

NAVARRO COLLEGE BOARD OF TRUSTEES
JULY 18, 2013
MINUTES

The Navarro College Board of Trustees met on Thursday, June 13, 2013 at 12 noon in the President's Dining Room for lunch. At approximately 1:00 P.M., the governing body relocated to the Lone Star Room located in Walker Dining Hall for their annual Budget and Planning Workshop for 2013-14.

At the conclusion of the Budget and Planning Workshop, dinner was served in the President's Dining Room. Following dinner, the governing body moved to the Cook Education Center for their regular monthly meeting. All trustees were in attendance including: Mr. Lloyd Huffman, Dr. James Price, Mr. Phil Judson, Mr. Richard Aldama, Mr. A. L. "Buster" Atkeisson, Ms. Faith Holt, and Mr. Todd McGraw.

Others in attendance included:

Dr. Richard Sanchez	District President
Dr. Barbara Kavalier	District President-Elect
Dr. Kenneth Martin	President, Ellis County Campuses
Dr. Harold Housley	Vice President, Academic Affairs
Ms. Gettie Moreno	Vice President, Finance and Administration
Ms. Maryann Hailey	Vice President, Student Services
Dr. Tommy Stringer	Vice President, Institutional Advancement
Ms. Marcy Ballew	Associate Vice President of Human Resources
Ms. Glenda Terry	Dean of Health Professions
Ms. Betty Shumate	Director, Associated Degree Nursing Program
Ms. Leslie Smith	Executive Administrative Assistant to the District President
Ms. Lynne Coker	Executive Administrative Assistant to the Vice President Academic Affairs
Ms. Cathe Rehl	Education Advocate and Parent of Navarro College ADN Student
Ms. Christin Hobbs	Navarro College ADN Student
Ms. Lora Mackel	Navarro College ADN Student
Ms. Kathleen Greer	Navarro College ADN Student
Mr. Gary L. Harrison	Attorney and Counselor at Law

Various other faculty, staff, students and visitors were also present.

Call to Order

At approximately 6 p.m., Mr. Huffman called the regular monthly meeting of the Navarro College Board of Trustees to order in the Cook Center and asked Mr. Judson to begin the meeting with a prayer.

Following the prayer, Mr. Huffman announced a Closed Session to discuss legal and personnel matters according to Government Codes 551.071 and 551.074 would be held following the Open Forum.

Board Announcements

Mr. Huffman recognized the presence of District President-Elect, Dr. Barbara Kavalier, who was attending her first Board meeting and welcomed her. There were no other announcements from the Board.

Open Forum Time

There were no requests to address the Board of Trustees.

Convene into Closed Session

At 6:02 p.m., Ms. Holt moved to convene into closed session to continue the June 13, 2013 discussion regarding personnel and legal issues in relation to student appeals. Mr. Aldama seconded motion, and the decision was unanimous. The Board moved from the Cook Center's atrium to the conference room to conduct their Closed Session according to Government Codes 551.071 and 551.074.

At 6:20 p.m., Mr. Aldama made a motion to reconvene into Open Session. The motion was seconded by Mr. McGraw and the vote was unanimous.

Reconvene into Open Session and Take Action on Matters Discussed in Closed Session

After relocating to the Cook Center atrium, Mr. Huffman reconvened the meeting into open session and read the following statement for action to be taken regarding the grade challenge appeal presented by Ms. Cathe Rehl at their June 13, 2013 Board of Trustees meeting on behalf of Associate Degree Nursing students, Ms. Christin Hobbs, Ms. Lora Mackel and Ms. Kathleen Greer, for RSNG 2435 during spring 2013.

"The Board of Trustees of Navarro College was presented an appeal by three students who failed the Associate Degree Nursing Program at the end of the spring 2013 semester at their June 13, 2013 meeting.

A power point presentation was given to this Board at that meeting by an Educational Advocate on behalf of the three students. At the conclusion of the June 13, 2013 meeting, the Board of Trustees convened in Closed Session to discuss the information presented by the Educational Advocate and other information they had been provided.

The Board of Trustees directed the Associate Degree Nursing faculty and administration to respond to each of the comments made by the Educational Advocate for their review and consideration.

At a Special Closed meeting on Tuesday, July 9, 2013, we received the written responses of the Associate Degree Nursing faculty and administration to the comments made by the Educational Advocate. After conducting a thorough review of the material presented we have decided to sustain the President's decision, not to change the grades earned by the three students in RNSG 2435. Their grades will remain as awarded.

The Board of Trustees believes the three students:

- 1) were provided due process to challenge their grade, and
- 2) the action taken by the Associate Degree Nursing faculty during the course of the program was in accordance with the Nursing Program Handbook and was at all times responsible and professional."

A motion was made by Ms. Holt to sustain the decision of the District President not to change the grades earned in RNSG 2435 spring 2013 by Associate Degree Nursing students: Ms. Christine Hobbs, Ms. Catherine Greer, and Ms. Lora Mackel. The motion was seconded by Mr. Aldama and the decision was unanimous.

Consent Calendar

a. Board of Trustees June 18, 2013 Meeting Minutes

Dr. Sanchez stated the Consent Calendar consisted of one item, the minutes from the Board of Trustees June 18, 2013 Meeting, and recommended its approval. Mr. Judson moved to approve the Consent Calendar and Mr. Atkeisson seconded the motion. The vote was unanimous.

Take Action on May 2013 Financial Statement

Ms. Moreno presented the May 2013 financial statement for approval. Ms. Moreno began by stating May 31, 2013 marked the end of the fiscal year's third quarter and she would be presenting the quarterly balance sheet as part of her report.

A review of the Statement of Budget Changes indicated the budget as of May 31, 2013 increased \$5,000 for a revised total of \$124,279,804. Ms. Moreno stated \$5,000 was received from Chesapeake Energy Corporation as part of a \$20,000 donation to the Petroleum Technology Program being disbursed over a three-year period. Chesapeake allocated \$5,000 for operating expenses and the remaining \$15,000 for scholarships.

A review of the Source of Funds for the period ending May 31, 2013 indicated revenues were lagging when compared to revenues earned during the same time period in 2012. Ms. Moreno stated lower student enrollment has impacted both student income and auxiliary enterprises revenues. Overall, 72.85% of budgeted revenues had been realized as of May 31, 2013 compared to 81.19% in 2012.

Mr. Huffman inquired about Other Local Income showing that 32% in revenues had been earned this year compared to 102% the previous year. Ms. Moreno explained the budget for Other Local Income last year included appropriations from prior years. She stated this year's budget does not recognize the transfer of funds as "new dollars" making it appear that less revenue has been earned.

A review of the Disbursement of Funds indicated 79.13% of the 2012-13 budget was obligated and/or expended as of May 31, 2013 compared to 78.11% the previous year. Ms. Moreno emphasized expenditures are "being curtailed" in relation to the amount of revenues being earned. As of May 31, 2013, 8.81% of the Community Services budget had been expended compared to 16.89% last year. The difference was attributed to the First Year Experience and other camps being held later in the summer compared to the previous year.

Mr. Huffman inquired about expenditures for utilities under Plant Operations, specifically electricity. He inquired if the College was under a multi-year contract for electrical services. Ms. Moreno responded the College currently has a multi-year contract with TXU which should expire next year. She stated the College received a generous discount on the rate charged by extending the contract with TXU an additional year. She stated she would report back to the Board with more details on this subject. Ms. Moreno continued her presentation with a review of the Comparative Balance Sheet and the Auxiliary Enterprises Schedule of Revenues and Expenditures for the quarter ending May 31, 2013.

The Comparative Balance Sheet indicated an increase of 5.47% as of May 31, 2013 compared to May 31, 2012. Timing differences in disbursing student financial aid funds was reflected in the increase in *Accounts Receivable* from last year. An increase in *Cash in Bank*, from \$16,159,208 to \$18,333,044, was offset with a corresponding decrease in Investments. A major increase in Liabilities was attributed to the \$1,050,000 2012 Bond Issue. The Fund Balance increased from \$14,363,647 to \$17,635,126 when compared to the

previous year's balance.

A review of Auxiliary Enterprises Schedule of Revenues and Expenditures as of May 31, 2013 indicated revenues exceeded expenditures by \$554,490. Bookstore sales have been impacted from the decrease in student enrollment by almost 10%. Ms. Moreno stated she anticipates Auxiliary Enterprises to end the fiscal year with a positive balance. She concluded her report by requesting approval of the financial statement for the period ending May 31, 2013.

Mr. McGraw moved to approve the Financial Statement for the Period Ending May 31, 2013, and Mr. Atkeisson seconded the motion. The vote was unanimous.

Take Action on Quarterly Investment Report for Period Ending May 31, 2013

Ms. Moreno continued with a review of the Quarterly Investment Report for the Period Ending May 31, 2013.

Ms. Moreno stated the book value of investments increased \$45,000 during the third quarter for a total of \$3,135,000. A Certificate of Deposit (CD) in the amount of \$500,000 earning .25% interest matured during the third quarter and the funds were reinvested into smaller CDs: \$145,000 earning .750% interest at First Bank & Trust; \$250,000 earning 1.050% interest City National Bank; and \$150,000 earning .950% interest with State Farm. Ms. Moreno stated it is difficult to find financial institutions willing to accept larger deposits because they do not have the funds required to collateralize the deposits.

Ms. Moreno reviewed the breakdown of investments by funds, the maturity schedule of investments, and the amount of pledged collateral by bank securing cash and certificates of deposit. Ms. Moreno stated the college's investments totaling \$17,078,946 are well protected by \$2,000,000 in FDIC Insurance and \$30,702,710 in pledged collateral. Ms. Moreno concluded her report by asking for approval of the Quarterly Investment Report for the period ending May 31, 2013.

Dr. Price made a motion to approve the Quarterly Investment Report for the period ending May 31, 2013 and Mr. Aldama seconded the motion. The decision was unanimous.

Take Action on June 2013 Financial Statement

Ms. Moreno continued with the June 2013 Financial Statement.

Ms. Moreno stated there was little activity to report during the month of June 2013. Revenues from Cosmetology sales in the amount of \$1,969 and receipt of additional Texas Logistics Consortium Grant funds in the amount of \$825 increased the budget by \$2,794 for a revised total of \$124,282,598.

A review of the Source of Funds indicated a slight increase in Student Income from the May Financial Report with 86.5% earned, and the Auxiliary Fund increased slightly with 73.25% earned. Ms. Moreno stated both funds closely correlate to student enrollment. As of June 30, 2013, 75.74% of the 2012-2013 budget had been earned compared to 88.07% the previous year.

A review of the Disbursement of Funds indicated 81.43% of the 2012-2013 budget had been expended as

of June 30, 2013. Ms. Moreno pointed out the increase in Staff Benefits, with 102.74% expended compared to 98.07% the previous year, was due to the reduction in state funding for employee benefits, resulting in the college having to fund a greater percentage of the cost. The increase in Plant Fund expenditures, with 98.95% expended compared to 47.05% the previous year, was attributed to the new buildings brought online this year. An increase in Appropriations reflected the transfer of prior years' appropriations to fund the Computer Replacement Plan enacted this year.

Ms. Moreno pointed out that Auxiliary Fund expenditures were down almost 12%, with 71.51% of the current budget expended compared to 89.43% the previous year. She concluded by asking for approval of the June 2013 Financial Statement.

Mr. Judson moved to approve the June 2013 Financial Statement and Mr. Atkeisson seconded the motion. The vote was unanimous.

Approve Increases in Tuition and Fees Effective Spring 2014

Ms. Moreno stated during Budget Workshop held earlier that day, proposed increases in tuition and fees were presented for the Board's consideration and review to balance the 2013-14 budget. The proposed increases include: a \$1 increase in in-district tuition; \$1 increase in out-of-district tuition; \$2 increase in out-of-district fee; and a \$2 in the building use fee.

A comparison of the revised tuition and fee schedule to the spring 2013 state average, showed the college's tuition and fees will remain very competitive with other Texas community colleges. Ms. Moreno stated during a recent workshop with fellow Chief Financial Officers, most indicated they would be recommending an increase in their tuition and fees to offset the reduction in state funding for employee benefits. With the expected increase in tuition and fees among most Texas Community Colleges, the state average will increase making Navarro Colleges' tuition and fee rates much lower than the state average for students enrolling in twelve (12) semester hours. Ms. Moreno stated if approved, the new rates will take effect spring 2014.

Mr. Judson made a motion to approve moved an increase in in-district tuition by \$1; out-of-district tuition by \$2; out-of-district fee by \$2; and the building use fee by \$2 effective spring 2014. Mr. Aldama seconded the motion, and the decision was unanimous.

Update on Personnel Action

Ms. Ballew was asked to present an update on personnel activity. Ms. Ballew reported the following assignments were made during the month of June 2013:

- Vicky Ferguson, Assistant Dean of Humanities and Kinesiology – Corsicana Campus
- Terry Peterman, Director of Developmental Studies/P.A.S.S. Program – Corsicana Campus
- Sarah Austin, Assistant Professor of PTA Program/Program Director – Midlothian Campus
- Maria Lippert, ShaleNet US/Case Manager – Corsicana Campus
- Carla Harris, Academic Advisor – Corsicana Campus
- Julie Pardee, V.A. Certifying Official/Financial Aid Counselor – Corsicana Campus
- Lacy Beam, Administrative Assistant I, Police Academy/Continuing Education – Corsicana Campus
- Pam Hash, Benefits Coordinator/Administrative Assistant IV – Corsicana Campus

Ms. Ballew stated Ms. Susan Womack resigned her position as Purchasing Agent on the Corsicana Campus. There were no reassignments, retirements, terminations or transfers during the month of June 2013.

Ms. Ballew continued stating fourteen (14) open positions were currently being advertised:

- Dean – Navarro College at Mexia – Mexia Campus
- Assistant Dean – Business, Professional and Technical Education – Corsicana Campus
- PTA Academic Coordinator Clinical Education – Corsicana Campus
- Assistant/Associate Professor – Associate Degree Nursing – Corsicana Campus
- Head Basketball Coach – Corsicana Campus
- Assistant/Associate Professor of Instrumentation and Electrical Technology – Corsicana Campus
- Assistant/Associate Professor of Chemistry – Corsicana Campus
- Assistant/Associate Professor of Computer Information Technology – Corsicana Campus
- Assistant/Associate Professor of Biology – Waxahachie Campus
- Area Housing Coordinator III – Corsicana Campus
- A.M. Deli Cashier – Corsicana Campus
- Administrative Assistant I – T.J.J.D. – Corsicana Campus
- Faculty Support Clerk – Waxahachie Campus, and
- Payroll Assistant – Corsicana Campus

Mr. Huffman thanked Ms. Ballew for her report and announced the President's Report would be Dr. Sanchez's final report before he officially retires on August 31, 2013. Dr. Sanchez has indicated that Dr. Barbara Kavalier, District President-Elect, will present the President's Report during the August Board meeting.

President's Items of Information

Dr. Sanchez thanked Mr. Huffman and asked Ms. Ballew to present the Board Calendar.

Board of Trustees Calendar

Ms. Ballew presented the Board Calendar highlighting upcoming events including: First Year Experience Beau Camp July 22-23 and July 29-30; TRiO State Leadership Conference to be hosted by Navarro College at the Cook Center July 23-26; a dedication ceremony for the new classroom building on the Waxahachie campus to be held on July 30 at 4 p.m.; Administrators Retreat to be held with Dr. Kavalier August 5-7 in Belton; Licensed Vocational Nursing Program Graduation and Pinning Ceremony to be held August 9 at 7 p.m. in the Special Events Center; GED Graduation and National Adult Education Honor Society Induction ceremony to be held on August 10 at 10 a.m. in the Special Events Center. New faculty orientation and faculty convocation for the fall 2013 semester will be held August 19 and 20 in the Cook Center. Adjunct faculty convocations will be held August 20-22. Fall classes will begin on August 26. Ms. Ballew reviewed upcoming athletic events including the first home football game scheduled August 24 before concluding.

Construction Updates

Dr. Sanchez asked Ms. Moreno to present an update on construction projects. Ms. Moreno began by thanking the board for constructing the new physical plant building on the Waxahachie campus. She stated the facility will provide much needed space for storage and a work area for staff. She then continued by presenting pictures of the nearly completed new classroom and physical plant buildings on the Waxahachie

campus. For aesthetics, a planter was also added between buildings of the campus, including a design for a fountain to be added in the future.

Ms. Moreno continued with an update on the construction of a new administration building on the Mexia campus. She stated piers are in the process of being poured and excavation for the parking lot has begun. She concluded by stating she will have pictures to present at the August meeting.

Legislative Update

Dr. Sanchez stated there was no legislative activity to report.

VN Pinning and GED Commencement Ceremonies

Dr. Sanchez stated the Vocational Nursing (VN) Program's Graduation and Pinning Ceremony will be held August 9 at 7 p.m. and the GED Graduation and National Adult Education Honor Society Induction ceremony to be held on August 10 at 10 a.m. in the Special Events Center. Mr. Judson and Mr. Aldama indicated they would be attending the VN Graduation and Pinning and Ms. Holt indicated she would attend the GED Graduation ceremony.

Dr. Sanchez concluded his report.

Announcement and Adjournment

Mr. Huffman thanked Dr. Sanchez and announced the next Board of Trustees Meeting will be held in the Cook Center August 25, 2013 at 7 p.m.

Ms. Holt moved to adjourn the meeting at 6:59 p.m. Mr. Aldama seconded the motion, and the decision was unanimous.

Respectfully submitted,

Phil Judson, Secretary-Treasurer
Navarro College Board of Trustees