

**AMARILLO COLLEGE BOARD OF REGENTS
MINUTES OF BOARD BUDGET RETREAT/BOARD RETREAT
July 25, 2017**

REGENTS PRESENT: Dr. Paul Proffer, Chair; Mr. Johnny Mize, Vice-Chair, Ms. Anette Carlisle, Secretary; Ms. Michele Fortunato; Mr. Dan Henke; Ms. Sally Jennings; Mr. Patrick Miller; Dr. David Woodburn

REGENTS ABSENT: Mr. Jay Barrett;

CAMPUS REPRESENTATIVES PRESENT: Mr. Michael Kitten, Representative for the Hereford Campus

CAMPUS REPRESENTATIVES ABSENT: Mr. Mike Running, Representative for the Moore County Campus

OTHERS PRESENT: Mr. Robert Austin, Vice President of Student Affairs; Mr. Kevin Ball, Vice President of Communications and Marketing and CEO for Panhandle PBS; Dr. Tamara Clunis, Interim Vice President of Academic Affairs; Ms. Cara Crowley, Chief of Staff; Ms. Lindy Forrester, Vice President of Employee and Organizational Development; Dr. Russell Lowery-Hart, President; Mr. Steve Smith, Vice President of Business Affairs; and Mr. Mark White, Executive Vice President and General Counsel

Mr. James Allen – Community Member
Ms. Joy Brenneman – Exec. Asst., Pres's Off. and Asst. Secy. to the Board of Regents
Mr. Wes Condray – Director of Communications and Marketing
Ms. Melodie Graves – Senior Advising Associate
Mr. Bowden Jones – Community Member
Mr. Adrian Meader – Community Member
Ms. Deana Miller – spouse of regent Patrick Miller
Ms. Jeanette Nelson – Budget Manager, Business Office
Ms. Sadie Newsome – Digital Communication Coordinator
Mr. Joseph Peterson – Community Member
Mr. Collin Witherspoon – Executive Director of Decision Analytics and Institutional Research

The Budget Retreat/Retreat was called to order at 4:02 p.m. by Dr. Paul Proffer, Chairman of the Board of Regents.

PUBLIC COMMENTS

There were no public comments.

BUDGET PRESENTATION

Mr. Smith provided the Regents and President Cabinet members with a one-page hand out reflecting the 2018 proposed budget with a comparison for the years 2012 – 2017. The projected higher operating revenue is a result of the increase in tuition and enrollment. He has budgeted \$900,000 in enrollment and tuition increases but notes that this is still a conservative budget. He then reviewed each line of the budget.

Operating revenue from sales includes the bookstore, East Campus products that are built and sold, and Hagy Center income. Other income includes such items as rentals of Carter Fitness Center, Downtown Campus, East Campus rooms, Dumas facilities, rental books, and Suzuki and Dental Clinic income. There are no plans to allocate any funds from reserves in this budget. Non-operating

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revenue reflects local taxes, state appropriations, and revenue from the Hereford and Moore County Campuses minus bond debt payments. Investment income is projected at \$85,000. Mr. Smith noted that the State sends a check to the college 10 times each year while local taxes are received mostly all at once.

Total revenue is \$67,980,617 which is up from 2016.

In the expense category, salaries are the largest expense. The budget breaks out each employee group and includes raises and the new faculty pay plan. Part-time employees and adjunct faculty will receive raises this next year as well. Faculty positions have been added to accommodate the increased demand for some courses. Revenue generated from these should offset the cost. The Hay Center had need for new positions as well, and an additional administrative position has been added. The cost of employee benefits has also increased.

Mr. Smith then reviewed other expense items. Professional fees are up slightly and supplies are in line with historical trends. Travel has been increased for professional development. Property insurance has been moved to a new policy because the previous insurer is out of business. Technology related expenses have been moved to a separate category resulting in a change to the maintenance expense which will be used for building maintenance, etc. The expense for utilities is larger due to expected tariff increases. Mr. Smith and Mr. White will review the contract the college currently has with Cenergistics for energy conservation, and Mr. Smith is working with other companies to come up with recommendations for the future. Advertising expense is up for some Downtown Campus initiatives and other programs. Lease and rental expense, memberships, and miscellaneous expense categories are increased slightly.

Board members had questions regarding what is covered by institutional support. This category covers a broad range of expenses including Achieving the Dream membership, the President's Leadership Institute, meals, etc.

Capital expenses will include some older computer replacements. All expenses for alterations and improvements are included in the budget and will not draw from reserves. These will include costs association with the greenhouse not covered in the grant, e.g. bathrooms, replacement of an elevator on the West Campus, and campus maintenance. Contingency funds are only expended if necessary.

There is a plan for the Amarillo College Foundation to reimburse the college for more of its expenses.

Mr. Smith and Dr. Tamara Clunis discussed the current faculty pay model and the FY18 proposed faculty pay model. The proposed faculty pay consist of an across the board \$500 raise then merit raise on top. This will average to a 4% raise. In addition, faculty will receive their full pay rate for teaching summer courses rather than the current rate of 75% of their pay rate. The proposed faculty model also includes an increase in adjunct faculty pay by \$75 per class. The board requested that a future agenda item discuss the current and future faculty pay models and detail how the faculty's step/raise will be considered in their pay structure as we go forward.

COMMUNICATIONS AND MARKETING PLAN

Mr. Kevin Ball, Mr. Wes Condray, and Ms. Sadie Newsome discussed AC's current marketing campaign: *Success Is ...* The campaign is designed around three concepts: the message must be universal, aspirational, and inspirational. The campaign will continue into the fall.

The fall campaign includes 22 billboards in high traffic areas, 11 of which are digital billboards. Each billboard is designed to have potential students visualize themselves attending AC and graduating from college. Six of the billboards are tied to social media feeds answering the question of what

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success means to you. These billboards and their messages can be connected to both AC's Facebook feed and the Facebook feed of the individual who posted a *Success Is ...* message. As AC enters the fall 2017 term, Communications & Marketing plan to hang a bridge banner, place yard signs mid-semester encouraging completion, send emails encouraging completion, and wrap campus elevators with *Success Is ...* messaging.

Finally, AC is hosting a sidewalk chalk art contest on Saturday, July 29th. All 36 slots for the contest are filled as of now. AC's website and social media feeds will cover the contest.

DIVERSITY

Regent Patrick Miller requested that AC Board of Regents explore the hiring of a Vice President of Diversity and Inclusion. Regent Miller believes the college is moving in the right direction on promoting diversity and equity across the institution, but believes more can be done. Following his PowerPoint presentation, Regent Carlisle suggested creating a board taskforce to study the pros/cons of this idea. Dr. Lowery-Hart discussed his belief that diversity and inclusion should be an institution-wide initiative and not the sole job responsibility of one individual. With an institution-wide approach, a culture change can occur and allow for true systemic change. Dr. Lowery-Hart stated the 2018 President's Leadership Institute Class will study diversity and inclusion as a class project. This group will convene starting in October 2017.

Regent Chairman Dr. Proffer has studied the staffing structures of diversity positions across other colleges. The approach the majority of colleges have taken is an institution-wide approach with accountability measures in place. The purpose of this approach is by using a system-wide approach rather than just one person, the college culture is changed and diversity is entwined into all college policies, procedures, and practices.

Dr. Lowery-Hart recommended that he meet with Regent Miller and his group to discuss AC and its diversity and equity practices and policies. Ms. Brenneman will coordinate appointments between all parties to set up a series of meetings to host these discussions.

NO EXCUSES 2020

Mr. Collin Witherspoon presented area labor market data specific to AC's AAS and AS programs. The labor market projections include the entire Texas Panhandle region. Mr. Witherspoon also discussed our top transfer institution, which is West Texas A&M University (WTAMU). Over the last three years, 62% of AC transfer students went to WTAMU. Mr Witherspoon also discussed the job demands for bachelor degrees in our region. The top three job markets for students with a Bachelor's degree or higher are in the agricultural sciences area, business area, and health sciences area. Regent discussion centered on increasing our transfers to WTAMU in these three areas.

FEEDBACK

No discussion

BOARD GOALS

Regent Carlisle requested the Board consider developing board goals related to AC's No Excuses 2020 strategic plan. An example of a board goal provided by Regent Carlisle stated, "AC will be the top producer of students in a specific program for the state." Chairman Dr. Proffer discussed how this retreat has helped define potential goals for the Board related to the areas of diversity, labor market demands, enrollment management approaches, and board relations with AC leadership. The Board discussed how AC has become a critical component to our community's success and that No Excuses 2020 deserves the credit for our critical success in moving AC and the Amarillo community forward.

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Regent Carlisle is going to research additional board goal examples and would like to include further discussion of board goals on a future status update agenda. She would like to have three specific board goals that compliment No Excuses 2020. Goals areas could include: community representation, board member development, and board leadership.

Regent Fortunato also requested that regents have an open invitation to attend Dr. Lowery-Hart's *You Have to Know Lunches* with area community leaders and members. Dr. Lowery-Hart requested to limit board attendance to one or two regents per luncheon. The Board agreed. Ms. Lisa Gray, assistant to Mr. Mark White, will coordinate the luncheon schedule with Ms. Brenneman. Ms. Brenneman will then send out invitations to regents for attendance.

FUTURE

No discussion. Dr. Lowery-Hart will include a status update agenda item to discuss AC and plans to embrace future labor market demands in our region.

ADJOURNMENT

There being no further items for discussion or action, the meeting was adjourned at 9:01 p.m.

Anette Carlisle, Secretary