

MINUTES of the REGULAR MEETING
of the BOARD OF TRUSTEES of VICTORIA COLLEGE
November 16, 2015

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| √ Ronald B. Walker | √ Catherine McHaney |
| √ Luis A. Guerra | √ V. Bland Proctor |
| √ Robby Burdge | √ John A. Villafranca |
| | √ Michelle Yates |

STAFF

- √ Dr. David Hinds
- √ Jennifer Yancey
- √ Mary Ann Rodriguez

MEDIA

- √ Carolina Astrain,
Victoria Advocate

Guests: Dr. Pat Vandervoort, Keith Blundell, Tracey Bergstrom, Terri Kurtz, Darin Kazmir, Dr. Larry Garrett, Dr. Betsy Crane, Dr. Ed Byerly, Matt Wiley, Dr. Michael Hummel, Babette Lowe, Cindy Buchholz, Jerry Hamilton, Sue Prudhomme, Janet Charbula, John Kocian, Amy Mundy, Tempi McLeod, and Dr. Joe Dahlstrom.

The Victoria College Board of Trustees met Monday, November 16, 2015 at 4:00 p.m. in the Corporate Training Room, Academic Building, Room 101. Mr. Ron Walker, Chair, presided over the meeting.

A. Call to Order:

1. Mr. Ron Walker called the meeting to order at 4:10 p.m. and announced that a quorum of board members was present. Dr. David Hinds certified that the agenda had been properly posted per Texas statute.

B. Citizen Communication:

1. The Public was invited to address the board. No public comments were heard during this time.

C. Consider Board of Trustees Committee Reports:

1. The Finance & Resources Committee met immediately prior to this board meeting. The committee report was discussed and their recommendation was considered later in the agenda and is noted in these minutes.

2. The Facilities committee met on November 10, 2015. Mr. Robby Burdge reported that the committee discussed the Victoria MPO Ben Wilson Corridor study and recent meetings. VC administration attended the first public meeting, reviewed the proposed alternatives by the consultants, and provided input on any potential impact on the College's operations. The committee continued discussions on UHVs interest in purchasing a portion of the undeveloped land at the corner of Red River and Ben Wilson. The committee also reviewed the candidate ballot for election to the Texas Appraisal District.

D. Items for Consideration:

1. Consider minutes of the regular meeting of the Board held on September 14, 2015.

Mr. Bland Proctor motioned to approve the minutes of the meeting as presented. Mr. Luis Guerra seconded the motion. Motion carried unanimously.

2. Consider August 31, 2015 Financial Statements.

Mr. Keith Blundell presented the financial statements for August 2015. He noted that the Finance & Resources Committee had reviewed the statements in detail at the committee meeting held at 3:00 pm. He stated these were the unaudited statements and that the audited documents would be discussed later in the meeting. He discussed the current Statement of Net Assets as compared to the same time last year, noting most are comparable. Two areas of note were the Due from Construction Fund and Construction in Progress. This variance from 2014 is due to the progress and near completion of the Emerging Technology Complex. Both buildings are substantially complete. Mr. Blundell then reviewed the Statement of Revenue, Expenses and Net Assets for the unrestricted fund. He compared current year actual to 2014 actual and explained any differences. No substantial items were noted. Another item of note is a reporting change as a result of GASB 68. This new standard requires the college to book deferred inflows and deferred outflows for the employees' pensions. This is the State's obligation, but must be shown on the institution's financials and has an impact on net position. (\$5.5 million net position less \$5.4 million). This may need to be reflected in the College's net position target policy which states the college will maintain 20% of base operations. Without the deferred entry, VC is currently at 21.72%. Mr. Luis Guerra moved to accept the financial statements as presented. Mr. John Villafranca seconded the motion. Motion carried unanimously.

3. Consider 2014-2015 Audited Financial Statements.

Mr. Keith Blundell introduced Ms. Lyzeth Allafa and Mr. Jose Jimenez, representatives with Pattillo, Brown & Hill, L.L.P. to present the Annual Financial Report. He noted that the Finance and Resources Committee had reviewed the report in detail at the earlier committee meeting. Ms. Allafa referred members to the Summary of Auditor's Results found in the Schedule of Findings and Questioned Costs (page 57). She noted that VC has received an Unmodified Opinion, the best that can be received, again this year. There were no material weaknesses identified in internal controls (financial reporting or major programs) and no findings or questioned costs in federal or state programs. She then walked through the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position noting any variances from the prior

year statements. She also discussed the reporting changes related to GASB 68 and pointed out the impact on the audited statements. Mr. Luis Guerra, on behalf of the Finance Committee, moved to accept the 2014-15 Audited Financial Statements. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

4. Consider Fourth Quarter Investment Report FY 2014-15.

Keith Blundell presented the Investment Report for the fourth quarter FY 2014-2015 as required under the Public Funds Investment Act. He noted that the majority of the funds are in DDA accounts at the depository bank due to minimum interest rates higher than most investment rates. These are not considered investments as they are liquid. The remaining investments include a few Texpool accounts that are kept open in case the market turns around and the rates earned become higher than the depository bank. These account balances are below the minimum balance required to earn interest. Mr. Bland Proctor moved to accept the Fourth Quarter Investment Report. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

5. Consider Purchase of Goods or Services:

- a. Cisco Phone System Upgrade
 - b. Machining Technology Program Equipment (HAAS)
 - c. Machining Technology Program Equipment (Technical Laboratory Systems, Inc.)
 - d. Ratifying purchase of Machining Technology Program Equipment (Service Supply)
 - e. Paper for FY 15-16
- Dr. Hinds discussed the bids. Mr. Robby Burdge moved to accept each as presented. Mr. Luis Guerra seconded the motion. Motion carried unanimously.

6. CONSIDER VC Board of Trustees Conflict of Interest Statement.

Ms. Jennifer Yancey explained that is an annual statement that needs to be reviewed, completed and signed. Mr. Robby Burdge moved to accept. Mr. Bland Proctor seconded the motion. Motion carried unanimously.

7. CONSIDER recommendation by the Advisory Board of the Museum of the Coastal Bend for the appointment of new board members.

Dr. Hinds presented a slate of new board members for consideration. Nominees were Bill Birmingham, Wade Harrell, Carol Tippins and Jeff Wright. Mrs. Catherine McHaney moved to accept the slate as presented. Mr. Luis Guerra seconded the motion. Motion carried unanimously.

8. CONSIDER recommendation by the Advisory Board of The Leo J. Welder Center for the Performing Arts for the appointment of new board members.

Dr. Hinds presented a slate of new board members for consideration. Nominees were Casey Cullen, Sara Rodriguez and Mackenzie Snider. Mrs. Catherine McHaney moved to accept the slate as presented. Mr. John Villafranca seconded the motion. Motion carried unanimously.

9. CONSIDER Personnel Items:

a. Faculty Resignations/Retirements

Dr. Hinds presented resignation notices from two faculty members. Janna Driskell and Barbara Sanderson and a retirement notice from Marilyn Powell. Mr. Bland Proctor moved to accept the notices as presented. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

10. CONSIDER Resolution casting votes in the election of the Board of Directors for the Victoria Appraisal District for the 2016-17 term.

Dr. Hinds presented noted that recent change related to Texas Appraisal Districts now allows junior colleges a vote in the election of the Appraisal Districts' directors. Victoria College has 432 votes, and it was recommended the vote be split between the five candidates for the five seats. Mr. Robby Burdge moved to cast the College's vote as recommended. Mr. John Villafranca seconded the motion. Motion carried unanimously.

11. DISCUSS 2012-2015 Strategic Plan End of Year Summary Report

Ms. Patricia Rehak, Director of Institutional Effectiveness, Research & Assessment, presented. One mistake in the handouts was noted. The report showed Dr. Josie Rivera's contact information instead of Board of Trustee Ms. Michelle Yates. This will be corrected immediately.

12. CONSIDER the Victoria College 2015-2020 Strategic Plan.

Dr. Hinds presented. He informed the Board that input was gathered through surveys conducted over 4 weeks and several input sessions for faculty, staff and students. A 2-day Strategic Planning retreat was held with a leadership committee which included representation from the board, community, student body, faculty, staff and administration. Dr. Hinds thanked Mr. Bland Proctor and Ms. Michelle Yates for serving on that committee. He informed the board that the 2016 Spring Convocation will be devoted to the Strategic Plan, how we implement it as we move forward, and development of specific activities.

Mr. Robby Burdge moved to accept the plan as presented. Mrs. Michelle Yates seconded the motion. Motion carried unanimously.

13. EXECUTIVE SESSION: The Executive Session is called under authority of the Texas Open Meetings Act, and in accordance with Texas Government Code, Section 551.087 Involving deliberation regarding economic development negotiations and Texas Government Code, Section 551.072 Deliberate the purchase, exchange, lease or value of Real property.

Mr. Ron Walker called the Trustees into Executive Session at 5:05 pm. The session ended at 6:05 pm and the board was called back into Open Session. Mr. Robby Burdge moved to authorize the College President to negotiate with UHV on certain real estate property. The Board also authorized the President to negotiate with UHV on certain real property as posted and discussed in closed session. Mr. John Villafranca seconded the motion. Motion carried unanimously.

14. CONSIDER Resolution Electing to Participate in Tax Abatement Agreements and Adoption of Guidelines and Criteria for Granting Tax Abatements

15. CONSIDER Victoria County Junior College District Policy on Tax Abatement Guidelines and Criteria

Mr. Luis Guerra motioned for the board to elect to continue participating in Chapter 312 Tax Abatement Agreements and adopt a Tax Abatement Policy on Guidelines and Criteria effective December 17, 2015, on the same terms of the existing policy except as follows: Sections 402 and 403 regarding Eligibility Threshold, Duration and Value of Abatement are deleted, and replaced with the Abatement Tier Table and Tiers 1, 2, and 3, as attached to the Policy as Appendix A. Mrs. Catherine McHaney seconded the motion. Motion carried unanimously.

E. Items for Discussion:

1. Completion of training required by the Coordinating Board by members of the VC Board of Trustees.

Ms. Jennifer Yancey reported that everyone was up-to-date on their board training. Dr. Hinds, Mr. Ron Walker, Mr. Luis Guerra and Mr. John Villafranca will attend the Texas Higher Education Leadership Conference on Nov 19-20, 2015 in Austin, TX. Ms. Michelle Yates will be completing her training on-line during the month of December.

F. Vice President's Report:

- a. Advancement Report – Before Ms. Jennifer Yancey began her report, Mr. Ron Walker wanted to congratulate her for receiving the Alum of the Year Award from the University of Houston Victoria. Ms. Yancey provided an update on the VC Foundation's Annual Giving Campaign and the Employee Pirate Cup Campaign.
- b. Campus Events and Dates – All the Board Members received a pamphlet with the upcoming VC Holiday Events to be held throughout the community.

G. President's Report:

No additional report was provided.

There being no further business, the meeting adjourned at 6:11 p.m.

Ron Walker, Chair

V. Bland Proctor, Secretary