San Jacinto College District Board Workshop  
July 2, 2012  
District Administration Building, Suite 201

MINUTES

<table>
<thead>
<tr>
<th>Board Workshop Attendees:</th>
<th>Board Members: Marie Flickinger (MF), Brad Hance (BH), Dan Mims (DM), John Moon, Jr.(JM), Dr. Ruede Wheeler (RW), Chancellor: Brenda Hellyer (BLH) Strategic Leadership Team (SLT): Teri Fowlé (TF), Allatia Harris (AH), Ken Lynn (KL), Rob Stanicic (RS), Steve Trncak (ST) Absent: Keith Sinor (KS), Larry Wilson (LW), Laurel Williamson (LVW)</th>
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<tr>
<td>Workshop began at 5:30 p.m.</td>
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<td>Agenda Item: Discussion/Information</td>
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<td>I. Dinner</td>
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<td>II. Strategic Human Resource Management Update</td>
<td>ST presented the Strategic Human Capital Management powerpoint. BLH – Leadership competencies will be addressed next year. ST presented an update on the Organizational Wellness Instrument (OWI) for 2011. 116 groups RW - How were teams created? ST – Did not create, they were based on departments and work groups. BLH – The OWI was distributed in October 2011 and feedback was received December 2011. Data results were presented at college community day in February 2012. Best practice and struggling teams began meeting at that point. We held staff and faculty conversations in March and April 2012 to gather more input. We’re now discussing the results. The next OWI will be distributed in October 2013.</td>
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### 2012 – 2013 Budget Update

KL presented a powerpoint on the 2012 – 2013 budget progress.

#### Major Revenue Assumptions
- State Revenue Reallocation up $860,000
- Some Colleges asking for “Hold Harmless”
- THECB = “We don’t have statutory authority”
- We are waiting on response and the related impact
- Tuition and Fee rates were increased April, 2012 – effective for fall
- Current Enrollment assumptions
  - 2% decrease in Headcount
  - 7% decrease in semester credit hour
  - Research Office working on updated projections
- Current Tuition and Fee Revenue Projections
  - $2.0 million decrease due to enrollment/SCH decline projections
  - $7.0 million increase due to rate increases
- Taxable Assessed Value of property assumed “flat”
  - Harris County Appraisal District verbal update late June indicated values may be down to flat
  - Personal Property (Inventory) is big unknown
    - Personal Property Renditions due May 15th
    - Automatic 30 day extension upon request
- Property Tax Revenue budget
  - No $ change – adopt effective tax rate
- Interest Income budget reduced reflecting continued low rates

#### Major Expenditure Assumptions

#### Salaries and Benefits
- Additional Faculty
- Benefits – additional faculty
- Staff Requests (to be vetted)
• Health insurance premiums
• Differentiated Compensation (Placeholder)

**Operating Costs**
• Reduce One-Time Expenditures
• Banner Optimization
• Bad Debt Expense related to return to Title IV
• Operating Costs – New Construction
• Electricity Savings (Net)
• Banking Services
• ITS – Dell Lease (Add 2007 Purchase layer)
• Property & Casualty Insurance
• Expenditure Reductions

**Uncertainties/Work in Progress**
• State Appropriation Reallocation – Hold harmless?
• Enrollment/SCH Projections – Research Office
• Property tax values – but no impact on revenue (effective tax rate)
• Vetting Staff Increase Requests
• Identify Expenditure Reductions
• Alignment with Strategic Priorities
• Repurpose Existing Funds

**Next Steps**
• Regular board meeting on August 6th
  ○ Budget workshop
  ○ Preliminary tax rate calculations
  ○ Adopt 2012-2013 budget
  ○ Adopt tax rate in October
  ○ Certified value due from HCAD mid August
• Budget continues to be a challenge. Reprioritizing and repurposing will continue to be critical. Many unknowns with 2013-2014 legislative session.
### IV. Status of Bus Contract

BLH – Board of Trustees approved the agreement with Harris County Transit on October 4, 2010. Approved extension on July 11, 2011 to cover until August 31, 2012. KL is working on costs and clear deliverables from Harris County. Recommend a one month extension.

### V. Calendar

Historical Marker Dedication – August 21st, 4:00 p.m.

Workshop adjourned at 6:57 p.m.