

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

February 27, 2014

Minutes

The Board of Trustees of Houston Community College held a Regular Meeting on Thursday, February 27, 2014 at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

MEMBERS PRESENT

Neeta Sane, *Chair*
Christopher W. Oliver, *Vice Chair*
Robert Glaser, *Secretary*
Zeph Capo
Eva Loreda
Sandie Mullins
Carroll G. Robinson
Adriana Tamez
David B. Wilson

ADMINISTRATION

Destinee Waiters, Acting General Counsel
Shantay Grays, Chief of Staff
William Carter, Vice Chancellor, Information Technology
Charles Cook, Vice Chancellor, Academic Affairs
Thomas Estes, Vice Chancellor, Finance and Planning
Diana Pino, Vice Chancellor, Student Services
Margaret Ford Fisher, President, Northeast College
William Harmon, President, Central College
Fena Garza, President, Southwest College
Zachary Hodges, President, Northwest College
Irene Porcarello, President, Southeast College
Betty Young, President, Coleman College
Winston Dahse, Chief Administration Officer
Janet May, Chief Human Resources Officer
Remmele Young, Associate Vice Chancellor, Governmental and External Relations

OTHERS PRESENT

Jarvis Hollingsworth, System Counsel, Bracewell & Giuliani
Tom Sage, Bond Counsel, Andrews & Kurth
Jorge Rodriguez, Financial Advisor, Coastal Securities
Michelle Novak, President, Faculty Senate
Ava Cosey, President, COPA
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mrs. Sane, Chair, called the meeting to order at 4:09 p.m. and declared the Board convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

PRAYER AND PLEDGE OF ALLEGIANCE

Mr. David Wilson led the prayer and the Pledge of Allegiance to the Texas and American Flag.

APPROVAL OF MINUTES

Approval of Minutes from Committee of the Whole Meeting of January 16, 2014, Special Meeting of January 16, 2014, Regular Meeting of January 23, 2014, and Board Permanent Chancellor Search Committee Meeting of January 31, 2014

Motion – Mr. Oliver moved and Mr. Robinson seconded. The motion passed with a vote of 9-0.

CHAIRMAN'S REPORT

Mrs. Sane provided an update regarding the Chancellor Search process and informed that the Chancellor Search Advisory Committee (CSAC) met on Friday, February 21, 2014.

Mrs. Sane asked Dr. Tamez as Chair of the Chancellor Search Committee to provide an update of the process. Dr. Tamez informed that there are 29 members on the CSAC and apprised that the perspective of each individual is respected. She noted that the committee will meet on Friday, February 28, 2014 to interview prospective candidates. She informed that the effort of the committee and the Board is to identify the best individual to lead the institution.

Mrs. Sane apprised that the Board committee assignments have been finalized and noted that is working in support of the students and community.

CHANCELLOR'S REPORT (PROVIDED BY RENEE BYAS, ACTING CHANCELLOR)

Mrs. Renee Byas offered congratulations on behalf of the college to:

- Board Chair Neeta Sane for her recognition by the South Asian Chamber of Commerce for efforts and outstanding public servant.
- Trustees Oliver and Robinson, Dr. William Harmon, and the Black History committee for another successful Black History Gala held on February 21, 2014. She expressed appreciation to everyone for all the hard work, dedication and commitment to raising scholarships for many deserving students
- Bob Bellomy, Carmie Williams and the HCC Foundation for a record breaking Opportunity Ball held on February 22, 2014. The Ball honored Bob McNair, Owner, Houston Texans for his contributions to the community in partnership with HCC.

Mrs. Byas thanked the Board, and all those who continue to support HCC students. She informed that supporting students is at the center of core efforts and noted that the challenge to the colleges and administration continues to be to identify ways to better to connect with and serve students.

Mrs. Byas apprised that HCC continues to do great things in the classroom and in the community as the college, its leaders and faculty continue to be recognized for their work:

- HCC received a \$1.2 million nursing grant through the Texas Higher Education Coordinating Board
- HCC received a \$100,000 grant from the Texas Workforce Commission to fund Southwest College's summer Science Technology, Engineering and Mathematics (STEM) merit program
- Dr. Zachary Hodges, President, Northwest College was invited to join the Houston Technology Center Board of Advisors
- Central College's annual report "Stories of Success" will receive a Paragon Award at the National Council for Marketing and Public Relations Convention in March.
- Southeast College Center for Entrepreneurship continues to host successful business seminars for students, alumni and community

Mrs. Byas informed that in addition to putting students first, the college is diligently moving forward to better serve the students and community with the following:

- Bond Initiative Progress
- New Workforce Programs

Mr. Oliver expressed appreciation to the Chancellor Byas and Dr. Harmon on the support of the Black History Gala.

Mr. Robinson seconded the comments of Mr. Oliver. He expressed apologies for not being able to attend. He noted that the program was outstanding and asked supporters to begin signing up for next year's event. Mr. Robinson expressed appreciation to the Chancellor for support of Opportunity Ball as well.

Faculty Senate Report

Ms. Michelle Novak expressed that she would like to clarify comments made regarding the bookstore situation and noted that by no means was the response targeted to Trustee Loreda who was only bringing concerns forward regarding the book situation.

Ms. Novak also expressed appreciation to Trustees Sane and Tamez for attending the Faculty Senate meeting held on Friday, February 14, 2014.

Ms. Novak expressed appreciation on behalf of the Faculty Senate to the Board moving forward with the chancellor search. She informed that Faculty requests that all reorganization is placed on hold until a permanent Chancellor has been hired.

Dr. Tamez commented that the Faculty Senate conference was well organized and successful.

HEARING OF THE CITIZENS

There following individual(s) requested to speak before the Board:

- Daniel Arp
- Susana Villarreal

Mrs. Sane noted that Dr. Diana Pino would look into the matter. Mr. Oliver requested that an update is provided to the Board regarding the issue.

CONSENT AGENDA

Motion – Mr. Oliver moved and Mr. Robinson seconded to approve the consent agenda with the exception of A.3, C.5, C.7, C.8, C.9, C.10, and C.11. The motion passed with a vote of 9-0. The following items were approved:

- Approval of New Associate of Arts (AA) Degree in Interdisciplinary Studies
- Approval of New Associate of Arts (AA) Degree in Computer Information Systems and Associate of Science (AS) Degree in Computer Science
- Review Board Bylaws Regarding Procedure for Hiring Board Counsel
- Banking Resolution Authorization
- Financial Collection Services (Project No. RFP 14-03)

HCC HONORARY DEGREES FOR 2014

Motion – Mr. Oliver moved and Mr. Capo seconded.

Mr. Robinson proposed to award honoring degrees to nominees #2, #4, and #5.

Vote – The motion passed with a vote of 9-0.

RESOLUTION AUTHORIZING PRELIMINARY OFFICIAL STATEMENT AND ISSUANCE OF COMBINED FEE REVENUE AND REFUNDING BONDS, SERIES 2014 AND REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING BONDS

Motion – Mr. Oliver moved and Mr. Capo seconded.

Mr. Glaser apprised that he sent inquiries to administration regarding the refinancing cost and noted that administration provided a response to his inquiry. He informed that the refinancing would cost the college additional funds.

Mr. Robinson apprised that he is willing to make the short-term trade-off but would like to review how to pay debt off early during the next budget workshop. He noted that if the action will save \$2 million in cash flow then administration needs to be cautious not to incur expenditures exhaust the identified cash flow.

Ms. Mullins asked for clarification in the increase in debt. Dr. Thomas Estes informed that it is approximately \$871,000.

Ms. Mullins inquired of the extra cash flow. Mr. Jorge Rodriguez, Financial Advisor, Coastal Securities apprised that the cash flow would be approximately \$1.5 million.

Ms. Mullins requested that the funding be noted in a separate line item until the Board has identified the usage for the funds at the next budget workshop. Dr. Estes noted that the item will be listed in a separate line item.

Ms. Loreda inquired of the reason for the refinancing. Mr. Rodriguez informed that it is the lowest possible cost of the reset life. He apprised that it is the best of all scenarios and places the college in a fixed rate amortization.

Vote – The motion passed with a vote of 7-1-1 with Mr. Wilson opposing and Mr. Glaser abstaining.

INVESTMENT REPORT FOR THE MONTH OF DECEMBER 2013 AND MONTHLY FINANCE STATEMENT FOR JANUARY 2014

Motion – Mr. Oliver moved and Mr. Capo seconded.

Ms. Mullins inquired if net tuition includes all tuition income. Dr. Charles Cook apprised that workforce is credit and non-credit. He noted that workforce is included in both sides of the tuition income.

Ms. Mullins inquired if there is a way to track workforce revenues. Dr. Estes noted that he has been asking the same question and informed that it is difficult to track workforce income due to the way the system is designed.

Mr. Oliver referenced the last paragraph of summary of the financial statement and requested clarity. Dr. Estes referenced auxiliary on page 3 and informed that the first column is self-explanatory and the next five columns break out Fund 3110. He apprised that the effort underway is to develop a listing of leases. Dr. Estes provided an overview of the auxiliary revenues.

Mr. Oliver noted that he is concerned about Neo's Cafe. Dr. Estes informed that he has concern regarding Neo's Cafe as well. He apprised that discussion has been held regarding the issue and noted that he would like to get to a breakeven point.

Mr. Oliver referenced the marketing. Dr. Estes apprised that the Board approved the marketing campaign and noted that the marketing under the auxiliary reflects the associated costs.

Mr. Robinson commented that he had a client/student register a complaint. He informed that no one had the decency to come forward to address the issue. He apprised that the individual had to come and complain to the Board. He requested that the Chancellor make certain that someone addresses the issues raised by students.

Mr. Robinson requested the amount of money spent on financial aid staff from the Chancellor all the way down. Dr. Estes noted that he would provide the information.

Mr. Robinson inquired if students are coded as academic versus workforce when they enroll and informed that there should not be a problem of identifying students. Dr. Cook apprised that PeopleSoft initially was set up to distribute money according to academic organization. He noted that the effort is to be able to identify the actual program code to determine cost and revenue for each program.

Mr. Robinson inquired of the number of contact hours for academic and workforce. Dr. Cook informed that it is tracked.

Mr. Robinson asked to see the numbers with the contact hours of academic versus workforce. He apprised that he would like to see a revenue/expense center model by programs.

Mr. Robinson inquired if the only enterprises generating money are 3100 Main and the bookstores. Dr. Estes noted that is correct.

Mr. Robinson informed that more has to be done to generate additional cash flow besides refinancing. He apprised that partnership opportunities should be reviewed. Dr. Estes noted that he is committed to looking into the opportunities.

Mrs. Sane informed that a budget workshop will be held to consider the items raised by Mr. Robinson.

Mr. Oliver apprised that a general brainstorming session should be held regarding revenue generating enterprises.

Ms. Loreda inquired if the athletic field projects are correct as referenced under revenues.

(Mr. Oliver stepped out at 5:09 p.m.)

Dr. Estes noted that there are two projects regarding athletic fields.

Ms. Mullins reference page 2 and inquired if out-of-district dual credit is revenue generating and requested a line item to track the revenue generation from out-of-district dual credit.

Vote – The motion passed with a vote 8-0.

PAYMENT TO GARDERE WYNNE SEWELL LLP FOR PROFESSIONAL LEGAL SERVICES RENDERED THROUGH DECEMBER 31, 2013

Motion – Mr. Capo motioned and Dr. Tamez seconded.

Mr. Wilson informed that he does not see the benefit to the college and noted that he is opposing the item.

Mrs. Sane apprised that there is a legal comment from General Counsel regarding the item.

(Mr. Oliver returned at 5:11 p.m.)

Ms. Destinee Waiters advised charges regarding the item should be discussed in closed session.

Mrs. Sane inquired if there is further discussion on the item.

Vote – The motion passed with a vote of 8-1 with Trustee Wilson opposing.

PAYMENT TO BRACEWELL & GIULIANI LLP FOR PROFESSIONAL SERVICES RENDERED (JANUARY 2014)

Motion – Mr. Oliver moved and Mr. Capo seconded

Mr. Robinson noted that at some point there needs to be a RFQ on the item so that the Board can engage a contract for Board Counsel.

Mrs. Sane informed that the item is scheduled for discussion in the Board Governance Committee. Mr. Capo apprised that the item is scheduled for discussion on the next Board Governance committee agenda.

Vote – The motion passed with a vote of 8-0-1 with Mr. Robinson abstaining.

TOPICS FOR DISCUSSION AND/OR ACTION

PERSONNEL AGENDA FOR FEBRUARY 2014

Motion – Mr. Oliver moved and Mr. Capo seconded. The motion passed with a vote of 9-0.

Mr. Robinson noted that he still does not have a sense of where people are needed.

Mr. Oliver informed that a lot of the questions will be answered once a permanent Chancellor is in place.

Ms. Mullins apprised that she would like to have a discussion at some point as to how faculty is assigned. She noted that it is a conversation that could be held once the permanent Chancellor is in place.

Dr. Cook informed that demand for the program and as well as faculty ratio is reviewed. He apprised that the administrative team reviews the recommendations. He noted that

the programs with the greatest need for faculty and number of classes demanded by students is where the resources are allocated.

ADJOURNED TO CLOSED SESSION

Mrs. Sane adjourned the meeting to Executive Session at 5:21 p.m. notice having previously been given and reiterated in accordance with Sections 551.071, 551.072, and/or 551.074 of the Open Meetings Law. Mrs. Sane stated that any final action, vote or decision on any item discussed in Executive Session would be taken up in Open Session or in a subsequent Public Meeting.

Mrs. Sane reconvened the meeting in Open Session at 7:15 p.m. and entertained any motions on pending matters.

(The following Trustees were present: Capo, Glaser, Loreda, Oliver, Robinson, Sane, Tamez and Wilson)

RATIFICATION OF SPONSORSHIP AGREEMENTS BETWEEN HCC AND THE HOUSTON TEXANS, HOUSTON ROCKETS, AND HOUSTON DYNAMO

Motion – Mr. Oliver motioned and Mr. Robinson seconded.

Amended Motion - Mr. Capo motioned to amend to ratify the contracts and direct Board Counsel to work with administration on renegotiating the terms and conditions of all contracts and bring them back to the Board for approval. Mr. Robinson seconded. The amended motion passed with a vote of 8-0.

Vote – The motion on the amendment passed with a vote of 8-0.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 7:17 p.m.

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

Minutes Approved as Submitted: April 17, 2014