

**COMMITTEE OF THE WHOLE  
OF THE BOARD OF TRUSTEES  
HOUSTON COMMUNITY COLLEGE**

**August 11, 2016**

**Minutes**

The Board of Trustees of Houston Community College met as a Committee of the Whole on Thursday, August 11, 2016, at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

**MEMBERS PRESENT**

Adriana Tamez, *Chair*  
Carolyn Evans-Shabazz, *Secretary*  
Zeph Capo  
John P. Hansen  
Eva Loreda  
Neeta Sane  
Dave Wilson

**ADMINISTRATION**

Cesar Maldonado, Chancellor  
Ashley Smith, General Counsel  
Teri Zamora, Senior Vice Chancellor, Finance and Administration  
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academic Officer  
Athos Brewer, Vice Chancellor, Student Services/Academic Affairs  
William Carter, Vice Chancellor, Information Technology  
Madeline Burillo, President, Southwest College  
Margaret Ford Fisher, President, Northeast College  
William Harmon, President, Central College  
Phillip Nicotera, President, Coleman College  
Irene Porcarello, President, Southeast College  
Janet May, Chief Human Resources Officer  
Carne Williams, Executive Director, HCC Foundation

**OTHERS PRESENT**

Melissa Mihalick, Board Counsel, Bracewell LLP  
David White, President, Faculty Senate  
Other administrators, citizens, and members of the press

**CALL TO ORDER**

Dr. Tamez, Chair, called the meeting to order at 12:55 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, Evans-Shabazz, Hansen, Loreda, Sane, Tamez, and Wilson)*

**TOPICS FOR DISCUSSION AND/OR ACTION**

**ANNUAL REPORT TO THE BOARD OF TRUSTEES FROM THE BOND OVERSIGHT COMMITTEE**

Dr. Maldonado apprised a report would be provided by Mr. Larry Turner, Secretary of the Bond Oversight committee.

Dr. Tamez thanked Mr. Turner for serving on the committee.

Mr. Turner provided a report from the Bond Oversight Committee to include an overview of the committee's mission statement and committee members. Mr. Turner acknowledged Mr. Charles Smith and Ms. Linda Gray for their assistance to the committee.

Mr. Turner provided an activity report for 2015 to include the following:

- Monitor the progress of the 2013 Capital Improvement Program
- Met four times during 2015 (March, June, September and December)
- Received reports regarding construction and financing status
- Reviewed updated Bond website
- Briefed on the LEED certification program
- Received updates on CIP Leadership outreach to community organizations
- Adopted revisions to the Bond Oversight Committee bylaws in June 2016

Mr. Turner summarized that the program is progressing satisfactorily.

Mr. Turner noted it was a wise decision to create the committee and noted he has served on similar committees for other entities. He noted the Bond Oversight committee keeps things transparent and recommended that a committee established for any future bond projects.

Mrs. Sane noted the Bond Oversight committee supplemented the decisions of the Board and also thanked Mr. Turner.

Mr. Capo expressed appreciation of the broad expertise of the committee members. He inquired if the size of the committee was more beneficial. Mr. Tuner noted the size is typical of bond oversight for municipalities and school districts.

Ms. Loredo thanked Mr. Turner and asked that appreciation be extended to the committee members for their time and efforts.

Dr. Hansen also extended his appreciation.

Ms. Sane noted the experience and expertise regarding the bond oversight committee will be used to build upon for the future.

**APPROVE LEASE AGREEMENT FOR 2302 FANNIN**

Dr. Maldonado noted the recommendation is to approve the lease agreement with 2300 Fannin LTD for 2,907 square feet of space located at 2302 Fannin Street to house the Houston Minority Business Development Agency for three (3) years.

Dr. Hansen inquired about the purpose of the college being a part of the grant and why did the college undertake the initiative. Dr. Maldonado noted the college role is to fulfill the grant requirements and assist businesses with training and opportunities to grow their businesses. He noted there is also a vibrant Goldman Sachs 10K program and efforts to assist students who want to start their own businesses. He noted the program supports economic development in the area.

Ms. Loredo noted it serves as part of the commitment to give back to the community.

Mr. Capo inquired if the space is already owned and the college is being provided space in lieu of paying. Dr. Maldonado noted the MBDA is adamant about the space being synergistic and assist the college with succeeding in the economic development. Dr. Maldonado noted Charles Smith could provide their insight.

Mr. Smith noted the space is located downstairs from the Small Business Administration.

Mr. Wilson inquired as to how many parking spaces are being rented. Dr. Maldonado apprised that the number of spaces is unknown; however, the information could be retrieved.

*(Dr. Evans-Shabazz stepped out at 1:12 p.m.)*

Mr. Wilson inquired of the total amount regarding the matching for the grant. Mrs. Zamora noted there are in-kind and cash matching and noted the amount is approximately \$480,000 provided through the grant and approximately \$100,000 is provided by the college.

*(Dr. Evans-Shabazz returned at 1:18 p.m.)*

Dr. Tamez requested Mr. Smith obtain the information regarding Mr. Wilson's inquired about parking spaces.

*(Mr. Capo stepped out at 1:21 p.m.)*

Vote: Motion passed with a vote of 5-0-1 with Mr. Wilson abstaining.

**REPORT ON BOND CAPITAL IMPROVEMENT PLAN (CIP) RELATED MATTERS**

Motion Mrs. Sane motioned and Ms. Loredo seconded to place the CIP Report on the Regular meeting agenda.

Vote: Motion passed with a vote of 5-1 with Mr. Wilson opposing.

*(Mr. Capo returned at 1:25 p.m.)*

*(Ms. Loredo stepped out at 1:23 p.m.)*

*(Mrs. Sane stepped out at 1:25 p.m.)*

**AUTHORIZE THE REPAYMENT OF PORTION OF 2006 JR. LIEN STUDENT FEE REVENUE AND REFUNDING BONDS CALLABLE IN 2016**

Motion Mr. Capo motioned and Dr. Hansen seconded.

Dr. Maldonado noted the item is to approve the repayment of a portion of 2006 Jr. Lien Student Fee Revenue and Refunding Bonds callable in 2016. He apprised that Mrs. Zamora would provide an overview of the proposed transaction.

Mrs. Zamora noted the item is to pay off debt which was callable since April 2016 from the current 2016 unrestricted budget and the 2017 unrestricted budget to have both paid in September. She added the request is to authorize the execution of the resolution to pay off the debt early.

*(Dr. Evans-Shabazz stepped out at 1:27 p.m.)*

*(Ms. Loredo returned at 1:29 p.m.)*

*(Dr. Evans-Shabazz returned at 1:29 p.m.)*

Dr. Maldonado noted there is a timing issue and the savings is approximately \$1.4 million.

Vote: Motion passed with a vote of 6-0.

**AUTHORIZE THE REPAYMENT OF PORTION OF 2006 MAINTENANCE TAX NOTES CALLABLE IN 2016**

Motion: Ms. Loredo motioned and Dr. Evans-Shabazz seconded.

Dr. Maldonado noted the item is very similar to the prior item and apprised Mrs. Zamora would provide an overview.

Mrs. Zamora noted the effort is regarding repayment of the Maintenance Tax Notes for a portion to be paid out of this year's budget and a portion out of the 2017 budget. She noted approximately \$640,000 will be saved.

Mr. Wilson inquired about the interest on the calls. Mrs. Zamora noted the interest was high since they were issued in 2006.

Vote: Motion passed with a vote of 6-0.

*(Ms. Sane returned at 1:34 p.m.)*

#### **COOPERATIVE CONTRACT AWARDS FOR FISCAL YEAR 2017**

Motion: Mr. Capo motioned and Dr. Evans-Shabazz seconded

Dr. Maldonado noted the Board approved his authority for purchases up to \$500,000 and noted the items provided are in excess of that authority. He noted the majority of the items are IT related.

Mr. Wilson inquired if the funding is from the operating or student fee budget. Mrs. Zamora noted item costs will be paid from CIP budget, operating budget, and majority from the Capital and Technology fund budget.

Ms. Loreda inquired if there are any discounts. Mrs. Zamora noted there are discounts provided and noted bidding is also done between co-ops for best value. She added it is vetted to determine where the best savings could be identified.

Mr. Capo inquired if there is a rational between buying certain brands. Mrs. Zamora noted institutions typically adopt one brand for ease in IT servicing and pricing.

Vote: Motion passed with a vote of 7-0.

#### **SOLE SOURCE CONTRACT AWARDS FOR FISCAL YEAR 2017**

Motion: Ms. Loreda motioned and Ms. Sane seconded.

Dr. Maldonado apprised this is authorization to negotiate and execute budgeted contract awards for sole source items for a three-year term. He noted the specific items are listed under fiscal impact.

Dr. Hansen inquired if there is an attempt to negotiate even though it is a sole source. Dr. Maldonado noted the college is in compliance with the statutes in identifying the sole sources. He noted that there is a process in place for identifying sole source items.

Dr. Tamez requested any additional information be provided to Dr. Hansen on his inquiry.

Mrs. Sane inquired if there is training for the staff for the different applications. Dr. Maldonado note most of the applications are already in use. He noted the resources are available for training if necessary.

Vote: Motion passed with a vote of 7-0.

#### **INVESTMENT REPORTS FOR THE MONTH OF MAY AND JUNE 2016**

##### **MONTHLY FINANCIAL STATEMENT AND BUDGET REVIEW FOR MAY AND JUNE 2016**

Motion: Mr. Capo moved and Dr. Hansen seconded to combine items H, I, J, and K.

Vote: Motion passed unanimously with a vote of 7-0.

Motion: Mr. Capo motioned and Ms. Sane seconded.

Dr. Maldonado apprised Mrs. Zamora would present on the combined items.

Mr. Capo inquired if the 1% under is tuition. Mrs. Zamora noted it is mostly in the Continuing Education tuition.

Ms. Loredo noted it is good to have a savings and not short cutting programs; however, the monies budgeted need to be used as needed.

Mr. Wilson noted the Board needs to be mindful of the taxpayer and does not need to spend all the dollars allotted with taxpayers' dollars.

Mr. Capo noted we are here for the students and noted Ms. Loredo comments were to make certain we are not shortchanging programs or deficiencies in other areas.

Ms. Loredo provided an example and noted faculty comments on the lack of material or insufficient library hours due to the lack of funding. She noted the funding was available but it was not used. She noted the funds should not be used if they are not needed.

Vote: Motion passed with a vote of 7-0.

*(Mr. Capo stepped out at 1:51 p.m.)*

#### **BUSINESS CONTINUITY PLAN**

Dr. Maldonado noted Mr. Robert McCracken, Risk Manager, would provide an overview of the Business Continuity Plan for the college.

Mr. McCracken overview included the following:

#### MISSION STATEMENT

- APPROACH – FOCUS
  - Emergency Management Plan
    - All Hazards Response
    - Immediate Threat
    - Safety/Frist Responders
    - Manager Incident – NIMS
  - Business Continuity Plan
    - Loss of Essential Functions
    - Create Redundancies
    - Restore Operations
    - Manage Resources
- APPROACH – FLOW CHART
- RESPONSIBILITIES – CORE ELEMENTS
  - Executive
    - Strategic Goals
    - Resources
  - Unit Heads
    - Identify Essential Functions
    - Recovery Plans
    - Prepare Personnel
  - Risk Management
    - Structure
    - Coordination
    - Testing
- APPROACH – IMPLEMENTATION
- TIMELINE

Mr. McCracken referenced the command staff and noted the Chancellor would not serve as the Incident Commander but provide oversight from a higher level. He noted the Incident Command staff titles reflect those that would be seen at other entities utilizing the Incident Command.

#### **HCC FOUNDATION QUARTERLY REPORT**

Dr. Maldonado noted that Ms. Carme Williams would provide a quarterly report for the HCC Foundation.

Ms. Williams provided a report on the following:

Recent Activities

- Election of Officers
- Centers and Program Tours
- Faculty and Staff Campaign
- Strategic Planning: 2017-2020
- Scholarship Awarding Preparation
- Scholarship Data Analysis

Overview of HCC Foundation Correlation with HCC Strategic Plan

- Revenue as of June 30, 2016
- Net Asset Balances
- Scholarship Dollars Awarded
- Number of Scholarships Awarded
- Workforce Scholarships Awarded

Dr. Hansen inquired if the \$1.8 million was not paid out in scholarships, how was it broken down? Mrs. Williams apprised the remaining funds are endowments. Dr. Hansen inquired what the G&A expenditures are for the Foundation. Dr. Maldonado responded with it being about \$1 million. Dr. Hansen clarified the \$1.8 million breakdown included \$800,000 to endowment and \$1 million in operating expenses. Dr. Maldonado noted the numbers are the end of June 2016. Dr. Hansen inquired about the fiscal year. Ms. Williams stated it is August 31<sup>st</sup>. Mrs. Zamora noted she could work with Ms. Williams to provide a comprehensive report. Dr. Hansen clarified his inquiry of the \$1.8 million breakdown. Dr. Maldonado noted last year's report could be provided, which should reflect the information.

Ms. Loreda expressed appreciation to the Foundation for working for our students and inquired if the Robert Garner Safety Institute monies is included in the \$3 million. Ms. Williams confirmed it was part of the workforce scholarship distribution.

Mr. Wilson noted there was a big jump on workforce scholarships awards. He added he would also like to see the financial statement from last year Dr. Hansen requested.

**ADJOURNMENT**

With no further business coming before the Board, the meeting adjourned at 2:15 p.m.

Minutes submitted by Sharon R. Wright, Director, Board Services

Minutes Approved as Submitted: September 22, 2016