

**NAVARRO COLLEGE BOARD OF TRUSTEES
JANUARY 22, 2009 MEETING
MINUTES**

The governing body of NAVARRO COLLEGE met on Thursday, January 22, 2009, in the Arrowhead Room of the Gooch One Stop Student Center for their regular monthly meeting. Trustees in attendance included: Mr. Homer Wasson, Chairman; Mr. Lloyd Huffman, Vice-Chairman; Dr. James Price, Secretary/ Treasurer; Mr. James Borkchum, Member; Mr. Phil Judson, Member; and Mr. Zane Stites, Member.

Mr. Todd McGraw, Member, was absent.

Also in attendance were:

Dr. Richard Sanchez	District President
Dr. Kenneth Martin	Vice President for Academic Affairs
Ms. Gettie Moreno	Vice President for Finance and Administration
Dr. Erik Zoellner	Vice President for Student Services
Dr. Tommy Stringer	Vice President for Institutional Advancement
Mr. Dewayne Gragg	Dean of Enrollment Management and Institutional Research
Ms. Nelida Aguilar	Director, Human Resources
Ms. Donna Parish	Director, Market Relations and Public Information
Dr. Harold Housley	Dean of Business, Professional and Technical Education
Dr. Larry Weaver	Dean of Arts, Sciences and Humanities
Ms. Aaron York	Business Manager Elect
Mr. Matt Miller	Director, Media Integration Services Center
Mr. Tom Hammargren	Chairman, Faculty Association Committee
Mr. Brandon Ford	BlackBoard Administrator
Ms. Leslie Smith	Executive Administrative Assistant
Ms. Darla Littrel	Executive Administrative Assistant
Ms. Diana Ward	Sr. Manager, Jaynes, Reitmeyer, Boyd & Therrell PC
Mr. Bob Belcher	Corsicana Daily Sun
Mr. Dick Aldama	KAND Radio
Ms. Julianne Dodge	Navarro County Times

Various other faculty, staff, students and visitors were also in attendance.

Call to Order

Mr. Wasson called the meeting to order at 7:00 p.m. and asked Mr. Borkchum to begin the meeting with a prayer.

Board Announcements

No announcements were made.

Open Forum Time

There were no requests to speak to the Board.

Consent Calendar

a. Board of Trustees December 18, 2008 Meeting Minutes

Mr. Huffman made a motion to approve the Consent Calendar. Mr. Borkchum seconded the motion, and the decision was unanimous.

Take Action on the Election Order

Dr. Sanchez stated that Mr. Wasson and Mr. Stites will be retiring from the Board in May 2009. A resolution and order of election to fill their positions is required. He then asked Ms. Moreno to continue.

Ms. Moreno reviewed the order of events for the election. Ms. Moreno stated an election to vote on the two positions, At-Large District 6, currently held by Mr. Wasson, and Single Member District 4, held by Mr. Stites, will be scheduled for May 9, 2009. She stated the College has contracted with Navarro County for the election to be administered by Navarro County's election administrator, Ms. Danda Parker, and will be held concurrent with the seven (7) independent school districts.

Applications for a place on the ballot will be accepted beginning February 9, 2009, and the deadline for filing will be on March 9, 2009. A drawing for ballot position will be held at the close of filing at 5:15 p.m. on March 9, 2009.

Ms. Moreno concluded by stating the Board will be required to officially canvass the election returns no earlier than the eighth (8th) day or later than the eleventh (11th) day following the day of election.

Mr. Judson made a motion to adopt the resolution and order of election for the purpose of electing two (2) members to the Board of Trustees, and Mr. Borkchum seconded the motion. The vote was unanimous.

Take Action on November 2008 Financial Statement

Ms. Moreno continued with a review of the November 2008 financial statement.

The Statement of Budget Changes for the month ending November 30, 2008 showed amendments increased the budget \$211,000 for a total of \$71,499,224. Ms. Moreno stated the increase was a result of the receipt of additional revenues from ad valorem taxes in the amount of \$192,172, grant funds in the amount of \$14,734 received from the Department of State Health Services for Emergency Medical Services (EMS), and \$3,000 from Navarro Regional Hospital for health professions software. Fund raising efforts for basketball and athletic training added \$1,250.

A review of the Source of Funds for the month ending November 30, 2008 showed 32.77% of 2008-2009 budgeted revenues had been earned, as compared to 33.25%

the previous year. A review of the Disbursement of Funds showed 58.16% of the 2008-2009 budget had been expended or obligated at November 30, 2008, a slight increase when compared to 54.80% at November 30, 2007.

A review of the Comparative Balance Sheet for the first quarter ending November 30, 2008 showed a significant increase in "Cash on Hand" with \$4,523,659 as compared to \$1,136,622 on November 30, 2007. Ms. Moreno stated that funds in checking accounts are now being recorded as "Cash on Hand" and not as "Investments". She reminded the Board that the Quarterly Investment Report presented to them in December had shown a decrease in investments. She stated as certificates of deposits had matured, the funds were moved into checking accounts offering a higher rate of interest.

Ms. Moreno stated the auditors felt the 2007 "Allowance for Uncollectible Accounts" was too high and recommended an adjustment. This resulted in no increase for 2008. Increases in Plant and Equipment Fund reflected the purchase of property on 2nd Avenue in Corsicana and the construction of the new classroom and fire academy buildings in Waxahachie.

Discussion followed regarding the College's depository bank. Dr. Price requested an itemized list of the collateral pledged by Prosperity Bank, insuring the College's cash and investments, be printed out and brought to next month's meeting. Mr. Judson agreed and stated he was concerned with the large position held at Prosperity Bank. Ms. Moreno stated that as the College's depository bank, large amounts are kept at Prosperity Bank to cover day to day transactions. She stated the funds are insured 150% by FDIC and pledged collateral.

Ms. Moreno indicated she also was not comfortable with mortgages being pledged by the bank as collateral. She stated she and Ms. Aaron York had attended a public funds investment act training course earlier that week. The number one priority stressed was "safety" and "liquidity" second. She stated "yield" should be the lowest priority. Dr. Price stated that when the list of collateral is reviewed next month the Board may want to request that Prosperity Bank substitute selected items of collateral with other more reliable sources of collateral.

Dr. Sanchez stated that the depository contract will be reviewed and a list of collateral as requested will be provided at the next meeting.

Mr. Stites made a motion to approve the November 2008 financial statement and Mr. Huffman seconded. The decision was unanimous.

Take Action on December 2008 Financial Statement

Ms. Moreno continued with a review of the December 2008 financial statement.

Amendments in the amount of \$26,865 increased the budget for a revised total of \$71,526,089. The increase was a result of a combination of new revenues including: a

grant in the amount of \$15,800 for the purchase of equipment in the Health Professions; revenues from Cosmetology sales; and a grant from the Navarro College Foundation for the purchase of lockers for the Medical Laboratory Technician (MLT) program. Funds to pay the consultant \$8,200 for designing the new Gibson Hall roof were added to the Plant Fund budget.

A review of the Source of Funds for the period ending December 30, 2008 showed revenues running slightly ahead of the previous year with 38.90% of the current budget earned as compared to 38.67% in 2007. Student income, receipt of state and federal grants, and tax receipts in local income were running slightly ahead of the previous year.

The Disbursement of Funds for the period ending December 30, 2008 showed a slight increase with 60.77% expended or obligated as compared to 56.82% in 2007. Mr. Huffman inquired about the staff benefits and how much it will cost the College to cover employee insurance if the state does not “come through” with funding. Ms. Moreno responded the cost is \$1.4 million per year, and Dr. Sanchez stated he feels comfortable the legislature will come through with the funding.

Dr. Price made a motion to approve the December 2008 financial statement and Mr. Stites seconded the motion. The decision was unanimous.

Approve Adoption Agreement with Respect to Interlocal Agreement with Texas Association of Public Educators Concerning Provision of Certain Insurance Coverages and Reinsurance of Such Coverages Pursuant to Chapter 791 of the Texas Government Code

Ms. Moreno continued by stating that prior to renewing the College's insurance policies, a request for proposals (RFP) was made and three bids were received.

Ms. Moreno stated Lynn Cooper Insurance offered the most attractive package and was awarded the bid. The proposal received from Lynn Cooper Insurance is part of an interlocal agreement with the Texas Association of Public Educators and requires Board approval for the adoption of the agreement.

Mr. Judson inquired if the College is joining a co-insurance group which shares the cost of claims. Ms. Moreno responded the College will be individually insured and will not share the cost of claims with other schools. Dr. Sanchez stated by participating in this interlocal agreement the College is receiving an attractive rate.

Mr. Huffman made the motion to approve the adoption agreement with respect to the interlocal agreement with Texas Association of Public Educators concerning provision of certain insurance coverages and reinsurance coverages pursuant to Chapter 791 of the Texas Government Code. Mr. Borkchum seconded the motion, and the decision was unanimous.

Audit of Auxiliary Enterprises

Ms. Moreno next stated she would like to address a recent inquiry from Mr. Huffman regarding the audit report on Auxiliary Enterprises for the fiscal year ending August 31, 2008.

She reviewed a brief synopsis of the Auxiliary Enterprises audit report of revenues and expenditures. The report showed all auxiliary enterprises earned a profit for the year ending August 31, 2008. Housing earned \$525,756, dining and deli services earned \$226,041, and the bookstore earned \$306,895.

Ms. Moreno stated the negative balance (\$93,656) for the year was a result of withdrawals made from the auxiliary enterprises fund balance to pay for the renovation of Gibson Hall and for renovations on the College house located on Home Street to house the over-flow of residence life students.

Some discussion followed. Dr. Price noted that the funds will be replenished in two years. Mr. Huffman also noted the auxiliary funds support the College's intercollegiate athletics.

Dr. Sanchez stated he reviewed previous years' auxiliary enterprises audit reports. Last year, the College's auxiliary enterprises earned a profit of \$232,000. He stated the year before that, funds were taken from the auxiliary fund balance to construct Raines Hall. A profit has been realized each year a student apartment building has not been constructed.

Ms. Moreno concluded her presentation.

Presentation on WatchDog Alert System

Dr. Sanchez commented on the new WatchDog Alert system and stated that a presentation was made to the faculty during spring convocation. He asked Dr. Erik Zoellner and Brandon Ford to present an abridged version of the presentation made to faculty.

Dr. Zoellner and Mr. Ford presented an overview in three parts beginning with a video produced by the College's media department. Following the video on shooting instances experienced at other institutions, Mr. Ford reviewed the results of the first test conducted with the BlackBoard Connect system on December 5, 2008. He stated within a few minutes of being activated, the system sent over 7,500 calls and messages to students, faculty and staff. He stated most cell phones and home phones received the message within 5-10 seconds. Calls made to Navarro College offices, however, were received anywhere from 3 to 45 minutes of activation. An adjustment has now been made to the College's phone system to prevent the calls from becoming "throttled" in case of an emergency event.

Mr. Ford stated that data from the test run is being analyzed to determine where the system may have failed and why. He stated that 1,743 contacts could not be reached.

He stated most of these could be a result of wrong numbers entered into the system or students who have “opted out” of participation. He explained that text messaging requires some students to pay an extra fee on their cell phone bill, and federal law requires that students be given the option to “opt out”.

Mr. Ford concluded his presentation by stating the BlackBoard System will prove to be a very positive feature for the College. Dr. Zoellner stated that bringing together the WatchDog Alert System has required much team work. In addition to emergencies, the system can also be used to alert students about campus closings in weather related situations such as ice and snow conditions.

The outdoor warning siren, the second part of the Emergency Warning System, is being installed near the residence halls. Dr. Zoellner stated a siren will sound and messages will be broadcast over the speakers of the outdoor system to students and staff in emergency situations telling them to take cover, or in the case of tornado warnings, to seek shelter immediately.

Dr. Zoellner stated that sessions have been scheduled to inform all employees and to train key personnel on how to activate the system. He stated that procedures have been developed to protect students and staff on campus. He stated the next test of the system will be conducted on January 30, 2009 at 1:00 p.m. and concluded his presentation.

Discussion followed and all questions were answered. Dr. Sanchez stated the system will be tested once each semester and during the summer. He stated the issue with the alert beacons is still being addressed. Ms. Moreno stated the College’s attorney has sent a second letter to the company on the College’s behalf requesting that the contract be cancelled since they misrepresented the size and compatibility of their product.

Update on Personnel

Ms. Aguilar was asked to present an update on personnel.

The following appointments were made during the month of December, 2008:

- Sherry Smith, Coordinator of Adult Education
- Jessica Mattocks, Administrative Assistant II – Waxahachie Campus
- Zanada Tally, Administrative Assistant V – Human Resources

Joey Hinojosa, Area Housing Coordinator III, resigned and Brenda Duncan, Business Manager, and Darrell Raines, Vice President for Finance & Administration retired. There were no reassignments or reclassifications during the month of December, 2008.

President’s Report on Items of Information

Dr. Sanchez asked Donna Parish to review the Board’s calendar. Ms. Parish reviewed highlights of upcoming events including College Day scheduled for January 29, WatchDog Alert Information sessions scheduled January 30 and February 6 for staff, and various athletic events.

Dr. Sanchez then asked Dewayne Gragg to present an update on enrollment. Mr. Gragg reported that for the third year in a row, enrollment in the spring semester has exceeded the fall semester. He stated 8,500 students are enrolled for spring 2009 as compared to 8,328 students in fall 2008, a 22% increase from the previous base year. Mr. Gragg stated this marks the end of the base year and anticipates returning with a better report next month after enrollment has been certified.

Dr. Sanchez asked Ms. Moreno to present an occupancy report for the residence halls. Ms. Moreno stated the residence halls have 703 student occupants this spring 2009 semester, leaving 60 beds open. This compares to 655 last spring. She responded to Dr. Price's inquiry, stating each year one residence hall is closed for major repairs. This year, Jones Hall has been designated. Mr. Huffman noted the reason for requesting a new residence hall to be constructed was due to the fall semester occupancy rate, which was overbooked by 50 beds.

Dr. Sanchez continued the President's Report stating he attended the opening session of the 81st Legislature on January 13, 2009. He stated he was pleased that Joe Straus was elected by unanimous vote as the new Speaker of the House. He stated he anticipates the new Speaker to make committee assignments within the next few weeks and is very hopeful of the outcome.

Dr. Sanchez stated the newspaper reported the legislature has developed a preliminary budget. He stated other than special funding for public schools, the preliminary budget allows for no more than a 1% increase in any category and no major decreases. He stated that based on the funding received during the last session, he anticipates Navarro College to receive funding at the 56% level. He stated he does not anticipate a reduction in funding unless the legislature chooses not to use any of the "rainy day" funds. He stated that with Navarro College's 22% growth increase, he expects the college will receive a strong allocation of state funds.

Dr. Sanchez stated he visited with Representative Cook, Senator Averitt, and Representative Pitts while he was in Austin for the legislative opening. He stated he will be returning to Austin with Navarro College students participating in Community College Day on Wednesday, February 4, 2009, and hopes to find out more information from the legislators at that time.

Dr. Sanchez continued stating he would like to have the construction firm, pm2i, make a presentation during the next Board of Trustees meeting in February. He stated pm2i has experience with higher education institutions, and they offer a very cost efficient way to build. He stated they will likely bid on the construction of the new residence hall.

Dr. Sanchez stated he and Dr. Nolte recently met with the superintendent and the deputy superintendent of Waxahachie ISD about an Early College program. Dr. Nolte and WISD's deputy superintendent will travel to El Paso the following week to observe an Early College program currently in operation. Dr. Sanchez stated WISD is seeking to convert its Global High School to an Early College with the assistance of Navarro College. He stated Early College students will not pay tuition; however, Navarro College will be able to claim their contact hours for state funding. He stated he will keep the board informed as he learns more.

Dr. Sanchez announced head football coach, Nick Bobeck, has been selected NJCAA Coach of the Year. This is the first time a Navarro College coach has earned this award.

Dr. Sanchez stated he was very pleased to have the opportunity to meet with the City of Corsicana's new Chief of Police, Randy Bratton. He stated that he and Chief Hawkins visited with Chief Bratton on Wednesday, January 21, 2009. Dr. Sanchez further stated Chief Bratton was looking forward to becoming a partner with the College on safety issues on campus.

Dr. Sanchez distributed new parking permits to each trustee. He stated because the cost of purchasing these items was expensive, he had asked the marketing staff to design one. He was very pleased with their results.

Dr. Sanchez concluded his report by stating Navarro College has purchased a table for trustees at Elegance, the Navarro College Foundation's annual fundraiser. Mr. Huffman and Dr. Price indicated they would be attending the event. Mr. Borkchum stated he would inform Dr. Sanchez the next day as to whether he will attend.

Announcement and Adjournment

Mr. Stites made the motion to adjourn the meeting at 8:45 p.m. and Mr. Huffman seconded the motion. The decision was unanimous.

The next meeting of the Navarro College Board of Trustees will take place in the Arrowhead Room on Thursday, February 19, 2009.

Respectfully submitted,

Dr. James G. Price, Secretary/Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES