

**AMARILLO COLLEGE BOARD OF REGENTS
MINUTES OF REGULAR BOARD MEETING
June 23, 2009**

REGENTS PRESENT: Ms. Michele Fortunato, Chair; Mr. Prenis O. Williams, Vice Chair; Mr. John D. Hicks, Secretary; Ms. Lilia B. Escajeda; Mr. Carroll M. Forrester; Mr. Don L. Nicholson; Dr. Gene Norman; Mr. H. Bryan Poff; and Dr. David C. Woodburn

OTHERS PRESENT: Mr. Robert Austin, Dean of Enrollment Management; Mr. Terry Berg, Dean of Finance & Administrative Services; Mr. Lee M. Colaw, Chief Information Officer and Dean of Information Technology; Mrs. Ellen Green, Dean of College Communications and Marketing; Dr. Paul Matney, Acting President; Ms. Danita McAnally, Dean, Assessment and Development; and Mr. Jerry Moller, Acting Vice President and Dean of Instruction; and Mrs. Damaris Schlong, Dean of Workforce & Economic Development

Mr. Mac Abbasov, representing KAMR-TV, Channel 4
Dr. Claudie Biggers, President, Faculty Senate
Mr. Robert Boyd, Division Chair, Language, Communications and Fine Arts
Mr. Gerald Bybee, Attorney, Underwood Law Firm
Mr. Kit Caldwell, Senior VP Public Finance, Southwest Securities, Inc.
Dr. Laura Grandgenett, representing EduServe
Ms. Jennifer Harker, AC Alumni
Dr. Kim Hays, Department Chair, Manufacturing Technology
Mrs. Linda Hendrick, Dir. of Telecommunications, Information Technology Systems
Mr. Jason Hughes, representing First Southwest Company
Ms. Patsy Lemaster, Associate Dean, Center for Teaching and Learning
Mrs. Lori Merriman, Executive Secretary, President's Office
Mr. Ed Nolte, Division Chair, Industrial & Transportation Technology
Mrs. Sherrie Nunn, Administrative Systems Specialist, Workforce Development
Mrs. Linda Pitner, General Manager, KACV-TV/FM
Mr. David Pittman, representing *Amarillo Globe-News*
Mr. Lee Proctor, Director of Engineering, KACV-TV/FM
Mr. Greg Rohloff, representing *Amarillo Independent*
Mrs. Brenda Sadler, Exec. Asst., Pres's Off. and Asst. Secy. to the Board of Regents
Mr. Robert Sanders, Legal Counsel
Mr. Jack Stanley, Division Chair, Sciences & Engineering
Mr. Kale Steed, representing KVII-TV, Channel 7
Ms. Felicity Swann, representing the Classified Employees Council
Mr. Lynn Thornton, Director of Administrative Services/Human Resources
Dr. Barbara Vrana, representing EduServe
Mr. Joseph Wyatt, Communications Coordinator, College Relations
Mr. David Ziegler, Assistant Director, Physical Plant

The meeting was called to order by Ms. Fortunato, Chairman. She welcomed all present and asked if there were any public comments. Mr. Williams gave the invocation.

MINUTES APPROVED:

Mr. Nicholson moved, seconded by Mr. Williams to approve minutes of the regular meeting of May 26, 2009. The motion carried unanimously.

Minutes of the Amarillo College Board of Regents Regular Meeting of June 23, 2009**EDUSERVE EXIT REPORT:**

Dr. Matney introduced Lee M. Colaw, who began his duty as Chief Information Officer and Dean of Information Technology on June 2.

In March 2008, Dr. Laura Grandgenett, EduServe, came to Amarillo College to work on the Amarillo College Technology Tactical Plan. Dr. Barbara Vrana, EduServe, thanked Amarillo College for all of its hard work and said they were pleased to have been able to work with AC. Dr. Grandgenett presented a PowerPoint report of the Technology Tactical Plan. A copy of the report is attached at pages 208 through 215. Dr. Grandgenett was praised for her work while at Amarillo College and it is believed that she is leaving Lee M. Colaw with an excellent beginning for which to move forward.

AUTHORIZATION TO ISSUE GENERAL OBLIGATION BONDS, AUTHORIZED BY PASSAGE OF THE BOND ISSUE BY THE VOTERS OF THE DISTRICT ON NOVEMBER 6, 2007 APPROVED:

Jason Hughes with First Southwest Company was present at the Board meeting to present a proposal for the general obligation bonds.

Consideration of the passage of an order authorizing the issuance and sale of Amarillo Junior College District general obligation bonds, series 2009 in a principal amount up to \$16,000,000; levying a tax and providing for the security and payment thereof; approving the official statement; accepting a bid therefore; and enacting other provisions relating thereto.

The proposed financing plan is to sell the remaining voted authorization of \$46,305,000 in three sales: \$16,000,000 in 2009; \$16,000,000 in 2010; and \$14,305,000 in 2011. Current AC ratings are Fitch – AA; Standard & Poor's – AA+. True Interest Cost is 4.429%. We will save a projected \$900,000 if we sell the bonds. The bond buyers' index shows 4.54% interest rate for a 20-year debt. Mr. Hughes discussed the pricing summary and the debt service schedule. S & P raised its rating on Amarillo Junior College District general obligation debt one notch to AA+ from AA based on the district's strong and likely sustainable financial performance trend. The outlook is stable.

Dr. Woodburn moved, seconded by Mr. Nicholson to approve issuance of the general obligation bonds. The motion carried unanimously.

KACV-TV ADVISORY COUNCIL MEMBER APPOINTMENTS APPROVED:

Attached at page 216 was a recommended list of advisory council member appointments.

Ms. Escajeda moved, seconded by Dr. Woodburn to approve the KACV-TV Advisory Council member appointments. The motion carried unanimously.

BUSINESS & INDUSTRY CENTER LOBBY PRESENTATION:

Dr. Matney reminded the Regents of Dean and Damaris Schlong's generous gift of \$32,000 for client-friendly décor in the lobby and auditorium of the Business and Industry Center.

Minutes of the Amarillo College Board of Regents Regular Meeting of June 23, 2009**BUSINESS & INDUSTRY CENTER LOBBY PRESENTATION Continued:**

Mrs. Schlong showed a PowerPoint presentation of the before and after pictures of the Business and Industry areas affected. Some Workforce Development clients who hold classes on Polk Street Campus include B & W Pantex, AISD, Region XVI, City of Amarillo, and Child Protective Services. Dr. Matney presented Mrs. Schlong with a plaque of appreciation.

STRATEGIC PLAN FOR DISTANCE LEARNING APPROVED:

Ms. McAnally discussed the Strategic Plan for Distance Learning which was distributed earlier to the Regents. She praised the 60+ individuals who assisted in working on this plan. Planning for distance learning at AC is based on the Amarillo College Strategic Plan through 2010. The distance learning vision statement is that AC will become the distance learning model among community colleges; core purposes include engagement of all learners by enhancing the quality of education and broadening the outreach of Amarillo College based on demand-driven instruction and services. We plan to adapt degree and workforce programs to take advantage of web technology by expanding the inventory of online degree/certificate programs and continuing education will expand course inventory by aligning with strategic partners who provide current, high-quality content. Ms. McAnally reported that Vice President's Council, Academic Affairs, and President's Cabinet have all approved this instrument and she requested the Board of Regents' approval at this time.

Ms. Escajeda moved, seconded by Mr. Williams to approve the Strategic Plan for Distance Learning. The motion carried unanimously.

CONSENT AGENDA APPROVED:**A. BIDS AND PROPOSALS:****● REQUEST FOR PROPOSAL NO. 1223 –COMPUTED RADIOGRAPHY SYSTEM**

The Non-Destructive Testing equipment will be used to design new Non-Destructive Testing experiments, upgrade the current Non-Destructive Testing experiments, and for classroom demonstrations for various related courses. The purchase of the new equipment will align our curriculum with New Mexico Tech or other 4-year institutions. This equipment will ensure our students a seamless transition to a 4-year institution. This equipment is a replacement for x-ray film and related chemical and disposal issues. Images are digital and are manipulated and printed from a high resolution computer.

RFP No. 1223, for a Computed Radiography System, was advertised in the newspaper. Three proposal packages were sent out; a tabulation of the two proposals to specifications which were submitted is attached at page 217.

It was recommended to award Proposal No. 1223 to QSA Global Inc., low proposer to specifications for the amount of \$80,506.00.

Funds are available from the College Cost Reduction and Access Act-Hispanic Serving Institutions (CCRAA-HSI) Model for Participatory, Collaborative STEM Learning Grant.

Minutes of the Amarillo College Board of Regents Regular Meeting of June 23, 2009**BIDS AND PROPOSALS Continued:**

- **PURCHASE OF THREE SEMI-AUTOMATIC POLISHER GRINDER SYSTEMS WITH MOUNTING PRESS**

The Non-Destructive Testing equipment will be used to design new Non-Destructive Testing experiments, upgrade the current Non-Destructive Testing experiments, and for classroom demonstrations for various related courses. The purchase of the new equipment will align our curriculum with New Mexico Tech or other 4-year institutions. This equipment will ensure our students a seamless transition to a 4-year institution. This equipment will assist in the elemental study of metallic grain structures while studying the effect of welding and other heat treating operations. These are fundamental processes in material study.

It was recommended the equipment be purchased from Leco Corporation, the sole source manufacturer and supplier of this type of equipment for approximately \$34,243.00.

Funds are available from the College Cost Reduction and Access Act-Hispanic Serving Institutions (CCRAA-HSI) Model for Participatory, Collaborative STEM Learning Grant.

- **TELECOMMUNICATIONS PHONE SWITCH UPGRADES**

The phone switch on the Washington Street Campus is at end of life and in need of major hardware and software upgrades. The phone switch on the Business & Industry campus is at end of life and needs to be replaced. The phone switches on East and West Campuses need minor software updates. The estimated cost of the updates for all four phone switches is \$56,121.37.

It was recommended to purchase these updates from Black Box Network Services in Arlington, Texas off of the Texas Department of Information Resources (DIR) contract.

Technology Replacement Task Force (TRTF) funds are available to cover the cost of these upgrades for 2008-2009.

Mr. Nicholson moved, seconded by Mr. Williams to approve the Consent Agenda. The motion carried unanimously.

REQUEST FOR CONTINGENCY ALLOWANCE EXPENDITURE – 2007 BOND PROJECT, NEW SCIENCE LABORATORY BUILDING APPROVED:

Request for Contingency Allowance Expenditure in the amount of \$34,116. The minimum wage scale was inadvertently left out of the specifications. This expense will bring this project back in to compliance with Government Code 2258.023.

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

Funds are available in the 2007 Bond Budget.

Mr. Williams moved, seconded by Dr. Woodburn to approve the contingency allowance expenditure. The motion carried unanimously.

Minutes of the Amarillo College Board of Regents Regular Meeting of June 23, 2009**UPGRADE OF AMARILLO COLLEGE (KACV-TV) LICENSED TRANSLATORS:**

Amarillo College is licensed by the FCC for a television translator in Clarendon and Quitaque. These translators extend the KACV-TV signal into the southeastern Texas Panhandle. Currently, the two translators receive KACV's digital signal but transmit an analog signal to television sets in their respective coverage areas. The National Telecommunications and Information Administration (NTIA) has issued a Notice of Availability of Funds to provide reimbursements of up to \$20,000 per translator license for upgrading each translator to a complete digital signal. Priority will be given to translators licensed to nonprofits and those that serve rural areas.

In order to request reimbursement under the priority round deadline of July 13, a Request for Proposals was advertised in the Amarillo Globe News on June 4 and 11, 2009, with proposals due to Amarillo College at 11:00 a.m. on June 22, 2009. A final bid tabulation and recommendation for project award will be presented to the Board of Regents at its meeting on June 23, 2009.

The total project is estimated at \$51,570. NTIA funding will cover up to \$40,000. The remaining funds needed for the project will come from KACV's Corporation for Broadcasting Community Service Grant.

Dr. Woodburn moved, seconded by Mr. Nicholson to approve the funds needed for the upgrade of Amarillo College's KACV-TV licensed translators. The motion carried unanimously.

AMARILLO COLLEGE BENEFIT PROGRAM EXTERNAL AUDIT:

The external audit of the Amarillo College Benefit Program for the 2008 calendar year has been completed by Johnson & Sheldon, P.C. A copy of the audit was furnished for review. Mr. Berg discussed the audit briefly and entertained questions. This was an information item only and required no action.

FINANCIAL REPORT ACCEPTED:

The financial statements as of May 31, 2009 are attached at pages 218 through 227.

Revenue

We are 75% through the fiscal year. We have received 81% of expected revenues.

Expenditures

We have expended 69%. All areas are on target except fringe benefits

Auxiliary Enterprises

Bookstores' net profit is \$303,000. Rental property is up \$99,000 from last year. Employee tuition scholarships show \$168,000 expended at the end of May.

Restricted Funds

Federal grants and contracts are up by \$1.0 million. State, local and KACV grants and contracts have decreased.

Minutes of the Amarillo College Board of Regents Regular Meeting of June 23, 2009**FINANCIAL REPORT ACCEPTED Continued:**Cash and Investments

\$50.9 million total; \$15.4 million (bond); \$35.5 million – May 2009; \$34.3 million – May 2008; \$31.2 million – May 2007.

Alterations & Improvements

\$766,443 has been spent out of \$1.7 million projected cost.

Tax Schedule

\$17,059,598 was budgeted; \$102,983 has been collected above the budgeted amount.

Bond Expenditures

\$7.0 million has been spent out of an estimated \$36.8 million.

Mr. Nicholson moved, seconded by Mr. Forrester to accept the financial reports. The motion carried unanimously.

INVESTMENT REPORT ACCEPTED:

The Board of Regents was presented the Quarterly Investment Report for the period of March 1, 2009 through May 31, 2009. A copy of the report was provided to the Regents. The overall portfolio yield is 1.179% which is very competitive in this market.

Mr. Forrester moved, seconded by Mr. Williams to accept the Quarterly Investment Report. The motion carried unanimously.

PRESIDENT'S REPORT:

Texas Workforce Commission presented Amarillo College with two checks for Skills Development grants in the amount of \$425,000 on June 18.

Construction on B Building and Jones Hall on West Campus is coming along well.

Senate Bill 42, which addresses dual credit classes not being limited to service area agreements, is on the Senate floor and appears that it will pass. The bill which would allow concealed handguns on college campuses has not been addressed.

Summer enrollment is up 16.45% in headcount and 13.22% in contact hours; advanced registration for fall is up 20%.

Upcoming Board Meetings:

Thursday, August 6; noon

Friday, August 14; noon

Monday, August 17; noon

Tuesday, August 25; 6:00 p.m.

Roger Williams, Bell Helicopter-Textron Site Leader, delivered a check to Amarillo College in the

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amount of \$30,000 for the engineering program.

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

Ms. Escajeda reported that TIRZ will begin work on the Fisk Building and the Courtyard by Marriott.

CLOSED SESSION:

At 7:50 p.m., Ms. Fortunato announced there would be a closed meeting to afford an opportunity for the Board to consider issues concerning the appointment, employment, and duties of the President together with the present and future status of the Office of President pursuant to Section 551.074, Texas Government Code.

At 8:06 p.m., Ms. Fortunato called the Amarillo College Board of Regents meeting back into open session.

Dr. Norman moved, seconded by Mr. Forrester that Dr. Paul Matney be selected as sole finalist as President of Amarillo College. The motion carried unanimously.

ADJOURNMENT:

There being no further business, the meeting was adjourned.

John D. Hicks, Secretary

