

**SPECIAL MEETING  
OF THE BOARD OF TRUSTEES  
HOUSTON COMMUNITY COLLEGE**

**February 19, 2015**

**Minutes**

The Board of Trustees of Houston Community College held a Special Meeting on Thursday, February 19, 2015, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

**MEMBERS PRESENT**

Zeph Capo, *Chair*  
Robert Glaser, *Vice Chair*  
Eva Loredo  
Sandie Mullins  
Christopher W. Oliver  
Carroll G. Robinson  
Neeta Sane  
David Wilson

**ADMINISTRATION**

Cesar Maldonado, Chancellor  
Shantay Grays, Chief of Staff  
E. Ashley Smith, Acting General Counsel  
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academics Officer  
William Carter, Vice Chancellor, Information Technology  
Diana Pino, Vice Chancellor, Student Services  
Teri Zamora, Vice Chancellor, Finance and Planning  
Michael Edwards, Acting President, Coleman College  
Margaret Ford Fisher, President, Northeast College  
Julian Fisher for Fena Garza, President, Southwest College  
Cheryl Peters for William Harmon, President, Central College  
Irene Porcarello, President, Southeast College  
Janet May, Chief Human Resources Officer

**OTHERS PRESENT**

Derrick Mitchell, Board Counsel, Bracewell & Giuliani  
Susan Goll, President, Faculty Senate  
Jodie Kahn, President, COPA  
Other administrators, citizens and representatives from the news media

**CALL TO ORDER**

Mr. Zeph Capo, Chair, called the meeting to order at 3:29 p.m. and declared the Board convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

*(The following Trustees were present: Capo, Glaser, Mullins, Robinson, and Wilson)*

**CONTINUATION OF FINANCE SESSION OF TRUSTEES ANNUAL TRAINING ON ETHICS, GOVERNANCE AND FINANCE**

Ms. Teri Zamora provided an overview of the finance material to include:

- State Funding Directly Appropriated and Other Appropriations
- Momentum Points
- Operating Expenses (THECB Report of Fundable Operating Expenses)
- Refundable Operating Expense
- College Funds

*(Ms. Loreda arrived at 3:42 p.m.)*

- Unaudited Fund Balances and Activities
- Unrestricted Revenue and Expenses

*(Mr. Oliver arrived at 3:49 p.m.)*

- Auxiliary Budget by Fund – Uncommitted Portion
- Auxiliary Budget by Fund – International and Committed Portion
- Adjusted Budget by Division
- Balance Sheet by Fund
- Exemption & Waivers Detail
- Financial Statement and Single Audit Reports

Mr. Robinson noted that there needs to be a plan for growing enrollment. He informed that the questions he provided centered on enterprise revenues, private sector grants and contracts, and corporate college fees. Mr. Robinson apprised that these are three revenue-generating items outside of tuition and fees. He noted that a conversation regarding these items in the future is desired.

Mr. Oliver apprised that his question or inquiry would be regarding a business plan. He noted that one should be developed if it does not exist and if there is one, it should be updated.

*(Mrs. Sane arrived at 4:08 p.m.)*

Mr. Oliver informed that formulating a business plan would give direction as to where the college is moving.

Mr. Wilson apprised that his concern is regarding filling buildings with the Capital Improvement Plan (CIP) project coming on line. He noted that there will be a need to gradually grow into operating the buildings and informed that there will need to be a plan for funding the buildings' operations.

Houston Community College  
Special Meeting – February 19, 2015 - Page 3

Mr. Wilson reference page 12 of the training material regarding the CIP and inquired if is off-line. Mrs. Zamora informed that it is off-line.

Mr. Glaser referenced the auxiliary budget and inquired if the funding allocated remains. Mrs. Zamora apprised that those funds have been moved from auxiliary and now reside in Fund 7.

Mr. Glaser requested that Mrs. Zamora provide more detail regarding the waiver requirements. Mrs. Zamora noted that there are some mandatory waivers and informed that others are not mandatory.

Mr. Glaser referred to refundable operating expenses. Mrs. Zamora clarified that it is fundable operating expenses.

Mr. Capo inquired how reliable are the numbers for fundable operating expenses. He elaborated that his inquiry is related to the averages. Mrs. Zamora apprised that it is a blend of several factors and efficiencies.

Mr. Capo recommended developing process to compare HCC numbers from year-to-year to measure improvements or where efficiencies are needed. He recommended including trend data and the direction of HCC and the State.

Ms. Mullins noted that outside sources of funding are needed. She inquired if international initiatives are benefitting the students here.

Mr. Robinson recommended that recruiting be done locally especially as relates to international students. He informed that there was a discussion regarding the trending and apprised that the purpose of the conversation is for budgeting. Mr. Robinson apprised that he would like a chart that shows academic and workforce as it relates to faculty. He noted that the issue may be to increase in areas with higher cost estimates. He requested administration review the chart drafted that provides a breakdown of the areas.

Ms. Loredó referenced page 95 of the Annual Financial Report and inquired if disbursement and expenses reflect the balance. Mrs. Zamora noted that when Pell Grants are received, it is not considered an expenditure so it is labeled as a disbursement.

Mr. Robinson noted that the observation was made that positions were written into grants at a higher scale and informed that the salary is limited to the internal salary scale. He apprised that if this is the case, the grant should be written with the salary scale that will be paid.

Mr. Capo noted that the issue falls under the discussion of how to bring in content workers.

*(Mrs. Sane stepped out at 4:34 p.m.)*

Houston Community College  
Special Meeting – February 19, 2015 - Page 4

Mr. Glaser referenced the state reimbursement for retirement and health insurance and inquired if the reimbursement requirement is included. Mrs. Zamora apprised that the number will be recorded in August. She noted that it is an accounting issue as opposed to legality. She informed that it is a Governmental Accounting Standards Board presentation and noted that the amount reflects HCC liability should the Teacher Retirement System of Texas not meet its obligations.

Mrs. Zamora apprised that the expense would not be recorded the first year only the liability would be adjusted annually.

With no further business coming before the Board, the meeting adjourned at 4:35 p.m.

*Minutes recorded, transcribed & submitted by:*  
Sharon Wright, Manager, Board Services

Minutes Approved as Submitted: April 16, 2015