation drafts along with the established 10-day deadline during three different time periods:

Release Date	Recommendation Drafts	Due Date
June 21, 2024	1(Spring 2023), 2(Spring 2022), and 6(Spring 2023)	July 1, 2024
July 10, 2024	2(Spring 2023), and 10(Spring 2023)	July 20, 2024
July 24, 2024	2(Fall 2023), 3(Spring 2023), 5(Spring 2023), 7(Spring 2023), and 11(Spring 2023)	August 3, 2024

To reduce duplication from previous reports, NIC's responses to recommendations in this report are generally limited to events **after December 1, 2023**.

For any response involving a Standard Two citation, the college included all the suggested items in the [Policies, Regulations, and Finances Review Team Template](#) and any additional information demonstrating improvement or compliance with a particular section of the respective standard.

For the convenience of the NWCCU evaluation visit team and commissioners, the authors list the guidance from the document "[A Plan for North Idaho College](#)" for each recommendation before NIC's official response.

As evidenced by the following responses to the recommendations, the board has made substantial strides in addressing the recommendations and has implemented measures to sustain the progress. These measures include the board's:

- Commitment to ongoing training
- Approval of board goals and a plan to address the board goals
- Revision of board policies that include an annual public affirmation to the roles/commitment of an NIC trustee
- Adherence to board policy
- Annual evaluation of the president through a professional facilitator

The majority of NIC trustees have undergone ongoing training to ensure adherence to NIC policy and to adopt best practices in board governance.

Recommendation 2: Spring 2022 Special Report - The Board of Trustees adheres to institutional and Board policies, particularly those pertaining to appropriate roles and responsibilities, expectations, professional conduct and ethics, and grievance procedures (2020 Standard(s) 2.A.1;2.D.2; ER 9).

Guidance from NWCCU:

- 1. Document Board decisions where appropriate Board roles and responsibilities have been considered.*
- 2. Provide evidence that policies do not allow for Board overreach into daily operations of the institution, such as continuing requests for the opportunity to have a role in personnel decisions beyond the role of president.*
- 3. Provide evidence that the Board is following its policies.*
- 4. Incivility among Board members is demonstrated at Board meetings and exemplifies unprofessional conduct and makes the Board ineffective. Document efforts and accomplishments at reining in unprofessional conduct.*

NIC's Response:

The Board of Trustees, in consultation with the ACCT consultants, has passed [Board Goals](#) aligned with best practices of board governance. These goals assist the board in conducting their responsibilities as trustees while respecting the role of the president. In addition, the board has created a "Plan for Achieving Board Goals" representing a culmination of work over several board training sessions and a board retreat with the ACCT consultants. The plan outlines the responsibilities and activities the board and the president will need to take to fulfill the six established board goals, thus demonstrating an understanding of the differences between governance and operations. See [Board Goals](#), [Plan for Achieving Board Goals](#), and [Board Minutes, March 13, 2024, Page 3](#)

NIC board policies delineate appropriate board roles and responsibilities and delegation of authority to the president to administer the college "...in accordance with applicable laws and policies, rules, and regulations approved and/or sanction by the Board of Trustees." (See Responsibilities and Duties [Policy 2.01.02](#) and President's Authority and Responsibility [Policy 2.02.01](#)). In addition, the Board of Trustees, utilizing a board governance subcommittee, the administration, and the ACCT consultants, have reviewed/revised these policies and procedures and the full board has had further discussion to review, revise, approve, and understand their roles and responsibilities and those of the president. See [Board of Trustees Policy Review Tracking Document](#)

Throughout these responses, NIC has described examples of the board's improved understanding of their trustee roles. In another example, at the May 22, 2024, board meeting, the board considered an amendment to the approval of the FY2025 budget that would have pulled funding from the area chambers of commerce. A majority of the trustees publicly stated during the debate that the approval of the amendment would intrude on the college's operations. After a lengthy discussion, the board did not pass the amendment. As evidenced by continued participation in ACCT onsite board development sessions, the board is committed to sustaining these efforts. See

[Recurring Report Schedule](#) (Page 3) and [Video Clip, May 22, 2024, Board Meeting, 1:37:23-1:54:16](#)

Also, during the same meeting, the board further demonstrated their understanding of their roles defined in Responsibilities [Policy 2.01.02](#) compared to those reserved for the president, defined under President's Responsibility and Authority [Policy 2.02.01](#), with the adoption of the FY2025 budget and the endorsement of the work of the Strategic Plan Steering Committee. The board approved the president's recommendations on a 5-0 vote. See [Video Clip, May 22, 2024, Board Meeting, 1:54:10-1:55:10](#), [Video Clip, May 22, 2025 Board Meeting, 1:11:37-1:26:04](#), [Draft Board Minutes, May 22, 2024, Page 2](#), and response to Recommendation 6, Spring 2023.

The administration consistently kept the board updated on the budgeting process. The administration presented budget assumptions at the meeting on March 27, 2024, and provided a first reading during the meeting on May 22, 2024. The vice president for finance and business affairs invited and encouraged trustees to meet individually about the budget draft and successfully met with all trustees prior to the first reading of the budget. See [Board Minutes, March 27, 2024, Page 2](#), [First Reading FY2025 Budget Slide Presentation](#), and [Draft Board Minutes, May 22, 2024, Page 3](#)

With the president's recommendation, the board adopted [Policy 2.01.15](#), which outlines a new Recurring Reports Policy. This policy enables the president to establish a rotating schedule that keeps the board informed on the college's primary functions. While the president has finished the first cycle of reports, the process is still in its early stages. The recurring reports have been beneficial in helping the trustees better understand the college's essential functions, highlighting the excellent work of the faculty, staff, and students, and enhancing communication between the board and the president. See [Video Clip, May 22, 2024, Board Meeting, 1:08:06-1:08:42](#), and [Board Minutes, February 28, 2024, Page 3](#)

Recommendation 1: Spring 2023 Special Report - The Board and College President should continue training and development activities to improve governance, ensure that policies on ethics and general conduct are followed, and demonstrate a sustained commitment to the requirements and standards of NWCCU member institutions manifested through concrete actions over time (2020 Standards ER 2; ER 8; ER 22).

Guidance from NWCCU:

- 1. Document Board decisions where appropriate Board roles and responsibilities have been considered.*
- 2. Provide evidence that policies do not allow for Board overreach into daily operations of the institution, such as continuing requests for the opportunity to have a role in personnel decisions beyond the role of president.*
- 3. Provide evidence that the Board is following its policies.*
- 4. Incivility among Board members is demonstrated at Board meetings and exemplifies unprofessional conduct and makes the Board ineffective. Document efforts and accomplishments at reining in unprofessional conduct.*

NIC's Response:

The board and the president continue collaborating with Association of Community College Trustees (ACCT) consultants to improve the board's decision-making process and overall governance. After the Fall 2023 Special Visit, several board members participated in four workshops and sessions. The board chair, the president, and the ACCT consultants have also met frequently to discuss strategies implementing successful best practices in governance. Table 1 identifies the agenda topics from the training sessions since the Fall 2023 Special Visit.

The college provides a complete [overview](#) of the training, including agenda topics, and the agendas and minutes of all board development sessions. The board is committed to continuing to work with ACCT until the current contract concludes **on December 31, 2024**, and will then assess the need for ongoing training. Both NIC and ACCT are open to extending the contract for further board development. See [NIC Trustee Training Agendas](#), [NIC Trustee Training Minutes](#), [ACCT Contract](#), and [Overview – Training, Conferences, Recurring Reports](#). As mentioned in the introduction, the ACCT consultants contributed to preparing this report. The training agendas constitute evidence of board development and training initiatives undertaken by the trustees in accordance with national best practices for high-performing boards, NWCCU's recommended guidelines as set forth in their most [recent action letter](#), and the document entitled [“A Plan for North Idaho College”](#).

Regularly, the president and the board chair meet to form the agenda for the monthly regular board meetings. Since the Fall 2023 Special Visit, the ACCT consultants have also participated in these agenda development meetings. These have progressively become more cordial, efficient, and demonstrate a clear understanding of the president's and board chair's roles and responsibilities. For example, the discussions between the president and the board chair about the difference between policy and operational decisions have resulted in fewer amended agendas and have set a positive tone for productive discussions and actions at board meetings.

TABLE 1: TRAINING TOPICS AT BOARD WORKSHOPS AND SPECIAL SESSIONS

Meeting Date	Training Topics
February 21, 2024	Accreditation Parliamentary Procedure Minute Taking Process Board Goals Mini-evaluation
April 12, 2024	Improving Board Behavior How to Bring Up Topics During Board Meetings Board Minutes Information Requests from Trustees Review of Parliamentary Procedure and Board Behavior NWCCU Show Cause Update
May 8, 2024	Board Chair Responsibilities Communication Protocol Board Mini-Evaluation
June 8, 2023	2023-24 Presidential Goals Review of Best Practices for Board Governance, and Review of Self-Assessment of NIC Individual Trustee and Board Performance Review Sample Model Board Goals
July 2, 2024	Review/Recommit to Board Goals Review “Plan to Address Board Goals Review: Board Roles & Responsibilities Policy 2.01.02 , Meetings Policy 2.01.03 , Communication with Board of Trustees Policy 2.01.05 , Board Conduct Policy 2.01.10 , and Ethics Policy 2.01.12 Reminders of Best Practices for High Performing Boards NWCCU Mandate of Teach Out Agreements Show Cause Report Update
August 27, 2024	Board Mini Self-Evaluation Review Effective participation, conflict of interest identification, and board ethics as identified in Recommendation 2: Fall 2023 Special Report: “The Board of Trustees should provide evidence of ongoing development related to board governance, roles and responsibilities, effective participation, conflict of interest identification and ethics that is sustainable.” Board Roles and Responsibilities Policy 2.01.02 , Meetings Policy 2.01.03 , Board Conduct Policy 2.01.10 , and Ethics Policy 2.01.12 Show Cause Report Discussion Preparation for the October NWCCU Visit Discussion on Accreditation Review/Compare Results of Mini-Evaluation

In addition to the ongoing training provided by the ACCT consultants, the board chair, president and general counsel participated in a special parliamentary training session by [Connie Deford](#), a Professional Registered Parliamentarian and a subject matter expert from ACCT. This training was effective and has had an immediate impact on the efficiency and civility of subsequent board meetings. A general overview of parliamentary procedure was covered at the February 21, 2024, Training Session. See [NIC Summary for Chair from ACCT Consultants, February 21, 2024, Video Clip, December 20, 2023, Board Meeting 30:46-31:45, Board Minutes, December 20, 2023, Page 2](#), and [Board Minutes, February 21, 2024, Training Session](#).

Evidence of the effectiveness of the training was demonstrated during the May 28, 2024, board meeting when the topic of memberships in local organizations emerged as a topic of discussion during the FY 2025 budget debate. This is a tough subject for several trustees, but at the end of the debate, the trustees decided that the membership issue and the amount of the money involved were operational in nature. In compliance with Board Conduct [Policy 2.01.02](#), the board demonstrated their ability to debate difficult topics in a civil manner; and avoid board overreach into daily operations when approving the budget as presented. Another example of greater board collegiality was the debate over NIC's proposed strategic goals during the May 22, 2024 meeting. The trustees discussed and asked questions about the wording, design, and interpretations of the proposed strategic goals. The board eventually approved the goals 5-0 as presented without any modifications. See Recommendation 2, 2022 Special Report, [Video Clip, May 22, 2024, 1:11:31 – 1:26:00](#), and [Video Clip, May 22, 2024, Board Meeting, 1:37:23-1:54:16](#)

In response to the action letter and feedback from the board development sessions, the board approved modifications to Board Orientation [Policy 2.01.11](#) on September 27, 2023. These modifications included developing and implementing a comprehensive onboarding program for new trustees. The administration and board reviewed the [agenda and process](#) for this new trustee orientation in July 2024.

The onboarding for new trustees will take place in at least two sessions, and both the board chair and president will be present/involved in the sessions. College personnel responsible for a specific area covered in the "College Section" of the agenda will present and provide supporting materials. The board will recognize trustees who complete the onboarding session at the next regular board meeting. All trustees will then publicly sign the [Annual Trustee Affirmation document](#).

Even though NWCCU only required the college to respond to the new trustee onboarding recommendation in the **Fall 2025 Special Report**, the college is well prepared to onboard new trustees.

Recommendation 2: Spring 2023 Special Report - The Board must resolve the issues underpinning all "No Confidence" resolutions and demonstrate a willingness to work with and support faculty, staff, and students when their concerns are communicated (2020 Standards 2.D.2; ER 7).

Guidance from NWCCU:

1. Not responding to repeated expressions of concern from faculty, staff, and students illustrates the Board's inattention to grievance procedures. Document actions taken to address concerns of faculty, staff, and students.

NIC's Response:

Table 2 summarizes the votes of no confidence, including the original 13 votes, from the college constituency groups to the board.

Since the most recent NWCCU Action Letter, the board chair has responded to expressions of concern from the college's constituency groups and has regularly thanked faculty, staff, and students for their service to the college as part of his monthly statements during board meetings. The first of these statements occurred at the December board meeting. See [Video Clip, December 20, 2023, Board Meeting, 1:36-3:12](#)

During the January 24, 2024, board meeting, the board chair told the constituency groups that their concerns are being reviewed by the board. See [Board Minutes, January 24, 2024, Page 2](#)

During the February 28, 2024, board meeting, the board chair asked everyone in the audience to be respectful of others and asked the trustees to follow parliamentary procedure when communicating with each other and making official motions. Later, during the meeting, the Staff Assembly Chair expressed concerns about board behavior during the January 24, 2024, board meeting and thanked the board chair for his remarks about professionalism during the meetings. See [Video Clip, February 28, 2024, Board Meeting, 8:25-9:40](#)

During the March 27, 2024, board meeting, the board chair expressed his commitment to addressing the list of issues of the Show Cause Sanction and comparing them with the concerns expressed by the constituency groups. See [Video Clip, March 27, 2024, Board Meeting, 1:04-2:14](#)

During the April 24, 2024, board meeting, the board chair provided an update on an agreement on recording board minutes, a budget update, a lawsuit update, and training focused on the board's roles compared to the president's operational responsibilities. See [Video Clip, April 24, 2024, Board Meeting, 6:02-9:19](#)

During the May 22, 2024, board meeting, the board chair recognized the number of student celebrations ending the academic year and thanked the faculty, and staff for a great year as the college celebrated the 90th class since the NIC was founded in 1933. See [Video Clip, May 22, 2024, Board Meeting, 5:59-6:53](#)

During the June 26, 2024, board meeting, the board chair made a statement directly to the constituency group representatives on behalf of the board, thanking them for their work on behalf of the students. The chair also stated that the board listens to their concerns and appreciates their input in decision making in the college's participatory governance process. He

further stated that there is congruency between the concerns of the constituency groups and the outstanding recommendations from NWCCU and that the board is addressing those concerns while working to address the ten NWCCU Recommendations. See [Video Clip, June 26, 2024, Board Meeting, 3:13-4:54](#)

TABLE 2: SUMMARY OF VOTES OF NO CONFIDENCE

Date of Resolution or Statement	Constituency Group	Subject(s)
February 2, 2021	Faculty	Board Ethics Board Conduct Policy Board Chair
February 23, 2021	Staff	Board Ethics Board Chair
February 23, 2021	Staff (Statement)	Board Ethics & Behavior Board Chair Independent Investigation
March 3, 2021	College Senate	Board Obligation to Uphold Policy
April 15, 2021	Faculty	Reinstatement of Board Conduct Policy 2.01.10
October 26, 2021	Faculty	Board Leadership
December 13, 2021	Staff	No Confidence in Board send to State Board of Ed.
March 14, 2022	Faculty	Implement Recommendations of Draft NWCCU Panel Report Renewal of Previous Votes Board Chair Support of Staff Resolution of December 13, 2021
March 23, 2022	Staff	Implement Recommendations of Draft NWCCU Panel Report Board Chair Support of Students, Faculty, Administration, and Community
December 9, 2022	Student Government (ASNIC)	Board Ethics & Conduct Reinstatement of President
December 14, 2022	Staff	Reinstatement of President Board Conduct
December 15, 2022	College Senate	Reinstatement of Suspended College Policies
February 9, 2023	Faculty (Statement)	Treatment of Public Meeting Participants
February 16, 2023	Faculty	Sanction of Board Members and College Attorney Concern of Show Cause Sanction No Confidence in Interim Administration
March 21, 2023	Faculty	Encouragement of Reinstating President
August 17, 2023	Faculty	Items to Address – Faculty Votes of No Confidence
October 24, 2023	Student Government (ASNIC)	Items to Address – ASNIC Vote of No Confidence
October 25, 2023	Board	Board Response to Votes of No Confidence
September 27, 2023	Staff	Past Action for Past Votes of No Confidence Concerns Regarding Appeal of Summary Judgement, Potential Additional Lawsuit, Board Training Attendance, and Consistency in Adherence to Board Conduct Policy 2.01.10
October 25, 2023	College Senate	Concern of Show Cause Sanction
February 28, 2024	Staff (Statement)	Public Apology for Treatment of Staff Member During Public Comment

On several occasions at public board meetings, through chair reports and trustees' responses to the college presentations, the board has recognized the significant progress the college has achieved over the past few years. In addition, at each board meeting, constituency groups are allowed to present to the board. Finally, constituency groups' participation in the participatory governance process results in informed recommendations to the board.

Because the concerns raised by the constituency group in their votes of no confidence are similar to the issues identified in the accreditation recommendations by NWCCU, the most reliable evidence of the board's response to the votes of no confidence is the progress made in addressing the NWCCU recommendations, as outlined in this report.

Recommendation 3: Spring 2023 Special Report - The college and its Board must take action to resolve the uncertainties regarding both the leadership and accreditation status of the institution in order to improve retention of existing employees and fill current vacancies (2020 Standard 2.F.3).

Guidance from NWCCU:

1. Document steps taken and progress made to resolve these issues.

NIC's response will focus on three areas to provide clarity with the recommendation: (1) Leadership Stability, (2) Accreditation Uncertainty, (3) Employee Retention and Vacancies:

Leadership Stability

The board has recently implemented measures to reduce uncertainty in the college's senior leadership. These steps aim to address NWCCU recommendations and enhance the college's accreditation status while upholding solid governance principles.

As reported in the response to Recommendation 5, Spring 2023, Risk #2, since the Fall 2023 Show Cause Report and Visit, President Swayne has fulfilled his contractual duties and those identified in Presidential Authority and Responsibility [Policy 2.02.01](#) without board interference. This has resulted in a stable senior leadership level, with the membership of the President's Executive Cabinet, including the vice president for finance and business affairs and the interim provost, remaining unchanged since the Fall 2023 Show Cause Visit.

Accreditation Uncertainty

As reported in the response to Recommendation 5, Spring 2023 Special Report, the board has taken action to improve governance and the college's viability by reducing the eight risks identified in the February 9, 2023, Show Cause Letter. There are other examples in the report that provide examples of board actions that provide evidence to resolve the Show Cause sanction, including:

- Evidence that the board understands its role as trustees. See response to Recommendation 2, Spring 2022
- The board acted to unequivocally identify Dr. Nick Swayne as President of the College. See response to Recommendation 10, Spring 2023
- The board respected the president's recommendation by approving the FY2025 budget and the Strategic Planning Goals. See response to Recommendation 6, Spring 2023, and Recommendation 11, Spring 2023
- The professional behavior of trustees has improved during meetings, although there is still room for improvement. See response to Recommendation 7, Spring 2023
- The board has reviewed ethics and conflict of interest policies with the consultants, stressing the need for trustees to adhere to those policies to help rebuild NIC's reputation, improve professional behavior, and uphold the college's mission statement of serving the community. See Recommendation 2, Fall 2023

Working to resolve accreditation concerns congruent with recent votes of No Confidence from staff, faculty, and students. See response to Recommendation 2, Spring 2023

Employee Retention and Vacancies

As reported in response to Recommendation #5, Spring 2023, the president updated the board on the significant 9% decrease in the number of employee departures over the prior year, attributing some of the success to the board’s support with salary increase recommendations and employee confidence in the college’s stability. The college experienced a reduction in departures and departure rates for the first time in five years. Despite the ongoing higher rate of employee departures compared to pre-sanction levels, the college is optimistic that the situation will improve as the board continues to work towards resolving governance issues and restoring the college to good standing. See [Video Clip, June 26, 2024, Board Meeting, 1:12:16-1:14:59](#), and [Human Resources Departure Information for President’s Cabinet](#)

TABLE 3: EMPLOYEE DEPARTURE AND EMPLOYEE DEPARTURE RATES

Year	Departures (HR)	Full-Time Employees	Departure Rate (HR)	NIC Departure Rate Reported to NCCBP	National Average (N)
FY2019	55	519	10.6%	6.6%	7.8% (123)
FY2020	60	524	11.5%	5.9%	7.6% (99)
FY2021	65	495	13.1%	9.3%	8.2% (93)
FY2022	102	491	20.8%	14.4%	10.8% (91)
FY2023	104	473	22.0%	18.1%	9.6% (92)
FY2024	92	461	20.0%	17.9%	N/A

Departures (HR), Full-Time Employees, and Departure Rates (HR) all provided by HR Department. National Average is from the Community College Benchmarking Project. HR Departure Rates includes retirees. NCCBP Departure Rates does not include retirees.

Colleges and Universities across the nation are also struggling with employee departure. In the [CUPA-HR 2023 Higher Educational Employee Retention Survey administered](#) in September 2023, employee retention continues to be a concern in higher education. The researchers conclude that more than half of those employees surveyed are somewhat likely to seek new employment. The CUPA-HR Survey has only been administered since 2017, but voluntary turnover for higher education was at the highest level in this survey conducted for the 2022-2023 academic year.

In recent years, NIC has exceeded the national average in employee departure rates. While colleges nationwide, including NIC, started to recover with employee departure rates, the Show Cause sanction continues to impact NIC. Table 3 highlights NIC’s departure statistics for the past six fiscal years. NIC’s Human Resources (HR) department employee exit surveys indicate that “employer reputation” was one of the top three reasons for departure during FY2024. A recent action by the board could improve college departure rates by improving employee job security. On July 2, 2024, the board and the president discussed several options for the college to satisfy a teach-out agreement requirement by NWCCU. The options provided by the

administration included researching and drafting a Change in Control application. The debate took place during a special meeting on July 2, 2024, with all trustees emphasizing the importance of the college meeting the teach-out agreement requirement, as the commission would likely withdraw accreditation immediately if the college ignored this requirement. See [Board Minutes, July 2, 2024](#), Page 2, and [Teach-Out Agreement Presentation Slides July 2, 2024](#)

The college held 21 vacant full-time positions during FY2024. During the finalization of the FY2025 budget, the administration presented a commitment to the Board to eliminate six positions while holding 15 positions vacant. The vacant positions result in savings of approximately \$1,750,000 in the FY2025 budget.

Also, during the finalization of the FY2025 budget, the administration proposed to allow for filling of some of the 15 vacant positions based on need in response to enrollment growth. During the budget development process, it was acknowledged that the lack of filling these positions has placed a strain on the workforce of the college which is not sustainable. See [Video Clip, May 22, 2024, Board Meeting, 1:34:05-1:35:21](#), and [Second Reading FY2025 Board Materials](#)

The college search committee chairs continue to report fewer qualified candidates for position recruitments than before the Show Cause sanction. The college has been relatively successful in filling positions in FY2025, but the success level dropped from the prior year (See Table 4). This past year, the college has either filled or created temporary solutions for current vacancies. For example, the college has contracted with external firms for an interim financial aid director and a Senior Human Resources Consultant to assist with Human Resource Department projects. The arrangements are temporary as the administration starts nationwide searches for the Chief Human Resources Officer and Director of Financial Aid.

As of August 15, 2024, NIC had filled 40 positions for the academic year 2024-2025 and 103 positions during the academic year 2023-2024. Currently, the college has 37.9% of all full-time benefited employees with less than three years of service (See Table 5) Despite the Show Cause Sanction, many dedicated employees have chosen to remain at NIC, with 32% having over ten years of service and 24.2% having more than 15 years of service. See [List of Filled Positions FY2024](#), and [List of Filled Positions FY2025](#)

The HR Department characterized many vacant/open full-time, benefitted positions this year as "difficult to fill," particularly several faculty positions, with at least one and sometimes as many as three failed searches before the college filled them. The HR Department also projected that the three key director positions would be difficult to fill because of the Show Cause Sanction. The college was fortunate to fill the following positions:

- Director of Facilities
- Public Services Librarian & Assistant Professor
- Veterans Administrative Coordinator & School Certifying Official
- Executive Director of Workforce and Economic Development
- Assistant Professor of Computer Information Technology & Cybersecurity
- Assistant Professor of Music & Director of Bands
- Faculty Coordinator of Accreditation Assessment & Assistant Professor

- Assistant Professor of Computer Information Technology & CISCO Networking
- Director of Finance and Accounting

According to a Human Resource Office Exit Survey, the main reason employees left in FY2023 was better pay or benefits. This past year (FY2024), the top reasons employees left were Better Work-Life Balance, Better Opportunity for Career Growth, Better Company Reputation, and More Flexible or Better Work Schedule. As a result, the administration started a remote work pilot program to help reduce turnover among staff. The board’s support for salary increases of 8% and 3% for FY2024-FY2025 has positively impacted employees. See [Voluntary HR Exit Interview Survey Summary FY2024](#)

TABLE 4: SUCCESS OF FILLING BENEFITTED POSITIONS

	Benefitted Positions	Positions Filled	Success Rate
FY2021	87	67	77.0%
FY2022	142	126	88.7%
FY2023	143	129	90.2%
FY2024	135	103	76.3%

Benefitted Position and Positions Filled data provided by Human Resources Department.

TABLE 5: EMPLOYEE LONGEVITY

Years of Service	Number of Employees	Percentage
Less than 3 Years	171	37.9%
3-5 Years	41	9.1%
5-10 Years	91	20.2%
10-15 Years	39	8.6%
15-20 Years	55	12.2%
Over 20 Years	54	12.0%

Number of Full-Time, Benefitted Positions. Data provided by HR Department

As reported in the Fall 2023 Special Report, the college filled several vacant positions with well-qualified internal candidates, which has helped the college retain institutional knowledge despite the high rate of departures (*See Table 6*). The college also filled several positions with great external hires, and the college experienced a former employee returning to their former position.

TABLE 6: PERCENTAGE OF INTERNAL HIRES

	Benefitted jobs	Internal hires	Percentage
FY2021	87	36	41.4%
FY2022	142	64	45.1%
FY2023	143	61	42.7%
FY2024	135	47	34.8%

Benefitted Jobs and Internal Hires data provided by HR Department.

Recommendation 5: Spring 2023 Special Report - The Board must advance specific policies, procedures, and take timely and definitive action to mitigate or eliminate the risks identified in the NWCCU Show Cause letter, dated February 9, 2023 (2020 Standard ER 9).

Guidance from NWCCU:

- 1. Implement the policy changes that the subcommittee of the Board has developed.*
- 2. Document actions taken to reduce the exodus of faculty, staff, and senior administrators.*

NIC's Response:

The board has worked to improve governance and NIC's viability by reducing the risks identified on the [February 9, 2023, Show Cause Letter](#). NIC's response consists of a brief update on the progress of the eight risks and the progress of evidence with documentation suggested by the NWCCU in the document "[A Plan for North Idaho College](#)". Most of these risks are part of the responses to other recommendations in this report and include more detailed information.

Risk #1: Three lawsuits, one settled and two active.

The board has settled the two remaining lawsuits of concern to NWCCU.

The board voted 5-0 at the December 20, 2023, meeting to settle the remaining outstanding lawsuit filed by Michael Gridley. See [Board Minutes, December 20, 2023, Page 5](#), [Judgement Final](#) and [Order of Dismissal of Plaintiff's Complaint](#)

The board also voted at the May 22, 2024 meeting to authorize the college attorney to drop an appeal to the Idaho Supreme Court over Kootenai County judge Cynthia Meyer's Summary Judgement in a lawsuit filed by President Swayne. See [Board Minutes, May 24, 2024, Page 3](#), and [Order Approving Stipulation to Dismiss Appeal](#)

There are no outstanding lawsuits that significantly impact NIC's financial stability.

Risk #2: Frequent changes in leadership with little to no input from relevant stakeholders, without following institutional policies and procedures.

Since the Fall 2023 Show Cause Report and Visit, the board has allowed President Swayne to fulfill his contractual duties and Presidential Authority and Responsibility [Policy 2.02.01](#), creating stability at the senior leadership level. The membership of the President's Executive Cabinet, including the vice president for finance and business affairs and the interim provost, remains the same since the Fall 2023 Show Cause Visit. At the board meeting on February 28, 2024, there was a civil discussion about hiring the board clerk and attorney, and the board acknowledged that while internal hiring decisions are the responsibility of the president, Idaho State Statue 33-2107 give the board the responsibility to employ legal counsel. See [Video Clip, February 28, 2024, Board Meeting, 2:17-33-2:25:53](#)

All searches since the Fall 2023 Show Cause Visit were conducted following Filling of New and Vacant Positions [Policy 3.02.03](#) and Establishment of New Positions [Policy 3.02.02](#), using search committees that included representatives of the college's constituency groups. The president plans to fill the provost position on a permanent basis once conditions are more favorable for a successful national search.

Risk #3: Uncertainty as to who is the Chief Executive Officer at North Idaho College, with a regular president placed on administrative leave (Swayne) and an interim president (South) appointed concurrent with the regular president.

The board's recent actions affirm that Dr. Nick Swayne is NIC's president. Dr. Greg South's contract as interim president expired on June 30, 2024, and he is no longer on NIC's payroll. See response to Recommendation 10, Spring 2023, for additional information.

Risk 4: Declining enrollments, including termination of partnership with STEM Charter Academy, with concomitant reduction in tuition revenue.

The board's recognition of Dr. Swayne as the sole president of NIC has helped the college in strengthening its connections with the community, particularly with the Coeur d'Alene School District. This has led to a rise in dual credit enrollment. With the board's backing, the college administration has focused on increasing enrollment and retaining students, which has resulted in a positive reversal of the college's declining enrollment trend that persisted for over a decade.

The board of trustees celebrated success with NIC faculty and staff with an update on recruitment and retention efforts as an informational item in the June 26, 2024, meeting. Summer enrollment at NIC increased 16.4% for headcount (1,091 students) and 20.2% for credit hours (5,042). Fall enrollment continues on a positive trend with headcount up 4.0% (3,632) and 5.5% for Full-time Equivalent (2,343) as of August 29, 2024. Another positive indicator was the increase in new full-time (non-dual credit) enrollment up 29.5% (711). Several board members recognized the team's dedication and hard work. See [Video Clip, June 26, 2024, Board Meeting, 15:57-17:10](#), [Video Clip, June 26, 2024 Board Meeting, 8:18-10:03](#), and [Video Clip, June 26, 2024, Board Meeting, 1:15:00-1:22:36](#)

The board also recognized the Communications and Marketing Department's efforts during the board meeting. Their strategic expansion of marketing efforts, including investments in traditional and specialized media markets, has significantly increased NIC's visibility. See [Video Clip, June 26, 2024, Board Meeting, 10:18-13:50](#), and [Communication and Marketing Presentation Slides](#)

As noted in the response to Recommendation 11, 2023, the college's enrollment revenue has improved compared to the past fiscal year, while the college experienced a budget surplus of about \$2,000,000 in FY2024, mainly due to an increase in interest income, and salary salvage. Due to the significant increase in enrollment, the college exceeded its revenue budget for the summer session by approximately \$75,000 (or 8%) that will contribute to the projected FY2024 budget surplus. See [FY2024 June Preliminary Income Statement](#) and [FY2025 July Preliminary Income Statement](#)

Risk 5: Continued exodus of faculty, staff, and senior administrators.

The board's approval of 8% and 3% salary increases for the past two fiscal years (FY2024 and FY2025 budgets) and employees' perception of the board's improved governance contributed to NIC's successful employee retention efforts.

As reported in the responses to Risk #2 and Recommendation 5, Spring 2023, NIC experienced a 12% reduction in employee departures and a 2.5% improvement in the departure rate over the prior year. The president updated the board about this significant improvement during the June 26, 2024, board meeting, attributing some of the success to the board's support with salary increases and employee confidence in the college's stability. See [Video Clip, June 26, 2024, Board Meeting, 1:12:16-1:14:59](#), and [Human Resources Departure Information for President's Cabinet](#)

Risk 6: Decision with little to no input to expand athletics program and to change athletics conference with potential added costs.

The college acknowledges that the decision to change athletic conferences could have been a more thorough process to include all relevant stakeholders. At the time the decision was made on December 21, 2023, the college was experiencing leadership transitions. The tradition of competitive athletics at NIC is a long and successful one. The community is proud of this tradition. The board's decision was made based on many factors including community input. In the future, the board will work with the president to observe good governance practices for decisions of this type. Additional information is provided in prior reports to NWCCU. See [Risk 6 – Athletics, Fall 2023 Special Report](#) and [Risk 6 – Athletics, Spring 2023 Special Report](#)

During the 2023-2024 Academic Year, the men's and women's basketball teams transitioned from the Northwest Athletic Conference (NWAC) to the National Junior College Athletic Association, Division 1 (NJCAA). The remaining sports will begin competition in the NJCAA starting in the Fall 2024 semester.

The NIC Special Peer Evaluator Report Fall 2023 identified concerns of faculty, staff, and students of the lack of participatory input into this decision.

In addition to the concerns raised around participatory governance, faculty and staff also expressed concerns about the budgetary impact of the decision, the effect on student learning with anticipated student athlete class absences due to increased travel requirements, and the potential for decreased opportunities for local students to participate in the athletic programs as a result of national and international recruiting efforts.

During the April 24, 2024, board meeting, the trustees and administration discussed the impact of athletics during the first reading of the FY2025 budget. The administration reported that transitioning from the Northwest Athletic Conference to the National Junior College Athletic Association (Division 1) would require a conservative estimate of an additional \$4,117,253 for the FY2025, with all student athletes' scholarships set at the highest tuition level, out-of-state/international. See [General Fund Presentation Slides to Board, April 24, 2024, Board Meeting](#)

During the June 28, 2024 board meeting, the athletic director provided an update on the recruitment of students for the next academic year. There was a constructive discussion regarding the impact of out-of-state and international students on the projected athletic budget. The administration plans to present a monthly athletic department budget update to the board, with the first update scheduled for the October 2024 meeting. See [Video Clip, June 26, 2024, Board Meeting, 48:29-59:50](#)

Risk 7: Multiple No Confidence Resolutions from the Associated Students of NIC, NIC Faculty Assembly, and NIC Staff Assembly.

A [summary table](#) of all of the votes of no confidence is also provided in the response to Recommendation 2, Spring 2023. Since his election in November 2023, the board chair has made it a priority to communicate with the constituency groups and the public with monthly statements at the beginning of every board meeting as a medium to address the votes of no confidence. For example, during the June 26, 2024, board meeting, the board chair made a statement directly to the constituency group representatives on behalf of the board, thanking them for their work on behalf of the students. The board chair also stated that the board listens to their concerns and appreciates their input in the college's participatory governance process. He further states that there is congruency between the concerns of the constituency groups and the outstanding recommendations from NWCCU and that the board is addressing those concerns while working to address the 10 NWCCU Recommendations. The remaining statements from the board chair at each of the meetings are individually provided in the response to Recommendation 2, Spring 2023. See [Video Clip, June 26, 2024, Board Meeting, 3:13-4:54](#), [Video Clip, December 20, 2024, Board Meeting, 1:36-3:12](#), [Video Clip, February 28, 2024, Board Meeting, 8:25-9:40](#), [Video Clip, March 27, 2024, Board Meeting, 1:04-2:14](#), [Video Clip, April 24, 2024, Board Meeting, 6:02-9:19](#), and [Video Clip, May 22, 2024, Board Meeting, 5:59-6:53](#)

Risk 8: Risk of significant financial stress, including but not limited to:

A. Expanded payroll for two presidents, interim provost, and special assistant to the interim president, along with moving expenses, and other contracted charges and/or obligations.

The board acknowledges that Dr. Nick Swayne is the president of NIC, as reported in the responses to Risk #3 and Recommendation 10, Spring 2023. The FY2025 budget does not include any associated expenditures for an additional interim president or provost, moving expenses, or other contracted charges.

The administration expects the college's general fund to realize a surplus (approximately \$2,000,000 in FY2024) for the second consecutive fiscal year in FY2024. This surplus was due to a combination of factors, including increased interest income revenue and reduced spending on salary and benefits due to vacant positions. As reported in the Fall 2023 Special Report to NIC, the college reported that the budget surplus at that time offset the increased costs of an additional presidential salary, insurance premiums, legal expenses, and additional contracted charges or obligations. See [NIC Special Report, September 2023, Page 13](#).

B. Significantly increased insurance costs with higher deductibles. Moody's Bond Rating review for potential downgrade.

With recent advancements in governance, the board is confident that the return of good standing with NWCCU will increase the college's bond rating to pre-sanction levels.

On April 10, 2024, Moody's downgraded NIC's bond rating from A3 to Baa1 and kept NIC's outlook as "negative." Since the initial downgrade on February 16, 2023, the college's financial position has improved, with budget surpluses of approximately \$2,600,000 and \$2,000,000 (estimated) in FY2023 and FY2024, respectively. The college has no outstanding debt and has no plan for any new bond issues at this time. While the further reduction in NIC's bond rating continues to impact the college's reputation, the administration does not anticipate that the rating will affect the college in the near term. See [FY2024 July Preliminary Income Statement](#) and [Moody's Credit Opinion – North Idaho College Update](#)

C. Declining donor support.

The [North Idaho College Foundation](#) continues to successfully raise funds for the support of North Idaho College and its students.

The NIC Development Office announced in February 2024 that the NIC Foundation will provide \$1,105,017 to the college in support of student scholarships for the academic year 2024-2025. It is customary for the Foundation to provide additional scholarship funds throughout the year, which are expected to exceed \$200,000 for FY2025. Last year, the Foundation provided a record total of \$1,257,286 in student scholarships. See [Notification Letter AY2024-25](#).

The NIC Foundation reached a record valuation of \$45,000,000 this fiscal year. The NIC Foundation experienced very strong investment growth in FY23-24, and successfully met their annual fundraising goals.

One of the foundation's popular fundraising events, the [31st Annual Really BIG Raffle](#), sold out all 5,000 tickets by May 31, 2024. The raffle took place on July 10, 2024, and featured over \$660,000 in prizes, including the grand prize of a brand new 2,338-square-foot, four-bedroom, two-bathroom home located in Greenstone Homes - Coeur d'Alene Place community, valued at \$630,000.

Recommendation 6: Spring 2023 Special Report - The Board of Trustees works in partnership with college president, leadership, and stakeholders to identify, create, and execute internal and external strategic initiatives with clear goals, metrics, and milestones for achievement of the same (2020 Standard(s) 1.B.4)

Guidance from NWCCU:

1. *Work together with the President to develop a plan and timeline to create a strategic plan that demonstrates engagement of stakeholders. We recognize that it will take time to complete a new strategic plan.*
2. *Document how the input of students, faculty, staff, and community members will be incorporated into the strategic plan.*

NIC's Response:

The college, community, the president and the board are successfully carrying out the first stages of a strategic planning process, which will eventually include corresponding goals, metrics, and milestones. The roles of each of these constituency groups are being respected and incorporated into the strategic planning process which is being implemented with the help of a national consulting group adhering to best practices of community college strategic planning. During the May 22 2024, board meeting, there was an instance of possible overreach into operational aspects of strategic planning. However, the board self-corrected and stayed at the governance level. See [Video Clip, May 22, 2024, Board Meeting, 1:11:31 – 1:26:00](#)

As a result, the college successfully achieved the goal of embarking on a new strategic plan during the 2023-2024 academic year. The president included developing a Strategic Plan as one of his goals for this year, which the board approved on August 23, 2023. See [Board Minutes, August 28, 2023, Page 3](#), and [President's Goals](#)

Also, on August 22, 2023, the Board of Trustees received training from two ACCT consultants on their respective roles in the strategic planning process, as it has been seven years since the last time the college developed a strategic plan. The training included a presentation on the president's role compared to the board's role during the process, including reviewing several examples of strategic plans developed by peer community colleges. The training was beneficial as at the May 2024 board meeting, the board demonstrated the appropriate level of oversight. See [Board Minutes, August 22, 2023, Training Session](#), [Board Minutes, November 11, 2023, Training Session](#), and [Strategic Planning Information Sheet for NIC Board Discussion](#),

The administration informed the board on the progress of the strategic planning process during several of the president's reports and as a formal agenda item at the February, April, and May 2024 meetings. See [Board Minutes, February 28, 2024, Page 2](#), [Board Minutes, April 24, 2024, Page 3](#), [Board Minutes, May 22, 2024, Pages 2-3](#), [Video Clip, January 24, 2024 Board Meeting, 1:15:05-1:15:30](#), [Video Clip, March 27, 2024, Board Meeting, 40:00-40:26](#), [Video Clip, April 24, 2024, Board Meeting, 1:06:42-1:06:57](#), and [Strategic Planning Update, Board Materials](#)

The college used a Request for Qualifications (RFQ process) to select a vendor, which resulted in a partnership with the Collaborative Brain Trust (CBT), which assisted NIC with collecting data and forming overall strategic goals using a participatory process. (See [Strategic Planning RFQ](#))

After the selection of CBT, the president charged a [Strategic Planning Steering Committee](#), composed of 20 representatives from college constituency groups (students, staff, faculty and administration) to formulate a new strategic plan with guidance from CBT. There are two parts and three phases of development:

Project Part A: November 2023 – April 2024

Phase 1: Discovery: Data Collection, Analysis, and Synthesis

Phase 2: Portfolio Development & Planning Assumptions

Phase 3: Goal Setting and Recommendations

•Goal: Develop Strategic Plan Goals

Project Part B: April 2024 – October 2024

• Goal: Develop Institution-wide Objectives

• Goal: Develop Implementation Action Plan

November 2023: The Strategic Planning Steering Committee and the CBT held a kick-off meeting to orient people to the process, principles, and approach of strategic planning. In November and December, the consultants conducted a comprehensive review of internal and external data.

From November 29 to December 1st, the consultants engaged in visioning sessions with the trustees and held 29 listening sessions with 251 internal and external stakeholders. The individual meetings with each of the Trustees were the foundational starting point for collecting qualitative data and setting the vision for all additional listening sessions. Four of the Trustees accepted meetings with the consultants.

January 2024: The Collaborative Brain Trust consultants finished meeting with internal and external stakeholders as they complete Phase I Discovery: Data Collection, Analysis, and Synthesis. The Strategic Planning Steering Committee met on January 30th to review some preliminary findings as well as national, state, and local trends. The SPSC then engaged in an interactive envisioning exercise.

February 2024: The consultants continued compiling the environmental scan data that includes national, state, local, and NIC trends. They developed listening session themes from written comments, campus tours, listening sessions with internal and external stakeholders, and the Strategic Planning Steering Committee visioning exercise.

March 2024: The Strategic Planning Steering committee met with the consultants on March 12th to review the listening session themes. The themes identified were:

- Students
- Community and External Partners
- Marketing, Enrollment and the Student Journey
- Institutional Planning and Effectiveness; Systems, Processes, and Culture
- Programs, Pathways, and Educational Partnerships
- Center Operations: Workforce Training Center, Parker Center, and Sandpoint Center

April 2024: The Strategic Planning Steering Committee met with the consultants for two days and engaged in strategic planning goal setting. After these meetings, five goals were developed, which were presented to the board at the May meeting.

May 2024: The Board of Trustees adopted the five strategic planning goals on May 29, 2024, including:

- Enhance student access and support services to strengthen student success
- Provide streamlined, flexible pathways to success that empower students to reach their educational goals
- Expand and strengthen relationships with business, industry, educational and community partners
- Create a unified educational system among the college and its centers
- Achieve organizational efficiency and effectiveness by fostering a dynamic college environment that invests in employees, facilities and technologies to support student success

See [Strategic Planning Webpage](#)

Recommendation 7: Spring 2023 Special Report - *The Board and College President should ensure that they adhere to the inclusivity articulated in the college's planning and decision-making processes. The Board and College President should demonstrate a commitment to an environment respectful of meaningful discourse, in their official capacities and when interacting with each other. (2020 Standard: Std. 2-Preamble).*

Guidance from NWCCU:

1. *Document accomplishments made working with the President to accomplish Board and institutional goals.*

NIC's Response:

In other sections of this report, NIC has provided information about recent evidence of the board working with the president to accomplish board and institutional goals.

From December 20, 2023, through August 23, 2024, the Board of Trustees passed the President's recommendations on the following policies and procedures that are operational, vetted through the college participatory governance process either using a consent agenda or a civil discussion using a separate agenda item: [NIC Head Start Grant Change of Scope](#), [Academic Calendar Revisions](#), revision of [Holiday Pay Policy 3.02.25](#), revision of [Jury Duty Policy 3.04.04](#), and revision of [Equal Opportunity Policy 3.02.01](#). See [Board Minutes, December 20, 2023](#), Page 4, [Board Minutes, January 24, 2024](#), Page 5, and [Agenda, August 28, 2024, Board Meeting](#)

At the October 25, 2023, board meeting, the board passed board goals for the 2023-2024 academic year. One of the six goals listed (Goal #6) was Board Effectiveness. The board agreed to six key actions to "transforming itself into a high functioning unit." One of the six key actions is to "Cultivate a strong, positive President/Board relationship that promotes the success of NIC's students and the community college as a whole." See [Board Goals](#)

As reported in the response to Recommendation 2, Spring 2022, an inclusive discussion between the board and the president led to the approval of a "[Plan for Achieving Board Goals](#)," a culmination of work over several board training sessions and a board retreat with the ACCT consultants and the president. The plan incorporates the use of nationally accepted best practices of board governance to enable NIC to regain good standing with the NWCCU. In the plan, the trustees agreed to hold themselves accountable for stated responsibilities and activities, to accomplish the six established goals. Additionally, they outlined their expectations of the president and staff that would assist the board with achieving their goals.

One of the board responsibilities listed in this plan is to "Establish clear, mutually agreed upon goals for the president and create a relationship for achievement of same." Under that goal, there are four responsibilities listed for the board, including:

1. The Board will understand and implement the President's Annual Performance Review as per [Policy 2.02.02](#).
2. The Board will discuss general priorities for the following year at the annual President's evaluation.

3. The Board will participate in discussions with the President to establish mutually agreed upon Presidential goals for the following year.
4. The Board will provide support to the President in the efforts to achieve Presidential goals by honoring the standards of good practice identified in Responsibilities [Policy 2.01.02](#).

As reported in the response to Recommendation 6, Spring 2023, the president and the board mutually agreed to 10 presidential goals for the Academic Year 2023-2024. The president cited progress on these goals in monthly presidential reports, recurring reports, and information reports. In his annual performance review self-evaluation, the president summarized progress toward meeting these 10 goals over the past year. For example, the president reported:

- The board has made progress with the governance concerns with the goal of NIC returning to good standing with NWCCU.
- The president and board participated in a parliamentary procedure training session conducted by the Association of Community College Trustees, which has helped to improve the conduct and efficiency of board meetings.
- A daily enrollment dashboard allows the administration and staff to visualize a daily snapshot of enrollment figures. The dashboard allowed the team to strategize recruiting efforts based on disaggregated data. Enrollment for the Summer is up 16.4% for headcount (1,091), and as of August 29, 2024, fall enrollment is up 4.0% for headcount (3,632) and up 5.5% for credit hours (2,343 FTE).
- The administration and the staff are more involved with the local school districts to help expand dual credit. The results won't be known until October but the reception by the school districts has been very positive.
- With board support, the administration worked on many activities that helped improve recruitment and enrollment. For example, the administration and the board chair met with community leaders to improve communication and reduce misperceptions about NIC, trustees and the administration participated in high school graduation recognition ceremonies, awarding high school seniors NIC foundation scholarships. The trustees and administration met with the members of the legislature to help them understand and advocate for NIC's requests for state appropriation.

Attainment of presidential goals was also a criterion considered by the trustees in the president's annual evaluation. See [President's Goals](#) and Presidential Performance Review [Policy 2.02.02](#)

One of the president's 10 goals was to "Establish a strategic planning initiative that enhances educational access, academic excellence, and student success through innovative programs, strong community partnerships, comprehensive support services, and the systems and infrastructure needed for success that results in a strategic plan that meets the educational goals and needs of NIC and the community it serves into the future."

As also reported in the response to Recommendation 6 from Spring 2023, the board and the administration collaborated with a steering committee of 20 members representing all college constituency groups to develop a new strategic plan, with assistance from a third-party firm throughout the Academic Year 2023-2024. The administration's research and selection of the

third-party firm was within the parameters of board policy. The board approved the president's recommendation, as demonstrated by the support of the selected vendor and the resulting strategic planning process. As a result of the work of the steering committee and widespread input from internal and external college communities, the president proposed and the board adopted five strategic goals for 2025-2030 at the May 22, 2024, board meeting. The college will be refining strategic objectives and indicators in the coming year. See [Strategic Plan Website](#)

As reported in the responses to Recommendation 1, Spring 2023, and Recommendation 2, Spring 2023, there is recent evidence that the president and the board are committed to "an environment respectful of meaningful discourse." Recent training in parliamentary procedure and with ACCT have contributed to improved professionalism at recent board meetings. As a result of the March 2023 Show Cause Sanction, the president and the board chair have implemented agenda-setting meetings that lead to improved efficiency at board meetings. Prior to that time there was inconsistency in the board agenda setting meetings. The president has continued the practice of inviting trustees to meet with him to review the board agenda in advance of meetings. To address issues that might disrupt meetings, the board chair has made a considerable effort to meet individually with trustees with the goal of improving productivity during meetings. See [Overview, Training Conferences, Recurring Reports](#) and [NIC Training History Folder](#)

Another example of improved professional behavior during board meetings was the process of recording and approving board meeting minutes. There was a difference in opinion among several board members about the type of information that the board secretary should record, which delayed the approval of meeting minutes by several months and resulted in the board calling for a special meeting to focus on meeting minutes. After several training sessions, the board voted to approve all minutes, including those delayed on a consent agenda, and agreed to a standard process for recording future meeting minutes. The trustees also voted to approve a consent agenda, including the April and May 2024 meeting minutes, confirming its understanding of the recent ACCT training on the proper recording and approval of board minutes. See [Board Book, March 12, 2024, Special Meeting](#), [Board Minutes, February 21, 2024, Training Session](#), [Board Minutes, March 12, 2024](#), [Board Minutes, April 12, 2024](#), [Draft Board Minutes, April 24, 2024](#), [Draft Board Minutes, May 22, 2024](#), and [NIC Memo on Writing of Report from Consultants](#)

After a lengthy civil discussion about the college's memberships in external organizations during the January 24, 2024, board meeting, the trustees and the president revisited memberships as part of the procedure accompanying Recurring Reports [Policy 2.01.05](#) during the February 28, 2024, board meeting. Several board members expressed concern about providing transparency about the type and timing of the reports. The president agreed to include this public information on NIC's website and worked with staff to develop the site, before any action by the board. The board respected the president's recommendation and approved the policy on a 3-1-1 vote. See [Board Minutes, January 24, 2024, Page 5](#), [Board Minutes, February 28, 2024, Page 3](#), and [Video Clip, February 28, 2024 Board Meeting, 2:39:40-2:53:28](#)

As reported in the response to Recommendation 1, Spring 2023, the trustees considered an amendment to the FY 2025 budget that would have pulled funding from the area chambers of commerce. A majority of the trustees publicly stated during the debate that the approval of the

amendment would not only intrude on the college's operations but prevent the president from achieving at least three “mutually agreeable” goals because of the partnership that is required between community colleges and chamber of commerce to attract and maintain industry in the area. The president and board chair had a good discussion on how reduction of the membership dues could impact achieving the president's goals, especially since these entities support the college, business, and industry.

In a memo to the board, the ACCT consultants congratulated the board on their behavior during the May 22, 2024, board meeting. The ACCT consultants cited several positive accomplishments, including "...the positive comments and acknowledgment by board members of achievements contained in the President's Report, approval of a motion to enter in executive session to discuss a matter closed to the public under state statutes, the respectful manner that the board received public comments, and the professional exchange among the trustees and president on the status of board policy revisions currently under consideration by the College Senate." See [NIC Memo on Writing the NWCCU Report from Consultants](#)

Recommendation 10: Spring 2023 Special Report - The Board of Trustees must act to unequivocally identify one CEO/President for the institution, with a valid contract and a clear understanding of conditions of employment, rights, responsibilities, and criteria and procedures for evaluation, retention, and termination (ER 10, Standards 2.A.3, 2.F.1).

Guidance from NWCCU:

1. *Take the steps necessary to have one president under contract at North Idaho College.*
2. *Provide evidence that the extra contract for a president has been rescinded, or a specific date on which the extra contract will be null and void.*

NIC's Response:

NIC unequivocally has only one President, Dr. Nick Swayne, and the prior contract of former Interim President Gregory South has expired. NIC has also resolved the two lawsuits referenced as concerns by NWCCU in previous action letters and reports. In addition, by addressing NWCCU accreditation recommendations NIC is also addressing the majority of the concerns expressed in constituency groups' No Confidence motions.

NIC provides the following evidence to support the claims stated in the prior paragraph:

At the December 20, 2024, board meeting, the board chair made a statement on behalf of the board that it has no intent to remove Dr. Nick Swayne as president of NIC. See [Video Clip, December 20, 2023, Board Meeting, 2:39:08-2:39:39](#), and [Board Minutes, December 20, 2023, Page 5](#)

On January 25, 2024, NIC notified NWCCU that it would not be renewing the contract of Interim President Gregory South when it expired on June 30, 2024. The board would have to pay an additional six months of salary if they would have terminated the contract at that time. See [NWCCU Letter of January 25, 2024](#)

On May 22, 2024, the board voted to authorize the college attorney to drop an appeal to the Idaho Supreme Court over a Summary Judgement in a lawsuit filed by President Swayne. See [Draft Board Minutes, May 22, 2024, Page 3](#), and [Order Approving Stipulation to Dismiss Appeal](#)

At the June 26, 2024 board meeting, in his Chair's Report, the board chair restated the board's intention of not renewing the contract of Dr. Gregory South by stating: "Another issue that has been resolved is that we have a signed agreement with Dr. South that the board will not be renewing his contract, and NIC is severing our relationship with him effective June 30, 2024. We will send notice of this to NWCCU next week." See [Video Clip, June 26, 2024 Board Meeting, 6:07-6:49](#)

On July 1, 2024, the college attorney sent a letter to NWCCU stating that the interim president's contract expired on June 30, 2024. See [Attorney Letter](#) and [July 12, 2024 Comings and Goings Report](#) (Redacted)

In addition, Dr. Nick Swayne has a valid contract and a clear understanding of the conditions of employment, rights, responsibilities, and criteria and procedures for evaluation, retention, and termination. The process, procedures, and evaluation criteria for this annual performance review have been identified in Presidential Performance Review [Policy 2.02.02](#) and are congruent with

nationally accepted best practices. The Association of Community College Trustees (ACCT) will assist the board with the review. The [timeline](#) for the 2023-24 annual performance review is also provided for NWCCU's review. The board discussed the President's annual performance review during the August 27, 2024 Special Meeting. See [Agenda, August 27, 2024 Board Meeting](#)

Recommendation 11: Spring 2023 Special Report - *The college should resolve current litigation, governance, and accreditation issues that have had a current and immediate impact on actual, current, and budgeted expenditures and which, if unresolved, will impact long-term financial stability of the institution (2020 Standards 2.E.2; ER 19).*

Guidance from NWCCU:

None

NIC's Response:

The board has taken steps to resolve current litigation, governance, and accreditation issues pointed out by NWCCU that have directly impacted actual, current, and budgeted expenses. While specific details of the board's actions are available in other sections of this report, recent measures taken by the board to enhance the college's long-term financial stability include the following:

- The board resolved the two remaining lawsuits addressed in the [February 9, 2023, Show Cause Letter](#). All lawsuits related to the governance concerns of NWCCU have been resolved, and there are no remaining lawsuits that might impact the financial stability of the college. See response to Recommendation 5, Spring 2023
- The board has learned from their training by recent decisions supporting the president of college with approvals of the budget and strategic planning goals without any amendments. See responses to Recommendation 2, Spring 2022 and Recommendation 7, Spring 2023
- The board, in consultation with the ACCT consultants, has passed multiple motions, assisting the trustees to understand and differentiate the roles of the board and the roles of the president. See response to Recommendation 2, Spring 2022
- The board took several steps to ensure that there is one NIC president and that there is a clear understanding of conditions of employment that follow NWCCU standards. See response to Recommendation 10, Spring 2023
- The board's actions have reduced or mitigated the eight risks, identified in the [February 9, 2023, Show Cause Letter](#). See response to Recommendation 5, Spring 2023
- Other than the threat of the loss of accreditation, there are no remaining issues that threaten NIC's financial stability.

In the most recent fiscal year (FY2024), the college had a budget surplus of about \$2 million, slightly better than the previous budget (FY2023). This surplus was primarily due to an increase in interest income, salary savings, and summer session tuition. The college took a conservative approach when creating the FY2025 budget, which places the college in a financially stable position. See [FY2024 June Preliminary Income Statement](#)

During the second reading of the FY2025 budget, the vice president for finance and business affairs (VPBA) reported that based upon feedback from the first reading of the budget and additional discussions by the administration, that the FY2025 budget was balanced as a result of the cancellation of the transfer of \$2,600,000 from the general fund to the capital reserve fund, and the inclusion of the fund balance transfer of \$2,630,000. The current level of the Capital Reserve Fund is \$16,000,000. However, the VPFBA warned that this solution is not sustainable for the long-term and that the "...continued use of the reserve balance contribution will erode the

total reserves below the recommended levels of 40% or five months of operating expenses by the Government Finances Officers Association and the National Association of College and University Business Officers See [Video Clip, May 22, 2024 Board Meeting, 1:26:32-1:29:09](#)

The Fall 2024 tuition numbers look promising. As of August 29, 2024, Fall enrollment (credit hours) are up 5.5% compared to a year ago. The administration projects that tuition revenues should exceed budget amounts, but is still too early to provide an estimate. The increase in enrollment is a sign of improved confidence of the community with the stability of NIC. The trustees have availability to monitor the enrollment of the institution through the college's enrollment dashboard. The dashboard is not available for viewing off campus because of licensing terms. The NWCCU Visiting Team will be provided access during the visit.

The board has asked the president for monthly updates until the October 2024 meeting to monitor the actual expenses associated with the switch from the Northwest Athletic Conference to the National Junior College Athletic Association. The prior NWCCU visiting team identified the increase in expenditures as one of four concerns about the athletic conference decision. See response to Recommendation 5, Spring 2023, Risk 6

As stated in the response to Recommendation 5 from Spring 2023, the NIC Foundation has continued to support NIC students. Last year, the NIC Foundation achieved a record valuation of \$45,000,000 and is projecting to award approximately \$1,300,000 in NIC student scholarships for this academic year.

The recent decisions and actions of the board have had a partially positive impact on the budget. Given the college's history of budget surpluses, there is optimism for North Idaho College's long-term stability if the board continues to make progress with NWCCU recommendations.

Recommendation 2: Fall 2023 Special Report – *The Board of Trustees, should provide evidence of ongoing development related to board governance, roles and responsibilities, effective participation, conflict of interest identification and ethics that is sustainable (Standards 2.A.1, 2.D.3).*

Guidance from NWCCU:

- 1. Document Board of Trustees participation in on-going training in these areas, and the impact of training on Board actions and processes.*
- 2. Document Board approval of policies and statements in these areas.*
- 3. Review meetings and document Board adherence and application of these policies at meetings and in discussions.*

NIC's Response:

The response to this recommendation closely resembles the response to Recommendation 1 from Spring 2023. The board and the president will continue collaborating with ACCT consultants to undergo training focused on improving board governance. The learning objectives include gaining a deeper understanding of the roles and responsibilities of a trustee in contrast to the president's operational decisions and training to enhance professional conduct. In a [March 27, 2023, letter to NWCCU](#), the ACCT Consultants outline their strategy and learning objectives, primarily taken from the "Trusteeship in Community Colleges" book published by the Association of Community College Trustees (ACCT), including that every trustee understands and accepts the following "precepts:"

- That a board member's authority exists only when acting collectively with fellow board members, and that the authority is derived from, and obliged to serve, the interests of the entire community;
- That each board member will exemplify ethical behavior and conduct that is above reproach;
- That each board member will engage in an ongoing process of in-service education and continuous improvement;
- That each board member will be prepared to participate in open, honest, and civil deliberation with colleagues, vote his/her conscience rather than to advance any special interests, and support the decisions and policy made as a whole; and
- That each board member will honor the division of responsibility between the board and the president and staff, and contribute to creating a spirit of true cooperation and a mutually supportive relationship in support of the community.

The college's response includes examples of the training and improved board behavior in the second section. See [NIC Board Development History](#) and [Overview- Training and Recurring Reports](#)

On February 21, 2024, the training session involved ACCT consultants reviewing the trustees' fiduciary responsibilities, parliamentary procedure, meeting minutes, and board goal setting. The board also conducted a self-review of their individual and collective performance. See [Board Minutes, February 21, 2024](#)

On April 12, 2024, the training session was centered on professional conduct during board meetings. Two ACCT consultants led a discussion with examples of both proper and improper board governance. The training also covered the topic of information requests from trustees to the president. See [Board Minutes, April 12, 2024](#)

On May 8, 2024, the training session centered on communication channels. The ACCT consultants focused on the roles and responsibilities of the board chair and effective communications between board members and the president. See [Communication Protocol Presentation Slides](#) and [Agenda, May 8, 2024 Board Meeting](#)

On June 6, 2024, the training session focused on goal setting, with the board reviewing an example of board goals from another institution. The ACCT consultants introduced the trustees to presidential goal setting. The board also completed another board self-evaluation. See [Agenda, June 6, 2024, Board Meeting](#), [Sample Model Board Goals](#), and [First Draft of Presidential Goals](#)

During the board training on July 2, 2024, there was a focus on reminding the board about the best practices of high-performing boards. The training also involved a review of Responsibilities, Duties, and Standards of Good Practice [Policy 2.01.02](#), Meeting [Policy 2.01.03](#), Board Conduct [Policy 2.01.10](#), and Board Ethics [Policy 2.01.12](#). Additionally, the consultants discussed the [Board Goals](#) and the [Plan to Address Board Goals](#), and the trustees reaffirmed their commitment to these goals. The trustees reviewed the policies again at the August 27, 2024, training session. See [Agenda, July 2, 2024, Board Meeting](#), and [Agenda, August 27, 2024, Board Meeting](#), and [Board Minutes, July 2, 2024](#)

The July 2 training session also encompasses conflict of interest and ethics, highlighting that those trustees are responsible for acting in the best interest of the institution, its students, and the community. The trustees learned that a conflict of interest influences decision-making and undermines the trust essential to governance. The trustees also learned that ethical behavior ensures transparency, accountability, and fairness: all contributing to a culture of trust and respect with each other, the administration, faculty, staff, students, and the community. The consultants have consistently stressed that consistent adherence to policies regarding ethical standards and avoidance of or appearance of conflict of interest will help rebuild NIC's reputation and uphold the college's mission statement of serving the community.

The trustees are starting to understand their roles; however, there is room for improvement. Below are recent examples of the effectiveness of this training, including efficient meetings, improved professional behavior, supporting the president's recommendations, and staying at the policy level rather than becoming involved in NIC operations:

- On May 22, 2024, the board voted 5-0 to support the work of the Strategic Planning Steering Committee by adopting five goals as recommended by the president. See response to Recommendation 6, Spring 2023, and [Video Clip, May 22, 2024, Board Meeting, 1:11:31-1:26:00](#)
- The board adopted a Plan for Achieving Board Goals on a 5-0 vote. This strategic document guided the board with the training and actions necessary to steer the college into a good position and regain good standing with NWCCU. See response to Recommendation 2, Spring 2022, [Plan for Achieving Board Goals](#), and [Board Minutes, March 13, 2024, Page 3](#)

- Although very late in the process, the board chair has attempted to express his appreciation to the faculty, staff, and students as part of monthly board chair reports and address the constituency concerns stated in the motions of no confidence against the board. See response to Recommendation 2, Spring 2023, [Video Clip, December 20, 2024, Board Meeting, 1:36-3:12](#), [Board Minutes, January 24, 2024, Page 2](#), [Video Clip, February 28, 2024, Board Meeting, 8:25-9:40](#), [Video Clip, March 27, 2024, Board Meeting, 1:04-2:14](#), [Video Clip, April 24, 2024, Board Meeting, 6:02-9:19](#), and [Video Clip, May 22, 2024, Board Meeting, 5:59-6:53](#)
- The board has taken several actions to support the idea that NIC has one president. See response to Recommendation 10, Spring 2023, [NWCCU Letter of January 25, 2024](#), [Video Clip, June 26, 2024 Board Meeting, 6:07-6:49](#), and [Attorney Letter](#)
- The board has taken action to either reduce or eliminate the eight viability risks identified by NWCCU in the [February 9, 2023, Show Cause Letter](#). See response to Recommendation 5, Spring 2023
- The board has worked collaboratively with the president with the adoption of [Board Goals](#), [Plan for Achieving Board Goals](#), and the [President's Goals](#) while respecting the college's shared participatory planning and decision-making processes. See response to Recommendation 7, Spring 2023, and [Board Minutes, August 23, 2023, Page 3](#), [Board Minutes, October 25, 2023, Page 3](#), and [Board Minutes, March 12, 2024, Page 3](#),
- The subcommittee of the board completed its review and revision of internal board policies. The results of the subcommittee's work were reviewed during public board meetings by the board as a whole, and additional revisions were discussed. The board unanimously approved all revised policies. See response to Recommendation 2, Spring 2022 and [Board Policy Review Tracking Sheet](#)
- The ACCT consultants reviewed all policies referenced in NWCCU recommendations with the trustees during training sessions on July 2, 2024, and August 27, 2024, to ensure understanding and compliance. See [Draft Board Minutes, July 2, 2024](#), and [Agenda August 27, 2024, Board Meeting](#)

To ensure sustainability of the above efforts, the board has publicly committed to several actions:

- The board has traditionally participated in an annual performance review to assess board development needs. However, this year the trustees embedded a mid-year assessment of their performance toward achieving their Board Goals, which were approved at the October 23, 2023 Board Meeting. When this midyear assessment was completed during the July 2, 2024, Board Development Session, the Board was able to discuss their progress, clarify the commitments and expectations delineated in the plan, and make adjustments to improve their performance toward achieving their goals. See Board Performance Review [Policy 2.01.08](#) and [Draft Board Minutes, July 2, 2024](#), Page 1
- In addition to setting 2023-24 Board Goals and approving a plan for achieving those goals, the board participated in periodic mini self-assessments (May 8, 2023, February 21, 2024, and August 27, 2024). These assessments asked trustees to rate themselves and to rate the whole board on 10 measures of high performing boards. The results were discussed and compared with previous results to ascertain strengths and areas for improvement. See Board Performance Review [Policy 2.01.08](#), [Agenda, May 8, 2023, Board Meeting](#), [Agenda, February 21, 2024, Board Meeting](#), [Agenda, July 2, 2024, Board](#)

[Meeting](#), and [Agenda, August 27, 2024, Board Meeting, Mini Self-Evaluation Mini Self-assessment results/comparison](#)

- In addition, ACCT’s “[Annual Trustee Affirmation](#)” was added to both New Trustee Orientation [Policy 2.01.11](#), Board Member General Conduct [Policy 2.01.10](#). This affirmation will be read and signed publicly by all trustees each year to reinforce their commitment to their roles and responsibilities as NIC Trustees.
- Finally, the Board added a new separate Code of Ethics [Policy 2.01.12](#), delineating its Code of Ethics, highlighting eight performance standards for trustees.

The trustees are committed to working with the ACCT until the [current contract](#) expires in December 2024. Subsequently, the board will evaluate the need for ongoing training.

Conclusion

Based on the evidence provided in this report, NIC has demonstrated that the Board of Trustees has made progress toward addressing board governance issues identified by the NWCCU; it is equally clear; however, the board needs to continue to exhibit behaviors that will give further evidence of meeting the Eligibility Requirements and Standards set forth by the NWCCU in order to return to good standing. While the board continues their work, the institution remains steadfast in fulfilling its mission: providing educational opportunities for its students, faculty, staff, and members of the communities it serves as evidenced by the tremendous progress even during uncertain accreditation times. Examples of this progress include:

- Superior certification/licensure passage rates of health professions and nursing programs,
- Expansion of Career and Technical Education programs essential to the community,
- An increase in enrollment for the first time in over 12 years
- A strong financial position of the college

While NWCCU may not recognize this progress to return NIC to good standing, the compelling evidence in this report serves as documentation that the college has earned the minimum of a reduced sanction. This move by the NWCCU would be seen as a vote of confidence in the board's effort and encouragement for continued progress. Additionally, a move off Show Cause would be a recognition of the unwavering commitment of NIC's administration, faculty, and staff to the students and communities that NIC serves. Returning to a more favorable accreditation would provide a stable environment for the college to continue its efforts to fulfill its mission.

The report notes examples of changes in the behavior and civility of the NIC Board of Trustees. Changes include:

- unanimous budget approval for FY 2025
- clearly establishing that there is one President of North Idaho College, Dr. Nick Swayne, allowing Greg South's contract to expire (which ended in June, 2024) and choosing not to renew it. The Board and entire campus community are unified in the recognition of Dr. Swayne as the college president
- more civil and measured discussions of potentially contentious topics
- formal recognition from the current board chair of the concerns from faculty, staff, and students

There are also climate and collegiality indicators that show that the board continues to work to rebuild from the dysfunction of the last several years. One such indicator comes from the board chair, who has made it a practice to offer specific praise at each meeting to NIC's devoted faculty, staff, and students. Likewise, recent board meetings have seen a redoubled effort among the trustees to be civil to one another when discussing difficult topics. These are hopeful signs of authentic change.

Aside from improvements to board governance, the institution has continued to steadily serve its students and the community despite the Show Cause Sanction. For all of the progress NIC has made as an institution in this time, it is useful to refer to monthly presidential reports that celebrate student, faculty, and staff success. The dedicated faculty, staff, and students of North Idaho College have shown just how resilient they are in innumerable ways: by ending the

declining enrollment trend and increasing it over 5% year-over-year for Fall24, by remaining in a strong financial position to weather any potential financial storms, by continuing to have the best Nursing Program in the state, by having top-quality, dedicated, and relentlessly student-focused faculty and staff, and by having dynamic administrators who have taken on multiple new roles to help guide the college as smoothly as possible through the past several years.

To conclude, it would be devastating to the students of NIC, to the north Idaho communities, and to the entire state of Idaho if NIC were to lose its accreditation. NIC has a long and impressive history of unremitting dedication to student success: for 90 years, the college has served its local communities and provided access to education and a better life for students who may not otherwise have the chance to earn a degree. Were the college to lose accreditation, those educational opportunities would be lost for the students who need them the most. Simply put, losing accreditation would hurt students the most; it would remove a valued community partner from the region's educational system and would weaken the entire state.

NIC has earned a reduced sanction.