

**NAVARRO COLLEGE BOARD OF TRUSTEES
DECEMBER 13, 2018 MEETING
MINUTES**

The Navarro College Board of Trustees gathered on Thursday, December 13, 2018 in the Bulldog Board Room located in Walker Dining Hall on the Corsicana Campus. All Trustees were in attendance including: Mr. Phil Judson, Chairman; Mr. Billy Todd McGraw, Vice Chairman; Mr. Richard Aldama, Secretary-Treasurer; Mr. A. L. "Buster" Atkeisson; Ms. Faith Holt; Mr. Loran Seely; and Mr. Kim Wyatt.

Others in attendance included:

Dr. Kevin G. Fegan	District President
Ms. Teresa Thomas	Vice President, Finance and Administration
Ms. Sina Ruiz	Vice President, Enrollment Mgmt. and Instl. Effectiveness
Ms. Marcy Ballew	Vice President, Human Resources
Dr. Carol Hanes	Vice President, Academic Affairs
Ms. Maryann Hailey	Vice President, Student Services
Ms. Stacie Sipes	Director of Marketing and Public Information
Mr. Barry Sullivan	Director of Information Technology
Ms. Elizabeth Chivers	Director of Institutional Research
Mr. Guy Featherston	Dean of Midlothian Campus and Health Professions
Ms. Terry Gibson	Dean of Waxahachie Campus
Ms. Susan Womack	Research Analyst, Strategic Planning Lead for Corsicana Campus
Ms. Leslie Smith	Executive Assistant to the District President
Mr. Lupe Garcia	Whitley Penn CPAs and Professional Consultants

Other faculty, staff and guests were also present.

Call to Order

Chairman Judson called the meeting to order at approximately 11:00 a.m. and welcomed everyone present. Trustee McGraw began the meeting with a prayer.

Announcements

No announcements were made.

Open Forum

There were no requests to address the Board.

Consent Calendar

- Minutes – November 15, 2018 Meeting
- Minutes – December 4, 2018 Special Meeting
- Revision to Board Policy FFD – Student Welfare – Freedom from Discrimination, Harassment, and Retaliation

Chairman Judson asked for a motion to approve the Consent Calendar containing minutes from the November 15 and December 4, 2018 meetings and a revision to Board Policy FFD.

Trustee Seely moved to approve the Consent Calendar and Trustee Wyatt seconded the motion. The decision was unanimous.

Consider Action on Annual Financial Audit for Fiscal Year Ended August 31, 2018

Ms. Thomas introduced Mr. Lupe Garcia and Lauren Nelson from Whitley Penn CPAs and Professional Consultants. She invited Mr. Garcia to present their audit findings for FY 2017-2018.

Mr. Lupe began by reviewing the responsibilities of their audit team under Generally Accepted Auditing Standards and reported their conclusions:

- The District's accounting policies and methods are appropriate and in accordance with industry standards.
- No material misstatements were identified that required management's correction.
- They had no disagreements with management over the application of accounting principles or management's judgments about accounting estimates. No difficulties were encountered in dealing with management in performing and completing the audit.
- During fiscal year 2018 the District implemented Government Accounting Standards Board ("GASB") Statement No. 75, Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions.

Mr. Garcia reported based on their findings, Whitley Penn is issuing an "unmodified" or "clean" opinion. He stated this is the highest level of assurance that can be given on a set of financial statements. In addition, major federal and state programs were audited for compliance and resulted in an "unmodified" opinion; no instances of noncompliance or questioned costs were noted.

Mr. Garcia continued with a review of the Statements of Net Position. He stated the implementation of *Government Accounting Standards Board (GASB) Statement No. 75 – Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions* resulted in a prior period adjustment (\$19.7M) in the district's net position as of August 31, 2017. Mr. Garcia reported the district's net position as of August 31, 2018 totaled \$28,866,499. This is an increase of \$899,140 compared to last year's restated position of \$2,730,653.

Mr. Garcia concluded and offered to answer any questions. He confirmed that after implementation of GASB 75, the College District's net position increased from 2017 to 2018.

Trustee Atkeisson made motion to approve the Annual Financial Audit for Fiscal Year Ended August 31, 2018. Trustee Aldama seconded the motion and the decision was unanimous.

Dr. Fegan thanked Ms. Thomas and her colleagues for their diligence and many hours of work. He stated the audit findings are a complement to their work. Mr. Judson also expressed thanks for their work on behalf of the Board.

Ms. Thomas thanked the Board and announced the GFOA (Government Finance Officers Association) has issued an award for Navarro College's FYE August 31, 2017 audit.

Consider Action on November 2018 Financial Statement

Ms. Thomas presented the November 2018 financial statement. Budget changes during month of November 2018 increased the 2018-2019 budget \$842.00 for a revised total of \$90,802,971 as of November 30, 2018. Income totaling \$20,471,812 exceeded expenses totaling \$9,802,343 for a net income of \$10,669,469, an increase of \$1,710,349 compared to the same period last year.

Trustee Holt made a motion to approve the November 2018 financial statement and Trustee McGraw seconded the move. The decision was unanimous.

Holt motion McGraw seconded. All in favor.

Review Preliminary December 2018 Financial Statement

Ms. Thomas stated there was no activity to report on the December 2018 financial statement at this time.

Quarterly Investment Report for Quarter Ended November 30, 2018

Ms. Thomas continued by presenting the Quarterly Investment Report for the quarter ended November 30, 2018 for approval.

The ending book value of investments as of November 30, 2018 totaled \$2,975,000 with a market value of \$3,253,164.96. Four certificates of deposit (CDs) in the amounts of \$500,000, \$250,000, \$100,000 and \$145,000 matured during the quarter ended November 30, 2018. All funds were reinvested in new CDs at Citizens State Bank in Dawson earning higher rates of interest (2.20% - 2.43%).

A review of pledged collateral by bank to secure cash and certificates of deposit indicated total deposits of \$17,175,306.08 are covered by FDIC insurance in the amount of \$1,250,000 and \$29,835,064.49 in pledged collateral in the form of mortgage-backed securities, government agency issues and a letter of credit.

Trustee Atkeisson made a motion to approve the Quarterly Investment Report for the Quarter Ended November 30, 2018 and Trustee McGraw seconded the motion. The motion passed by a majority vote. Trustee Aldama and Trustee Wyatt abstained from voting.

Update on Enrollment

Ms. Ruiz presented an update on enrollment. Fall 2018 certified enrollment results were reviewed. Part-time student enrollment was down 423 students while full-time student enrollment increased by 71 students for a headcount difference of -362 in credit students and -6.21% in contact hours. Dual credit headcount enrollment decreased -5, a difference of -0.16% in contact hours. Overall, Fall 2018 certified headcount was down 367 students, or -4.09%, and contact hours were down 64,064, or -3.785%, compared to 2017.

Ms. Ruiz continued stating enrollment in Winter Mini 2019 classes is up by 108 students, or 17.1%, in headcount and 6,560, or 20.1%, in contact hours compared to last year. Spring 2019 headcount enrollment is up 133 or 2.24% in headcount and 22,875 or 2.05% in contact

hours. Enrollment will continue through January 12, 2019. Classes begin on January 14, 2019.

Before concluding her report, Ms. Ruiz announced Ms. Elizabeth Chivers, Director of Institutional Research, has been offered an exciting new opportunity and will be leaving her position at Navarro College on December 14, 2018. Ms. Chivers was recognized with applause and was congratulated by Trustees.

Presentation on Allied Health Program

Dr. Fegan asked Dean Guy Featherston to update the Board on the proposal to offer a Bachelor of Science in Nursing (BSN) program. Mr. Featherston explained the four phases required to offer a BSN program at Navarro College. The requirements of each phase must be met in sequential order before moving forward.

Step 1 - Legislative approval is required. The bill passed during the last legislative period states a public junior college may offer a baccalaureate degree program only if its district received a positive assessment of the overall financial health as reported by the Coordinating Board and had a taxable property valuation of not less than \$6 billion in the preceding year. A current taxable property valuation of \$3.2 billion makes Navarro College ineligible.

Appropriate legislators, i.e. Representative John Wray, are being approached to assist in making a modification to the legislation that will make Navarro College eligible to offer a BSN program.

Step 2 - If legislative approval is received, the next step will be to notify and meet the requirements of the Texas Higher Education Coordinating Board (THECB).

Step 3 - Following approval from THECB, the next step is to seek approval and accreditation from SACSCOC (Southern Association of Colleges and Schools Commission on College). Faculty must be hired prior to seeking accreditation of which 25% must hold a doctorate in Nursing in addition to having education, financial and physical resources in place.

Step 4 - Once the three previous steps have been met, the process for accreditation through the Accreditation Commission for Education in Nursing (ACEN) will begin.

Mr. Featherston stated it's believed the Corsicana campus has the best opportunity to meet SACS requirements. He noted the process for pursuing a BSN program is expected to take 3-4 years. Mr. Featherston concluded his presentation and responded to questions from the Board.

- Regarding possible challenges, Mr. Featherston responded Navarro College doesn't have any immediate competitors. The closest four-year BSN programs are offered at Baylor University in Dallas and UT Arlington.
- No issues are anticipated with securing articulation agreements with three universities that are at capacity required by THECB in Step 2, as well as securing an agreement with another college to ensure completion of degree in the event the program is not approved.

- Tuition charges cannot be greater than what is charged for a freshman-level English class. Funding will also be at the same rate.
- When asked about the amendment proposed during the last legislation, Mr. Featherston stated Representatives Byron Cook's and John Wray's proposal "...has a service area that adjoins the Trinity River and that has boundaries contiguous with the boundaries of at least two counties, each of which has a population greater than one million" was written to exclude other counties. Navarro County is the only county that met that perimeter.

Mr. Featherston said during a recent meeting with Representative Wray, an alternate proposal that was not as "exclusive" was suggested. Rep. Wray indicated the more broad-based proposal would face more opposition. Representative Wray is making this legislation one of his highest agenda items this year.

Dr. Fegan thanked Dean Featherston and commended him for an outstanding job. He stated once the first legislative opportunity is filed, feedback should start. He stated support from the Senate side is needed as well as support from many including hospital partners and hospital associations. He stated the need to solicit Trustees' help with meeting with legislators in Austin. He encouraged them to become familiar with the fact sheet provided by Dean Featherston, particularly facts related to Navarro College's nursing program. He stated Navarro's nursing program has been very successful for a long time and it makes sense to have an opportunity to offer a baccalaureate level.

Chairman Judson stated the Board fully supports the efforts to pursue the BSN program to meet the needs of the community.

Update on Personnel Actions

Ms. Ballew presented an update on personnel activity. The following appointments were made during the period November 15, 2018 through December 13, 2018:

- Tammy Galloway – Executive Dean of Workforce, Career & Technical Education
- Danielle Pillans – Associate Professor of Speech
- Felicia Snell – Academic Advisor – Ellis County
- Jaclyn Bailes – TriO Retention Specialist – Corsicana Campus
- Katerine Gonzales – Administrative Assistant/Cashier – Waxahachie Campus

The following resignations were received:

- Eileen Sahlstedt – Dual Credit Coordinator/Academic Advisor
- Mary Glasco – Administrative Assistant – Financial Aid
- Elizabeth Chivers – Director of Institutional Research

There were no retirements, non-renewals or transfers to report.

District President's Report

Information Technology Update – Dr. Fegan stated funds were moved from contingency for technology upgrades and asked Barry Sullivan to give a brief update. Mr. Sullivan reported the funds were used for:

- Wide Area Network upgrades (WAN - for building-to-building connections) that included 10 GB fiber upgrades for the Cook Education Center, Special Events Center (SEC), Midlothian Buildings 1 and 2, and new individual internet connections for all campuses.
- Upgrades to Local Area Network (LAN – connections within a building – desktop to switch) include all new wiring for Building 2 on the Mexia Campus.
- Outdoor Wireless Access upgrades will be made on the Corsicana and Waxahachie campuses including the AB/Gooch courtyard area, Clock Tower/Quad area, SEC Building, Cook Education Center, and between Buildings A and B on the Waxahachie campus.
- Testing Center hardware and software upgrades include 80 new desktop computers and new testing software, Netsupport, to allow better access for testing supervision.
- New fully integrated 70" video conferencing boards on the Corsicana and Waxahachie campuses will allow for ease of use; and
- Ten new projectors will replace end-of-life projectors on the Waxahachie and Corsicana campuses.

Dr. Fegan stated under Mr. Sullivan's leadership, the IT Department has been very strategic and effective in coming up with "game changers" to place Navarro College at the forefront in technology and thanked him for his efforts.

Upcoming Events Update

A quick review of upcoming major events included the Annual MLK Breakfast on January 22nd and Community College Day at the State Capitol and a CCATT/TACC Legislative Reception scheduled in Austin on January 30th.

NC District and Campus News

Dr. Fegan shared a note sent by Dr. Kenneth Martin expressing his appreciation to the Board of Trustees and Dr. Fegan for recognizing him the title of President of Ellis County Campuses Emeritus.

Dr. Fegan presented Trustees Judson and Wyatt with a framed certificate in recognition of their successful completion of THECB's training requirement and attending THECB's Leadership Conference in Austin November 29, 2018.

Pictures from Navarro Express events held on all campuses Dec 6, 2018 were shared.

Dr. Fegan stated the College's website has been updated with the group and individual photos taken with the Board of Trustees in October. He stated he would like to have individual bios added next to each Trustee's photo and will have Leslie contact them in the near future.

Dr. Fegan concluded his report.

Adjournment

Prior to adjournment, Trustee Atkeisson introduced his wife, Brenda, and expressed his appreciation for her support of him.

Mr. Judson stated the duties of a Trustee requires a lot of time and thanked Ms. Atkeisson for her support of her husband. He thanked everyone for their work and for the smooth transition in leadership this past semester. He wished everyone a safe holiday with family and friends.

Trustee Holt made a motion to adjourn the meeting. Trustee Aldama seconded the motion and the decision was unanimous. The meeting adjourned at 12:07 p.m.

Respectfully submitted,

A handwritten signature in black ink, reading "Richard L. Aldama". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

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