

**NAVARRO COLLEGE BOARD OF TRUSTEES  
AUGUST 21, 2008 MEETING  
MINUTES**

The governing body of NAVARRO COLLEGE met on Thursday, August 21, 2008, in the Lone Star Room located in Walker Dining Hall for their regular monthly meeting. Trustees in attendance included: Mr. Homer Wasson, Chairman; Mr. Lloyd Huffman, Vice-Chairman; Dr. James Price, Secretary/Treasurer; Mr. James Borkchum, Member; Mr. Phil Judson, Member and Mr. Todd McGraw, Member.

Mr. Zane Stites, Member, was absent.

Also in attendance were:

Dr. Richard Sanchez	District President
Dr. Harold Nolte	President, Ellis County Campuses
Mr. Darrell R. Raines	Vice President, Finance and Administration
Dr. Erik Zoellner	Vice President for Student Services
Dr. Tommy Stringer	Vice President for Institutional Advancement
Mr. Dewayne Gragg	Dean of Enrollment Management and Institutional Research
Ms. Nelida Aguilar	Director, Human Resources
Ms. Donna Parish	Director, Market Relations and Public Information
Dr. Harold Housley	Dean of Business, Professional and Technical Education
Ms. Sheri Short	Criminal Justice Instructor/TYC Program Coordinator
Mr. Guy Featherston	Dean, Navarro College South
Mr. Matt Miller	Director, Media Integration Services Center
Mr. Tom Hammargren	Chairman, Faculty Association Committee
Ms. Leslie Smith	Executive Administrative Assistant
Ms. Darla Littrel	Executive Administrative Assistant
Mr. Bob Belcher	Corsicana Daily Sun
Mr. Dick Aldama	KAND Radio
Ms. Julianne Dodge	Navarro County Times
Mr. Tom Carr	Attorney (present by phone)

Various other faculty, staff, students and visitors were also in attendance.

**Call to Order**

At 7:00 p.m., Mr. Wasson called the meeting to order and welcomed new Trustee, Mr. Phil Judson. Mr. Judson was asked to begin the meeting with a prayer.

Mr. Wasson announced a closed session would be held following Item 501 – President's Report to discuss legal matters according to Government Code 551.071. He stated Tom Carr, attorney, would be participating in the closed session by telephone.

## **Board Announcements**

There were no comments or announcements made by the Board.

## **Open Forum Time**

There were no requests to speak to the Board.

## **Consent Calendar**

- **Board of Trustees July 17, 2008 Meeting Minutes**
- **Additions/Changes to Health Professions Handbooks: Vocational Nursing, Associate Degree Nursing, Medical Laboratory Technology, and Occupational Therapy**
- **Changes to Section IV.11.00 – On-line Instruction Guidelines and Procedures Policy of the Navarro College Administrative Policies and Procedures Manual**

Mr. Borkchum moved to approve all items on the Consent Calendar, and Mr. Huffman seconded the motion. The decision was unanimous.

## **Take Action on June 2008 Financial Statement**

Mr. Raines presented the financial statement for the month ending June 30, 2008.

The Statement of Budget Changes for the period ending June 30, 2008 showed amendments recognizing additional revenues in the amount of \$461,413, including \$435,913 from the Department of Labor-Community Based Job Training Grant for the Oil and Gas Program. The revised budget totaled \$70,018,469.

A review of the Source of Funds showed \$57,756,692 or 82.49% of the current budget had been earned at June 30, 2008, as compared to 81.64% the previous year. A review of the Disbursement of Funds showed \$55,183,664 had been expended and \$5,139,923 encumbered, 86.15% of the current budget. This compares to 83.68% expended and obligated the previous year.

Mr. Huffman made a motion to approve the June 2008 financial statement and Mr. McGraw seconded it. The vote was unanimous.

## **Take Action on July 2008 Financial Statement**

Mr. Raines continued with a review of the July 2008 financial statement.

Budget amendments in the amount of \$42,575 recognized additional revenues received from additional grant funding, Foundation grants, and miscellaneous program revenues. The revised budget totaled \$70,061,044 at July 31, 2008.

A review of the Source of Funds showed \$59,858,559 had been earned at July 31, 2008. This is 85.44% of the current budget as compared to 84.62% earned the previous year.

The Disbursement of Funds showed \$58,776,712 had been expended and \$3,460,094 had been obligated at July 31, 2008. This is 88.83% of the current budget as compared to 85.50% the previous year.

Mr. Borkchum made a motion to approve the July 2008 financial statement. Mr. McGraw seconded the motion, and the vote was unanimous.

### **Take Action on Adoption of the Budget for the 2008-2009 Fiscal Year**

Dr. Sanchez stated the proposed budget for the 2008-2009 fiscal year was the same one presented during the July workshop. He then asked Mr. Raines to continue.

Mr. Raines confirmed the budget totaling \$69,759,780 was the same as the one presented during the July workshop with the only difference being that salaries had been distributed into the corresponding departments. He stated the budget for 2008-09 is a “very lean” one.

Three new positions, an increase in part-time faculty salaries from \$1,350 to \$1,450 per 3 semester credit hours, and an incremental increase of 4% for current salaries are included in the budget. No capital expenditures or equipment purchases are budgeted for 2008-09 with the exception of equipment for Gibson Hall's new weight room and expanded game room. Travel reimbursement for approved travel was increased from 35 cents per mile to 45 cents per mile, well below the state mileage rate. Funds are also budgeted for the Board of Trustees election scheduled in May 2009.

Mr. Raines stated the College's budget has become “student driven” with Student Income revenues budgeted equal to State Funding at 42.3% of the Educational and General Fund and 20.1% of the entire budget. He noted Ad Valorem Taxes make up only 8.2% of the E&G Fund or 3.9% of the total budget.

The Educational and General Fund totaled \$33,179,306 or 47.6% of the budget, the Debt Service Fund 3.0%, and the Plant Fund 0% with no activity budgeted. The Auxiliary Enterprise Fund is budgeted at \$8,630,424 or 12.4% of the total budget.

Mr. Raines noted that Navarro College has one of the highest Auxiliary Enterprises Funds in the state, second only to Blinn College.

Student Financial Aid Fund has grown to 37.1% of the budget as a result of more students accessing financial aid. Mr. Raines responded to questions from trustees stating student financial aid is “based on need”. Students have the option of using their financial aid for other purposes such as car payments, etc. but a large portion of the funds come back to Navarro College through tuition and fees and auxiliary enterprises (i.e. residence life, dining services, bookstore).

Dr. Sanchez stated the attendance/satisfactory progress policy for residence life students adopted by the Board last year has been successful. He stated it has prevented some financial aid students from using student housing as their place of

residence without intention of attending classes.

No change was proposed in the Tuition and Fees and Room and Board rates previously adopted by the Board. Navarro County residents taking 12 semester credit hours will pay \$52/sch for tuition and fees, \$5 less than last year's state average of \$57 according to the Texas Association of Community Colleges survey. Texas residents living outside of Navarro County will pay \$82/sch, \$1 below last year's state average, and non-Texas residents will pay \$117/sch, \$10 below the state average.

Mr. Wasson stated he wanted to stress the fact students at the off-campus centers are paying out-of-district fees which equal more than the amount of ad valorem taxes paid on a house in Navarro County.

Discussion followed about the number of international students attending Navarro College. Mr. Huffman noted the number has decreased since 9/11. Dr. Zoellner stated 150 international students are currently enrolled, an increase of 5% from the previous year. Dr. Sanchez stated every attempt is being made to bring more international students to campus.

Mr. Wasson inquired about the collection rate on student loans. Mr. Raines stated the collections rate has improved and is approximately 11%. An agency, Horizon, has been hired to help students manage their loans. Many students are not aware their payments can be deferred if they are still in school or are having financial difficulty. Mr. Judson inquired if student loans were financed in-house. Mr. Raines responded all loans, with the exception of a few short-term loans, are 100% bank-financed as the College does not have the capital.

Dr. Price moved to adopt the budget for 2008-2009, and Mr. Judson seconded the motion. The decision was unanimous.

Dr. Sanchez commented this was Mr. Raines last budget as he will be retiring in December. He has prepared thirty-five budgets during his tenure.

**Discussion on Calendar Year 2008 (Fiscal Year 2008-2009) Tax Rate. Take Record Vote of Intent to Set Rate at \$0.119 per \$100 Assessed Valuation and Schedule Public Hearings as Proposed Tax Rate Exceeds the Effective Tax Rate**

Dr. Sanchez asked the Board to keep in mind that many needs could not be funded in the budget just adopted when setting the tax rate for 2008-09. No funds were allocated for equipment purchases. He noted that the College's vehicle fleet is aging and many vehicles need to be replaced. Drane Hall parking lot needs to be refurbished and the parking lot at the Mexia campus needs work. He recommended the Board adopt a tax rate just below the rollback rate. He then asked Mr. Raines to continue.

Mr. Raines stated Mr. Russell Hudson, Navarro County Auditor, has determined the assessed valuation of Navarro County's tax base is \$2.4 billion, a 9% increase or

approximately \$208 million over the previous year. Based on the net assessed valuation, Navarro College's effective tax rate would be \$0.11075/\$100 and the rollback rate \$0.11961/\$100.

Mr. Raines stated the effective tax rate would generate \$2,579,766. This falls short of the \$2,725,000 tax revenues budgeted. By adopting a proposed tax rate of \$0.119, which is higher than the effective tax rate but lower than the rollback rate, \$2,771,938 would be generated, close to the amount of tax revenue budgeted.

Mr. Raines stated that a record vote must be taken on the Board's intent to set the tax rate. If the Board chooses to indicate their intent to set the rate at the recommended amount of \$0.119 per \$100 valuation, they will be required to post notices in the newspaper and hold two public hearings before they can adopt the tax rate at their next meeting.

Mr. McGraw inquired if the increase in Navarro County's tax valuation was from new property. Mr. Raines stated there was more new development than the previous year, but a large portion of the increase was attributed to reevaluation of appraisals. Some discussion followed.

Dr. Price moved that a record vote be taken on the intent to set the Navarro College tax rate at \$0.119/\$100 and Mr. Huffman seconded the motion. All trustees present including Mr. Homer Wasson, Mr. Lloyd Huffman, Dr. James Price, Mr. James Borkchum, Mr. Phil Judson and Mr. Billy Todd McGraw voted in favor. Mr. Stites was absent and did not vote.

### **Update on Texas Youth Commission Program**

Dr. Housley presented an update on the Texas Youth Commission Program. He stated that as a result of Senate Bill 103, the Texas Youth Commission (TYC) was mandated to increase employee pre-service training from 80 hours to 300 hours. New employees must be trained before being allowed to interface with students/inmates at the facilities. In 2007 the state legislature SB 103 required pre-service training from 80 to 300. New employees must be trained before being allowed to interface with students/inmates at the facilities.

Historically, TYC conducted its employee training at its Corsicana location but with the new mandate and increase in recruiting for employees, space became a problem. Because of her previous affiliation with TYC, Ms. Sheri Short, Criminal Justice Instructor, was instrumental in building a partnership between Navarro College and TYC to provide training for newly employed staff.

After numerous meetings, a memorandum of understanding was developed which extends through August 2008 to provide continuing education training at the Navarro College campus. The first training class began January 2, 2008. Students take 80 hours of face-to-face training on the Navarro College campus. An additional 160 hours of on-

the-job training is then required at field locations where the employee has been assigned. Ms. Short, as director of the program, oversees all training. Ms. Short stated she is responsible for ensuring the employees receive the required training at 37 different locations throughout the state. She added that the training not only includes new employees but administrators as well.

A two-year contract has been approved to provide college credit for TYC training. The memorandum of understanding previously developed was incorporated as part of the new contract. Dr. Housley stated at this time Navarro College is providing all of TYC's training. A total of 2000 new employees are expected to be trained with 900 TYC employees trained to date.

Dr. Housley stated this program is generating many contact hours as well as collateral enrollment from TYC employees wishing to earn an associate degree. Dr. Sanchez stated a proposal has been presented to TYC for use of Navarro College's residence halls and dining services during employee training which would be cost-efficient for TYC.

Dr. Sanchez stated he has written TYC Conservator, Mr. Nedelkoff, indicating Navarro College is also interested in providing assistance with programs to reduce the rate of employee turnover. This matter was discussed with the conservator at a previous meeting. Mr. Nedelkoff, the conservator, plans to leave the conservatorship shortly because he feels his job has been accomplished.

Dr. Housley concluded his presentation stating TYC has indicated their satisfaction with Navarro College. They have also received positive comments from TYC staff. Mr. Judson commented this is "quite an opportunity" and commended staff for bringing it to Navarro College.

Mr. Wasson thanked Dr. Housley and Ms. Short for the update.

### **New Hires / Reassignments-Transfers / Reclassifications Resignations / Terminations / Retirements**

Ms. Aguilar was asked to present an update on Personnel for the month of July 2008.

The following appointments were made:

Wade Griffin (Assistant Football Coach/Instructor, Corsicana)

Joseph Lopez (Campus Police Officer, Corsicana)

Melanie Price (Lab Coordinator, Mexia State School)

Cody Crill (Assistant Football Coach/Instructor, Corsicana)

Tyrell McCrea (Assistant Football Coach/Instructor/Intramurals, Corsicana)

Kasey Elizondo (Registrar's Assistant, Corsicana)

The following reassignments were made:

Mary Palmeri (From Registrar's Assistant to Administrative Assistant II – Business and Technology, Corsicana)

Deffie Williams (From Administrative Assistant I – Financial Aid & Housing Supervisor to Assistant Director of Resident Life, Corsicana)

Shirley Steward (From Administrative Assistant I – Dept. of Public Safety to Registrar's Assistant, Corsicana)

The following resignations occurred:

Johnny Corbell (Campus Police Officer in Corsicana)

Sara Washington (Associate Degree Nursing Instructor in Corsicana)

Julie Holcomb (Director of Pearce Collections Museum in Corsicana)

Brett Manley (Assistant Director of Residence Life in Corsicana)

Brian Mayper (Assistant Football Coach in Corsicana)

There were no reclassifications, terminations or retirements during the month of July, 2008.

Mr. Wasson thanked Ms. Aguilar for her presentation.

### **President's Report on Items of Information**

Dr. Sanchez asked Donna Parish to review the Board's calendar. Ms. Parish stated fall classes will begin on Monday, August 25, 2008 and late registration will continue through Wednesday, August 27, 2008. Ms. Parish reviewed the schedule of upcoming home volleyball and soccer games and stated the first NC Bulldog home football game will take place at CHS Stadium on Saturday, September 6, 2008 at 1p.m. A new trustee orientation session has been scheduled on September 18, 2008 prior to the regular Board of Trustees meeting.

Dr. Sanchez asked Dewayne Gragg to present an update on enrollment. Mr. Gragg stated Summer I contact hours were up 33 ½ percent over the previous year and Summer II was up 47.1 percent. The increase was attributed to new contact hours generated by the Texas Youth Commission (TYC). Mr. Gragg stated the hours reported from March 1 through February 28, 2008 will determine state funding Navarro College will receive for the next two years. He stated 6,400 students were currently registered for the fall semester. Mr. Gragg predicted enrollment will be up more than 11 percent with a total enrollment of 8,500 students once all dual credit and part-time students have registered. He stated the numbers he was quoting did not include those generated by TYC which will add another 7,000 hours. He concluded by stating he expects Navarro College to be listed as one of the "fastest growing community colleges in the nation" again. Dr. Sanchez stated that was "bittersweet" news and expressed concern that when other colleges take notice of the hours being generated by TYC, they will be contacting their legislators so they may also provide training. He stated the contact hours generated by TYC are not stable as TYC could easily leave at the end of their two-year contract. He stated for this reason, he does not want to rely on the funds generated by TYC for on-going expenditures and will designate them for one-time expenditure items only.

Dr. Stringer was asked to present a report on the NC Foundation. Dr. Stringer stated the Foundation exists strictly for the purpose of supporting the College and to fund needs that cannot be met by its budget. He stated this year the Foundation focused on two areas: student scholarships and faculty grants. He stated the Foundation distributed approximately 50 scholarships to students totaling \$96,000. Faculty was invited to submit grant proposals to the Foundation and five different grants were funded totaling \$75,000. In addition, the Foundation purchased instructional software for the math and nursing departments, Digistar equipment for the planetarium, and will soon be purchasing new uniforms for the College's band. He stated the Foundation receives contributions from a number of donors and sponsors. Funds are also raised during Elegance, the Foundation's annual fundraiser. Mr. Wasson thanked Dr. Stringer and asked him to relay the Board's appreciation to the Foundation's board members.

Dr. Sanchez asked Dr. Nolte to present an update on the terrazzo floor repairs in the new classroom building in Waxahachie. Dr. Nolte stated the contractor removed the entire terrazzo floor which had many cracks and has installed a new one. They are now in the process of polishing the new floor.

Mr. Raines was asked to update the Board on the construction of the Gibson Hall addition, the demolition of the building in Mexia, and occupancy rate of the residence halls. He stated Watkins Construction has erected approximately 1/3 of the cinder blocks for the walls but has been hindered by the severe heat and rain over the past few weeks. He stated the steel has finally arrived and anticipates the project will be completed by the first of October.

Mr. Raines continued by stating that contractor Cecil Baker has agreed to complete the demolition of the downtown building in Mexia for \$57,000. Mr. Baker received assistance in acquiring the required insurance from Mr. Lynn Cooper, who was awarded the bid for the College's insurance for 2008-09. Mr. Baker is on the job site doing manual work and waiting for the arrival of rental equipment early next week. Mr. Raines stated the project could possibly take up to 90 days to complete.

Mr. Raines stated the residence halls which have a capacity of 818 students are overbooked for the fall semester with 848 students. Another 30-40 students are on a waiting list. Students are being tripled in rooms, and also have been placed in houses owned by the College on Second Avenue and in the IOOF cottages leased by the College.

Dr. Sanchez continued the President's Report stating he wrote a letter to Ms. Susan Brown, Texas Higher Education Coordinating Board, as a result of a phone call he received from THECB's Mr. Pinkard. In his letter, he clarified an error in the timeline Mrs. Brown had provided. The timeline indicates Dr. Sanchez had asked her about reporting the contact hours in Midlothian in 2008, which actually took place in 2006.

Dr. Sanchez stated the Texas Education Agency (TEA) recently sent information to all independent school districts stating high school students paying for dual credit courses



cannot be counted by the ISD's for average daily attendance (ADA). Dr. Sanchez stated he was in Austin the day before and had learned that the 240 minute statute is still in place regarding ADA and that nothing has or will change. He was told that TEA will be sending a letter clarifying the issue next week. Dr. Sanchez stated he sent a letter to all service area ISD superintendents making them aware of this information. Dr. Sanchez stated TEA has its own statutory authority and the legislature is concerned that their decision is in opposition to SB1.

Dr. Sanchez stated that, the Texas Association of Community Colleges (TACC) presented an appropriations request for full formula funding during the Senate Finance Sub-committee on Wednesday, August 20, in Austin. Senator Ogden asked if the legislature were to give full formula funding if students would then be able to attend community colleges in Texas free of charge. He stated the Senate Hearing Committee is very interested in this possibility and concerned that the cost of education is increasing day by day.

Dr. Sanchez concluded the President's Report by stating classes would begin on Monday, August 25, 2008 and New Board Orientation would begin at 2:30 p.m. on September 18, 2008 prior to the next board meeting at 7:00 p.m.

#### **Convene into Closed Session**

At 8:35 p.m., Mr. Huffman moved to convene into closed session following a short break. Mr. McGraw seconded the motion. The decision was unanimous.

#### **Reconvene into Closed Session, Announcement and Adjournment**

AT 9:40 p.m., Mr. Borkchum made a motion to reconvene into open session and to adjourn the meeting. Mr. Huffman seconded the motion, and the vote was unanimous.

The next meeting of the Navarro College Board of Trustees will take place in the Arrowhead Room at 7:00 p.m. on Thursday, September 18, 2008 following a New Board Orientation and dinner in Walker Dining Hall.

Respectfully submitted,

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Dr. James G. Price, Secretary/Treasurer  
NAVARRO COLLEGE BOARD OF TRUSTEES