

**NAVARRO COLLEGE BOARD OF TRUSTEES
MARCH 31, 2016 MEETING
MINUTES**

Navarro College Board of Trustees gathered on Thursday, March 31, 2016, to conduct their regular monthly meeting. All trustees were in attendance including: Mr. Lloyd Huffman, Chairman; Mr. Phil Judson, Vice-Chairman; Mr. Richard Aldama, Secretary-Treasurer; Mr. A. L. Atkeisson, Ms. Faith Holt, Mr. Todd McGraw, and Mr. Loran Seely.

Others in attendance included:

Dr. Richard Sanchez	Interim Chancellor
Dr. Kenneth Martin	President, Ellis County Campuses
Mr. Jim Jones	Vice President, Finance and Administration
Dr. Harold Housley	Executive Vice President, Academic Affairs
Ms. Maryann Hailey	Vice President of Student Services
Ms. Marcy Ballew	Associate Vice President of Human Resources
Ms. Meredith Chase	Executive Director, Marketing and Public Information
Ms. Leslie Smith	Executive Assistant to the District President/Interim Chancellor

Other faculty, staff and guests were also in attendance.

Call to Order

The Board of Trustees gathered at approximately 6 p.m. in the President's Dining Room. Ms. Holt immediately moved to convene into Closed Session to discuss Personnel Matters according to Government Code 551.074. Mr. McGraw seconded the motion and the decision was unanimous.

No action, decision, or vote regarding the subjects discussed was taken during Closed Session. At 6:55 p.m., Ms. Holt made a motion to reconvene into Open Session after relocating to the Cook Education Center. Mr. Seely seconded the motion and the decision was unanimous.

At approximately 7:05 p.m., Mr. Huffman called the meeting back to order in Open Session in the Cook Education Center. He stated there was no need for any action on the items discussed in Closed Session.

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

Announcements

There were no announcements.

Open Forum

There were no requests to speak to the Board.

Consent Calendar

- a. Minutes – Board of Trustees Meeting February 25, 2016
- b. Minutes – Board of Trustees Special Meeting March 3, 2016
- c. Minutes – Board of Trustees Special Meeting March 9, 2016

Dr. Sanchez requested approval of the Consent Calendar containing minutes from the February 25, March 3 and March 9, 2016 meetings.

Mr. Atkeisson moved to approve the Consent Calendar and Mr. Aldama seconded the motion. The vote was unanimous.

Take Action on Request by Navarro County Electric Cooperative, Inc. for Utility Easement and Covenant of Access

Dr. Sanchez stated Navarro County Electric Cooperative, Inc. is seeking permission for a utility easement and covenant of access across property owned by Navarro College along FM 744 in Corsicana. A new power line is needed to provide electric service to Corsicana ISD's new school and facilities being constructed next to Tiger Stadium and across from the Navarro College property.

Dr. Sanchez stated Mr. Karl Humphries has reviewed the request and sees no issues; he noted that Navarro County Electric has already begun work laying the line prior to receiving approval.

Mr. Judson moved to approve Navarro County Electric Cooperative, Inc.'s request for utility easement and covenant of access, and Ms. Holt seconded the motion. The vote was unanimous.

Take Action on February 2016 Financial Statement

Dr. Sanchez asked Mr. Jones to present the February 2016 Financial Statement.

Mr. Jones reviewed the financial statement in detail and compared the source and disbursements as of February 29, 2016 to last year's revenues and expenditures. The revised budget as of February 29, 2016 totaled \$100,354,593.

Mr. Jones continued with a report on the Fund Balance. The adjusted unrestricted fund balance currently totals \$11,332,360 and restricted fund balance totals \$2,447,086. Mr. Jones discussed the TRS liability in the amount of \$7,600,802 and stated these funds would be available for use in an emergency, but doing so could present a risk in the event TRS experiences financial difficulty. Mr. Jones concluded his presentation and offered to answer any questions.

There were no questions from the Board. Mr. Seely expressed appreciation for the extra detail provided and made a motion to approve the February 2016 Financial Statement. Mr. McGraw seconded the motion. The decision was unanimous.

Take Action on Quarterly Investment Report for Period Ending February 29, 2016

Mr. Jones continued with the Quarterly Investment Report for the period ending February 29, 2016.

Market value of all investments, including interest earned, totaled \$1,372,651.81 as of February 29, 2016. No investments matured during the second quarter and there were no changes or additions. Approximately \$250,000 in Certificates of Deposit (CDs) are scheduled to mature during the fourth quarter ending August 31, 2016. Mr. Jones stated the bulk of the remaining investments will mature during the first and second quarters of the next fiscal year.

All investments are invested in CDs earning interest at rates higher than benchmark rates published February 29, 2016 in the *Wall Street Journal*. Investments are secured by FDIC Insurance in the

amount of \$1,750,000 and by pledged collateral totaling \$32,679,341.

Mr. Atkeisson made a motion to approve the Quarterly Investment Report for the period ending February 29, 2016. Mr. Judson seconded the motion and the decision was unanimous.

Take Action on Tuition and Fee Increase Effective Fall 2016

Dr. Sanchez commented he was not pleased about the request to increase student fees for a second year in a row. He stated at this stage, he has no idea what the College is facing for the 2016-17 fiscal year. He promised once the amount of revenue needed to balance the 2016-17 budget is assessed and if it is determined tuition and fees can be reduced, a decrease will be proposed for the benefit of students and parents.

Dr. Sanchez noted Dallas and Tarrant County community colleges were added to the chart comparing Navarro College's proposed rates to similar colleges. He felt it was important to include them because of their proximity to Ellis County campuses. He also stated he will be resurrecting the Enrollment Management Committee and is committed to keeping costs as low as possible.

Dr. Sanchez asked Mr. Jones to continue by presenting the proposed increases in tuition and fees. Mr. Jones began by stating the proposed tuition and fee amounts being presented for approval were slightly different from the amounts presented during the February 25, 2016 Board meeting. In-district tuition was decreased from \$43/SCH to \$42/SCH; out-of-district tuition remains the same at \$48/SCH; out-of-state tuition was increased from \$98/SCH to \$99/SCH. Dual credit in-district tuition was decreased from \$33/SCH to \$27/SCH and dual credit out-of-district tuition was decreased from \$56/SCH to \$53/SCH.

The proposed building use fee remains at \$28. The vehicle registration fee was increased from \$15 to \$16, the proposed out-of-district fee remains at \$43, the internet course fee was increased from \$35 to \$37, and the proposed technology fee remains at \$8.

With the proposed increases, Navarro College's tuition and fees will remain lower than the state average based on spring 2016 rates. The state average is expected to increase fall 2016 which will make the difference in Navarro College's rates much less than the state average.

Mr. Jones concluded by stating the overall revenue generated from the proposed increases is approximately \$1,067,871.

Mr. Judson moved to adopt the tuition and fee increase effective fall 2016, and Mr. Aldama seconded the motion. The motion passed by a unanimous vote.

Take Action on Meal Plan Increase Effective Fall 2016

Mr. Jones continued his presentation. He stated since last month's presentation to the Board of Trustees, a meeting was held with representatives from student groups regarding the proposed increase in meal plan prices. Based on their feedback, the decision was made to reduce the amount of increase being requested.

The 18 Meal Plan will increase from \$5.05 per meal to \$5.25, and the 15 Meal Plan will increase from \$5.48 per meal to \$5.75 per meal and includes sales tax. Mr. Jones stated the increase is anticipated to generate \$89,040 in additional revenue and concluded his report.

Ms. Holt made a motion to approve the meal plan increase effective fall 2016; Mr. Aldama seconded the motion. The decision was unanimous.

Take Action on Restructuring Lab Fees Effective Fall 2016

Mr. Jones stated Navarro College is out of compliance with the Education Code that states a public junior college may not charge more than \$24 in laboratory fees. He stated all lab fees need to be reassessed to be in compliance with the Education Code. Several Navarro College laboratory fees are currently set at \$26 per semester credit hour.

Mr. Seely moved to approve the restructuring of lab fees in compliance with the Education Code to be effective fall 2016. Mr. McGraw seconded the motion, and the decision was unanimous.

Take Action on American Honors Tuition and Fee Decrease Effective Fall 2016

Dr. Housley presented the request to decrease American Honors tuition and fees effective fall 2016.

He began with a brief background on the American Honors Program at Navarro College which began in spring 2016. The first cohort of 76 students was recruited in fall 2015. In spring 2016, 55 students were enrolled in the program.

Dr. Housley stated the high tuition level is impacting enrollment in the program. Approval was requested to reduce the American Honors-Navarro College in-district tuition from \$2,595 to \$2,295 and out-of-district tuition from \$3,305 to \$2,805 based on 15 semester credit hours.

Mr. Atkeisson moved to approve the reduction in American Honors tuition, and Mr. Aldama seconded the motion. The decision was unanimous.

Mr. Huffman commented on two things related to the budget. First, when the economy improves students go to work instead of enrolling in college. Second, dual credit is impacting the budget in a major way; the college is losing revenue from freshman students. Dr. Housley agreed and stated the college will be addressing the issue of dual credit in the near future.

Presentation on English Language Institute Program

Dr. Housley gave a presentation on the new English Language Institute (ELI) Program.

He began by explaining the new ELI Program differs from the Adult Education program. The Adult Education ELI program is designed to give students a "basic" understanding of the English language. The new English Language Institute (ELI) is an intensive program designed to give students the ability to read, write and speak English for successful matriculation at the academic level and successfully complete English 1301. Dr. Housley stated a primary goal of this program is to increase international student enrollment.

Having met the requirements for establishing an ELI Program, Navarro College submitted the application to the Student Exchange & Visitor Program (SEVP) on March 24, 2016 and on March 28, 2016, received approval to accept international students into the program. SEVP approval allows Navarro College to accept international students into ELI on an F-1 visa, a non-immigrant visa for those wishing to study in the U.S. Dr. Housley stated the SEVP approval process normally takes months. Receiving approval so quickly was a testament to the work done by Elizabeth Pillans and

Terry Peterman and Ms. Pillans' reputation with the U.S. Department of Immigration.

ELI tuition will be based on the same rate applied to non-Texas residents. When compared to the cost of English Language Institutes offered at other institutions (i.e. UT Arlington, University of Houston and Texas A&M University - Commerce), Navarro College ELI's cost of \$3,603 for tuition, fees, and housing is very competitive. Dr. Housley stated three 8-week sessions with an enrollment of 10 students per session is estimated to generate a net income of \$64,045.

Mr. Judson inquired if students are seeking ELI programs on their own or will they be recruited; he also inquired what age group will be targeted. Dr. Housley responded by stating the College will need to recruit students initially; the focus will be on students just out of high school. Dr. Housley stated ELI will appeal to students whose TOEFL scores are prohibiting them from entering the United States. The program is expected to grow quickly once "word gets out."

Dr. Housley concluded his presentation. No action was required.

Update on Personnel

Ms. Ballew presented an update on personnel activity. She reported the following assignments occurred during the month of February 2016:

- Kim Avery – Dean of Business, Professional & Technical Education
- Elizabeth Thompson – Cook Education Center Volunteer Coordinator
- Sandra Arredondo-Clifton – Administrative Assistant
- Susan Garrett – Testing Assistant

Ms. Ballew stated there were no resignations, retirements or transfers to report for the month of February 2016 and concluded her report.

Interim Chancellor's Report on Items of Information

Dr. Sanchez called on Meredith Chase to present the Board Calendar. Ms. Chase reviewed highlights of upcoming events including: the Choir Concert "Faure's Requiem" at St. John's Episcopal Church on April 5; the second Partners in Progress Event to be held in downtown Corsicana on April 7; the Ellis County fundraising event, Brilliance, on April 9 at the Waxahachie Conference Center; and multiple athletic events. She concluded by stating the next Board of Trustees meeting on April 28th will be held on the South Campus in Mexia.

Dr. Sanchez began his first Interim Chancellor's report by stating he has settled in and "it feels as if he never left." He stated he was pleased to be here and thanked the Board for the opportunity. Dr. Sanchez continued his report stating he continues meeting with staff members regarding the last 2 ½ years and has developed a strategy in preparation for new leadership. He attended the QEP TEA(M)² Center/math lab dedication ceremony on the Mexia South Campus and was especially pleased to visit with Dick Flatt. Dr. Sanchez stated he also visited the campuses in Ellis County which are doing well but have areas that need upgrading.

He continued stating an email was sent to Trustees earlier that day regarding personnel changes that have taken place. In coming weeks, other changes will be proposed in the best interest of Navarro College. He stated he is in the process of working on the mid-year budget report and will keep the Board informed. He stated he also plans to develop a balanced budget for the 2016-17 fiscal year. He

will be meeting with the TJJD Director in Austin prior to the TACC quarterly meeting in April. In addition, he will be meeting with Campus Works CEO, Liz Murphy, on April 9 during the AACC Conference in Chicago.

Dr. Sanchez stated Navarro College has purchased a table for eight at the VOICE spring luncheon on May 5 with the event beginning at 11:30 a.m. He asked if any of the Trustees wish to attend, please contact Leslie so that seats may be reserved.

Dr. Sanchez concluded his report.

Next Meeting Announcement and Adjournment

Mr. Huffman thanked Dr. Sanchez for his willingness to come back as interim Chancellor to assist in the transition to new leadership. He stated the Board appreciates him very much.

Mr. Huffman announced the next meeting of the Board of Trustees will be held in Mexia on April 28th. He thanked everyone for coming and entertained a motion to adjourn the meeting.

Mr. Aldama made a motion to adjourn the meeting at 8:07 p.m. Mr. McGraw seconded the motion and the decision was unanimous.

Respectfully submitted,

A handwritten signature in cursive script, reading "Richard L. Aldama". The signature is written in dark ink and is positioned above the printed name and title.

Richard L. Aldama, Secretary-Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES