

**NAVARRO COLLEGE BOARD OF TRUSTEES
APRIL 27, 2006 MEETING
MINUTES**

The NAVARRO COLLEGE BOARD OF TRUSTEES met for their regular monthly session on April 27, 2006 in the Board Room located in the Waller Classroom Building. The following Trustees were in attendance: Mr. Homer Wasson, Chair; Dr. James Price, Vice-Chair; Mr. Lloyd Huffman, Secretary-Treasurer; Mr. James Borkchum, Member; Mr. Liston Herod, Jr., Member; and Mr. Todd McGraw, Member. Mr. Zane Stites, Member, was absent.

Also attending were:

Dr. Richard Sanchez	President
Dr. Lary Reed	Executive Vice President
Mr. Darrell Raines	Vice President for Finance and Administration
Dr. Kenneth Martin	Vice President for Student Services
Ms. Susan Johnson	Director of Market Relations
Ms. Nelida Aguilar	Director of Human Resources
Mr. Roark Montgomery	Athletic Director
Dr. Larry Weaver	Dean of Navarro College South
Ms. Brenda Reed	Math Instructor
Ms. Shari Beck	Math Instructor
Ms. Lisa Dillman	Biology Instructor
Ms. Hortenica Espinoza	Student
Ms. Amber Callahan	Student
Ms. Leslie Smith	Executive Administrative Assistant
Ms. Darla Littrel	Executive Administrative Assistant
Mr. Dick Aldama	KAND Radio
Mr. Bob Belcher	<u>Corsicana Daily Sun</u>

100. Introduction

101. Call to Order

Mr. Wasson called the meeting to order at 7:00 p.m. Mr. Herod led the assembly in prayer.

Mr. Wasson announced that a closed session would follow the President's Report to discuss Real Estate and Personnel matters according to Government Codes 551.072 and 551.074. He also announced that following the closed session a decision would be made in open session.

102. Changes to Agenda

There were no changes to the agenda.

103. Take Action on the March 23, 2006 Board Meeting Minutes

104. Take Action on the March 28, 2006 Board Meeting Minutes (Afternoon)

105. Take Action on the March 28, 2006 Board Meeting Minutes (Evening)

Dr. Price made a motion to accept the minutes for the March 23, 2006, March 28, 2006 (Afternoon) and March 28, 2006 (Evening) Board of Trustees Meetings and Mr. Borkchum seconded the motion. Acceptance was unanimous.

106. Board Comments

Mr. Wasson commented on the dedication of the new library in Dr. Sanchez's honor. He stated he felt it went very well and thanked everyone involved with the event.

107. Open Forum Time

There were no requests to address the Board.

200. Finance and Administration

201. Take Action on February 2006 Financial Statement

Mr. Raines was asked to present the February 2006 financial statement. He began by stating that February marked the mid-point of the budget year. He and Brenda Duncan have carefully audited the financial statements to ascertain that budgeted revenues would be earned and determine if sufficient funds were available to support the instructional programs. He stated he was pleased to report that their analysis at mid-year found the College in very solid financial condition.

Amendments at mid-year increased the budget by \$5,734,562 for a total of \$64,825,661. Additional funds from ad valorem taxes and state funds in the amount of \$101,970 had been identified in the Educational and General Fund. Increases of \$55,000 in the Debt Service Fund and \$3,588,192 in the Plant Fund were attributed to the 2006 Revenue Bonds. Additional student financial aid and student loans increased the Student Financial Aid Fund by \$2,100,000. Mr. Raines noted that a reduction in the Auxiliary Fund revenues by \$110,600 was a disappointment. He stated that greater cash sales in the Deli and Dining Hall had been anticipated but were not realized. He stated that new marketing strategies are being considered to encourage commuter students to make more cash purchases.

The expenditure side of the budget reflected the increases from the 2006 Revenue Bonds and the purchase of property in Waxahachie. Mr. Raines added that adjustments in the Educational and General Fund were made to reflect teaching plans.

The Source of Funds at February 28, 2006 showed that \$42,685,609 or 65.85% of the current budget had been earned; slightly less than 68.11% when compared to the previous year. The Disbursement of Funds showed that \$36,656,366 has been expended and \$11,222,448 encumbered or 73.86% of the current budget as compared to 74.57% at the same time last year.

He stated he was very pleased with the mid-year report and stated this is one of the best years he can remember. He stated the only "cloud" in the budget is the "big unknown" in utility rates the College will face in the next few months.

Mr. Raines completed his presentation of the mid-year financial statement with a review of the Comparative Balance Sheet at February 28, 2006 which showed assets of approximately \$60 million, a healthy increase of approx 11%.

Mr. Huffman made the motion to approve the February 28, 2006 financial statement and Mr. Herod seconded the motion. The motion passed unanimously.

202. Take Action on March 2006 Financial Statement

Mr. Raines continued with presenting the March 2006 Financial Statement. One budget amendment in the amount of \$22,658 from the Carl Perkins Grant reallocation increased the total budget to \$64,848.319.

The Source of Funds at March 31, 2006 indicated \$46,717,274 or 72.04% of the current budget had been earned. This compares favorably to 71.99% earned on March 31, 2005. The Disbursement of Funds showed \$41,674,176 had been expended and \$9,708,460 obligated as of March 31, 2006 or 79.24% compared to 78.88% at the same time last year.

Dr. Price asked if the College knows the amount of the Carl Perkins Grant when the budget is being developed. Mr. Raines stated that because these are considered "soft funds", the grant is not budgeted until a confirmation letter has been received stating the amount. He stated that application for next year's grant was already in process and the major portion of the grant is received in August or September. He added that the Texas Higher Education Coordinating Board often reallocates additional funds during the year.

Dr. Price made the motion to accept the March 31, 2006 financial statement and Mr. Borkchum seconded the motion. The motion to approve the March 31, 2006 financial statement was unanimous.

Mr. Huffman noted that the budget has increased substantially over the past few years as a result of the Student Financial Aid Fund. He added that the current budget does not compare to previous years when some financial aid funds were not reflected in the College's budget. Mr. Raines stated this was correct and added that more students are accessing student loans because of the cost of attending college.

203. Take Action on Quarterly Investment Report for the Quarter Ending February 28, 2006

Mr. Raines reminded the Board of Trustees that the College District's Investment Policy requires that quarterly reports be presented relative to the College's investment portfolio. He stated the second quarter's report reflects actions taken from November 30, 2005 through February 28, 2006.

Mr. Raines stated some temporary funds are being invested in interest-bearing checking accounts which are offering attractive rates. He responded to Dr. Price's question that these are open-ended investments

and stated the funds can be withdrawn anytime as needed. This is an especially attractive alternative, particularly for funds which are needed for construction projects. He stated interest rates are increasing and should have a positive impact on the College's budget.

He continued with a review of the investment portfolio on February 28, 2006 which reflected a decrease of \$4,000,000 in Certificates of Deposit. Overall, investments are down by \$1,800,000. Mr. Raines pointed out that the investment portfolio has been reduced as funds have been withdrawn for payment on construction projects on an "as needed" basis.

A review of the Maturity Schedule indicated \$2,200,000 in open maturity, \$4,566,050 maturing in 2006, \$250,000 maturing in 2007, and \$350,000 maturing in 2009.

Mr. Raines concluded by stating that deposits of \$12,535,742.96 are amply secured by \$706,053.89 in FDIC Insurance and an additional \$18,301,974.30 in pledged collateral.

Mr. Borkchum made the motion to approve the Quarterly Investment Report for the Period Ending February 28, 2006 and Dr. Price seconded the motion. The motion passed unanimously.

204. Award the Bid on the Sale of the 96,256 Square Foot Building and Adjacent Acreage, Spirolite Addition, Block A, Lot 1 (Part) located at 1001 Hwy. 287, Waxahachie, Texas

Dr. Sanchez asked Mr. Raines to present the results of the bid on the sale of the 96,256 sq.ft. building and adjacent acreage located at 1001 Hwy. 287 in Waxahachie, Texas, and requested the Board refrain from making a decision until after the closed session.

Mr. Raines distributed a tabulation of bids received for the property. He stated the bid was advertised in both Waxahachie and Corsicana. Four bidders had indicated interest and walked through the plant and two bids were actually submitted. Magnablend, Inc. submitted a bid for \$2.7 million and a sales contract. Mr. Raines stated the bid received from Magnablend, Inc. was very clean and met all conditions and requirements. The only exception was a clause requesting that the Board not exercise their right of eminent domain. The other bid was submitted by Industrial Pipe Fittings, the current tenant, for \$1.9 million. Mr. Raines stated the bid from Industrial Pipe Fittings had many complications and did not meet the College's specifications. He stated their bid had "strings attached" and they are refusing to landscape the property and erect a fence around the perimeter.

Mr. Wasson stated this item would be discussed in closed session, and a decision would be made following the closed session.

205. Update on Construction/Renovation Projects

Dr. Reed presented an update on three projects: the Mexia project, construction of a new Fire Academy Building in Waxahachie, and plans for a 16,000 sq. ft. classroom building in Waxahachie.

Dr. Reed stated the Mexia project is moving along very slowly. He stated the outside of the breezeway area to be enclosed has been framed for the brick and the glass but the brick and glass have not been installed yet. Electricians are expected to begin their "rough-in" work by next Wednesday. Dr. Reed stated that although the project is progressing slowly, it is moving forward.

He continued his report stating that the College is working with architect, Richard Tater, in designing a 2,000 sq. ft. building on the land recently purchased in Waxahachie to serve as a new Fire Academy Building. The building will be a very simple design similar to the Physical Plant Building on the Corsicana campus. An arch in the front of the building with brick will complement the existing campus building facing John Arden Drive. One main office will be built to house the part-time instructors and most of the remaining facility will house classrooms. Restrooms and showers will be included for both the Fire Academy and EMT programs. Dr. Reed stated that hopefully Police Academy courses will be offered there also in the future. The building is being constructed to allow for future expansion. He noted that the construction process should be completed fairly quickly.

Dr. Reed distributed a timeline for the Fire Academy as well as plans for a future 16,000 sq. ft. classroom building in Waxahachie. He stated that Mr. Tater projects the bids will be advertised in July, construction will begin in August, completed in January and the building ready to occupy in February. Dr. Reed stated he felt that this timeline could be moved forward a little faster for this simple construction. He reminded the Board that rent in the amount of \$50,000 per year for lease of the Wilemon Building will be used to pay off the debt to finance the construction.

Mr. Wasson asked if the College will be able to stay in the leased facility until the new facility is constructed. Dr. Reed responded that Waxahachie ISD has indicated the College can stay in the Wilemon Building until next January or February. Mr. Huffman inquired how long the Fire Academy has been in Waxahachie and also asked about the Police Academy and if there were any plans to combine them. Dr. Reed responded the Fire Academy has been in Waxahachie for approximately 4-5 years. He stated the Police Academy has been in Corsicana for many years and the College hopes to offer police academy courses in Waxahachie in the future. He explained that it is more difficult to serve this area with Arlington and Dallas academies being in close proximity.

Dr. Reed continued his presentation stating a future 16,000 sq. ft. classroom building is being projected for the land recently purchased in Waxahachie. He stated that no architect or planning has begun yet on this building but a timeline, based on input from an architect, predicts that if construction begins right away, plans could be completed September 2006, bids could be advertised in October and awarded in December, construction could begin in January 2007 and the facility completed in August 2007.

Dr. Sanchez stated that pending sale of the property in Waxahachie, he would recommend that Trustees give permission to engage an architect and begin discussion on plans for the building. Mr. Huffman asked if there is an estimated cost yet and Dr. Sanchez stated that would have to be determined with the assistance of an architect.

Mr. Wasson thanked Dr. Reed for the update.

206. First Reading of Revised *Section VII.20.00 – Nepotism* of the Navarro College Administrative Policies and Procedures Manual.

Dr. Sanchez stated the present policy on Nepotism does not allow relatives of employees working at Navarro College to be hired. He stated that with four campus locations, the existing policy should be revised so that relatives are able to be employed at different campus locations as long as they do not supervise each other. He stated that many good people cannot be employed with the current policy and asked the board's consideration of the revised policy.

Dr. Price stated he felt the revised policy was good and made the motion to approve *Section VII.20.00 – Nepotism* of the Navarro College Administrative Policies and Procedures Manual as revised and without a second reading. Mr. Borkchum seconded the motion. The motion passed unanimously.

300. Instruction/Student Services/Athletics

301. Presentation Related to the Preparation of Math and Science Teachers

Dr. Reed introduced Dr. Larry Weaver stating that he, Brenda Reed, Lisa Dillman, and Shari Beck have worked hard to develop a program for preparing Math and Science teachers.

Dr. Weaver began the presentation with a brief review of how the program for developing Math and Science teachers began. He stated Navarro College was one of sixteen colleges to receive a grant from Phi Theta Kappa for developing Math and Science teachers. Green River Community College in Seattle, Washington, with a premier teacher preparation program, was assigned as Navarro College's mentor. He stated visits between both campuses were made and a game plan was developed. In addition faculty/staff attended conferences in Washington, D.C. where they were briefed on the critical shortage in our country of Math and Science instructors.

Brenda Reed continued the presentation by sharing information on the award given to Navarro College for Best Practices in Teacher Preparation for Math and Science. She stated the award was a competitive process and included essays written by students. She stated that much focus is placed on faculty/student interaction. Many of the same instructors are able to guide the students from their freshman year forward. In addition, the same instructors sponsor the Teachers of Tomorrow (TOT) Club. She stated the TOT Club is an active club on campus but is different from other clubs in that it is not a social club but focuses on professional development instead. Emphasis is placed on career development. She stated an Educator's Conference was held recently for the second year in a row with a dramatic increase in attendance. Attendance the first year was approximately 40 and this year 180 participated.

Ms. Reed then introduced student, Ms. Amber Callahan. Ms. Callahan stated she participated in the conference in Atlanta, GA and is currently the TOT president. She stated the club was originally created to offer guidance and professional development for professionals and aspiring professionals. In addition, she noted the benefits of the Educator's Conference which is offered to both students and current teachers.

Ms. Shari Beck, math instructor, stated that she and Ms. Reed had attended training prior to the beginning of the program. She noted that a lot of emphasis is placed on technology training and TEKS state objectives. Issues regarding math anxiety and being a good role model are addressed. She stated that hands-on manipulatives and the use of technology help students in overcoming their anxiety and become positive role models. She stated there are high expectations of these students but assistance is provided through tutoring and mandatory retests to help them achieve their goals. Students transferring to Texas A&M are expected to experience a smooth transition.

Ms. Hortenica Espinoza, a student transferring to Texas A&M University this summer and majoring in 4-8 Math, shared her personal experiences with the Teacher Preparation Program at Navarro College. She stated her experience with the learning environment and the TOT Club have been very beneficial for her and she feels well prepared for her transition. She added that the instructors have been the greatest asset to her and are very encouraging.

Ms. Lisa Dillman, biology instructor and adjunct instructor for Texas A&M University, continued the presentation and stated there is currently not a parallel course offered for science as there is for math. She offers counseling to students to help them in their transition to Texas A&M University or other schools. She stated several students attended the National Science Conference with her which offers opportunities for professional development. She stated Navarro College has a great program and appreciates the support it has received.

Dr. Weaver concluded by stating that the faculty needs to be applauded for their work. He stated that although Navarro College has been recognized for its efforts, there are still achievements to be accomplished. He stated the need for improved technology in the classroom and the desire to have a teacher center with supplies for future teachers to work on projects. In addition, more support is needed for the Teachers of Tomorrow Club. He stated that another grant has been submitted requesting \$200,000 in funding to purchase equipment, provide scholarships for students, and to help with recruiting students with an emphasis on minorities. He stated that it is also important for faculty to have opportunities for professional development to have the latest information to share with students.

Dr. Sanchez stated that Navarro College was one of only ten community colleges in the nation to receive the award and that he is very proud of the program.

Mr. Wasson inquired if this program might have any connection to Mr. Tom Shelman's project regarding improving student interest in math, science and technology. Dr. Sanchez stated there is a possibility they could come together at some point in the future.

Mr. Wasson thanked Dr. Weaver, Ms. Reed, Ms. Beck, Ms. Dillman and the students for their presentation.

400. Personnel

401. New Hires/Reassignments/Transfers/Reassignments

Nelida Aguilar presented the personnel reports for March 2006. The following appointments were made during March 2006:

- Melody Brady (Administrative Assistant IV, Midlothian)
- Troy Choina (Computer Instruction Support Tech, Waxahachie)
- Doug Hutchins (Campus Police Officer, Midlothian/Waxahachie)
- Bryan Keele (Bus Operator/Maintenance Worker)

There were no employee reassignments or reclassifications made during March 2006.

402. Resignations/Terminations/Retirements

Rosa Pamela Valle de Montgomery (Administrative Assistant III, Mexia) resigned during March 2006.

There were no employee terminations or retirements during March 2006.

500. President's Report

501. President's Report

Dr. Sanchez's asked Susan Johnson to present the Board Calendar for April and May. After reviewing the calendar, Ms. Johnson offered her congratulations to the Navarro College Baseball team for their District Championship and the Navarro College Cheerleaders on their National Championship.

Dr. Sanchez continued with the President's Report. He stated a resolution thanking State Representative Jim Pitts had been prepared for the board's signature and will be presented to him at the next meeting to be held in Ellis County.

Dr. Sanchez stated that the commencement exercises for Texas A&M University – Commerce will be held at Navarro College on Friday, May 12, 2006 at 6:30 p.m. and Mr. Huffman will be the keynote speaker. He noted that several Navarro College employees will earn their baccalaureate degrees during the ceremony.

Dr. Sanchez stated Navarro College's commencement exercises will be held on Saturday, May 13, 2006. A reception following both the morning and afternoon ceremonies will be held in the Clock Tower area. Dr. Sanchez stated he has been advised an overflow crowd is expected and that parents may have to be

moved to Dawson Auditorium to accommodate them. He stated that if this happens, a third graduation ceremony may need to be scheduled next year in Waxahachie.

Dr. Sanchez advised that a continental breakfast will be served in the morning for board members in the President's Dining Room on May 13, 2006, prior to the morning commencement and a lunch will also be served for board members wishing to remain for the afternoon ceremony. A reception following both ceremonies will be held in Clock Tower area.

Dr. Sanchez stated the Annual Employee Barbecue will be held on Friday, May 4, 2006, at the Cook Education Center. A barbecue for dining services and bookstore employees not able to attend on Friday will be held at his home on Saturday, May 20.

Dr. Sanchez stated interviews will be conducted next Tuesday, Wednesday and Thursday (May 2-4, 2006) for the Vice President of Academic Affairs. A lunch with the Board will be held at 11:00 a.m. each day in the President's Dining Room to allow the Board to visit with each candidate.

Dr. Sanchez stated that Mr. Raines is in the process of developing the budget for 2006-2007. A budget and planning workshop will be held in July and will likely be held on the same day as the board meeting.

Dr. Sanchez stated he was unable to attend the Texas Association of Community Colleges meeting because of the honor bestowed on him on April 20th; Dr. Nolte attended on his behalf and brought back information regarding budgeting. Dr. Sanchez stated he was very pleased to learn that Navarro College is ranked 27th among Texas Community Colleges in administrative costs. College of the Mainland was ranked highest and Angelina College the lowest. He was also very pleased to announce that the Commission on Higher Education from the Texas Higher Education Coordinating Board recommended to the legislature that community colleges should be funded at 100%. He stated that Navarro College's share from the state would be approximately \$33 million, or an additional \$12 million. He stated he doesn't think this will happen but it is nice have the support of the Commissioner and this recommendation may cause the legislature to award greater funding.

Dr. Sanchez concluded his President's Report.

600. Closed Session, Announcement and Adjournment

601. Convene into Closed Session to Discuss Real Estate and Personnel Matters according to Government Code 551.072 and 551.074

At 8:15 p.m. Mr. McGraw made the motion to convene into closed session to discuss real estate and personnel matters according to Government Codes 551-072 and 551.074. Mr. Huffman seconded the motion. The motion was unanimous.

602. Reconvene into Open Session

Dr. Price made the motion to reconvene into open session at 8:56 p.m. Mr. Borkchum seconded the motion and the motion was unanimous.

Mr. Huffman made the motion to award the bid on the sale of the 96,256 square foot building and adjacent storage, Spirolite Addition, Block A, Lot 1 (Part 1) located at 1001 Highway 287, Waxahachie, Texas (formerly Chevron Phillips Plant) to Magnablend, Inc. for \$2.7 million and an additional \$50,000 for the remainder of the property on which the rail spur is located. Mr. Herod seconded the motion. The motion to award the bid was unanimous.

603. Next Meeting Announcement

The next meeting of the Board of Trustees will be held at the Ellis County Waxahachie Campus located at 1900 John Arden Drive on May 18, 2006.

604. Adjournment

Dr. Price made the motion to adjourn at 9:05 p.m. and Mr. Borkchum seconded the motion. The decision was unanimous.

Lloyd D. Huffman, Secretary-Treasurer
Navarro College Board of Trustees