

**NAVARRO COLLEGE BOARD OF TRUSTEES
MARCH 25, 2010 MEETING
MINUTES**

The governing body of NAVARRO COLLEGE met on Thursday, March 25, 2010, at the South Campus located in Mexia, Texas 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. Richard Aldama, member; Mr. A. L. Atkeisson, member; and Mr. Phil Judson, member.
Mr. Todd McGraw, member, was absent.

Others in attendance included:

Dr. Richard Sanchez	District President
Dr. Harold Nolte	President, Ellis County Campuses
Dr. Kenneth Martin	Vice President, Academic Affairs
Ms. Gettie Moreno	Vice President, Finance and Administration
Dr. Tommy Stringer	Vice President, Institutional Advancement
Mr. Dewayne Gragg	Vice President, Enrollment Management
Ms. Donna Parish	Director, Market Relations & Public Information
Mr. Guy Featherston	Dean, South Campus
Dr. Cubie Ward	Dean, Midlothian Campus
Ms. Leslie Smith	Executive Administrative Assistant
Ms. Janet Daugherty	Executive Administrative Assistant
Mr. Matt Miller	Director, Online Instruction and Media Integration Services Center
Mr. Bob Wright	The Mexia News

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

Call to Order

Mr. Huffman called the meeting to order at approximately 7:00 p.m. and asked Mr. Judson to begin with a prayer.

Following the prayer, Mr. Huffman announced that a closed session would be held following Item 501 – President's Report to discuss personnel matters according to Government Code 551.074. He stated no action or decisions were anticipated.

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. Minutes - Board of Trustees February 18, 2010 Meeting
- b. Addition of *Section IV.25.00 - Vaccination Against Bacterial Meningitis of Students Residing in On-Campus Housing* to the Navarro College Administrative Policies and Procedures Manual
- c. Revisions to *Section IX.13.00 - Navarro College Drug and Alcohol Policy* of the Navarro College Administrative Policies and Procedures Manual

In addition to the minutes from the February 18, 2010 meeting, Dr. Sanchez stated two policy items were being presented under the consent calendar for approval: the addition of *Section IV.25.00 – Vaccination Against Bacterial Meningitis*, and a revision to *Section IX.13.00 – Navarro College Drug and Alcohol Policy* in the Navarro College Administrative Policies and Procedures Manual.

Ms. Moreno was asked to explain the proposed policy regarding vaccination against bacterial meningitis. She stated a new mandate by the Texas State Legislature requires all residence life students to be vaccinated against bacterial meningitis. The new policy requires students to provide proof of having been vaccinated at least 10 days prior to moving into the residence halls. She stated this past spring semester the majority of new students were able to provide proof of vaccination. Only 40 had to be placed on a waiting list until they met the requirement. Ms. Moreno stated that students are made aware of the requirement when they apply for residence life housing.

Dr. Sanchez stated the existing policy on drugs and alcohol, *Section IX.13.00*, has been revised to include any "mood enhancing" drug. He stated that a new substance, K-2, is comprised of herbs with a sprayed chemical and has the same euphoric effect as marijuana. K-2 is illegal in several states but it is being sold legally in Texas at incense and paraphernalia stores. Dr. Sanchez stated the drug and alcohol policy is being revised to make it illegal for K-2 or any other mood enhancing drug to be brought on campus.

A motion was made by to approve the consent calendar by Dr. Price and seconded by Mr. Aldama. The decision was unanimous.

Review of Preliminary February 2010 Financial Statement before Mid-Year Adjustments

Ms. Moreno stated the February 2010 financial statement being presented was preliminary and for information purposes only. February 28, 2010 represents the midpoint in the College's fiscal year and a thorough analysis was being conducted on all budgeted revenues and expenditures to make certain ample funds are budgeted. She stated a complete mid-year analysis and financial statement will be presented during the April 2010 meeting for board approval.

A review of the Statement of Budget Adjustments indicated an increase of \$2,240 for a total revised budget of \$85,699,607 for the period ending February 28, 2010. The increase was attributed to revenues earned from Cosmetology sales.

The Source of Funds for the month ending February 28, 2010 showed 75.95% of the budget had been earned at mid-year, as compared to 69.52% the prior year. Ms. Moreno stated budgeted revenues in Student Income have been over-realized with 100.85% earned at mid-year as compared to 89.65% the previous year. She stated she anticipates adjusting the Student Income budget by an additional 5%. She stated the Debt Service Fund, with 100.33% earned as compared to 98.31%, is where it should be. Student Financial Aid, with 102.18% earned as compared to 72.57%, was up as a result of increased grant awards and student loan amounts.

A review of the Disbursement of Funds showed 88.71% of the budget had been expended and/or obligated at February 28, 2010 as compared to 82.12% the previous year. The increase in Student Financial Aid, with 103.20% expended/obligated as compared to 82.12% the previous year, was in correlation with the increase in Student Financial Aid revenues.

The Comparative Balance Sheet for the quarter ending February 28, 2010 showed a \$14 million (20.23%) increase. Ms. Moreno stated the large increases in Cash on Hand, Accounts Receivable and Accounts Payable

were a result of the bond issue. Inventories increased by approximately \$1 million as a result of the Bookstore's efforts to stock more used textbooks for students to purchase at a lower price.

Ms. Moreno concluded her presentation on the preliminary financial statement for the period ending February 28, 2010.

Take Action on Quarterly Investment Report for the Quarter Ending February 28, 2010

Ms. Moreno continued with a review of the Quarterly Investment Report for the Quarter Ending February 28, 2010. She stated that investment opportunities are very disappointing. Several certificates of deposit (CDs) matured during the last quarter and funds were deposited into an interest bearing checking account at Prosperity Bank earning 2.02 percent rate of interest, compared to 0.25% being offered for a 6 month CD.

As a result of the liquidation of the CDs into a cash account, total investments decreased by \$750,000. Ms. Moreno stated that she and Ms. Aaron York have been officially certified as Public Funds Investment Managers and are constantly looking for investment opportunities. She stated that although great effort is being made not to invest all funds into a single institution, the majority of funds are deposited at Prosperity Bank, the college's depository bank. She stated that Prosperity Bank provides 200% collateral on all deposits.

Mr. Judson inquired how often the collateral offered by Prosperity Bank is appraised. Ms. Moreno responded she was not sure but would ensure an answer was provided for him.

A motion was made by Mr. Aldama to approve the Quarterly Investment Report for the Quarter Ending February 28, 2010 and seconded by Mr. Judson. The vote was unanimous.

Approve the Issuance of a Request for Proposals for the Sale of College Property Located in Downtown Mexia, Texas

Dr. Sanchez stated at Mr. Huffman's request he has verified that the property located in downtown Mexia was deeded to Navarro College. He stated that a local entity has indicated interest in purchasing the property and approval was requested to issue a Request for Proposals.

Ms. Moreno stated that the law requires the college to issue a Request for Proposals (RFP) for the sale of the property and must be advertised for a minimum of two weeks. Ads will be placed in both the Corsicana and Mexia newspapers.

Dr. Price made a motion to approve the issuance of a Request for Proposals for the sale of college property located in downtown Mexia, Texas. Mr. Atkeisson seconded the motion, and the decision was unanimous.

Update on Mexia South Campus

Dr. Martin introduced Mr. Guy Featherston, Dean of the South Campus, and asked him to present an update on the South Campus.

Mr. Featherston stated he was very pleased to report that the South Campus is experiencing an outstanding spring semester with an enrollment of 1,200 students. He then continued with an update on the NRG Energy Partnership Program started approximately one year ago to provide training for potential employees.

Mr. Featherston stated NRG's parent company is based in New Jersey and owns numerous, electrical, nuclear and solar plants throughout the United States and as well as one in Australia. The Limestone County location currently has two units that produce electricity from coal which is sold in the open market. Recently, NRG received

government approval to build a third unit. The unit construction phase is expected to last approximately four years, employ over 1,000 construction workers, and generate over \$1 billion in tax revenues.

Mr. Featherston stated that NRG Texas' Limestone Electric Generating Station was struggling to find qualified employees to replace aging staff. NRG and Navarro College partnered to establish an Area Technical Center (ATC) located at the Limestone Plant. The ATC provides high school juniors and seniors the opportunity to gain invaluable employment skills and knowledge through a Power Plant Operations and Maintenance Certificate program. The ATC was conceived by NRG Texas in 2006, and in January 2009, the first class of 20 students began their training leading toward the Power Plant Operations and Maintenance Certification. The second class began this summer, and a third cohort, to begin in the fall semester, has a waiting list for participation. Mr. Featherston stated that this is the first record of an industry making its plant site and facilities available to students as young as 16.

Program instructors have twenty to thirty years of experience working at NRG. Currently, student ages range from 16 to 28 years. High school juniors and seniors are actively recruited through area ISD's and high school graduates looking to "retool". Students must be at least 16 years of age and have passed the TAKS test. Students who begin the program before their junior year can complete their certification by the end of their senior year. Individuals hired into NRG's three-year apprentice program earn \$24/hr and those who complete their apprenticeship earn \$64,000/yr.

Mr. Featherston stated the basic skills learned and "hands on" training provided through the certificate program can easily be applied to a number of other industries as well. He stated the curriculum can be specialized to meet the needs of other industries very easily. NUCOR Steel and Texas Westmoreland Coal Company are supporting this program by contributing to a fund to help minimize the cost of tuition and fees for students.

Mr. Featherston stated the Heart of Texas Workforce Development Board awarded NRG Texas Limestone Generation Plant the *Outstanding Community Initiative Award* at its Annual Award of Excellence Banquet on January 22nd as a result of this partnership. Mr. Featherston concluded his report and introduced Mexia staff members present.

Mr. Huffman thanked Mr. Featherston for his presentation.

Update on Personnel

Dr. Sanchez stated that Ms. Marcy Ballew, Director of Human Resources, was attending a Christian conference out of the country and requested that Mr. Gragg present the update on personnel.

Diana Campbell was appointed Administrative Assistant IV / Benefits Coordinator – Corsicana and Marcy Ballew was reassigned as Director of Human Resources from Director of Adult Education – Corsicana during the month of February 2010.

The following resignations occurred during the month of February 2010:

- Wade Griffin, Assistant Football Coach/Instructor – Corsicana
- Kevin Curtis, Assistant Football Coach/Intramurals – Corsicana
- Tammy Martin, Administrative Assistant III – Mexia State Supported Living Center

There were no reclassifications, transfers, terminations or retirements during the month of February, 2010. Following a review of open positions, Mr. Gragg concluded his report.

President's Report on Items of Information

Board of Trustees Calendar

Dr. Sanchez asked Ms. Parish to present the Board's calendar of events. Ms. Parish covered highlights of upcoming events including upcoming baseball and softball games, a Micronesian Festival, faculty adviser banquet and student banquet. She stated that approximately 233 prospective students are expected to attend Campus Preview Day on March 27. This will be the largest group to date.

Enrollment Report

Dr. Sanchez asked Mr. Gragg to present an update on enrollment. Mr. Gragg stated an error was made in the previous enrollment estimate for the spring 2010 semester of 9,760 students. Instead, he will certify the enrollment of 10,150 students on Friday, March 26, 2010. He stated this is the first time Navarro College has reached the 10,000 mark and has exceeded South Plains College and Tyler Community College in enrollment. This represents a one year increase of 13.8% and 33% two year increase. A total of 2,185,000 in contact hours to be reported represents an 18.6% increase over last year and a 35.7% two-year increase. Mr. Gragg stated enrollment in summer classes after only five days of registration is also looking very good with 500 students already enrolled.

Mr. Huffman requested staff members generate a news release on reaching the 10,000 student mark and compare enrollment to other schools. Mr. Gragg stated that a celebration is being planned if fall 2010's enrollment reaches 10,000 too.

Construction Update

Dr. Nolte was asked to present an update on the construction of Phase II on the Midlothian Campus. Dr. Nolte reported that despite eighteen days of delay due to bad weather, the project is still on schedule. Pictures of the work in progress, including the retaining wall, piers, storm drainage and building pad, were shown and explained. The new south parking lot will hold 80 parking spaces and an additional 90 spaces are being added on the north side. Approximately 400 parking spaces will be available to students and staff when the project is completed. Dr. Nolte concluded his report by stating he and Dr. Sanchez will be attending a meeting on Friday, March 26, 2010 in Midlothian to select the stain color for the concrete floors.

Construction - Petroleum Technology Building

Ms. Moreno was asked to update the board on the Petroleum Technology Building. She stated that the project's architect, Mr. Richard Tater, is dealing with serious health issues but insists on completing the project. He started sending some of the specifications for the RFP during the past week. Ms. Moreno stated that staff members are in the process of proof-reading them for accuracy. The topographical survey has been completed and the geotechnical survey has been bid. She stated the equipment located in the Quonset huts is in the process of being sorted and moved to a rented storage facility nearby. Once the huts are emptied, they will be disassembled to allow construction to begin. She concluded stating that the main priority is to get the RFP together as soon as possible for potential contractors to submit bids.

Five Percent Reduction

Dr. Sanchez stated recent information indicates the state is not asking for the 5% reduction in funding to be returned yet but institutions are being asked to "save" it. He stated he does not understand the mixed messages being sent but the College will continue to hold onto its reserved funds in the event they have to be sent back.

ACCT Meeting in Toronto, Canada

Dr. Sanchez stated that reservations have been made for the Association of Community College Trustees (ACCT) Annual Leadership Conference in Toronto, Ontario Canada October 20-23, 2010. He stated that extra days were

added the hotel reservations in case trustees wished to stay longer. Trustees will be responsible for paying for any extra nights. He reminded them to apply for their passports if they have not already done so.

NC Basketball Team

Dr. Sanchez expressed his pride in the basketball team which recently placed fourth out of sixteen teams in the national tournament. He stated the team finished in eighth place last year. He is hopeful they will win the national championship next year.

Skills Development Grant-Guardian Industries

Dr. Sanchez asked Dr. Martin to inform the board about new grant awards. Dr. Martin stated the college has received notice that it has been awarded the Texas Workforce Skills Development Grant in the amount of \$608,000. The grant will be used to providing industry training for Guardian Glass, Oil City Ironworks, and several industries located in Ennis, Texas. He commended Ms. Kristen Walker and Mr. Don Jock for their efforts in obtaining this grant.

Dr. Martin continued stating notice has also been received from the Texas State Comptroller that Navarro College has been awarded a grant in the amount of \$244,000 for a technical, dual credit program grant for welders. He commended Dr. Housley and his staff for their efforts in obtaining this grant. He concluded by stating the technical training provided by both of these grants will be an asset to the community.

Strategic Plan 2010-2015

Dr. Sanchez stated the Strategic Plan for 2010-2015 sent to trustees to review will guide the college for next five years. He stated this is an internal document that establishes seven goals including modified enrollment growth of 4% through 2012 and back up to 6% in 2013-2015, work on customer service to enhance student enrollment growth, and expansion of the district. He stated he believes these goals are very reasonable and can be achieved over the next five years.

Dr. Sanchez concluded his report.

Convene into Closed Session, Reconvene, Announcement and Adjournment

Mr. Huffman announced that the next regular meeting of the Board of Trustees will take place at 7 p.m. on Thursday, April 15, 2010 at the Corsicana campus.

A motion was made by Mr. Judson to convene into closed session to discuss personnel matters according to Government Code 551.074 at 8:15 p.m. Mr. Atkeisson seconded the motion, and the decision was unanimous.

At 8:40 p.m., Mr. Judson made a motion to reconvene into open session and to adjourn the meeting. Mr. Atkeisson seconded the motion, and the decision was unanimous.

Respectfully submitted,

Dr. James Price, Vice-Chairman
NAVARRO COLLEGE BOARD OF TRUSTEES