

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT

June 11, 2019

The Regular Meeting of the Board of Regents of the Del Mar College District convened in the Isensee Board Room, Del Mar College, Corpus Christi, Texas at 1:00 p.m. on Tuesday, June 11, 2019, with the following present:

From the Board:

Ms. Carol Scott, Ms. Libby Averyt, Dr. Nicholas Adame, Mr. Ed Bennett, Ms. Elva Estrada, Ms. Susan Hutchinson, Mr. Gabe Rivas, Mr. Hector Salinas, and Dr. Mary Sherwood.

From the College:

Dr. Mark Escamilla, President and CEO; Mr. Raul Garcia, Vice President and CFO; Ms. Tammy McDonald, Vice President of Administration and Human Resources; Ms. Lenora Keas, Vice President Workforce Development and Strategic Initiatives; Mr. Augustin Rivera, Jr., General Counsel; Dr. Rito Silva, Vice President for Student Affairs; Ms. Mary McQueen, Executive Director of Development; Ms. Natalie Villarreal, Director of External and Board Relations, Ms. Jessica A. Alaniz, Risk Manager; and other staff and faculty.

CALL TO ORDER/QUORUM CALL/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE/MISSION STATEMENT

Ms. Scott called the meeting to order with a quorum present. She requested a moment of silence followed by the Pledge of Allegiance and Mission Statement.

RECOGNITIONS:

Faculty.....Ms. Lenora Keas

- Mac Aipperspach, to receive Educator of the Year Award from the Texas Association of Broadcasters (TAB)
(Goal 3. Professional Initiatives: Provide Innovative, Relevant, and Meaningful Opportunities)

Ms. Keas introduced Mr. Aipperspach for his 38 years of teaching at Del Mar College in the Radio/Television Program in the department of Communications, Languages and Reading. Mr. Aipperspach is being recognized as Educator of the Year from the Texas Association of Broadcasters (TAB) and will receive his award at the annual convention in Austin, Texas in August 2019.

STAFF REPORTS:

- Summary of Policy Manual Project.....Ms. Tammy McDonald
(Goal 5. Advocacy: Advance the College Mission Through Effective Governance and Positioning)

Ms. McDonald reviewed the changes made to the Policy Manual to reflect the appropriate personnel title and/or designation previously approved at the September 11, 2018 Regular Board Meeting. A summary of personnel titles and/or designations were presented to the Board for review.

- Legislative Update.....Ms. Natalie Villarreal
(Goal 5. Advocacy: Advance the College Mission Through Effective Governance and Positioning)

Ms. Natalie Villarreal, Director of External and Board Relations, provided a legislative update to the Board. The Governor has until Sunday, June 16th, to sign or veto any bills passed in regular session. She provided an overview of bills that could affect the College including HB 1 – State Budget, SB 500 – Supplemental Appropriations, SB 2 – Property Tax, SB 1276 and 1324- Dual Credit, SB 25-Transfer Success, and SB 18-Free Speech.

Dr. Escamilla and Ms. Villarreal responded to questions from the Regents.

- Budget Update.....Mr. Raul Garcia
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. Garcia presented a budget status to the Regents with an overview of FY 2019 revenues, expenditures, FY 2020 budget assumptions, and budget calendar for FY 2020. Mr. Garcia stated that the College is planning for an increase in property taxes of \$3.1 million, an increase in revenues of tuition and fees of \$861,134, and an increase of State appropriations of \$611,736. An overview of the College’s FY 19 expenditures by category were presented to the Board. Changes are assumed to be made based on strategic priorities that have been identified for the new budget year. Mr. Garcia presented preliminary funding assumptions based on the identified goals of the strategic plan. A more comprehensive and detailed budget presentation will be given at the July budget workshop.

- THECB 60X30 Strategic Plan Update.....Dr. Kristina Wilson
(Goal 1. Student Learning Success: Ensure Exceptional Educational Opportunities for All Students)

Dr. Kristina Wilson, Dean of Institutional Effectiveness and Assessment, presented an update of the 60X30 Strategic Plan for Higher Education in Texas and the four goals identified within the plan.

- Goal 1: Educated Population
- Goal 2: Completion
- Goal 3: Marketable Skills
- Goal 4: Student Debt

Statewide, regional and local targets were presented for each goal within the plan. Dr. Wilson answered questions from the Regents regarding the presentation.

COLLEGE PRESIDENT’S REPORT.....Dr. Mark Escamilla

- May 10, 2019: Spring Graduation Information
(Goal 1. Student Learning Success: Ensure Exceptional Educational Opportunities for All Students)

Dr. Escamilla stated that 808 graduates received certificates and degrees at this year’s commencement ceremony; Dr. Kelly Quintanilla was the keynote speaker. Over 6,958 attendees were present at the ceremony. Dr. Quintanilla announced a new TAMUCC scholarship program dedicated to Del Mar College graduates. Scholarships of a minimum of \$500 were gifted to Del Mar graduates by Texas A&M University-Corpus Christi during the ceremony.

- June 7 & 8, 2019: 7th Annual Stringers for Scholarships
(Goal 2. Student Access and Support Services: Maximize Affordable Access and Excellences in Student Services)

Dr. Escamilla reported that over 58 teams participated in this year’s successful event organized by the DMC Foundation.

PENDING BUSINESS:

Status Report on Requested Information

(Goal 5. Advocacy: Advance the College Mission Through Effective Governance and Positioning)

CONSENT AGENDA

Notice to the Public

The following items are of a routine or administrative nature. The Board of Regents has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Board member or a citizen, in which event the item(s) will immediately be withdrawn for individual consideration in their normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.

CONSENT MOTIONS:

(At this point the Board will vote on all motions not removed for individual consideration.)

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

1. Approval of Minutes:
Regular Board Meeting, May 14, 2019
(Goal 5. Advocacy: Advance the College Mission Through Effective Governance and Positioning)

2. Acceptance of Investments for May 2019
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. Bennett requested that Consent Agenda #3 be removed for separate discussion and consideration.

Mr. Rivas made a motion to approve consent agenda items 1 and 2. Dr. Sherwood seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

3. Acceptance of Financials for April 2019
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. Bennett had questions for staff regarding several items on the check register report. Dr. Escamilla directed the questions to Mr. Garcia and Dr. Catherine West for further research.

Dr. Sherwood made a motion to approve the consent agenda item. Mr. Bennett seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

REGULAR AGENDA

4. Discussion and possible action to accept the Internal Audit Report for Student Services, and follow up reports for Purchasing, and IT General Controls, and the FY19 Internal Audit Plan Status Report.....Ms. Tammy McDonald
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Ms. McDonald introduced Daniel Graves with Weaver to present the internal audit report for Student Services, the follow up report for Purchasing, and a status report on the annual Internal Audit Plan. The follow-up report for IT General Controls will be discussed in Closed Session by the Regents.

Mr. Graves reviewed the status report of audits that have been conducted in the current plan. The Student Services Internal Audit started in March 18, 2019 through April 22, 2019, which focused on processes in place within Student Engagement and Retention Department. The audit received a Strong overall rating. The audit did not overlap with the audit of Admissions and Registrar. An overview of the processes audited and results were presented to the Regents. Dr. Silva provided management's response to the audit findings discussed by Mr. Graves.

Mr. Graves presented a follow-up report on the Purchasing audit plan and corrective action on 9 open internal audit findings. Five findings have been remediated, two findings have been partially remediated and 2 findings remain on open status. Mr. Garcia provided management's response on the follow-up report presented to the Regents.

Mr. Graves stated that the follow-up report on the IT General Controls will be presented in Closed Session due to the exemptions allowed under Government Code §552.139 and §551.076.

The FY 2019 Annual Internal Audit Report is due to state oversight agencies and to be posted on the College's website by November 1, 2019.

Mr. Graves responded to questions from the Regents.

At this point, the Board Chair announced that the Board was going into Closed Session at 2:49 p.m. as follows:

- A. **TEX. GOV'T CODE § 551.089**: (Deliberation Regarding Security Devices or Security Audits), regarding security assessments, deployments, or audits relating to information resources technology; certain network security information; the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices; or, information confidential under Texas Government Code Section 552.139; including the Internal Audit Board Report for Information Technology General Controls of Weaver and Tidwell, L.L.P., with possible discussion and action in open session;

The Board went into Closed Session at 2:58 p.m.

The Board reconvened in Open Session at 3:10 p.m. with the following action:

Ms. Estrada made a motion to approve to accept the internal audit report from Weaver as discussed in open and closed session. Mr. Rivas

seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

- 5. Discussion and possible action related to amendment to EPIC-Y Grade tax abatement to extend the deadline for closing on the property.....
.....Dr. Mark Escamilla and Ms. Lenora Keas
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Dr. Escamilla introduced Mr. Mike Culbertson from the Regional Economic Development Corporation to present an amendment to an existing tax abatement agreement with EPIC-Y Grade. Mr. Culbertson gave a brief overview of the original agreement and amendment to be considered by the Regents.

Mr. Rivas made a motion to approve the amendment to EPIC-Y Grade tax abatement. Dr. Adame seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

- 6. Discussion and possible action for the designation of a financial auditor to perform the annual financial audit services.....Mr. Raul Garcia
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. Garcia presented a recommendation to select Collier, Johnson & Woods for Financial Audit Services in a five year contract which will be renewed annually.

Mr. Rivas made a motion to approve the recommendation of Collier, Johnson, & Woods for financial audit services. Ms. Estrada seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

- 7. Discussion and possible action to authorize the administration to allocate 2014 Bond funds and enter into a contract with Ford Audio Visual Systems using Buyboard contract for the turnkey installation of audio visual infrastructure for the General Academic Music Building..... Mr. Raul Garcia
(Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. Garcia and Dr. Escamilla presented the agenda item and responded to questions from the Regents.

Ms. Estrada made a motion to authorize administration to enter into a contract with Ford Audio Visual Systems for the General Academic Music Building. Ms. Averyt seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

- 8. Discussion and possible action to authorize the administration to allocate 2014 Bond contingency funds to the Workforce Development Building construction projectMr. August Alfonso (Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Dr. Escamilla introduced Mr. Brett Flint, AG/CM Inc. and Mr. Robert Duffie, Director of Physical Facilities, to provide information related to the allocation of contingency funds to the Workforce Development Building construction project. Mr. Flint stated that an additional \$500,000 is needed to complete the project. Changes are primarily due to some changed site conditions, different utilities, regulatory issues from the City and owner installed furniture and equipment that is now being installed by the contractor.

Mr. Flint responded to questions from the Regents.

Dr. Sherwood made a motion to approve the contingency funds for the Workforce Development Building construction project. Dr. Adame seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

- 9. Discussion and possible action to authorize the administration to allocate 2014 Bond contingency funds for improvements to the West Campus required by the City of Corpus Christi.....Mr. August Alfonso (Goal 7. Resources: Ensure Strong Financial and Operational Capacity)

Mr. Brett Flint, AG|CM, Inc., presented the agenda item for consideration to allocate contingency funds for improvements to the West Campus required by the City of Corpus Christi. Additional improvements include a new fire hydrant loop and a sidewalk along Santa Elena Street. Estimated cost of improvement will be \$185,373.

Ms. Averyt made a motion to approve the contingency funds for the improvements to the West Campus as required by the City of Corpus Christi. Mr. Rivas seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken and the motion carried unanimously, amongst Regents present, 9-0, with Regents Adame, Averyt, Bennett, Estrada, Hutchinson, Rivas, Salinas, Scott, and Sherwood in favor.

GENERAL PUBLIC COMMENTS (Non-Agenda Items) – 3-minute time limit

Dr. Jackie Adamson, Associate Professor of Psychology, provided comments on documents she passed out to the Board.

Ms. Dolores Huerta, Professor of Business Administration, spoke regarding a student incident on campus.

The Board Chair announced that the Board was going into Closed Session at 3:30 p.m. as follows:

10. CLOSED SESSION:

- B. **TEX. GOV'T CODE § 551.074(a)(1)**: (Personnel Matters), regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; including, 1.) Annual Evaluation of College President; and, 2.) Regent's Duties, Responsibilities, and Statement of Ethics, with possible discussion and action in open session; and,
- C. **TEX. GOV'T CODE § 551.071**: (Consultation with legal counsel), regarding pending or contemplated litigation or legal claims, or a settlement offer, with possible discussion and action in open session; and, the seeking of legal advice from counsel, with possible discussion and action in open session.

The Board went into Closed Session at 3:30 p.m.

The Board reconvened in Open Session at 5:37 p.m. with no action to be taken.

CALENDAR: Discussion and possible action related to calendaring dates.

ADJOURNMENT: The meeting was adjourned at 5:38 p.m.