

**NAVARRO COLLEGE BOARD OF TRUSTEES
APRIL 26, 2018 MEETING
MINUTES**

The Navarro College Board of Trustees gathered in the Mexia Campus Library located at 901 N. MLK Jr. Hwy, Mexia, Texas on Thursday, April 26, 2018. All trustees were in attendance: Mr. Lloyd Huffman, Chair; Mr. Phil Judson, Vice-Chair; Mr. Richard Aldama, Secretary-Treasurer; Mr. A. L. "Buster" Atkeisson, Mr. Billy Todd McGraw, Ms. Faith Holt, and Mr. Loran Seely, members.

Others in attendance included:

Dr. Richard Sanchez	District President
Dr. Kevin Fegan	District President-Elect
Dr. Kenneth Martin	President, Ellis County Campuses
Ms. Teresa Thomas	Vice President, Finance and Administration
Ms. Sina Ruiz	Vice President, Enrollment Mgmt. and Instl. Effectiveness
Dr. Carol Hanes	Vice President, Academic Affairs
Ms. Marcy Ballew	Vice President, Human Resources
Dr. Carol Hanes	Vice President, Academic Services
Dr. Harold Housley	Vice President of Operations and Instl. Advancement
Ms. Stacie Sipes	Director of Marketing and Public Information
Mr. Roark Montgomery	Athletic Director
Mr. Barry Sullivan	Director of Information Technology
Ms. Leslie Smith	Executive Assistant to the District President
Dr. Eileen Hamby	Executive Dean of Career and Technology
Ms. Christina Mims	Campus Dean, Mexia
Mr. Eric Garretty	Mexia City Manager
Mr. Dick Flatt	Community Member/Navarro College Foundation Board of Directors

Other faculty, staff and guests were also present.

Call to Order/Announcement of Closed Session

At 7:05 p.m., Mr. Huffman called the meeting to order and asked Mr. Judson to begin with a prayer. Mr. Huffman announced a Closed Session would be held to discuss personnel and legal matters according to Government Codes 551.074 and 551.071.

Mr. Judson immediately made a motion to convene into the Closed Session and Mr. Atkeisson seconded the motion. The decision was unanimous.

Temporary Break from Closed Session

At 8:35 p.m., Mr. Huffman announced the Executive (Closed) Session was being temporarily recessed to allow community members and guests an opportunity to address the Board in Open Forum. He stated at the end of the Open Forum, the Board would recess again to continue the Closed Session.

Board Announcements

There were no Board announcements.

Open Forum

Mr. Eric Garretty was invited to address the Board and identified himself as Mexia's City Manager. He praised Navarro College for being an integral part of Mexia's community. He stated that Navarro College not only provides educational opportunities but also contributes to bringing the culture, arts, and continued economic development into the community.

Mr. Garretty praised Dr. Shellie O'Neal for bringing her theatre group to Mexia and performing Paper Babies. The play, written by Dr. O'Neal, is about Mexia-native, Cindy Walker, who wrote many famous hit songs during her lifetime. Mr. Garretty stated there have been many positive comments about the play from the community.

Mr. Garretty also commended Dean Christina Mims and her talented staff from the Mexia Campus for their efforts to work with the city. He stated the City of Mexia is appreciative of the Board's choice to stay in Mexia and for dedicating resources to its campus. He stated on behalf of the City, they value Navarro College and are here as its partner.

Mr. Huffman thanked Mr. Garretty and stated Navarro College is "glad to be here" and is "here to stay." He also noted classes were first offered many years ago in a small building in downtown Mexia before the first building was constructed on the present site and eventually, the second half of the building followed.

Mr. Dick Flatt, long-term member of Navarro College Foundation's Board of Directors, was next offered an opportunity to speak. Mr. Flatt welcomed the Board as well and thanked them for all they do. He stated the new mayor of Mexia, Mr. Richard Dunkin, was invited to attend the meeting with him but had another commitment. Mr. Flatt continued by expressing appreciation for Dr. Shellie O'Neal as well. He noted her play is good publicity for Cindy Walker and it could easily renew interest in her songs.

Mr. Huffman noted his wife, Sandra, played the part of Cindy Walker's mother in Dr. O'Neal's play. He agreed it was a wonderful show and that Dr. O'Neal was very talented. Mr. Huffman thanked Mr. Flatt for his comments.

Reconvene into Closed Session

At 8:42 p.m., Mr. Huffman then announced the Board was reconvening into Closed Session and would return after its conclusion to conduct the remainder of the open meeting.

Reconvene in Open Session

At 9:30 p.m., Mr. Seely made a motion to reconvene into Open Session. Mr. Judson seconded the motion and the decision was unanimous. The governing body returned to the library and Mr. Huffman called the meeting back to order in Open Session.

No action, decision, or vote regarding the subjects discussed in Closed Session were taken during or after the Closed Session.

Consent Calendar

a. Minutes – March 22, 2018 Board Meeting

Dr. Sanchez recommended approval of the Consent Calendar containing the minutes from the March 22, 2018 Board meeting.

Mr. McGraw made a motion to approve the Consent Calendar and Ms. Holt seconded the motion. The Consent Calendar was approved by a unanimous vote.

Take Action on Quarterly Investment Report for Quarter Ended February 28, 2018

Ms. Thomas presented the Quarterly Investment Report for approval. She stated there were no additions or deletions in investments during the quarter ended February 28, 2018. The book value as of February 28, 2018 remained at \$2,975,000 with a market value of \$2,998,721.45. Current Certificates of Deposit are earning from 1.05 to 1.70% interest comparable to benchmark rates.

A review of the Maturity Schedule indicates \$1,000,000 in investments will mature during the fourth quarter (June – August 2018). The remainder will mature during the next fiscal year.

Cash deposits totaling \$20,518,831 are secured by FDIC insurance in the amount of \$1,250,000 and pledged collateral in the form of mortgage-backed securities and government agency issues in the amount of \$33,567,764. Mr. Atkeisson inquired what amount of collateral is being required to protect investments and Ms. Thomas responded 110% of total deposits is required.

Mr. Judson moved to approve the Quarterly Investment Report for the Quarter Ended February 28, 2018. The motion was simultaneously seconded by Mr. Atkeisson and Mr. Seely. The decision was unanimous.

Take Action on March 2018 Financial Statement

Ms. Thomas continued with presenting the March 2018 Financial Statement for approval.

Ms. Thomas reviewed budget changes totaling \$60,079 during the month ended March 31, 2018. Additional funding of for the Small Business Development Grant increased the budget by \$54,075 and Cosmetology Shop sales increased revenues by \$6,004. The revised budget as of March 31, 2108 totaled \$89,615,901.

A review of the Source of Funds showed 69.77% of revenues had been earned as of March 31, 2018, compared to 77.55% last year. Disbursement of Funds indicated 79.56% of the 2017-2018 budget had been expended as of March 31, 2018, compared to 86.72% last year.

The Comparative Summary of Sources and Disbursements for the Seven Months ending March 31, 2018 indicated cash income in the amount of \$32,164,406 exceeded cash expenses in the amount of \$26,726,882, for a net income of \$5,437,524. Ms. Thomas noted this is a decrease of \$50,613 compared to last year and reflects the impact of decreased enrollment.

Mr. Aldama made a motion to approve the March 2018 Financial Statement. Mr. Atkeisson seconded the motion, and the decision was unanimous.

Take Action on Extending Contract with Whitley Penn LLP for Auditing Services

Ms. Thomas continued. She stated a contract with Whitley Penn LLP for auditing services was initially approved by the Board of Trustees on August 14, 2014. Whitley Penn has performed the college's audit for the years ending 2014, 2015, 2016 and 2017.

Ms. Thomas stated fee increases for auditing services over the past few years have been small and Whitley Penn's engagement letter to prepare the audit for the year ending August 21, 2018 is estimated to have no increased fees unless changes in the law or accounting practices require new procedures to be applied.

Based on their audit experience with higher education and their familiarity with Navarro College's procedures, policies, internal controls, and personnel, Ms. Thomas stated it is recommended the contract with Whitley Penn LLP be extended.

Mr. McGraw stated it has been policy in the past to change every few years and noted this will be Whitley Penn's fifth year. Ms. Thomas responded she has been places where the same auditors are used for 10 years. She stated the advantage of using this firm is they won't "have to be retrained." McGraw inquired if these services are normally bid out. Ms. Thomas responded that professional services are not required to be bid but they can be. She noted again that Whitley Penn is not increasing their fees.

Mr. Seely made a motion to approve extending the contract for Whitley Penn LLP for auditing services. Mr. Judson seconded the motion. The motion passed by a unanimous vote.

Approval of new Entrepreneurship Certificate Program

Dr. Hanes introduced Dr. Eileen Hamby, Executive Dean of Career and Technology, and asked her to share information about the proposed Entrepreneurship Certificate for Board approval.

Dr. Hamby stated the purpose of the program is provide education and training to existing small business owners and to others in the community who would like to begin a small business. The goal of the program is to have a positive economic impact on our community, teach how to plan, start, and sustain a new business and to assist existing small businesses in attaining higher levels of profitability and success. This program has the support of Corsicana's Small Business Development Center, Chamber of Commerce, and Economic Development Committee.

Dr. Hamby reviewed the requirements for completing a Level 1 Entrepreneurship Certificate. The required 18 credit hours include a course in E-commerce marketing, which will teach businesses to develop websites and help them offer their services/products universally, as well as small business finance.

Dr. Sanchez added that this program is consistent with the enrollment management posture the college is assuming to bring in additional contact hours.

Mr. Atkeisson made a motion to approve the Entrepreneurship Certificate Program and Ms. Holt seconded the motion. The Entrepreneurship Certificate Program was approved by a unanimous vote.

Update on Mexia Campus

Dr. Hanes introduced Ms. Christina Mims as a “local girl” who was appointed campus dean of Mexia nine months ago. She invited Ms. Mims to share an update with the Board on improvements and enrollment trends since her appointment.

Ms. Mims stated when she first came on board, she noticed the need for minor facility upgrades. A window has since been installed in the entry way next to the office area and another has been installed in the Bookstore for displays. In addition, space was been created for an adjunct office and conference room. Ms. Mims continued stating previously, there were no directions to help students find their way. With the assistance of marketing, new signs have been posted to direct students to offices and classrooms. New outdoor signs have created at the entrances to help identify the campus.

New vending options are now available for students on campus. A new “micromarket” offers fresh food items including sandwiches, salads, and fruit as well as regular vending items.

In response to feedback received, new campus life events have been initiated for students that also include involvement in the local community. New events include: a new student orientation held in August, a registration rally, a “Creative Connections” event Dr. Kantor put together with local authors, canned food drives, campus dialogue, Polar Express event for the local community, and participation in the Mexia and Teague Christmas Parades in December. Ms. Sims stated a free breakfast and lunch is also provided by local churches for students and staff every week. Last week, the Chick-fil-a bus from Waco was brought to campus for a “registration kick-off” and was a hit with both students and community members. Registration flyers and information on Dr. O’Neal’s play were distributed.

The Legacy fundraising event held on March 3, 2018 at St. Mary’s Hall in Mexia was a success. Ms. Mims stated Navarro College’s “own” Steve Colburn performed with his band, Texas Country Band, and several of the guests enjoyed dancing to their music. She stated the event has set a great precedent for future fundraisers.

Enrollment of on-campus students in Mexia has increased since last spring from 335 to 412 students. More traditional, face-to-face classes were added this semester and plans are to continue this trend to meet demand. Enrollment of dual credit students was down 21.18%. This was a result of Normangee High School moving to a free dual credit program and to lost career and technical education at Mexia High School because of a loss of instructors.

A Mexia Campus Advisory Board has been formed with a group of community members,

including Mr. Flatt and Mr. Garretty, from within the tri-county area - Freestone, Leon, and Limestone counties. The mission of the board is "to create relationships with community members and engage in discussion that will guide the college to better fulfill the needs of our service area." Ms. Mims stated two meetings have been held so far and great conversations have been held.

Ms. Mims shared plans for Summer/Fall. New continuing education offerings are scheduled for late spring/ summer/ fall including the return of Certified Nurse Aid courses. New offerings for fall include agribusiness, criminal justice, and business leadership courses. Ms. Mims stated plans are in progress for a Career Fair in early June targeting those who out of work or seeking new careers. Ms. Mims concluded her presentation by stating a student orientation session is scheduled on the Mexia Campus August 14th.

Mr. Huffman thanked Ms. Mims. Mr. Judson also thanked Ms. Mims, especially for including all the community. He stated "that's what Navarro is all about."

Update on Personnel Activity

Marcy Ballew shared an update on personnel activity. She announced the following appointments made during the month of March 2018:

- Nicolas Jean-Baptiste – Assistant Football Coach
- Misty McGuire – Accounts Payable Specialist
- Riva Bryant – Benefits Coordinator
- Teresa Sutton – Executive Administrative Assistant to the Vice-President of Institutional Advancement and Operations
- Cody Hopkins – Assistant Basketball Coach/Instructor
- Kristen Darby – Academic Advisor/Financial Services Coordinator for TRiO Student Services

Three employees exited during the month of March 2018:

- Scott Monarch – Assistant Basketball Coach/Intramurals
- Kayla Kitchens – Administrative Assistant for TRiO Student Services
- Richard Gomez – Campus Police Officer

There were no retirements, terminations, or transfers to report and Ms. Ballew concluded her report.

President's Report

Enrollment Update

Ms. Ruiz presented an update on enrollment. She announced summer and fall registration began the previous week. Students have the option of signing up for May Mini-mester, Summer 12 Week, Summer 1, Summer 2 as well as Fall 2018 classes. She reported enrollment in May mini-mester is currently down 47 students and -19% in contact hours. Summer 1 enrollment is down less than 1% (0.24%) in headcount and down -11.65% in contact hours. Summer 2 enrollment is up 23.9% (81 students) in headcount and up 30.6% in contact hours. Overall, 31% of the targeted headcount enrollment of 5,002 students and

39% of the targeted number of contact hours (539,520) have been reached.

To encourage students to register early for the fall semester, the Navarro College Foundation has agreed to give away ten (10) \$500 scholarships. Students who register by May 11th for fall 2018 classes will be placed in a drawing for an opportunity to win one.

Ms. Ruiz continued by reporting Fall 2018 credit enrollment is currently up 113 students compared to the same time last year and dual credit enrollment is down -195 students. Overall, contact hour enrollment for fall 2018 is up 10.39% compared to last year.

Ms. Ruiz was also pleased to report that Ms. Rene Tribble, Director of Dual Credit, and her team have been busy working with the high schools and recently received 600 more dual credit applications, which are currently being processed. A more accurate report on dual credit will be presented next month.

Ms. Ruiz concluded her report.

Board Calendar

Dr. Sanchez thanked Ms. Ruiz and asked Ms. Sipes to present the Board calendar. Ms. Sipes highlighted upcoming events over the next few months including the annual Staff Appreciation BBQ, ADN Pinning ceremony, Corsicana and Ellis County Commencement ceremonies, Police Academy Graduation and upcoming meetings.

President's Item of Information

Dr. Sanchez thanked Ms. Sipes and continued with the following items of information:

- Plans are being made to move the Board of Trustees Budget and Planning meeting to July after Dr. Fegan arrives.
- Endorsement from the Board for staff to be given incentive time on select half-day Fridays in the summer and for faculty to receive the first day back for the fall semester as incentive was requested. All members of the Board indicated their endorsement for Dr. Sanchez to grant the incentive time.
- The awarding of the first Honorary Degree by Navarro College will take place Friday, April 27, followed by lunch in the President's Dining Room with the Board of Trustees.
- The house located at 433 N. 45th St. has been purchased by the College for \$60,000 plus closing costs.

Dr. Sanchez concluded his report by stating he will be out beginning Tuesday, May 15, 2018, for a family wedding and will return on May 29th.

Announcement and Adjournment

Mr. Huffman thanked Dr. Sanchez and announced the next meeting of the Board of Trustees will be held on May 31, 2018. He concluded by stating the Board always enjoys coming to Mexia and appreciates everyone's support. He asked for a motion to adjourn the meeting.

Trustees Atkeisson, McGraw and Seely simultaneously made a motion to adjourn the meeting and Ms. Holt seconded the motion. The decision to adjourn at 10:13 p.m. was unanimous.

Respectfully submitted,

A handwritten signature in black ink, reading "Richard L. Aldama", with a long horizontal flourish extending to the right.

Richard L. Aldama, Secretary-Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES