

**San Jacinto College District Board Workshop  
August 17, 2015  
District Administration Building, Suite 201**

**MINUTES**

	<b>Board Workshop Attendees:</b>	<b>Board Members:</b> Marie Flickinger, Brad Hance, Dan Mims, John Moon, Jr., Keith Sinor, Ruede Wheeler, Larry Wilson <b>Chancellor:</b> Brenda Hellyer <b>Others:</b> Allatia Harris, Ken Lynn, Mandi Reiland, Steve Trncak, Laurel Williamson
	<b>Agenda Item:</b>	<b>Discussion/Information</b>
<b>I.</b>	<b>Call the Meeting to Order</b>	<b>Workshop began at 5:15 p.m.</b>
<b>II.</b>	<b>Roll Call of Board Members</b>	<b>Board Members:</b> Dan Mims, Marie Flickinger, Brad Hance, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson
<b>III.</b>	<b>Adjournment to closed or executive session pursuant to Texas Government Code Section 551.072 &amp; 551.074, of the Texas Open Meetings Act, for the following purposes: Real Estate and Personnel</b>	Adjourned to closed session at 5:17 p.m. Steve Trncak and Laurel Williamson were present for the closed session.
<b>IV.</b>	<b>Reconvene in Open Meeting</b>	Reconvened in open meeting at 6:05 p.m.

<p><b>V.</b></p>	<p><b>Review 2015-2016 Budget</b></p>	<p>Brenda explained that the budget draft was sent to the Board two weeks prior to the budget meeting. Included in the workshop folder are the action item for tonight and the copy of the presentation that Ken Lynn will review. Ken reviewed the 2015-2016 Budget. The College has to have the budget adopted by September 1, 2015.</p> <p>The following bullets are the major points presented on the budget:</p> <ol style="list-style-type: none"> <li>1. Major revenue assumptions <ul style="list-style-type: none"> <li>• Decrease of \$655,000 State Revenue</li> <li>• Property tax revenue budgeted using same total rate as Fiscal Year (FY) 15</li> <li>• Tuition and fees same for FY16, 1.5% enrollment increase, increase in some program revenues (flight training services &amp; helicopter flight training services)</li> <li>• Interest income decrease of \$38,000</li> <li>• Auxiliary services revenue decrease of \$570,000</li> <li>• Financial Aid – Pell and Loans down \$11.4 million based on past three years</li> <li>• Federal, state, and local grants- up \$9 million due to Department of Labor grant</li> <li>• Debt service – down \$2.1 million due to lower payment schedule</li> </ul> </li> <li>2. Unrestricted revenue sources comparing last year to this year – Biggest changes are maintenance ad valorem taxes and financial aid.</li> <li>3. Sources of revenue comparison – net increase is about \$273,000</li> <li>4. Reminder that these are budgeted estimates and will adjust throughout the year with actual numbers.</li> <li>5. Major expenditure assumptions <ul style="list-style-type: none"> <li>• Instructional budget increased \$1.1 million (\$270,000 increase in flight training, \$750,000 for helicopter training services, \$400,000 net increase in part time instructional labor, \$235,000 reserve unexpended salary budget)</li> <li>• CPD budget to remain the same</li> <li>• Academic support budget decrease of \$68,000 (\$107,000 increase for new personnel, \$28,000 increase for library shared services, \$176,000 increase for Blackboard, decrease of \$380,000 reserve unexpended salary budget)</li> <li>• Student services budget decrease \$458,000</li> <li>• Institutional Support increased \$2 million</li> <li>• Operations and maintenance decreased \$622,000</li> </ul> </li> </ol>
------------------	---------------------------------------	---

		<ul style="list-style-type: none"> <li>• Staff benefits increased by \$3.9 million due to reallocation to line item out of Vice Chancellor of Fiscal Affairs (VCFA) budget and \$1.2 million increase in costs of benefits</li> <li>• Banner revitalization decreased \$1,150,000 due to substantial completion of project</li> <li>• Capital expense budget down \$5 million due to the West administration building project complete</li> <li>• Compensation pool – \$2.4 million in the VCFA contingency for raises</li> <li>• Depreciation \$19.5 million (increase of \$4 million)</li> </ul> <p>6. Expense comparisons are balanced for FY16 budget.</p> <p>7. Expense category unrestricted comparison FY15 and FY16 – financial aid decreased</p> <p>8. This year we tried to allocate budget dollars that have previously gone unspent at year end. If we don't meet revenue projections then expense budget will need to be reduced.</p> <p>9. Next steps</p> <ul style="list-style-type: none"> <li>• Approve budget on or before August 31, 2015</li> <li>• Adopt tax rate in September/October – certified tax values anticipated week of August 24<sup>th</sup></li> </ul> <p>▪ Marie asked why staff benefits increased so much. Ken explained that a permanent budget transfer was made instead of temporary year to year transfers. This is about 13-14% true increase, but majority is due to reallocation between budget areas. Marie suggests adding asterisk in the Budget to explain this. The Board members didn't have preference, most said they are fine with it. Ken said he can add a note to the final budget document.</p> <p>▪ Ruede asked how they determine percentages for the rating raises. Steve explained that we look at colleges throughout the area to see what the proposed increases are for the year. We also review prior year adjustments. We are trying to address how to be competitive. We then begin modeling options based on the distribution of the current year's evaluations. Brenda said that Steve gives her options that stay within \$2.4 million budgeted pool. Steve will bring distribution curves at next meeting.</p> <p>Brenda explained that that there will be a public budget hearing after the workshop and she asked if the Board wants to have Ken present the whole presentation. The Board prefers that he not</p>
--	--	---

		present it in the hearing unless someone requests to have it presented.
<b>VI.</b>	<b>Review Fall 2015 Enrollment</b>	<p>Brenda Hellyer covered the enrollment update and reference the handout of the registration comparisons from August 17, 2015. The unduplicated headcount is up 0.2% from last Fall and our contact hours are down .06% at this time. Brenda stated this was an interesting cycle to watch. Last Thursday (August 13), when we purged unpaid students, we had an increase after the purge and normally have a decrease after purging. Central campus is down in academic but is up in technical. North Campus is down in technical due to the nursing programs, cosmetology, and culinary. There are still 500 students that need to enroll for dual credit and early college high school (ECHS). South campus is down in technical which is due largely to the health sciences. The summer classes just ended this weekend so students can now start enrolling in their next classes.</p> <p>We built the budget with a 1.5% increase in enrollment. We will continue to work on bringing enrollment up. With the dual credit and ECHS enrollment expected at North campus as well as working on the enrollment that was lost due to the purge, we should hit that 1.5% goal.</p> <p>Laurel Williamson stated that 3500 students were purged that were unpaid. Historically we get back 50-55% that were lost in the purge. Across the College, we are working on contacting the students that were purged. Also, students that had not completed their meningitis shots have been contacted. Robert Merino and his team in financial aid have been contacting students as well. Laurel specified that we are looking at our system and process because some students who should have had a hold on registration were able to register anyway.</p>
<b>VII.</b>	<b>Review Letter From SACSCOC Dated July 1, 2015</b>	<p>Brenda explained that we received a letter from SACSCOC that states the College needs to respond with further detail on each of the following items. The response is due September 7, 2015.</p> <p>Laurel explained the two items below:</p> <p>CS 3.13.1 (Policy Compliance)  <i>This standard expects an institution to comply with the following policy of the Commission on Colleges: "Accrediting Decisions of Other Agencies."</i></p> <p>We gathered all of the 29 external documents that were mentioned in the letter, 19 of them were signed by the Chancellor, and the</p>

		<p>others were signed by campus presidents. On September 1, letters will be going out to remaining entities to send them documents with Chancellor Signatures on them instead of the presidents. We were not representing ourselves as one College and they are giving us an opportunity to show this on paper more consistently.</p> <p>CS 3.4.11 (Academic Program Coordination)  <i>For each major in a degree program, this standard expects as institution to assign responsibility for program coordination, as well as for curriculum development and review, to persons academically qualified in the field. In those degree programs for which the institution does not identify a major, this requirement applies to a curricular area or concentration.</i></p> <p>The review team was confused who the chairs were and what programs they had oversight of within the multi discipline technical departments. SACSCOC would like to know who is in charge of each area (full time credentialed faculty).  The plan is to send them an organization chart and also the information in a spreadsheet format. Laurel will be talking to the liaison to present this to him to make sure he agrees with these formats.</p> <p>Brenda wanted the Board to be aware of the two items.</p> <p>Marie asked how this compares with our last 5 year review. Laurel stated that we spent more time on other more crucial areas that we did not focus on these as much. Overall, it is a positive report.</p> <p>Brad asked if schools get on probation and if other schools been removed.  Brenda explained the process which includes several steps of not getting responses and documentation in order. If they are removed, they will not receive federal funds. It is usually pretty severe items, mostly financial and not these kind of items.  Laurel explained that there have been major colleges that were put on warning status due to credentialing and assessment issues also.</p>
<p><b>VIII.</b></p>	<p><b>Update on 2015 Building Program, San Jac Tomorrow</b></p>	<p>Brenda showed the Board the final bond brochure as well as a sample of the mailers – one for all residents and one for seniors. A one pager is still being developed.</p> <p>Brenda mentioned the Petrochem industry meeting and how well that went.</p> <p>Friends of San Jacinto College have been very busy.</p>

<b>IX.</b>	<b>Calendar</b>	Brenda went over the Board calendar: <ul style="list-style-type: none"> <li>• 9/1 Greater Houston Partnership State of the Senate Luncheon with Ted Cruz</li> <li>• 8/25 Building Committee and Finance Committee meetings</li> <li>• 9/14 Next Board Meeting</li> </ul>
<b>X.</b>	<b>General Discussion of Meeting Items</b>	<p>Last meeting Dan mentioned that Dan, Brenda, and Teri were invited and went to Washington, DC for a meeting on free community college tuition. The meeting was very informal and the Secretary, Department of Education went around and visited all the attendees. They admitted that they do not have the funds, at this point it is an idea, and they were sincere in wanting their thoughts. They took attendee's notes and questions from college representation. First time in college would be impacted by this. They did not have anything in the proposal addressing dual credit. Also, discussed that States were supposed to match a certain percentage and they noted that in Texas that would probably not happen. Dan sent in his comments and expressed his concern that the State would most likely not provide any funds. He recommended that dual credit be added to the proposal. Larry explained that it is nice to say, but you cannot trust that this will really happen. Marie asked how many colleges from Texas were there. Dan said about a dozen. Brenda said Dallas brought in some of their chambers, education partners, and industry partners.</p>
<b>X.</b>	<b>Adjournment</b>	<b>Workshop adjourned at 6:54 p.m.</b>