

**MINUTES OF THE REGULAR MEETING
DEL MAR COLLEGE DISTRICT**

October 8, 2024

The Regular Meeting of the Board of Regents of the Del Mar College District convened on Tuesday, October 8, 2024 at 1:00 p.m., at the Center for Economic Development, 3209 S. Staples, Room 106, Corpus Christi, Texas with the following present:

From the Board:

Present:

Ms. Carol Scott, Ms. Libby Averyt, Dr. Nicholas Adame, Dr. Anantha Babbili, Mr. Carl Crull, Mr. Rudy Garza, Jr., Mr. David Loeb, and Dr. Laurie Turner.

Absent:

Mr. Bill Kelly

From the College:

Dr. Mark Escamilla, President and CEO; Ms. Lenora Keas, Executive Vice President and COO; Mr. Raul Garcia, Vice President and CFO; Mr. Ali Kolahdouz, Vice President and Chief Information Officer; Dr. Jonda Halcomb, Vice President and Chief Academic Officer; Ms. Tammy McDonald, Vice President of Administration and Human Resources; Dr. Patricia Benavides-Dominguez, Vice President for Student Affairs; Ms. Cheryl Sanders, Associate Vice President for Student Affairs; Mr. Augustin Rivera, Jr., General Counsel; Mr. John Strybos, Vice President and Chief Physical Facilities Officer; Mr. Matthew Busby, Vice President of Development and Donor Advising; Ms. Delia Perez, Director of CEO Office and Board Relations, and other staff and faculty.

CALL TO ORDER/QUORUM CALL

Chair Scott called the meeting to order with a quorum present. She requested a moment of silence followed by the Pledge of Allegiance and Del Mar College Vision Statement.

GENERAL PUBLIC COMMENTS – The public was given the opportunity to provide public comments (both general and specific to any agenda item).

There were no public comments.

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

- September 19, 2024: TACC Legislative Committee Meeting
(I: Communicate, Goal 2: Connect beyond the College)

Dr. Escamilla continues to be very involved with the Association, and discussion is focused on preparation for the next legislative session.

- September 26, 2024: TACC Special Called Meeting
(I: Communicate, Goal 2: Connect beyond the College)

Dr. Escamilla attended the TACC Special Called meeting which discussed details on how the legislative Budget Board is responding to HB8 and notification that there will be some challenges at state level.

- September 12-14, 2024: CCATT Annual Meeting, Amarillo
(I: Communicate, Goal 2: Connect beyond the College)

Dr. Escamilla attended the CCATT annual meeting and was part of a panel discussion.

REGENTS REPORT.....Ms. Carol Scott and Dr. Anantha Babbili

- September 12-14, 2024: CCATT Annual Meeting, Amarillo
(I: Communicate, Goal 2: Connect beyond the College)

Chair Scott and Dr. Babbili attended the CCATT annual meeting in Amarillo, Texas. Dr. Babbili stated the conference was very productive and educational. Dr. Babbili and Chair Scott shared detailed information regarding sessions they attended during the conference.

STAFF REPORTS:

- Annual Safety and Security Report (Clery).....Ms. Tammy McDonald and Ms. Lauren White
(I: Communicate, Goal 1: Collaborate across the College and Goal 2: Connect beyond the College)

Ms. McDonald stated the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act called the “Clery Act” is the federal mandate requiring all institutions of higher education that participate in federal student financial aid programs to make known crimes occurring on their campus and in the surrounding community. Chief White provided a background and requirements regarding the Clery Act and stated that within the report, College policies and procedures are also included that address several topics such as drug and alcohol, sexual misconduct, discrimination and harassment and campus carry. An important piece of this publication is The Clery Act Crime Statistics, which includes reports of crimes made to local law enforcement as well as to our own campus. She stated that the crime statistics that are reported on our campus do not necessarily involve our students or anyone from our campus. She also recognized the Executive Cabinet, Student Affairs, DMC Police, Environmental Health and Safety Office, Office of General Counsel, and Risk Management for their assistance with the annual report.

- Notice of Summary of Emergency Operations Plan (EOP) Submission to Texas School Safety Center.....Ms. Tammy McDonald
(I: Communicate, Goal 1: Collaborate across the College and Goal 2: Connect beyond the College)

Ms. McDonald stated the Emergency Management Planning Team which consists of Tammy McDonald, John Strybos, Lauren White, Jessica Alaniz, Chris Tweddle, and Alex Cahill met and prepared an emergency operation plan. Ms. Jessica Alaniz reported the Emergency Operations Plan (EOP) is a required submission to the Texas School Safety Center every year. The EOP document is formatted to address the various scenarios of possible emergencies or incidents on campus and or around the college community. Within the plan, it highlights the basis for emergency management and establishes a framework on how to begin to respond to an incident. That framework provides guidelines that addresses the emergency itself, and recovery and or restoration directly after the incident or emergency has occurred. To keep the College consistent, the principles and framework of the National Incident Management System (NIMS) is utilized to establish the structure of the incident command in our response team.

Ms. McDonald described the 2024 Incident Management Team including their roles and responsibilities. She detailed the Post-Incident Care Team created to take care of those that may need help after an incident occurs on campus.

Dr. Escamilla provided additional commentary regarding the Post-Incident Care Team.

Ms. McDonald provided plan highlights that include procedures for various incidents.

Ms. Alaniz, Ms. McDonald, and Dr. Escamilla responded to questions from the Board of Regents.

- Junior College Audit Report.....Ms. Tammy McDonald and Mr. John Strybos
(I: *Communicate*, Goal 2: *Connect beyond the College*)

Mr. Strybos presented an overview and stated the Junior College Audit Report (JCAR) is an assessment tool for colleges to utilize in identifying hazards, threats, and vulnerabilities that may pose a danger to life and/or property and/or may interfere with a safe, secure, and healthy environment that is conducive to higher education. Recommendations from the assessment serve to assist junior college districts to prevent/mitigate, prepare for, respond to, and recover from potential hazards.

Ms. McDonald reviewed the JCAR Assessment Checklist and as well as the Assessment Results. Some results stated the College’s stairwells and hallways are adequately lit and common areas are in good condition, police and security department will continue to be developed per mission and vision statements, the development of the College’s Emergency Operating Plan (EOP) and Incident Management Team satisfies the recommendations on the JCAR Checklist, classrooms and industrial educational facilities meet required building and fire safety codes, and policies in place address pre-employment background checks, employee/student conduct, safety, security and EOP.

- CEO Annual Report to the Board – Title IX/SB212.....Dr. Mark Escamilla
(I: *Communicate*, Goal 1: *Collaborate across the College* and Goal 2: *Connect beyond the College*)

Dr. Escamilla stated that an annual report to the Board is required per Title IX, SB 212, as per the Texas Education Code. The report complies with the Chief Executive Officer's reporting requirements under Texas Education Code Section 51.253 concerning sexual harassment, sexual assault, dating violence, or stalking, as defined in Texas Education Code Section 51.251, and any disciplinary actions taken under Texas Education Code Section 51.255. The summary data report provided to the board includes all the required reporting information to the Del Mar College Board of Regents for the time period of September 1, 2023 through August 31, 2024. The summary report will be posted to the Del Mar College Internet website as required under Texas Education Code Section 51.252. Dr. Escamilla stated the annual certification will be submitted to the Texas Higher Education Coordinating Board by October 31, 2024 to certify compliance.

PENDING BUSINESS:

Status Report on Requested Information

(Goal 5: Workforce Development, Community Partnerships, and Advocacy)

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:
Called Meeting, Public Hearing on Budget, August 27, 2024
Called Meeting, Public Hearing on Tax Rate, August 27, 2024
Called Meeting, August 27, 2024
Regular Board Meeting, September 10, 2024
(I: Communicate, Goal 2: Connect beyond the College)

2. Acceptance of Investments for September 2024
(II: Elevate, Goal 2: Maximize resources entrusted to the College)

Regent Crull made a motion to adopt the Consent Agenda.
Regent Babbili seconded the motion. There was no further discussion from the Board. There were no public comments.
A vote was taken by show of hands, and the motion carried

unanimously 8-0, amongst Regents present, with Regents Scott, Adame, Averyt, Babbili, Crull, Garza, Loeb, and Turner in favor.

REGULAR AGENDA

- 3. Discussion and possible action regarding the College’s Internal Audit Activity including College-wide Reporting Advisory; Emergency Operations Planning Advisory; Safety and Security Advisory; Risk Assessment Refresh and FY25 Internal Audit Plan; and Annual Internal Audit Report.....Ms. Tammy McDonald
(II Elevate, Goal 2: Maximize resources entrusted to the College)

Ms. McDonald stated that she will be presenting this agenda item for Mr. Dan Graves who was unable to attend due to an emergency. Weaver conducted a college-wide reporting advisory project which included Emergency Operation Planning, Safety and Security, Risk Assessment, and Annual Internal Audit. After providing a background and summary, she also reviewed the scope and objectives of the internal audit advisory consultation.

Objective A: Collaborate with College stakeholders to identify critical in-scope institutional/college-wide reporting requirements and gain an understanding of the people, processes, and technology utilized to prepare, review, and timely submit the College’s reports, including preparation for HB8 compliance. After specific procedures were coordinated with key stakeholders to gather information on processes related to institutional/college-wide reporting, it was recommended that the College continue the progress of the efforts performed under this consultation by implementing a formal and centralized strategy for the consistent management and monitoring of college-wide reporting for the future. These efforts should be performed by a single owner who coordinates and collaborates with key stakeholders to ensure reports continue to be prepared and submitted timely by the appropriate personnel.

Objective B: Develop a College-Wide Reporting Matrix that details critical information required for institutional /college-wide reporting. After procedures to gain an understanding of the College’s existing report generation and management processes and created a college-wide report matrix, it was recommended that the College leverage the seven identified institutional reports currently required to be prepared and submitted by the College to assist with performing the HB8 funding calculation. The College should utilize these reports to gain insight into student successes that can be highlighted and areas that should be focused on. Additionally, the College should begin performing the following monitoring functions so that the proper allotment can be calculated:

- Track failure rates and monitor student success in all programs.
- Track student educational resources in comparison to student performance.

- Track dual credit student performance and dual credit courses that apply toward academic and workforce program requirements at the collegiate level.
- Track student performance to earn the minimum number of credit hours needed to transfer to four-year universities.

Based on Weaver’s procedures and the recommendations identified, the College should continue the progress of the efforts performed under this consultation by implementing a formal and centralized strategy for the consistent management and monitoring of college-wide reporting for the future. The College should also consider leveraging the seven identified institutional reports currently being prepared and submitted by the College to assist with performing the HB8 funding calculation.

The results of our interviews and evaluation of the procedures performed over the college-wide reporting processes were discussed with management throughout the engagement and at the completion of our fieldwork procedures.

Ms. McDonald, Dr. Escamilla, and Augustin Rivera, Jr. responded to questions from the Board of Regents.

Action on the interal audit report and audit plan was deferred until later in the meeting.

4. Discussion and possible action related to the College’s Quarterly Investment Report for the period ending August 31, 2024.....Mr. Raul Garcia (*II: Elevate, Goal 2: Maximize resources entrusted to the College*)

Mr. Garcia presented the College’s Quarterly Investment Report for period ending August 31, 2024 by introducing Mr. Dave McElwain from Patterson Group, a member of the Meeder Investment Company. Mr. McElwain stated the Federal Reserve took some action which was a surprise for some of the market participants and took an aggressive posture and cut half a percent. The GDP in the first quarter came in at 1.4% and it was anticipated to come in around 2% in the most recent quarter, and came in closer to 3%. Growth is still healthy nationwide. He reviewed the College’s Pooled Funds and stated the market value of the portfolio finished at \$78.2 million for the book value and the market value is a little over \$116 million. The debt service payments were reviewed which total a little over \$14 million. The portfolio is now at 85% of its local maintenance and most of the rest is debt service. The portfolio allocation is still highly liquid at 51% in the local government investment pools and agencies represented almost 20% of the investments. Commercial paper was at 19% right there with the agencies and we had a bit of municipal bonds and about 5% in bank deposits. He also stated the College is on solid footing, economically, and one thing that did occur was the College had 27 consecutive months of unemployment below 4%.

Mr. McElwain responded to questions from Dr. Escamilla.

Regent Loeb made a motion to approve the College's Quarterly Investment Report as presented. Regent Babbili seconded the motion. There was no further discussion from the Board. There were no public comments. A vote was taken by show of hands, and the motion carried unanimously 8-0, amongst Regents present, with Regents Scott, Adame, Averyt, Babbili, Crull, Garza, Loeb, and Turner in favor.

5. Discussion and possible action related to the College's Quarterly Financial Statement for the period ending August 31, 2024.....Mr. Raul Garcia
(II: Elevate, Goal 2: Maximize resources entrusted to the College)

Mr. Garcia stated that the College is in the final stages of closing its books ending August 2024. The College's total revenues trended above our planned budget by \$4.6 million which attributed to the better-than-expected investment portfolio. The better-than-expected property tax revenues, that is attributed to the recent settlement of the petrochemical property valuations. Our salary and benefit expense category came under budget by \$2.1 million because of our salary and benefit expensive category. The College is currently positioned to report an income more than expenses estimated at \$7.6 million. This is before the contingency valued at \$1.7 million. The results of this line item will be determined at the completion of the audit and will be transferred and tracked in the planned funds in Fiscal Year 2025. The College's total assets increased on a year over year basis by \$7.3 million which is due in part to the better-than-expected property tax collections, mainly from the settlement of the petrochemical valuations a few weeks ago. The college experienced a reduction in its current liabilities valued at \$6.3 million which is attributed to the payments related to the vendor obligations and last year's payment of the one-time inflation relief payment valued at \$1.2 million.

Mr. Garcia responded to questions from the Board of Regents.

Regent Loeb made a motion to approve the College's Quarterly Financial Statement as presented. Regent Babbili seconded the motion. There was no further discussion from the Board. There were no public comments. A vote was taken by show of hands, and the motion carried unanimously 8-0, amongst Regents present, with Regents Scott, Adame, Averyt, Babbili, Crull, Garza, Loeb, and Turner in favor.

At 2:20 p.m., the Chair announced that the Board was going into Closed Session pursuant to:

6. CLOSED SESSION pursuant to:

- a. **TEX. GOV'T CODE § 551.071**: (Consultation with legal counsel), regarding pending or contemplated litigation, or a settlement offer, with possible discussion and action in open session; and the seeking of legal advice from counsel on pending legal or contemplated matters or claims, with possible discussion and action in open session; and,
- 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 appointment to the Nueces County Appraisal District Board of Directors; with possible discussion and action in open session; and,
- c. **TEX. GOV'T CODE § 551.087**: (Economic Development deliberations), regarding discussion or deliberation of information received from a business prospect with which the College is conducting economic development negotiations and/or the deliberation of an offer of a financial or other incentive to a business prospect, with possible discussion and action in open session.

The Board of Regents reconvened in Open Session at 3:45 p.m. with the following action items:

Regular Agenda Item No. 3:

Regent Garza made a motion to approve the Internal Auditor's Reports and Recommendations for Fiscal Year 2024 Internal Audit Report and Fiscal Year 2025 Audit Plan as presented. Regent Babbili seconded the motion. There was no further discussion from the Board. There were no public comments. A vote was taken by show of hands, and the motion carried unanimously 8-0, amongst Regents present, with Regents Scott, Adame, Averyt, Babbili, Crull, Garza, Loeb, and Turner in favor.

Regent Loeb made a motion to authorize College President and General Counsel to take all necessary and appropriate action to pursue the College's legal claims against Anthology as outlined in closed session. Regent Averyt seconded the motion. There was no further discussion from the Board. There were no public comments. A vote was taken by show

of hands, and the motion carried unanimously 8-0, amongst Regents present, with Regents Scott, Adame, Averyt, Babbili, Crull, Garza, Loeb, and Turner in favor.

CALENDAR: Discussion and possible action related to calendaring dates.

ADJOURNMENT: The meeting was adjourned at 3:48 p.m.

MINUTES REVIEWED BY GC: /s/ARjr