

**NAVARRO COLLEGE BOARD OF TRUSTEES
JUNE 17, 2010 MEETING
MINUTES**

The governing body of NAVARRO COLLEGE met on Thursday, June 17, 2010 at 6 p.m. in the President's Dining Room for dinner. Following dinner, trustees relocated to the Arrowhead Room of the Gooch One Stop Student Center for their regular monthly meeting. Trustees in attendance included: Mr. Lloyd Huffman, Chairman; Dr. James Price, Vice-Chairman; Mr. James Borkchum, Jr., Secretary-Treasurer; Mr. A. L. Atkeisson, member; and Mr. Phil Judson, member; and Mr. Todd McGraw, member

Mr. Richard Aldama, member, and Dr. Richard Sanchez, District President, were absent.

Others in attendance included:

Dr. Harold Nolte	President, Ellis County Campuses
Dr. Kenneth Martin	Vice President, Academic Affairs
Ms. Gertrud Moreno	Vice President, Finance and Administration
Ms. Maryann Hailey	Vice President, Student Services
Dr. Tommy Stringer	Vice President, Institutional Advancement
Ms. Donna Parish	Director, Market Relations & Public Information
Ms. Marcy Ballew	Director, Human Resources
Mr. Phil Sims	Director, Student Activities
Mr. Karl Humphries	Director, Physical Plant
Dr. Cubie Ward	Dean, Midlothian Campus
Mr. Lee McCleary	Navarro County/Corsicana Director of Economic Development
Mr. Rod Kucera	General Manager, Pactiv Corporation
Ms. Leslie Smith	Executive Administrative Assistant
Ms. Darla Littrel	Executive Administrative Assistant
Mr. Rayland Haynes	A/V Specialist, Media Integration Services Center
Ms. Janet Jacobs	<i>Corsicana Daily Sun</i>

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

Call to Order and Dinner

Mr. Huffman called the meeting to order in the President's Dining Room at approximately 6:00 p.m. and asked Mr. McGraw to begin with a prayer. Dinner was served. Trustees were joined by Dr. Nolte, Dr. Martin, Ms. Moreno, Ms. Hailey, and Dr. Stringer. No business was discussed or conducted during the dinner.

Following dinner, the board relocated to the Arrowhead Room. Mr. Huffman reconvened the board into regular session at approximately 7:00 p.m.

Board Announcements

There were no announcements made by the Board.

Open Forum Time

There were no requests to speak to the Board.

Consent Calendar

- a. Board of Trustees May 20, 2010 Meeting Minutes

- b. **Addition of *Section IX.21.00 – Policy on Threats or Harm to Self or Others* to Navarro College Administrative Policies and Procedures Manual**
- c. **Approval of Policy/Procedure Changes to the 2010-2011 Student Handbooks for the following programs: Medical Laboratory Technology, Licensed Vocational Nursing, Occupational Therapy Assistant, and Associate Degree Nursing**

Dr. Nolte asked Ms. Hailey to present the proposed new policy, *Section IX.21.00 – Policy on Threats or Harm to Self or Others*. Ms. Hailey stated mental health issues are on the rise throughout the country and currently, there were no formal procedures in place to address these issues. She stated the *Policy on Threats or Harm to Self or Others* outlines formal procedures to be followed in the event a student indicates a desire to harm self and/or others as well as other mental health issues. Following a brief synopsis of the new policy and procedures outlined based on threat level, Ms. Hailey concluded by stating the new policy will help to provide a safer environment for students and staff.

Dr. Price made a motion to approve all items included in the Consent Calendar, and Mr. Judson seconded the motion. The decision was unanimous.

Adopt Resolution Authorizing Tax Abatement fro Pactiv Corporation

Mr. Huffman welcomed Mr. Lee McCleary, Director of Economic Development for Navarro County/Corsicana, and asked him to present the proposed tax abatement.

Mr. McCleary stated that Pactiv Corporation is requesting a tax abatement of 50% over a ten year period for improvements totaling \$3,175,000. In addition to the improvements, Pactiv projects to add \$1,250,000 in additional inventory which will not be abated. He stated Pactiv first opened in 1988 under the name AMOCO and has been a well respected industrial partner in Navarro County since then. He enthusiastically recommended the board approve the tax abatement agreement and introduced Pactiv's general manager, Mr. Rod Kucera.

Mr. Kucera expressed Pactiv's appreciation for the board's consideration of the tax abatement. He stated Pactiv is very excited about this project and especially the addition of twenty new full-time employees as a result. He concluded by stating this expansion will help stabilize Pactiv's long term viability as a packaging manufacturer.

Mr. Huffman thanked Mr. Kucera and Mr. McCleary and stated that Pactiv has been an active contributor to the community in Corsicana and Navarro County.

Dr. Price moved that the resolution authorizing the tax abatement for Pactiv Corporation be adopted and Mr. Judson seconded the motion. The vote was unanimous.

Take Action on May 2010 Financial Statement

Ms. Moreno was asked to present the Financial Statement for the period ending May 31, 2010.

A review of the Statement of Budget Changes for the period ending May 31, 2010 showed an increase of \$25,681 in revenues. Ms. Moreno stated that \$20,222 of that amount was due to a reallocation of Tech Prep Grant funds, \$1,252 was in recognition of an allocation from the State Comptroller to be used for police officer training and development, and \$4,207 from Cosmetology sales. The revised budget at May 31, 2010 totaled \$90,252,446.

A review of the Source of Funds for the period ending May 31, 2010 showed 89.26% of the total budget had been earned as compared to 82.94% the previous year. Student Income continues to exceed budgeted revenues with 110.73% earned as compared to 100.92% last year. Ms. Moreno reminded the board that increases in PELL grant

awards and student loans continue to have a positive impact on Student Income and Student Financial Aid. She also noted that these funds will now be issued to students through Navarro College instead of through a third party banking institution.

A review of the Disbursement of Funds showed 95.63% of the budget had been expended and/or obligated at May 31, 2010 as compared to 89.04% the previous year. Ms. Moreno stated activity in the Plant Fund has increased due to vouchers being received for payment on Midlothian's Phase II building project.

Dr. Price inquired if any surplus funds were kept in the Debt Service Fund. Ms. Moreno responded that the amount budgeted in Debt Service Fund was principal and interest on the debt service only; however, the law requires funds to be kept in escrow because of the bond issue. Those funds continue to earn interest not included in the budget.

The Comparative Balance Sheet for the quarter ending May 31, 2010 showed a 15.21% increase over the same period in 2009 with a total of \$78,543,658.

Mr. Atkeisson asked for clarification of the uncollectible accounts. Ms. Moreno explained that the law requires this allowance, which is determined by the auditors, to offset the potential of any accounts receivable that may not be received. She concluded by stating the college's financial position remains very healthy.

Dr. Price moved that the May 2010 financial statement be approved. Mr. Atkeisson seconded the motion and the decision was unanimous.

Take Action on Quarterly Investment Report for period ending May 31, 2010

Ms. Moreno continued with a review of the Quarterly Investment Report.

The Quarterly Investment Report for the period ending May 31, 2010 indicated an ending book value of \$8,700,000 and a market value of \$8,730,622.72 as compared to \$8,754,215.69 the previous quarter.

Ms. Moreno stated earnings on investments continue to be weak because of low interest rates. She stated the college found it difficult to reinvest a \$3 million certificate of deposit which matured at Community National Bank on February 28, 2010. When the college attempted to reinvest the certificate of deposit, Community National Bank would only offer an interest rate of a quarter of one percent (0.250%) for a six month CD. Prosperity Bank, the college's depository bank, offered 0.80% interest. Ms. Moreno stated in order to keep investments spread out but still earn as much interest as possible, the funds were divided evenly between Community National Bank and Prosperity Bank.

Ms. Moreno pointed out that the Maturity Schedule of the Investment Report was redesigned at the suggestion of Dr. Sanchez. The previous report was formatted to show matured investments by calendar year only. She stated the new report displays the amount of investments maturing each quarter based on the college's fiscal year and is much more informative.

A review of Pledged Collaterals by Bank showed total deposits in the amount of \$19,434,369.13 are backed by pledged collaterals totaling \$46,590,655.51. The college's depository bank, Prosperity Bank, has pledged collateral totaling \$40,183,630.82 in mortgage-backed securities and government agency issues covering the college's deposits totaling \$16,721,203.06.

Ms. Moreno concluded her report. Dr. Price inquired if the interest on investments is collected at maturity, and Ms. Moreno responded that it is collected on a monthly basis.

Mr. Judson moved that the Quarterly Investment Report for the period ending May 31, 2010 be approved and Mr. Borkchum seconded the motion. All votes were in favor of the motion.

Adopt Resolution Authorizing the Sale of Navarro College Property located in Downtown Mexia

Ms. Moreno stated that a resolution authorizing the sale of Navarro College property located at the corner of 110 E. Commerce and 111 N. Sherman in Mexia, Texas to Limestone County Senior Services Project for \$100 was required. In addition, Ms. Moreno requested authority to act as the college's agent in completing the sale.

A request for proposals for the sale of the property was sent out and appropriate legal notices were advertised in the Corsicana and Mexia newspapers. Ms. Moreno stated the response from Limestone County Senior Services Project was the only response received. The resolution will authorize the sale and authorize her to sign any documents pertaining to the sale of the property.

Mr. Atkeisson moved that the resolution for the sale of the property in Mexia be adopted. Mr. Judson seconded the motion and the decision was unanimous.

Approval of Contract for Grounds Maintenance Services for the Corsicana and Mexia Campuses for the Fiscal Year 2010-11

Ms. Moreno stated proposals were recently solicited for grounds maintenance and litter control services for the Corsicana and Mexia campuses for the 2010-11 fiscal year. She stated the response was very good with eight bids received. The low bid was submitted by Bryan Landscape followed by Lawson's Landscape & Construction, the current grounds contractor.

Ms. Moreno stated that it was recommended the bid be awarded to the Lawson's Landscape & Construction Company for the Corsicana campus. She asked Karl Humphries, Director of Physical Plant, to come forward to explain the reason for not recommending the low bidder, Bryan Landscape. Mr. Humphries stated it was determined from the references they provided that Bryan Landscape has been in business for less than one year and does not have the commercial experience required. He stated that the difference in price between Bryan Landscape and Lawson's Landscape is only \$130/month. He stated that Lawson's Landscape, the current grounds contractor, has provided such high quality service it has eliminated the need for the college to have a grounds supervisor on staff to oversee their work. This has created a savings of over \$9,000 a year.

Mr. Judson commented that the college campus is a "huge footprint on the community" and that Lawson's Landscape has done a wonderful job of keeping it beautiful. Mr. McGraw made a motion to award the bid for grounds maintenance and litter services on the Corsicana campus to Lawson's Landscape. Mr. Judson seconded the motion and the decision was unanimous.

Ms. Moreno and Mr. Humphries continued the presentation stating they recommend the bid for grounds maintenance and litter control for the Mexia campus be awarded to Bryan Landscape. Mr. Humphries stated that because of the smaller size of the Mexia campus, he felt confident in Bryan Landscape's ability to handle it.

Mr. Atkeisson moved that the bid for grounds maintenance and litter control for the Mexia campus be awarded to Bryan Landscape and Mr. Borkchum seconded the motion. The decision was unanimous.

Approval of Contract for Custodial Services for the Corsicana, Ellis County and Mexia Campuses for the Fiscal Year 2010-11

Ms. Moreno stated proposals were also recently solicited for custodial services at the Corsicana, Ellis County and Mexia campuses for fiscal year 2010-11. She stated the board's approval was being requested to award the contract for the Ellis County and Mexia campuses to AHI Facility Services, based on their combined low bid of \$84,454.40, and to Members Building Maintenance for the Corsicana campus, based on their low bid of \$214,218. If services are satisfactory, both contracts can be continued at the same price and condition for two subsequent fiscal years.

Mr. Judson moved to award the contract for custodial services to AHI Facility Services for the Ellis County and Mexia campuses and to Members Building Maintenance for the Corsicana campus. Mr. Borkchum seconded the motion. The decision was unanimous.

Update on Student Activities

Ms. Hailey introduced Mr. Phil Sims, Director, and asked him to present an update on student activities.

Mr. Sims stated that Student Activities is an area that used to be associated with "partying"; it now plays an important role in the students' educational process. Student Activities holds several Freshman Orientation sessions during the summer for students starting their first semester in the fall. The first two-day session will be held next week with approximately 150 students expected to attend. During these sessions, students are encouraged to step out of their "comfort zones" to meet new people and become involved in student organizations. Sophomore students are encouraged to take on roles as student leaders.

Student leadership is also encouraged through other events including: Truth Week, which raises awareness about drugs and sexually transmitted diseases; Campus Dialogue Sessions, where students meet with college administrators to discuss issues and share information; and Dress for Success, a new program designed to promote proper attire to help students become more successful.

The Student Government Association, a government "of the students, by the students, for the students" has been active since enrollment at Navarro College was 2,000 students. Mr. Sims stated that with over 10,000 students currently enrolled, the SGA has become even more important at all campus locations.

The SGA is a member of the Texas Junior College Student Government Association (T.J.C.S.G.A.) and has proudly had representatives serve as state advisor-elect in 2006-07, state advisor and state parliamentarian in 2007-08, state president in 2008-09, and state vice president in 2009-10, and will serve as state secretary during 2010-11. Waxahachie Campus SGA has recently become very active and was voted state president for 2010-11. Mr. Sims stated that under Navarro College's leadership, TJCSGA has seen the needs of 2-year colleges brought to the attention of the Texas Legislature. Their actions have also helped to unify the two-year schools throughout the state to inform the Texas legislature on funding needs, making them aware of the tuition spikes that the students have to bear, and the rising costs of textbooks. Their efforts led to a house bill being introduced for tax free textbooks.

In addition to Student Government, students are encouraged to participate in various clubs and organizations and take on leadership roles. Mr. Sims stated Navarro College's student organizations contributed over 2,000 hours of community service during 2009-10.

Mr. Sims stated that future plans include: developing expanded activities to address the needs of the high number of non-traditional students enrolled; club advisor workshops; monthly luncheons showcasing a different club each

month; improving communications among all four campuses; hosting workshops; and encouraging and assisting each campus in attending conferences for TJCSGA for continued student leadership training and networking.

Mr. Sims concluded his presentation.

Update on Personnel

Ms. Ballew was asked to present an update on personnel for the month of May 2010. She reported the following appointments were made during the month:

- Leslie Hayes – Director of Adult Education - Corsicana
- Jennifer Rennison – Lab Coordinator – Mexia State Supported Living Center
- Anthony Taylor – Lab Coordinator – Mexia State Supported Living Center
- Rachel Waters – Administrative Assistant I, Police Academy/ Continuing Education – Corsicana
- Mallory Pressler – Executive Administrative Assistant I to the Vice President of Institutional Advancement and Director of Navarro College Foundation

There were no reclassifications, transfers or retirements during the month of May 2010.

Melissa Koonce, Administrative Assistant III- Career Center was reassigned as Administrative Assistant III to the Dean of Mexia Campus.

The following resignations occurred during the month of May, 2010:

- Karen Brockman – LVN Instructor – Ellis County Campuses
- Cheryl Gilbert – LVN Instructor – Ellis County Campuses
- Roxanne Josse – LVN Instructor – Ellis County Campuses
- Tim Dugan – Admissions Specialist/Recruiter - Corsicana

The following retirements occurred during the month of May, 2010:

- Sheila Herod – Music Instructor - Corsicana
- Dorothy Perri – ADN Instructor – Corsicana
- Linda Blatchley – Business Information Technology Instructor - Corsicana

Ms. Ballew reviewed the list of current vacancies in faculty, paraprofessional and support staff positions being advertised and concluded her report.

Some discussion followed regarding the number of LVN instructor vacancies in Waxahachie. Ms. Ballew stated two instructors resigned to relocate with their families and another desired to go back to work at the hospital. She stated that the interview process is being expedited to fill all the vacancies before the fall semester begins. She added that the applicant pool is looking very good with several, well qualified applicants.

President's Report

Dr. Nolte asked Ms. Parish to present the Board's calendar. Highlights included: Freshman Orientation sessions will be held June 21-22, July 12-13 and July 26-27; an Administrators Symposium for all college administrators will be held June 29-30 in Belton, Texas; Dr. Nolte will attend the TACC Summer Conference in Kerrville July 7-10; a

Celebration Day for Support Staff/Paraprofessionals will be held on July 14; and Summer II Classes will begin on July 6. The college will close for the Fourth of July holiday on July 5.

Dr. Nolte asked Ms. Ballew to present an update on enrollment on behalf of Dewayne Gragg. Ms. Ballew stated enrollment in the Summer II semester is up 64.1% in headcount and 71.5% in contact hours compared to the same time last year. Enrollment for the fall 2010 semester is up 47% in headcount and 43.9% in contact hours over the same time period last year. Ms. Parish added that the Student Relations Office has been incredibly busy with potential students interested in attending Navarro College wanting tours.

Dr. Nolte asked Dr. Ward to present an update on the Phase II construction project on the Midlothian campus. Dr. Ward distributed copies of local newspapers with published stories on the new Midlothian campus building and on the recent fundraiser, Brilliance, held in Ellis County. He then displayed pictures of the work in progress on Phase II. He stated the building's roof is nearing completion and stairwells are expected to be installed by the next day. Concrete for the second floor is being poured and studs are in place for the walls. The lavatory will be in place and useable within a few weeks. Approximately two-thirds of the parking lot has been paved. Dr. Ward concluded his report by stating a problem experienced with the waste acid basin has been addressed and corrected by lowering it.

Dr. Nolte asked Ms. Moreno to present an update on the Petroleum Technology and Campus Police buildings. Ms. Moreno stated that the deadline for the RFP has had to be extended one week. She stated several contractors have had questions regarding the drawings. Existing statutes state any information provided to one bidder must be shared with all potential bidders. An amendment has been issued and the deadline has been moved from June 21, 2010 to June 28, 2010. Ms. Moreno stated that the RFP Review Committee, including two board members, will meet on June 28 following the bid opening to review the proposals.

Mr. Huffman updated the board on the expansion of the Cook Education Center. He stated plans have been completed by the architects and are "construction ready." A committee met recently to review the RFP's they received for construction manager at risk and selected Watkins Development Corporation. Financing has been arranged to cover the project in a timely manner and work should begin soon. He stated because audio-visual equipment will be built in and there will be plenty of room, the board may want to consider holding their meetings in the Cook Education Center after the expansion project is completed. He concluded by stating a professional has been contacted regarding moving the Arrowhead Collection to the Cook Education Center after the expansion is completed; however, it will be a very difficult project and could be very expensive.

Dr. Nolte asked Ms. Moreno to update the on the 5% reduction. The state of Texas has shared details on how the reduction will be taken. During the months of June, July, and August 2010 the college's monthly allocations from the state will be reduced by \$248,481 totaling slightly less than 5% of the college's appropriation. Ms. Moreno stated during the next fiscal year (2010-11) the 5% will be reduced in 12 equal installments. Instructions received from the Legislative Budget Board and Office of the Governor have advised institutions to prepare for an additional 10% reduction for the upcoming biennium. Mr. Huffman inquired if state revenues begin improving in the fall if the reductions will hold. Ms. Moreno stated that she just returned from the Texas Association of Community College Business Officers (TACCBO) meeting and the chief financial officers attending felt that even if state sales revenues were to improve, the current ten percent reduction will still be in effect.

Dr. Nolte reported that the annual Administrators Symposium will be held June 29-30, 2010 in Belton, Texas. He reminded trustees that the budget and planning workshop on July 22, 2010 and will be a day-long event beginning at 9 a.m. The regular monthly board meeting will begin 6 p.m.

Dr. Nolte requested Ms. Hailey update the board on the Office of Civil Rights complaint. Ms. Hailey stated that an investigation is being conducted into a complaint received by the OCR and a report is due June 24, 2010. She

stated that as soon as a response from OCR is received on how the issue will be remediated, the board will be advised.

Dr. Nolte reminded trustees the ACCT Annual Leadership Conference will be held in October. Hotel reservations have been made and flight reservations are being made at a group rate.

Dr. Nolte stated a story was recently published in a Waco paper that alcohol was not a factor in the death of Navarro College volleyball student, Megan HeLal, who died after attending a party while visiting her boyfriend at Baylor University.

Dr. Nolte concluded the President's Report.

Announcement and Adjournment

Mr. Huffman announced the next regular monthly meeting will be held at 6 p.m. in the Arrowhead Room on Thursday, July 22, 2010, following a budget and planning workshop in the Lone Star Room beginning at 9 a.m.

Mr. Borkchum moved to adjourn the meeting at approximately 8:20 p.m., and Mr. Atkeisson seconded the motion. The decision was unanimous.

Respectfully submitted,


Mr. James Borkchum
Secretary/Treasurer