

San Jacinto College District Board Workshop January 30, 2023

The Board of Trustees of the San Jacinto Community College District met for a Board Workshop at 5:00 p.m., Monday, January 30, 2023, in Room 201 of the Thomas S. Sewell District Administration Building, 4624 Fairmont Parkway, Pasadena, Texas.

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| | Board Workshop Attendees: | Board Members: Marie Flickinger (absent), Erica Davis Rouse, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson Chancellor: Brenda Hellyer Other: Mandi Reiland, Laurel Williamson, Teri Zamora |
| | Agenda Item: | Discussion/Information |
| I. | Call the Meeting to Order | Vice Chair, John Moon, Jr., called the workshop to order at 5:00 p.m. |
| II. | Roll Call of Board Members | Board Chair Flickinger conducted a roll call of the Board members: Erica Davis Rouse Marie Flickinger (absent) Dan Mims John Moon, Jr. Keith Sinor Dr. Ruede Wheeler Larry Wilson |
| III. | Adjournment to closed or executive session pursuant to Texas Government Code Section 551.071 and 551.074 of the Texas Open Meetings Act, for the following purposes: Legal Matters and Personnel Matters | Vice Chair Moon, Jr. adjourned to closed session at 5:02 p.m. The Board members listed above as attending, Chancellor Brenda Hellyer, Teri Zamora, and Mandi Reiland were present for the closed session. a. Legal Matters - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law. It was determined that no legal matters needed to be discussed. b. Personnel Matters - For the purpose of considering the appointment, employment, evaluation, |

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| | | reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee. |
| IV. | Reconvene in Open Meeting | Vice Chair Moon, Jr. reconvened to open meeting at 5:28 p.m. |
| V. | Discuss Proposed Bachelor of Applied Science in Education | <p>Dr. Laurel Williamson provided an overview of the proposed Bachelor of Applied Science in Education. This degree will be focused on early childhood education and will align with the associates degree in early childhood education that is already offered by the College. Dr. Williamson and Dr. Brenda Hellyer have met with the superintendents in the College’s taxing district, and all are supportive of the College offering this degree. This program should help address the shortage of early childhood teachers. The College will also be developing an alternate certification program in conjunction with the degree. The certification program will allow those who earn their bachelor’s degree in early childhood to qualify to teach beyond early childhood. The entry level salary for this degree is above the family sustainable living wage.</p> <p>Brenda explained that the College plans to implement this program by January 2024.</p> <p>Laurel added that the program will be promoted in fall 2023 with the caveat that it is still awaiting approval by the Texas Higher Education Coordinating Board (THECB) and Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).</p> <p>Larry Wilson asked what grades are considered early childhood education in this program. Laurel responded that early childhood education is up to third grade, but the alternate certification will make it so students can teach higher grades.</p> <p>Keith Sinor asked who approves this program. Laurel responded that the program requires Board approval and approval from the THECB and SACSCOC.</p> <p>Dan Mims asked how many additional faculty members will be hired for this program. Laurel responded that one faculty member will need to be hired in the beginning, and a second hire will be justified</p> |

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| | | <p>based on the expansion of the program. The College currently has education faculty in place who could deliver these courses.</p> <p>Brenda added that the College would also need to hire a program director. We have submitted a \$1.5 million grant proposal for this program. If the grant does not get approved, we will still be able to fund it through new program dollars. We should hear if the grant was approved by February.</p> <p>Keith asked if there is every any push back from the University of Houston Clear Lake (UHCL) on these types of programs. Brenda responded that there could be. A notice to offer this program will also be sent to the Higher Education Regional Council (HERC).</p> <p>Laurel added that the HERC could protest, but she has been in contact with UHCL, and they are not concerned since the shortage of teachers is so high. The College will also be an excellent pathway for underrepresented populations. Currently, approximately 80 percent of teachers across the nation are white females, so we are looking to expand the diversity in this program. A student receiving their bachelor’s degree in this program at San Jacinto College will save approximately \$20,000 in tuition.</p> <p>The Board members were supportive of this program.</p> |
| <p>VI.</p> | <p>Review of Board Election Calendar and Processes</p> | <p>Teri Zamora provided an overview of the Board election calendar. The College will be contracting with Harris County for this election. The last date to file for election is February 17. The ballot drawing will be done by attorney, Danny Snooks, on February 27. The last day to register for voting is April 6. The first day of voting is April 24, and the last day of early voting is May 2, with Election Day being May 6. She provided a breakdown of the County responsibilities and the College’s responsibilities during this election. The County responsibilities have not changed from previous elections. The College is responsible for funding the election at the cost of \$2.05 per registered voter, for an estimated total cost of \$512,000.</p> <p>Brenda added that the College will also have some advertising costs estimated at approximately \$30,000. The</p> |

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| | | Harris County contract will be presented at the March Board meeting. |
| VII. | Update on Spring 2023 Enrollment | <p>Brenda provided an update on the College’s spring enrollment as of January 27. The current headcount is 27,212 students, and the current number of contact hours is 4,690,304. The College is down 1.4 percent in headcount compared to spring 2022 and is up 2.2 percent in contact hours. Compared to pre-COVID, the College is down 6.6 percent in headcount and 4.2 percent in credit hours. Approximately 89 percent of this decline is in academic enrollment. On the technical side, the College is down approximately 20,000 contact hours compared to pre-COVID. We are continuing to review changes to enrollment to better understand where the gaps are. The College’s academic enrollment are currently 50 percent face-to-face and 50 percent online. It is 73 percent face-to-face on the technical side, which is down from the 77 percent face-to-face prior to COVID. The decline in overall enrollment is in continuing students, but the College has had the highest number of graduates these past two years.</p> <p>Dan asked if the increase in contact hours and decrease in enrollment is due to the Promise program. Brenda responded that it is from the Promise program since the program requires students to enroll for 12 hours.</p> <p>Teri added that looking across the nation, San Jacinto College is faring better than most in enrollment and contact hours.</p> |
| VIII. | Discuss Proposed Tuition Rate Increase | <p>Teri provided background on the current tuition rate model that was implemented in 2019 which eliminated all fees. The College had originally planned to take another look at the tuition rate back in FY2021 but did not because of COVID. Teri provided proposals for a tuition rate increase. The first model would be a 5.4 percent increase. This increase would equate to a \$4 increase for in-district tuition, \$7 increase for out-of-district tuition, and an \$11 increase for out-of-state and international tuition. This change would increase the College’s gross tuition revenue by \$3 million. The second model would be a 6.4 percent increase. This increase would equate to a \$5 increase for in-district tuition, \$9 increase for out-of-district tuition, and a \$13 increase for out-of-state and international tuition. This change would increase the College’s gross tuition</p> |

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| | | <p>revenue by \$3.9 million. The last model would be a 7.4 percent increase. This increase would equate to a \$6 increase for in-district tuition, \$10 increase for out-of-district tuition, and a \$16 increase for out-of-state and international tuition. This change would increase the College's gross tuition revenue by \$4.5 million.</p> <p>Teri provided an overview of a chart showing San Jacinto College's tuition in comparison to other local Gulf Coast Community Colleges. The tuition rates shown from other colleges does not include their associated enrollment fees. Even with the proposed increases, San Jacinto College is still well below the state average and below most of our competitors.</p> <p>Each of the proposed gross revenue models would need to be reduced by approximately \$2.8 million for resetting enrollment trends.</p> <p>Brenda talked to students when she visited Austin, and they are appreciative of the College's tuition having no fees. We will continue to have no fees with whichever model is chosen.</p> <p>Keith commented that San Jacinto College's tuition rate is already so low in comparison to other competitor colleges, so he does not see an issue with the third model which would increase tuition by 7.4 percent.</p> <p>Dan commented that the College of the Mainland's tuition is significantly lower. Brenda reminded him that this number does not include their enrollment fees, which would most likely cause the cost to be higher than San Jacinto College's.</p> <p>The group discussed their preferred tuition rate model. They agreed the tuition rate increase needs to be reviewed every year. They would like to go with option one to be the fair to the students, but this model would not provide extra funding with the enrollment reset estimates nor would it provide funds if there were a decline in enrollment. The Board was supportive of going with the second model. There will be an action item at the March Board meeting for a 6.4 percent increase in tuition rate.</p> |
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| IX. | Review Proposed Designation of Unrestricted Cash | <p>Teri explained in 2018, the College updated its financial policy to say it would like to have four to six months of unrestricted cash on hand. The current budget is \$193 million unrestricted and \$2.8 million for auxiliary. She provided a chart to show how much cash was on hand at the end of each month in 2022. In November, which has historically been the lowest amount of the year, the College had \$72.7 million or 4.4 months of cash on hand.</p> <p>The action item being reviewed tonight proposes designating \$5 million of unrestricted cash reserves to fund future capital projects.</p> <p>The Board members were supportive of this item.</p> |
| X. | Review Format Change for 2015 Bond Monthly Report | <p>Brenda explained the new format of the 2015 Bond monthly report that the Board will now see in the Board book. It will show the completed projects and costs consolidated in one total and it will list all outstanding projects. The new format will simplify the report moving forward.</p> <p>The Board was supportive of this format.</p> |
| XI. | Update on State and Federal Legislative Sessions and the Texas Commission on Community College Finance | <p>Brenda provided an overview of the State and Federal legislative sessions.</p> <p>On the Federal side, the FY 2023 Omnibus Appropriations Bill was approved in December. This will increase the maximum Pell grant award by \$500. There is additional funding for grant several programs, so we will be looking at these programs to see which ones apply to the College. The ACCT National Legislative Summit will take place in Washington DC, February 6-8, 2023. Dan Mims and Teri Crawford will be attending and meeting with elected officials.</p> <p>On the State side, the 88th Legislative Session kicked off on January 10, 2023. The House members elected Rep. Dade Phelan as the Speaker of the House. The Lt. Governor released committee assignments on Monday, January 23. In the Senate, the Higher Education and Education Committees have been combined into one Education Committee. Senator Brandon Creighton will chair both the Education Committee and the Higher Education Sub Committee. Senator Mayes Middleton was selected to</p> |

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| | | <p>serve as the Vice Chair of the Higher Education Sub Committee. The Senate Finance Committee, chaired by Senator Joan Huffman, will begin developing and passing the budget for the next biennium. Both the House and Senate budgets as introduced include a \$650 million rider for the biennium, in addition to the base formula, to fully fund the recommendations suggested as a starting place for community college finance. This is very positive. The bill for the Community College Finance Commission has not been submitted yet but it is being worked through the legislative council. We are anticipating it soon.</p> <p>Erica Davis Rouse asked what Brenda sees benefiting the College with the new funding model. Brenda responded that the outcomes-based model will benefit the College because we have been focused on outcomes and completion for many years. The dual credit and Texas Educational Opportunity Grant (TEOG) components will also be significant.</p> |
| XII. | Review of Calendar | <p>Brenda reviewed the Board calendar and asked the Board members to let Mandi Reiland know if they would like to attend any of the listed events.</p> |
| XIII. | General Discussion of Meeting Items | <p>Teri provided a handout on the blend and extend action items for the electricity and gas contracts. In 2019, the College entered contracts for electricity which goes through 2025. A year ago, the idea of blend and extend, which means the College buys approximately 25 percent to substitute on our current contract was brought forward, and an extension was approved until December 2026. Similarly, the College is contracted for natural gas through April 2024. She provided a chart demonstrating the smoothing effect and protection from abrupt costs swings of the blend and extend approach.</p> <p>She explained that the request at this time is to delegate to the Vice Chancellor, Fiscal Affairs, the authority to execute new contracts for electricity and natural gas when rates are conducive to do so.</p> <p>Brenda added that the Board will have a contract for the blend and extend for both electricity and gas in its purchasing action items.</p> <p>The Board was supportive of this approach.</p> |

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| | | <p>Larry had a question regarding the payment to Sheldon ISD and how the College got in arrears paying them. Brenda responded we had a process in place, and we were supposed to be receiving invoices from them. There were changes in the area handling the invoices and are not sure where they were sent. We started reconciling and noticed Sheldon had not been paid. Sheldon had not informed us that they were not receiving payment, so we have put a new process in place. With the Board action, we are establishing authorization for the current year plus a year and a half of outstanding payments. We have made several procedural updates with dual credit, but this is one that was not added into the process. This payment arrangement will also be built into future Memorandums of Understanding (MOUs).</p> <p>Teri added that the College can legally pay Sheldon ISD without receiving an invoice, so we are going to start paying before receiving an invoice.</p> |
| XIV. | Adjournment | Vice Chair Moon, Jr. adjourned the workshop at 6:33 p.m. |