

**NAVARRO COLLEGE BOARD OF TRUSTEES
AUGUST 21, 2014
MINUTES**

The governing body of Navarro College gathered in the President's Dining Room on Thursday, August 21, 2014 at 6:00 p.m. for dinner. Following dinner, the governing body relocated to the Cook Center at 7:00 P.M. for their regular monthly meeting. The following Trustees were in attendance: Lloyd Huffman, Chair; Dr. James Price, Vice Chairman; Phil Judson, Secretary-Treasurer; Richard Aldama, Member; A. L. Atkeisson, Member; Faith Holt, Member. Trustee Todd McGraw was absent.

Others in attendance included:

Dr. Barbara Kavalier	District President
Dr. Kenneth Martin	President, Ellis County Campuses
Dr. Harold Housley	Vice President, Academic Affairs
Dr. Bruce Tabor	Interim Vice President, Operations, Technology and Instl. Advancement
Ms. Gettie Moreno	Vice President, Finance and Administration
Ms. Maryann Hailey	Vice President, Student Services
Mr. Dewayne Gragg	Vice President, Access and Accountability
Dr. Tommy Stringer	Vice President, Institutional Advancement
Ms. Marcy Ballew	Associate Vice President, Human Resources
Ms. Leslie Smith	Executive Assistant to the District President

Other faculty and staff were also present.

Call to Order

Mr. Huffman called the meeting back to order in the Cook Center at approximately 7 p.m., and asked Mr. Judson to begin the meeting with a prayer.

Board Announcements

There were no announcements from the Board.

Open Forum Time

There were no requests to speak to the Board.

Consent Calendar

a. Minutes – July 24, 2014 Meeting

Ms. Holt made a motion to approve the Consent Calendar, and Mr. Aldama seconded the motion. The decision was unanimous.

Take Action on July 2014 Financial Statement

Dr. Kavalier called on Ms. Gettie Moreno to present the July 2014 financial statement for approval.

Ms. Moreno gave a brief review of the July 2014 financial statement. The revised 2013-14 budget increased by \$7,951 for a total of \$117,013,287 as of July 31, 2014. Approximately \$4,300 of this increase was attributed to revenues generated by the Massage Therapy Program and \$2,200 generated by the Cosmetology Program. Additional funds were also received from the Nursing Shortage Grant.

Ms. Moreno concluded her presentation, and Dr. Kavalier requested the Board's approval.

Dr. Price made a motion to approve the July 2014 financial statement, and Mr. Judson seconded motion. The decision was unanimous.

Take Action on Resolution for Signature Authority

Dr. Kavalier requested the Board's approval of the revised Resolution for Signature Authority. The proposed revisions will strengthen accountability related to the signature authority for grants and contracts and put into place more "checks and balances."

Mr. Atkeisson made a motion to approve the revised Resolution for Signature Authority. Ms. Holt seconded the motion, and the vote was unanimous.

Take Action on Adoption of Budget for 2014-2015 Fiscal Year

Dr. Kavalier called on Ms. Moreno to present the proposed 2014-15 budget for adoption.

Ms. Moreno presented a review of the proposed 2014-15 budget totaling \$111,999,077. The budget was developed based on an anticipated 3% decrease in enrollment and was designed to fund a program of growth and services consistent with the District's priorities and District President's goals and strategies. A reallocation of \$775,000 from the FY 2013-14 estimated fund balance has been designated for one-time projects under the FY 2014-15 Plant Fund Budget. These projects include the purchase of an enhanced phone system for the College District, renovations/remodeling of facilities located on the Corsicana, Waxahachie and Fairfield campuses, and equipment purchases.

A review of FY 2014-15 projected revenues and expenditures indicated 45.5% of the Educational and General Fund revenues are budgeted from Student Income, 36.4% from State Appropriations, and 6.8% from local tax revenues.

Mr. Huffman noted local tax receipts are used to fund the maintenance and operations of the Corsicana campus but the amount collected is not enough to cover the entire cost. He stated the positive economic impact the College has on Navarro County is a "huge multiplier" when compared to the amount of local tax revenues it receives.

Following a review of the District's Revenue Bond Obligations through 2029 and a brief question and answer period regarding the purchase of a new phone system, Ms. Moreno concluded her presentation. Dr. Kavalier asked for approval of the 2014-15 budget.

Mr. Judson made a motion to adopt the proposed 2014-15 budget and Mr. Atkeisson seconded the motion. The vote to adopt was unanimous.

Discussion of Calendar Year 2014 (Fiscal Year 2014-2015) Tax Rate, Take Record Vote of Intent to Set Rate at \$0.1202 per \$100 Assessed Valuation and Schedule Public Hearings as Proposed Tax Rate Exceeds the Effective Tax Rate

Ms. Moreno was asked to continue and stated the Board was required by law to indicate their intention to set the ad valorem tax rate for calendar year 2014 (fiscal year 2014-15) prior to voting on the tax rate in September. The County Tax Assessor has determined Navarro County's net assessed tax valuation increased 5% over the previous year making Navarro College's effective tax rate \$0.1147 per \$100 assessed valuation.

Ms. Moreno stated if the Board indicates its intent to keep the tax rate the same as last year, \$0.1202 per \$100 assessed valuation, it will be required to advertise its intent and hold two public hearings prior to voting on the tax rate during their September Board meeting.

Mr. Huffman took a record vote of all members present regarding their intent to maintain the 2013 tax rate of \$0.1202 per \$100 assessed valuation for 2014:

- In favor: Dick Aldama, Dr. James Price, A.L. Atkeisson, Faith Holt, Phil Judson, and Lloyd Huffman
- Against: None
- Absent: Mr. Todd McGraw.

Notice will be published in the local newspaper as required by law and two public hearings will be held at 12 noon in the Lone Star Room located in Walker Dining Hall, Monday, September 8, and Wednesday, September 10.

Take Action on Awarding Contract for Auditing Services

Dr. Kavalier requested the Board's approval to award the contract for auditing services to Whitley Penn, LLP and asked Ms. Moreno to continue.

Ms. Moreno stated eight firms responded to the College's request for qualifications (RFQ). Four of the eight firms fully met the criteria and were interviewed by the District President, Vice President of Operations and Vice President for Finance. Based on their interview, reference check, cost estimate and broader audit experience with higher education institutions, the administration recommends the selection of Whitley Penn.

Mr. Aldama made a motion to approve awarding the contract for auditing services to Whitley Penn and Mr. Judson seconded the motion. The motion carried by a unanimous vote.

Take Action on Awarding Bid for Bank Depository for College Funds

Ms. Moreno stated in compliance with state statute, the College advertised for bids for a Bank Depository. Prosperity Bank, the College's current depository bank, submitted the only response received. The lack of additional responses was contributed to the College's requirements for collateralizing cash deposits.

Ms. Moreno responded to questions from the Board regarding the benefit to students who are better served by selecting a local depository bank. Dr. Kavalier requested the Board's approval for awarding the bank depository to Prosperity Bank.

Mr. Atkeisson moved to award the bid for bank depository for College funds to Prosperity Bank. Ms. Holt seconded the motion and the vote was unanimous.

Take Action on Campus Works Contract

Dr. Kavalier called on Dr. Tabor to present the request to extend the Campus Works contract for a three year period. She stated Dr. Tabor has renegotiated the original contract of over \$1 million per year with Campus Works. The proposed contract of \$700,000 per year for three years creates a significant savings that can be applied towards the purchase of equipment and other technology needs.

Dr. Tabor reviewed highlights of the revised contract which will still include the on-site Chief Information Officer provided by Campus Works and other experts on an “as needed” basis. He stated many things are going to be happening soon which will have a significant impact on the district and “ratchet up” technology, including band-width expansion.

Mr. Judson made a motion to approve the amended contract with Campus Works and Mr. Aldama seconded the motion. The decision in favor of the motion was unanimous.

Update on Personnel Actions

Dr. Kavalier called on Ms. Marcy Ballew to provide an update on personnel activity during the month of July 2014. Ms. Ballew introduced two “new faces and the exit of one employee. She reported 15 open positions within the College District were currently being advertised.

Following her report, Ms. Ballew responded to questions regarding the Adult Education Transition Coordinator position and she explained that interim instructors have been hired to teach classes until positions are filled.

Announcement

Mr. Huffman announced the next regular Board of Trustees meeting will be held on September 18, 2014 at 7 p.m. in the Cook Center.

President's Update

Dr. Kavalier began the President's Update by asking Mr. Gragg to present a report on enrollment. Mr. Gragg stated he predicts final headcount enrollment for fall 2014 to be “equal to or slightly less” than last fall. A 3% decline in contact hours was also anticipated. He noted that 72 students have enrolled in classes on the Fairfield campus.

Mr. Gragg continued with a review of highlights from the Board Calendar before concluding. Events included the first home football game and Welcome Week activities to be held during the first week of fall classes.

Before continuing with her report, Dr. Kavalier acknowledged the presence of Professor Tracy Dobbs, who will be serving as chair of the Faculty Association Executive Committee for 2014-15. She then gave a report on her activities since the last Board meeting including: a reception at the Waxahachie Campus honoring State Representative-Elect, John Wray; participating in the Continuous Quality Improvement Network (CQIN) Conference; LVN and GED graduation

ceremonies; the American Honors Kickoff Meeting; lunch with Congressman Joe Barton; and Fall Convocation activities.

Dr. Kavalier stated a new slogan this year focuses on employee engagement and empowerment. She shared a video shown during fall convocation of employees stating the slogan, "I Am Navarro."

Dr. Kavalier concluded her report by stating employees and foundation members had come together the day before to celebrate Dr. Tommy Stringer and thank him for 42 years of extraordinary service to the College and the community. Dr. Stringer was asked to share his retirement speech with the Board.

Dr. Stringer thanked the Board for their service and stated his relationship with many of them has extended beyond "professional" to "personal" over the years. He was thanked by members of the Board for the wonderful years of service he has provided and the lives he has touched. The results of his work with students will live on for years. It was noted that Dr. Stringer will be coming back to work for Navarro College on a part-time basis beginning October 2014.

Adjournment

Mr. Atkeisson made a motion to adjourn the meeting at 8:01 p.m. and the motion was seconded by Dr. Price. The decision was unanimous.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Phil Judson", written over a horizontal line.

Phil Judson, Secretary-Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES