

NAVARRO COLLEGE BOARD OF TRUSTEES
MAY 31, 2018 MEETING
MINUTES

The Navarro College Board of Trustees gathered on Thursday, May 31, 2018 in the President's Dining Room located in Walker Dining Hall on the Corsicana Campus for dinner and were joined by Dr. Richard Sanchez, Dr. Kevin Fegan, Dr. Kenneth Martin and Vice Presidents Hanes, Ballew, Hailey, Ruiz and Housley. Following dinner, the governing body relocated to the Lone Star Room to conduct their regular monthly meeting.

Trustees in attendance were: Mr. Lloyd Huffman, Chair; Mr. Phil Judson, Vice-Chair; Mr. Richard Aldama, Secretary-Treasurer; Mr. A. L. "Buster" Atkeisson, Mr. Billy Todd McGraw, and Ms. Faith Holt. Mr. Loran Seely was absent.

Others in attendance included:

Dr. Richard Sanchez	District President
Dr. Kevin Fegan	District President-Elect
Dr. Kenneth Martin	President, Ellis County Campuses
Ms. Teresa Thomas	Vice President, Finance and Administration
Ms. Sina Ruiz	Vice President, Enrollment Mgmt. and Instl. Effectiveness
Dr. Carol Hanes	Vice President, Academic Affairs
Dr. Harold Housley	Vice President of Operations and Instl. Advancement
Ms. Stacie Sipes	Director of Marketing and Public Information
Mr. Roark Montgomery	Athletic Director
Ms. Leslie Smith	Executive Assistant to the District President
Mr. Thomas Stewart	VLK Architects

Other faculty, staff and guests were also present.

Call to Order

Mr. Huffman called the meeting to order at 7 p.m. and asked Mr. Atkeisson to begin with a prayer.

Announcements

Mr. Huffman acknowledged the presence of incoming District President, Dr. Kevin Fegan.

Open Forum

There were no requests to speak to the Board.

Consent Calendar

a. Minutes – April 26, 2018 Board Meeting

Dr. Sanchez recommended approval of the Consent Calendar containing the minutes from the April 26, 2018 Board meeting.

Ms. Holt made a motion to approve the Consent Calendar and Mr. Judson seconded the motion. The Consent Calendar was approved by a unanimous vote.

Take Action on April 2018 Financial Statement

Vice President Teresa Thomas was asked to present the April 2018 financial statement for approval. Ms. Thomas began with a detailed review of mid-year budget adjustments which were included in the April 2018 financial statement.

A transfer in the amount of \$140,009 from the Plant Fund's fund balance to the Educational and General Fund – Other Income account was required to cover the costs of renovations in Drane Hall and the assessment of the Albritton Administration Building. The following Educational and General Fund budgets were also adjusted to cover district needs:

- Reduced Instructional Budget for salary savings \$ (397,974)
- Increased various budgets for Christmas stipend, part-time salaries, and other personnel adjustments and departmental needs \$ 257,388
- Increased President's contingency \$ 80,749
- Increased equipment budget for police car \$ 38,334
- Increased faculty travel \$ 13,276
- Increased budget for Campus Alert System \$ 8,227

The Auxiliary Enterprise Fund required a transfer of \$97,401 from Management and Development Reserves to cover athletic and band scholarships. No budget adjustments were necessary in the Revenue Interest and Sinking Fund and Student Financial Fund.

Ms. Thomas stated major fund balances shown in her memorandum on the Mid-Year Budget Analysis were based on amounts taken from reserves and included an adjustment for Government Accounting Standards Board rule, GASB 68, regarding the TRS (Teacher Retirement System) pension liability. The new Government Accounting Standards Board rule, GASB 75, being implemented this year will require Navarro College to "book" its portion of ERS (Employees Retirement System of Texas) insurance liability for its employees similar to GASB 68's TRS pension liability requirement. The estimated amount for Navarro College is \$22 million. Ms. Thomas stated this action will result in a negative \$17 million fund balance at the end of the fiscal year. She stated every other school district is facing a similar situation. At this time, it's not known if the State will require the total amount to be booked at one time or if the State will allow the amount to be spread out over a period of years.

Brief discussion followed. Mr. Judson inquired if the amount (\$22 million) will be "frozen or untouchable" and Mr. Atkeisson inquired where it will be booked. Ms. Thomas responded it's not clear yet if the amount will be untouchable. She also stated the liability will be booked as an expense similar to the pension expense. She stated she wanted to make the Board aware this will be coming.

Dr. Sanchez noted the unrestricted amount in the fund balance is available to the College if needed. The amount set aside for the pension liability would only be used as a last resort. The College would be required to provide the funds if they are needed to cover the pension liability for Navarro College. Dr. Sanchez asked Ms. Thomas to let the Board know how much the negative fund balance will be as soon as it is known.

Ms. Thomas continued with a review of the April Financial Statement. Revenue earned from CMA (Certified Medication Aide) Third Party Training Courses increased the E&G budget \$32,055, Adult Education Performance Grant Funds in the amount of \$21,000 were de-obligated and returned, and \$120,186 was transferred from the Plant Fund's fund balance to cover the cost of the Albritton Building Project's document preparation. Total budget amendments increased the 2017-2018 budget \$251,327 for a revised total of \$90,147,246 as of April 30, 2018.

Ms. Thomas continued with a review of the source and disbursement of funds compared to the same time last year. As of April 30, 2018, 80.19% (\$67,773,313) of budgeted income had been earned compared to 80.74% (\$75,040,235) the previous year. Disbursements were in line with revenues earned with 80.19% of the budget expended compared to 86.95% the previous year.

A review of the summary of actual funds received and disbursed (cash in/cash out) indicated a net income of \$5,214,861 as of April 30, 2018, down \$109,717 compared to the same time last year. Ms. Thomas concluded her report.

Dr. Sanchez thanked Ms. Thomas and inquired if the Board would like to tour Drane Hall to view the renovations and laboratory upgrades. Based on consensus of the Board, arrangements will be made for Trustees to tour the building at 5:30 p.m. prior to the dinner and meeting on June 28, 2018.

Mr. Atkeisson moved to approve the February 2018 Financial Statement and Mr. Aldama seconded the motion. The decision was unanimous.

Take Action on Awarding Bid for Bank Depository for College Funds

Ms. Thomas stated the College advertised and received bids for a bank depository for college funds. Bids were received from two banks, Chase Bank of Corsicana and Prosperity Bank of Corsicana. Based on careful analysis of the bids, Ms. Thomas recommended awarding the bank depository for college funds to Prosperity Bank, the College's current bank depository.

Mr. Judson moved to accept the recommendation and award the bid to Prosperity Bank. Mr McGraw seconded the motion and the decision was unanimous.

Update on Albritton Building Renovations by VLK Architects

Dr. Housley introduced Tommy Stewart, VLK Architects, and asked him to present an update on the design plans and cost for reconstruction of the Albritton Administration Building.

Mr. Stewart gave an overview of repairs necessary for the Albritton Administration Building. The first floor needs to be taken out, the second floor gutted and the entire building repointed. This will require cutting out and replacing the mortar between the bricks. All windows, HVAC, and plumbing will need to be replaced as well as the roof and roof deck. Mr. Stewart stated it will be a very expensive project but will give the building another 50 years

of life.

The proposed new floor plan includes “right sizing” offices and classrooms to meet future needs. The front doors at the entry to the building will be restored and the front entry floors will look similar to the way it looks now. The auditorium will have a new performance stage for multi-use, new seating and acoustics, a handicap lift, and front stairs to access the stage. Mr. Huffman inquired about the ceiling and Mr. Stewart responded by stating elevation of the ceiling and replacement of the lighting were not included in the plans.

Mr. Stewart continued with a review of the revised projected cost of renovation, approximately \$14,394,629. He noted the cost was higher than originally estimated. As construction documents progressed, more expenditures were discovered. Dr. Sanchez noted the estimate does not include the additional cost of relocating offices and classrooms during the renovation, approximately \$1 million.

Some discussion followed. When asked about the cost per sq. ft. for renovation compared to the cost of constructing a new building, Mr. Stewart estimated the cost of new construction could range from \$350 - \$400 per sq. ft., in addition to the cost of removing the old building. He added the cost per sq. ft. for a new stand-alone auditorium would be higher. He recommended a one-story building be considered to house administration only and other places found for the classrooms presently on the second-story. He added that the current elevator does not meet current codes but the Fire Marshall is willing to accept it if the building is renovated. Renovation of the building is expected to take approximately one year.

Mr. Stewart reviewed options the Board could consider for proceeding with the renovations. He recommended the Board consider using a Construction Manager at Risk. He stated with this option, VLK will be involved as a partner, making the process “much quicker and smoother.”

Mr. Stewart concluded his presentation. Mr. Huffman thanked him and stated the Board will take his recommendations under advisement.

Presentation on Institutional Effectiveness

Dr. Sanchez invited Ms. Ruiz to present an update on Institutional Effectiveness. Ms. Ruiz stated Institutional Effectiveness is a complex formula that can be defined as on-going, integrated, institution-wide research-based planning and evaluation process.

Navarro College’s Enrollment Management and Institutional Effectiveness division under the leadership of Ms. Ruiz facilitates integrated planning, research and institutional processes that meet the needs of the College in fulfilling its mission, vision and values. Ms. Ruiz stated planning allows the College an opportunity to identify goals and resources needed to address the evolving needs of its students and community.

A chart was shown demonstrating the basic steps in the on-going Institutional Effectiveness cycle beginning with the College’s Mission followed by Strategic Planning, Program Reviews,

Evaluation and Use of Results. Ms. Ruiz gave an overview of the details involved in each step of the cycle and gave examples of actions that have been taken to make improvements.

Examples included but were not limited to:

- early registration incentives being implemented to encourage students to register early - Navarro College Foundation offered Early Bird Scholarships;
- began collection of mid-term grades - alerting students who are not making a passing grade and urging them to seek help;
- converted from Blackboard learning management system to Canvas;
- expanded communication efforts by using different modes (use of website, text messages, twitter, etc.) and communicating more frequently;
- accessed a list of students from universities that live in the area and encouraged them to attend Navarro College summer classes;
- identified 4,100 “stop-out” students (students who started but did not finish at Navarro College) and encouraging them to attend;
- encouraging dual credit seniors that have graduated to encourage them to attend Summer II classes;
- plans to reach out to over 12,000 active-duty veterans in the service area encouraging them to attend Navarro College; and
- greater focus being placed on full-time students – a schedule analysis is being conducted to determine if courses are being offered to meet students’ needs.

Enrollment reports are evaluated on a daily basis. The enrollment reports are broken down by campus as well as by dual credit students and credit students - full-time, part-time. This helps to direct focus where it's needed. The Program Review process integrates the Strategic Plan. Representatives from all areas of the college, administration, faculty, paraprofessional and support staff, will be participating in the annual Strategic Planning Workshop, scheduled in July. During this time, they will look at key performance indicators and develop plans for the coming year. The Quality Enhancement Plan focused on Math Mastery is evaluated each spring to improve learning.

Ms. Ruiz stated every time something new is done, it's important to evaluate the process to determine if efforts are working. A comparison of the first 20 days of registration to previous years showed a significant increase in enrollment since 2014 indicating strategies implemented are working.

Ms. Ruiz stated Institutional Effectiveness is critical because of change. She concluded her presentation with the quote “Embrace change. True success can be defined by your ability to adapt to changing circumstances.” by Connie Sky.

Some discussion followed regarding the number of dual credit students required to equal the enrollment of a traditional, full-time student (3 to 1).

Mr. Huffman thanked Ms. Ruiz and requested a copy of the enrollment chart she displayed be sent to Trustees.

Personnel Report

Ms. Sipes presented the update on personnel activity during the month of April 2018 on behalf of Ms. Ballew, who was absent.

The following appointments were made during the month of April 2018:

- Guy Featherston – Dean of Midlothian Campus & Health Professions
- Julie Arteaga – Associate Degree Nursing Program Director/Professor
- Jessica Zuniga – Assistant Professor of Welding
- Juvenal Esquivel – Campus Police Officer
- Tara Manuere – Customer Care Specialist

The following resignations and termination took place:

- Anthony Longoria – M.I.S.C. Coordinator
- Jennifer Rennison – Annual Retraining Instructor – M.S.S.L.C.
- Stephanie Rodriguez – Administrative Assistant – Enrollment Services
- Ferdinand “Fred” Gurney – Associate Professor of Instrumentation & Electrical Technology

Ms. Sipes concluded by stating there were no retirements or transfers to report.

President's Report

Enrollment Update

Dr. Sanchez asked Ms. Ruiz to present an update on enrollment.

Mr. Ruiz reported:

- May Mini 2018 enrollment is down 31 students/-6.6% and -1.1% in contact hours;
- Summer 1 2018 enrollment is up 50 students/+2.46% and +1.03% in contact hours;
- Summer 2 2018 enrollment is up 123 students/+11.5% and +14.3% in contact hours; and
- Fall 2018 enrollment is up 423 students/+21.56% and +15.08% in contact hours.

Board Calendar

Ms. Sipes presented the Board calendar and highlighted upcoming events. Plans are being developed for a “Spirit Day” to coincide with the first home football game on August 23, 2018. More details will be forthcoming.

President's Item of Information

Dr. Sanchez continued the President's with the following items of information:

- Summer 1 and Summer 12-Week sessions will begin Monday, June 4, 2018. Summer 1 will end July 10. Summer 2 classes will begin July 11. Summer 12-Week and Summer 2 classes will end August 15, 2018.
- Paraprofessional/Support Staff Celebration Day will be held June 12. A day of activities, fun and games are planned.
- Navarro College's WOW Committee (formerly Customer Service Committee) held it's first event earlier in the day in the Cook Education Center. Ms. Sipes stated selected

videos from John Gordon's Power of Positive Summit with over 40 speakers were shown and Chick-fil-a sandwiches were served. The turnout was good and feedback received has been positive as well.

- The closing of the property located at 433 N. 45th Street is nearing completion. The College should take possession of the property by mid-June.
- Dr. Fegan will assume his role on July 2nd. Ms. Ballew and Ms. Sipes are arranging for receptions to be held during the third week of August for staff and the community to welcome him.
- The Board of Trustees Budget and Planning Workshop will be held on July 12, 2018.
- Dr. Fegan will hold an Administrator's Workshop on Friday, July 27, 2018.
- Dr. Sanchez and Dr. Fegan will be attending the Texas Association of Community College (TACC) Summer Conference in Corpus Christi August 1-4, 2018. Dr. Fegan will participate in the new CEO orientation on August 1.
- Dr. Sanchez stated a decision was needed on which dates Trustees and their spouses wished to travel to and from New York in October for the ACCT Leadership Congress so that travel reservations can be made by Leslie Smith.
 - Based on consensus of the Board, Mr. Huffman stated Trustees will leave Wednesday and return on Sunday.

Dr. Sanchez thanked Trustees and concluded his report.

Announcement and Adjournment

Mr. Huffman thanked Dr. Sanchez and announced the next Board of Trustees meeting will be held on June 28, 2018 in the Lone Star Room.

Mr. Aldama moved to adjourn the meeting at 8:15 p.m. and Mr. McGraw seconded the motion. The decision was unanimous.

Respectfully submitted,



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