

**San Jacinto College District Board Workshop
September 9, 2019
District Administration Building, Suite 201**

MINUTES

	Board Workshop Attendees:	Board Members: Erica Davis Rouse, Marie Flickinger, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson Chancellor: Brenda Hellyer Other: Allatia Harris, Mandi Reiland, and Teri Zamora
	Agenda Item:	Discussion/Information
I.	Call the Meeting to Order	Board Chair, Marie Flickinger, called the workshop to order at 5:16 p.m.
II.	Roll Call of Board Members	Marie Flickinger, Erica Davis Rouse, 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, 551.074, 551.073, and 551.072 of the Texas Open Meetings Act, for the following purposes: Legal Matters, Personnel Matters, Prospective Donation, and Real Estate	Adjourned to closed session at 5:17 p.m. Mandi Reiland and Teri Zamora were present for the closed session. <ul style="list-style-type: none"> 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. b. Personnel Matters - For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee. c. Prospective Donation - For the purpose of considering a negotiated contract for a prospective gift or donation. d. Real Estate - For the purpose of discussing the purchase, exchange, lease or value of real property. <p>It was determined that there were no legal or personnel matters to discuss during this executive session.</p>
IV.	Reconvene in Open Meeting	Reconvened in open meeting at 5:48 p.m.

<p>V.</p>	<p>Complete Conflict of Interest Forms</p>	<p>Brenda Hellyer asked the members to complete their respective conflict of interest forms at their places and return them to Mandi Reiland.</p>
<p>VI.</p>	<p>Review 2019 Proposed Property Tax Rate, Related Calculations, and Calendar for Adoption</p>	<p>Teri Zamora provided an overview of the proposed property tax rate, related calculations, and calendar for adoption. She also stated that this has been reviewed with the Finance Committee.</p> <p>Teri reviewed the taxable valuations and growth from Tax year 2017 to tax year 2019. In tax year 2017 the taxable valuation was approximately \$52.4 million, in 2018 it was approximately \$54.8 million, and in 2019 \$61.5 million.</p> <p>Teri explained that the Effective Property Tax Rate calculation produces an overall tax rate that would provide the same total taxes as last year when comparing the properties taxed in both years. Tax rates in excess of the Effective Tax Rate require 2 hearings. She also explained that the Rollback Property Tax Rate calculation produces a Maintenance and Operation (M&O) Rate, plus the necessary Debt Tax Rate, per \$100 of valuation. This calculated rate would provide about the same amount of M&O tax revenue from the previous year, plus an eight percent increase. Tax rates in excess of the Rollback Tax Rate require taxpayer vote.</p> <p>Teri reviewed the historical and proposed tax rates. The Fiscal Year 2020 original proposal was \$0.184894, and the revised proposal is \$0.178169. The revised amount is based on the current tax rolls.</p> <p>Erica Davis Rouse asked why the original proposal was so much higher. Teri answered that the preliminary valuations received from Harris County Appraisal District (HCAD) in May were much lower than the certified valuations received in August.</p> <p>Teri stated that the proposed rate for M&O is \$0.117251 and for debt, \$0.060918, for a total of \$0.178169. In light of the new tax base, the College will be able to lower the overall tax rate to \$0.178169, a 0.6% decrease from the previous year. This makes it the lowest tax rate by the College since 2016. Although the overall rate is lower, due to the College's debt rate being higher, the College will</p>

		<p>not be able to use the Effective Tax Rate and therefore must hold two Tax Hearings.</p> <p>Teri provided a recap of tax revenues. The tax revenue I&S (debt) for the 2020 budget is \$37,728,096, the tax revenue M&O (operating) is \$72,131,000, which is a total ad valorem tax revenue of \$109,859,096.</p> <p>Teri reviewed the next steps and timeline. Tonight, includes a discussion of the tax rate and a vote at the meeting, then on September 13 we will publish hearing dates. The first hearing will be on September 24th at 5:00 p.m. and the second hearing will be on September 27 at 11:00 a.m. On September 30 we will publish the notice of tax revenue increase and the Board will meet on October 7th to adopt the tax rate.</p> <p>Keith Sinor asked where it appears in the Houston Chronicle. Teri said it is not in the legal section and they can place it anywhere in the paper.</p>
<p>VII.</p>	<p>Review Contract Authority Policy and Procedure</p>	<p>Brenda Hellyer explained that this proposed policy will replace the previous policy to establish a clear line of authority related to contracts entered into on behalf of the College. It will increase the threshold for purchase contracts that require Board approval from \$50,000 to \$100,000. The higher threshold for Board approval of procurement should expedite purchases of goods and services needed by the College by approximately thirty days. Purchases in excess of \$50,000 will continue to be formally sourced as required by state statute. Purchases above \$50,000 but less than \$100,000 will be approved administratively and reported monthly to the Board as a consent item.</p> <p>Brenda also referenced the distributed list of what other colleges are doing in this area.</p> <p>Brenda explained that the policy clarifies the following types of contracts will require Board approval:</p> <ol style="list-style-type: none"> 1. Employment contracts; 2. Purchases or sales of real property; 3. Leases with a term exceeding one year (including options to renew) that have a cumulative

		<p>expenditure of \$100,000 or more over the contract term;</p> <ol style="list-style-type: none"> 4. Revenue leases and revenue rental agreements exceeding a term of one year (excluding optional renewal periods); 5. Contracts involving the sale of intellectual property or technology transfer; and 6. Purchase contracts valued at \$100,000 and above. <p>Also, there is a provision in the policy that the Board grants the Chancellor or designee the authority to approve amendments to contracts up to ten percent of the approved amount, not to exceed \$50,000.</p> <p>Erica explained that she is comfortable because with a college our size, \$100,000 is actually a low amount.</p> <p>Larry Wilson stated that he trusts Chancellor Hellyer and the others agreed, but this is a policy for the future so that needs to be taken into consideration.</p> <p>Marie Flickinger suggests adding a shorter review timeline for this specific policy.</p> <p>John Moon, Jr. agreed and suggested adding if a Chancellor leaves the College or if there is an interim, then this needs reviewed by the Board at that time.</p> <p>Brenda explained she is comfortable with the \$100,000 and agrees with adding a review cycle specific for this policy.</p> <p>All are comfortable with adding a specified review cycle for this item. Teri Zamora will make these modifications prior to the second reading anticipated at the October Board meeting.</p>
<p>VIII.</p>	<p>Review Naming of the Facility and Specified Rooms and Spaces within the Center for Petrochemical, Energy, and Technology</p>	<p>Brenda reviewed the action item on naming of the facility and specified rooms and spaces within the Center for Petrochemical, Energy, and Technology.</p> <p>There were no questions on this item.</p>

<p>IX.</p>	<p>Discuss Next Steps with San Jac Promise</p>	<p>Allatia Harris provided an update on the next steps with San Jac Promise. She explained that based on the Kentucky Promise, Harper Promise and similar programs, including Dallas Promise, the Harris County Promise/San Jac Promise would offer opportunity to graduating seniors from high schools in our taxing district. This is a partnership with Good Reason Houston.</p> <p>Keith asked if this is when they sign up in 9th grade. Allatia explained that at first it will be with seniors.</p> <p>Allatia explained that San Jac Promise is a “last dollar in” scholarship that ensures students have money for tuition, fees, and books. Federal Financial aid is applied first, any additional scholarships are applied, then finally, San Jac Promise dollars would be applied.</p> <p>Keith asked about students from higher income families. Brenda explained that this will start as a pilot while we analyze data and work through the model.</p> <p>Some members present discussed concerns about how the model will be equitable. Allatia explained that we are learning still and working through the details.</p> <p>Brenda explained that we are targeting certain high schools - two of which are low participation in college and higher poverty.</p> <p>Erica asked which schools we are targeting. Allatia answered Dobie, Sam Rayburn, and South Houston will be the targeted schools. She explained that students who graduate from a participating high school will be eligible for the program.</p> <p>Larry asked what dollars will be used from the Foundation. Brenda explained that one donation to get this started has come in from the Sinor family. Once we have a more developed plan, she will approach the Foundation Board regarding unrestricted dollars and a capital campaign. Also, she explained that other participating colleges will be meeting to discuss and work through details. Pell grant dollars will be a critical component of the funding.</p>
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X.	Review of Calendar	Brenda reviewed the calendar with the Board.
XI.	General Discussion of Meeting Items	<p>Brenda asked if there were any items from the meeting agenda that the members would like to review.</p> <p>None were noted.</p>
XII.	Adjournment	Workshop adjourned at 6:46 p.m.