

**NAVARRO COLLEGE BOARD OF TRUSTEES
APRIL 18, 2013 MEETING
MINUTES**

The Navarro College Board of Trustees met at 7:00 p.m. on Thursday, April 18, 2013, in Room 145, Building B on the Waxahachie Campus located at 1900 John Arden Drive, Waxahachie, TX for their regular monthly meeting. Trustees in attendance included: Mr. Lloyd Huffman, Dr. James Price, Mr. Phil Judson Mr. Richard Aldama, Mr. A. L. "Buster" Atkeisson, and Mr. Todd McGraw. Ms. Faith Holt was absent.

Others in attendance included:

| | |
|----------------------|---|
| Dr. Richard Sanchez | District President |
| Dr. Kenneth Martin | President, Ellis County Campuses |
| Dr. Harold Housley | Vice President, Academic Affairs |
| Ms. Gettie Moreno | Vice President, Finance and Administration |
| Ms. Maryann Hailey | Vice President, Student Services |
| Ms. Marcy Ballew | Director, Human Resources |
| Ms. Terry Gibson | Dean of Academic Services, Waxahachie |
| Mr. Guy Featherston | Dean of Navarro College at Midlothian |
| Ms. Linda Davis | Dean of Navarro College at Mexia |
| Dr. John Howe | Asst. Dean, Student Services and Operations, Waxahachie |
| Dr. Don Capone | Asst. Dean, Business Professional & Technical Education, Waxahachie |
| Ms. Kristin Walker | Director, Continuing Education |
| Ms. Leslie Smith | Executive Administrative Assistant |
| Ms. Lynne Coker | Executive Administrative Assistant |
| Mr. Anthony Longoria | M.I.S.C. Audio Visual Specialist |
| Mr. Doug Barnes | Waxahachie Economic Development Director |
| Mr. Dennis Melton | Owner, Generation II Construction Co. |
| Ms. Melissa Cade | Waxahachie Daily Light |

Various other faculty, staff, students and visitors were also present.

Call to Order

Mr. Huffman called the meeting to order at approximately 7 p.m. and asked Dr. Price to begin with a prayer.

Mr. Huffman recognized Mr. Doug Barnes, Director of Economic Development for the City of Waxahachie. Mr. Barnes welcomed the Board of Trustees to Waxahachie. He expressed appreciation for building expansion taking place on the Waxahachie campus, and shared information about other business and industry economic developments taking place in Waxahachie. Mr. Barnes concluded by stating "the community doesn't fully understand the economic advances that community colleges bring to a city" and expressed his appreciation to the Board of Trustees once again.

Open Forum

Mr. Huffman recognized Mr. Troy Mooney, Chief Academic Officer for Life Schools of Dallas, and his request to speak to the Board relative to dual credit fees for their charter schools. Mr. Mooney distributed materials about Life Schools of Dallas and requested Life Schools of Dallas students be charged the same discounted rate for dual credit courses as the other out-of-district independent school districts. He briefly explained the differences and similarities between charter schools and independent school districts (ISDs).

Mr. Mooney stated charters schools must follow the same assessment guidelines as ISDs. ISD students must live

within their school's attendance zone, which is regulated by the State and cannot be changed. Charter schools, however, can request changes to their attendance zones. In addition, charter schools can set their own calendars and capacity level and adjust them as they see fit, unlike ISDs which are mandated by the State. Other significant differences between charter and public schools are charter schools staff are "at-will employees" and all maintenance and operation funds are lumped into "one source" of funding.

Mr. Huffman thanked Mr. Mooney for sharing information about Life Schools and stated charter schools was an exciting, entrepreneurial concept. He advised Mr. Mooney that Navarro College will not discriminate against Life Schools and they will be given the same reduced rate effective fall 2013 for dual credit courses offered out-of-district ISDs.

A brief question and answer period followed regarding the number of campuses and locations affiliated with Life Schools, and the types of extra-curricular activities offered its students. Mr. Mooney responded Life Schools has five elementary and two high schools located in Waxahachie, Red Oak, Lancaster, Oak Cliff and Cedar Hill. Approximately 4,700 students are enrolled in all campuses, equivalent to the size of a small 4A school. All campuses are administered from one central office in Dallas. Extra-curricular activities offered to their students include all athletics found in 4A schools as well as band and choir.

Mr. Huffman thanked Mr. Mooney.

Consent Calendar

- a. Minutes - Board of Trustees March 22, 2013 Meeting
- b. Minutes - Board of Trustees March 27, 2013 Special Meeting
- c. Revise *Section IV.20.00 – Early Admissions/Dual Credit Instructional Program*, Navarro College Administrative Policies and Procedures Manual
- d. Revise *Section VI.11.00 – Student Grievance Procedures* and Move to *Section X.01.00*, Navarro College Administrative Policies and Procedures Manual
- e. Revise *Section IX.13.00 – Navarro College Drug and Alcohol Policy*, Navarro College Administrative Policies and Procedures Manual

Dr. Sanchez stated minutes from the Board of Trustees March 22 and March 27, 2013 meetings and three revisions to the Navarro College Administrative Policies and Procedures Manual were included in the Consent Calendar for approval.

Revisions to *Section IV.20.00 - Early Admissions/Dual Credit Instructional Program* include provisions for admitting freshman and sophomore high school students into dual credit programs based on guidelines received from the Texas Higher Education Coordinating Board. *Section VI.11.00 – Student Grievance Procedures* is being relocated to newly created *Section X – Student Information* in the Policies and Procedures Manual. The third proposed revision, *Section IX.13.00 – Navarro College Drug and Alcohol Policy*, addresses student behaviors off-campus that would be subject to violation procedures. Dr. Sanchez recommended approval.

Mr. Huffman stated he was pleased to see the state is clarifying the rules for dual credit admission. Dr. Sanchez agreed and stated all ISDs will be informed of the new guidelines if approved.

Mr. McGraw made a motion to approve the Consent Calendar and Mr. Aldama seconded the motion. The vote in favor of the motion was unanimous.

Take Action on February 2013 Financial Statement

Ms. Moreno was asked to present the February 2012 Financial Statement. Ms. Moreno stated a thorough review of the revenues and expenditures at mid-year was made to ensure adequate resources were available through the end

of the 2012-13 fiscal year. She stated the district continues to be in a strong financial condition.

Ms. Moreno stated the remaining tuition and fee revenue budgets in the Education and General (E&G) Fund were found to be reasonable and should reach close to 100% recognition by the end of the 2013 fiscal year. No increase was recommended. Adjustments to cover teaching loads will cancel each other out resulting in a net effect of zero. Ms. Moreno stated an increase of \$146,967 in Educational & General Fund's fund balance is anticipated at year-end.

No budget adjustments were necessary in the Revenue Interest and Sinking Fund.

A prior year appropriation transfer of \$530,099 from the E&G s fund balance to the Plant Fund was necessary to fund the close out of multiple construction projects, the development of a master plan for the Mexia Campus, and the design of the outdoor basketball court on the Corsicana campus.

The Auxiliary Fund's revenue budgets were determined to be reasonable and no increases recommended. Although no new auxiliary revenues were identified, expenditures in the Auxiliary Fund budget required adjustment for increases in athletic scholarships, playoff expenditures, and assistant coach phone stipends.

Ms. Moreno stated due to the substantial increase in donor contributions for student scholarships, the Student Financial Aid Fund was increased \$316,000. The amended budget as of February 28, 2013 totaled \$124,261,250.

Ms. Moreno stated the projected ending year fund balance provides more than three (3.2) months coverage of expenditures. This reflects an increase in the operating budget coverage of .72 over last year despite a slight decrease in enrollment.

A review of the Source and Disbursement of Funds compared to the same period last year indicated revenues and expenditures were "right in line". Ms. Moreno stated the percentages between the two years were slightly "skewed" because of ongoing projects impacting the Plant Fund.

Dr. Price moved to approve the February 2013 Financial Statement and Mr. Atkeisson seconded the motion. The vote in favor of the motion was unanimous.

Ms. Moreno continued stating a report was recently received from the Texas Higher Education Coordinating Board indicating the financial health of the 50 community colleges in the State of Texas. Each college's composite financial index and other financial ratios were based on self-reported data. Overall financial stress indicators show that Navarro College meets the minimum standards and is considered financially healthy. The report indicated five of the 50 Texas community colleges are in jeopardy of having financial difficulties in their continuing operation.

Ms. Moreno noted that since 2008 Navarro College's CFI (Composite Financial Indicator) has increased. She compared Navarro College to "sister institutions" such as Blinn, Hill, Kilgore Community College. Based on the report, Navarro College is realizing a return of eight cents on every dollar earned.

Discussion followed. Mr. Huffman shared with the audience that the buildings being constructed on the Waxahachie campus will be paid for in five years. He stated this is a "new way" of doing business. In the past, it would have taken 20 to 25 years to pay off the bond issues. Dr. Sanchez also pointed out that no other district in the state has grown as rapidly as Navarro College has in the past ten years.

Mr. Huffman and Trustees stated the report on ratios was very informative and requested Ms. Moreno share this report every year from this point forward.

Take Action on March 2013 Financial Statement

Ms. Moreno continued with a review of the March 2013 Financial Statement. She stated there was very little activity to report following the mid-year adjustments. Amendments totaling \$9,696 were made to reallocate Job and Education for Texans (JET) Equipment Petroleum Grant funds between fiscal years and to record Cosmetology income.

A review of the Source of Funds for the month ending March 31, 2013 indicated 62.17% of the 2012-13 budget had been earned, compared to 69.86% at this point in time last year. Ms. Moreno stated the lower percentage earned is related to the slight enrollment decrease for fall 2012 and spring 2013. She stated the Plant Fund with 3.05% earned compared to 16.84% last year also "skewed" the percentages.

The Disbursement of Funds indicated expenditures were slightly higher than last year with 76.24% expended compared to 70.45%. Ms. Moreno stated the Plant Fund, with 94.78% expended compared to 11.81% last year, has also skewed the percentages and concluded her report.

Mr. Judson made a motion to approve the March 2013 Financial Statement. Mr. Atkeisson seconded the motion and the decision in favor was unanimous.

Approval of Architectural Drawings and Construction of Administration Building on Mexia Campus

Dr. Sanchez introduced Mr. Dennis Melton, Generation II, and asked him to share the architectural plans to construct a new administration building on the Mexia Campus.

Mr. Melton stated plans for the new administration building include a bookstore, library, storage space, classroom space, offices and a student lounge area. Copies of the architectural drawings were provided to the Trustees for review.

Following some discussion, Dr. Sanchez shared more details on the master plan developed for the Mexia campus and the location of the new administration building in relation to the current facility. He also explained the design of the building in more detail including where the dean's and administrative offices, bookstore, library, student lounge, and additional classroom space will be located within the building.

Ms. Linda Davis, Dean of the Mexia Campus, was invited to share her comments. Ms. Davis stated students attending classes at the Mexia campus have no place to gather and often eat lunch in the hallways. The library is a very small space equivalent to the size of a closet and offers limited resources for students. The testing center only has enough space to accommodate 10 computers at one time and is inadequate to meet the needs of the students. There is currently no designated bookstore. Ms. Davis implored the Trustees to approve construction of the new administration building. She stated the building will fill a great void and provide much needed space. She added that she was asked by peer mentors to let the Board know the building will be greatly appreciated by all.

Dr. Sanchez shared construction costs estimated at approximately \$1.4 million. He stated the Mexia Economic Development Corporation voted unanimously to cover the cost of constructing the parking lot up to \$450,000. Dr. Sanchez stated with MEDC's contribution, only \$1.2 million is needed. Special reserve funds previously set aside in the event the State required state appropriation funds to be returned can be applied to the project and the remaining \$413,000 can be taken from the fund balance. Dr. Sanchez stated since this project is a one-time expenditure, funds directed to cover the cost of construction for the building will be available next year to fully fund the project.

Dr. Price made a motion to approve the architectural drawings and moving forward with a request for proposals for the construction of an administration building on the Mexia Campus. Mr. Aldama seconded motion. The motion carried by a unanimous vote.

The Board's decision was met by applause from the audience.

Approval of Revised Out-of-District Dual Credit Fee to \$150 per Three-Unit Course

Ms. Moreno was asked to present the revision to the out-of-district fee for dual credit courses. During the Board of Trustees meeting on February 22, 2013, two rates were set for out-of-district dual credit fees effective fall 2013. The first rate, \$125 per three-unit course, was to apply when the ISD pays the instructor's salary. The second rate, \$150 per three-unit course, applies when Navarro College pays the instructor.

Ms. Moreno stated the Southern Association of Colleges and Schools (SACS), the college's accreditation agency, requires the college district to maintain control over the curriculum. In order to maintain this control, Navarro College must pay the instructor's salary; therefore, the \$125 per three-unit course fee cannot be offered as an option. Ms. Moreno further stated because Navarro College is currently paying instructors' salaries for 100% of dual credit courses being offered, this matter will not be an issue for the out-of-district ISDs.

Some discussion followed regarding the importance of rates being competitive and testing rules not being followed by other institutions. Dr. Sanchez stated he is comfortable the rate of \$150 per three-unit course will be competitive with other institutions. In addition, the inquiry made by Mr. Gragg to the Coordinating Board regarding guidelines that need to be followed for dual credit admission has triggered an investigation by the state into institutions that may not be following the same rules.

Mr. Aldama made a motion to approve the deletion of the \$125 out-of-district fee per three-unit dual credit course fee for out-of-district ISDs paying the instructor. Mr. McGraw seconded the motion and the decision was unanimous.

Update on Ellis County Campuses

Dr. Martin welcomed the Board of Trustees to Ellis County. He stated Ellis County students receive quality instruction from "some of the best faculty in the state of Texas." This is validated by the number of students transferring to universities or obtaining jobs.

Dr. Martin commended the work of faculty, staff and administrators at the Waxahachie and Midlothian campuses. He stated with their assistance, this year's Brilliance scholarship fundraiser was one of the most successful ever. He praised Ms. Cyndi Seskes for her leadership.

Dr. Martin invited each administrator from the Ellis County Campuses to share information related to their respective areas. Brief presentations were made by: Ms. Terry Gibson, Dean of Academic Services; Mr. Guy Featherston, Dean of Midlothian Campus; Dr. Don Capone, Assistant Dean of Business, Professional and Technical Education; Ms. Kristin Walker, Director of Continuing Education; and Dr. John Howe, Assistant Dean of Student Services and Operations.

Following the presentations, Dr. Martin thanked them and concluded by inviting all Ellis County staff members present to stand and be recognized.

Update on Personnel Action

Ms. Ballew was asked to present an update on personnel activity. Ms. Ballew reported during the month of March 2013, one appointment was made and one resignation was accepted. She continued stating Ms. Cassandra Dillon was appointed ShaleNET Western Regional Hub Director for the Corsicana campus, and Ms. Rachel Conner resigned her position as Administrative Assistant I for the Police Academy on the Corsicana campus.

Ms. Ballew stated there were no reassignments, transfers, terminations or retirements during the month of March 2013. Currently, fifteen (15) open positions are being advertised:

- Assistant Dean - Humanities and Kinesiology – Corsicana Campus
- Director of the PASS Program – Corsicana Campus
- Director of Small Business Development Center – Corsicana Campus
- Counselor – Corsicana Campus
- Academic Fieldwork Coordinator / Professor of
- OTA Program – Corsicana Campus
- Assistant /Associate Professor of OTA / Site Coordinator – Midlothian Campus
- Assistant /Associate Professor of Instrumentation and Electrical Technology – Corsicana Campus
- Assistant /Associate Professor of Developmental Math – Waxahachie Campus
- Assistant /Associate Professor of Developmental English – Corsicana Campus
- Assistant/Associate Professor of PTA Program / Program Director – Midlothian Campus
- ShaleNet US Case Manager – Corsicana Campus
- Administrative Assistant II – Police Academy – Corsicana Campus
- Benefits Coordinator / Administrative Assistant IV – Corsicana Campus
- Custodian I – Corsicana Campus
- Coordinator of Campus Services / Accounting Clerk I - Corsicana Campus

Ms. Ballew concluded her report.

President's Report on Items of Information

Board of Trustees Calendar

Ms. Ballew was asked to present the Board Calendar on behalf of Mr. Gragg who was attending a conference in Georgia. Highlights of key upcoming events included: AACC Conference in San Francisco April 20-23 to be attended by Dr. Martin, Dr. Housley and Ms. Moreno, a celebration on April 24 recognizing Navarro College Cheerleaders' Second Grand National Championship, the annual staff barbeque at the Cook Center on May 3, final exam period May 1-7, Texas A&M Commerce commencement May 10 and the Navarro College commencement ceremonies on May 11.

Dr. Sanchez invited Trustees to attend the celebration of the Navarro College Cheerleaders to recognize their outstanding achievement in winning the Grand National Championship for the second year in a row. He also invited Trustees to attend the annual staff barbeque on May 3. He then inquired if any trustees planned to attend the Texas A&M Commerce commencement ceremony on May 10. No trustee indicated they would be attending.

Enrollment Update

Ms. Ballew continued with an update on enrollment on behalf of Mr. Gragg. She stated headcount enrollment for Summer I has increased for a total of 29,780 contact hours, an increase of 15.5%. Enrollment in May mini-mester courses has decreased by 946 contact hours. Summer 2 headcount enrollment has also decreased by 22.8% and 27.6% in contact hours. Ms. Ballew concluded by stating Mr. Gragg feels confident enrollment for Summer 2 will report an increase.

Construction Update

Dr. Sanchez asked Ms. Moreno to share pictures of the construction in progress on the Waxahachie campus. He stated the perspective will be different from the bus tour they took earlier. Ms. Moreno displayed aerial photos provided by Hill and Wilkinson as well as views from inside the new classroom building. Pre-fabricated materials for the Physical Plant Building are expected to arrive the following week. Work continues to move along at a good pace.

Legislative Update

Dr. Sanchez stated he attended the Texas Association of Community College's quarterly meeting in Austin on Wednesday, April 17. In regard to a legislative update, it appears the gun legislation bill will give Trustees the option to opt out of permitting guns on campus if the proposed gun bill is passed.

Dr. Sanchez stated a conference committee has been appointed to mediate a settlement between the Senate and House bills regarding appropriations for community colleges. At present, there is almost a \$2 million disparity in appropriations for community colleges between the two bills. Dr. Sanchez expressed his hope the final amount will favor the Senate bill, which provides more revenue for the college. He stated he predicts the college will receive the same appropriation as the last biennium within \$500,000 one way or the other.

Commencement

Dr. Sanchez stated three Navarro College Commencement ceremonies will take place May 11, 2013 at 10 a.m. and 1 p.m. on the Corsicana campus and at 4:30 p.m. in Midlothian. He stated information will be sent to the Trustees so they will know where to gather and the time they should arrive.

Dr. Sanchez stated the next Board of Trustees meeting will be held on May 16, 2013 on the Corsicana campus and concluded his report.

Announcement and Adjournment

Mr. Huffman thanked Dr. Sanchez and stated the Board's visits to the Ellis County Campuses are "always good" and thanked everyone in attendance.

Mr. Aldama made a motion to adjourn the meeting at 8:44 p.m. Mr. Atkeisson seconded the motion and the decision was unanimous.

Respectfully submitted,



Phil Judson, Secretary-Treasurer
Navarro College Board of Trustees