

## San Jacinto College District Board Workshop June 5, 2023

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

### MINUTES

	<b>Board Workshop Attendees:</b>	<b>Board Members:</b> Marie Flickinger, Erica Davis Rouse, Dan Mims, John Moon, Jr. Keith Sinor, Dr. Ruede Wheeler, Larry Wilson <b>Chancellor:</b> Brenda Hellyer <b>Other:</b> Mandi Reiland, Teri Zamora
	<b>Agenda Item:</b>	<b>Discussion/Information</b>
<b>I.</b>	<b>Call the Meeting to Order</b>	Chair Flickinger called the workshop to order at 5:30 p.m.
<b>II.</b>	<b>Roll Call of Board Members</b>	Board Chair Flickinger conducted a roll call of the Board members:  Michelle Cantú Wilson Erica Davis Rouse Marie Flickinger Dan Mims John Moon, Jr. Keith Sinor (absent) Dr. Ruede Wheeler Larry Wilson
<b>III.</b>	<b>Update on State and Federal Legislative Sessions and the Texas Commission on Community College Finance</b>	Brenda provided an update on the State and Federal legislative sessions.  On the Federal side, Dr. Alexis Rudd, professional staff with the Senate Committee on Commerce, Science, and Transportation with ranking member Ted Cruz, came to the San Jac Maritime Center for a tour and conversation on Thursday, May 25 with Dr. Ken Tidwell. She previously worked with Senator Roger Wicker from Mississippi and assisted with creating the authorization for the Maritime Centers of Excellence program.

		<p>We continue to work with members of Congress to fund the Maritime Centers of Excellence program.</p> <p>On the State side, the regular session of the Texas Legislature ended on May 29, 2023. Governor Abbott immediately called the legislature back to a special session dealing with the topics of property tax relief and the border. On Tuesday, May 30, the House passed its version of property tax relief and migrant smuggling and then adjourned the House from the special session pending messages, bill signing, and administrative tasks.</p> <p>The Senate will continue to meet regarding the priorities listed by the Governor, but because the House has adjourned, the House chamber cannot meet for the rest of the special session. This leaves the Senate with two options: accept the version of bills the House passed or not pass any bills this special session. In news reports, it does appear that the Governor favors the House version of the property tax bills.</p> <p><b>House Bill (HB) 8</b> – This is the authorizing bill for the new funding model for community colleges. It passed unanimously in the Senate after passing with only one nay vote in the House. HB 8 is on its way to the Governor’s desk to be signed. It is noncontroversial and barring any issues, should be signed. The Texas Higher Education Coordinating Board has assembled a team to work out the details of the bill and Teri Zamora is serving on that committee.</p> <p><b>Senate Bill (SB) 15</b> – This bill is related to requiring students in public higher education institutions who compete in athletic competitions to compete based on their biological sex at birth. This bill has passed both the House and Senate and is on its way to the Governor for signature.</p> <p><b>SB 17</b> – This is known as the Diversity, Equity, and Inclusion (DEI) bill and prohibits institutions of higher education from having DEI offices or policies. Brenda has a call with Lisa Brown to get clarification on what this bill will mean for the College.</p> <p>Erica Davis Rouse questioned if SB17 will conflict with federal requirements.</p>
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<p><b>IV.</b></p>	<p><b>Update on Enrollment</b></p>	<p>Teri provided an update on summer and fall enrollment. The College’s headcount enrollment is currently up 7.3 percent compared to summer 2022 and down 2.2 percent compared to summer 2020. Enrollment for the past four years was illustrated to show the difference between pre-COVID and post-COVID enrollment numbers.</p> <p>She also provided an update on fall enrollment. The College’s headcount enrollment is up 11.6 percent compared to last year and down 3.3 percent compared to fall 2020. The College is up more in contact hours due to the 12-hour requirement for the Promise Program.</p> <p>Dr. Ruede Wheeler asked how the next Promise Program cohort is looking. Brenda responded that the numbers are currently up. We currently have approximately 5,000 high school graduates in the application process. We will have more data on the Promise Program in September.</p> <p>Erica asked if Promise students receive financial support if they take courses in the summer. Brenda responded that as long as they remain in good standing by taking at least twelve credit hours during the previous Fall and Spring semesters, then Promise will also fund them to attend in the summer.</p> <p>Erica asked if we are close to the projections that the administration had for the Promise Program when implementing it. Teri responded that more students in the first cohort did not qualify for financial aid which ended up increasing costs to the program. The final outcome will depend on the number of students who persist and complete the Promise Program.</p>

		<p>Brenda added that there are also extra dollars being funded for the Texas Education Opportunity Grant (TEOG) with the passing of HB 8, so we are looking at how to use these funds in addition to Promise dollars in the San Jacinto College Foundation to assist with the finding model.</p> <p>Brenda commented on course delivery modalities. This summer, the College is approximately 15 percent face-to-face in academic courses and in the high 60's for technical courses. For the fall semester, we are over 60 percent face-to-face in academic courses which is an increase from last fall.</p>
<p>V.</p>	<p><b>Update on Development of Fiscal Year 2024 Budget</b></p>	<p>Teri Zamora presented on the Fiscal Year (FY) 2024 Budget. She reviewed budget goals and assumptions.</p> <p><b>Goals</b></p> <ul style="list-style-type: none"> <li>• Ensure long term viability of the College to serve students and the community</li> <li>• Facilitate stable College workforce via Performance Management process and commensurate pay increases</li> <li>• Support recommendations from the Job Evaluation Study for faculty and staff</li> <li>• Support growth in student support services, enrollment, and completion</li> <li>• Provide internal deferred maintenance and instructional equipment funding</li> <li>• Absorb continuing Higher Education Emergency Relief Funds (HEERF) positions and operating costs</li> <li>• Adjust hourly rates to remain competitive for adjunct and part-time staff pay</li> </ul> <p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>• Achieve clarity in coming months in revenue streams such as state allocations (new funding model) and property tax revenues (awaiting final tax base)</li> <li>• Align strategic spending with annual priorities for fiscal year 2024</li> </ul> <p>The College is currently participating in a job evaluation study for staff grades 32 and below and faculty.</p>

		<p>Preliminary information from this study should be received over the summer. The intent is to make competitive pay adjustments and reset paygrades and pay structures that are assigned to the various salary grades. Recommendations will be evaluated with the intent to implement as much as possible on November 1, 2023.</p> <p>Teri provided highlights of the new State funding model. This model has two finding formulas: base tier formula providing base funding for colleges with full-time equivalent enrollment less than 5,000 and performance tier formula which rewards outcomes aligned with regional and state education and workforce needs. The model also establishes the Financial Aid for Swift Transfer (FAST) program to cover costs for educationally disadvantaged students enrolled in dual credit courses at participating institutions of higher education. Participation in FAST means the College will receive an allotment for dual credit students who are eligible to receive free and reduced lunch. The funding model also increases allotment of TEOG and allows Pell funds to be used as matching funds for TEOG funds.</p> <p>Teri provided an overview of the budget timing with a Board strategic planning retreat being held in July and approval of the budget occurring at the August Board Meeting.</p>
<p><b>VI.</b></p>	<p><b>Discuss Proposal to Increase Residential Homestead Exemption</b></p>	<p>Brenda explained that a request to increase the residential homestead exemption is included in tonight’s Board action items. As Teri and Brenda have been reviewing property tax valuations, they continued to see residential valuations increasing substantially. The College has increased the senior and disabled exemption several times, but there have been no changes to the residential homestead exemption. The residential exemption requirement for community colleges allows for a minimum \$5,000 exemption or one percent of assessed value. The original thought was to increase the \$5,000 minimum to help the lower value property owners in the College’s taxing district, but we found that is not allowed.</p> <p>Teri explained she researched other options and compared San Jacinto College’s residential homestead exemption to other local community college. She provided an overview of her findings. The College was lower on the homestead</p>

		<p>exemption percentage compared to what other colleges allowed but has the highest value on the over 65 and disabled exemption. The proposal is to increase the homestead exemption to five percent or \$5,000, whichever is greater and review the homestead exemption rate annually. Five percent was chosen as a starting point and should be monitored annually. Teri provided a breakdown of how this proposal will affect homestead exemptions over the broad range of appraised home values.</p> <p>The Board members were supportive of this item.</p>
<b>VII.</b>	<b>Discuss Board Oath of Office and Officers Election Process</b>	<p>Brenda explained the flow of the Board meeting and when the Oath of Office and officers' election process will take place. Mrs. Erica Davis Rouse will be sworn in first as position one, and Dr. Michelle Cantú Wilson will be sworn in next. Each incoming and outgoing board member's guests will have reserved seating.</p>
<b>VIII.</b>	<b>Review of Calendar</b>	<p>Brenda reviewed the calendar with the Board and asked them to let Mandi Reiland know if they would like to attend any of the listed events.</p>
<b>IX.</b>	<b>General Discussion of Meeting Items</b>	<p>Larry Wilson asked for clarification on the purchase request to approve the renewal of contract for bookstore operations and he asked what the College makes from this contract.</p> <p>Brenda responded that we receive approximately \$1.2 million in bookstore commission revenue.</p> <p>Teri replied that this purchase request is for the amount that will cover the funds returned to Barnes and Noble for the purchases by students that are funded through various sources but mostly restricted financial aid funds on behalf of students.</p> <p>Brenda added that we are doing a one year extension with the intention that in the fall we will have a better handle and do a reassessment of bookstore operations and will likely start a bidding process.</p> <p>Larry also asked about Purchase Request 8 on catering services.</p> <p>Brenda replied that during the budget development process, expenses to be used for catering are estimated but this year we hosted a College-wide employee celebration event that was not planned prior to budget adoption.</p>

<b>X.</b>	<b>Adjournment</b>	Chair Flickinger adjourned the meeting at 7:02 p.m.
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