

**AMARILLO COLLEGE BOARD OF REGENTS
MINUTES OF REGULAR BOARD MEETING
November 28, 2006**

REGENTS PRESENT: Ms. Lilia B. Escajeda, Chair; Ms. Michele Fortunato, Vice Chair; Mr. Carroll M. Forrester, Secretary; Mr. Frank O. Nelson; Mrs. Sharon Oeschger; Mr. H. Bryan Poff; Mr. Prenis O. Williams; and Dr. David C. Woodburn

REGENT ABSENT: Mr. John D. Hicks

OTHERS PRESENT: Dr. Steven W. Jones, President; Mr. Terry Berg, Dean of Finance & Administrative Services; Mr. Victor Fite, Dean of Informational Systems & Technology; Dr. Brad Johnson, Vice President and Dean of Development; Dr. Paul Matney, Vice President and Dean of Instruction; and Mrs. Damaris Schlong, Dean of Workforce & Economic Development

Ms. Elizabeth Bauman, representing Student Government Association
Mrs. Gala Carpenter, Admin. Assistant, Industrial and Transportation Technologies
Mr. Bruce Cotgreave, Director, Physical Plant
Ms. Tiffany Davilla, KVII-TV, Channel 7
Mrs. Linda Hendrick, Director, Telecommunications
Mrs. Cheryl Howard, representing Classified Employees Council
Mr. Terry Kleffman, Director, Programming Services
Ms. Danita McAnally, Associate Dean of Assessment and Development
Mr. Blake McCarty, KVII-TV, Channel 7
Mr. Jerry McMillon, representing Clifton Gunderson LLP
Mrs. Lori Merriman, Executive Secretary, President's Office
Ms. Rachel Nelson, representing *The Ranger*
Mr. Ed Nolte, Division Chair, Industrial and Transportation Technologies
Mrs. Brenda Sadler, Exec. Asst., Pres's Off. and Asst. Secy. to the Board of Regents
Mr. Robert Sanders, Legal Counsel
Mrs. Vickie Shelton, Director, Purchasing
Ms. Norma Stary, Marketing Coordinator, College Relations
Mr. Lynn Thornton, Director of Administrative Services/Human Resources
Mr. Richard Ware, representing Amarillo National Bank

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

MINUTES APPROVED:

Ms. Fortunato moved, seconded by Mrs. Oeschger, that the minutes of the regular meeting of October 24, 2006 be approved. The motion carried unanimously.

STUDENT GOVERNMENT REPORT:

Elizabeth Bauman, SGA president, reported that they will host an open house on Washington Street and West Campuses this week. They will have a "stress relief" day on Wednesday. The students will have a Christmas party for all AC students and staff in December. They have begun planning for Badgerama. Finals begin next week.

INDEPENDENT AUDIT REPORT FOR 2005-2006 APPROVED:

Mr. Jerry McMillon from Clifton Gunderson, P.L.L.C. presented the regular audit report for the fiscal year ending August 31, 2006. Copies of the audit were provided to the Board of Regents.

Mr. McMillon discussed the audit report. He stated that in accordance with *Government Auditing Standards*, that the year ending August 31, 2006, was conducted in accordance with auditing standards generally accepted. The auditing firm did not encounter any difficulties in dealing with management related to performance of the audit. Current assets and liabilities both increased from the 2005 audit. Cash flow increased \$460,000 in 2006. The College restated prior year amounts to record depreciation on library books required by the Texas Higher Education Coordinating Board in the amount of \$2,090,142. The auditing firm found no instances of noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Mr. McMillon cited the two federal and state award findings. Finding 2006-01 – the monthly grant report due in October 2005 was submitted in December 2005 for the Skills Development Bell Helicopter Aviation Grant from Texas Workforce Commission; recommendation was made to ensure that all monthly grant reports are submitted in a timely fashion. The corrective plan: The College has implemented internal controls to avoid any additional late report submissions. Finding 2006-02 – the Migrant Education High School Equivalency Program (HEP) is available for migrant or seasonal workers and their families. It was determined that personnel did not obtain verification of applicant that they were indeed eligible to benefit from the program. Recommendation was to attempt to verify each applicant's eligibility prior to accepting applicants into the program and disbursing funds on their behalf. The corrective plan: the College will contact employers of applicants or relatives to ensure the applicant does qualify for the grant prior to enrollment. In 2003, the East Campus was included in the data reporting net assets by component.

Dr. Woodburn moved, seconded by Mr. Nelson, that the audit report for fiscal year ending August 31, 2006 be approved. The motion carried unanimously.

IMPLEMENTATION OF REINVESTMENT ZONE PURSUANT TO CHAPTER 311 TAX CODE OF THE STATE OF TEXAS APPROVED:

This item was on the agenda so the Board could consider the possible involvement of Amarillo College in a reinvestment zone in Amarillo, Texas, and the steps needed to implement.

Mr. Ware addressed the Board expressing the desire of revitalizing downtown Amarillo. He spoke of the reinvestment zones tax code which states that when a portion of real property taxable by the College District is included in a municipal or county reinvestment zone, the Board shall be notified of a description of proposed boundaries, tentative plans for the development or redevelopment of the zone and an estimate of the general impact of the proposed zone on property values and tax revenues. Board members are welcome to attend the formal hearing December 12. Implementation of reinvestment zone needs to be done before the end of 2006 to begin January 1; therefore, the 60 days notice may be waived. A Board designee will be named to serve on the tax district zone operations. The amount of taxes received by Amarillo College in the zone would be frozen for a designated time period.

Mr. Nelson moved, seconded by Dr. Woodburn, to implement the reinvestment zone pursuant to Chapter 311 tax code of the State of Texas. The motion carried unanimously.

EDUCATION REPORT – EAST CAMPUS DEVELOPMENT REPORT:

Mrs. Schlong distributed copies of the East Campus Development Advisory Team November 3 meeting minutes. Mr. Cotgreave gave details of a zoning map for the East Campus. Zone 1 – some of the land is owned by AC; some by other entities; Zone 2 – some activity in welding, aviation, and student housing; Zone 3 – old hospital site/landfill; Zone 4 – includes family housing; Zone 5 – old golf course; Zone 6 – Building V/Industrial Center which is a good building to utilize; Zone 7a and 7b – main campus and area of expansion; and Zone 8 – south end of campus. Mr. Nolte distributed an Industrial Transportation Technologies Division Workforce Training table. Fire Academy and Safety & Environmental classes were being held that night. Mr. Nolte discussed the three columns of contact hours in the table. He expressed his excitement of being involved in the various partnerships with Ford, TxDot, and Bell Helicopter. Mrs. Schlong mentioned that change of the main entrance to the campus was being considered at 15th and J Avenue and signage as on the other campuses was proposed. Mr. Nelson expressed his concern with Zone 2 not being equipped with network access. He also indicated that Zone 2 might be pulled into the core campus area of Zone 7a and 7b.

STRATEGIC PLAN UPDATE:

Dr. Johnson distributed a Strategic Plan Status Report Executive Summary and discussed selected strategies and activity.

Goal One: Strategy 1.4 Expand regional access to higher education. On December 12, AC and WT representatives will travel to St. Petersburg, Florida to tour a “university center” shared by twelve universities and the local community college. AC hosted a luncheon on the South Plains College’s Agriculture Management degree which will soon be offered in AC’s service area through the Title V grant. WTAMU will begin offering its MBA course for Pantex employees on the East Campus.

Goal Two: Strategy 2.1 Identify and remove institutional barriers to college environment. With the reorganization earlier in November, all elements of recruitment and enrollment processes was moved into a single department (Enrollment Management) which made planning and implementation of recruitment initiatives easier.

Goal Two: Strategy 2.2 Expand student life and other programs which appeal to students. A student life survey was conducted, with 16% response rate, and results are now being compiled. A report with recommendations will be delivered in the spring.

Goal Eight: Strategy 8.3 Design a technology infrastructure for optimal performance. A major upgrade of network switches across the College is in progress. The network should be more stable and network connection should be faster. Between the fall and spring semesters, the College will switch its network operating system from Novel to Microsoft which should improve operations and save money.

Goal Nine: Strategy 9.2 Secure new sources of revenue. Through a partnership with MicroFour, an online product called “StrataTrain” has been developed. Ten units have sold as of November 15 resulting in sales of \$2,875. Since May 2006 nine contracts have been signed totaling \$62,074 in revenue.

CONSENT AGENDA APPROVED:**A. APPOINTMENTS:****Administrators****Larkan-Skinner, Kara D. – Director of Outcomes Assess, Institutional Effectiveness & Advancement****Effective Date: October 09, 2006****Salary: \$47,929.00 per year for 12 months full-time****Qualifications: M.A., University of Louisville, Louisville, Kentucky****B.A., University of Louisville, Louisville, Kentucky****Experience: 2 years related work****Note: New position approved in 2006-07 budget.**

Bio: Kara Larkan-Skinner worked as a Research Associate with the Texas Tech University Health Sciences Center prior to joining Amarillo College. Ms. Larkan-Skinner conducted clinical research taking a lead role in statistical analysis. Ms. Larkan-Skinner earned Bachelor of Arts and Master of Arts degrees in Psychology from the University of Louisville.

Faculty**Green, Marcia Rae – Nursing Instructor, Associate Degree Nursing****Effective Date: October 02, 2006****Salary: \$31,457.00 per year for 9 months full-time****Qualifications: B.S.N., Texas Tech University Health Science Center, Lubbock, TX****B.S., Abilene Christian College, Abilene, Texas****A.D.N., Amarillo College, Amarillo, Texas****Experience: 12 years related work****Note: Change of status from Classified to Faculty**

Bio: Marcia Rae Green has more than ten years experience as a Registered Nurse with the BSA Health System. In addition, Ms. Green has served as a part-time instructor in the Amarillo College nursing program since 2003. Ms. Green earned a Bachelor of Science in Education from Abilene Christian University, an Associated Degree in Nursing from Amarillo College, and a Bachelor of Science Degree in Nursing from Texas Tech University Health Science Center, Magna Cum Laude. She has completed 24 hours of graduate work through Walden University and holds the Texas BNE License and ACLS certification.

B. BIDS AND PROPOSALS:**Request for Proposal No. 1114 - Purchase of HP 9000 Server for Information Systems Technology Programming Services**

RFP No. 1114, for the purchase of a HP 9000 Server, was issued directly to the manufacturer, Hewlett Packard.

BIDS AND PROPOSALS Continued:

It was recommended to award Proposal No. 1114 to Hewlett Packard for the amount of \$195,906.89. This recommendation is based on the State of Texas Department of Information of Resources contract awarded May 2, 2006, which Amarillo College is eligible to participate in.

Funds for this procurement are available from the 2006-2007 approved Information Systems Technology budget.

Dr. Woodburn moved; seconded by Ms. Fortunato, that the consent agenda be approved. The motion carried unanimously.

REQUEST FOR PROPOSAL NO. 1115 - PURCHASE A CISCO NETWORKING SWITCH FOR IST TELECOMMUNICATION/NETWORK SERVICES APPROVED:

RFP No. 1115, for the purchase of a CISCO brand core Networking Switch for our network. The proposal was issued to eight CISV (Catalog Information Systems Vendors, approved by the State of Texas). Attached at page 61 are the five proposals which were returned.

It was recommended award of this procurement to DEXON Computer to the specifications for the amount of \$60,975.00. This new core switch will replace the current switch which is at the end of life and will no longer be supported after 12/31/06. The new switch will allow updates of the operating system to the current version, expansion of services, efficiencies, and security.

Funds for this procurement are available from the 2006-2007 budget.

Ms. Fortunato moved, seconded by Mr. Williams, to approve the award of the new core switch to DEXON Computer. The motion carried unanimously.

BUDGET AMENDMENTS APPROVED:

A list of budget amendments for approval by the Board is attached at page 62.

Dr. Woodburn moved, seconded by Ms. Fortunato, to approve these budget amendments. The motion carried unanimously.

FINANCIAL REPORT ACCEPTED:

The financial statements as of October 31, 2006, are attached at pages 63 through 72. Mr. Berg discussed the financial report.

Revenue

We are 17% through the year.

Expenditures

Sixteen percent of expenditures have been spent. Institutional support is at 18%; fringe benefits are at 21%.

Minutes of the Amarillo College Board of Regents Regular Meeting of November 28, 2006**FINANCIAL REPORT ACCEPTED Continued:**Auxiliary Enterprises

Bookstores show loss; all fall 2006 book sales show up on August 2006 statement. Rental property profits increased \$154,000; student housing is down, however. The occupancy rate is only 43%.

Restricted Funds

Federal grants and contracts have decreased \$182,000. Pell grants show a decrease of \$178,000.

Cash & Investments

There was \$26.5 million in October 2006; \$24.9 million in October 2005; and \$24.1 million in October 2004.

A & I

Budgeted funds - \$16,000 has been spent.

Designated reserves - \$49,000 was spent removing East Campus dilapidated structures.

Allocated funds - \$282,000 has been spent for WSC sidewalks and handicap ramps, WSC parking lots, and EC roof replacement.

Tax Schedule

\$13.1 million was budgeted; \$611,581 has been collected.

Reserve Analysis

East Campus A&I designated fund balance is \$830,629.

Mrs. Oeschger moved, seconded by Mr. Forrester, to accept the financial report. The motion carried unanimously.

PRESIDENT'S REPORT:

Dr. Jones introduced Lynn Thornton who chaired the Internal Capital Needs Assessment Committee. An assessment of capital needs was compiled last spring. The committee's charge was to take this compilation and validate and prioritize them into critical, significant, and important categories. Thirty people made up the committee; the diverse group was made up of classified staff, administrators, and faculty; and all four Amarillo campuses were represented. On October 27 the first meeting was held; tours of campuses were conducted; at the third meeting everyone was asked to rank and prioritize needs; a subcommittee was appointed to write the report; the final report should be completed by December 15 and each Board member will be given a copy. Dr. Jones reported that he would send a letter to the preliminary Community Capital Needs Assessment Committee nominees to find out who could participate. An Internal and Community report will be combined and given to the Board in spring 2007.

Dr. Jones indicated there would be a need for a special meeting in December to discuss a possible tax abatement for Bell Helicopter; Board members will be polled for the best date.

REGENTS' REPORTS AND COMMENTS REGARDING AC AFFILIATES:

The Amarillo Museum of Art's annual gala will be held January 13 to honor the Betty Bivins Childers family for their efforts in their collection of art.

The Amarillo Museum of Art was awarded the opportunity as one of five museums in Texas to be chosen for the Texas Museum Digital Project by the Marcus Foundation. This will enable the museum to digitally tell the story of the different pieces of art in the permanent collection for various shows at the museum.

The AC Foundation annual campaign is going well; the Hereford campaign raised approximately \$80,000 for scholarships.

ADJOURNMENT:

There being no further business, the meeting was adjourned.

Carroll Mack Forrester, Secretary

