



AGENDA

THE BOARD OF TRUSTEES MEETING AS A COMMITTEE OF THE WHOLE

**April 9, 2015
4:00 p.m.**

**HCC Administration Building
3100 Main, 2nd Floor Auditorium
Houston, Texas 77002**



Strategic Plan 2012-2015

Creating Opportunities for Our Shared Future
(Approved by the HCC Board of Trustees, June 22, 2012)

Mission

Houston Community College is an open-admission, public institution of higher education offering a high-quality, affordable education for academic advancement, workforce training, career and economic development, and lifelong learning to prepare individuals in our diverse communities for life and work in a global and technological society.

Vision

HCC will be a leader in providing high quality, innovative education leading to student success and completion of workforce and academic programs. We will be responsive to community needs and drive economic development in the communities we serve.

Strategic Initiatives

- Initiative #1: Increase Student Completion
- Initiative #2: Respond to Business and Industry
- Initiative #3: Develop 21st Century Learners
- Initiative #4: Support Faculty/Staff Professional Development and Student Leadership
- Initiative #5: Support Innovation
- Initiative #6: Support Entrepreneurialism
- Initiative #7: Leverage Partnerships

**NOTICE OF MEETING
THE BOARD OF TRUSTEES
OF THE HOUSTON COMMUNITY COLLEGE
MEETING AS A COMMITTEE OF THE WHOLE**

April 9, 2015

Notice is hereby given that the Board of Trustees of Houston Community College will meet as a Committee of the Whole on Thursday, the ninth (9th) day of April, 2015 at 4:00 p.m., or after, and from day to day as required, at the HCC Administration Building, 3100 Main, 2nd Floor Auditorium, Houston, Texas 77002. The items listed in this Notice may be considered in any order at the discretion of the Chair or Board and items listed for closed session may be discussed and/or approved in open session and vice versa as permitted by law. Action Items approved by the Committee of the Whole will be listed on the Consent Agenda at a Regular Board Meeting.

I. Call to Order

II. Topics for Discussion and/or Action:

A. Facilities and Finance

1. Authorization to Finance Energy Efficiency Project through a Loan from the State Energy Conservation Office.
2. Specific Authorization to Enter into Transmission Related Utility Service Extension Contracts.
3. Waste Collection and Disposal Services (Project No. RFP 15-04).
4. Naming Opportunity for Robert Garner Firefighter Academy at HCC Northeast College.
5. Accept Donation of Cisco Wireless Learning Credits & Access Points from Datavox.
6. Investment Report for the Month of January, 2015.
7. Investment Report for the Month of February, 2015.
8. Monthly Finance Statement and Budget Review for January 2015.
9. Monthly Finance Statement and Budget Review for February 2015.
10. Update on 2012-2015 Strategic Plan.
11. Discuss Debt Refinancing.

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12. Update on Bond Capital Improvement Plan (CIP) Related Matters.

III. Action and/or Report Items from Appointed and Ad Hoc Committee(s):

A. Academic Affairs/Student Services

1. Report on International Travel Student Trip to Salzburg Global Seminar.
2. Update on Student Success.
3. Update on Institutional Transformation Plan.
4. Report on Library Service Plan for Transformation.
5. Update on Athletics Program.

B. Board Governance

6. Modification to Board Bylaws: Article E, Sections 3 and 4; Article G, Sections 5 and 7.
7. Modification to Board Policy B:1.9-Debt Management Policy.
8. Update on Compliance Plan.

C. Board Self-Evaluation

9. Discuss Board Self-Evaluation and Related Matters.

IV. Adjournment to closed or executive session pursuant to Texas Government Code Sections 551.071; 551.072 and 551.074, the Open Meetings Act, for the following purposes:

A. Legal Matters

1. Consultation with legal counsel concerning pending or contemplated litigation, a settlement offer, or matters on which the attorney's duty to the System under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with the Texas Open Meetings Laws.

B. Personnel Matters

1. Deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee, or to hear complaints or changes against an officer or employee, unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing.

C. Real Estate Matters

1. Deliberate the purchase, exchange, lease, or value of real property for Agenda items if deliberation in an open meeting would have a detrimental effect on the position of the System in negotiations with a third person.

IV. Additional Closed or Executive Session Authority

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required in relation to any items included in this Notice, then such closed or executive meeting or session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour and place given in this Notice or as soon after the commencement of the meeting covered by the Notice as the Board may conveniently meet in such closed or executive meeting or session concerning:

Section 551.071 – For the purpose of a private consultation with the Board's attorney about pending or contemplated litigation, a settlement offer, or matters on which the attorney's duty to the System under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with the Texas Open Meetings Laws.

Section 551.072 – For the purpose of discussing the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.073 – For the purpose of considering a negotiated contract for a prospective gift or donation to the System if deliberation in an open meeting would have a detrimental effect on the position of the System in negotiations with a third person.

Section 551.074 – 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, unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing.

Section 551.076 – To consider the deployment, or specific occasions for implementation of security personnel or devices, or a security audit.

Section 551.082 – For the purpose of considering discipline of a student or to hear a complaint by an employee against another employee if the complaint or charge directly results in a need for a hearing, unless an open hearing is requested in writing by a parent or guardian of the student or by the employee against whom the complaint is brought.

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Section 551.084 – For the purpose of excluding a witness or witnesses in an investigation from a hearing during examination of another witness in the investigation.

Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed or executive meeting or session, then such final action, final decision, or final vote shall be at either:

- A. The open meeting covered by this Notice upon the reconvening of the public meeting, or
- B. At a subsequent public meeting of the Board upon notice thereof, as the Board shall determine.

V. Reconvene in Open Meeting

VI. Adjournment

CERTIFICATE OF POSTING OR GIVING NOTICE

On this _____6th_____ day of _____April_____, 2015, at or before 4:00 p.m., this Notice was posted at a place convenient to the public and readily accessible at all times to the general public at the following locations: (1) the Administration Building of the Houston Community College System, 3100 Main, First Floor, Houston, Texas 77002; (2) the Harris County Criminal Justice Center, 1201 Franklin, Houston, Texas 77002; (3) the Fort Bend County Courthouse, 401 Jackson, Richmond, Texas 77469; and (4) the Houston Community College website, www.hccs.edu. The Houston Community College's public meeting notices for Fort Bend County may be viewed after hours (*i.e.* between the hours of 5:30 p.m. and 7:30 a.m.) on the kiosk located on the west side of the new Fort Bend County Courthouse (the "William B. Travis Building"), located at 309 South Fourth Street, Richmond, Texas 77469.

Sharon R. Wright, Manager
Board Services

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|--|--|
| 1 | Authorization to Finance Energy Efficiency Project through a Loan from the State Energy Conservation Office | Dr. Cesar Maldonado Teri Zamora Charles Smith |

RECOMMENDATION

Authorize the Chancellor to finance the Energy Efficiency Project approved by the State Energy Conservation Office through their LoanSTAR program in an amount not to exceed \$4,271,225.

COMPELLING REASON/RATIONALE

Provide a low-cost, quality assured method of improving energy efficiency and reducing the College's operating cost.

DESCRIPTION OR BACKGROUND

The Texas LoanSTAR (Saving Taxes and Resources) revolving loan program finances energy-related cost-reduction retrofits for state, public school district, public college, public university, and tax-district supported public hospital facilities. Under the LoanSTAR program, low interest rate loans are provided to assist borrowers in financing their energy-related cost-reduction efforts. Applicants repay the loans through the stream of energy cost savings realized from the projects.

The program was initiated by the Texas Energy Office in 1988 and approved by the U. S. Department of Energy (DOE) as a statewide energy efficiency demonstration program. Due to quality controls such as good audit guidelines, training, metering and monitoring, follow-up with agencies to ensure the retrofits were working properly, and building commissioning assistance for improved operation and efficiency, LoanSTAR is one of the most successful and best-documented building energy efficiency programs, state or federal, in the United States.

As of January 2014, LoanSTAR has funded over 237 loans totaling over \$395 million. Through 2013, the program had a cumulative return on investment of nearly 50%, achieving cumulative savings of over \$419 million for Texas Taxpayers.

Each April and October, the State Energy Conservation Office (SECO) publishes a Notice of Loan Fund Availability and request for applications of LoanSTAR loans. The College submitted a LoanStar application on 15 December 2014. We received a score of 37, the highest possible without providing the completed Energy Assessment Report (EAR). SECO has conditionally reserved \$4,271,225 of loan funds for HCC until April 17, 2015. This iteration of the SECO LoanSTAR Program, which does not require approval from the Bond Review Board, comes with a fixed interest rate of 1% for up to 15 years.

The current proposal includes energy saving projects for approximately 1.4 MM SF of our existing 3.7 MM SF, has a 6.5 year simple payback, and should save the College about \$670,000 per year (at current rates).

FISCAL IMPACT

There is no immediate net fiscal impact. Debt service costs will be paid from utility cost savings.

LEGAL REQUIREMENT

The LoanSTAR program is administered under Title 34 Texas Administration Code §19.41-45. This section provides the guidelines for project eligibility, the application and selection process, and for project funding and repayment.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: 1. Cultivate an Entrepreneurial Culture Across the Institution
2. Leverage Local and International Partnerships for Institutional and Community Development.

Attachment Title(s): **Preliminary Energy Assessment**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100

STATE ENERGY CONSERVATION OFFICE (SECO) LOANSTAR LOAN APPLICATION



HOUSTON COMMUNITY COLLEGE

3100 Main Street

Suite 12c06

Houston, Texas 77002

Submitted by:

Integral Solutions

in association with

ESA Energy Systems Associates, Inc

December 15, 2014

State of Texas Engineering Firm # F-4882

DECEMBER 15, 2014

ESA 1

1.0 EXECUTIVE SUMMARY:

This PRELIMINARY ENERGY ASSESSMENT (PEA) REPORT is being submitted to the **State Energy Conservation Office (SECO)**, a division of the **State of Texas Comptroller of Public Accounts**, in response to the *Notice of Loan Funding Application* dated October 1, 2014.

The Texas LoanSTAR (Saving Taxes and Resources) Program finances energy-related cost-reduction retrofits for state, public school district (excluding charter schools), public college, public university, and tax-district supported nonprofit hospital facilities. Low interest rate loans are provided to assist those institutions in financing their energy-related cost-reduction efforts. The program's revolving loan mechanism allows Applicants to repay loans through the stream of energy cost savings realized from the projects.

Preliminary Energy Assessment's (PEA) may be submitted for both Design-Bid-Build and Design-Build projects, and must be completed by a Professional Engineer licensed in the State of Texas. PEAs must include ECRMs or UCRMs that will be completed to reduce utility (energy and water) costs, and both the implementation costs and projected energy cost savings (along with Simple Payback Projections) must be documented for each ECRM and UCRM in the PEA.

In November 2014, **ESA** received a request for technical assistance from **Entegral Solutions** (also known as **E3**). **ESA** responded by sending a data gathering team to the designated **HCC** sites to obtain the information necessary to prepare this PEA report for **HCC** facilities. The conclusions stated within this report are intended to provide support for the college as it determines the most appropriate path for facility renovation, especially as it pertains to the energy consuming systems currently operating within their campuses, and as technical documentation in support of the LoanSTAR Loan Application submitted to **SECO**.

This study has focused on energy efficiency and systems operation. To that end, an analysis of the utility usage and costs for **HCC** was completed to determine the annual energy cost index (ECI) and energy use index (EUI) for each campus or facility. A complete listing of the Base Year Utility Costs and Consumption is provided in Section 3.0 of this report.

Following the utility analysis and a preliminary consultation with Mr. Charles Smith, **HCC**'s Chief Facilities Officer, a walk-through energy analysis was conducted throughout several of the most energy intensive facilities. Specific findings of this survey and the resulting recommendations for both operation and maintenance procedures and cost-effective energy retrofit installations are identified in Section 7.0 of this report.

We estimate that as much as \$668,125 may be saved annually if all recommended projects are implemented. The estimated installed cost of these projects should total approximately \$4,131,225, yielding an average simple payback of 6¼ years.

Table 1: Summary of Recommended Energy Cost Reduction Measures (ECRMs)

| SUMMARY | DESCRIPTION OF RECOMMENDATION | IMPLEMENTATION COST | ESTIMATED SAVINGS | SIMPLE PAYBACK |
|--------------------------------------|--|-----------------------|-------------------|----------------|
| ECRM#1 - Admin | Install Occupancy & RH Sensors | \$146,800 | \$48,000 | 3 |
| ECRM#2 - Admin | Lighting Controls | \$134,250 | \$24,500 | 5½ |
| ECRM#3 - Admin | Replace Fan Motors and VFD's | \$107,000 | \$18,650 | 5¾ |
| ECRM#4 - Admin | Install Isolation Valves on Boilers | \$14,000 | \$2,700 | 5¼ |
| ECRM#5 - Admin | Retro-Commissioning | \$134,425 | \$53,770 | 2½ |
| ECRM#6 - Admin | Building Automation System (BAS) Replacement | \$652,500 | \$90,000 | 7¼ |
| ECRM#7A - Admin Parking Garage | Lighting System Replacement | \$69,400 | \$17,000 | 4 |
| ECRM#7B - Admin Building | Lighting System Replacement | \$490,000 | \$91,200 | 5 |
| TOTAL ADMINISTRATION PROJECTS | | \$ 1,748,375 | \$345,820 | 5 years |
| ECRM#8 - NEC | VFD on Hot Water Distribution | \$8,000 | \$1,200 | 6½ |
| ECRM#9 - NEC | Lighting & FCU Control | \$37,750 | \$7,600 | 5 |
| ECRM#10A- NEC | Lighting Renovation @ Codwell Hall | \$102,000 | \$18,600 | 5½ |
| ECRM#10B - NEC | Lighting Renovation @ Central Plant | \$19,500 | \$8,750 | 2 |
| ECRM#10C - NEC | Lighting Renovation @ Northline | \$132,000 | \$22,800 | 5¾ |
| TOTAL NORTHEAST CAMPUSES | | \$299,250 | \$58,950 | 5 |
| | | | | |
| | | | | |
| SUMMARY: | DESCRIPTION OF | IMPLEMENTATION | ESTIMATED | SIMPLE |

| | RECOMMENDATION | COST | SAVINGS | PAYBACK |
|---|--|--------------------|------------------|-----------|
| ECRM#11 - SEC | Isolation Valves on Chiller/Boiler | \$21,000 | \$2,250 | 9 |
| ECRM#12A - SEC | Lighting Renovation | \$320,000 | \$52,600 | 6 |
| ECRM#12B - SEC | Lighting Renovation @ Parking Garage | \$21,000 | \$7,000 | 3 |
| TOTAL SOUTHEAST CAMPUSES | | \$362,000 | \$61,850 | 6 |
| ECRM#13 - SWC | Chiller Replacement | \$390,000 | \$32,460 | 12 |
| ECRM#14 - SWC | Chiller/RTU Replacement @ West Loop Campus | \$664,000 | \$63,875 | 10½ |
| ECRM#15A - SWC | Lighting Renovation @ Scarcella & Learning Hub | \$212,000 | \$36,000 | 5¾ |
| ECRM#15B - SWC | Lighting Renovation @ West Loop | \$217,500 | \$41,900 | 5 |
| TOTAL SOUTHWEST CAMPUSES | | \$1,483,500 | \$174,235 | 8½ |
| ECRM#16 - NWC | Rooftop Unit Replacement | \$193,000 | \$18,250 | 10½ |
| ECRM#17A - NWC | Lighting Renovation @ Alief Bissonet | \$45,100 | \$9,020 | 5 |
| TOTAL NORTHWEST CAMPUSES | | \$238,100 | \$27,270 | 8¾ |
| TOTAL FEE FOR ENERGY ASSESSMENT REPORT | | \$140,000 | | |
| TOTAL LOANSTAR APPLICATION | | \$4,271,225 | \$668,125 | 6½ |

Although additional savings from reduced maintenance expenses are anticipated, these savings projections are not included in the estimates provided above. As a result, the actual Internal Rate of Return (IRR), for this retrofit program is expected to be even higher than reported within this PEA.

As a final note, time restraints in submission of this Preliminary Energy Audit report allowed our firm to survey only 1,441,224 sf of the total 3,797,716 sf (ie, 38%) of the total HCC facility inventory. Although the facilities included within this report were carefully selected for their higher-than-average utility bills, the results of this energy audit suggest that an average of \$0.51/sf can be saved each year on HCC utility bills. If only 75% of that average is projected throughout all HCC facilities, *overall annual savings would be approximately \$1,500,000.*

As a result, we suggest that the remaining facilities be surveyed and submitted for the next LoanSTAR Loan Application program that will be release in the Spring of 2015.

Report Submitted By:

ESA Energy Systems Associates, Inc.

James W. Brown, P.E.

December 15, 2014

Firm # F-4882

2.0 ENERGY ASSESSMENT PROCEDURE:

Involvement in this LoanSTAR Loan program is being initiated through the completion of a Preliminary Energy Assessment. This PEA, submitted in conjunction with a LoanSTAR Loan

Application should result in the receipt of a Memorandum of Understanding (MOU) from SECO. The sole purpose of the MOU is to reserve LoanSTAR funds for the successful Applicant during the period the Energy Assessment Report (EAR) is being prepared. This document should not be construed as a loan agreement and does not authorize the expenditure of funds for LoanSTAR projects. LoanSTAR project expenditures cannot be incurred before the effective date cited in a fully executed loan agreement unless those expenditures are approved in the LoanSTAR Technical Guidelines. Commitment of funding to applicants will take place upon execution of the MOU. Those applicants must then submit an EAR by the date identified in the MOU.

The maximum loan amount for any individual loan application shall not exceed \$7.5 million.
The published interest rate for the October 2014 application program has been set at 2.0%.

The loan repayment term is equal to the Total Loan Payback for Design-Bid-Build and Design Build projects, but shall not exceed ten (10) years for the composite of all ECRM's submitted for the overall renovation program. Individual ECRM's must demonstrate a simple payback of less than the ECRM's/UCRM's estimated useful life.

Project expenses will be reimbursed on a "cost reimbursement" basis.

Examples of projects that are acceptable may include:

- Building and mechanical system commissioning and optimization
- Energy management systems and equipment control automation
- High efficiency heating, ventilation and air conditioning systems, boilers, heat pumps and other heating and air conditioning projects
- High efficiency lighting fixtures and lamps
- Building Shell Improvements (insulation, adding reflective window film, etc.)
- Load Management Projects
- Energy Recovery Systems
- Low flow plumbing fixtures, high efficiency pumps
- Systems commissioning
- Renewable energy efficiency projects are strongly encouraged wherever feasible, and may include installation of distributed technology such as rooftop solar water and space heating systems, geothermal heat pumps, or electric generation with photovoltaic or small wind and solar-thermal systems.

3.0 ENERGY PERFORMANCE INDICATORS:

In order to easily assess energy utilization and current level of efficiency, there are two key "Energy Performance Indicators" calculated within this report.

1. Energy Utilization Index

The Energy Utilization Index (EUI) depicts the total annual energy consumption per square foot of building space, and is expressed in "British Thermal Units" (BTUs). To calculate the EUI, the consumption of electricity and gas are first converted to equivalent BTU consumption via the following formulas:

ELECTRICITY Usage: [Total KWH /Yr] x [3,413 BTUs/KWH] = _____ BTUs / yr

NATURAL GAS Usage: [Total MCF/Yr] x [1,030,000 BTUs/MCF] = _____ BTUs / yr

After adding the BTU consumption of each fuel, the total BTUs are then divided by the building area. EUI = [Electricity BTUs + Gas BTUs] divided by [Total square feet]

2. Energy Cost Index

The Energy Cost Index (ECI) depicts the total annual energy cost per square foot of building space. To calculate the ECI, the annual costs of electricity and gas are totaled and divided by the total square footage of the facility:

ECI = [Electricity Cost + Gas Cost] divided by [Total square feet]

These indicators may be used to compare the facility's current cost and usage to past years, or to other similar facilities in the area. Although the comparisons will not provide specific reasons for unusual operation, they serve as indicators that problems may exist within the energy consuming systems.

| HCC Facility | sf | ECI \$/sf |
|-------------------------|---------|--------------------|
| Administration | 537,698 | \$2.40 |
| Central College | 743,152 | \$1.71 |
| Coleman College | 140,000 | \$2.12 |
| Northeast College | 406,119 | \$2.66 |
| Northwest College | 149,603 | \$4.11 |
| Southeast College | 350,000 | \$2.52 |
| Southwest College | 814,342 | \$2.25 |
| Total: 3,140,914 | | Ave: \$2.54 |

4.0 RATE SCHEDULE ANALYSIS:

ELECTRICITY PROVIDER:

RETAIL ELECTRIC PROVIDER: Cavallo Energy Contract price: \$0.04847

ADDITIONAL RIDER CHARGE: Cavallo Energy (GLO Rate) \$0.01/kWh

TRANSMISSION AND DISTRIBUTION UTILITY: Reliant

Electric Rate: Secondary Service > 10 kVA

I. TRANSMISSION AND DISTRIBUTION CHARGES:

| | |
|----------------------------|----------------------------|
| Customer Charge | = \$65.83 per meter |
| Transmission Charge | = \$2.2387 per kW (4cp) |
| Distribution System Charge | = \$3.05943 per Billing kW |
| SYSTEM BENEFIT FUND | = \$0.000655 per kWh |
| Delivery Point Charge | = \$63.070 per meter |

II. TRANSITION CHARGES

| | |
|---------------------|--------------|
| Transition Charge 1 | = \$0.188/kW |
| Transition Charge 2 | = \$0.248/kW |

III. NUCLEAR DECOMMISSIONING CHARGE = \$0.00183 per Billing kW

IV. TRANSMISSION SERVICE CHARGE = \$1.93483 /4CP kW

V. ENERGY EFFICIENCY COST RECOVERY FACTOR = \$.00060 per kWh

VI. UTILITY SERVICE QUALITY CREDIT = \$-.0374 per Billing kW

VII. TRANSITIONS Charge:

| | |
|----------------------|---------------------------|
| TC2 (stranded costs) | = \$.0025 per kWh |
| TC5 (stranded costs) | = \$.00268 per kWh |
| TC3 (stranded costs) | = \$.00106 per kWh |
| TC4 (stranded costs) | = \$.20154 per Billing Kw |

VIII. ENERGY EFFICIENCY SURCHARGE = \$2.58 per meter

Average Savings for consumption = \$0.065965/kWh

Average Savings for demand = \$ 7.66/kW**

** This number is a generalization of average cost per kW because the rate schedule from Oncor utilizes three (3) different types of demand for the calculation of the utility bill:

1. NCP kW: Peak demand during 15 minute interval of current billing cycle
2. 4CP kW: Average demands of June, July, August and September of previous calendar year; usually only applied to IDR metered accounts
3. Billing kW: Ratchet demand representing higher of two calculations: 80% of peak demand in last 11 months or current NCP kVA

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|--|--|
| 2 | Specific Authorization to Enter into Transmission Related Utility Service Extension Contracts | Dr. Cesar Maldonado Teri Zamora Charles Smith |

RECOMMENDATION

Authorize the Chancellor to approve any transmission related utility service extensions required to execute an approved capital project, provided that the funds required for such extension are available within the Board approved project budget amount; and/or are within the Chancellor's stipulated approval authority.

COMPELLING REASON/RATIONALE

The requested approval authority provides transparency and expedites the conduct of routine construction where there is no choice of provider and the only decision to be made is whether to continue with the project or not.

DESCRIPTION OR BACKGROUND

Historically, electrical, water, sewer and telecommunications utilities in Texas have been regulated by the Public Utility Commission of Texas (PUCT) and natural gas utilities have been regulated by the Railroad Commission of Texas (RRC). Although the system has evolved to permit customers to choose who they purchase electrical, telecommunications, and (in some cases) natural gas from, there are no competitors in the provision of wires, pipelines and infrastructure that comprise each utility grid.

The Houston Community College System service area is served by CenterPoint Energy Houston Electric, L.L.C. (CenterPoint) for electrical infrastructure, CenterPoint Energy (CenterPoint) for natural gas infrastructure, and a variety of companies that are successor entities to the regulated telephone providers for telecommunications.

The existing CIP budgets have the utility service extensions within the College's, rather than the contractor's, portion of each budget for legal and fiscal reasons. Without extensions of utility service, the projects cannot be built.

The Administration desires to make the basis for such approvals transparent without burdening the Board with frequent approvals of utility construction contracts, all of which are included in the approved project budgets.

FISCAL IMPACT

There is no net fiscal impact. The funds for each service extension are included in each approved project package.

LEGAL REQUIREMENT

44 TAC 031 specifically allows purchase of utility services on a sole source basis.

Texas Attorney General's Opinion GA0352 states that in Section 791.011(d)(1) of the Local Government Code "the legislature did not necessarily require that each contract be formally

approved by the contracting entity's governing body" and states that such approval authority may be delegated within the agency.

STRATEGIC GOAL ALIGNMENT

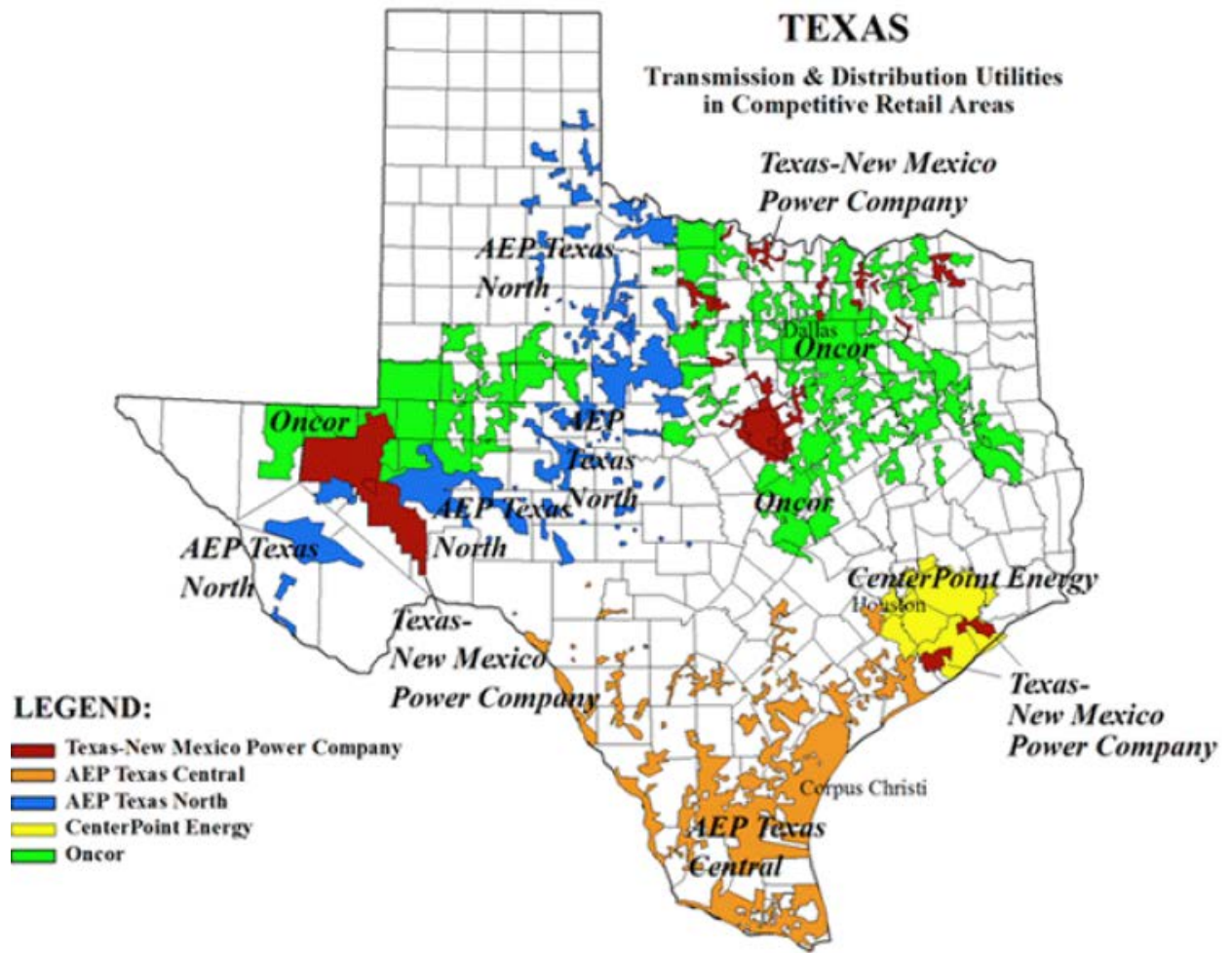
Strategic Initiative: Cultivate an Entrepreneurial Culture Across the Institution

Attachment Title(s): **1. Centerpoint Electric Service Area (Attachment A)**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100

Attachment A: Centerpoint Electric Service Area



Source: Texas Public Utilities Commission

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|---|---|
| 3 | Waste Collection and Disposal Services (Project No. RFP 15-04) | Dr. Cesar Maldonado Teri Zamora Rogelio Anasagasti |

RECOMMENDATION

Authorize the Chancellor to negotiate and execute a contract with Sprint Waste Services, L.P., to provide Waste Collection and Disposal Services on an "as needed" basis, in accordance with RFP 15-04.

The contract term for the awarded contract will be three (3) years with the option to renew for two (2) one-year terms.

COMPELLING REASON/RATIONALE

Houston Community College issued a Request for Proposal (RFP) for the selection of a firm to provide Waste Collection and Disposal Services for HCC systemwide.

Key features of the scope of service include:

1. Regulatory compliance with all related local, state and federal regulations;
2. Collection of waste materials and disposal services at HCC campus locations;
3. Compactor collection and waste disposal services; and
4. Supply all required waste collection containers.

This recommendation to the Board of Trustees is in accordance with RFP 15-04 and Chapter 44.031(a) of the Texas Education Code.

DESCRIPTION OR BACKGROUND

The Request for Proposal (RFP 15-04) was issued on November 7, 2014. The solicitation document was distributed electronically in addition to being published in local newspapers; notice was provided to forty-nine (49) firms. Additionally, the solicitation was duly posted on the Electronic State Business Daily (ESBD) website. Six (6) responses were received by the solicitation due date of December 10, 2014 at 2:00 p.m.; one subsequently withdrew. The five (5) remaining responses have been evaluated and scored by the Evaluation Committee.

FISCAL IMPACT

The fee for Waste Collection and Disposal Services shall be negotiated prior to contract award, the proposed annual cost is \$227,204. The funding source shall be HCC Operations Budget.

LEGAL REQUIREMENTS

This recommendation to the Board of Trustees is being made to the highest ranked firm offering the best value in accordance with Chapter 44.031 (a) of the Texas Education Code.

Pursuant to the published RFP 15-04 document and in accordance with Chapter 44.031 (a) of the Texas Education Code, the Evaluation Committee has selected the offeror based on demonstrated competence, knowledge, and qualification on the services providing.

Chapter 44.031 of the Texas Education Code requires that selection of a firm shall be made through the procurement method that provides the best value for the district. Following the competitive procurement process, HCC has selected the firms offering the best value based on the published selection criteria as evidenced in the final evaluation ranking.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

Attachment Title(s): **1. Summary of Procurement**
2. Summary Composite Score Sheet

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100

**SUMMARY OF PROCUREMENT
BOARD ACTION ITEM**

PROJECT TITLE: Waste Collection and Disposal Services

PROJECT NO.: RFP 15-04

PROCUREMENT METHOD: Request for Proposal (Overall Best Value)

PROJECT MANAGER: Betty Brown, Manager of Janitorial Services

NAME OF BUYER: Jennifer Chiu, Senior Buyer

PURPOSE: Houston Community College issued a Request for Proposal (RFP) for the selection of a firm to provide Waste Collection and Disposal Services on an “as needed” basis, in accordance with RFP 15-04.

RECOMMENDED VENDORS: Sprint Waste Services, L.P.

LEGAL REQUIREMENTS: This recommendation to the Board of Trustees is being made to the highest ranked firm offering the best value in accordance with Chapter 44.031(a) of the Texas Education Code.

Pursuant to the published RFP 15-04 document and in accordance with Chapter 44.031 of the Texas Education Code, the Evaluation Committee has selected the offeror that submitted the proposal that offers the best value for the district based on the published selection criteria and on its ranking evaluation.

Chapter 44.031(a) of the Texas Education Code requires that selection of a firm shall be made through the procurement method that provides the best value for the district. Following the competitive procurement process, HCC has selected the firms offering the best value based on the published selection criteria as evidenced in the final evaluation ranking.

LOCATION INFORMATION: In performing the work under RFP 15-04, the recommended vendor will be working out of their Houston offices.

PROJECTED VALUE: The fee for Waste Collection and Disposal Services shall be negotiated prior to contract award, the proposed annual cost is \$227,204. The funding source shall be HCC Operations Budget.

CONTRACT TERM: The contract term for the awarded contract will be three (3) years with the option to renew for two (2) one-year terms.

ADVERTISEMENT & NOTICE:

This procurement was advertised in the following newspapers:

- The Houston Chronicle on November 9 & 16, 2014
- African American on November 10 thru 23, 2014
- La Información on November 13 thru 19, 2014
- Voice of Asia on November 9 & 16, 2014
- Texas State Procurement Website on November 7, 2014
- HCC Procurement Operations Website November 7, 2014

SOLICITATION INFORMATION:

The Request for Proposal (RFP 15-04) was issued on November 7, 2014. The solicitation document was distributed electronically in addition to being published in local newspapers; notice was provided to forty-nine (49) firms. Additionally, the solicitation was duly posted on the Electronic State Business Daily (ESBD) website. Six (6) responses were received by the solicitation due date of December 10, 2014 at 2:00 p.m. Six (6) responses were deemed responsive to the requirements of RFP 15-04 and were submitted to the Evaluation Committee for evaluation and scoring. Following the evaluation of proposals, Progressive Waste Solutions of Texas withdrew their offer due to an error in their price proposal.

COMPETITIVE:

Yes, see Composite Score Sheet.

PROPOSAL EVALUATION:

Responses were evaluated by the Evaluation Committee which consisted of representatives with relevant subject matter understanding who scored proposals in accordance with the published evaluation criteria noted below.

| Evaluation Criteria | Available Points |
|---|-------------------------|
| Firm's Profile, Overview and Qualification & Experience | 10 |
| Demonstrated Qualifications of Personnel and Team | 10 |
| Proposed Approach & Methodology | 20 |
| Past Performance & References | 20 |
| Price/Cost Schedules, Billing Rates | 30 |
| <u>Small Business Practices</u> | <u>10</u> |
| Total | 100 |

PRIOR HCC EXPERIENCE:

Yes.

REFERENCES:

Evaluated and found to be favorable.

**SMALL BUSINESS
GOAL:**

In accordance with the Houston Community College - Small Business Development Program, for this solicitation, HCC advertised a 25% Good Faith Effort – Small Business participation goal. The recommended firm proposed to exceed the advertised goal with a 56% Small Business participation commitment using Nation's Waste to service front load dumpsters.

Balance of page intentionally left blank.

RFP 15-04 Waste Collection and Disposal Services

Summary Composite Score Sheet

| Firm | Evaluation Criteria | | | | | | Total |
|----------------------------------|---|---|-----------------------------------|---------------------------------|-------------------------------------|--------------------------|------------|
| | Firm's Profile, Overview, Qualifications and Experience | Demonstrated Qualifications of Personnel and Team | Proposed Approach and Methodology | Past Performance and References | Price/Cost Schedules, Billing Rates | Small Business Practices | |
| <i>Available Points</i> | 10 | 10 | 20 | 20 | 30 | 10 | 100 |
| Sprint Waste Services, L.P. | 7.60 | 6.80 | 16.00 | 15.20 | 16.24 | 10.00 | 71.84 |
| Nation Waste, Inc. | 6.80 | 6.00 | 14.40 | 13.60 | 20.94 | 10.00 | 71.74 |
| Waste Corporation of Texas (WCA) | 7.60 | 6.40 | 13.60 | 16.00 | 19.27 | 4.80 | 67.67 |
| OP Enterprise Waste Services | 5.60 | 6.00 | 12.00 | 9.60 | 21.49 | 0.00 | 54.69 |
| Waste Management of Texas, Inc. | 7.60 | 6.80 | 13.60 | 16.00 | 9.97 | 0.00 | 53.97 |

Note: Following the evaluation of proposals, Progressive Waste Solutions of Texas withdrew their offer due to an error in their price proposal.

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Board Governance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|--|---|
| 4 | Naming Opportunity for Robert Garner Firefighter Academy at HCC Northeast College | Dr. Cesar Maldonado Carne Williams E. Ashley Smith |

RECOMMENDATION

Authorize the Chancellor to accept the proposed naming opportunity for the Robert Garner Firefighter Academy at HCC Northeast College.

COMPELLING REASON/RATIONALE

Public recognition of the Robert Garner Firefighter Foundation's generosity toward HCC through HCC Foundation will further the foundation for a long lasting partnership between the two entities.

DESCRIPTION OR BACKGROUND

The naming opportunity would be commensurate with a pledge of \$7.5 million, payable over 25 years, with an initial gift of \$300,000 on July 1, 2015 to the HCC Foundation from the Robert Garner Firefighter Foundation in support of the HCC Firefighter Academy located at HCC Northeast College. These funds will be used to provide scholarships for students enrolled in the HCC Firefighter Academy (scholarship to cover tuition, fees, and course materials). The HCC Firefighter Academy trains and educates students in fire and arson investigation, fire suppression, fire prevention and fire service management. The Academy is part of the HCC Public Safety Institute which offers the region's best training for those entering the law enforcement, emergency medicine service and firefighting fields. Funding received from the Robert Garner Firefighter Foundation will help ensure students in the HCC Firefighter Academy have access to critically needed scholarship resources and can excel as the next generation of Houston firefighters.

FISCAL IMPACT

N/A

LEGAL REQUIREMENT

In compliance with policy B:2.10-Naming Opportunity.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Action 5.3: Expand opportunities for the HCC Foundation to fund capital projects, program excellence, and faculty development.

Attachment Title(s): **Foundation Fund Agreement (Sample)**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100



Houston Community College Foundation
Robert Garner Firefighter Foundation
Fund Agreement

The **Robert Garner Firefighter Foundation** (“Foundation”), of Houston, Texas hereby pledges to Houston Community College Foundation (“HCCF”) an annual gift in the amount of **\$300,000** to be paid on July 1st annually for the next **25 years**, with the first payment to be made on July 1, 2015. The gifted funds are to be used to create the **Robert Garner Firefighter Academy** with HCC and are to be administered according to the following provisions.

1. The funds contributed by the Foundation, together with all earnings thereon, may be merged for investment purposes with the general investment assets of HCCF, but our gift shall be entered into the books and records of HCCF as the **Robert Garner Firefighter Foundation Fund** (“The Fund”), and shall always be so designated.
2. The purpose of The Fund is to provide funds for the support of students attending the HCC Fire Training Academy (“Academy”), specifically tuition, books, fees, equipment and other costs directly related to attendance at the Academy. The Fund will be administered by the director of the Academy or his/her designee. During the life of The Fund, the Academy shall be named the **Robert Garner Firefighter Academy** and all printed and marketing material for the Academy will contain the name **Robert Garner Firefighter Academy** and otherwise prepared accordingly.
3. The \$300,000 will be expended from The Fund each year in accordance with the policies established by the Board of Directors of HCCF and in accordance with The Texas Uniform Prudent Management of Institutional Funds Act, Texas Property Code 163.001 *et seq.*
4. Should the fulfillment of the purpose of our gift become impracticable, unlawful, impossible to achieve, wasteful, obsolete, or inappropriate, as determined by the Board of Directors of HCCF, then my/our gift should be used for the purpose most in keeping with our special interests as described in paragraph (2). However, The Fund will be retained as a permanent endowment and known as the **Robert Garner Firefighter Foundation Fund** in the books and records of HCCF. In the event the **Robert Garner Firefighter Foundation** raises less than \$400,000.00 in a calendar year, the annual contribution shall be reduced to 75% of actual funds raised but no less than \$200,000 for that year. If the annual gift is less than \$275,000 for three consecutive years, HCCF may revoke the naming rights of the **Robert Garner Firefighter Academy** and terminate this agreement. Should the Academy cease to exist before the expiration of the 25 year term, the **Robert Garner Firefighter Foundation** shall no longer be obligated to contribute any gift to HCCF.
5. HCCF acknowledges and agrees that the Foundation is the owner of the exclusive right to the

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|--|--|
| 5 | Accept Donation of Cisco Wireless Learning Credits & Access Points from Datavox | Dr. Cesar Maldonado Teri Zamora Dr. William E. Carter |

RECOMMENDATION

Authorize the Chancellor to accept a donation of Cisco Wireless Learning Credits and Access Points from Datavox.

COMPELLING REASON/RATIONALE

Policy B:1.3. 5 Gifts and Donations: Gifts from Private Sources states that "The authority to accept gifts and donations on behalf of HCC shall be vested solely with the Board, and all bequests of property for the benefit of the institution shall vest in the Board. When not specified by the grantor, funds or other property donated, or the income therefrom, may be expended in any manner authorized by law. The Chancellor shall make recommendations to the Board regarding the acceptance of gifts and donations. The Board may delegate acceptance of gifts to the Chancellor."

DESCRIPTION OR BACKGROUND

Datavox has offered to donate Cisco Wireless Learning Credits and Access Points valued cost to HCC at \$68,102 with list market price of \$102,225. These Wireless Learning Credits and Access Points will provide support for the implementation of the Cisco network equipment upgrades to system-wide infrastructure which supports new construction under the CIP Bond Program which was Board approved on February 13, 2015; Action Item C. CISCO Network Infrastructure Equipment purchased for \$1,450,062.82.

FISCAL IMPACT

Defrays future cost to the College of \$68,102.

LEGAL REQUIREMENT

N/A

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

Attachment Title(s): **Acceptance of Donated Property Form**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100



**ACCEPTANCE OF DONATED PROPERTY FORM
(TO BE COMPLETED BY DEPARTMENT)**

Campus: _____ **Department:** _____

| Responsible Person/Department | Action Required |
|-------------------------------|---|
| Initial contact with donor | 1) Complete form with all required signatures. 2) Send 1 copy to Foundation 3) Send 1 copy to Campus Manager / Asset Management 4) Send 1 copy to Chief Administration Officer for approval. <u>Upon Approval:</u> 1) Return original to Department 2) Send 1 copy to Donor 3) Send 1 copy to Asset Management Note: See Page 2 for more details |

PROCEDURE FLOW STEPS

| Donated Item Description | Dept ID | Serial # | Model # | QTY | Est. Value | TAG # Assigned | Location (Building/ Room) |
|--------------------------|---------|----------|---------|-----|------------|----------------|---------------------------|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

Use Restrictions? YES - NO -

Restriction Details: _____

| Name of Donor (Print) | SIGNATURE OF DONOR | DATE |
|-----------------------|--------------------|------|
| | | |

| Name of Recipient (Print) | SIGNATURE OF RECIPIENT | DATE |
|---------------------------|------------------------|------|
| | | |

| DEPARTMENT HEAD OR DESIGNEE SIGNATURE | DATE | VICE CHANCELLOR, PRESIDENT OR DESIGNEE SIGNATURE | DATE |
|---------------------------------------|------|--|------|
| | | | |

| Foundation Approval __Y__ __N__ | Foundation Representative Signature | DATE |
|------------------------------------|-------------------------------------|------|
| | | |

Risk Management Review: Name _____ Date _____

Comments: _____

Legal Review: Name _____ Date _____

Comments: _____

CHECK ALL FACTORS BELOW THAT HAVE BEEN CONSIDERED:

- | | |
|--|--------------------------------------|
| _____ Maintenance/repair costs | _____ IT system compatibility |
| _____ No Company endorsements implied | _____ Suitable for specified program |
| _____ Restrictions on usage are acceptable | _____ Use encumbrances |
| _____ Installation costs | _____ Estimate remaining life |

DONATION REJECTED? YES - NO -

Rejection Reason: _____

Note: Donated property shall become the property of the Houston Community College. The tax-exempt status of the College is determined in pursuant to Section 115 of the Internal Revenue Code. Donations to any of the Houston Community Colleges fall under the provisions of Section 170 (c) (1) of the Code. Attach supporting appraisal or value estimation documentation to this form.

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|---|--|
| 6 | Investment Report for the Month of January, 2015 | Dr. Cesar Maldonado Teri Zamora |

RECOMMENDATION

Approve the Investment Report for the month of January, 2015

COMPELLING REASON/RATIONALE

The monthly report advises the Board on the status of the investment portfolio and complies with the relevant statute.

DESCRIPTION OR BACKGROUND

This report provides information related to the various investments of the college, including book values and market values.

FISCAL IMPACT

The interest income earned and earnings credit for the month totaled \$223,616, and the interest income earned and earnings credit for the fiscal year-to-date totaled \$1,021,373. The weighted average interest rate (WAR) at January 31, 2015 is .43%.

The Investment Report attached identifies HCC's investment holdings for the month ending January 31, 2015. It includes the unexpended proceeds of the various bond issues. The portfolio is highly liquid and secure with 86% of the assets invested in local government pools, money market funds and short-term certificates of deposit. All pools and money market funds are rated at the highest level. Certificates of deposit, high yield savings and other bank deposits are secured with U.S. Treasuries/agencies. The balance of the portfolio is invested in U.S. Treasuries and government-sponsored entities/agencies with "AAA" credit ratings. Interest rates have remained historically low.

LEGAL REQUIREMENTS

This report is required by the Public Funds Investment Act (Texas Government Code 2256.023) to be submitted to the governing body of Houston Community College no less than quarterly.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

Attachment Title(s): **Investment Report - January, 2015**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100

HOUSTON COMMUNITY COLLEGE SYSTEM
INVESTMENT PORTFOLIO COMPOSITION
As of JANUARY 31, 2015

| | | |
|--|----|--------------|
| Beginning Book Value (JANUARY 1, 2015) | \$ | 544,585,826 |
| Beginning Market Value (JANUARY 1, 2015) | \$ | 543,950,865 |
| Additions/subtractions (Book value - Net) | \$ | 53,749,199 * |
| Change in Market value | \$ | 619,021 |
| Ending Book value (JANUARY 31, 2015) | \$ | 598,335,026 |
| Ending Market value (JANUARY 31, 2015) | \$ | 598,350,591 |
| Unrealized Gain/(Loss) | \$ | 15,566 |
| WAM (83% of Portfolio's weighted average maturity - All Funds) | | 1 |

This report is in compliance with the investment strategies approved in Houston Community College System investment policy and is in accordance with the Public Funds Investment Act of 1999.

Note: This month's Investment does not include \$23,710,146 on deposit with Bank Of America which is earning higher than market yield from earning credits.

| | |
|---|--------------------|
| * Net amount provided/used for Operations | 57,042,056 |
| Net amount provided/used for CIP /Others | <u>(3,292,857)</u> |
| | 53,749,199 |

EXECUTIVE SUMMARY
INVENTORY HOLDINGS REPORT
January 31, 2015

| | <u>Ending Book Value</u> | <u>Ending Market Value</u> | <u>Unrealized Gain (Loss)</u> |
|---------------------------|------------------------------|--------------------------------|-----------------------------------|
| US Treasuries | 4,001,250 | 4,011,564 | 10,314 |
| US Agencies | 79,254,069 | 79,259,321 | 5,252 |
| Local government pools | 10,125,393 | 10,125,393 | - |
| Money market funds | 135,383,031 | 135,383,031 | - |
| High yield savings | 77,174,054 | 77,174,054 | - |
| Certificates of deposit | 215,250,000 | 215,250,000 | - |
| Interest bearing checking | 77,147,228 | 77,147,228 | - |
| Total | <u>598,335,026</u> | <u>598,350,591</u> | <u>15,566</u> |

| | |
|--------------------------------------|--------------|
| WAR (weighted average interest rate) | <u>0.43%</u> |
|--------------------------------------|--------------|

INVESTMENTS
INVENTORY HOLDINGS REPORT (OPERATING AND OTHERS)
As of JANUARY 31, 2015

| Description | Held At | Coupon Rate | Purchase Date | Maturity Date | Par | Beginning Mkt. Value | Beginning Book Value | Purchased (Redeemed) | Ending Book Value | Ending Mkt. Value | Change in Mkt. Value | Unrealized Gain/(Loss) |
|---|-----------------|-------------|---------------|---------------|------------|----------------------|----------------------|----------------------|-------------------|-------------------|----------------------|------------------------|
| Fannie Mae ARM Pool 708686 | Bank of America | 2.48% | 02/22/05 | 05/01/33 | 52,783 | 56,615 | 54,381 | (190) | 54,191 | 56,450 | 33 | 2,259 |
| Fannie Mae ARM Pool 805454 | Bank of America | 2.64% | 12/23/04 | 12/01/34 | 51,070 | 58,601 | 60,708 | (3,779) | 56,928 | 54,286 | (667) | (2,642) |
| Federal Farm Credit Bank US Domestic Bond | Bank of America | 0.40% | 08/03/12 | 08/03/15 | 1,000,000 | 1,000,924 | 1,000,000 | 0 | 1,000,000 | 1,001,285 | 361 | 1,285 |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 1.50% | 07/30/12 | 07/30/27 | 2,000,000 | 1,906,884 | 2,000,000 | 0 | 2,000,000 | 1,975,566 | 68,682 | (24,434) |
| Freddie Mac Domestic MTN Unsecured Bond | Bank of America | 0.85% | 03/10/14 | 03/10/17 | 1,000,000 | 994,408 | 1,000,000 | 0 | 1,000,000 | 999,633 | 5,225 | (367) |
| Freddie Mac Domestic MTN Unsecured Bond | Bank of America | 1.00% | 08/22/12 | 02/22/18 | 1,000,000 | 988,253 | 1,000,000 | 0 | 1,000,000 | 998,791 | 10,538 | (1,209) |
| Fannie Mae US Domestic Multi-step CPN Bond Structured Note | Bank of America | 1.00% | 08/27/12 | 08/27/27 | 2,000,000 | 2,003,642 | 1,990,000 | 0 | 1,990,000 | 2,002,378 | (1,264) | 12,378 |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 0.25% | 01/23/15 | 01/22/16 | 2,000,000 | - | - | 1,999,720 | 1,999,720 | 1,999,630 | - | (90) |
| Federal Farm Credit Bank US Domestic Unsecured | Bank of America | 0.48% | 01/28/15 | 05/27/16 | 1,725,000 | - | - | 1,724,655 | 1,724,655 | 1,724,348 | - | (307) |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 2.00% | 07/30/12 | 07/30/27 | 1,080,000 | 1,017,304 | 1,080,000 | 0 | 1,080,000 | 1,055,527 | 38,223 | (24,473) |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 2.00% | 08/27/12 | 11/27/24 | 1,600,000 | 1,561,565 | 1,600,000 | 0 | 1,600,000 | 1,601,920 | 40,355 | 1,920 |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 2.00% | 07/30/12 | 07/30/27 | 2,675,000 | 2,573,853 | 2,675,000 | 0 | 2,675,000 | 2,666,095 | 92,242 | (8,905) |
| Federal Farm Credit Bank US Domestic Unsecured | Bank of America | 1.00% | 04/11/13 | 04/11/18 | 10,000,000 | 9,910,300 | 10,000,000 | 0 | 10,000,000 | 10,000,520 | 90,220 | 520 |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 0.70% | 04/17/13 | 01/17/17 | 5,000,000 | 4,986,550 | 5,000,000 | 0 | 5,000,000 | 5,005,200 | 18,650 | 5,200 |
| Fannie Mae US Domestic Multi-step cpn Bond Structured Note | Bank of America | 0.80% | 06/13/13 | 06/13/18 | 10,000,000 | 9,901,250 | 10,000,000 | 0 | 10,000,000 | 9,998,330 | 97,080 | (1,670) |
| Federal Home Loan Bank US Domestic Unsecured series 0003 | Bank of America | 1.00% | 03/27/14 | 03/27/17 | 10,000,000 | 9,943,420 | 10,000,000 | 0 | 10,000,000 | 9,998,330 | 54,910 | (1,670) |
| Federal Home Loan Bank US Domestic Multi-step CPN BND Unsecured series 0001 | Bank of America | 1.38% | 06/30/14 | 06/26/19 | 5,000,000 | 5,000,495 | 5,000,000 | 0 | 5,000,000 | 5,009,865 | 9,370 | 9,865 |
| U.S. Treasury Notes US Govt. National | Bank of America | 0.50% | 07/10/14 | 06/30/16 | 4,000,000 | 4,001,248 | 4,001,250 | 0 | 4,001,250 | 4,011,564 | 10,316 | 10,314 |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 0.52% | 07/10/14 | 09/12/16 | 1,080,000 | 1,076,534 | 1,078,304 | 0 | 1,078,304 | 1,080,025 | 3,491 | 1,720 |
| Federal Farm Credit Bank US Domestic Unsecured | Bank of America | 1.22% | 09/24/14 | 09/18/17 | 3,000,000 | 2,997,384 | 2,999,670 | 0 | 2,999,670 | 3,014,043 | 16,659 | 14,373 |
| Federal Home Loan Bank US Unsecured | Bank of America | 0.85% | 09/24/14 | 02/27/17 | 5,000,000 | 4,978,245 | 4,995,600 | 0 | 4,995,600 | 5,001,925 | 23,680 | 6,325 |
| Freddie Mac Domestic MTN Unsecured Bond | Bank of America | 1.30% | 09/25/14 | 01/30/18 | 5,000,000 | 4,988,515 | 5,000,000 | 0 | 5,000,000 | 5,011,255 | 22,740 | 11,255 |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 1.11% | 09/26/14 | 06/26/17 | 4,000,000 | 3,993,812 | 4,000,000 | 0 | 4,000,000 | 4,000,184 | 6,372 | 184 |
| Federal Home Loan Bank US Domestic Series:0001 Unsecured | Bank of America | 1.00% | 09/27/14 | 03/29/17 | 10,000,000 | 9,987,520 | 10,000,000 | (10,000,000) | - | - | - | - |
| Freddie Mac Global Unsecured Bond | Bank of America | 0.70% | 09/29/14 | 09/29/16 | 5,000,000 | 4,991,930 | 5,000,000 | 0 | 5,000,000 | 5,003,735 | 11,805 | 3,735 |
| Federal Home Loan Bank Global Unsecured | Bank of America | 0.80% | 10/14/14 | 10/14/16 | 20,000,000 | 19,980,700 | 20,000,000 | (20,000,000) | - | - | - | - |
| Plant Fund Interest Checking (10060-7201) | Bank Of America | 0.11% | 01/01/15 | | | 66,452 | 66,452 | 6 | 66,458 | 66,458 | 0 | 0 |
| Debt Service 2001A Bond Int Checking (10080) | Bank Of America | 0.11% | 01/01/15 | | | 2,130,215 | 2,130,215 | 10,976 | 2,141,191 | 2,141,191 | 0 | 0 |
| HCCS Merchant service (10012) | Bank Of America | 0.30% | 01/01/15 | | | 49,769,488 | 49,769,488 | (44,164) | 49,725,324 | 49,725,324 | 0 | 0 |
| Checking Account- 10010-7306-2006 Jr. lien | Bank Of America | 0.11% | 01/01/15 | | | 229 | 229 | 0 | 229 | 229 | 0 | 0 |
| LTD2013 Tax Bond Grneral Checking A/C (10090) | Bank Of America | 0.11% | 01/01/15 | | | 1,768,326 | 1,768,326 | 297 | 1,768,623 | 1,768,623 | 0 | 0 |
| LTD2003 Tax Bond Checking A/C (10092) | Bank Of America | 0.11% | 01/01/15 | | | 1,929,825 | 1,929,825 | 184 | 1,930,009 | 1,930,009 | 0 | 0 |
| Managed PFI Account-10100-1110 | Bank Of America | 0.20% | 01/01/15 | | | 21,511,739 | 21,511,739 | 3,654 | 21,515,393 | 21,515,393 | 0 | 0 |
| Merrill Lynch, Pierce, Fenner & smith (1110) | Bank Of America | 0.01% | 01/01/15 | | | 455,763 | 455,763 | 10 | 455,773 | 455,773 | 0 | 0 |
| Public Fund Money Market_Premier (159406615) | Regions Bank | 0.18% | 01/01/15 | | | 54,564,448 | 54,564,448 | 7,915 | 54,572,363 | 54,572,363 | 0 | 0 |

| Description | Held At | Coupon Rate | Purchase Date | Maturity Date | Par | Beginning Mkt. Value | Beginning Book Value | Purchased (Redeemed) | Ending Book Value | Ending Mkt. Value | Change in Mkt. Value | Unrealized Gain/(Loss) |
|---|-------------------|-------------|---------------|---------------|-----|----------------------|----------------------|----------------------|--------------------|--------------------|----------------------|------------------------|
| Public Fund Money Market_Premier (185913820)- fund 1110 | Regions Bank | 0.15% | 01/01/15 | | | 307,368 | 307,368 | 80,047,528 | 80,354,896 | 80,354,896 | 0 | 0 |
| Chase High Yield Savings (A/C 2049911718) | Chase Bank | 0.03% | 01/01/15 | | | 2,353 | 2,353 | (15) | 2,338 | 2,338 | 0 | 0 |
| Chase High Yield Savings (A/C 3000684286) | Chase Bank | 0.03% | 01/01/15 | | | 77,169,818 | 77,169,818 | 1,898 | 77,171,716 | 77,171,716 | 0 | 0 |
| Fixed Time Deposit with Unity Bank | Unity Bank | 0.26% | 06/09/14 | 06/09/15 | | 100,000 | 100,000 | 0 | 100,000 | 100,000 | 0 | 0 |
| Fixed Time Deposit with Unity Bank | Unity Bank | 0.25% | 10/18/14 | 10/18/15 | | 150,000 | 150,000 | 0 | 150,000 | 150,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.28% | 04/03/13 | 04/03/15 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.43% | 03/22/13 | 09/22/15 | | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 50,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.49% | 07/25/13 | 01/24/16 | | 5,000,000 | 5,000,000 | 0 | 5,000,000 | 5,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.50% | 04/03/13 | 04/03/16 | | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 40,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.49% | 07/25/13 | 07/24/16 | | 5,000,000 | 5,000,000 | 0 | 5,000,000 | 5,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.69% | 03/22/13 | 03/22/17 | | 30,000,000 | 30,000,000 | 0 | 30,000,000 | 30,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.49% | 07/25/13 | 07/24/17 | | 5,000,000 | 5,000,000 | 0 | 5,000,000 | 5,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.99% | 03/23/13 | 03/21/18 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.98% | 03/22/13 | 03/22/18 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 1.02% | 04/03/13 | 04/03/18 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Corporate Overnight Fund | Lone Star | 0.12% | 01/01/15 | | | 1,597,017 | 1,597,017 | 167 | 1,597,184 | 1,597,184 | 0 | 0 |
| Tex Pool | State Street Bank | 0.05% | 01/01/15 | | | 8,527,872 | 8,527,872 | 337 | 8,528,209 | 8,528,209 | 0 | 0 |
| TOTAL | | | | | | 543,950,865 | 544,585,826 | 53,749,199 | 598,335,026 | 598,350,591 | 619,021 | 15,566 |

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|--|--|
| 7 | Investment Report for the Month of February, 2015 | Dr. Cesar Maldonado Teri Zamora |

RECOMMENDATION

Approve the Investment Report for the month of February, 2015

COMPELLING REASON/RATIONALE

The monthly report advises the Board on the status of the investment portfolio and complies with the relevant statute.

DESCRIPTION OR BACKGROUND

This report provides information related to the various investments of the college, including book values and market values.

FISCAL IMPACT

The interest income earned and earnings credit for the month totaled \$219,545, and the interest income earned and earnings credit for the fiscal year-to-date totaled \$1,240,918. The weighted average interest rate (WAR) at February 28, 2015 is .41%.

The Investment Report attached identifies HCC's investment holdings for the month ending February 28, 2015. It includes the unexpended proceeds of the various bond issues. The portfolio is highly liquid and secure with 87% of the assets invested in local government pools, money market funds and short-term certificates of deposit. All pools and money market funds are rated at the highest level. Certificates of deposit, high yield savings and other bank deposits are secured with U.S. Treasuries/agencies. The balance of the portfolio is invested in U.S. Treasuries and government-sponsored entities/agencies with "AAA" credit ratings. Interest rates have remained historically low.

LEGAL REQUIREMENTS

This report is required by the Public Funds Investment Act (Texas Government Code 2256.023) to be submitted to the governing body of Houston Community College no less than quarterly.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

Attachment Title(s): **Investment Report - February, 2015**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100

HOUSTON COMMUNITY COLLEGE SYSTEM
INVESTMENT PORTFOLIO COMPOSITION
As of FEBRUARY 28, 2015

| | | |
|--|----|--------------|
| Beginning Book Value (FEBRUARY 1, 2015) | \$ | 598,335,024 |
| Beginning Market Value (FEBRUARY 1, 2015) | \$ | 598,350,590 |
| Additions/subtractions (Book value - Net) | \$ | 18,294,376 * |
| Change in Market value | \$ | (296,260) |
| Ending Book value (FEBRUARY 28, 2015) | \$ | 616,629,400 |
| Ending Market value (FEBRUARY 28, 2015) | \$ | 616,341,636 |
| Unrealized Gain/(Loss) | \$ | (287,764) |
| WAM (83% of Portfolio's weighted average maturity - All Funds) | | 1 |

This report is in compliance with the investment strategies approved in Houston Community College System investment policy and is in accordance with the Public Funds Investment Act of 1999.

Note: This month's Investment does not include \$23,767,147 on deposit with Bank Of America which is earning higher than market yield from earning credits.

| | |
|---|-------------------|
| * Net amount provided/used for Operations | 47,236,670 |
| Net amount provided/used for CIP /Others | (28,942,294) |
| | <u>18,294,376</u> |

EXECUTIVE SUMMARY
INVENTORY HOLDINGS REPORT
February 28, 2015

| | <u>Ending Book Value</u> | <u>Ending Market Value</u> | <u>Unrealized Gain (Loss)</u> |
|---------------------------|------------------------------|--------------------------------|-----------------------------------|
| US Treasuries | 4,001,250 | 4,004,688 | 3,438 |
| US Agencies | 79,258,114 | 78,966,912 | (291,202) |
| Local government pools | 10,125,830 | 10,125,830 | - |
| Money market funds | 175,403,522 | 175,403,522 | - |
| High yield savings | 77,175,811 | 77,175,811 | - |
| Certificates of deposit | 215,250,000 | 215,250,000 | - |
| Interest bearing checking | 55,414,874 | 55,414,874 | - |
| Total | <u>616,629,400</u> | <u>616,341,636</u> | <u>(287,764)</u> |

WAR (weighted average interest rate) 0.41%

INVESTMENTS
INVENTORY HOLDINGS REPORT (OPERATING AND OTHERS)
As of FEBRUARY 28, 2015

| Description | Held At | Coupon Rate | Purchase Date | Maturity Date | Par | Beginning Mkt. Value | Beginning Book Value | Purchased (Redeemed) | Ending Book Value | Ending Mkt. Value | Change in Mkt. Value | Unrealized Gain/(Loss) |
|---|-----------------|-------------|---------------|---------------|------------|----------------------|----------------------|----------------------|-------------------|-------------------|----------------------|------------------------|
| Fannie Mae ARM Pool 708686 | Bank of America | 2.48% | 02/22/05 | 05/01/33 | 52,592 | 56,450 | 54,191 | (191) | 54,000 | 56,210 | (41) | 2,209 |
| Fannie Mae ARM Pool 805454 | Bank of America | 2.64% | 12/23/04 | 12/01/34 | 50,905 | 54,286 | 56,928 | (164) | 56,764 | 54,204 | 74 | (2,560) |
| Federal Farm Credit Bank US Domestic Bond | Bank of America | 0.40% | 08/03/12 | 08/03/15 | 1,000,000 | 1,001,285 | 1,000,000 | 0 | 1,000,000 | 1,000,987 | (298) | 987 |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 1.50% | 07/30/12 | 07/30/27 | 2,000,000 | 1,975,566 | 2,000,000 | 0 | 2,000,000 | 1,935,426 | (40,140) | (64,574) |
| Freddie Mac Domestic MTN Unsecured Bond | Bank of America | 0.85% | 03/10/14 | 03/10/17 | 1,000,000 | 999,633 | 1,000,000 | 0 | 1,000,000 | 997,251 | (2,382) | (2,749) |
| Freddie Mac Domestic MTN Unsecured Bond | Bank of America | 1.00% | 08/22/12 | 02/22/18 | 1,000,000 | 998,791 | 1,000,000 | 0 | 1,000,000 | 992,620 | (6,171) | (7,380) |
| Fannie Mae US Domestic Multi-step CPN Bond Structured Note | Bank of America | 1.00% | 08/27/12 | 08/27/27 | 2,000,000 | 2,002,378 | 1,990,000 | 0 | 1,990,000 | 2,004,722 | 2,344 | 14,722 |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 0.25% | 01/23/15 | 01/22/16 | 2,000,000 | 1,999,630 | 1,999,720 | 0 | 1,999,720 | 1,998,914 | (716) | (806) |
| Federal Farm Credit Bank US Domestic Unsecured | Bank of America | 0.48% | 01/28/15 | 05/27/16 | 1,725,000 | 1,724,348 | 1,724,655 | 0 | 1,724,655 | 1,723,144 | (1,204) | (1,511) |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 2.00% | 07/30/12 | 07/30/27 | 1,080,000 | 1,055,527 | 1,080,000 | 0 | 1,080,000 | 1,033,638 | (21,889) | (46,362) |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 2.00% | 08/27/12 | 11/27/24 | 1,600,000 | 1,601,920 | 1,600,000 | 0 | 1,600,000 | 1,579,570 | (22,350) | (20,430) |
| Federal Home Loan Bank US Domestic Multi-step cpn Bond Structured Note | Bank of America | 2.00% | 07/30/12 | 07/30/27 | 2,675,000 | 2,666,095 | 2,675,000 | 0 | 2,675,000 | 2,612,236 | (53,858) | (62,764) |
| Federal Farm Credit Bank US Domestic Unsecured | Bank of America | 1.00% | 04/11/13 | 04/11/18 | 10,000,000 | 10,000,520 | 10,000,000 | 0 | 10,000,000 | 9,955,560 | (44,960) | (44,440) |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 0.70% | 04/17/13 | 01/17/17 | 5,000,000 | 5,005,200 | 5,000,000 | 0 | 5,000,000 | 4,999,935 | (5,265) | (65) |
| Fannie Mae US Domestic Multi-step cpn Bond Structured Note | Bank of America | 0.80% | 06/13/13 | 06/13/18 | 10,000,000 | 9,998,330 | 10,000,000 | 0 | 10,000,000 | 9,947,110 | (51,220) | (52,890) |
| Federal Home Loan Bank US Domestic Unsecured series 0003 | Bank of America | 1.00% | 03/27/14 | 03/27/17 | 10,000,000 | 9,998,330 | 10,000,000 | 0 | 10,000,000 | 9,977,330 | (21,000) | (22,670) |
| Federal Home Loan Bank US Domestic Multi-step CPN BND Unsecured series 0001 | Bank of America | 1.38% | 06/30/14 | 06/26/19 | 5,000,000 | 5,009,865 | 5,000,000 | 0 | 5,000,000 | 5,004,310 | (5,555) | 4,310 |
| U.S. Treasury Notes US Govt. National | Bank of America | 0.50% | 07/10/14 | 06/30/16 | 4,000,000 | 4,011,564 | 4,001,250 | 0 | 4,001,250 | 4,004,688 | (6,876) | 3,438 |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 0.52% | 07/10/14 | 09/12/16 | 1,080,000 | 1,080,025 | 1,078,304 | 0 | 1,078,304 | 1,079,383 | (642) | 1,079 |
| Federal Farm Credit Bank US Domestic Unsecured | Bank of America | 1.22% | 09/24/14 | 09/18/17 | 3,000,000 | 3,014,043 | 2,999,670 | 0 | 2,999,670 | 3,008,541 | (5,502) | 8,871 |
| Federal Home Loan Bank US Unsecured | Bank of America | 0.85% | 09/24/14 | 02/27/17 | 5,000,000 | 5,001,925 | 4,995,600 | (4,995,600) | - | - | - | - |
| Freddie Mac Domestic MTN Unsecured Bond | Bank of America | 1.30% | 09/25/14 | 01/30/18 | 5,000,000 | 5,011,255 | 5,000,000 | 0 | 5,000,000 | 5,006,390 | (4,865) | 6,390 |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 1.11% | 09/26/14 | 06/26/17 | 4,000,000 | 4,000,184 | 4,000,000 | 0 | 4,000,000 | 4,000,192 | 8 | 192 |
| Freddie Mac Global Unsecured Bond | Bank of America | 0.70% | 09/29/14 | 09/29/16 | 5,000,000 | 5,003,735 | 5,000,000 | 0 | 5,000,000 | 4,999,985 | (3,750) | (15) |
| Federal Home Loan Bank US Domestic Unsecured | Bank of America | 0.25% | 02/02/15 | 01/26/16 | 5,000,000 | - | - | 5,000,000 | 5,000,000 | 4,999,255 | - | (745) |
| Plant Fund Interest Checking (10060-7201) | Bank Of America | 0.11% | 02/01/15 | | | 66,458 | 66,458 | 5 | 66,463 | 66,463 | 0 | 0 |
| Debt Service 2001A Bond Int Checking (10080) | Bank Of America | 0.11% | 02/01/15 | | | 2,141,191 | 2,141,191 | 16,148 | 2,157,339 | 2,157,339 | 0 | 0 |
| HCCS Merchant service (10012) | Bank Of America | 0.30% | 02/01/15 | | | 49,725,324 | 49,725,324 | (64,558) | 49,660,766 | 49,660,766 | 0 | 0 |
| Checking Account- 10010-7306-2006 Jr. lien | Bank Of America | 0.11% | 02/01/15 | | | 229 | 229 | 0 | 229 | 229 | 0 | 0 |
| LTD2013 Tax Bond Grneral Checking A/C (10090) | Bank Of America | 0.11% | 02/01/15 | | | 1,768,623 | 1,768,623 | (170,129) | 1,598,494 | 1,598,494 | 0 | 0 |
| LTD2003 Tax Bond Checking A/C (10092) | Bank Of America | 0.11% | 02/01/15 | | | 1,930,009 | 1,930,009 | 158 | 1,930,167 | 1,930,167 | 0 | 0 |
| Managed PFI Account-10100-1110 | Bank Of America | 0.20% | 02/01/15 | | | 21,515,393 | 21,515,393 | (21,513,978) | 1,415 | 1,415 | 0 | 0 |
| Merrill Lynch, Pierce, Fenner & smith (1110) | Bank Of America | 0.01% | 02/01/15 | | | 455,772 | 455,772 | 10 | 455,782 | 455,782 | 0 | 0 |
| Public Fund Money Market_Premier (159406615) | Regions Bank | 0.18% | 02/01/15 | | | 54,572,363 | 54,572,363 | 7,378 | 54,579,741 | 54,579,741 | 0 | 0 |

| Description | Held At | Coupon Rate | Purchase Date | Maturity Date | Par | Beginning Mkt. Value | Beginning Book Value | Purchased (Redeemed) | Ending Book Value | Ending Mkt. Value | Change in Mkt. Value | Unrealized Gain/(Loss) |
|---|-------------------|-------------|---------------|---------------|-----|----------------------|----------------------|----------------------|--------------------|--------------------|----------------------|------------------------|
| Public Fund Money Market_Premier (185913820)- fund 1110 | Regions Bank | 0.15% | 02/01/15 | | | 80,354,896 | 80,354,896 | 40,013,103 | 120,367,999 | 120,367,999 | 0 | 0 |
| Chase High Yield Savings (A/C 2049911718) | Chase Bank | 0.03% | 02/01/15 | | | 2,338 | 2,338 | (15) | 2,323 | 2,323 | 0 | 0 |
| Chase High Yield Savings (A/C 3000684286) | Chase Bank | 0.03% | 02/01/15 | | | 77,171,716 | 77,171,716 | 1,772 | 77,173,488 | 77,173,488 | 0 | 0 |
| Fixed Time Deposit with Unity Bank | Unity Bank | 0.26% | 06/09/14 | 06/09/15 | | 100,000 | 100,000 | 0 | 100,000 | 100,000 | 0 | 0 |
| Fixed Time Deposit with Unity Bank | Unity Bank | 0.25% | 10/18/14 | 10/18/15 | | 150,000 | 150,000 | 0 | 150,000 | 150,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.28% | 04/03/13 | 04/03/15 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.43% | 03/22/13 | 09/22/15 | | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 50,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.49% | 07/25/13 | 01/24/16 | | 5,000,000 | 5,000,000 | 0 | 5,000,000 | 5,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.50% | 04/03/13 | 04/03/16 | | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 40,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.49% | 07/25/13 | 07/24/16 | | 5,000,000 | 5,000,000 | 0 | 5,000,000 | 5,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.69% | 03/22/13 | 03/22/17 | | 30,000,000 | 30,000,000 | 0 | 30,000,000 | 30,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.49% | 07/25/13 | 07/24/17 | | 5,000,000 | 5,000,000 | 0 | 5,000,000 | 5,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.99% | 03/23/13 | 03/21/18 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 0.98% | 03/22/13 | 03/22/18 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Certificate of Deposit | Chase Bank | 1.02% | 04/03/13 | 04/03/18 | | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 20,000,000 | 0 | 0 |
| Corporate Overnight Fund | Lone Star | 0.12% | 02/01/15 | | | 1,597,184 | 1,597,184 | 148 | 1,597,332 | 1,597,332 | 0 | 0 |
| Tex Pool | State Street Bank | 0.05% | 02/01/15 | | | 8,528,209 | 8,528,209 | 288 | 8,528,497 | 8,528,497 | 0 | 0 |
| TOTAL | | | | | | 598,350,590 | 598,335,024 | 18,294,376 | 616,629,400 | 616,341,636 | (296,260) | (287,764) |

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|---|--|
| 8 | Monthly Financial Statement and Budget Review for January 2015 | Dr. Cesar Maldonado Teri Zamora |

RECOMMENDATION

Approve the Financial Statement for the month of January 2015.

COMPELLING REASON/RATIONALE

The monthly report advises the Board on the status of the finances of the college.

DESCRIPTION OR BACKGROUND

This report provides information related to the various funds of the college, including fund balances, comparison to previous year and comparison to budget.

FISCAL IMPACT

Awareness and review of financial information throughout the year helps to inform decision making, and allows for mid-year adjustments, as needed.

LEGAL REQUIREMENT

N/A

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

Attachment Title(s): **Financial Statement - January 2015**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100



Summary Operating Statements

For the Period
September 1, 2014 - January 31, 2015
For the Meeting of the Board of Trustees - April 9, 2015

for
Houston Community College System
&
Houston Community College Public Facility Corporation

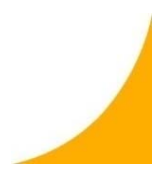


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For the Period September 1, 2014 - January 31, 2015

Houston Community College System

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**Houston Community College System
Summary of Financial Statements
As of January 31, 2015**

In the Unrestricted Fund as of January 31, 2015, total revenue received is \$193.7 million. This represents 63.2% of budgeted annual revenues of \$298.7 million. Expenses total \$112.2 million to date; which is 36.6% of the total expense budget of \$306.7 million. Compared with the same time last year, revenue shows a 9.4% increase, and expenses are 2.1% lower than the prior year. Actual net revenue is \$81.5 million to-date, which translates into a like amount increase in fund balance.

Tuition and fee revenue shows a 5% increase year-to-date, namely due to increases in enrollment. Tuition and fee revenue for Extended Learning shows a 46.1% increase due partially to an increase in enrollment and also largely to a differential category fee created for out-of-state and international students taking non-credit courses.

Salaries increased 5%. This increase is due namely to an across the board salary increases of 2% for full-time employees and an increase in part-time faculty salary rates.

Expenses related to supplies, instruction and other materials, and capital outlay have decreased. Decreases have resulted primarily from greater oversight of expenditures and discontinuation of the practice of allowing current unrestricted fund purchase orders to roll into the next fiscal year.

HOUSTON COMMUNITY COLLEGE SYSTEM
Unaudited Fund Balances and Activities - All Funds
as of January 31, 2015

| | Unrestricted | Restricted | Auxiliary | Loan & Endowments | Scholarship | Agency | Unexpended Plant | Capital and Technology | Retirement of Debt | Investment in Plant | Public Facility Corp. | Grand Total |
|--------------------------------------|-----------------------|---------------------|---------------------|----------------------|-------------------|-------------|---------------------|---------------------------|-----------------------|------------------------|--------------------------|-----------------------|
| Fund Balance as of 9/1/2014, Audited | \$ 100,704,814 | \$ 8,760,527 | \$ 6,048,536 | \$ 509,932 | \$ - | \$ (59,601) | \$ 5,418,977 | \$ - | \$ 36,581,244 | \$ 221,786,019 | \$ (5,898,375) | \$ 373,852,073 |
| Revenues | 193,706,056 | 15,372,873 | 6,977,811 | - | 48,614,839 | - | 1,569,334 | - | 31,419,833 | - | 306 | 297,661,052 |
| Expenses | | | | | | | | | | | | |
| Salaries | 72,960,483 | 2,286,216 | 1,973,627 | - | 1,520,967 | - | 92,663 | - | - | - | - | 78,833,957 |
| Employee Benefits | 8,126,193 | 5,877,620 | 416,543 | - | 298 | - | 20,958 | - | - | - | - | 14,441,612 |
| Supplies & General Exp | 1,582,789 | 78,890 | 344,801 | - | - | - | 668 | 79,546 | - | - | - | 2,086,693 |
| Travel | 268,261 | 113,349 | 48,476 | - | - | - | - | - | - | - | - | 430,085 |
| Marketing Costs | 453,037 | 19,046 | 4,014 | - | - | - | - | - | - | - | - | 476,098 |
| Rentals & Leases | 1,160,710 | 80,262 | 29,678 | - | - | - | 2,369 | - | - | - | - | 1,273,018 |
| Insurance/Risk Mgmt | 6,390,220 | 1,953 | 1,274 | - | - | - | - | - | - | - | - | 6,393,447 |
| Contracted Services | 8,307,608 | 1,841,372 | 648,307 | - | - | - | 4,338 | - | 228,530 | - | - | 11,030,156 |
| Utilities | 3,216,236 | - | 198,667 | - | - | - | - | - | - | - | - | 3,414,903 |
| Other Departmental Expenses | 508,186 | 56,239 | 1,777,271 | - | - | - | - | - | - | - | - | 2,341,696 |
| Instructional and Other Materials | 3,918,706 | 77,896 | 81,199 | - | - | - | 134,438 | - | - | - | - | 4,212,239 |
| Maintenance and Repair | 318,835 | 200,304 | 6,113 | - | 100,203 | - | 74,392 | - | - | - | - | 699,847 |
| Transfers (In)/Out* | 3,971,063 | 4,250,000 | - | - | (1,494,760) | - | 2,000,000 | (8,250,000) | (476,302) | - | - | 0 |
| Debt | 74,509 | - | - | - | - | - | - | - | 3,415,483 | - | 590,785 | 4,080,777 |
| Capital Outlay | 926,194 | 329,969 | - | - | - | - | 7,758,450 | 119,559 | - | - | - | 9,134,172 |
| Depreciation | - | - | - | - | - | - | - | - | - | 8,139,821 | - | 8,139,821 |
| Scholarship Distribution | - | - | - | - | 48,493,679 | - | - | - | - | - | - | 48,493,679 |
| Total Expenses | 112,183,029 | 15,213,116 | 5,529,970 | - | 48,620,387 | - | 10,088,277 | (8,050,895) | 3,167,712 | 8,139,821 | 590,785 | 195,482,199 |
| NET REVENUE/(EXPENSES) | 81,521,107 | 159,756 | 1,447,842 | - | (5,548) | - | (8,518,942) | 8,050,895 | 28,252,122 | (8,139,821) | (590,479) | 102,176,932 |
| Fund Balance Entries | | | | | | 59,601 | 7,337,844 | - | | 1,488,698 | (59,782) | 8,826,362 |
| Fund Balance as of 01/31/2015 | \$ 182,225,922 | \$ 8,920,283 | \$ 7,496,377 | \$ 509,932 | \$ (5,548) | \$ - | \$ 4,237,879 | \$ 8,050,895 | \$ 64,833,366 | \$ 215,134,897 | \$ (6,548,635) | \$ 484,855,367 |

*Transfers include student revenue bond payment funds, scholarship matching funds, and transfers to Unexpended Plant and Capital and Technology Funds

HOUSTON COMMUNITY COLLEGE SYSTEM
Comparison to Budget and Comparison to Previous Fiscal Year
as of January 31, 2015
41.7% of Year Expended

HCCS CURRENT UNRESTRICTED

| | Year-to-Date Actuals | | | Year-to-Date Actuals | | | Increase (Decrease) | |
|---|-----------------------|-----------------------|--------------------------|-----------------------|-----------------------|---------------------------|-----------------------|--|
| | Thru January 31, 2015 | FY2015 Budget | Actuals as a % of Budget | Thru January 31, 2015 | Thru January 31, 2014 | FY2015 Compared to FY2014 | % Increase (Decrease) | |
| REVENUES | | | | | | | | |
| State Appropriations | \$ 29,734,041 | \$ 69,202,364 | 43.0% | \$ 29,734,041 | \$ 29,787,470 | \$ (53,429) | -0.2% | |
| Ad Valorem Taxes | 69,646,820 | 114,968,081 | 60.6% | 69,646,820 | 57,233,085 | 12,413,735 | 21.7% | |
| Tuition, Net | 34,079,099 | 40,308,204 | 84.5% | 34,079,099 | 32,625,594 | 1,453,505 | 4.5% | |
| Fees | 53,075,057 | 64,784,694 | 81.9% | 53,075,057 | 51,978,702 | 1,096,355 | 2.1% | |
| Other Local Income | 962,963 | 2,247,796 | 42.8% | 962,963 | 953,766 | 9,197 | 1.0% | |
| Tuition & Fee, Net | 5,949,054 | 6,565,665 | 90.6% | 5,949,054 | 4,158,263 | 1,790,791 | 43.1% | |
| -- Extended Learning | | | | | | | | |
| Indirect Cost Revenues, Grant | 259,022 | 619,663 | 41.8% | 259,022 | 297,285 | (38,263) | -12.9% | |
| Total Revenues | 193,706,056 | 298,696,467 | 64.9% | 193,706,056 | 177,034,165 | 16,671,891 | 9.4% | |
| Fund Balance Transfers In | - | 8,000,000 | 0.0% | - | - | - | 0.0% | |
| Total Revenues and Fund Balance Transfer | \$ 193,706,056 | \$ 306,696,467 | 63.2% | \$ 193,706,056 | \$ 177,034,165 | \$ 16,671,891 | 9.4% | |
| EXPENSES | | | | | | | | |
| Salaries | 72,960,483 | 183,041,317 | 39.9% | 72,960,483 | 69,770,186 | 3,190,298 | 4.6% | |
| Employee Benefits | 8,126,193 | 20,230,175 | 40.2% | 8,126,193 | 7,694,812 | 431,381 | 5.6% | |
| Supplies Gen Exp | 1,582,789 | 5,789,132 | 27.3% | 1,582,789 | 2,009,012 | (426,224) | -21.2% | |
| Travel | 268,261 | 1,193,407 | 22.5% | 268,261 | 356,147 | (87,886) | -24.7% | |
| Marketing Costs | 453,037 | 1,428,827 | 31.7% | 453,037 | 461,990 | (8,953) | -1.9% | |
| Rental & Leases | 1,160,710 | 2,500,018 | 46.4% | 1,160,710 | 1,199,402 | (38,692) | -3.2% | |
| Insurance/Risk Mgmt | 6,390,220 | 7,264,193 | 88.0% | 6,390,220 | 6,465,806 | (75,586) | -1.2% | |
| Contract Services | 8,307,608 | 22,803,167 | 36.4% | 8,307,608 | 8,846,878 | (539,270) | -6.1% | |
| Utilities | 3,216,236 | 10,292,368 | 31.2% | 3,216,236 | 2,785,993 | 430,242 | 15.4% | |
| Other Departmental Expenses | 508,186 | 1,922,261 | 26.4% | 508,186 | 838,688 | (330,502) | -39.4% | |
| Instructional & Other Materials | 3,918,706 | 9,938,720 | 39.4% | 3,918,706 | 3,900,823 | 17,883 | 0.5% | |
| Maintenance & Repair | 318,835 | 1,355,829 | 23.5% | 318,835 | 595,522 | (276,687) | -46.5% | |
| Transfers/Debt | 4,045,571 | 32,557,629 | 12.4% | 4,045,571 | 6,214,338 | (2,168,767) | -34.9% | |
| Contingency | - | 3,783,297 | 0.0% | - | - | - | 0.0% | |
| Capital Outlay | 926,194 | 2,596,127 | 35.7% | 926,194 | 3,495,581 | (2,569,387) | -73.5% | |
| Total Expenses | \$ 112,183,029 | \$ 306,696,467 | 36.6% | \$ 112,183,029 | \$ 114,635,178 | (2,452,149) | -2.1% | |
| NET REVENUE/(EXPENSES) | \$ 81,523,027 | \$ - | 0.0% | \$ 81,523,027 | \$ 62,398,987 | \$ 19,124,040 | 30.6% | |

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Budget By Fund as of January 31, 2015

Auxiliary Funds - Uncommitted Portion

| | Main Leasing | Misc. Auxiliary * | Foundation | Marketing | Bookstore Commission | International Student Services | Cafe Club NEO 3100 Main | Scholarships | Subtotal Uncommitted |
|---|------------------|-------------------|-----------------|--------------------|----------------------|--------------------------------|-------------------------|--------------|----------------------|
| Fund Balance – September 1, 2014 | | | | | | | | | \$ 2,067,478 |
| FY2015 | | | | | | | | | |
| Revenue | 2,554,853 | 185,139 | - | - | 577,532 | - | 210,822 | - | 3,528,346 |
| Salaries | 92,550 | 180,199 | 43,255 | | | 141,483 | 98,513 | | 556,000 |
| Benefits | 23,206 | 45,827 | 9,976 | | | 32,956 | 23,654 | | 135,619 |
| Supplies Gen Exp | 19,127 | 36,606 | 5,529 | | | | 5,146 | | 66,408 |
| Travel | | 2,341 | 2,131 | | | | | | 4,472 |
| Marketing Costs | | 4,014 | | | | | | | 4,014 |
| Rental & Leases | 3,003 | 18,875 | | | | | | | 21,878 |
| Contract Services | 377,983 | 147,548 | 13,048 | | | | 823 | | 539,401 |
| Utilities | 198,667 | | | | | | | | 198,667 |
| Departmental Expenses | | 167,720 | | 1,578,006 | | 8,545 | | | 1,754,271 |
| Instructional & Other | 600 | | | | | | 80,599 | | 81,199 |
| Materials | | | | | | | | | |
| Maintenance & Repair | 646 | 3,669 | | | | | 1,798 | | 6,113 |
| Insurance/Risk Mgmt | | | | | | | | | - |
| Exemptions and Waivers | | | | | | | | 300 | 300 |
| Transfer/Debt | | | | | | | | | - |
| Capital Outlay | | | | | | | | | - |
| Total Expense | 715,783 | 606,799 | 73,939 | 1,578,006 | - | 182,984 | 210,532 | 300 | 3,368,342 |
| Contribution to Fund Balance | 1,839,070 | (421,660) | (73,939) | (1,578,006) | 577,532 | (182,984) | 289 | (300) | 160,004 |
| Auxiliary Fund Balance - Uncommitted Portion | | | | | | | | | \$ 2,227,482 |

* Expenditures in this category include mailroom, child day care, Minority Male Initiative, Govt. Relation, Mobile Go, etc.

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Budget By Fund

as of January 31, 2015

Auxiliary Funds - International and Committed Portions

| | International | | | Committed | | | | | Total |
|--|---------------|------------------|---------------------------|---|----------------------------------|-------------------------|-------------------------|-----------------------|---------------------|
| | Saigon Tech | Qatar | Subtotal International | Minority Business Development Agency | Student Vending Commission | Student Activity Fee | Student Athletic Fee | Subtotal Committed | Total Auxiliary |
| Fund Balance – September 1, 2014 | | | \$ 1,732,695 | \$ 7,210 | \$ 293,729 | \$ 968,768 | \$ 978,657 | \$ 2,248,364 | \$ 6,048,536 |
| FY2015 | | | | | | | | | |
| Revenue | 23,333 | 1,768,573 | 1,791,906 | 9,788 | 56,000 | 915,716 | 685,812 | 1,667,316 | 6,987,568 |
| Salaries | | 1,298,637 | 1,298,637 | | 6,800 | 28,849 | 83,341 | 118,990 | 1,973,627 |
| Benefits | | 260,681 | 260,681 | | | 118 | 20,125 | 20,243 | 416,543 |
| Supplies Gen Exp | 90 | 803 | 893 | | 21,247 | 218,031 | 38,222 | 277,500 | 344,801 |
| Travel | 8,399 | | 8,399 | | 1,381 | 17,045 | 17,180 | 35,605 | 48,476 |
| Marketing Costs | | | - | | | | | - | 4,014 |
| Rental & Leases | | | - | | | | 7,800 | 7,800 | 29,678 |
| Contract Services | | 36,000 | 36,000 | | 2,500 | 14,536 | 55,870 | 72,906 | 648,307 |
| Utilities | | | - | | | | | - | 198,667 |
| Departmental Expenses | | 3,595 | 3,595 | | 1,500 | 2,289 | 15,616 | 19,405 | 1,777,271 |
| Instructional & Other | | | - | | | | | - | 81,199 |
| Materials | | | - | | | | | - | 6,113 |
| Maintenance & Repair | | | - | | | | | - | 1,274 |
| Insurance/Risk Mgmt | | | - | | | 175 | 1,099 | 1,274 | 1,274 |
| Exemptions and Waivers | | | - | | | 9,457 | | 9,457 | 9,757 |
| Transfer | | | - | | | | | - | - |
| Capital Outlay | | | - | | | | | - | - |
| Total Expense | 8,489 | 1,599,716 | 1,608,205 | - | 33,427 | 290,499 | 239,253 | 563,179 | 5,539,727 |
| Contribution to Fund Balance | 14,844 | 168,857 | 183,701 | 9,788 | 22,573 | 625,217 | 446,559 | 1,104,137 | 1,447,842 |
| Auxiliary Fund Balance - Intl, Committed, Total | | | \$ 1,916,396 | \$ 16,997 | \$ 316,301 | \$ 1,593,985 | \$ 1,425,216 | \$ 3,352,500 | \$ 7,496,377 |

HOUSTON COMMUNITY COLLEGE
FY 2014-15 Adjusted Budget by Colleges
as of January 31, 2015

| Budgeted Expenditures | CENTRAL | NORTH WEST | NORTH EAST | SOUTH WEST | SOUTH EAST | COLEMAN | EXTENDED LEARNING | SYSTEM | Grand Total |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------------|-----------------------|-----------------------|
| Salary | \$ 24,925,503 | \$ 26,329,561 | \$ 19,530,831 | \$ 27,243,344 | \$ 16,039,551 | \$ 12,131,276 | \$ 10,371,953 | \$ 46,469,298 | \$ 183,041,317 |
| Employee Benefits | - | - | - | - | - | - | - | 20,230,175 | 20,230,175 |
| Supplies & Gen | 262,293 | 306,009 | 218,865 | 292,284 | 253,593 | 266,724 | 183,042 | 4,006,322 | 5,789,132 |
| Travel | 113,575 | 119,895 | 39,645 | 73,172 | 64,844 | 115,100 | 66,444 | 600,732 | 1,193,407 |
| Marketing Costs | 23,351 | 43,668 | 67,974 | 26,012 | 82,677 | 25,823 | 158,287 | 1,001,035 | 1,428,827 |
| Rentals & Leases | 1,920 | 93,160 | 951,367 | 534,141 | 79,817 | 452,379 | 25,327 | 361,907 | 2,500,018 |
| Insurance/Risk Mgmt | 794 | 168 | - | 154 | - | - | - | 7,263,077 | 7,264,193 |
| Contracted Services | 327,862 | 250,133 | 94,153 | 39,572 | 117,097 | 348,065 | 20,992 | 21,605,293 | 22,803,167 |
| Utilities | 5,125 | - | 4,600 | 362 | - | - | - | 10,282,281 | 10,292,368 |
| Other Departmental Expenses | 76,909 | 48,439 | 55,488 | 54,962 | 70,592 | 103,005 | 43,623 | 1,469,243 | 1,922,261 |
| Instructional And Other Materials | 468,038 | 159,514 | 157,972 | 248,527 | 66,144 | 311,592 | 681,570 | 7,845,363 | 9,938,720 |
| Maintenance and Repair | 130,941 | 41,534 | 54,716 | 64,925 | 18,050 | 83,848 | 121,603 | 840,212 | 1,355,829 |
| Transfers/Debt | - | 864,206 | 5,640,442 | 1,250,001 | - | - | - | 24,802,980 | 32,557,629 |
| Contingency | 474,272 | 498,590 | 94,434 | 80,023 | 335,590 | 183,908 | 230,724 | 1,885,756 | 3,783,297 |
| Capital Outlay | 506,430 | 128,641 | 403,517 | 96,481 | 29,959 | 41,670 | 7,500 | 1,381,929 | 2,596,127 |
| Total | \$ 27,317,013 | \$ 28,883,518 | \$ 27,314,004 | \$ 30,003,960 | \$ 17,157,914 | \$ 14,063,390 | \$ 11,911,065 | \$ 150,045,603 | \$ 306,696,467 |

Houston Community College
Balance Sheet By Fund
For Month Ended January 31, 2015

| | <u>CURRENT & LOAN FUNDS¹</u> | <u>PLANT & BOND FUNDS²</u> | <u>Total All Funds</u> |
|--|---|---|--------------------------------|
| ASSETS | | | |
| Current Assets: | | | |
| Cash & cash equivalents | \$ 151,327,674 | \$ 59,493,248 | \$ 210,820,922 |
| Restricted cash & cash equivalents | 8,653,150 | - | 8,653,150 |
| Short term Investments | - | - | - |
| Accounts/Other receivable (net) | 42,610,866 | 2,499,477 | 45,110,343 |
| Deferred charges | 136,812 | - | 136,812 |
| Prepays | 118,699 | - | 118,699 |
| Total Current Assets | <u>202,847,201</u> | <u>61,992,725</u> | <u>264,839,926</u> |
| Non-current Assets: | | | |
| Restricted cash & cash equivalents | - | 327,099,018 | 327,099,018 |
| Restricted long-term investments | - | 72,569,255 | 72,569,255 |
| Long-term investments | 10,701,631 | - | 10,701,631 |
| Capital Assets, net | - | 871,359,478 | 871,359,478 |
| Total Non-current Assets | <u>10,701,631</u> | <u>1,271,027,751</u> | <u>1,281,729,382</u> |
| Total Assets | <u><u>\$ 213,548,832</u></u> | <u><u>\$ 1,333,020,475</u></u> | <u><u>\$ 1,546,569,308</u></u> |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Accounts payable | 9,674,647 | 3,742,486 | 13,417,134 |
| Accrued liabilities | 665,316 | 1,330,045 | 1,995,361 |
| Compensated absences | 2,357,551 | - | 2,357,551 |
| Funds held for others | 644,467 | 189,209 | 833,677 |
| Deferred revenue | 1,059,886 | 107,841 | 1,167,727 |
| Notes payable-current portion | - | 7,785,000 | 7,785,000 |
| Bonds payable-current portion | - | 20,285,000 | 20,285,000 |
| Capital lease obligations-current | - | - | - |
| Total Current Liabilities | <u>14,401,867</u> | <u>33,439,582</u> | <u>47,841,449</u> |
| Non-current Liabilities: | | | |
| Deposits | - | - | - |
| Notes payable | - | 161,141,738 | 161,141,738 |
| Bonds payable | - | 743,883,061 | 743,883,061 |
| Capital lease obligations | - | 102,299,058 | 102,299,058 |
| Total Non-current Liabilities | <u>-</u> | <u>1,007,323,857</u> | <u>1,007,323,857</u> |
| Total Liabilities | <u><u>\$ 14,401,867</u></u> | <u><u>\$ 1,040,763,438</u></u> | <u><u>\$ 1,055,165,305</u></u> |
| Fund Balance- | | | |
| August 31, 2014 Audited | 115,964,207 | 263,786,241 | 379,750,448 |
| Revenues Over Expenditures | | | |
| Unrestricted | 82,968,948 | | 82,968,948 |
| Restricted | 213,809 | | 213,809 |
| Net Investment in Plant | | 28,470,797 | 28,470,797 |
| Total Fund Balances, Unaudited | <u><u>\$ 199,146,964</u></u> | <u><u>\$ 292,257,038</u></u> | <u><u>\$ 491,404,002</u></u> |
| Total Liabilities & Fund Balances | <u><u>\$ 213,548,832</u></u> | <u><u>\$ 1,333,020,476</u></u> | <u><u>\$ 1,546,569,308</u></u> |

¹ Includes Unrestricted, Restricted, Loan & Endowment, Scholarship, Agency and Auxiliary Funds.

² Includes Unexpended Plant, Retirement of Debt and Investment in Plant Funds.

Houston Community College

Exemptions & Waivers

Through January 31, 2015

| Account | FY 2013-14 | | FY 2014-15 |
|-----------------------------------|-------------------------|---|---|
| | End of Year Activity | Year-to-Date Activity thru 01/31/2014 | Year-to-Date Activity thru 01/31/2015 |
| Tuition | | | |
| Budget: | | | |
| Adjusted Budget FY 2014-15, Net | | | \$ 41,453,277 |
| Revenues Received: | | | |
| Tuition | 45,771,753 | 38,526,110 | 39,623,922 |
| Waivers & Exemptions: | | | |
| Dual Credit | (4,931,925) | (4,166,647) | (3,221,945) |
| Other | (2,100,332) | (1,733,869) | (2,322,878) |
| Total Waivers & Exemptions | (7,032,257) | (5,900,516) | (5,544,823) |
| Total Tuition Revenue, Net | \$ 38,739,497 | \$ 32,625,594 | \$ 34,079,099 |

| | | | |
|--------------------------------------|---------------------|---------------------|---------------------|
| Tuition - Extended Learning | | | |
| Budget: | | | |
| Budget FY 2013-14, Net | | | \$ 6,565,665 |
| Revenues Received: | | | |
| Tuition | 8,931,465 | 5,101,969 | 6,844,695 |
| Waivers & Exemptions: | | | |
| Department of Corrections | (2,021,386) | (943,706) | (895,641) |
| Total EL Tuition Revenue, Net | \$ 6,910,079 | \$ 4,158,263 | \$ 5,949,054 |

| Exemptions & Waivers | FY 2013-14 | | FY 2014-15 | | Actuals % Inc/(Dec)YTD vs. PriorYTD |
|---|-------------------------|---|---|--|---|
| | End of Year Activity | Year-to-Date Activity thru 01/31/2014 | Year-to-Date Activity thru 01/31/2015 | | |
| Dept of Corrections | \$ 2,021,386 | \$ 943,706 | \$ 895,641 | | -5.1% |
| Dual Credit Waiver | 4,931,925 | 4,166,647 | 3,221,945 | | -22.7% |
| Early College High School | - | - | 1,022,006 | | 0.0% |
| Other: | | | | | |
| Employee Fee Exemptions | 69,909 | 55,132 | 45,298 | | -17.8% |
| Firemen | 26,082 | 17,881 | 11,228 | | -37.2% |
| Hazelwood | 1,416,167 | 1,198,866 | 774,907 | | -35.4% |
| Deaf & Blind | 207,012 | 165,196 | 156,454 | | -5.3% |
| High Ranking Hi SCH Grad | 1,240 | 1,240 | 1,805 | | 45.6% |
| Child of Disabled Vet ETC | 285 | - | 7,207 | | 0.0% |
| Nonres Teach/Research Asst | 6,372 | 5,487 | 5,832 | | 6.3% |
| Nonres Competitive Scholar | 11,346 | 11,169 | 7,593 | | -32.0% |
| Senior Citizens | 15,532 | 14,790 | 12,728 | | -13.9% |
| Misc Tuition/Fees Waivers | 6,576 | 576 | - | | 0.0% |
| Scholarship Distribution | 10,000 | - | - | | 0.0% |
| A VISA Waiver (Non-Alien Waiver) | - | - | 888 | | 0.0% |
| Refugee Waiver | 183 | 183 | - | | 0.0% |
| Foster Children-Resident | 300,508 | 243,743 | 207,985 | | -14.7% |
| Undocumented Students | 11,383 | 11,450 | 4,316 | | 0.0% |
| TX Tomorrow Waiver | 2,912 | 3,708 | 2,788 | | 0.0% |
| Surviving Spouse/Children | 2,120 | 2,120 | - | | 0.0% |
| Peace Officer Exemption | 3,655 | 2,328 | 2,541 | | 9.1% |
| Adopted Student Waiver | - | - | 59,302 | | 0.0% |
| Stipends | 3,000 | - | - | | 0.0% |
| Scholars Costs Funded by State | 6,050 | - | - | | 0.0% |
| Total Other Exemptions | 2,100,332 | 1,733,869 | 1,300,872 | | -25.0% |
| Grand Total Exemptions & Waivers | \$ 9,053,643 | \$ 6,844,222 | \$ 6,440,464 | | -5.9% |

ACTION ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|----------|--|--|
| 9 | Monthly Financial Statement and Budget Review for February 2015 | Dr. Cesar Maldonado Teri Zamora |

RECOMMENDATION

Approve the Financial Statement for the month of February 2015.

COMPELLING REASON/RATIONALE

The monthly report advises the Board on the status of the finances of the college.

DESCRIPTION OR BACKGROUND

This report provides information related to the various funds of the college, including fund balances, comparison to previous year and comparison to budget.

FISCAL IMPACT

Awareness and review of financial information throughout the year helps to inform decision making, and allows for mid-year adjustments, as needed.

LEGAL REQUIREMENT

N/A

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

Attachment Title(s): **Financial Statement - February 2015**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100



Summary Operating Statements

**For the Period
September 1, 2014 - February 28, 2015
For the Meeting of the Board of Trustees - April 9, 2015**

**for
Houston Community College System
&
Houston Community College Public Facility Corporation**

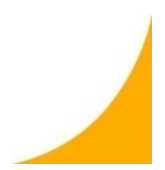


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For the Period September 1, 2014 - February 28, 2015

Houston Community College System

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**Houston Community College System
Summary of Financial Statements
As of February 28, 2015**

In the Unrestricted Fund as of February 28, 2015, total revenue received is \$244.7 million. This represents 81.9% of budgeted annual revenues of \$298.7 million. Expenses total \$132.7 million to date; which is 43.3% of the total expense budget of \$306.7 million. Compared with the same time last year, revenue shows a 7% increase, and expenses are 2.5% lower than the prior year. Actual net revenue is \$112 million to-date, which translates into a like amount increase in fund balance.

Tuition and fee revenue shows a 5% increase year-to-date, namely due to increases in enrollment. Tuition and fee revenue for Extended Learning shows a 42.1% increase due partially to an increase in enrollment and also largely to a differential category fee created for out-of-state and international students taking non-credit courses.

Salaries increased 4%. This increase is due namely to an across the board salary increases of 2% for full-time employees and an increase in part-time faculty salary rates.

Expenses related to supplies, instruction and other materials, and capital outlay have decreased. Decreases have resulted primarily from greater oversight of expenditures and discontinuation of the practice of allowing current unrestricted fund purchase orders to roll into the next fiscal year.

HOUSTON COMMUNITY COLLEGE SYSTEM
Unaudited Fund Balances and Activities - All Funds
as of February 28, 2015

| | Unrestricted | Restricted | Auxiliary | Loan & Endowments | Scholarship | Agency | Unexpended Plant | Capital and Technology | Retirement of Debt | Investment in Plant | Public Facility Corp. | Grand Total |
|--------------------------------------|-----------------------|---------------------|---------------------|----------------------|---------------|-------------|----------------------|---------------------------|-----------------------|------------------------|--------------------------|-----------------------|
| Fund Balance as of 9/1/2014, Audited | \$ 100,704,814 | \$ 8,760,527 | \$ 6,048,536 | \$ 509,932 | \$ - | \$ (59,601) | \$ 5,418,977 | \$ - | \$ 36,581,244 | \$ 221,786,019 | \$ (5,898,375) | \$ 373,852,073 |
| Revenues | 244,707,419 | 16,947,245 | 7,465,828 | - | 76,583,177 | - | 1,466,372 | - | 50,301,902 | - | 306 | 397,472,249 |
| Expenses | | | | | | | | | | | | |
| Salaries | 87,465,230 | 2,750,909 | 2,355,702 | - | 1,851,827 | - | 111,196 | - | - | - | - | 94,534,864 |
| Employee Benefits | 9,813,469 | 6,931,374 | 500,299 | - | 298 | - | 25,150 | - | - | - | - | 17,270,589 |
| Supplies & General Exp | 1,952,938 | 96,340 | 411,182 | - | - | - | 668 | 79,546 | - | - | - | 2,540,674 |
| Travel | 400,866 | 119,895 | 56,874 | - | - | - | - | - | - | - | - | 577,634 |
| Marketing Costs | 587,480 | 19,514 | 4,014 | - | - | - | - | - | - | - | - | 611,008 |
| Rentals & Leases | 1,308,503 | 83,462 | 33,298 | - | - | - | 2,369 | - | - | - | - | 1,427,632 |
| Insurance/Risk Mgmt | 6,390,220 | 3,738 | 1,521 | - | - | - | - | - | - | - | - | 6,395,479 |
| Contracted Services | 9,595,007 | 2,094,251 | 859,398 | - | - | - | 4,338 | - | 233,678 | - | - | 12,786,672 |
| Utilities | 4,055,206 | - | 208,980 | - | - | - | - | - | - | - | - | 4,264,187 |
| Other Departmental Expenses | 589,296 | 68,187 | 2,082,128 | - | - | - | - | - | - | - | - | 2,739,611 |
| Instructional and Other Materials | 4,493,195 | 179,261 | 105,963 | - | - | - | 134,438 | - | - | - | - | 4,912,857 |
| Maintenance and Repair | 436,561 | 238,595 | 8,361 | - | 128,495 | - | 74,392 | - | - | - | - | 886,405 |
| Transfers (In)/Out* | 4,564,902 | 4,250,000 | - | - | (2,153,400) | - | 2,000,000 | (8,250,000) | (476,302) | - | - | (64,800) |
| Debt | 81,061 | - | - | - | - | - | - | - | 33,362,026 | - | 590,785 | 34,033,872 |
| Capital Outlay | 1,010,436 | 365,751 | - | - | - | - | 36,416,092 | 263,573 | - | - | - | 38,055,852 |
| Depreciation | - | - | - | - | - | - | - | - | - | 9,811,191 | - | 9,811,191 |
| Scholarship Distribution | | | | | 76,755,771 | | | | | | | 76,755,771 |
| Total Expenses | 132,744,371 | 17,201,277 | 6,627,720 | - | 76,582,991 | - | 38,768,643 | (7,906,881) | 33,119,402 | 9,811,191 | 590,785 | 307,539,498 |
| NET REVENUE/(EXPENSES) | 111,961,128 | (254,032) | 838,108 | - | 187 | - | (37,302,271) | 7,906,881 | 17,182,500 | (9,811,191) | (590,479) | 89,930,830 |
| Fund Balance Entries | | - | | | | 59,601 | 42,663,293 | - | | 10,518,718 | (59,782) | 53,181,830 |
| Fund Balance as of 02/28/2015 | \$ 212,665,942 | \$ 8,506,494 | \$ 6,886,643 | \$ 509,932 | \$ 187 | \$ - | \$ 10,779,999 | \$ 7,906,881 | \$ 53,763,745 | \$ 222,493,546 | \$ (6,548,635) | \$ 516,964,733 |

*Transfers include student revenue bond payment funds, scholarship matching funds, and transfers to Unexpended Plant and Capital and Technology Funds

HOUSTON COMMUNITY COLLEGE SYSTEM
Comparison to Budget and Comparison to Previous Fiscal Year
as of February 28, 2015
50.0% of Year Expended

HCCS CURRENT UNRESTRICTED

| | Year-to-Date Actuals Thru February 28, 2015 | | | FY2015 Budget | Actuals as a % of Budget | Year-to-Date Actuals Thru February 28, 2015 | Year-to-Date Actuals Thru February 28, 2014 | Increase (Decrease) FY2015 Compared to FY2014 | % Increase (Decrease) | | | |
|---|---|--------------------|-----------|--------------------|-----------------------------|---|---|---|--------------------------|-----------|--------------------|--------------|
| REVENUES | | | | | | | | | | | | |
| State Appropriations | \$ | 29,734,041 | \$ | 69,202,364 | 43.0% | \$ | 29,734,041 | \$ | 29,787,470 | \$ | (53,429) | -0.2% |
| Ad Valorem Taxes | | 118,444,773 | | 114,968,081 | 103.0% | | 118,444,773 | | 107,036,412 | | 11,408,361 | 10.7% |
| Tuition, Net | | 34,705,997 | | 40,308,204 | 86.1% | | 34,705,997 | | 33,140,464 | | 1,565,533 | 4.7% |
| Fees | | 54,128,158 | | 64,784,694 | 83.6% | | 54,128,158 | | 52,876,740 | | 1,251,418 | 2.4% |
| Other Local Income | | 1,102,950 | | 2,247,796 | 49.1% | | 1,102,950 | | 1,178,820 | | (75,870) | -6.4% |
| Tuition & Fee, Net | | 6,274,942 | | 6,565,665 | 95.6% | | 6,274,942 | | 4,414,671 | | 1,860,271 | 42.1% |
| -- Extended Learning | | | | | | | | | | | | |
| Indirect Cost Revenues, Grant | | 316,557 | | 619,663 | 51.1% | | 316,557 | | 341,454 | | (24,897) | -7.3% |
| Total Revenues | | 244,707,419 | | 298,696,467 | 81.9% | | 244,707,419 | | 228,776,032 | | 15,931,387 | 7.0% |
| Fund Balance Transfers In | | - | | 8,000,000 | 0.0% | | - | | - | | - | 0.0% |
| Total Revenues and Fund Balance Transfer | \$ | 244,707,419 | \$ | 306,696,467 | 79.8% | \$ | 244,707,419 | \$ | 228,776,032 | \$ | 15,931,387 | 7.0% |
| EXPENSES | | | | | | | | | | | | |
| Salaries | | 87,465,230 | | 182,316,192 | 48.0% | | 87,465,230 | | 83,757,318 | | 3,707,912 | 4.4% |
| Employee Benefits | | 9,813,469 | | 20,230,175 | 48.5% | | 9,813,469 | | 9,174,996 | | 638,472 | 7.0% |
| Supplies Gen Exp | | 1,952,938 | | 5,688,062 | 34.3% | | 1,952,938 | | 2,491,987 | | (539,049) | -21.6% |
| Travel | | 400,866 | | 1,193,125 | 33.6% | | 400,866 | | 461,575 | | (60,709) | -13.2% |
| Marketing Costs | | 587,480 | | 1,380,482 | 42.6% | | 587,480 | | 612,519 | | (25,038) | -4.1% |
| Rental & Leases | | 1,308,503 | | 2,501,625 | 52.3% | | 1,308,503 | | 1,354,806 | | (46,302) | -3.4% |
| Insurance/Risk Mgmt | | 6,390,220 | | 7,264,193 | 88.0% | | 6,390,220 | | 6,465,918 | | (75,698) | -1.2% |
| Contract Services | | 9,595,007 | | 23,084,996 | 41.6% | | 9,595,007 | | 11,688,173 | | (2,093,166) | -17.9% |
| Utilities | | 4,055,206 | | 10,292,551 | 39.4% | | 4,055,206 | | 3,610,325 | | 444,881 | 12.3% |
| Other Departmental Expenses | | 589,296 | | 1,884,419 | 31.3% | | 589,296 | | 1,140,451 | | (551,155) | -48.3% |
| Instructional & Other Materials | | 4,493,195 | | 9,776,364 | 46.0% | | 4,493,195 | | 4,559,430 | | (66,235) | -1.5% |
| Maintenance & Repair | | 436,561 | | 1,358,074 | 32.1% | | 436,561 | | 656,755 | | (220,194) | -33.5% |
| Transfers/Debt | | 4,645,964 | | 32,557,629 | 14.3% | | 4,645,964 | | 6,338,348 | | (1,692,384) | -26.7% |
| Contingency | | - | | 4,644,746 | 0.0% | | - | | - | | - | 0.0% |
| Capital Outlay | | 1,010,436 | | 2,523,834 | 40.0% | | 1,010,436 | | 3,899,383 | | (2,888,947) | -74.1% |
| Total Expenses | \$ | 132,744,371 | \$ | 306,696,467 | 43.3% | \$ | 132,744,371 | \$ | 136,211,983 | \$ | (3,467,612) | -2.5% |
| NET REVENUE/(EXPENSES) | \$ | 111,963,047 | \$ | - | 0.0% | \$ | 111,963,047 | \$ | 92,564,048 | \$ | 19,398,999 | 21.0% |

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Budget By Fund as of February 28, 2015

Auxiliary Funds - Uncommitted Portion

| | Main Leasing | Misc. Auxiliary * | Foundation | Marketing | Bookstore Commission | International Student Services | Cafe Club NEO 3100 Main | Scholarships | Subtotal Uncommitted |
|---|-------------------------|-------------------------|------------------------|---------------------------|-------------------------|-----------------------------------|----------------------------|-------------------------|-----------------------------------|
| Fund Balance – September 1, 2014 | | | | | | | | | \$ 2,067,478 |
| FY2015 | | | | | | | | | |
| Revenue | 2,995,104 | 234,784 | - | - | 577,552 | - | 256,803 | - | <u>4,064,243</u> |
| Salaries | 110,086 | 216,484 | 51,906 | | | 170,500 | 118,238 | | 667,213 |
| Benefits | 27,820 | 55,062 | 11,971 | | | 39,610 | 28,387 | | 162,849 |
| Supplies Gen Exp | 19,682 | 44,559 | 6,166 | | | | 9,223 | | 79,631 |
| Travel | | 2,341 | 2,881 | | | | | | 5,222 |
| Marketing Costs | | 4,014 | | | | | | | 4,014 |
| Rental & Leases | 3,448 | 22,050 | | | | | | | 25,498 |
| Contract Services | 570,412 | 152,598 | 14,552 | | | | 823 | | 738,384 |
| Utilities | 208,980 | | | | | | | | 208,980 |
| Departmental Expenses | | 189,759 | | 1,842,984 | | 14,545 | | | 2,047,288 |
| Instructional & Other | 600 | | | | | | 105,363 | | 105,963 |
| Materials | | | | | | | | | |
| Maintenance & Repair | 894 | 3,833 | | | | | 3,634 | | 8,361 |
| Insurance/Risk Mgmt | | | | | | | | | - |
| Exemptions and Waivers | | | | | | | | 408,202 | 408,202 |
| Transfer/Debt | | | | | | | | | - |
| Capital Outlay | | | | | | | | | - |
| Total Expense | <u>941,923</u> | <u>690,700</u> | <u>87,476</u> | <u>1,842,984</u> | <u>-</u> | <u>224,655</u> | <u>265,666</u> | <u>408,202</u> | <u>4,461,606</u> |
| Contribution to Fund Balance | <u>2,053,181</u> | <u>(455,915)</u> | <u>(87,476)</u> | <u>(1,842,984)</u> | <u>577,552</u> | <u>(224,655)</u> | <u>(8,863)</u> | <u>(408,202)</u> | <u>(397,364)</u> |
| Auxiliary Fund Balance - Uncommitted Portion | | | | | | | | | <u><u>\$ 1,670,114</u></u> |

* Expenditures in this category include mailroom, child day care, Minority Male Initiative, Govt. Relation, Mobile Go, etc.

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Budget By Fund

as of February 28, 2015

Auxiliary Funds - International and Committed Portions

| | International | | | Committed | | | | | Total |
|--|---------------|------------------|---------------------------|---|----------------------------------|-------------------------|-------------------------|-----------------------|---------------------|
| | Saigon Tech | Qatar | Subtotal International | Minority Business Development Agency | Student Vending Commission | Student Activity Fee | Student Athletic Fee | Subtotal Committed | Total Auxiliary |
| Fund Balance – September 1, 2014 | | | \$ 1,732,695 | \$ 7,210 | \$ 293,729 | \$ 968,768 | \$ 978,657 | \$ 2,248,364 | \$ 6,048,536 |
| FY2015 | | | | | | | | | |
| Revenue | 23,333 | 2,106,153 | 2,129,486 | 10,798 | 56,000 | 932,244 | 702,790 | 1,701,832 | 7,895,561 |
| Salaries | | 1,550,768 | 1,550,768 | | 6,800 | 30,863 | 100,058 | 137,721 | 2,355,702 |
| Benefits | | 312,576 | 312,576 | | | 132 | 24,742 | 24,874 | 500,299 |
| Supplies Gen Exp | 90 | 851 | 941 | | 21,843 | 262,977 | 45,790 | 330,610 | 411,182 |
| Travel | 10,934 | | 10,934 | | 1,381 | 22,157 | 17,180 | 40,718 | 56,874 |
| Marketing Costs | | | - | | | | | - | 4,014 |
| Rental & Leases | | | - | | | | 7,800 | 7,800 | 33,298 |
| Contract Services | | 36,000 | 36,000 | | 2,500 | 19,136 | 63,378 | 85,014 | 859,398 |
| Utilities | | | - | | | | | - | 208,980 |
| Departmental Expenses | | 3,595 | 3,595 | | 3,000 | 8,289 | 19,956 | 31,245 | 2,082,128 |
| Instructional & Other | | | - | | | | | - | 105,963 |
| Materials | | | - | | | | | - | 8,361 |
| Maintenance & Repair | | | - | | | | | - | 1,521 |
| Insurance/Risk Mgmt | | | - | | | 175 | 1,346 | 1,521 | 429,733 |
| Exemptions and Waivers | | | - | | | 21,531 | | 21,531 | - |
| Transfer | | | - | | | | | - | - |
| Capital Outlay | | | - | | | | | - | - |
| Total Expense | 11,024 | 1,903,790 | 1,914,814 | - | 35,523 | 365,261 | 280,249 | 681,033 | 7,057,453 |
| Contribution to Fund Balance | 12,309 | 202,363 | 214,672 | 10,798 | 20,477 | 566,984 | 422,541 | 1,020,799 | 838,108 |
| Auxiliary Fund Balance - Intl, Committed, Total | | | \$ 1,947,367 | \$ 18,007 | \$ 314,205 | \$ 1,535,752 | \$ 1,401,198 | \$ 3,269,163 | \$ 6,886,643 |

HOUSTON COMMUNITY COLLEGE
FY 2014-15 Adjusted Budget by Colleges
as of February 28, 2015

| Budgeted Expenditures | CENTRAL | NORTH WEST | NORTH EAST | SOUTH WEST | SOUTH EAST | COLEMAN | EXTENDED LEARNING | SYSTEM | Grand Total |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------------|-----------------------|-----------------------|
| Salary | \$ 24,755,246 | \$ 26,342,309 | \$ 19,533,275 | \$ 27,134,575 | \$ 16,250,090 | \$ 11,995,677 | \$ 10,349,357 | \$ 45,955,663 | \$ 182,316,192 |
| Employee Benefits | - | - | - | - | - | - | - | 20,230,175 | 20,230,175 |
| Supplies & Gen | 277,493 | 309,498 | 220,230 | 301,295 | 252,519 | 267,567 | 182,255 | 3,877,205 | 5,688,062 |
| Travel | 113,175 | 120,258 | 40,281 | 76,647 | 58,148 | 110,540 | 65,944 | 608,132 | 1,193,125 |
| Marketing Costs | 23,351 | 32,443 | 57,270 | 26,367 | 72,187 | 10,542 | 158,287 | 1,000,035 | 1,380,482 |
| Rentals & Leases | 1,920 | 92,867 | 951,367 | 534,141 | 79,817 | 452,379 | 25,327 | 363,807 | 2,501,625 |
| Insurance/Risk Mgmt | 794 | 168 | - | 154 | - | - | - | 7,263,077 | 7,264,193 |
| Contracted Services | 326,417 | 250,133 | 85,781 | 39,572 | 67,097 | 280,523 | 20,992 | 22,014,481 | 23,084,996 |
| Utilities | 5,125 | - | 4,600 | 545 | - | - | - | 10,282,281 | 10,292,551 |
| Other Departmental Expenses | 77,029 | 48,413 | 40,713 | 56,083 | 137,553 | 96,000 | 44,823 | 1,383,805 | 1,884,419 |
| Instructional And Other Materials | 468,038 | 158,494 | 157,470 | 247,020 | 66,144 | 311,022 | 679,570 | 7,688,606 | 9,776,364 |
| Maintenance and Repair | 134,466 | 41,534 | 52,666 | 59,829 | 18,050 | 65,108 | 121,603 | 864,818 | 1,358,074 |
| Transfers/Debt | - | 864,206 | 5,640,442 | 1,250,001 | - | - | - | 24,802,980 | 32,557,629 |
| Contingency | 474,272 | 498,456 | 94,434 | 80,023 | 178,645 | 278,710 | 230,724 | 2,809,482 | 4,644,746 |
| Capital Outlay | 486,905 | 125,558 | 404,617 | 96,709 | 29,959 | 25,195 | 7,500 | 1,347,391 | 2,523,834 |
| Total | \$ 27,144,231 | \$ 28,884,337 | \$ 27,283,146 | \$ 29,902,961 | \$ 17,210,209 | \$ 13,893,263 | \$ 11,886,382 | \$ 150,491,938 | \$ 306,696,467 |

Houston Community College
Balance Sheet By Fund
For Month Ended February 28, 2015

| | <u>CURRENT & LOAN FUNDS¹</u> | <u>PLANT & BOND FUNDS²</u> | <u>Total All Funds</u> |
|--|---|---|--------------------------------|
| ASSETS | | | |
| Current Assets: | | | |
| Cash & cash equivalents | \$ 197,157,344 | \$ 37,456,058 | \$ 234,613,402 |
| Restricted cash & cash equivalents | - | - | - |
| Short term Investments | - | - | - |
| Accounts/Other receivable (net) | 23,506,619 | 2,512,461 | 26,019,081 |
| Deferred charges | 136,812 | - | 136,812 |
| Prepays | <u>121,634</u> | <u>2,019,896</u> | <u>2,141,530</u> |
| Total Current Assets | 220,922,409 | 41,988,415 | 262,910,824 |
| Non-current Assets: | | | |
| Restricted cash & cash equivalents | 11,261,606 | 305,532,386 | 316,793,992 |
| Restricted long-term investments | - | 72,318,537 | 72,318,537 |
| Long-term investments | 10,653,064 | - | 10,653,064 |
| Capital Assets, net | - | <u>898,360,668</u> | <u>898,360,668</u> |
| Total Non-current Assets | <u>21,914,670</u> | <u>1,276,211,592</u> | <u>1,298,126,261</u> |
| Total Assets | <u><u>\$ 242,837,079</u></u> | <u><u>\$ 1,318,200,007</u></u> | <u><u>\$ 1,561,037,085</u></u> |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Accounts payable | 7,575,043 | 1,047,260 | 8,622,303 |
| Accrued liabilities | 680,949 | 18,991 | 699,940 |
| Compensated absences | 2,357,551 | - | 2,357,551 |
| Funds held for others | 645,038 | 189,209 | 834,247 |
| Deferred revenue | 3,009,300 | 107,841 | 3,117,142 |
| Notes payable-current portion | - | - | - |
| Bonds payable-current portion | - | 12,548,783 | 12,548,783 |
| Capital lease obligations-current | - | - | - |
| Total Current Liabilities | <u>14,267,881</u> | <u>13,912,084</u> | <u>28,179,965</u> |
| Non-current Liabilities: | | | |
| Deposits | - | - | - |
| Notes payable | - | 163,161,634 | 163,161,634 |
| Bonds payable | - | 743,883,061 | 743,883,061 |
| Capital lease obligations | - | <u>102,299,058</u> | <u>102,299,058</u> |
| Total Non-current Liabilities | <u>-</u> | <u>1,009,343,753</u> | <u>1,009,343,753</u> |
| Total Liabilities | <u><u>\$ 14,267,881</u></u> | <u><u>\$ 1,023,255,836</u></u> | <u><u>\$ 1,037,523,718</u></u> |
| Fund Balance- | | | |
| August 31, 2014 Audited | 115,964,207 | 263,786,241 | 379,750,448 |
| Revenues Over Expenditures | | | |
| Unrestricted | 112,799,236 | | 112,799,236 |
| Restricted | (194,247) | | (194,247) |
| Net Investment in Plant | | 31,157,930 | 31,157,930 |
| Total Fund Balances, Unaudited | <u><u>\$ 228,569,196</u></u> | <u><u>\$ 294,944,171</u></u> | <u><u>\$ 523,513,367</u></u> |
| Total Liabilities & Fund Balances | <u><u>\$ 242,837,078</u></u> | <u><u>\$ 1,318,200,007</u></u> | <u><u>\$ 1,561,037,085</u></u> |

¹ Includes Unrestricted, Restricted, Loan & Endowment, Scholarship, Agency and Auxiliary Funds.

² Includes Unexpended Plant, Retirement of Debt and Investment in Plant Funds.

Houston Community College

Exemptions & Waivers Through February 28, 2015

| Account | FY 2013-14 | | FY 2014-15 |
|-----------------------------------|-------------------------|---|---|
| | End of Year Activity | Year-to-Date Activity thru 02/28/2014 | Year-to-Date Activity thru 02/28/2015 |
| Tuition | | | |
| Budget: | | | |
| Adjusted Budget FY 2014-15, Net | | | \$ 41,453,277 |
| Revenues Received: | | | |
| Tuition | 45,771,753 | 39,131,329 | 40,364,830 |
| Waivers & Exemptions: | | | |
| Dual Credit | (4,931,925) | (4,205,064) | (3,253,288) |
| Other | (2,100,332) | (1,785,801) | (2,405,545) |
| Total Waivers & Exemptions | (7,032,257) | (5,990,865) | (5,658,833) |
| Total Tuition Revenue, Net | \$ 38,739,497 | \$ 33,140,464 | \$ 34,705,997 |

| | | | |
|--------------------------------------|---------------------|---------------------|---------------------|
| Tuition - Extended Learning | | | |
| Budget: | | | |
| Budget FY 2013-14, Net | | | \$ 6,565,665 |
| Revenues Received: | | | |
| Tuition | 8,931,465 | 5,547,377 | 7,348,783 |
| Waivers & Exemptions: | | | |
| Department of Corrections | (2,021,386) | (1,132,706) | (1,073,841) |
| Total EL Tuition Revenue, Net | \$ 6,910,079 | \$ 4,414,671 | \$ 6,274,942 |

| Exemptions & Waivers | FY 2013-14 | | FY 2014-15 | | Actuals % Inc/(Dec)YTD vs. Prior YTD |
|---|-------------------------|---|---|--|--|
| | End of Year Activity | Year-to-Date Activity thru 02/28/2014 | Year-to-Date Activity thru 02/28/2015 | | |
| Dept of Corrections | \$ 2,021,386 | \$ 1,132,706 | \$ 1,073,841 | | -5.2% |
| Dual Credit Waiver | 4,931,925 | 4,205,064 | 3,253,288 | | -22.6% |
| Early College High School | - | - | 1,030,643 | | 0.0% |
| Other: | | | | | |
| Employee Fee Exemptions | 69,909 | 58,138 | 47,168 | | -18.9% |
| Firemen | 26,082 | 19,425 | 11,314 | | -41.8% |
| Hazelwood | 1,416,167 | 1,226,613 | 827,215 | | -32.6% |
| Deaf & Blind | 207,012 | 171,446 | 159,781 | | -6.8% |
| High Ranking Hi SCH Grad | 1,240 | 1,240 | 1,805 | | 45.6% |
| Child of Disabled Vet ETC | 285 | 410 | 7,207 | | 0.0% |
| Nonres Teach/Research Asst | 6,372 | 5,487 | 6,098 | | 11.1% |
| Nonres Competitive Scholar | 11,346 | 11,346 | 8,744 | | -22.9% |
| Senior Citizens | 15,532 | 14,872 | 12,722 | | -14.5% |
| Misc Tuition/Fees Waivers | 6,576 | 576 | - | | 0.0% |
| Scholarship Distribution | 10,000 | - | - | | 0.0% |
| A VISA Waiver (Non-Alien Waiver) | - | - | 888 | | 0.0% |
| Refugee Waiver | 183 | 183 | - | | 0.0% |
| Foster Children-Resident | 300,508 | 257,675 | 214,037 | | -16.9% |
| Undocumented Students | 11,383 | 11,383 | 4,316 | | 0.0% |
| TX Tomorrow Waiver | 2,912 | 2,558 | 2,788 | | 0.0% |
| Surviving Spouse/Children | 2,120 | 2,120 | - | | 0.0% |
| Peace Officer Exemption | 3,655 | 2,329 | 3,111 | | 33.6% |
| Adopted Student Waiver | - | - | 67,708 | | 0.0% |
| Stipends | 3,000 | - | - | | 0.0% |
| Scholars Costs Funded by State | 6,050 | - | - | | 0.0% |
| Total Other Exemptions | 2,100,332 | 1,785,801 | 1,374,902 | | -23.0% |
| Grand Total Exemptions & Waivers | \$ 9,053,643 | \$ 7,123,571 | \$ 6,732,674 | | -5.5% |

REPORT ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|-----------|---------------------------------------|---------------------|
| 10 | Update on 2012-2015 Strategic Plan | Dr. Cesar Maldonado |

DISCUSSION

Provide an overview on the progress and close-out of the 2012-2015 Institutional Strategic Plan.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Increase Student Completion

This item is applicable to the following:
 Central Coleman Northeast Northwest Southeast Southwest 3100

REPORT ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|-----------|--------------------------|------------------------------------|
| 11 | Discuss Debt Refinancing | Dr. Cesar Maldonado Teri Zamora |

DISCUSSION

Discuss debt refinancing proposal related to PFC bonds and Student Revenue Bonds.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

This item is applicable to the following:

| | | | | | | |
|----------------------------------|----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|--|
| <input type="checkbox"/> Central | <input type="checkbox"/> Coleman | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input checked="" type="checkbox"/> 3100 |
|----------------------------------|----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|--|

REPORT ITEM

Meeting Date: April 9, 2015

Committee: *Facilities and Finance*

| ITEM NO. | ITEM TITLE | PRESENTER |
|-----------|---|--------------------------------------|
| 12 | Update on Bond Capital Improvement Plan (CIP) Related Matters | Dr. Cesar Maldonado Charles Smith |

DISCUSSION

Provide an update on the Bond Capital Improvement Plan (CIP) related matters.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Develop 21st Century Learners

Attachment Title(s): **CIP Update Report (Will be provided under separate cover)**

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100