

**NAVARRO COLLEGE BOARD OF TRUSTEES
SEPTEMBER 16, 2010 MEETING
MINUTES**

The governing body of NAVARRO COLLEGE met on Thursday, September 16, 2010, at 6 p.m. in the President's Dining Room for dinner. No business was discussed or conducted during this time. 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, Dr. James Price, Mr. James Borkchum, Jr., Mr. Richard Aldama, Mr. A. L. Atkeisson, Mr. Phil Judson, and Mr. Todd McGraw

Others in attendance included:

Dr. Richard Sanchez	District President
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
Mr. Dewayne Gragg	Vice President, Enrollment Management & Institutional Studies
Dr. Tommy Stringer	Vice President, Institutional Advancement
Ms. Donna Parish	Director, Market Relations & Public Information
Mr. Roark Montgomery	Athletic Director
Ms. Marcy Ballew	Director, Human Resources
Dr. Harold Housley	Dean, Business, Professional and Technical Education
Ms. Glenda Terry	Assistant Dean, Health Professions
Ms. Jeanette Krajca	Instructor/Dept. Chair, Occupational Therapy Assistant Program
Ms. Leslie Smith	Executive Administrative Assistant
Ms. Darla Littrel	Executive Administrative Assistant
Mr. Rayland Haynes	Media Integration Services Center
Mr. Bob Belcher	Corsicana Daily Sun

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

Call to Order and Dinner

Mr. Huffman called the meeting to order at approximately 6:00 p.m. in the President's Dining Room. Dinner was served to trustees who were joined by Dr. Sanchez, Dr. Nolte, Dr. Martin, Ms. Moreno, Ms. Hailey, Dr. Stringer, and Mr. Gragg. No business was discussed or conducted during the meal.

Following the dinner, the board relocated to the Arrowhead Room. Mr. Huffman reconvened the board into regular session at approximately 7:03 p.m. and asked Mr. Judson to begin the meeting with a prayer.

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 August 19, 2010 Meeting

- b. Minutes – Board of Trustees August 31, 2010 Special Meeting/Public Hearing
- c. Minutes – Board of Trustees September 8, 2010 Special Meeting/Public Hearing

Mr. Aldama made a motion to approve the Consent Calendar and Mr. Judson seconded the motion. The vote was unanimous.

Take Action to Set the Ad Valorem Tax Rate for Calendar Year 2010 (Fiscal Year 2010-2011) at \$0.119 per \$100 Assessed Valuation

Ms. Moreno was asked to present information regarding action required for setting the ad valorem tax rate for calendar year 2010.

Ms. Moreno stated during the August 19, 2010 Board of Trustees meeting, the board took a record vote on their intent to maintain the ad valorem tax rate for the calendar year 2010 (fiscal year 2010-2011) at \$0.119 per \$100 assessed valuation. Because the current rate exceeds the effective tax rate, the law required notices to be published in the local newspaper and two public hearings scheduled to allow members of the public the opportunity to address the board regarding their intent to set the ad valorem tax rate at \$0.119 per \$100 assessed valuation.

Ms. Moreno stated the required notices were published in the *Corsicana Daily Sun* and public hearings were held on August 31 and September 8, 2010. No members of the public attended. She stated the board was now required to vote on setting the ad valorem tax rate. She added that leaving the rate at \$0.119 for the calendar year 2010 will generate an additional \$83,000 in ad valorem tax revenues.

Dr. Price made a motion to set the ad valorem tax rate for calendar year 2010 (fiscal year 2010-2011) at \$0.119 per \$100 assessed valuation. Mr. Borkchum seconded the motion. A record vote indicated all board members were in favor of the motion including: Richard Aldama, Buster Atkeisson, James Borkchum, Lloyd Huffman, Phil Judson, Todd McGraw, and James Price.

Review the Preliminary August 2010 Financial Statement

Ms. Moreno was asked to continue with a presentation of the preliminary August 2010 financial statement. She stated August 31, 2010 marked the end of the 2009-2010 fiscal year and the information being presented was preliminary and informational only. A final statement will be presented for the board's approval upon completion of the annual audit.

Ms. Moreno stated the fiscal year began with a total budget of \$84,635,894. Amendments with a cumulative total of \$5.9 million increased the budget for a revised total of \$90,583,473 at August 31, 2010.

Amendments in the Statement of Budget Changes for the month ending August 31, 2010 totaled \$78,345: \$73,429 from the Navarro College Foundation for grants for faculty needs, \$3,146 reimbursement from the Foundation for Brilliance and Excellence, and \$1,770 from revenues recognized from Cosmetology sales.

A review of the Source of Funds showed revenues exceeded budgeted projections with 108.46% earned at August 31, 2010 compared to 102.05% the previous year. Sizeable increases were seen in Student Income with 111.60% of budgeted revenues earned and Student Financial Aid with 150.20% earned. Ms. Moreno noted that tax receipts increased by slightly more than \$100,000. She also noted that State Funds, with 95.58% earned, will not reach 100% of budgeted revenues due to the decrease in state appropriations.

Accumulated earned interest accounted for an increase in the Debt Service Fund with 100.53% earned. Approximately

21.37% of the Plant Fund's budget was realized. Ms. Moreno stated that this is because \$4 of the \$7.7 million budgeted in the Plant Fund for construction of Phase II of the Midlothian campus were revenue bonds which had already been receipted during the prior fiscal year. An additional \$3 million of the \$7 million budgeted in the Plant Fund was taken from internal transfers for the construction of the Petroleum Technology and Campus Police buildings.

Ms. Moreno stated revenues earned in the Auxiliary Fund reflect healthy returns in the bookstore, housing and dining services due to increased enrollment. Student Financial Aid, with 150.20% earned compared to 96.55% the previous year, receipted almost \$14 million more than budgeted. Ms. Moreno stated approximately \$9 million in Student Financial Aid was attributed to direct student loans.

Discussion followed regarding direct student loans. At the request of Mr. Huffman, Ms. Moreno explained in the past, the federal government issued loans to students through agreements with banking institutions. The government now mandates colleges issue these loans directly to students, bypassing the banks and making it less expensive for the student. Mr. Huffman inquired if the college incurs any liability for these loans and Ms. Moreno confirmed that responsibility for any loans not paid back lies with the college and on its balance sheet. Any loans not paid back by the students also impact the college's default rate. If the default rate exceeds 30 percent, the college will no longer be eligible for financial aid.

Ms. Moreno stated many students do not understand the promissory note they are signing for their student loan so the college is taking an active role in teaching financial aid literacy by including this subject in developmental math courses and orientation classes. She stated the college does not have the option to turn away students deemed eligible but the federal government does require first-time borrowers to be verified.

Students that receive Pell grants and/or student loans are required to attend 60% of their classes to maintain their eligibility. Ms. Moreno stated the college has implemented a rule to limit the loan award for incoming freshmen by allowing enough funds to be released to cover the cost of their tuition and fees and not releasing the balance of the proceeds until the student has met the 60% attendance requirement. She stated the college may require the help of a collections firm to assist in student loan collections. It is also possible more staff will need to be employed by the college.

Ms. Moreno continued with a review of the Disbursement of Funds. Approximately 120% of the total budget had been expended and/or obligated as of August 31, 2010 compared to 99.67% the previous year. She stated the Debt Service Fund, with 84.86% expended/obligated as compared to 95.35% the previous year, will change to 100% once the year-end accruals are added. She concluded her report by stating after the auditors make adjusting entries, the disbursements in the Student Financial Aid Fund will match the amount received.

Take Action on Quarterly Investment Report for the Quarter Ending August 31, 2010

Ms. Moreno was asked to continue with the Quarterly Investment Report for the quarter ending August 31, 2010.

The beginning book balance of \$8,700,000 on May 31, 2010 did not change and the market value of \$8,730,622.72 at the beginning of the quarter decreased slightly to \$8,728,405.30 as of August 31, 2010. Ms. Moreno stated ten certificates of deposit are invested over five different banks. Two certificates of deposit (CDs) invested at Community National Bank matured during the last quarter and were reinvested. A \$1.5 million CD earning a rate of 0.250% interest matured and was reinvested into another CD earning a higher interest rate at 1.000%. A \$640,000 CD earning 1.690% interest was also reinvested at Community National Bank into a CD earning a slightly lower rate of interest at 1.190%.

Ms. Moreno continued with a review of investments by fund and a list of competitive rates. She stated that until the market improves, certificates of deposit remain the best investment tool. A review of the Maturity Schedule showed investments totaling \$5.7 million will mature during the upcoming first quarter, September-November 2010. Ms. Moreno stated most of

these funds will be used to pay costs for the construction of Phase II on the Midlothian campus.

Ms. Moreno concluded her report with a review of pledged collateral by bank. Deposits totaling \$16,501,647 are secured by pledged collaterals totaling \$42,404,993 in addition to \$1,750,000 in FDIC insurance.

Mr. Atkeisson moved to approve the Quarterly Investment Report for the quarter ending August 31, 2010 and Mr. Judson seconded motion. The decision was unanimous.

Update on Crime Statistics

Ms. Moreno introduced Campus Police Chief, Kraig Hawkins, and asked him to present the 2009 annual report on crime statistics.

Chief Hawkins stated all institutions of higher education are required by the U.S. Department of Education to report on campus crime statistics and make this information available to students, prospective students, parents and other interested parties. He stated the report for 2009 includes crime statistics from 2008 and 2007 for comparison.

A review of the statistics indicated the number of aggravated assaults (2) and burglary of buildings (4) remained the same as the previous year. Burglary of habitations increased substantially from 8 in 2008 to 21 in 2009. Chief Hawkins stated theft of property within the college residence life housing apartments has increased dramatically. He stated he is concerned with this increase and his department is working very closely with the residence life department to address the issue.

Burglary of motor vehicles was up slightly from 9 in 2008 to 11 in 2009. There were no reports of motor vehicle theft, murder, manslaughter, arson, hate crimes, or robbery during 2009. Two forcible sexual offenses occurred. Chief Hawkins stated that although an indictment was obtained on one of the offenses, the victim is not being cooperative and is thought to be out of state. He stated the individual did not report the other sexual offense until days after it happened and is also not being cooperative.

Arrest statistics showed 22 arrests were made for liquor law violations in 2009, compared to 23 in 2008. Arrests for drug abuse violations increased with 28 incidents compared to 20 in 2008. Two arrests for weapons possessions occurred in 2009 as compared to 1 the previous year.

Non-arrest statistics showed liquor law violations increased from 9 in 2008 to 27 in 2009 while drug abuse violations decreased with 13 incidents in 2009 compared to 22 reported the prior year. Violations for weapons possession were down with one incident reported in 2009 compared to three in 2008.

Mr. Aldama inquired if the report only covered the calendar year ending December 2009. Chief Hawkins replied that was correct and any activity that has taken place during 2010 will not be reported until next year. Mr. Judson inquired if the background check requirement for incoming residence life students has helped. Chief Hawkins stated it has helped, and the background check requirement is a very good tool. The applications of several students were denied by housing based information revealed in their background checks; however, because juvenile records do not show up on the background checks, several students were still allowed to live on campus.

Chief Hawkins concluded his report.

Dr. Sanchez stated the two most difficult jobs at Navarro College are Director of Residence Life and Chief of Campus Police. He commended Chief Hawkins for his work stating he has provided outstanding leadership over the past three years

as Chief of Campus Police. Board members thanked Chief Hawkins for his work and for his report.

Update on Occupational Therapy Assistant (OTA) Program

Ms. Glenda Terry, Assistant Dean of Health Professions, introduced Ms. Jeannette Krajca, Department Chair and Professor for the Occupational Therapy Assistant Program. Ms. Terry stated since she was hired in 2007, Ms. Krajca has assisted in bringing the OTA Program back to excellent standards. She then asked Ms. Krajca to present an update on the program.

Ms. Krajca began with a brief history of the origin of occupational therapy which focuses on enabling people to perform everyday life activities. Occupational therapy practitioners promote recovery, health and wellness through activities and occupations and are found in hospitals, outpatient rehabilitation centers, home health agencies, school districts, hospice, mental health centers, wellness centers, nursing homes and physician centers.

Currently, there are two professional levels in the field of Occupational Therapy: Registered Occupational Therapist and Certified Occupational Therapy Assistant. Becoming a Registered Occupational Therapist (OTR) requires a master's degree in occupational therapy and certification from the National Board for Certification in Occupational Therapy (NBCOT). An Associate in Applied Science (AAS) Degree in OTA and certification by NBCOT through examination is required to become a Certified Occupational Therapy Assistant (COTA).

The Occupational Therapy Assistant AAS Degree program offered on the Corsicana campus is one of only three OTA programs being offered in northern Texas, including Panola College and Amarillo College. Ms. Krajca stated enrollment in the program has been at maximum capacity with 48 students during the fall 2009 and fall 2010 semesters. Currently, 52 qualified applicants are on a waiting list to get into the program.

NBCOT certification is required for one to practice in the field of Occupational Therapy. Ms. Krajca stated the student pass rate on the National Certification Examination has improved over the last year with a 92% pass rate in 2009 compared to 65% in 2008 and 70% in 2007.

The employment placement rate for 2008 and 2009 OTA graduates was 100%. Starting salary for Texas OTA's is approximately \$51,000 and the Texas Workforce Commission is projecting job growth in this field to increase 42% through 2016. Ms. Krajca stated there is a shortage of OTA's, and employers are "beating down the door" to hire Navarro College's OTA graduates. She stated 100% of last year's OTA students had jobs in place before graduation.

When the OTA Program was awarded its five-year accreditation in 2006, a few problems were noted and have since been addressed. In preparation for the reaccreditation process in November 2010, a self-study has been conducted. Ms. Krajca stated many program enhancements have been made over the past few years. The curriculum has been revised to be "more in line" with the requirements of the profession, all student policies and procedures have been updated, more training labs for students have been added, and new technology is being incorporated into the classroom with the use of SmartBoards and podcasts. She stated more stringent admission criteria has also been implemented due to the number of applicants wanting into the program.

With 102 clinical sites, Ms. Krajca stated one challenge the program faces is the training provided fieldwork coordinators. Future plans include the use of technology in developing podcasts to help educate fieldwork coordinators to become better supervisors for students. She stated future plans for the OTA program include more clinical sites and expanding the program into Ellis County.

Ms. Krajca concluded her report and responded to questions from trustees. Mr. Huffman inquired if regular or special

classroom space is required. Ms. Krajca responded it is a combination of both because accreditation standards require dedicated lab areas for the students. In addition to lab equipment such as wheelchairs, mirrors, mats, and large therapy balls, one lab is designed to imitate a home environment with a kitchen sink, refrigerator, bed, couch, chair, etc. Another lab is designed for pediatric care.

In response to the question about the type of students entering the program, Ms. Krajca stated the average age of students entering the program is 29. She stated a few students are traditional first-year freshmen but many are returning adult students looking for a second career. She continued responding to questions stating that many nursing homes and home health agencies are currently employing COTAs. Because of the tremendous shortage of OTAs in this area, it is not unusual for Navarro College students to be offered a starting salary of \$56,000 when they graduate.

Ms. Krajca was thanked and commended on a job well done.

Update on Personnel

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

- Kristi McLeod – O.T.A. Program Instructor - Corsicana
- Christina Mims – Music Instructor - Corsicana
- Carey Ford – Philosophy Instructor – Corsicana
- Jeanette Underwood – Math Instructor – Ellis County Campuses
- Kelsey Hildebrandt – Head Athletic Trainer - Corsicana
- Morgan Lowe – Admissions Specialist/Recruiter – Corsicana
- Kelly Eldredge – Area Housing Coordinator III – Corsicana
- Holly White – Financial Aid Counselor – Corsicana
- Calvin Thibodeaux – Assistant Football Coach/Intramurals – Corsicana
- Andrae Rowe – Assistant Football Coach/Intramurals – Corsicana
- Justin Alvarez – Administrative Assistant III – Midlothian
- Davelyn Casbeer – Registrar's Assistant – Corsicana
- Tristan Skiles – Registrar's Assistant – Corsicana
- Erin Flint – Administrative Assistant III - Waxahachie

The following reassignments were made during the month of August 2010:

- Renae Tribble – Dual Credit Coordinator - Waxahachie
- Michelle Bailey – Assistant Registrar – Ellis County Campuses
- Erica Roland – Academic Advisor – Waxahachie
- Kasey Elizondo – Administrative Assistant III – Waxahachie

Walker Smith, Graphic Designer – Corsicana, resigned. There were no reclassifications, transfers, terminations, or retirements to be reported.

Following a review of open faculty, paraprofessional and support staff positions currently being advertised, Ms. Ballew concluded her report.

President's Report on Items of Information

Dr. Sanchez asked Mr. Gragg to present the Board's calendar of events. Highlights of upcoming events included: the Legislative Budget Board Hearing in Austin, a Caston/Collins Scholarship Dinner, Homecoming events during the week of October 4-9, the ACCT Leadership Congress in Toronto, upcoming Black Box Theatre productions as well as upcoming football, volleyball and soccer games. Mr. Gragg concluded by stating registration for the second 8-week fall semester is in progress and classes will begin October 27, 2010.

Dr. Sanchez asked Mr. Gragg to continue with an update on enrollment. Mr. Gragg stated 33 community colleges have submitted enrollment reports for the fall 2010 semester; one has reported a decrease in enrollment and 31 have reported an average increase of 9%. Mr. Gragg stated Navarro College's headcount enrollment increased by 8%. He stated the average increase in contact hours being reported is 10.9%. Navarro College will report a 15.1% increase, the fourth highest in the state.

Dr. Sanchez asked Ms. Moreno to update the board on the construction of the Petroleum Technology and Police Headquarters buildings. Ms. Moreno stated a slight delay in construction was caused when water began filling holes being drilled for the foundation piers. She stated there was concern the piers would have to be cased at an additional cost of \$20,000-\$30,000. Engineers were employed to conduct soil sample tests and have since determined the piers will not require casing after all. Ms. Moreno stated the foundation work should be completed soon and anticipates construction to progress more quickly from this point forward.

Dr. Sanchez next called on Dr. Nolte to present an update on construction projects on the Ellis County campuses. Dr. Nolte stated the remodeling of the older Waxahachie campus is progressing well. Two classrooms located near the front of the building were merged into one room and surrounded with glass to create a new learning resource center/library. He stated the renovated area has a "Starbucks" atmosphere and is immediately visible to anyone walking through the front door. He continued stating improvements were made to the ventilation and air conditioning in the old library area and the space was renovated into a classroom for the nursing program. The former nursing area has been divided and renovated into two classrooms. In addition, a computer lab has been moved and the space it occupied has been renovated into a large classroom.

Dr. Nolte stated the biggest issue the Waxahachie campus now faces is overflow parking. Some discussion followed regarding creating additional parking areas and the campus master plan. Dr. Nolte continued stating the city of Waxahachie is considering increasing the number of lanes on John Arden Drive, currently two lanes, due to the amount of traffic. He also stated he plans to meet with TXDOT soon regarding signage on Hwy. 287 and I-35 to help direct traffic to the campus. Dart Rail System is projecting plans for a station to be located behind the Waxahachie campus in approximately 6-10 years for the Dart train to run back and forth between Waxahachie and Dallas. This will make the Waxahachie campus more accessible to students from the Dallas area.

Dr. Nolte continued with an update on construction of Phase II of the Midlothian campus. He stated the project continues to progress quickly and completion is anticipated by mid-October. He displayed pictures of the new construction in progress including the polishing technique on the concrete floors. Dr. Nolte concluded his update stating that Hill & Wilkinson has been a "class act" and has performed excellent work.

Dr. Sanchez stated the next meeting of the Board of Trustees on October 14, 2010 will be preceded by a dinner with members of the Faculty Association Executive Committee in the President's Dining Room at 6 p.m. He continued by stating the ACCT Leadership Congress in October will be coming up soon. A packet with travel information will be provided to trustees who will be attending the ACCT Congress gathering in Toronto at the next board meeting.

Dr. Sanchez asked Ms. Hailey to provide an update on the complaint pending with the Office of Civil Rights. Ms. Hailey stated there has been no response received yet from the Office of Civil Rights but she anticipates a decision within the next month.

Dr. Sanchez stated he had no new information regarding an update on legislation. He stated newspaper reports indicate the state is facing a \$21 billion deficit which is higher than the Comptroller had originally estimated. He stated he and Dr. Nolte will be in Austin on Tuesday, September 21, for the Legislative Budget Board hearing regarding the appropriations requests submitted by community colleges and will keep the board advised on any new development.

Dr. Sanchez stated the Texas Association of Community Colleges (TACC) has commissioned a firm in Oregon to conduct an Economic Impact Study that community colleges have on the state. They are also providing each district the option to have individual studies conducted at an additional cost of \$6,000. Dr. Sanchez stated the last time an Economic Impact Study was conducted for Navarro College was approximately 8-9 years ago. He stated this time he can guarantee the economic impact study report will be "highly substantial."

Dr. Sanchez concluded his report by stating the Board of Trustees meeting in November will be held in Midlothian. Trustees will visit the Waxahachie campus on John Arden Drive to view the renovations before continuing on to the Midlothian campus to view the new Phase II building and hold their meeting.

Mr. Huffman gave an update on the construction of the Cook Education Center's addition. He stated 30 piers have been drilled, the perimeter beams have been dug and steel has been tied but not finished. Border perimeter beams are being put in place and following that process, the concrete slab will be poured. He stated the concrete work should be completed over the next few weeks. Although the steel is not expected to be shipped until November, very good progress has been made on the project.

Announcement and Adjournment

Mr. Huffman announced the next Board of Trustees meeting will take place on October 14, 2010.

Mr. Aldama made a motion to adjourn the meeting at 8:29 p.m. and Mr. McGraw seconded the motion. The decision was unanimous.

Respectfully submitted,



Mr. James E. Borkchum, Jr.

Secretary/Treasurer

NAVARRO COLLEGE BOARD OF TRUSTEES