

**AMARILLO COLLEGE BOARD OF REGENTS
MINUTES OF REGULAR BOARD MEETING
November 27, 2012**

REGENTS PRESENT: Mr. John D. Hicks, Chair; Mr. Don L. Nicholson, Vice Chair; Ms. Mary Jane Nelson, Secretary; Mr. Carroll M. Forrester; Ms. Michele Fortunato; Dr. Gene Norman; Dr. Paul L. Proffer; and Dr. David C. Woodburn

REGENT ABSENT: Mr. H. Bryan Poff

OTHERS PRESENT: Mr. Robert Austin, Vice President of Student Affairs; Mr. Terry Berg, Vice President of Business Affairs; Mr. Lee M. Colaw, Chief Information Officer; Mrs. Ellen Robertson Green, Chief of Communication and Marketing; Dr. Russell Lowery-Hart, Vice President of Academic Affairs; Dr. Paul Matney, President; and Ms. Danita McAnally, Chief of Planning and Advancement

Dr. Tamara Clunis – Dean of Academic Success
Mr. Bruce Cotgreave – Director, Physical Plant
Mrs. Kim Davis – Dean of Continuing Education
Mr. Daniel Esquivel - Executive Director, Hereford Campus
Ms. Laura Gonzalez – AC Student, All-USA Comm. College Academic Team nominee
Ms. Lani Hall – representing Connor McMillon Mitchell & Shennum
Mrs. Karen Logan – representing Classified Employees Council
Mr. Jacob Mayer – representing *Amarillo Globe-News*
Mrs. Lori Merriman – Executive Secretary, President's Office
Mr. Greg Rohloff – representing *Amarillo Independent*
Mr. Mark Rowh – Dean of Health Sciences
Mrs. Brenda Sadler – Exec. Asst., Pres's Off. and Asst. Secy. to the Board of Regents
Ms. Mikhaela Sample – President, Student Government Association
Mrs. Vickie Shelton – Director, Purchasing
Mrs. Renee Vincent – Executive Director, Moore County Campus
Mr. Mark White – Attorney, Sprouse, Shrader, Smith P.C.
Mrs. Lyndy Wilkinson – Dean of Technical Education
Mr. Reagan Williams – representing Connor McMillon Mitchell & Shennum
Mr. Joseph Wyatt – Communications Coordinator, College Relations
Mr. David Ziegler – Assistant Director, Physical Plant

The meeting was called to order by Mr. Hicks, Chairman. He welcomed all present and asked if there were any public comments. Dr. Proffer gave the invocation.

MINUTES APPROVED:

Mr. Nicholson moved, seconded by Dr. Proffer to approve minutes of the regular meeting of October 23, 2012 and the minutes of the special meeting of November 14, 2012 with addition of the words "and new" after all existing regarding Northeast Project Declaration of Covenants, Conditions, Restrictions, and Specifications. The motion carried unanimously.

STUDENT GOVERNMENT ASSOCIATION REPORT:

Ms. Sample, president of SGA, invited everyone to their Christmas party on the Washington Street Campus; it will be in the College Union Building on December 4. SGA held a leadership seminar; 60 students attended; ten came from Moore County Campus. Hugh Evans, Australian humanitarian, and co-founder of Global Poverty Project, was the keynote speaker. Community College Days will be held in Austin in February.

ALL-USA COMMUNITY COLLEGE ACADEMIC TEAM:

Dr. Matney introduced Mikhaela Sample and Laura Gonzalez who are nominees for the All-USA Community College Team. This honor will enable them to receive additional scholarships from the Amarillo College Foundation. Ms. Sample is majoring in Civil Engineering; Ms. Gonzalez is studying Petroleum Engineering and plans to get her Ph.D. one day.

INDEPENDENT AUDIT REPORT FOR 2011-2012 APPROVED:

Ms. Lani Hall and Mr. Reagan Williams, representatives from Connor, McMillon, Mitchell & Shennum, PLLC presented the regular audit report for the fiscal year ending August 31, 2012. Copies of the audit were provided to the Board of Regents.

Ms. Hall said the financial statements were presented fairly and its changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States. She discussed the Management's discussion and analysis. Net assets went from \$172,964,309 in 2011 to \$191,236,110 in 2012. Ms. Hall contributed the increase to all of the construction and new bonds issued. Net assets for the end of the year were up \$2 million. Ms. Hall reported that the College does not believe it is responsible for the shortfall in funding for TRS contributions per Section 67(b) (3) which is \$627,972 for the fiscal year ended August 31, 2012. This amount is being disclosed as a possible contingent liability for fiscal year ended August 31, 2012. There were no instances of noncompliance or other matters that was required to be reported under *Government Auditing Standards*. She discussed findings and weaknesses in internal control over compliance in requirements of a federal or state program. The College has come up with corrective actions to fix the findings.

Mr. Nicholson moved, seconded by Mr. Forrester to approve the independent audit report for 2011-2012. The motion carried unanimously.

EDUCATION REPORT – DEPARTMENT OF LABOR CAREER TRAINING GRANT PROGRAM:

Amarillo College was selected as the Texas State-Designated Grantee for the TAACCCT grant program. The funding will be used to implement a project to develop stackable credentials that align with existing programs and develop innovative online or technology-enabled learning strategies such as interactive simulations, virtual instruction, and educational gaming.

Lyndy Wilkinson, Dean of Technical Education, gave a PowerPoint presentation and discussed the Department of Labor grant received and what it means for Amarillo College and its students. AC was awarded \$2.5 million for four years; it will affect over 1, 000 students in the following programs: phlebotomy, CNA, patient care technology, clinical medical assistant, EKG technician, industrial maintenance, welding, machining, and utility power worker. The programs

**EDUCATION REPORT – DEPARTMENT OF LABOR CAREER TRAINING GRANT PROGRAM
Continued:**

were selected due to industry need. The grant will afford AC students more hands-on experience; less time in school to learn a marketable skill and get a job; and students will have multiple entry and exit points. The grant will meet industry demand, change the lives of low-skill adults, and integrate Continuing Education and Academic programs and processes. Mrs. Wilkinson said technical education's purpose statement is "Putting people to work through industry partnerships." She discussed plans to implement the following: incorporate soft skills into our curriculum; focus on industry demand – no jobs available – no programs; improve relationships with industry through better and consistent communication; offer more dual credit with ISDs; offer East Campus job fairs and industry recruitment; propose more co-ops and internship opportunities for students; and align our curriculum with industry and make advisory boards meaningful. Mrs. Wilkinson believes AC has great resources and she plans to use them.

ANNUAL GRANTS AND CONTRACTS REPORT:

Ms. McAnally distributed a FY 2012 Grant and Contract Analysis and discussed. Amarillo College received \$7 million in external funds from grant and contract sources representing an overall increase of 2.6%. The status update for all grant applications made prior to August 31, 2012 were as follows: eight grants were awarded (two state, two federal, four local); two grants were denied (both state); and two grants are pending (one federal, one state).

CONSENT AGENDA APPROVED:**A. BIDS AND PROPOSALS:**

- Request for Contingency Allowance Expenditure – 2007 Bond Project, Upgrades to Music Building

Request for Contingency Allowance Expenditure in the amount of \$30,160.00 to repair exterior masonry at Concert Hall, Music Building, and the Amarillo Museum of Art.

This will not affect the Guaranteed Maximum Price, but will reduce the contingency.

Funds are available in the 2007 Bond Budget.

B. BUDGET AMENDMENT:

A budget amendment for approval by the Board is attached at page 62.

Ms. Fortunato moved, seconded by Dr. Woodburn to approve the Consent Agenda. The motion carried unanimously.

**REQUEST FOR PROPOSAL NO. 1278 – FOR THE EVERETT & MABEL MCDUGAL HINKSON
MEMORIAL CAMPUS FOR AMARILLO COLLEGE, HEREFORD CAMPUS APPROVED:**

RFP No. 1278, for the New Hereford Campus. The Structural and Pad Package included site work, parking lot, building pad, concrete foundation and slab, rebar, structural steel, bar joist,

REQUEST FOR PROPOSAL NO. 1278 – FOR THE EVERETT & MABEL MCDUGAL HINKSON MEMORIAL CAMPUS FOR AMARILLO COLLEGE, HEREFORD CAMPUS APPROVED Continued:

and other miscellaneous steel components. This first portion of the project was approved by the Amarillo College Board of Regents at the September Board Meeting for amount of \$1,203,599.00. The second phase of the project includes masonry, roofing, carpentry, interior finishes, mechanical, electrical, plumbing, landscaping, parking and other items to complete the construction of this facility for an additional cost of \$3,581,031.00.

Page & Associates, Inc., provides a guaranteed maximum price for the total project in the amount of \$4,784,630.00

Funds are available in the Hereford A & I Budget and in the Hinkson Foundation.

Ms. Fortunato moved, seconded by Mr. Forrester to approve RFP No. 1278. The motion carried unanimously.

FURNITURE & EQUIPMENT PURCHASE FOR BUILDING V AT EAST CAMPUS – 2007 BOND PROJECT APPROVED:

New furniture and equipment is needed to equip the newly renovated Building V, East Campus. This price includes furniture for offices, classrooms and labs, conference room, “sticky spaces” and other miscellaneous areas.

The top two vendors identified are Hon (approximately \$45,000.00) and Virco (approximately \$65,000.00).

Hon furniture is available through an Inter Local Agreement with the City of Amarillo BPA/TXMAS 6-71-111060. Virco furniture is available through U.S. Communities Contract.

Funds are available in the 2007 Bond Project.

Ms. Nelson moved, seconded by Ms. Fortunato to approve the furniture and equipment purchases for Building V at East Campus. The motion carried unanimously.

COMMUNICATIONS AND TECHNOLOGY INFRASTRUCTURE PURCHASES FOR NEW CONSTRUCTION AND RENOVATION PROJECTS FOR BYRD/PARCELLS HALL GROUND FLOOR, DURRETT HALL, EAST CAMPUS BUILDING V, HEREFORD CAMPUS, LYNN LIBRARY SECOND FLOOR, MOORE COUNTY CAMPUS CAREER & TECHNICAL CENTER, AND MUSIC BUILDING APPROVED:

New communications and technology equipment is needed to equip the renovation of facilities on the East Campus and Washington Street Campus, and the new construction of facilities at Hereford and Moore County Campus as identified below.

Byrd/Parcells Hall technology requirements for network switches, computers, telephones, audiovisual equipment and other miscellaneous components are projected not to exceed \$132,697.00. Funds available are provided by the 2007 Bond Project.

COMMUNICATIONS AND TECHNOLOGY INFRASTRUCTURE PURCHASES FOR NEW CONSTRUCTION AND RENOVATION PROJECTS FOR BYRD/PARCELLS HALL GROUND FLOOR, DURRETT HALL, EAST CAMPUS BUILDING V, HEREFORD CAMPUS, LYNN LIBRARY SECOND FLOOR, MOORE COUNTY CAMPUS CAREER & TECHNICAL CENTER, AND MUSIC BUILDING APPROVED Continued:

Durrett Hall technology requirements for network switches, computers, telephones, audiovisual equipment and other miscellaneous components are projected not to exceed \$177,288.50. Funds available are provided by the Amarillo College's HSI STEM grant.

East Campus Building V technology requirements for network switches, computers, telephones, audiovisual equipment and other miscellaneous components are projected not to exceed \$356,276.49. Funds available are provided by the 2007 Bond Project, Department of Labor Trade Adjustment Assistance Community Colleges and Career Training (TAACCCT) grant, and Perkins Reallocation grant.

Hereford technology requirements for network switches, computers, telephones, audiovisual equipment and other miscellaneous components are projected not to exceed \$355,610.90. Funds available are provided by the 2012/2013 Hereford A&I Budget.

Lynn Library Second Floor technology requirements for network switches, computers, telephones, audiovisual equipment and other miscellaneous components are projected not to exceed \$194,836.65. Funds available are provided by the 2007 Bond Project & Title V grant.

Moore County Campus Career & Technical Center technology requirements for network switches, computers, telephones, audiovisual equipment and other miscellaneous components are projected not to exceed \$335,412.42. Funds available are provided by the Moore County Bond.

Music Building technology requirements for network switches, computers, telephones, audiovisual equipment and other miscellaneous components are projected not to exceed \$145,885.10. Funds available are provided by the 2007 Bond Project.

The top four vendors identified to receive the largest percentage of funds are Lubbock Audio Visual, Inc., General Datatech LP, Black Box Network Services, and Dell. The remaining funds will be utilized through established vendors that have been competitively reviewed.

An increase in the existing awarded contract to Lubbock Audio Visual, Inc (L.A.V. Amarillo), dated September 1, 2008, and approved this fiscal year for extension by the Board on August 2012 is recommended. General Datatech LP (GDT) and Dell acquisitions are available through the State of Texas Department of Information Technologies (DIR) purchasing cooperatives approved by Board resolution in 1993. The Black Box Network Services are acquired through a sole source provider who is the only authorized NEC dealer through State/DIR purchasing cooperatives previously approved by the Board.

Requirements and funds identified above will continue to be scrutinized within available resources and modified as evolving budgets allow, as alternative sources of grant funding identified, and more cost efficient technologies implemented until the moment of acquisition.

COMMUNICATIONS AND TECHNOLOGY INFRASTRUCTURE PURCHASES FOR NEW CONSTRUCTION AND RENOVATION PROJECTS FOR BYRD/PARCELLS HALL GROUND FLOOR, DURRETT HALL, EAST CAMPUS BUILDING V, HEREFORD CAMPUS, LYNN LIBRARY SECOND FLOOR, MOORE COUNTY CAMPUS CAREER & TECHNICAL CENTER, AND MUSIC BUILDING APPROVED Continued:

Mr. Forrester moved, seconded by Mr. Nicholson to approve the Communication and Technology Infrastructure purchases for the above campuses and buildings. The motion carried unanimously.

REPORT ON THE STATUS OF THE AC/PRANA EAST PROPERTY PROJECT:

Mark White, legal counsel, reported that Prana has accepted and approved changes made at the October Board of Regents meeting. At the November 14 Board meeting, the Board reached consensus that the independent foundation for the project be named the Amarillo Foundation for Education and Business (AFEB); the Secretary of State approved the name. Mr. White said the East property map is outdated and will need modification.

FINANCIAL REPORTS ACCEPTED:

The financial statements as of October 31, 2012 are attached at pages 63 through 72.

Revenue

We have received 26% of total revenues. We have received \$8 million in academic tuition and fees. Continuing education tuition and fees has brought in \$515,265.

Expenditures

We are 17% through the year. We have spent \$10 million out of the 2013 amended budget of \$58 million.

Auxiliary Enterprises

Bookstores' net profit is \$27,119; and rental properties' net profit is \$231,512.

Restricted Funds

Federal grants and contracts have increased \$229,563; state grants and contracts are up \$914,299; local grants and contracts have increased \$26,695; and KACV grants and contracts have increased \$50,809. Resident instruction has increased \$398,295.

Cash and Investments

\$54.2 million total minus \$16.9 million (bond) = \$37.3 million – October 2012; \$45.2 million total minus \$9.5 million (bond) = \$35.7 million – October 2011; \$53.8 million total minus \$21.6 million (bond) = \$32.2 million – October 2010.

Alterations & Improvements

There has been \$316,000 in actual costs spent out of \$3.6 million in projected costs.

Tax Schedule

\$430,000 has been collected out of \$19,866,400 budgeted; we have \$19.4 million to collect.

FINANCIAL REPORTS ACCEPTED Continued:**Bond Expenditures**

There has been \$56.5 million spent for completed projects out of \$66.4 million projected for the Amarillo campuses.

Dr. Proffer moved, seconded by Dr. Woodburn to accept the October financial reports. The motion carried unanimously.

PRESIDENT'S REPORT:

Dr. Matney spoke of the luncheon which honored Representative John Smithee, AC Distinguished Alumnus; Senator Kel Seliger was the keynote speaker. Smithee will give a brief speech at the December Commencement.

Amarillo College was presented the United Way SECC Award; AC had an increase of 13% in donations.

Dr. Matney referred to the Kathleen Cook art donation which is displayed in the Palo Duro Room. She was a former AC student; she and her father donated two paintings to Amarillo College.

The AC Legal Society, along with Bruce Moseley, program director, paralegal studies, recently made a trip to Washington, DC.

Dr. Matney praised the fall 2012 issue of *Plugged In*.

A copy of the 2012 – 2013 Institutional Priorities was distributed.

The SACSCOC Annual meeting will be held in Dallas, December 9 – 11.

The LVN Pinning will be held on December 11 at 1:00 p.m. in Ordway Auditorium.

The ADN Pinning will be held on December 13 at 6:00 p.m. at Central Church of Christ.

Fall Commencement will be held on Saturday, December 15 at 10:00 a.m. at the Cal Farley Coliseum.

Lee M. Colaw has been asked to serve as key advisor for the Adobe Education Customer Advisory Board.

Dr. Matney reported on the top eight institutions in which AC students transfer (WTAMU, Texas Tech, Texas A&M, the University of Texas, UNT, Texas State, UT at Arlington, and Texas Tech Health Sciences Center).

AC received \$33,000 from proceeds from the Giuliani Distinguished Lecture; \$18,000 will go to the Hereford Campus; \$15,000 is earmarked for Presidential Honors Scholarships.

REGENTS' REPORTS, COMMITTEES, AND COMMENTS REGARDING AC AFFILIATES:

Mr. Nicholson praised the Dust Bowl series shown on KACV. KACV is in the middle of their fall pledge drive.

Ms. Fortunato reported on the exhibit, *The World on Our Walls*, Eastern American and European Paintings from the Panhandle-Plains Historical Museum; art will be exhibited through December 30, 2012.

ADJOURNMENT:

There being no further business, the meeting was adjourned.

Mary Jane Nelson, Secretary

