

**NAVARRO COLLEGE BOARD OF TRUSTEES
JUNE 15, 2006 MEETING
MINUTES**

The NAVARRO COLLEGE BOARD OF TRUSTEES met for their regular session on June 15, 2006, 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; Mr. Todd McGraw, Member; and Mr. Zane Stites, Member.

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
Dr. Tommy Stringer	Vice President for Institutional Advancement
Mr. Dewayne Gragg	Dean of Enrollment Management and Institutional Studies
Ms. Nelida Aguilar	Director of Human Resources
Ms. Susan Johnson	Director of Market Relations and Public Information
Mr. Matt Miller	Director of Media Integration Services Center.

Other attending were:

Dr. Larry Weaver	Dean of Navarro College South Campus
Ms. Brenda Duncan	Business Manager
Ms. Rhina Sandoval	Controller
Ms. Leslie Smith	Executive Administrative Assistant
Ms. Darla Littrel	Executive Administrative Assistant
Ms. Janet Daugherty	Executive Administrative Assistant
Mr. Mike Cox	Navarro County Sheriff's Department
Mr. Mike Able	Jaynes, Reitmeyr, Boyd & Therrell, P.C., Certified Public Accountants
Mr. Bob Belcher	<u>Corsicana Daily Sun.</u>

101. Call to Order

Mr. Wasson called the meeting to order at 7:00 p.m. Mr. Borkchum was asked to lead the assembly in prayer.

102. Changes to Agenda

There were no changes to the agenda.

103. Take Action on the May 18, 2006 Board Meeting Minutes

Mr. Herod made the motion to accept the minutes for the May 18, 2006 Board of Trustees meeting. Mr. Huffman seconded the motion. Acceptance was unanimous.

104. Board Comments

There were no comments from the Board.

105. Open Forum Time

Mr. Mike Cox, Chief Deputy of the Navarro County Sheriff's Department, requested permission to speak before the Board. Mr. Cox expressed concern over a rumor being circulated that the Navarro College Police Academy in Corsicana was being relocated to the Waxahachie campus. He stated the program is very important to their department and that over ninety percent (90%) of their officers have attended the Corsicana Police Academy. He stated the department is currently short two officers and is need of

several more graduates from the academy. He praised the work of Dan Williams, Coordinator, who works well with the local law enforcement. He stated that the sheriff's department would support placing a Police Academy in Waxahachie as long as the present Academy remained in Corsicana.

Mr. Huffman inquired about the distances to other academies. Mr. Cox stated that an academy was located in College Station to the south and that Dallas law enforcement has their own academies. Mr. Wasson and Dr. Sanchez assured Mr. Cox the rumor was not true and that the Corsicana Police Academy was definitely not being moved from Corsicana. Dr. Sanchez stated the rumor likely came about because of the new Fire Academy facility being constructed on the Waxahachie campus and discussions held by the Board about housing a Police Academy there in the future.

201. *Take Action on Quarterly Investment Report for the period ending May 31, 2006*

Dr. Sanchez commented interest rates are improving and asked Mr. Raines to present an overview of the Quarterly Investment Report for the period ending May 31, 2006.

Mr. Raines reviewed the different types of investments being held by the College. Investments in the Public Funds Interest Bearing Checking/Savings Accounts increased by \$300,745.00 for a total of \$2,500,745.00 at May 31, 2006. Mr. Raines stated these accounts are earning attractive interest rates of 4.91% to 4.96%. Another benefit of this type of investment is that funds are fully collateralized by FDIC.

Funds invested in Certificates of Deposit decreased by \$2,410,000 for a total of \$1,605,400. Mr. Raines stated that the Certificates of Deposit had previously offered nice interest rates but are now being cashed out as they mature and moved into other types of investments offering more attractive interest rates.

Investments in U.S. Government Securities increased by \$2,254,000 and U.S. Government Agency Securities increased \$1,925,000.00.

Overall, the investment portfolio increased in book value from \$7,366,050.00 at February 28, 2006 to \$9,435,145.00 at May 31, 2006. Mr. Raines noted that a large portion of the \$2,069,095 increase was attributed to proceeds received on May 28, 2006 from the sale of part of the former Chevron Phillips property.

Following a review of the maturity schedule of investments, Mr. Raines concluded his presentation by stating pledged collaterals in the amount of \$16,448,884.23 exceeded deposits of \$11,160,026.61.

Mr. Stites asked if the pledged collaterals are looked at by the College, and Mr. Raines confirmed that pledged reports are received and reviewed periodically.

Mr. Stites made the motion to approve the Quarterly Investment Report for the quarter ending May 31, 2006. Mr. Herod seconded the motion. The vote was unanimous.

Mr. Wasson thanked Mr. Raines.

202. Award Contract to Jaynes, Reitmeyer, Boyd & Therrell, P.C., Certified Public Accountants to Perform Annual Financial Audit for the Fiscal Year 2006 with Options to Renew for Fiscal Years 2007 and 2008.

Dr. Sanchez stated that local firms have always performed well in providing auditing services for the College; however, because of the increasing size of the budget, which has grown to approximately \$65 million, it would benefit the College to look for a firm with greater resources. He then asked Mr. Raines to present this item.

Mr. Raines stated that requests for proposals for auditing services were sent to both local and out-of-town agencies. Three proposals were received from out-of-town firms and none were received from local firms. Mr. Raines stated the lowest priced proposal was submitted by Jaynes, Reitmeyer, Boyd & Therrell, P.C. He stated this firm is well established in Waco and has eighty (80) professional employees. He also stated that the firm is reputable and comes highly recommended.

Mr. Raines stated the College has become a complex entity because of student financial aid and its extensive auxiliary enterprises many other colleges do not have. The College has now grown to a size that makes it important to retain the services of a firm which has the capability to meet our needs and complete the audit in a timely manner. In the past, local auditing firms which have limited staff have struggled with meeting deadlines mandated by state statute. In addition, their time has always been divided between the College and local independent school districts. Mr. Raines stated that Jaynes, Reitmeyer, Boyd & Therrell, P.C., is a larger firm and believes they will perform most adequately.

Mr. Huffman inquired if the size and complexity of the budget might be the reason local firms did not submit a proposal and Mr. Raines agreed.

Mr. Mike Able, shareholder of Jaynes, Reitmeyer, Boyd & Therrell, P.C., expressed his firm's excitement relative to the potential relationship it envisions in serving Navarro College. He stated they are a large company with eighty (80) high-quality, professional employees; thirty percent (30%) are dedicated to serving government and non-profit clients such as Navarro College. The firm also serves the City of Waco, Georgetown, and other surrounding cities as well as Waco ISD and McClennan Community College. They have also previously audited Baylor University.

Mr. Huffman asked how long their firm has been in business. Mr. Able responded that the firm was established in Waco in 1913. He further stated that in the beginning the firm was a national accounting firm. Partners purchased the local office in Waco and they continue to have access to resources of the national firm when the need arises.

Mr. Stites and Mr. Herod expressed their disappointment that local firms did not bid.

Mr. Huffman made the motion to award the contract to Jaynes, Reitmeyer, Boyd & Therrell, P.C., Certified Public Accountants, to perform the annual financial audit for the fiscal year 2006 with options to renew for fiscal years 2007 and 2008. Mr. Borkchum seconded the motion. The vote was unanimous.

Mr. Wasson thanked Mr. Able.

203. *Update on Construction/Renovation Projects*

Dr. Reed was asked to present a progress report on the current construction and renovation projects.

Dr. Reed distributed copies of the Waxahachie campus master plan and reviewed the plans designed by architect, Bryce Weigand. Plans for a 16,000 sq. ft. classroom building are in the beginning stages; modifications to preliminary plans have been made to provide additional parking for this building and the Fire Academy Building. The Fire Academy Building has been moved so that it now faces John Arden Drive. The building's shape has also been changed to a T-shape so the garage doors will not be seen from the front and will allow fire trucks to be parked in the back of the building. Dr. Reed stated Richard Tater, architect for the Fire Academy Building, is a little further along in designing the structure and has a basic floor plan ready for review. Dr. Price asked why Richard Tater was being used to design the Fire Academy Building instead of Bryce Weigand. Dr. Reed stated that Mr. Tater has done a good job in the past for the College and his fees are less expensive.

Mr. Huffman asked if there will be enough room for working with the fire trucks and if a tower will be needed. Dr. Reed stated everyone feels there will be enough room to drive around the building and that there will be no need for a tower because Waxahachie's tower will be used for training.

Dr. Reed continued with a report on the progress of renovations on the Navarro College South campus building in Mexia. The electrical work is completed, lights are working, and the HVAC is functioning. He stated crews are in process of building cabinets and painting. The flooring has not been installed yet but the ceiling tiles will be in place this week. The project should be completed within the next few weeks.

Plans for an extension to Gibson Hall continue. Dr. Reed stated Mr. Tater is also designing this building and plans designed to provide more space for student activities are progressing. The facility will have a covered outside area where spectators may sit and watch soccer games and also have access to restrooms in the building.

Gooch One-Stop Student Center renovations are almost complete. Admissions/Records, Business Office Cashiers and Financial Aid have been moved into their new locations. Portable walls are being installed in the Arrowhead Room to create new offices for Tech Prep and Carl Perkins. Counseling services will be moved in once new carpet has been installed. Dr. Reed stated that everyone is excited about this project and it will truly be a "one-stop" center for students. Dr. Sanchez stated plans will be made for the Board of Trustees to tour the building next month following the Budget and Planning Workshop and dinner.

Mr. Huffman asked if the library has been completed. Dr. Reed responded that Davis Ironworks Co. has not completed work on wrought iron grills and work also needs to be completed on the windows.

Dr. Price asked about the status of the street repairs in front of the library and Dr. Reed asked Mr. Raines to respond. Mr. Raines stated that contractors began stabilizing holes in the road and he expects the project to be completed by the end of June. He stated other streets around campus will also be repaired and once this project is completed, all the bond proceeds will have been expended.

Mr. Wasson thanked Dr. Reed for the update.

301. *Presentation to Provide Information about the Navarro College Media Integration Service Center*

Dr. Reed introduced Matt Miller, Director of Media Integration Service Center. Mr. Miller described the Media Integration Service Center (MISC) as the one-stop source for campus media and technological needs. The MISC department is staffed by three full-time employees and is responsible for the audio-visual production of Navarro College events and provides media assistance to augment educational programs including Distance Learning and Blackboard Learning System. MISC also provides audio-visual and technical support for business and industry within the community. Other services include: technical support for Starlink satellite teleconferences; DVD, CD, VHS and audiocassette duplication and distribution; conversion of "old" media to "new" media and technical support for the Pearce Collections Museum.

Mr. Miller presented a copy of the Navarro College Spring Video produced by MISC to each Board member and continued his presentation.

Mr. Miller stated MISC is involved in the coordination and support of Navarro College's distance learning programs which cover three broad areas: Interactive Video (ITV), the Virtual College of Texas Program (VCT), and Help Desk and Instructional Support for the BlackBoard Learning System.

He stated ITV connects all Navarro College campuses (except Midlothian) and Texas A&M Commerce with two-way audio and video for the purpose of delivering courses in real time. VCT is a program by which Navarro College students are able to take classes not offered by Navarro, or otherwise unavailable, online from any of the fifty Texas community college districts and technical colleges. Navarro College collects the tuition/fees and contact hour reimbursement, transcripts the course, and provides all necessary support services. Navarro College also provides courses to students at other colleges and collects enrollment fees from those institutions. Mr. Miller pointed out that enrollment in VCT courses has declined significantly as enrollment in Navarro College online courses has increased.

Mr. Miller demonstrated the BlackBoard Learning System used to offer Navarro College online courses. He explained that BlackBoard is a system by which students enter a username and password to access course materials and information online, as well as take exams, post discussions, e-mail fellow students and instructors, and submit assignments. Mr. Miller stated that BlackBoard is also used by instructors

teaching traditional classes to post syllabi and classroom assignments, and is accessible through any internet connection.

Mr. Huffman inquired if tests were administered online or if students were required to come on campus to take them. Mr. Miller stated some instructors require students to take exams in the Navarro College testing center; however, instructors can easily control test security online. The date, time and time limit for taking exams can be set. In addition, a large bank of questions can be entered into the system so that students sitting next to each other will not have the same test questions.

Mr. Wasson thanked Mr. Miller for his presentation.

401. *New Hires/Reassignments/Transfers/Reassignments*

Nelida Aguilar presented the personnel actions for the month of May 2006. The following appointments were made:

- Eric Frank (Campus Police Officer, Corsicana)
- Lyndsey Mae Raymond (Administrative Assistant III, Mexia)
- Phil Sims (Director of Student Activities, Corsicana)

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

402. *Resignations/Terminations/Retirements*

Ms. Aguilar continued her report on personnel actions stating the following employees resigned during May 2006:

- Dr. Jason Huddleston (English Instructor, Corsicana)
- Judy Maston (Administrative Assistant III, Waxahachie)
- Teresa Gonzalez (Financial Aid Counselor, Midlothian)

Davina Bass (Administrative Assistant III, Mexia) was terminated during May 2006:

The following employees retired during May 2006:

- Mary Dickerson (Director - Carl Perkins Career Center, Corsicana)
- Brenda Stubbs (English Instructor, Corsicana)

Ms. Aguilar concluded her report stating twenty-three open positions remained to be filled.

Mr. Wasson thanked Ms. Aguilar for her report.

501. *President's Report*

Dr. Sanchez asked Susan Johnson to review the Board calendar for June and July 2006. Ms. Johnson reviewed the calendar and asked Ms. Rhina Sandoval, Controller, to explain the purpose of *Educacion Si Se Puede!* hosted by LUPE. Ms. Sandoval explained that many individuals from the Hispanic community are intimidated and uneasy relative to attending Navarro College. The purpose of this program is to

demonstrate that Navarro College's doors are open to this segment of the population. The program also intends to make them aware of Hispanics who work at Navarro College and can assist them. Following a review of the calendar, Dr. Sanchez asked Dewayne Gragg to provide an update on summer enrollment.

Mr. Gragg stated he had reported last month that Minimester and Summer enrollments were down approximately 10% from the year before but a surge in enrollment for Summer I ended up about even with last year's. Summer II enrollment has surged slightly also and is down by only 5%. He stated an attempt to determine enrollment trends at other Texas community colleges was unsuccessful as he received only one response. Weatherford Community College, Navarro College's biggest competitor in growth, reported enrollment was down 10%. He stated fall enrollment was up but cautioned it was still early in the summer and 6,000 students still need to register.

Dr. Sanchez continued with his President's Report. He advised the Board that Dr. Greg Dlabach would arrive on July 10th to assume his duties as Vice President for Academic Affairs.

He stated the search process for filling the position of Navarro College South Dean was reaching a conclusion. Four finalists have been selected and will be interviewed next week.

Dr. Sanchez stated the Budget Planning and Workshop will be held prior to the next regular Board meeting on July 20, 2006. The format will be more inclusive this year by having staff members convey to the Board the strategy the College will follow this academic year in meeting the enrollment goals.

Dr. Sanchez reminded the Board of the barbecue on Saturday, June 17th, at 6:00 p.m. at his home. He stated he was looking forward to an enjoyable evening with Board members and their spouses.

Dr. Sanchez asked if the Board desired to use the same form as last year for conducting his annual evaluation or whether their preference was to use a different approach. In the past, board members completed the evaluation form and submitted their responses to the Board Chairman, Mr. Wasson. Mr. Wasson collates the information and the evaluation results are discussed in Closed Session. Dr. Sanchez stated he would bring the forms to the next meeting for the Board's consultation.

Dr. Sanchez stated that once a date has been confirmed, he will be meeting with Representative Jim Pitts to discuss the special appropriation request the College hopes to receive during the new budget cycle.

Dr. Sanchez advised the Board that he will be attending the TACCC Summer Conference in Plano on July 13-16, 2006.

Dr. Sanchez concluded his President's Report.

601. *Next Meeting Announcement*

The next meeting of the Board of Trustees will be held on July 20, 2006.

602. Adjournment

Mr. Stites made the motion to adjourn at 8:05 p.m. and Mr. Herod seconded the motion. The decision was unanimous.

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