MEETING OF THE LEE COLLEGE BOARD OF REGENTS
LEE COLLEGE DISTRICT
December 15, 2011

The Board of Regents of the Lee College District met December 15, 2011 at 6:00 p.m. in the John B. Tucker Lecture Hall. Chairman Mark Himsel called the meeting to order stating that the meeting was duly posted and a quorum was present.

PRESENT: Mr. Mark Himsel, Chairman; Mr. Mark Hall, Vice Chair; Mrs. Judy Jirrels, Secretary; Mr. Pete Alfaro, Assistant Secretary; Mr. Ronn Haddock; Dr. Keith Coburn; Mr. Wayne Gray; Ms. Susan Moore-Fontenot; and Mr. Don Coffey

President Michael T. Murphy
Mr. Rick Peebles

ABSENT: None

INVOCATION AND PLEDGE TO THE FLAG

Regent Judy Jirrels said the invocation and led the pledge to the flag.

EXECUTIVE SESSION

Before recessing into Executive Session, Chairman Himsel acknowledged President Mike Murphy with a gift of appreciation on behalf of the Board of Regents, faculty, staff and students of Lee College. Chairman Himsel then introduced Dr. Dennis Brown, incoming president effective February 1, 2012.

The Board convened into Executive Session at 6:12 p.m. to discuss personnel and possible litigation with the College attorney, Rick Peebles. At 6:45 p.m. the Executive Session ended and the board reconvened into Open Meeting.

99.11 DISPOSITION OF MINUTES

Regent Haddock made a motion, seconded by Regent Alfaro, THAT THE BOARD APPROVE THE MINUTES OF NOVEMBER 17, 2011.

The motion passed without a dissenting vote.
CHAIRMAN’S REPORT

Chairman Himsel asked for committee reports.

COMMITTEE REPORTS

- Building Committee - Chairman Mark Hall had no report.

- Policy Committee – Chairman Susan Moore-Fontenot provided board members with a handout of a flowchart of the policy review process.

- Audit and Investment Committee – Chairman Wayne Gray reported the committee had not met.

Building and Facilities - Serving on the Building and Facilities Committee are Mark Hall, Chairman, Don Coffey and Keith Coburn
Policy Committee – Serving on the Policy Review Committee are Susan Moore-Fontenot, Chairman, Pete Alfaro and Judy Jirrels
Audit and Investment Committee – Serving on the Audit and Investment Committee are Wayne Gray, Chairman, Pete Alfaro and Ronn Haddox

PRESIDENT’S REPORT

President Murphy began his final report by introducing Mr. Scott Vernon, recently hired Director of the Performing Arts Center.

Dr. Murphy provided the Board with a copy of the 2011 Integrated Postsecondary Education Data System (IPEDS) Data Feedback Report (DFR). This report is received annually from the federal government. All information is self reported and not audited. Dr. Carolyn Lightfoot was asked by President Murphy to prepare a report after viewing the 2011 IPEDS report comparing Lee College with other Gulf Coast community colleges and provide a summary of information reflecting areas which we are competitive as well as where improvement is warranted.

The president’s final comments were in regard the staff prepared Strategic Directions document, provided in advance of Dr. Brown’s arrival. The document will continue to be reviewed and updated. It is a first step in putting together an accountability based strategic plan.

INFORMATIONAL REPORTS

Financial Services Report – Vice President of Finance and Administration, Steve Evans

VP Evans referenced the handout included in regent’s packets regarding results of a survey of a part-time non-instructional wage review. In August the administration committed to survey local businesses and Gulf Coast community colleges for comparison purposes. The College’s Human Resource Department conducted the survey. It was determined that the following three part-
time, non-instructional employee categories: security guards, lab assistants and tutors are substantially underpaid.

If all part-time non-instructional employees were upgraded to full-time scale in regard to pay, it would insure them of not falling outside market scale again.

First scenario: if the three categories referenced were to have a pay increase effective February 1, 2012; it would cost $103,000 for the remainder of the fiscal year, reflecting an annual cost of $155,000 with $30,000 being covered by grants.

Second scenario: if all part-time employees, approximately 80 (not including student assistants) were raised to scale, it would cost $131,000 for the remainder of the 2012 fiscal year, annualized at $200,000 for the full year. It would then be easier to consider salary increases once these employees were on full-time rate scale.

VP Evans concluded his report suggesting the Board give serious consideration to part-time security guards pay increase, currently underpaid by approximately $4.00 per hour.

Financial Report – VP Evans reported at one quarter through the year, 20% of budgeted funds have been spent. On the revenue side, we are in line at 25%, adding the numbers will change in coming months as tax revenues accumulate.

PUBLIC COMMENT

Roy Champagne – Lee College Athletic Director, provided regents with an informational update on his departments athletic marketing activities. A front page picture and article of second grade students enrolled in Goose Creek ISD was presented demonstrating the impact of college-wide support of the athletic program in the community.

NEW BUSINESS

A. Personnel

99.11 CONSIDERATION OF RESIGNATION OF LETHA “ABI” GOSS, ASSISTANT FINANCIAL AID DIRECTOR

Dr. Murphy recommended that the Board accept the resignation of Letha “Abi” Goss.

Regent Coburn made a motion, seconded by Regent Haddox, THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.

The motion passed with no dissenting votes.
CONSIDERATION OF RESIGNATION OF BILL WHITE, MARKETING SPECIALIST

Dr. Murphy recommended that the Board accept the resignation of Bill White, Marketing Specialist in the College Relations Department.

Regent Gray made a motion, seconded by Regent Alfaro, THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.

The motion passed with no dissenting votes.

B. New Business

CONSIDERATION OF RENEWAL OF ANNUAL SERVICE AND SUPPLY CONTRACTS

Dr. Murphy recommended that the Board approve the renewal of the following service and supplies contracts: Automated Logic, WW Grainger, Stanley Security, Intermodal Facilities Mgmt, ChemTreat, Office Depot, Hallmark, US Tech, and CDWG.

Regent Coburn made a motion, seconded by Regent Haddox, THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.

The motion passed with no dissenting votes.

CONSIDERATION OF ANNUAL RENEWAL FOR MICROSOFT CAMPUS AGREEMENT

Dr. Murphy recommended that the Board award a contract to Dell Corporation to Microsoft Campus Agreement for the annual sum of $34,243.20.

Regent Gray made a motion, seconded by Regent Jirrels THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.

The motion passed with no dissenting votes.
CONSIDERATION OF ACCEPTANCE OF FY2011 ANNUAL FINANCIAL REPORT

Dr. Murphy recommended that the Board accept the 2010-11 Financial Audit Report as presented.

Regent Gray made a motion, seconded by Regent Alfaro THAT THE BOARD APPROVE THE ADMINISTRATION'S RECOMMENDATION.

Steve Evans, Vice President of Finance and Administration welcomed Mr. Frank Lovvorn of Lovvorn and Kieschnick, LLP. Mr. Lovvorn summarized highlights of the report stating it is a good, overall report and of favorable opinion, with no findings.

The motion passed with no dissenting votes.

Immediately following approval of the motion, Dr. Murphy asked VP Evans to offer clarity on the implications commonly referred to as reserves. In his summary, Mr. Lovvorn indicated the College had an increase of $3.7 million in net assets. VP Evans offered explanation regarding the operating and budget funds and how much the College would have in excess of that. The College ended the year $2.3 million up, having projected $1.5 million. The College reserves are at $12 million.

CONSIDERATION OF APPROVAL OF USE OF PERFORMING ARTS CENTER (PAC)

Dr. Murphy recommended that the Board approve a performance in the Lee College PAC on March 23, 2012 for nine-time Grammy Award winning recording artists, Asleep at the Wheel.

Regent Coffey made a motion, seconded by Regent Haddox THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.

The motion passed with no dissenting votes.

CONSIDERATION OF ACTION REGARDING CERTIFICATES OF DEPOSIT

Dr. Murphy recommended that the Board authorize liquidation of current certificates of deposits held in the College investment portfolio as they mature and that the proceeds upon liquidation be transferred to Texpool.
Regent Gray made a motion, seconded by Regent Alfaro, THAT THE BOARD APPROVE THE ADMINISTRATION'S RECOMMENDATION.

The motion passed with no dissenting votes.

106.11 CONSIDERATION OF PROPOSED DELAY IN TEACHERS RETIREMENT SYSTEM (TRS) PAYMENT REQUEST

Dr. Murphy recommended that the Board authorize delaying the TRS request for payment of the difference between the full 6% of “aggregate compensation paid” and the amount actually appropriated by the legislature to TRS for retirement.

Regent Gray made a motion, seconded by Regent Haddox THAT THE BOARD APPROVE THE ADMINISTRATION'S RECOMMENDATION.

VP Evans stated the past practice of the legislature’s appropriations to cover funds as compared to the current suggested use of funds to make payments. At this time, this matter is considered questionable, if even legal, suggesting it may be unconstitutional to use college funds to cover the shortfall (projected shortfall amount - $675,000 is in the budget should the College be required to pay).

The Texas Association of Community Colleges (TACC) is collectively seeking a legal review and the College will hold payment until further notification from TACC.

The motion passed with no dissenting votes.

107.11 CONSIDERATION OF ENGAGEMENT LETTER FROM VINSON AND ELKINS

Dr. Murphy recommended that the Board approve an engagement letter from Vinson and Elkins to perform legal services related to the Memorandum of Understanding (MOU) between Goose Creek Consolidated ISD (GCCISD) and Lee College to establish and maintain an early college high school on the Lee College campus.

Attorney Rick Peebles recused himself due to a conflict of interest. Mr. Peebles also serves as legal counsel for the GCCISD.

Regent Colburn made a motion, seconded by Regent Gray THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.
Discussion ensued pertaining to the College considering securing the services of a legal firm for the purpose of reviewing the MOU that will be generated by GCCISD’s legal firm obtained for this matter of business, vs. the College engaging Vinson and Elkins legal services.

Regents Gray and Coburn agreed to table the motion.

Chairman Himsel stated a list of attorney names will be presented for discussion when the Board meets next week.

**108.11 CONSIDERATION OF APPOINTMENT OF INTERIM PRESIDENT**

Board of Regents Chairman Mark Himsel recommended that the Board appoint Steve Evans to serve as interim president, commencing on December 16, 2011 and ending on January 31, 2012 for a total of a onetime stipend payment of $3,000.

Regent Haddox made a motion, seconded by Regent Susan Moore-Fontenot THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.

The motion passed with no dissenting votes.

**109.11 CONSIDERATION OF APPOINTMENT OF LEE COLLEGE PRESIDENT**

Board of Regents Chairman Mark Himsel recommended that the Board appoint Dr. Dennis Brown as Lee College’s president effective February 1, 2012 and approve the contract for Dr. Dennis Brown. Chairman Himsel further recommended that the Board agree to reimburse Dr. Brown for travel expenses to the College prior to this official starting date and further reimburse him for relocation expenses up to $15,000.

Regent Coburn made a motion, seconded by Regent Alfaro, THAT THE BOARD APPROVE THE ADMINISTRATION’S RECOMMENDATION.

C. Matters of Concern for Future Agendas
   a. Part time non instructional wage increase for January agenda.

D. Adjournment

Chairman Himsel declared the meeting adjourned at 8:05 p.m.

[Signatures]

Chairman, Board of Regents

Secretary, Board of Regents