

**MINUTES of the JOINT FACILITIES COMMITTEE and FINANCE & RESOURCES  
COMMITTEE MEETING  
of the BOARD OF TRUSTEES of VICTORIA COLLEGE  
November 16, 2020**

√ V. Bland Proctor	√ Catherine McHaney
√ Luis A. Guerra	√ Dr. Josie Rivera
X Ron Walker	√ John Zacek

**STAFF**

√ Dr. Jennifer Kent	√ Mary Ann Rodriguez
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**MEDIA**

√ Samantha Douty (VA)
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**Also in attendance: *InPerson:*** Mr. Carlos Cascos, Mr. Amado Sanchez, Mr. Matt Wiley, Cindy Buchhoz, Dr. Edrel Stoneham, Darin Kazmir, Terri Kurtz, Keith Blundell, and Marty Deckard.

***The Board Meeting was also Livestreamed.***

The Victoria College Board of Trustees met for a special board meeting on Monday, November 16, 2020 at 2:30 PM in the Meeting Hall 101 of the Emerging Technology Complex located at 7403 Lone Tree Rd, Victoria, TX.

**A. Call to Order:**

**1. Quorum Call:**

Mr. John Zacek, Facilities Committee Chair, called the meeting to order at 2:35 p.m. and announced that a quorum of board members was present.

**2. Certification of the Posting of the Notice of the Agenda**

Dr. Jennifer Kent certified that the agenda had been properly posted per Texas statute also in accordance with the provisions of Sections 551.125 and 551.127 of the Texas Government Code.

**B. Citizen Communication:**

**1. At this time, the public is invited to address the Board of Trustees.**

No members of the public spoke to the Board

**C. Items for Discussion:**

**Facilities Committee:**

**1. DISCUSS Construction Manager-at-Risk, Comprehensive Student Center** – Mr. Keith Blundell presented. He shared with committee members present that as part of the Campus Master Plan, the Comprehensive Student Center project will consist of approximately 58,000 to 63,000 sq. ft. to be built as an addition to the existing Student Center. The project will also include improvements to the surrounding site parking, drives and other outdoor areas. In order to proceed the College has solicited proposals for a Construction Manager at Risk (CMaR), as authorized by the Board of Trustees on August 10, 2020. Eight proposals were received on September 17, 2020. The proposers were ranked according to the advertised selection criteria. Drymalla Construction Company of Columbus, TX received the first

place ranking. The contract for consideration today establishes the scope of work and fees for CMaR services associated with the proposed Comprehensive Student center and related infrastructure projects. Primarily this contract establishes three parameters:

1. a scope and fixed fee for preconstruction services (such as cost estimating, timeline consultation, and constructability review)
2. a monthly fixed fee for general conditions and construction management during the construction phase
3. a percentage markup of cost of work for construction

At this time, approval of this contract will commit the college only to the fixed fee for preconstruction services of \$60,000. Should the college proceed with construction, the fixed fee for general conditions is established at \$27,551.00 per month, subject to negotiation if the scope of work should materially change. The percentage markup of cost of work is established at 1.69%. Total benchmark budget is \$25,000,000, including CM@R fees and construction costs. At this point, we need good estimates. This will go before the board at the 4PM Regular Board Meeting for approval.

### **Finance & Resources Committee:**

Mr. Luis Guerra, Committee Chair, moved forward with discussions items of the Finance & Resources Committee at 2:48 PM

\*\*Mr. Keith Blundell asked if they could address agenda item #3 since we had visitors from Cascos & Associates, PC Audit Firm here to present the Auditor's Report.

### **2. DISCUSS 2020 August and September Financial Statements**

Mr. Keith Blundell presented. He discussed the Statement of Net Assets as compared to the same time last year, noting most balances are comparable. Cash and cash equivalents are at \$10.75 million and restricted is at \$3.1 million. Total net position is \$8.7 million as compared to \$9.5 million the same time last year. Mr. Blundell then reviewed the Statement of Revenues, Expenditures and Changes in Net Assets for the consolidated fund and the Gonzales Center and other projects funds in detail, asking if any clarification was needed as he proceeded. He compared current year actual to 2019 actual and explained any differences. Tuition and fees for credit classes are at approximately a little over 100% of budget and non-credit is at 78.49%. Non-credit ended low in comparison to this time last year due to COVID and not functioning at capacity. Mr. Blundell explained a transfer from the general fund in the state restricted statement; \$219,992 was transferred to fund TPEG. He also noted a transfer from the general fund to auxiliary on page 15 of 21 due to COVID. The salaries remained the same, but the revenue dropped. Total expenditures are at 99.28% of budget. Mr. Blundell noted on page 18 of 21, budget adjustments are at net \$0. We still have \$2.7 million in the master plan budget.

Mr. Blundell went on to discuss the September 2020 Statement of Net Assets as compared to the same time last year, noting that we are up about \$11 million compared to same time last year. Cash and cash equivalents are at \$7.5 million and restricted is at \$3.6 million. Total net position is \$10.4 million as compared to \$12.08 million the same time last year. Mr. Blundell then reviewed the Statement of Revenues, Expenditures and Changes in Net Assets for the consolidated fund and the Gonzales Center and other projects funds. He compared current year actual to 2019 actual and explained any differences. Tuition and fees for credit classes are at approximately 39.77% of budget and non-credit is at 21.13%. This is low in comparison to same time last year. The thinking is that this is still due to COVID. Total expenditures are at 16.33% of budget. We have \$3.13 million in the master plan budget. Mr. Blundell shared that

16.33% of budget. We have \$3.13 million in the master plan budget. Mr. Blundell shared that the August and September 2020 Financial Statements would go before the board for approval at the 4PM Regular Board Meeting following this meeting.

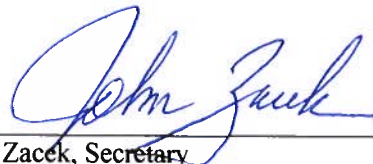
**\*\* 3. CONSIDER 2019-2020 Audited Financial Statements**

Mr. Keith Blundell introduced Carlos Cascos, CPA and Principal of Cascos & Associates, PC to present the Annual Financial Report. Mr. Cascos pointed out the bound report that each board member had in front of them. He noted that the intent of the audit is to issue an opinion on the fairness of the financials, while the College is responsible for financial statement preparation. Ms. Cascos shared with the committee that Victoria College again received an unmodified (clean) Opinion, which is the best opinion an entity can receive. No material weaknesses were identified in compliance, management or internal controls and no finding or questioned costs in federal or state programs were found during the review and testing. He then reviewed the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position noting variances from the prior year statements. All were comparable to the prior year. Mr. Cascos expressed his appreciation to the college staff for their work and assistance before and during the review, noting that a substantial amount of work is performed to assist the auditors in completing the schedules and perform testing. Mr. Blundell also expressed his gratitude to his staff, specifically Director of Finance Tracey Bergstrom. He shared that the Audited Financial Statements before them would go the board at the 4PM Regular Board Meeting for approval.

There being no further business, the meeting was adjourned at 3:40 PM.



Bland Proctor, Chair



John Zacek, Secretary