

**NAVARRO COLLEGE BOARD OF TRUSTEES
JANUARY 22, 2015
MINUTES**

The governing body of Navarro College gathered on the Corsicana Campus on Thursday, January 22, 2015 to conduct their regular monthly meeting. Trustees in attendance included: Lloyd Huffman, Chair; Phil Judson, Secretary-Treasurer; Todd McGraw, Member; Richard Aldama, Member; A. L. Atkeisson, Member; and Faith Holt, Member.

Others in attendance included:

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| Dr. Barbara Kavalier | 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 |
| Mr. Dewayne Gragg | Vice President, Access and Accountability |
| Dr. Bruce Tabor | Vice President, Operations, Technology and Instl. Advancement |
| Dr. Alex Kajstura | Vice President, Ellis County Campuses |
| Ms. Marcy Ballew | Associate Vice President, Human Resources |
| Ms. Carol Hanes | Executive Dean |
| Dr. Joel Michaelis | Dean of Navarro College South |
| Mr. Karl Humphries | Director of Facilities |
| Ms. Leslie Smith | Executive Assistant to the District President |
| Ms. Lynne Coker | Executive Administrative Assistant |

Other staff members and guests were also present.

Call to Order

Mr. Huffman called the meeting to order in the President's Dining Room at approximately 6 p.m. Ms. Holt immediately made a motion to convene into Closed Session to discuss personnel and real estate matters according to Government Codes 551.074 and 551.072. Mr. Aldama seconded the motion, and the decision was unanimous.

No action, decision or vote regarding the subjects discussed in Closed Session was taken.

A motion to reconvene into Open Session and relocate to the Cook Education Center was made by Mr. Aldama and seconded by Mr. Atkeisson. The decision was unanimous. The Board relocated to the Cook Education Center and reconvened into Open Session at approximately 7:21 p.m.

Mr. Judson was asked to begin the open meeting with a prayer.

Board Announcements

There were no announcements from the Board.

Open Forum Time

There were no requests to address the Board.

Consent Calendar

a. Minutes – December 18, 2014 Meeting

Dr. Kavalier requested approval of the Consent Calendar containing the minutes from the December 18, 2014 Board of Trustees meeting.

Mr. Judson moved to approve the Consent Calendar; Mr. Aldama seconded the motion. The motion passed by a unanimous vote.

Take Action on Election Order

Dr. Kavalier asked Ms. Moreno to present the Resolution and Order of Election requiring action by the Board of Trustees.

Navarro College Trustee elections are held every two years on uneven years. Ms. Moreno stated the six-year terms for Single Member District Four (4), currently held by Trustee Richard Aldama, and At-Large Position Six (6), currently held by Trustee A. L. Atkeisson, will expire this year (2015). She stated the Board of Trustees is required by law to order an election to fill the two open positions.

Ms. Moreno stated the second Saturday in May is designated as the uniform election date for trustees. She reviewed important dates on the election calendar designated by Texas statutes. Actual filing for a place on the ballot will begin on January 28, 2015 and close on February 27, 2015. In order to comply with Texas election statutes requiring electronic-type voting machines, the College will contract with the Navarro County Elections administrator to conduct the election on May 9, 2015.

Ms. Moreno concluded and Dr. Kavalier requested the Board take action on the resolution and order of election. Mr. Judson made a motion to adopt the Resolution and Order of Election for the Board of Trustees Navarro College District; Ms. Holt seconded the motion.

The Resolution and Order of Election for Single Member District Four and At-Large Position Six on the Navarro College District's Board of Trustees was adopted by a unanimous vote.

Take Action on November 2014 Financial Statement

Dr. Kavalier asked Ms. Moreno to continue with a review of the November 2014 financial statement.

Ms. Moreno reviewed highlights of November 2014 Financial statement. Operating budget savings were identified reducing the 2014-15 budget by \$1,029,602 for a revised total of \$113,274,756 as of November 30, 2014.

Mr. Atkeisson made a motion to approve the November 2014 Financial Statement. Mr. McGraw seconded the motion, and the decision was unanimous.

Take Action on Quarterly Investment Report for period ending November 30, 2014

Ms. Moreno continued with a presentation of the Quarterly Investment Report for the period ending November 30, 2014.

Four Certificates of Deposit (CDs) with a combined value of \$995,000 matured during the first quarter (September 1 through November 30) of the fiscal year. Ms. Moreno stated the District was able to reinvest the entire amount into new CDs with comparable maturity dates and higher interest rates ranging from .65% to 1.25%. The book value of investments as of November 30, 2014 totaled \$1,245,000.

Ms. Moreno reviewed a recap of investments by fund and maturity schedules stating no investments will mature during 2015. Ms. Moreno concluded by stating deposits are limited to amounts collateralized by FDIC insurance with the exception of funds invested at Prosperity Bank, the College's depository bank, which offers a higher rate of collateral.

Dr. Kavalier requested the Board take action on the Quarterly Investment Report for the period ending November 30, 2014.

Mr. McGraw made a motion to approve the Quarterly Investment Report for the period ending November 30, 2014. Mr. Aldama seconded the motion, and the decision was unanimous.

Take Action on December 2014 Financial Statement

Dr. Kavalier asked Ms. Moreno to continue by presenting the December 2014 financial statement.

Ms. Moreno began by reiterating the College continues to be in "sound financial condition." During December 2014, receipt of Nursing Shortage Grant funds, donations received from Chevron and the Corsicana Health Foundation, and minor revenue receipts from the Cosmetology Programs increased revenues by \$196,060. The revised 2014-15 budget as of December 31, 2015 totaled \$113,470,816.

Mr. Atkeisson made a motion to approve the December 2014 financial statement, and Mr. Judson and Mr. McGraw seconded the motion jointly. The motion passed by a unanimous vote.

Presentation on Engineering Assessment of Albritton Administration Building

Dr. Kavalier asked Dr. Tabor to share the results of an engineering assessment of the Albritton Administration building.

Dr. Tabor stated on July 10, 2014 professional engineers from Jaster-Quintanilla (JQ) performed a limited, structural review of the original portion of the Albritton Administration building. He shared a brief summary of the results of their assessment and pictures depicting the current structural condition of the Albritton Administration building.

He stated the foundation slab has dropped between one and three inches because of shrinking soil which is likely being caused by the large, mature trees. Estimated cost of repairs is approximately \$270,000 with recommendations the repairs be done within one to two years. Dr. Tabor stated without knowing what will happen to the interior once elevation of the

building begins, there may be additional expenses. Work is anticipated to begin in the summer when fewer students are on campus. There may also be a need to move staff out of the building.

Dr. Tabor responded to questions from the Board and stated removal of the mature trees in front of the building may not resolve the issue; the trees are currently being trimmed back as high as possible. Approximately \$200,000 has been set aside in the current budget for expenses.

Dr. Kavalier commended Karl Humphries, Director of Facilities, for bringing the issue to administration's attention. Mr. Humphries also responded to questions stating movement in the slab has been taking place over several years. He stated he was not sure how long it will take to complete the repairs but anticipates it "will take some time."

Dr. Kavalier thanked Dr. Tabor and Mr. Humphries. No action was requested.

Presentation on Texas Higher Education Coordinating Board's New 60 Hour Rule

Dr. Kavalier called on Dr. Housley to present the Texas Higher Education Coordinating Board's (THECB) new 60-hour rule, a major change in higher education.

Dr. Housley reviewed the new rule adopted by state legislature requiring community colleges to limit the number of hours required to complete an associate degree to a maximum of 60 credit hours. The new rule, a major change in higher education that will become effective fall 2015, accelerates the process of earning a degree and moving students into the workforce.

If a program exceeds the required number of hours for completion, written justification must be submitted to THECB for approval. Of the 45 programs offered by Navarro College, all but four have been reduced to 60 hours. Dr. Housley stated some courses had to be eliminated to reduce the degree requirements to 60 hours. Kinesiology courses have been removed as a requirement from all programs, with the exception of the Physical Education Degree. Electives in various programs have also been eliminated or reduced. Approval is being sought to exceed 60 hours for Ag Mechanization (66 hours), Physical Therapy Assistant (degree plan cannot be reduced to 60 hours until first cohort of students admitted in January 2015 has graduated), Public Health/Pre-Med (62 hours) and Pre-Dentistry (61 hours).

Dr. Housley responded to questions before concluding. He stated the new rule is expected to have a fiscal impact because of the loss of contact hours. He also stated four-year universities, such as Texas A&M University, are also required under the new mandate to reduce requirements for earning bachelor degrees to 120 hours.

Dr. Kavalier stated reducing the number of hours for each degree program was an incredulous task. She acknowledged the good work of deans and commended Dr. Housley for his leadership.

Presentation on SACSCOC Compliance Report – First Review

Dr. Kavalier stated the Compliance Report is due to SACSCOC by March 2, 2015. The final report will be brought to the Board during their February 26, 2015 meeting and, pending approval, the

report will be submitted to SACSCOC the following day. Dr. Housley was asked to present an update on the Compliance Report.

Dr. Housley stated Dr. Joel Michaelis has been leading the efforts of the SACSCOC Compliance Team and invited him to come forward to share their results. Dr. Michaelis stated the Compliance Report will be reviewed by a SACSCOC off-site committee comprised of college professionals with varying ideas and opinions. Recommendations will be issued for any standard found “non-compliant” by the committee. The College will then be required to respond to these recommendations in a “Focus Report.”

Dr. Michaelis presented an overview of the assessment of 100 standards the College is required to respond to in the Compliance Report. Colors were assigned to each level of compliance: green = full compliance; yellow = partial compliance; red = non-compliance. A majority of the standards were flagged green. Standards related to institutional effectiveness, faculty competence and substantive change were flagged yellow. Dr. Michaelis stated, based on excellent feedback received from the SACS consultant, these standards are typically found “non-compliant” by off-site committees.

Dr. Michaelis stated he is confident the College will be found in full compliance. If any recommendations are received, the college will be required to respond to those recommendations in a “Focus Report” by the end of August. A SACSCOC On-Site Committee, which will be comprised of a different group of college professionals, will review the report prior to their campus visit in October.

Dr. Kavalier commended Dr. Michaelis for his leadership on the Compliance Report.

She stated the purpose of this presentation was “information only” to make the Board aware of any areas of concern; the final report will be presented for approval during the February 26, 2015 board meeting.

Take Action on Board Policy Manual

The Board Policy Manual, which will replace the policies in the current Administrative Policies and Procedures Manual, was presented for a first reading during the November 20, 2014 Board meeting. At that time, a detailed overview was presented by Ms. Ballew. Trustees were asked to review the Board Policy Manual and ask any questions or request any clarifications from the District President’s office prior to the next board meeting. Dr. Kavalier stated no questions had been received and requested approval of the Board Policy Manual.

Mr. Aldama made a motion to approve the Board Policy Manual and Mr. Judson seconded the motion. The motion passed by a unanimous vote.

Update on Personnel Actions

Dr. Kavalier asked Ms. Ballew to present an update on personnel activity.

Ms. Ballew stated since her last report, three new employees were hired: Terri Mitchell, Linda Moore and Richard Gomez, and resignations were received from two Ellis County employees, Kenneth Hutchison and John Howe. In addition, long-time employee, Jeremy Pereira, retired.

Both Mr. Huffman and Mr. Aldama commented on Jeremy Pereira's retirement stating he was a wonderful and creative person and will be missed.

Ms. Ballew concluded her report with a review of current openings including seven (7) on the Corsicana campus, and two (2) on the Ellis County campuses.

Dr. Kavalier thanked Ms. Ballew.

President's Report on Items of Information

President's Report

Dr. Kavalier gave a report on her activities since the December meeting including: participating in the Texas Association of Community Colleges (TACC) Executive Committee meeting in Austin; attending the swearing-in of newly elected Representative John Wray; welcoming the first American Honors cohort during Orientation; meeting with Larry Barnett, President of Midlothian Economic Development; attending the Kerens Chamber of Commerce Annual Banquet; hosting the Second Annual MLK Breakfast held at the Cook Education Center; and participating in the TACC Quarterly meeting.

Legislative Update

A copy of key legislative bills being carefully watched by TACC on behalf of community colleges was distributed to each Trustee.

Dr. Kavalier continued stating President's Obama recently presented his plan for a students to attend community college tuition-free. Students will be required to attend community college at least half-time, maintain a 2.5 GPA and make steady progress towards completion. Community colleges must offer either programs that fully transfer credits to local four-year colleges/universities or provide occupational training with high graduation rates leading to "in-demand" degrees and certificates. To pay for this proposal, federal funding will cover three-quarters of the average cost of community college and participating states will be expected to contribute the remaining funds necessary to eliminate tuition for eligible students.

Access and Success Report

Dr. Kavalier called on Mr. Gragg to present the Access and Success Report. Mr. Gragg stated TACC is reporting 36 out of 49 community college districts are reporting a decrease in contact hour production. Kilgore College is down 8.1% for the year; McLennan College is down 12.2%; Trinity Valley is down 5.95% and Tyler Community College is down 3.6%. Navarro College enrollment is down 5.8% for the year and is currently down -1.8% from its spring 2015 enrollment goal. Funding will be based on enrollment in classes started after the spring 2014 census date (January 28, 2014) and include summer and fall 2014 and spring 2015.

Board Calendar

A list of Board of Trustees 2015 meeting dates was distributed to each Trustee. Mr. Gragg noted Board meetings are normally held on the third (3rd) Thursday of each month; however, several meeting dates in 2015 have been moved to the fourth Thursday to accommodate SACS deadlines and Spring Break.

Mr. Gragg continued by presenting highlights on the Board Calendar. A large group of Navarro College students will participate in Community College Day will be held in Austin at the Capitol on February 3 along with Dr. Kavalier and other administrative staff. Meetings have been scheduled with Representatives Byron Cook and John Wray and Senator Brian Birdwell. Trustees were also invited to attend the annual District Professional Development Day to be held in Midlothian on February 27.

Announcement and Adjournment

Mr. Huffman thanked everyone for their attendance and announced a special board meeting will be held on Thursday, January 29, 2015 at 12 noon in the Lone Star Room. The next regular meeting of the Board of Trustees will be held on February 26 in the Cook Education Center.

Mr. Aldama moved to adjourn the meeting at 8:23 p.m. Mr. Atkeisson seconded the motion and the decision was unanimous.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Phil Judson", with a long, sweeping horizontal line extending to the right.

Phil Judson, Secretary-Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES