

NAVARRO COLLEGE BOARD OF TRUSTEES
APRIL 28, 2016 MEETING
MINUTES

Navarro College Board of Trustees gathered on Thursday, April 28, 2016, at the Mexia Campus located at 901 N. MLK Jr. Hwy in Mexia, Texas to conduct their regular monthly meeting. Trustees in attendance included: Mr. Lloyd Huffman, Chairman; Mr. Richard Aldama, Secretary-Treasurer; Ms. Faith Holt, Mr. Todd McGraw, and Mr. Loran Seely.

Trustees, Mr. Phil Judson and Mr. A. L. Atkeisson, were absent.

Others in attendance included:

Dr. Richard Sanchez	Interim Chancellor
Dr. Kenneth Martin	President, Ellis County Campuses
Ms. Carol Hanes	Interim Vice President, Academic Affairs
Ms. Maryann Hailey	Vice President of Student Services
Ms. Sina Ruiz	Interim Vice President, Enrollment Mgmt. and Instl. Effectiveness
Dr. Harold Housley	Vice President, Institutional Advancement and Operations
Ms. Marcy Ballew	Associate Vice President, Human Resources
Ms. Meredith Chase	Executive Director, Marketing and Public Information
Ms. Aaron Langston	Comptroller
Ms. Leslie Smith	Executive Assistant to the District President/Interim Chancellor

Other faculty, staff and guests were also in attendance.

Call to Order

Mr. Huffman called the meeting to order at approximately 7 p.m.

In honor of Trustee Aldama's birthday, Mr. Huffman asked him to begin the meeting with a prayer.

Announcements

Mr. Huffman welcomed Mr. Dick Flatt, a long-time member of the Navarro College Foundation's Board of Directors and a strong supporter of Navarro College.

There were no other announcements.

Open Forum

There were no requests to speak to the Board.

Consent Calendar

- a. Minutes – Board of Trustees Meeting March 31, 2016

Dr. Sanchez requested approval of the Consent Calendar containing minutes from the March

31, 2016 meeting. Mr. Seely moved to approve the Consent Calendar and Mr. McGraw seconded the motion. The decision was unanimous.

Take Action on Mid-Year Budget Adjustments as of February 29, 2016

Ms. Aaron Langston, Comptroller, was asked to present the Statement of Budget Changes after Mid-Year Budget Adjustments as of February 29, 2016.

Ms. Langston presented a detailed review of the mid-year budget adjustments. The 2015-2016 budget was reduced as of February 29, 2016 by \$1,876,015 for a revised total of \$98,478,578. Ms. Langston stated the majority of changes made within the Educational & General Fund were required to offset a shortfall in student income. Likewise, revenues in the Auxiliary Fund, including the Bookstore, Gift Shop, Beautique, and Dining, were also decreased. Housing was the only exception because of the room rate increase previously approved by the Board.

A majority of the decreases in disbursements were offset by a decrease in appropriations in the amount of \$837,450. The amount of budgeted reserves was also reduced. Ms. Langston continued by stating decreases in Auxiliary Fund disbursements basically mirror the decreases in revenues.

When Mr. Huffman inquired if the decreases were driven by lower enrollment, Ms. Langston confirmed they were. She also noted the impact dual credit enrollment has had on revenues by stating it takes approximately two (2) to three (3) dual credit students to generate income equal to one regular, full-time student.

Mr. Huffman wanted to confirm that reserves in the fund balance were not being spent; only newly "budgeted" reserves were being reduced. Both Ms. Langston and Dr. Sanchez confirmed that only "budgeted reserves" were reduced to balance the budget. Dr. Sanchez also stated most revenue projections in the 2015-2016 Budget had been unrealistic, including Starbucks revenues. For fiscal year 2017, mid-year "actual" revenues will be used as a starting point for the new budget.

Mr. McGraw made a motion to approve the Statement of Budget Changes after Mid-Year Budget Adjustments as of February 29, 2016. Mr. Aldama seconded the motion and the decision was unanimous.

Fund Balance Report

Ms. Langston continued stating at Dr. Sanchez's request, she had carefully reviewed the 2015-2016 budget following mid-year adjustments to identify any reductions that could be made to offset the projected shortfall in revenue. Salary savings from budgeted positions that have been vacated and not filled were identified. In addition, unspent funds in benefits (i.e. NC Employees Retirement), unspent encumbrances that won't be used, unspent expenditures, and approximately \$100,000 budgeted for athletic scholarships that won't be needed were identified.

Based on these reductions, Ms. Langston stated she projects the College's net position will increase by \$316,620 for a projected fund balance of \$11,648,980, including TRS liability, at the end of the fiscal year.

Take Action on March 2016 Financial Statement

Ms. Langston continued with a review of the March 2016 financial statement. As of March 31, 2016, 75.47% of \$98,428,432 had been earned compared to 70.74% of \$112,152,437 last fiscal year. The percentage of disbursements between the two years was very close with approximately 79% expended as of March 31, 2016 compared to approximately 78% expended last year.

According to the Statement of Budget Changes as of March 31, 2016, amendments reduced the current budget by \$50,146 for a total of \$98,428,432. Ms. Langston stated \$3,600 in additional SBDC grant funds and an allocation of \$1,400 for police training received from the Coordinating Board were offset by the return of grant funds that were unused or de-obligated including: Nurse Shortage Over 70 unused funds in the amount of \$20,000 and \$35,146 de-obligated ShaleNet Grant funds returned to Pennsylvania Technical College.

Departmental transfers were necessary for upgrading Blackboard software, establishing a budget for the Interim Chancellor, and to fund a website used for marketing. Mr. Huffman inquired why a server is not purchased by the college. Executive Marketing Director, Meredith Chase, responded by stating options for better solutions are being discussed.

Ms. Langston concluded her presentation.

Ms. Holt made a motion to approve the March 31 2016 Financial Statement and Mr. Seely seconded motion. The vote in favor of the motion was unanimous.

Update on South Campus

Dr. Michaelis welcomed the Board to the Mexia campus and began his presentation by introducing individual faculty and staff members from the Mexia and Fairfield Campuses who were present.

Dr. Michaelis shared information about the territory covered by the South Campus within Limestone, Freestone, and Leon Counties and the school districts. A copy of the service map indicated approximately ten (10) independent school districts are served by the South Campus with dual credit courses taught by South Campus faculty. Certified enrollment reports between 2014 and 2013 indicated headcount enrollment at the Mexia Campus decreased by five (5) students; however, contact hours more than doubled because students enrolled in more classes.

Dr. Michaelis continued by sharing photos of activities students, faculty and staff have engaged in over the past year including: August Night Out, a Moment of Silence for Umpqua

Community College held in October; SGA trash pick-up; and a Toy Drive and School Supply Drive for underprivileged children. Dr. Michaelis stated an “Open Carry” Presentation held at the Fairfield Career and Technical Center was attended by approximately 40-50 from community members.

The South Campus fundraiser, Evening in Hispania, held on April 23 was attended by approximately 80-90 people. Dr. Michaelis stated many of the community members attending had never been on the Mexia Campus. The event raised approximately \$9,000 for student scholarships, and plans are being made to grow the event next year.

Dr. Michaelis concluded his presentation.

Mr. Huffman thanked Dr. Michaelis and stated the Board always enjoys coming to Mexia.

Update on Personnel

Ms. Ballew was asked to present an update on personnel activity during the month of March 2016. She reported two resignations took place during the month and there were no new faces or retirements to report and concluded her report.

Interim Chancellor’s Report on Items of Information

Board Calendar

Ms. Chase presented the Board Calendar. Highlights of upcoming events included: upcoming athletic games, jazz and wind ensemble concerts and art shows, a staff appreciation barbecue, and Inspiring Greatness, a cultural event targeting prospective students in the Micronesian and Hispanic communities. Graduation and ADN pinning ceremonies will take place May 13 through May 20.

Mr. Huffman inquired about the Partners in Progress Event held at 100W in downtown Corsicana. Ms. Chase responded by stating the event was a success with approximately 113 guests in addition to workers attending.

Summer Half Days

Dr. Sanchez asked Ms. Sina Ruiz to share dates proposed for summer half days. Eight days (May 20, June 10, June 17, June 24, July 15, July 22, July 29, and August 5) were recommended. By consensus of the Board, all eight (8) half-days were approved.

Interim Chancellor’s Report

Dr. Sanchez continued with a report on his activities since the last Board meeting:

- He, Dr. Martin and Sheri Short met with the TJJD director in Austin. He stated the current TJJD contract will expire on August 30. A new contract with new initiatives is anticipated. Dr. Sanchez stated Sheri Short has many ideas and there is talk of expanding the program with tremendous potential to generate more contact hours.

- During the Texas Association of Community Colleges (TACC) Quarterly meeting, Honorable Donna Howard addressed the group regarding the budget for the 2017-19 biennium. It is predicted 2017 will be a difficult session with less money to allocate. Dr. Sanchez hopes a “hold harmless” clause will be included. Dual credit is a problem state-wide with three (3) major issues: basic tuition (some districts charge no tuition, others charge half price, and others charge full price) – ISD superintendents are “shopping” outside the service area; and the third issue, “rigor” in dual credit courses. TACC is working towards a solution to propose to the legislature.
- Dr. Sanchez shared information regarding the Texas Higher Education Coordinating Board’s new 60x30 concept- which replaces “Closing the Gaps.” The 2015-2030 plan has four student-centered goals:
 - By 2030, at least 60% of Texans age 25-34 will have a postsecondary credential or degree.
 - By 2030, at least 550,000 students will complete a certificate, associate, bachelor’s, or master’s from a Texas public, independent, or for-profit college or university.
 - By 2030, all graduates from Texas public institutions of higher education will have completed programs with identified marketable skills.
 - By 2030, undergraduate student loan debt will not exceed 60% of first-year wage for graduates of Texas public institutions.

Mr. Huffman commented on the possible opportunity regarding the goal to lower student loan debt. He suggested a group be assigned the task of researching the cost effectiveness of community colleges offering baccalaureate degrees in business, education and other areas. If it looks favorable, it should be proposed to the legislature. Dr. Sanchez stated Dr. Martin has already been looking into this and he will have Ms. Ruiz look into this scenario as well.

- Dr. Sanchez reminded Trustees of the times for the commencement ceremonies being held May 13 and 14. He suggested Trustees may prefer to stop for lunch following the commencement ceremony in Midlothian before returning to Corsicana.
- Dr. Sanchez stated he will be meeting with the CEO of the American Honors Program on the following Monday along with Dr. Housley and Carol Hanes.
- Dr. Sanchez invited Trustees to the Staff BBQ on Friday, May 6. He then announced he will be out of the office May 15 and returning on May 18.

Dr. Sanchez concluded his report.

Next Meeting Announcement and Adjournment

Mr. Huffman announced the next meeting of the Board of Trustees will be held in the Cook Education Center on the Corsicana Campus on May 26, 2017. He thanked everyone present and expressed the Board's appreciation and support of the Mexia community.

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,



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