

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

July 23, 2024

The Called Meeting of the Board of Regents of the Del Mar College District convened on Tuesday, July 23, 2024 at 11:00 a.m., at the Center for Economic Development, 3209 S. Staples, Room 106, Corpus Christi, Texas with the following present:

From the Board:

Present:

Ms. Libby Averyt, Dr. Nicholas Adame, Dr. Anantha Babbili, Mr. Carl Crull, Mr. Rudy Garza, Jr., Mr. Bill Kelly, and Mr. David Loeb.

Carol Scott joined the meeting in progress at 11:02 a.m.

Absent:

Dr. Laurie Turner.

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; Ms. 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

Second Vice Chair Averyt 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.

There were no public comments.

ITEMS OF BUSINESS:

1. Discussion of the proposed Maintenance & Operations Budget and the Debt Service Budget for Fiscal Year 2024-2025.....Mr. Raul Garcia
(Goal 6: Financial Effectiveness and Affordability)

Mr. Raul Garcia, Ms. Tammy McDonald, Dr. Cathy West, and Ms. Jackie Landrum provided information regarding the College's Fiscal Year 2025 Preliminary Budget as follows:

The budget plan calendar for FY 2025 was reviewed and August deadlines of approving the College's budget was provided. The revenue challenges and assumptions for FY 2025 budget include: Tuition & Fees – 2% increase over current enrollment and \$2 in-district tuition rate increase. Property Tax – overall tax rate evaluated, assumes a 2% net valuation decrease, and \$768 million in new construction. State Appropriations – final run expected first week of August and Financial Aid for Swift Transfer (FAST) based on Fall 2023 and Spring 2024.

Additional budget subjects discussed included Forecasting Outcomes: Projecting Performance Tier Outcomes and Dynamic Payments: Funding Schedule and Adjustments. Preliminary Revenue Budget numbers for FY 2025 and the Tax Rate history was reviewed.

Dr. West discussed the Strategic Plan and Resources Allocation. She stated they emphasize the base resource allocations and align resources with the College's strategic plan goals and initiatives so that the College can have adequate resources to support those initiatives of the strategic plan and accomplish the mission of the College.

Strategic Plan Goals include the following: **Communicate** – Goal 1: Collaborate across the College, and Goal 2: Connect beyond the College. **Elevate** – Goal 1: Increase completion for all students, and Goal 2: Maximize resources entrusted to the College. **Cultivate** – Goal 1: Nurture our faculty and staff to achieve their full potential, and Goal 2: Optimize the Viking Student Experience.

Ms. McDonald discussed proposed salary and benefit increase options. She stated one of the College's most important resources is our people. She also provided the Board four different options and reviewed Option #4 which totaled \$4 million in salary and benefit increase should Option #4 be chosen.

Dr. Escamilla provided commentary regarding the proposed salary and benefit increase.

Ms. Landrum provided information regarding preliminary expense increases for FY 2025 in the amount of \$2.4 million. The preliminary expense amount for FY 2025 budget increased from \$115 million in 2024 to \$122 million, or a 6% increase. She introduced Dr. Natalie Villarreal to further discuss embedded appropriations within the College's budget.

Dr. Villarreal stated the request for extra appropriations is for strategic enrollment management plan, strategic marketing plan, and IT. These increases are to help meet the needs to students coming forward into the future.

Detailed budget questions by the Board of Regents were addressed in an in-depth discussion.

Ms. Landrum, Ms. McDonald, Mr. Garcia, Dr. Benavides-Dominguez, Dr. Villarreal, Mr. Strybos, and Dr. Escamilla responded to questions from the Board of Regents.

REGULAR AGENDA

- 2. Discussion and possible action regarding the College’s Internal Audit Activity including: Accounts Payable and Disbursements Audit Report; Payroll Follow-Up Audit Report; Environmental Health & Safety (EH&S) Advisory Project Status; and College-Wide Reporting Project Status.....Ms. Tammy McDonald (Goal 4: Learning Environments)

Ms. McDonald introduced Mr. Dan Graves and Ms. Afton Gillard with Weaver. Mr. Graves stated they would provide status on Internal Audit Reports regarding Accounts Payable and Disbursements, and Payroll.

For Accounts Payable and Disbursements, Mr. Graves stated their audit procedures included interviewing key personnel, examining existing documentation, evaluating internal controls over processes, and testing the effectiveness of the controls in place.

Recommendations: 1) create and implement Accounts Payable and Disbursements Standard Operating Procedures that include key processes and controls performed by the Accounts Payable group including travel expense reimbursement; 2) recommendation was also made for the College to establish and implement a process for calculating and paying interest on late payments to ensure compliance with Texas Government Code Title 10 Subtitle F Ch. 2251; 3) the College should update the published policies and procedures over employee travel expense reimbursement to reflect the current process and usage of Concur; 4) recommendation that the College Accounts Payable team reinforce existing processes and policies to ensure only expenses submitted within 30-day window are approved and therefore reimbursed to the employee; and 5) recommendation that the Accounts Payable team establish a formal, periodic process for reviewing Colleague user access.

A status on the Internal Audit Follow-Up Procedures Report over Payroll was provided and based on the evaluation, the College made significant efforts to remediate the finding from the 2023 Internal Audit Report including the development of new documented procedures to address the risk identified.

Mr. Graves stated that the internal audit on Information Security is complete and will be discussed in Closed Session. And their report over Safety and Security has been drafted and should be finalized within the week.

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

- 3. Discussion and possible action regarding revisions to Board Policy B9.1 Policy Prohibiting Sexual Misconduct (Title IX)Ms. Tammy McDonald (Goal 4: Learning Environments and Goal 5: Workforce Development, Community Partnerships, and Advocacy)

Mr. Augustin Rivera, Jr., General Counsel, reported that a Federal Court in Amarillo has issued an injunction pausing the enforcement of the new Title IX regulations and asked that this item be tabled.

No further discussion or action was taken.

- 4. Discussion and possible action regarding update to College Free Speech Policy
 Mr. Augustin Rivera, Jr.
(Goal 4: Learning Environments)

Mr. Rivera updated the Board on the status of the work regarding Governor Abbott’s Executive Order GA-44 calling for universities and colleges to review their free speech policies in light of recent antisemitic incidents on some campuses. and to make sure they were adequate. The Order also directed institutions to ensure that their policies have enforcement mechanisms and are being enforced and to include the statutory definition of antisemitism found in Tex. Govt. Code Section 448.001. Mr. Rivera reviewed proposed edits to the College’s existing free speech policy and reported that the College was in compliance with the provisions of the Order and that the College would continue to comply with its duty to protect its students and employees as required by law.

Mr. Rivera responded to questions from the Board of Regents. Regent Loeb thanked Mr. Rivera for his comprehensive policy work.

Regent Babbili made a motion to adopt the language to the College’s Free Speech Policy as presented. Regent Adame seconded the motion. There was no further discussion by 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, Averyt, Adame, Babbili, Crull, Garza, Kelly, and Loeb in favor.

At 12:27 p.m., the Chair announced that the Board was going into Closed Session pursuant to:

- 5. 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;
 - b. **TEX. GOV’T CODE § 551.076**: (Deliberation regarding security devices or audits), regarding the deployment or specific occasions for implementation of security personnel or devices, or a security audit, including the Safety & Security Advisory Report, with possible discussion and action in open session;
 - c. **TEX. GOV’T CODE § 551.089**: (Deliberation regarding IT security devices or audits), regarding security assessments or deployments related to information, resources, technology, IT and network security information, or the deployment of specific occasions for implementation of security personnel, critical infrastructure, or security devices, including the IT Security Follow-up Audit Report, with possible discussion and action in open session; and

- d. **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.) Evaluation of College President, and 2.) College President's Contract, with possible discussion and action in open session.

The Board of Regents reconvened in Open Session at 1:06 p.m. with the following action taken:

Regent Garza made a motion to accept results of the IT audit as discussed in closed session. Regent Kelly 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, Kelly, and Loeb in favor.

CALENDAR: Discussion and possible action related to calendaring dates.

ADJOURNMENT: The meeting was adjourned at 1:06 p.m.