HCC

HOUSTON COMMUNITY COLLEGE

AGENDA

COMMITTEE OF THE WHOLE
OF THE BOARD OF TRUSTEES

May 7, 2025
4:00 PM

3100 Main Street, 2nd Floor Auditorium, Houston, Texas 77002

NOTICE OF A MEETING OF THE
Committee of the Whole
OF THE BOARD OF TRUSTEES

HOUSTON COMMUNITY COLLEGE

May 7, 2025

Notice is hereby given that a Meeting of the Committee of the Whole of the Board of Trustees of Houston Community College will be held on Wednesday, May 7, 2025 at 4:00 PM, or after, and from day to day as required, at 3100 Main Street, 2nd Floor Auditorium, Houston, Texas 77002. The items listed in this Notice may be considered in any order at the discretion of the Committee Chair and items listed for closed session discussion may be discussed in open session and vice versa as permitted by law. Actions taken at this Meeting do not constitute final Board action and are only Committee recommendations to be considered by the Board at the next Regular Board meeting.

I.   Call to Order

A.   Opportunity for Public Comments

II.   Topics For Discussion and/or Action:

A.   Monthly Investment Report, Financial Statement and Budget Review for March 2025

B.   Tuition Assistance Options for FY26 Operating Budget

C.   Budget Workshop #5 - Preliminary Review

D.   Update on the Strategic Plan

III.   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**

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**

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

C.   **Real Estate Matters**

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, employee or board member to hear complaints or changes against an officer, employee or board member unless the officer, employee or board member 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.

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 **2nd day of May 2025**, 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 HCC Administration Building of the Houston Community College, 3100 Main, First Floor, Houston, Texas 77002 and (2) the Houston Community College's website: www.hccs.edu.

Posted By:

_____

Sharon R. Wright
Director, Board Services

ACTION ITEM

Topics For Discussion and/or Action:

ITEM #	ITEM TITLE	PRESENTER
A.	**Monthly Investment Report, Financial Statement and Budget Review for March 2025**	**Dr. Margaret Ford Fisher** **Dr. Sherry Hawn**

RECOMMENDATION

Accept the Investment Report, Financial Statement and Budget Review for the month of March 2025.

COMPELLING REASON AND BACKGROUND

- The monthly investment report provides the Board with a status of the investment portfolio, including book and market values, and complies with the relevant statute. This report includes the unexpended proceeds of various bond issues.

    - The portfolio is liquid and secure with 59% of the assets invested in local government pools, money market funds and interest-bearing checking accounts.
    - All pools and money market funds are rated "AAA" by Standard & Poor's, which is the highest level. All 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.

- The monthly financial statement and budget review provides the Board with a status of the finances of the college and information related to the various funds of the college, including fund balances, comparison to previous year and comparison to budget.

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

FISCAL IMPACT

For March, the interest income earned for the month and fiscal year to date totaled $2,306,096 and $10,066,760, respectively. The weighted average interest rate (WAR) on March 31, 2025, was 4.24% compared to 4.27% last month and 5.17% a year ago.

Interest expense on outstanding debt was $1,550,824 for the month of March 2025.

LEGAL REQUIREMENT

The investment 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 ALIGNMENT

1. Student Success, 5. College of Choice

ATTACHMENTS:

Description	Upload Date	Type
Financial Report Presentation	4/29/2025	Presentation
Investment Report - March 2025	4/29/2025	Attachment
Financial Statement - March 2025	4/29/2025	Attachment

This item is applicable to the following: District

FY 2025
Summary of March 2025
Monthly Investment Report, Financial Statements, and Budget Review

Dr. Margaret Ford Fisher, Chancellor

Dr. Sherry Hawn, Sr. Vice Chancellor, Finance & Administration and CFO/CBO

May 7, 2025

Fund 1: Unrestricted Revenues

	Budget Comparison				Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru March 31, 2025	Actuals as a % of Budget		Year-to-Date Actuals Thru March 31, 2025	Year-to-Date Actuals Thru March 31, 2024	Year-Over-Year Change ($)	Year-Over-Year Change (%)
REVENUES								
State Appropriations	$ 68,243,000	$ 53,869,664	78.9%	A	$ 53,869,664	$ 48,441,970	$ 5,427,694	11.2%
Ad Valorem Taxes	224,386,251	219,361,038	97.8%	B	219,361,038	202,804,828	16,556,209	8.2%
Tuition & Fees, Net	126,237,802	116,425,064	92.2%	C	116,425,064	102,123,246	14,301,818	14.0%
Other Local Income	22,736,208	9,361,979	41.2%	D	9,361,979	13,290,801	(3,928,822)	-29.6%
Tuition & Fees, Net -- Extended Learning	7,885,993	6,486,393	82.3%	E	6,486,393	5,551,455	934,937	16.8%
Grant Revenue - Indirect Cost	650,000	469,528	72.2%	F	469,528	380,187	89,342	23.5%
Total Revenues	450,139,254	405,973,665	90.2%		405,973,665	372,592,487	33,381,178	9.0%
Fund Balance Transfers In & Rolled POs	17,809,983	17,809,983	100.0%		17,809,983	7,045,981	10,764,002	152.8%
Total Revenues and Fund Balance Transfers	$ 467,949,237	$ 423,783,648	90.6%		$ 423,783,648	$ 379,638,469	$ 44,145,180	11.6%

Fund 1: Unrestricted Expenses

	Budget Comparison				Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru March 31, 2025	Actuals as a % of Budget		Year-to-Date Actuals Thru March 31, 2025	Year-to-Date Actuals Thru March 31, 2024	Year-Over-Year Change ($)	Year-Over-Year Change (%)
EXPENSES								
Salaries	258,802,221	146,650,994	56.7%		146,650,994	130,292,472	16,358,522	12.6%
Employee Benefits	38,321,946	17,854,041	46.6%	G	17,854,041	17,515,350	338,692	1.9%
Supplies & General Expense	6,543,361	2,899,945	44.3%	H	2,899,945	2,390,622	509,323	21.3%
Travel	1,486,848	324,802	21.8%	I	324,802	341,288	(16,485)	-4.8%
Marketing Costs	4,025,692	1,465,539	36.4%	J	1,465,539	1,233,336	232,203	18.8%
Rentals & Leases	444,450	259,756	58.4%		259,756	166,416	93,341	56.1%
Insurance/Risk Mgmt.	9,366,656	8,162,186	87.1%	K	8,162,186	7,625,994	536,193	7.0%
Contracted Services	38,747,122	18,570,572	47.9%	L	18,570,572	14,953,345	3,617,228	24.2%
Utilities	11,409,224	4,580,119	40.1%	M	4,580,119	5,025,752	(445,633)	-8.9%
Other Departmental Expenses	4,949,769	1,242,176	25.1%	N	1,242,176	1,239,540	2,636	0.2%
Instructional & Other Materials	10,949,644	5,229,070	47.8%	O	5,229,070	7,294,927	(2,065,857)	-28.3%
Maintenance & Repair	3,188,493	1,563,961	49.1%		1,563,961	940,597	623,364	66.3%
Transfers\Debt	55,094,331	22,149,986	40.2%	P	22,149,986	17,046,136	5,103,850	29.9%
Contingency/Initiatives	2,457,625	-	0.0%		-	-	-	0.0%
Capital Outlay	21,291,855	11,015,137	51.7%		11,015,137	2,164,718	8,850,419	408.8%
Amortization/Depreciation	-	-	0.0%		-	-	-	0.0%
Scholarship Distribution	870,000	-	0.0%	Q	-	-	-	0.0%
Total Expenses	$ 467,949,237	$ 241,968,286	51.7%		$ 241,968,286	$ 208,230,491	$ 33,737,795	16.2%
NET REVENUE/(EXPENSES)	$ (0)	$ 181,815,363			$ 181,815,363	$ 171,407,978	$ 10,407,385	

Explanation of Variance Amounts

Variance Code	Notes
A	State Appropriations are received in October, February and June; this is expected to be within budget by year-end.
B	Ad Valorem Taxes are collected between December and March, leading to temporary fluctuations in monthly revenue.
C	Tuition and Fees reflect early Spring collections, classes begun in January and most collections are done.
D	Other Local Income includes interest income, gain/losses on investments and fine & penalties. The variance is primarily tied to reduced interest income and unrealized losses on investments due to the volatility of the financial market.
E	Tuition and Fees, Extended Learning collections varies as course offerings varies.
F	Grant Revenue - Indirect Cost do not occur equally by month; it is contingent on activity for the month.
G	Employee Benefits – Pension & OPEB expenses are recorded at year-end, creating a delay in reporting.
H	Supplies and General expenses are incurred as needed throughout the year, leading to periodic spending variations.
I	Travel expenses are trending down following the limitation on travel in FY24; Travel will likely be under budget by FYE.
J	Marketing expenses occur based on timing of marketing campaigns.
K	Rental expenses occur based on events during the year; numerous events have been hosted , including Fall & Spring Convocations.
L	Contracted Services includes legal fees, janitorial and facility maintenance which are sporadic in nature; it will be within budget by year-end.
M	Utility expenses are lower this month but will start to trend upward as Summer approaches.
N	Other Departmental expenditures occur at irregular intervals but will be within budget by year-end.
O	Instructional & Other Material expenses decreased compared to prior year due to a reduction and reclass of software maintenance related to GASB 96 (SBITA contracts).
P	Transfers/Debt include debt payments, deferred maintenance and technology expenses. Spend patterns differ from year to year, but will be within budget by year-end.
Q	Scholarships are mostly awarded during the Summer semester, affecting distribution timing.

Thank You

HOUSTON COMMUNITY COLLEGE SYSTEM

MONTHLY INVESTMENT REPORT

For the Month of March 2025

Prepared by
Finance & Administration Division

The investment portfolio of the Houston Community College System is in compliance with the Public Funds Investment Act and the College's Investment Policy and Strategies.

/s/ Sherry Hawn

Sherry Hawn, JD, CPA
Senior Vice Chancellor, Finance & Administration and CFO/CBO

/s/ Dawn Stephens

Dawn Stephens
Interim Associate Vice Chancellor, Finance & Accounting

/s/ Victor Onwumere

Victor Onwumere
Executive Director, Finance & Treasury

HOUSTON COMMUNITY COLLEGE SYSTEM
INVESTMENT PORTFOLIO COMPOSITION
March 31, 2025

Beginning Book Value (March 1, 2025)	$	611,400,177
Beginning Market Value (March 1, 2025)	$	614,381,647
Additions/Subtractions (Book Value - Net)	$	(17,843,420)
Change in Market Value	$	10,389,724
Ending Book Value (March 31, 2025)	$	593,556,757
Ending Market Value (March 31, 2025)	$	595,885,932
Unrealized Gain/(Loss)	$	2,329,175
WAM (59% of Portfolio's Weighted Average Maturity)		1 day
WAM (41% of Portfolio's Weighted Average Maturity - Securities Held To Maturity)		321

* Net amount provided/(for) operations	$	32,139,527
* Net amount provided/(for) CIP/others		17,053
	$	32,156,580

EXECUTIVE SUMMARY
INVENTORY HOLDINGS REPORT
March 31, 2025

	Ending Book Value	Ending Market Value	Unrealized Gain (Loss)
US Treasuries	$ 196,365,580	$ 198,192,401	$ 1,826,821
US Agencies	44,398,162	44,900,515	502,353
Local Government Pools	146,564,737	146,564,737	-
Money Market Funds	156,014,229	156,014,229	-
Certificate of Deposit	50,000,000	50,000,000	-
Interest Bearing Checking	214,049	214,049	-
Total	$ 593,556,757	$ 595,885,932	$ 2,329,175
WAR (Weighted Average Interest Rate)		4.24%	

INVESTMENTS
INVENTORY HOLDINGS REPORT (OPERATING AND OTHERS)
March 31, 2025

Description	Held At	Interest Rate	Purchase Date	Maturity Date	Par	Discount AMT	Beginning Mkt. Value	Beginning Book Value	Net Change	Ending Book Value	Ending Mkt. Value	Change in Mkt. Value	Unrealized Gain/(Loss)
Fannie Mae ARM Pool 708686	Bank of America	4.07%	02/22/05	05/01/33	7,794	$ (1,469)	$ 7,984	$ 9,263	$ (56)	$ 9,207	$ 7,917	$ -	$ (1,290)
Fannie Mae ARM Pool 805454	Bank of America	4.67%	12/23/04	12/01/34	8,716	(5,914)	8,939	14,630	(53)	14,578	8,887	-	(5,691)
Federal Home Loan Bank Global Unsecured	Bank of America	0.38%	01/19/24	09/04/25	10,000,000	635,453	9,806,116	9,364,548	-	9,364,548	9,832,862	26,746	468,315
Federal Farm Credit Bank US Domestic Unsecured	Bank of America	4.25%	02/12/25	01/28/28	10,000,000.00	19,430	10,065,807	9,980,570	-	9,980,570	10,075,556	9,750	94,986
U.S. Treasury Note US Govt Treasury	Bank of America	1.75%	10/19/23	03/15/25	10,000,000	488,256	9,991,336	9,511,744	(9,511,744)	-	-	-	-
U.S. Treasury Note US Govt Treasury	Bank of America	1.75%	01/19/24	03/15/25	5,000,000	160,500	4,995,668	4,839,500	(4,839,500)	-	-	-	-
U.S. Treasury Note US Govt Treasury	Bank of America	0.50%	01/19/24	03/31/25	10,000,000	475,000	9,970,313	9,525,000	(9,525,000)	-	-	-	-
U.S. Treasury Note US Govt Treasury	Bank of America	2.75%	02/08/24	05/15/25	5,000,000	115,500	4,984,141	4,884,500	-	4,884,500	4,990,625	6,484	106,125
U.S. Treasury Note US Govt Treasury	Bank of America	2.63%	02/08/24	04/15/25	15,000,000	348,047	14,971,406	14,651,953	-	14,651,953	14,989,667	18,261	337,714
U.S. Treasury Note US Govt Treasury	Bank of America	2.88%	02/08/24	06/15/25	5,000,000	112,305	4,978,750	4,887,695	-	4,887,695	4,984,805	6,055	97,109
U.S. Treasury Note US Govt Treasury	Bank of America	3.50%	03/05/24	09/15/25	5,000,000	87,500	4,979,688	4,912,500	-	4,912,500	4,984,453	4,766	71,953
U.S. Treasury Note US Govt Treasury	Bank of America	3.50%	03/05/24	09/15/25	5,000,000	87,150	4,979,688	4,912,850	-	4,912,850	4,984,453	4,766	71,603
U.S. Treasury Note US Govt Treasury	Bank of America	0.25%	03/20/24	09/30/25	10,000,000	661,500	9,773,047	9,338,500	-	9,338,500	9,806,250	33,203	467,750
U.S. Treasury Note US Govt Treasury	Bank of America	4.25%	03/28/24	10/15/25	5,000,000	35,547	5,000,000	4,964,453	-	4,964,453	5,001,133	1,133	36,680
U.S. Treasury Note US Govt Treasury	Bank of America	4.25%	03/28/24	10/15/25	5,000,000	35,938	5,000,000	4,964,063	-	4,964,063	5,001,133	1,133	37,070
U.S. Treasury Note US Govt Treasury	Bank of America	5.00%	04/24/24	10/31/25	5,000,000	2,214	5,024,492	4,997,786	-	4,997,786	5,022,773	(1,719)	24,987
U.S. Treasury Note US Govt Treasury	Bank of America	4.00%	04/11/24	12/15/25	10,000,000	162,109	9,986,094	9,837,891	-	9,837,891	9,992,109	6,016	154,219
U.S. Treasury Note US Govt Treasury	Bank of America	3.38%	09/16/24	09/15/27	10,000,000	33,594	9,852,734	9,966,406	-	9,966,406	9,875,000	22,266	(91,406)
U.S. Treasury Note US Govt Treasury	Bank of America	2.75%	10/25/24	07/31/27	15,000,000	15,000,000	14,574,023	14,510,850	-	14,510,850	14,611,523	37,500	100,673
U.S. Treasury Note US Govt Treasury	Bank of America	3.88%	10/15/24	10/15/27	10,000,000	10,000,000	9,970,703	9,996,484	-	9,996,484	9,989,063	18,359	(7,422)
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	3.63%	09/13/24	09/13/27	15,000,000	(27,510)	14,844,201	15,027,510	-	15,027,510	14,876,930	32,729	(150,580)
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	4.35%	02/12/25	01/28/28	10,000,000	(1,750)	10,083,780	10,001,750	-	10,001,750	10,098,363	14,583	96,613
U.S. Treasury Note US Govt Treasury	Bank of America	3.75%	12/5/2024	8/31/2026	10,000,000	10,000,000	9,955,469	9,937,500	-	9,937,500	9,966,797	11,328	29,297
U.S. Treasury Note US Govt Treasury	Bank of America	3.75%	12/5/2024	8/31/2026	10,000,000	10,000,000	9,955,469	9,930,859	-	9,930,859	9,966,797	11,328	35,938
U.S. Treasury Note US Govt Treasury	Bank of America	0.88%	12/5/2024	6/30/2026	10,000,000	10,000,000	9,590,234	9,506,250	-	9,506,250	9,621,094	30,859	114,844
U.S. Treasury Note US Govt Treasury	Bank of America	4.50%	1/29/2025	3/31/2026	15,000,000	15,000,000	15,057,422	15,048,633	-	15,048,633	15,060,586	3,164	11,953
U.S. Treasury Note US Govt Treasury	Bank of America	3.50%	2/26/2025	1/31/2028	30,000,000	30,000,000	29,595,703	29,524,219	-	29,524,219	29,666,016	70,313	141,797
U.S. Treasury Note US Govt Treasury	Bank of America	2.75%	2/26/2025	2/15/2028	10,000,000	10,000,000	9,657,422	9,631,250	-	9,631,250	9,686,719	29,297	55,469
U.S. Treasury Note US Govt Treasury	Bank of America	3.88%	3/19/2025	3/15/2028	10,000,000	39,063			9,960,938	9,960,938	9,991,406	9,991,406	30,469
Debt Service 2001A Bond Interest Checking	Bank of America	1.83%				-	1,290	1,290	2	1,292	1,292	-	-
HCCS Merchant Service	Bank of America	0.79%				-	28,096	28,096	(1,630)	26,466	26,466	-	-
LTD 2013 Tax Bond General Checking	Bank of America	1.77%				-	260,671	260,671	(74,380)	186,291	186,291	-	-
Chase Certificate of Deposit	Chase	3.42%					50,000,000	50,000,000	-	50,000,000	50,000,000	-	-
Merrill Lynch (Morgan Stanley Govt/Goldman Sachs)	Bank of America	3.70%				-	175,314,529	175,314,529	(22,374,251)	152,940,277	152,940,277	-	-
Money Market 2006 Jr. Lien Debt Reserve	Bank of America	3.70%				-	3,063,881	3,063,881	10,071	3,073,952	3,073,952	-	-
Lone Star (Corporate Overnight Fund)	State Street Bank	4.09%				-	57,727,218	57,727,218	9,232,366	66,959,585	66,959,585	-	-
TexPool	State Street Bank	4.03%				-	70,325,334	70,325,334	9,279,818	79,605,152	79,605,152	-	-
TOTAL							$ 614,381,647	$ 611,400,177	$ (17,843,420)	$ 593,556,757	$ 595,885,932	$ 10,389,724	$ 2,329,175

Summary Operating Statements

For the Period
September 1, 2024 - March 31, 2025

For the Meeting of the Board of Trustees - May 7, 2025

for

Houston Community College System

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For the Period September 1, 2023 - March 31, 2025

<u>Houston Community College System</u>

Summary of Financial Statements
As of March 31, 2025

On June 26, 2024, the Board of Trustees approved the FY 2025 operating budget totaling $465.1 million. The FY 2025 budget included conservative revenue and expense estimates. Included in the FY 2025 budget is a fund balance transfer totaling $15 million to continue addressing deferred maintenance. Other major operating expenses were also approved to address IT Network/Infrastructure, $5M; Safety and Security, $2.3M; Instructional Services Support, $2.5M; and Dual Credit Support, $1.1M.

The Board approved the FY 2025 Auxiliary budget, Restricted Funds budget, and the Capital and Technology Plan budget. The approved FY 2025 Auxiliary Services budget totals $8.6 million. Overall, this is a 10% increase compared to the prior year, primarily due to increased scholarship funding for students, annual salary increases, and the rental of HCCS space for campus wide events. The Restricted budget totals $144.6 million for grant activities, financial aid, and payments for employee benefits. Finally, the approved Capital and Technology Plan budget totals $7.9 million, which is earmarked for the continuation of asset upgrades and replacement of information and instructional technology equipment.

The Unrestricted Fund as of March 31, 2025, total revenues, fund balance transfers and rolled purchase orders (POs) are $423.8 million. This represents 90.6% of the budgeted total of $467.9 million. Expenses total $242 million to date, which is 51.7% of the total expense budget of $467.9 million. Compared with the same period last year, revenues and transfers are higher by 11.6% and expenses are higher by 16.2%. Actual net revenue is $181.8 million to date.

Ad Valorem Tax revenue for Maintenance & Operations (M&O) was estimated to increase by 5.7% for FY 2025, which is 2.3% less than the statutorily allowed maximum increase of 8%. Property tax valuations in the taxing district increased 1.2%. This increase is much lower than the average annual increase of 6% experienced over the last 10 years in the taxing district. Thus, Ad Valorem tax revenue is higher when compared to last year. Taxes are billed in October and collected during the periods of December through February. Tax revenue will normalize and fall within budget by year end.

State appropriations are slightly higher when compared to prior year due to $4.7 million THECB funding adjustment. Appropriations are expected to be within budget by year-end.

Tuition and fees, net, which include revenues for semester credit hour (SCH) courses, are **14.0%** higher than last year at this time. Gross tuition and fee revenues are up 13.3% compared to last year due to increased enrollments and increased program offerings in high demand fields (see page 9). Total waivers and exemptions increased by 8.9% primarily due to Dual Credit waivers.

Other local income, which includes investment income, is lower by $3.9 million due to the volatility of the finance market.

Continuing Education/Non-credit tuition and fees, net are 16.8% higher than last year at this time. Gross tuition and fees revenues are up by 16.8%.

Actual salaries for FY 2025 are 12.6% higher compared to FY 2024; this is due primarily to a Board approved salary increase of 7.5% for faculty, full-time employees, part-time hourly staff, and a 4% increase for executive staff. Employee benefits are higher by 1.9% for FY 2025 compared to FY 2024.

Transfers/Debt remain high due to continuing the budgeted transfers for Deferred Maintenance and technology fees.

Several line-item expenses (supplies, travel, marketing, insurance, contracted services, instructional and other material, etc.) have variances due to timing differences in recording transactions from year-to-year. Expenses are expected to be within budget by year-end.

Debt interest expense for the month totaled $1,550,824 compared to this time in FY 2024 of $1,563,940.

	Unrestricted	Restricted	Auxiliary	Loans	Scholarship	Unexpended Plant	Capital and Technology	Retirement of Debt	Investment in Plant	Total
Revenues	$ 405,973,665	$ 23,755,887	$ 5,657,841	$ -	$ 118,210,157	$ 1,160,196	$ -	$ 43,754,568	$ 290,777	$ 598,803,091
Expenses										
Salaries	146,650,994	3,348,405	509,558	-	1,683,049	-	-	-	-	152,192,006
Employee Benefits	17,854,041	11,848,733	97,131	-	-	-	-	-	-	29,799,905
Supplies & General Expense	2,899,945	207,529	372,669	-	-	109,132	186,290	-	-	3,775,565
Travel	324,802	32,336	13,863	-	-	-	-	-	-	371,001
Marketing Costs	1,465,539	48,417	270	-	-	-	-	-	-	1,514,226
Rentals & Leases	259,756	31	2,830	-	-	7,642	-	-	-	270,260
Insurance/Risk Mgmt.	8,162,186	1,846	1,253	-	-	-	-	-	-	8,165,285
Contracted Services	18,570,572	420,230	744,343	-	-	38,087	192,852	329,453	-	20,295,537
Utilities	4,580,119	-	210,489	-	-	-	-	-	-	4,790,608
Other Departmental Expenses	1,242,176	335,603	262,033	-	329,064	-	-	-	-	2,168,875
Instructional & Other Materials	5,229,070	362,840	4,803	-	-	24,877	71,512	-	-	5,693,101
Maintenance & Repair	1,563,961	-	893	-	-	-	(287)	-	-	1,564,568
Transfers (In)/Out[1]	22,135,686	-	-	-	(998,581)	(993,098)	(24,572,500)	4,428,493	-	-
Debt	14,300	-	-	-	-	-	-	33,410,667	-	33,424,967
Capital Outlay	11,015,137	321,200	141,298	-	-	3,451,632	6,757,284	-	-	21,686,552
Amortization/Depreciation	-	-	-	-	-	-	-	-	20,573,379	20,573,379
Scholarship Distribution	-	-	1,456,596	-	117,213,489	-	-	-	-	118,670,085
Total Expenses	241,968,286	16,927,170	3,818,028	-	118,227,021	2,638,273	(17,364,849)	38,168,613	20,573,379	424,955,921
Net Revenues/(Expenses)	164,005,379	6,828,716	1,839,813	-	(16,863)	(1,478,077)	17,364,849	5,585,955	(20,282,602)	173,847,170
Other Adjustments and Transfers										
Debt Principal Payments[2]	(48,000,000)	-	-	-	-	-	-	-	75,164,785	27,164,785
Debt Refinancing	-	-	-	-	-	-	-	-	-	-
Capitalization of Assets & CIP[2]	3,116,721	116,568	-	-	-	1,489,437	4,044,937	-	1,720,157	10,487,820
Transfers of Completed Projects/Assets	(3,116,721)	(116,568)	-	-	-	(773,254)	(745,071)	-	4,751,614	-
Transfers of Balances between Funds	-	-	-	-	-	-	-	-	-	-
Total Other Adjustments and Transfers	(48,000,000)	-	-	-	-	716,183	3,299,866	-	81,636,556	37,652,605
Beginning Fund Balances, Audited	68,450,207	1,058,425	22,536,108	238,698	3,181,945	85,619,954	28,679,244	18,825,701	505,730,743	734,321,025
Ending Fund Balances	$ 184,455,586	$ 7,887,141	$ 24,375,921	$ 238,698	3,165,081	$ 84,858,060	$ 49,343,959	$ 24,411,656	$ 567,084,697	$ 945,820,799

[1]Transfers include student revenue bond payment funds, scholarship matching funds, and transfers to Unexpended Plant and Capital and Technology Funds.

[2]Per government accounting practices, items included in the expenses category above are subsequently deducted from YTD expenses shown above and reclassified
as increases or decreases to appropriate asset and liability line items on the balance sheet (page 8). Also, includes GASB 96 SBITA.

HOUSTON COMMUNITY COLLEGE SYSTEM
Unrestricted Revenues and Expenses
Comparison to Budget and Previous Fiscal Year
As of March 31, 2025
58.3% of Year

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget & Actuals						
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru March 31, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru March 31, 2025	Year-to-Date Actuals Thru March 31, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
REVENUES							
State Appropriations	$ 68,243,000	$ 53,869,664	78.9%	$ 53,869,664	$ 48,441,970	$ 5,427,694	11.2%
Ad Valorem Taxes	224,386,251	219,361,038	97.8%	219,361,038	202,804,828	16,556,209	8.2%
Tuition & Fees, Net	126,237,802	116,425,064	92.2%	116,425,064	102,123,246	14,301,818	14.0%
Other Local Income	22,736,208	9,361,979	41.2%	9,361,979	13,290,801	(3,928,822)	-29.6%
Tuition & Fees, Net -- Extended Learning	7,885,993	6,486,393	82.3%	6,486,393	5,551,455	934,937	16.8%
Grant Revenue - Indirect Cost	650,000	469,528	72.2%	469,528	380,187	89,342	23.5%
Total Revenues	450,139,254	405,973,665	90.2%	405,973,665	372,592,487	33,381,178	9.0%
Fund Balance Transfers In & Rolled POs	17,809,983	17,809,983	100.0%	17,809,983	7,045,981	10,764,002	152.8%
Total Revenues and Fund Balance Transfers	$ 467,949,237	$ 423,783,648	90.6%	$ 423,783,648	$ 379,638,469	$ 44,145,180	11.6%
EXPENSES							
Salaries	258,802,221	146,650,994	56.7%	146,650,994	130,292,472	16,358,522	12.6%
Employee Benefits	38,321,946	17,854,041	46.6%	17,854,041	17,515,350	338,692	1.9%
Supplies & General Expense	6,543,361	2,899,945	44.3%	2,899,945	2,390,622	509,323	21.3%
Travel	1,486,848	324,802	21.8%	324,802	341,288	(16,485)	-4.8%
Marketing Costs	4,025,692	1,465,539	36.4%	1,465,539	1,233,336	232,203	18.8%
Rentals & Leases	444,450	259,756	58.4%	259,756	166,416	93,341	56.1%
Insurance/Risk Mgmt.	9,366,656	8,162,186	87.1%	8,162,186	7,625,994	536,193	7.0%
Contracted Services	38,747,122	18,570,572	47.9%	18,570,572	14,953,345	3,617,228	24.2%
Utilities	11,409,224	4,580,119	40.1%	4,580,119	5,025,752	(445,633)	-8.9%
Other Departmental Expenses	4,949,769	1,242,176	25.1%	1,242,176	1,239,540	2,636	0.2%
Instructional & Other Materials	10,949,644	5,229,070	47.8%	5,229,070	7,294,927	(2,065,857)	-28.3%
Maintenance & Repair	3,188,493	1,563,961	49.1%	1,563,961	940,597	623,364	66.3%
Transfers\Debt	55,094,331	22,149,986	40.2%	22,149,986	17,046,136	5,103,850	29.9%
Contingency/Initiatives	2,457,625	-	0.0%	-	-	-	0.0%
Capital Outlay	21,291,855	11,015,137	51.7%	11,015,137	2,164,718	8,850,419	408.8%
Amortization/Depreciation	-	-	0.0%	-	-	-	0.0%
Scholarship Distribution	870,000	-	0.0%	-	-	-	0.0%
Total Expenses	$ 467,949,237	$ 241,968,286	51.7%	$ 241,968,286	$ 208,230,491	$ 33,737,795	16.2%
NET REVENUE/(EXPENSES)	$ (0)	$ 181,815,363		$ 181,815,363	$ 171,407,978	$ 10,407,385	

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses by Fund

As of March 31, 2025

Auxiliary Funds - Uncommitted Portion

	Main Leasing	Misc. Auxiliary*	Bookstore Commission	Scholarships	Subtotal Uncommitted
Revenues	$ 3,153,720	$ 160,733	$ 751,462	$ -	$ 4,065,915
Expenses					
Salaries	184,797	59,153	-	34,991	278,941
Employee Benefits	44,163	7,629	-	313	52,105
Supplies & General Expense	16,467	55,019	-		71,486
Travel			-		-
Marketing Costs	270		-		270
Rentals & Leases			-		-
Insurance/Risk Mgmt.			-		-
Contracted Services	672,837	18,118	-		690,955
Utilities	210,489		-		210,489
Other Departmental Expenses	1,027	215,271	-		216,299
Instructional & Other Materials			-		-
Maintenance & Repair	5,621		-		5,621
Transfers/Debt			-		-
Capital Outlay	72,809	20,795	-		93,604
Scholarship Distribution		6,445	-	1,428,151	1,434,596
Total Expenses	1,208,482	382,430	-	1,463,455	3,054,367
Contribution to Fund Balance	$ 1,945,238	$ (221,698)	$ 751,462	$ (1,463,455)	1,011,548
Beginning Fund Balance, Audited					18,426,404
Ending Fund Balance					$ 19,437,952

Expenditures in this category include Minority Male Initiative, Government Relations, Mobile Go, etc.

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses By Fund

As of March 31, 2025

Auxiliary Funds - International and Committed Portions

	International		Committed				Total
	Other International Initiatives	Subtotal International	Student Vending Commission	Student Activity Fee	Student Athletic Fee	Subtotal Committed	Total Auxiliary
Revenues	$ -	$ -	$ -	$ 897,277	$ 694,649	$ 1,591,926	$ 5,657,841
Expenses							
Salaries	-	-	-	10,591	220,025	230,616	509,558
Employee Benefits	-	-	-	98	44,927	45,026	97,131
Supplies & General Expense	61	61	-	260,563	40,634	301,197	372,744
Travel	-	-	-	13,863		13,863	13,863
Marketing Costs	-	-	-			-	270
Rentals & Leases	-	-	-		2,830	2,830	2,830
Insurance/Risk Mgmt.	-	-	-	1,162	91	1,253	1,253
Contracted Services	-	-	-	36,878	16,511	53,388	744,343
Utilities	-	-	-			-	210,489
Other Departmental Expenses	143	143	-	35,153	10,438	45,591	262,033
Instructional & Other Materials	-	-	-			-	-
Maintenance & Repair	-	-	-			-	5,621
Transfers/Debt	-	-	-			-	-
Capital Outlay	-	-	-	22,059	25,635	47,694	141,298
Scholarship Distribution	-	-	-	22,000		22,000	1,456,596
Total Expenses	203	203	-	402,367	361,091	763,458	3,818,028
Contribution to Fund Balance	(203)	(203)	-	494,910	333,558	828,468	1,839,813
Beginning Fund Balance, Audited		1,559,228	(1,284,080)	1,957,474	1,877,082	2,550,476	22,536,108
Ending Fund Balance		$ 1,559,025	$ (1,284,080)	$ 2,452,384	$ 2,210,640	$ 3,378,944	$ 24,375,921

HOUSTON COMMUNITY COLLEGE SYSTEM
Unrestricted Adjusted Budgets and Actuals by Division - Summary Comparison
As of March 31, 2025
58.3% of Year

Division	FY 2025 Adjusted Budget	Actuals as of March 31, 2025	% Spent	FY 2024 Adjusted Budget	Actuals as of March 31, 2024	% Spent
Central College	$ 15,579,981	$ 8,742,969	56.1%	$ 13,348,440	7,343,003	55.0%
Northwest College	19,266,620	10,128,309	52.6%	16,895,074	9,170,499	54.3%
Northeast College	17,380,447	9,935,626	57.2%	14,597,253	8,273,157	56.7%
Southwest College	16,248,459	9,788,897	60.2%	14,121,814	8,336,406	59.0%
Southeast College	17,928,066	10,979,628	61.2%	15,851,733	8,937,807	56.4%
Coleman College	22,238,193	12,307,326	55.3%	18,978,892	10,415,621	54.9%
Academic Instruction	83,190,126	50,954,327	61.3%	76,444,140	45,001,651	58.9%
Office of the Chancellor	17,980,650	8,813,882	49.0%	18,791,622	8,654,536	46.1%
Instructional Services	12,878,886	4,974,227	38.6%	10,501,229	4,223,446	40.2%
Online College	3,228,214	1,748,946	54.2%	2,618,963	1,319,475	50.4%
Student Services	11,722,333	4,584,259	39.1%	10,313,208	4,243,381	41.1%
Strategy, Planning & Institutional Effectiveness	5,325,026	2,445,857	45.9%	5,181,236	2,327,342	44.9%
External & Governmental Relations, Transfers and Alumni Relations	2,200,053	808,872	36.8%	1,614,958	156,660	9.7%
Legal & Compliance	17,437,742	11,693,042	67.1%	16,240,835	10,895,330	67.1%
Finance & Accounting	81,058,638	47,506,047	58.6%	68,142,028	38,978,601	57.2%
System	124,285,804	46,556,072	37.5%	94,603,461	39,953,575	42.2%
Grand Total	$ 467,949,237	$ 241,968,286	51.7%	$ 398,244,885	$ 208,230,491	52.3%

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HOUSTON COMMUNITY COLLEGE SYSTEM
Balance Sheet by Fund
As of March 31, 2025

	CURRENT & LOAN FUNDS[1]	PLANT & BOND FUNDS[2]	TOTAL ALL FUNDS	PRIOR YEAR TOTAL ALL FUNDS
ASSETS				
Current Assets:				
Cash & cash equivalents	$ 211,836,059	$ 115,652,843	$ 327,488,902	$ 258,745,698
Short-term Investments	-	-	-	29,736,315
Accounts receivable (net)	43,839,924	1,378,735	45,218,659	3,820,287
Deferred charges	24,294	-	24,294	19,092,614
Prepaids	8,893,539	-	8,893,539	24,276,204
Total Current Assets	264,593,816	117,031,578	381,625,394	335,671,118
Non-current Assets:				
Restricted cash & cash equivalents	-	24,884,787	24,884,787	29,056,899
Restricted long-term investments	-	16,804	16,804	143,424,474
Long-term investments	243,076,112	-	243,076,112	20,465,825
Long-term lease receivable	18,535,187	-	18,535,187	-
Capital assets, net	7,752,155	1,127,818,085	1,135,570,240	1,144,265,340
Total Non-current Assets	269,363,454	1,152,719,676	1,422,083,130	1,337,212,538
Total Assets	$ 533,957,270	$ 1,269,751,255	$ 1,803,708,524	$ 1,672,883,656
Deferred Outflows of Resources:				
OPEB	9,794,624	-	9,794,624	9,794,624
Pension	37,434,988	-	37,434,988	37,434,988
Advance Funding Valuation	-	1,563,806	1,563,806	1,563,806
Total Deferred Outflows of Resources	$ 47,229,612	$ 1,563,806	$ 48,793,418	$ 48,793,418
Total Assets and Deferred Outflows of Resources	$ 581,186,882	$ 1,271,315,061	$ 1,852,501,942	$ 1,721,677,074
LIABILITIES				
Current Liabilities:				
Accounts payable	16,422,680	266,376	16,689,056	13,700,554
Accrued Interest- SBITA	276,218	-	276,218	276,218
Accrued liabilities	404,945	39,286	444,231	18,074,315
Compensated absences	4,955,308	-	4,955,308	4,955,308
Funds held for others	2,654,512	189,209	2,843,721	908,680
Deferred revenue	560,595	-	560,595	40,229,119
SBITA- Current portion	3,399,100	-	3,399,100	3,399,100
Net OPEB liability-current portion	3,565,628	-	3,565,628	3,565,628
Notes payable-current portion	-	361,299	361,299	720,798
Bonds payable-current portion	-	15,510,000	15,510,000	41,215,000
Total Current Liabilities	32,238,986	16,366,170	48,605,156	127,044,720
Non-current Liabilities:				
SBITA Liability	3,984,779	-	3,984,779	3,984,779
Net OPEB liability	123,908,453	-	123,908,453	123,908,453
Net pension liability	105,104,799	-	105,104,799	105,104,799
Notes payable	-	1,770,569	1,770,569	1,770,569
Bonds payable	-	517,639,133	517,639,133	517,639,133
Total Non-current Liabilities	232,998,031	519,409,702	752,407,733	752,407,733
Total Liabilities	$ 265,237,017	$ 535,775,872	$ 801,012,889	$ 879,452,453
Deferred Inflows of Resources:				
Leases	22,386,734	-	22,386,734	24,622,076
OPEB	60,962,942	-	60,962,942	60,962,942
Pension	12,477,761	-	12,477,761	12,477,761
Advance Funding Valuation	-	9,840,817	9,840,817	9,840,817
Total Deferred Inflows of Resources	$ 95,827,437	$ 9,840,817	$ 105,668,254	$ 107,903,596
Total Liabilities and Deferred Inflows of Resources	$ 361,064,454	$ 545,616,689	$ 906,681,143	$ 987,356,049
Beginning Fund Balances, Audited	95,465,383	638,855,642	734,321,025	655,881,162
Net Revenue/(Expenses)				
Unrestricted	117,845,192	-	117,845,192	22,698,096
Restricted	6,811,852	-	6,811,852	950,125
Net Investment in Plant	-	86,842,730	86,842,730	54,791,642
Ending Fund Balances	$ 220,122,427	$ 725,698,372	$ 945,820,799	$ 734,321,025
Total Liabilities & Fund Balances	$ 581,186,882	$ 1,271,315,061	$ 1,852,501,942	$ 1,721,677,074

[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 SYSTEM
Exemptions and Waivers Detail
As of March 31, 2025

	FY 2024		FY 2025	
	Prior Year Activity thru 8/31/2024	Year-to-Date Activity thru 03/31/2024	Year-to-Date Activity thru 03/31/2025	Actuals % Inc/(Dec)YTD vs. PriorYTD
Tuition & Fees				
Budget:				
Adjusted Budget, Annual*	$ 106,400,157	$ 101,709,073	$ 126,237,802	24.1%
Revenues:				
Gross Tuition & Fees	134,172,076	119,483,182	135,333,930	13.3%
Waivers & Exemptions:				
Dual Credit & Early College HS	(16,567,432)	(15,176,627)	(16,677,814)	9.9%
Other	(2,786,646)	(2,183,309)	(2,231,052)	2.2%
Total Waivers & Exemptions	(19,354,078)	(17,359,936)	(18,908,866)	8.9%
Total Tuition & Fees Revenue, Net	**$ 114,817,998**	**$ 102,123,246**	**$ 116,425,064**	**14.0%**
Tuition & Fees - Extended Learning (EL)				
Budget:				
Adjusted Budget, Annual*	$ 4,862,714	$ 5,758,835	$ 7,885,993	36.9%
Revenues:				
Gross Tuition & Fees	7,665,722	5,551,455	6,486,393	16.8%
Waivers & Exemptions:				
Department of Corrections	-	-	-	0.0%
Total EL Tuition & Fees Revenue, Net	**$ 7,665,722**	**$ 5,551,455**	**$ 6,486,393**	**16.8%**

	FY 2024		FY 2025	
Exemptions & Waivers	Prior Year Activity thru 8/31/2024	Year-to-Date Activity thru 03/31/2024	Year-to-Date Activity thru 03/31/2025	Actuals % Inc/(Dec)YTD vs. PriorYTD
Dept of Corrections	$ -	$ -	$ -	0.0%
Dual Credit & Early College HS Waiver	16,567,432	15,176,627	16,677,814	9.9%
Other Exemptions:				
Employee Fee Exemptions	44,993	36,415	36,253	-0.4%
Firemen	29,460	25,309	35,226	39.2%
Hazelwood	1,145,051	917,400	1,024,899	11.7%
Deaf & Blind	150,320	132,273	118,319	-10.5%
High Ranking High School Grad	3,025	1,694	1,364	-19.5%
Good Neighbor Program	67,042	65,230	67,527	3.5%
Child of Disabled Vet	3,757	2,865	2,642	0.0%
Employee of State College & University	3,164	1,995	4,275	0.0%
Non-resident Teach/Research Assistant	6,876	6,555	5,045	-23.0%
Non-resident Competitive Scholarships	13,823	13,823	6,555	-52.6%
Senior Citizens	450,277	371,433	361,211	-2.8%
Foster Children-Resident	272,473	227,395	236,567	4.0%
TX Tomorrow Waiver	-	-	278	100.0%
Surviving Spouse/Children	1,589	1,589	-	-100.0%
Peace Officer Exemption	8,202	5,313	10,461	96.9%
Adopted Student Waiver	351,710	299,880	295,701	-1.4%
FAST Book & OD Fees	234,884	74,140	24,729	0.0%
Total Other Exemptions	2,786,646	2,183,309	2,231,052	2.2%
Grand Total Exemptions & Waivers	**$ 19,354,078**	**$ 17,359,936**	**$ 18,908,866**	**8.9%**

*Amount net of exemptions & waivers.

ACTION ITEM

ITEM #	ITEM TITLE	PRESENTER
B.	Tuition Assistance Options for FY26 Operating Budget	Dr. Margaret Ford Fisher Dr. Sherry Hawn

RECOMMENDATION

Approve the Houston Reconnect tuition assistance option. It would generate approximately $31.9 million in state performance-based funding over three years based upon a 75% persistence rate where 25% persist-to-complete in year one, and the remaining 75% persist-to-complete in year two. If the remaining 25% who are not identified as projected to persist do complete then we could see an additional $10.6M in year four. But to be conservative this last group of 2038 students is shown for information only, not for revenue estimating purposes, as historical data suggests they may not complete. The other two tuition modifying choices are both revenue-reducing with less probability of generating outer year revenue.

COMPELLING REASON AND BACKGROUND

HCC leadership and the Board seek to implement new tuition assistance strategies enabling HCC to become more affordable and to strengthen enrollment and retention. Based upon that strategic direction we analyzed three distinct options: Houston Reconnect, Hope Scholarship, and an Out-of-District rate reduction. Each targets a different sub segment of potential student demographic. Houston Reconnect focuses on motivating stopped out, older students with existing credit hours to return and complete their degree or program by offering tuition and fee scholarships. The Hope Scholarship would provide a financial gap-filler to cover tuition costs not addressed by financial aid. Finally, the Out-of-District tuition reduction would enable HCC to become competitive locally, thereby eliminating a price-sensitivity entry barrier for those students who would otherwise choose another community college in the area.

FISCAL IMPACT

The Houston Reconnect program would cost $8.1M in scholarship expense in year one, $4.6M in year two, and $2.0 in year three. However, the net increase of state performance tier funding based upon the additional weighting for students older than 25 earning 15 semester credit hours would produce $8.0M in year two, $23.9M in year three, footing to $31.9M.

LEGAL REQUIREMENT

None.

STRATEGIC ALIGNMENT

1. Student Success, 5. College of Choice

ATTACHMENTS:

Description	Upload Date	Type

This item is applicable to the following:

Central, Coleman, Northeast, Northwest, Southeast, Southwest, District, Online

Budget Workshop: Updates from Special Meeting

Dr. Margaret Ford Fisher, Chancellor

Dr. Sherry Hawn, Sr. Vice Chancellor, Finance & Administration and CFO/CBO

May 7, 2025

TUITION ASSITANCE INITIATIVES

Tuition Assistance Initiative – Houston Reconnect

(In Millions)

Ref Code	Descriptions					Projected Participation and Completion
A	Total Potential Students					24,704
B	Estimated Participation in Program (33% participation rate)					8,152
C	Estimated Students that will Complete (75% persistence rate)					6,114
D	Remaining Estimated Participation in Program that may complete					2,038
	Tuition & Fee Revenue (est.)		Year 1	Year 2	Year 3	Year 4
E	Estimated Credit Hours		130,432	73,360	32,608	
	Tuition		$ 4.30	$ 2.42	$ 1.08	
	Fees		$ 7.50	$ 4.22	$ 1.88	
	Total Tuition and Fees		$ 11.80	$ 6.64	$ 2.96	
F	Financial Aid (31.3% est.)		$ (3.69)	$ (2.08)	$ (0.93)	
	Total Tuition and Fees Revenue (est.)		$ 8.11	$ 4.56	$ 2.03	$ -
	State Appropriations Revenue (est.)		Year 1	Year 2	Year 3	Year 4
G	Completions		1,529	4,585	2,038	
H	State Appropriations		$ -	$ 5.66	$ 16.97	$ 7.54
I	50% Bonus for >25 years in age		$ -	$ 2.83	$ 8.48	$ 3.77
J	6% reduction possible COV changes		$ -	$ (0.51)	$ (1.53)	$ (0.68)
	Total State Appropriations (est.)		$ -	$ 7.98	$ 23.92	$ 10.63
K	**Total Revenue**		**$ 8.11**	**$ 12.54**	**$ 25.95**	**$ 10.63**
L	**Scholarship Expense (est.)**		**$ 8.11**	**$ 4.56**	**$ 2.03**	**$ -**
M	**Net Revenue (est.)**		**$ -**	**$ 7.98**	**$ 23.92**	**$ 10.63**

Ref Code	Impact Assumptions and Explanations
A	Students that have stopped out within the last 5 years, are 25 or older, and have completed at least 30 SCH
B	Based on a 33% participation rate which reflects our ability to contact students [24,704 (potential students) x 33%=8,152]
C	Based on a 75% persistence rate from Fall to Spring semesters [8,152 (est. participants) x 75%=6,114]
D	Remaining 25% estimated participants in the program that may complete [8,152 (est. participants) - 6,114 (est. participants to persist) = 2,038]
E	Estimated credit hours calculated at 16 SCH per student enrolled; 8,152 (Year 1), 4,585 (Year 2) and 2,038 (Year 3) [Ex. 8,152 x 16 SCH =130,432 credit hours]
F	Student Financial Aid estimate now included at 31.3%
G	Progress to completion based on the student average of 8 SCH per semester; of 6,114 participants that will persist, estimated 25% to complete (Year 1) 1,529, (Year 2) 75%, 4,585 & (Year 3) 2,038 remaining 25% estimate participants in program that may complete
H	Based on an 80/20 split between associate degree and associate degree high demand
I	All completions will qualify for the 50% bonus for >25 years in age
J	6% reduction for possible COV changes
K	Total revenue estimate equals total T&F revenue plus total State Appropriations
L	Scholarship expense estimate equal total annual T&F; net of financial aid estimate
M	Estimated net revenue equals total revenue less scholarship expense

Source: PS_CAR_TERM_TBL, PS_PEOPLE_SRCH, PS_STDNT_ENRL, PS_ACAD_PLAN, DASH_CLEARING_HOUSE CSPRD/OIRD as of 1/14/2025.

Students age >= '25' with 30+ credits that did not earn an award.

HOUSTON COMMUNITY COLLEGE

Tuition Assistance Initiative – Hope "Last Dollar" Scholarship

(In Millions)

- Last dollar scholarship after financial aid has been applied for In-District (SCH) student's tuition only
- FY25 calculations are based on projected enrollments to yearend
- FY26 calculations are based on 6% increase in enrollment and removal 50% of International students; FY27 – FY30 is based a 3% enrollment growth
- Estimated Student Financial Aid 31.3%
- Scholarship Expense estimate, $12M (FY26) and future year estimates are $14M annually; based on enrollment changes

Enrollment Estimate	FY25 Projected In-District	FY26	FY27	FY28	FY29	FY30
Unduplicated Student Count	42,583	36,487	37,582	38,709	39,870	41,066
Course Credit Hours	575,298	492,945	507,728	522,959	538,648	554,808

Tuition & Fee Estimate	FY25 Projected In-District	FY26	FY27	FY28	FY29	FY30
Tuition	$ 18.98	$ 18.08	$ 19.65	$ 20.23	$ 20.76	$ 21.30
Fees	$ 31.77	$ 32.62	$ 34.50	$ 35.50	$ 36.52	$ 37.57
Total Tuition and Fees	$ 50.75	$ 50.70	$ 54.15	$ 55.73	$ 57.28	$ 58.87

Estimate Total Impact Hope Based 'Last Dollar" Scholarship	FY25 Projected In-District	FY26	FY27	FY28	FY29	FY30
Tuition	$ 18.98	$ 18.08	$ 19.65	$ 20.23	$ 20.76	$ 21.30
Fees	$ 31.77	$ 32.62	$ 34.50	$ 35.50	$ 36.52	$ 37.57
Tuition covered by Financial Aid (31.3%)	$ -	$ (5.66)	$ (6.15)	$ (6.33)	$ (6.50)	$ (6.67)
Hope "Last Dollar" Scholarship Expenses after Financial Aid	$ -	$ (12.42)	$ (13.50)	$ (13.90)	$ (14.26)	$ (14.63)

Tuition Assistance Initiative – Out-of-District Tuition Rate Reduction

(In Millions)

- Reduce the Out-Of-District tuition rate. The tuition rate will be reduced by 32.5%, from $121 to $81.67
- FY25 calculations are based on projected enrollments to yearend
- FY26 calculations are based on 6% increase in enrollment and removal 50% of International students; FY27 – FY30 is based a 3% enrollment growth
- Out-Of-District tuition reduction $14M (FY26) and future year estimates are based on enrollment changes

Enrollment Impact	FY25 Projected Out-Of-District	FY26	FY27	FY28	FY29	FY30
Unduplicated Student Count	27,120	25,896	26,673	27,473	28,297	29,146
Course Credit Hours	366,396	345,808	360,351	371,161	382,296	393,765

Tuition & Fee	Tuition	Fees	Total Tuition and Fees	Tuition & Fee	Tuition	Fees	Total Tuition and Fees	Estimate Total Impact Out-of-District Tuition
Current Rate	$ 121.00	$ 65.50	$ 186.50	Reduced Rate	$ 81.67	$ 65.50	$ 147.17	$ (39.33)
FY25	$ 44.33	$ 23.99	$ 68.32	FY25	No Change	No Change	No Change	$ -
FY26	$ 41.84	$ 22.65	$ 64.49	FY26	$ 28.24	$ 22.65	$ 50.89	$ (13.60)
FY27	$ 43.60	$ 23.60	$ 67.20	FY27	$ 29.43	$ 23.60	$ 53.03	$ (14.17)
FY28	$ 44.90	$ 24.31	$ 69.21	FY28	$ 30.31	$ 24.31	$ 54.62	$ (14.59)
FY29	$ 46.26	$ 25.04	$ 71.30	FY29	$ 31.22	$ 25.04	$ 56.26	$ (15.04)
FY30	$ 47.65	$ 25.79	$ 73.44	FY30	$ 32.16	$ 25.79	$ 57.95	$ (15.49)

Thank You

REPORT ITEM

Meeting Date: May 7, 2025

Topics For Discussion and/or Action:

ITEM #	ITEM TITLE	PRESENTER
C.	Budget Workshop #5 - Preliminary Review	Dr. Margaret Ford Fisher Dr. Sherry Hawn

DISCUSSION

FY26 Preliminary Budget Workshop #5 includes six revenue-expense scenarios, including one for a flat budget at the same dollar amount of FY25 for $465M. The scenarios consider a potential international student decrease due to ongoing changes in immigration and visa policies federally and locally, changes in the courses eligible for credential of value funding by the state, and seven potential tax rate scenarios. In addition, you will find a comparison of annual tax payments, one with the homestead exemption, and one with the homestead plus over-65 disabled exemption, comparing HCC to our closest competitors as context.

Regarding expenses we have included comparative salary and wage data provided by Talent Engagement, a trend of salary increases from FY16 – FY25, and a summary of jobs and positions by category as of April 2025. We also outline the current request for general salary increase along with a revamped longevity structure that rewards employees more often during their extended career trajectories.

Our position on non-employee expenses was consistent conservatism with a 10% reduction in operating expenses applied across all divisions, with the proviso that each department could reassign costs as needed if the total complied with a 10% bottom line cut on other than personnel operating expenses.

We added summary slides for easy reference regarding the myriad tax options and budget scenarios to enable you to review all choices at-a-glance.

Highlighting the name change, deferred maintenance, and IT replacements is important so we added separate slides for each topic.

Please find all previous data in the Appendix, again, for easy reference regarding competitive tuition rates, mandatory tuition and fees, incidental fees, and waivers.

COMPELLING REASON AND BACKGROUND

Creating a balanced budget for FY26 is a cornerstone to our success in a highly competitive landscape as AI and online media reach beyond traditional geographic boundaries into our service areas, funding is changing at the state and federal levels as we recalibrate revenues, and in ways we cannot fully fathom at this time. If the offering of federal Pell grants are delayed or limited in any way we will experience repercussions; if the state legislative session #89 results in additional property tax

exemptions for certain public-service employee categories we will experience repercussions; and if the public school vouchers enable us to participate in an even wider marketplace of incipient workforce need we will need to pivot nimbly and maximize opportunities on short notice.

Having a realistic revenue projection that forms a solid foundation for essential expense investments in resources, both human and non-human, will be the key to winning market share through completions of high value courses and programs, in ever-shorter cycles, which propel the Texas economy forward.

We believe we have provided data-based information that will support your FY26 budget decisions and look forward to your comments.

FISCAL IMPACT

The final budget of the college for fiscal year 2025-2026 will provide the funding for all college operations.

LEGAL REQUIREMENT

Section 51.0051, Annual Operating Budgets, Texas Education Code, provides that "the governing board of each institution shall approve on or before September 1 of each year an itemized budget covering the operation of the institution for the fiscal year beginning on September 1 of each year".

STRATEGIC ALIGNMENT

1. Student Success, 2. Personalized Learning , 3. Academic Rigor , 4. Community Investment , 5. College of Choice

ATTACHMENTS:

Description	Upload Date	Type
Budget Workshop #5 Presentation	4/29/2025	Presentation

This item is applicable to the following:

Central, Coleman, Northeast, Northwest, Southeast, Southwest, District, Online

Budget Workshop #5:
Updated Preliminary FY 26
Operating Budget & Other Budgets

Dr. Margaret Ford Fisher, Chancellor

Dr. Sherry Hawn, Sr. Vice Chancellor, Finance & Administration and CFO/CBO

May 7, 2025

FY26 Budget Timeline

MONTH	DELIVERABLE
DECEMBER 2024	Budget process and timeline
JANUARY 2025	Revenue assumptions and projections Expense template distributed across the system
FEBRUARY 2025	Approve tuition and fees, dual credit, exemptions and waivers
MARCH 2025	Gather and compile expense request data Assess budget gap, if any Obtain additional data from select requests
APRIL 2025	Work to close the gap by reviewing select budget requests Present balanced draft to CEC for feedback Update draft budget
MAY 2025	Obtain Chancellor feedback and approval
JUNE 2025	Obtain Board feedback and approval
AUGUST 2025	Obtain approval for 2025 tax rate

Discussion Elements

This discussion focuses on building block updates and a new scenario

Revenue		Expense		Scenarios	
Tuition & Fees	—	Personnel		**Flat – $465M**	**Increase – $494M**
Texas Funding	—	Non-Personnel		**Reduce – $442M**	**Increase – $496M**
Property Taxes	—	Facilities & IT		**Increase – $485M**	**Increase – $518M**

Tuition & Fees Summary

(In Millions)

Projected T&F reducing international student estimate 50%, included in scenarios 1 - 3

	FY24	Est. FY25	%Chg	FY26	%Chg
Tuition					
In-District	$ 14.09	$ 15.35	9% $	16.27	6%
Out-of-District	36.15	39.47	9%	41.84	6%
Out-of-State	14.95	16.33	9%	17.31	6%
International Students	9.46	10.55	12%	5.28	-50%
Tuition -- CEU/Non Credit	7.63	7.85	3%	8.32	6%
Total Tuition	**$ 82.28**	**$ 89.55**	**9% $**	**89.02**	**-1%**
Fees					
In-District	$ 27.15	$ 29.90	10% $	31.69	6%
Out-of-District	19.04	20.95	10%	22.21	6%
Out-of-State	8.35	9.19	10%	9.74	6%
International Students	4.87	5.41	11%	2.70	-50%
Fees -- CEU/Non Credit	0.03	0.03	0%	0.03	0%
Total Fees	**$ 59.44**	**$ 65.48**	**10% $**	**66.37**	**1%**
Exemptions & Waivers	**$ (19.35)**	**$ (20.91)**	**8% $**	**(22.17)**	**6%**
Total	**$ 122.37**	**$134.12**	**10% $**	**133.22**	**-1%**

Note:
1. T&F estimates include an overall reduction in revenue less than 1%
2. FY26 T&F revenue is based on a 6% increase enrollment offset by a decrease of 50% in international student growth
3. No change to T&F rates BOT approved 2/19/2025 (See Appendix for rates)
4. Exemptions & Waivers are adjusted relative to T&F revenue changes.

Tuition & Fees Summary

(In Millions)

Projected T&F reducing international student estimate 25%, included in scenarios 4 -6

	FY24	Est. FY25	%Chg	FY26	%Chg
Tuition					
In-District	$ 14.09	$ 15.35	9%	$ 16.49	7%
Out-of-District	36.15	39.47	9%	42.43	7%
Out-of-State	14.95	16.33	9%	17.55	7%
International Students	9.46	10.55	12%	8.50	-25%
Tuition -- CEU/Non Credit	7.63	7.85	3%	8.44	8%
Total Tuition	**$ 82.28**	**$ 89.55**	**9%**	**$ 92.82**	**4%**
Fees					
In-District	$ 27.15	$ 29.90	10%	$ 32.13	7%
Out-of-District	19.04	20.95	10%	22.52	7%
Out-of-State	8.35	9.19	10%	9.87	7%
International Students	4.87	5.41	11%	4.36	-25%
Fees -- CEU/Non Credit	0.03	0.03	0%	0.03	0%
Total Fees	**$ 59.44**	**$ 65.48**	**10%**	**$ 68.61**	**5%**
Exemptions & Waivers	**$ (19.35)**	**$ (20.91)**	**8%**	**$ (22.48)**	**7%**
Total	**$ 122.37**	**$134.12**	**10%**	**$ 138.95**	**4%**

Note:
1. T&F estimates include an overall 3.60% increase in revenue
2. FY26 T&F revenue is based on a 7.5% increase enrollment offset by a decrease of 25% in international student growth
3. No change to T&F rates BOT approved 2/19/2025 (See Appendix for rates)
4. Exemptions & waivers conform to changes in T&F revenue

FAFSA Activity and Dollars (5-Year Lookback)

(In Millions)

	FY20	FY21	FY22	FY23	FY24	FY25
# of Requests received	72,776	64,002	66,279	70,685	72,492	66,124
# of Requests awarded	36,937	32,215	36,638	36,223	39,510	43,176
Percent awarded[1]	51%	50%	55%	51%	55%	65%
Total dollars awarded	$155.49	$122.26	$132.42	$138.43	$155.69	$ 164.26
Dollars awarded via federal grant	$ 87.94	$ 73.71	$ 79.42	$ 84.73	$ 99.05	$ 104.86
Percent via grant	57%	60%	60%	61%	64%	64%
Dollars awarded via federal loan	$ 67.56	$ 48.56	$ 53.00	$ 53.70	$ 56.64	$ 59.40
Percent via loan	43%	40%	40%	39%	36%	36%

[1] Eligibility is based upon need, academic performance, and matriculated status

Note: FY25 is still open

- Ther has been growth in the number of requests received and awarded, and dollars awarded after COVID through FY24.

- The majority of awards are federal grants.

State Appropriations – Performance Tier FY26

(In Millions)

	Base COV	Premium COV/On Time	High Demand Field
1 Institutional Credential Leading to Licensure or Occupational Skill Award or 3P Credential	$1,000	$0	$1,250
#Weighted Outcomes Completions	281	0	2406
Revenue 1	$ 0.3	$0	$ 3.0
2 Certificate	$1,750	$437	$3,500
#Weighted Outcomes Completions	1961	94	1618
Revenue 2	$ 3.4	$ 0.04	$ 5.7
3 Associate or Bachelors Degree	$3,500	$875	$4,500
#Weighted Outcomes Completions	5320	289	1275
Revenue 3	$ 18.6	$ 0.3	$ 5.7

	15 SCH Dual Credit	GAI Transfers	GAI Co-Enrollment
4 Dual Credit, GAI Transfer & GAI Co-Enrollment	$3,500	$3,500	$3,500
#Weighted Outcomes Completions	3075	5301	70
Revenue 4	$ 10.8	$ 18.6	$ 0.2
TOTAL ESTIMATED REVENUE	$33	$19	$15
GRAND TOTAL -->			**$67**

- Weighted outcomes are calculated by multiplying the raw outcomes completion data by assigned weights for the student characteristics such adult learner, economic and academic disadvantage

- Weighted outcomes are based on the true-up of actual outcomes as of 02/14/2025

- Calculation of the appropriation amount is based on weighted outcome completions (greater of most recent or three-year average) times rate for each award type

- FY26 Estimates based on trend analysis (see next page for trend)
  - Includes a reduction for possible change to COV weighted outcomes in ICLL, Certificate (Base COV/High Demand), & Associate (Base COV/High Demand), totaling 1,481 weighted outcomes

- Payments are received in 3 tranches within the fiscal year (Oct 15th , Feb 15th & June 15th). To-date $53M received

- Overall Performance Tier increased by $8M comparing original estimated performance tier shown on 4/2/2025 to current performance tier

Note: Subject to change in late May

State Appropriations – Trended Performance Tier, Special Funding and Financial Aid for Swift Transfer (FAST)

(In Millions)

Award Type	FY24	FY25[1]	FY26
15 SCH Dual Credit	$ 3.00	$ 10.00	$ 10.76
GAI Transfer with 15 SCH[2]	20.00	18.00	18.55
GAI Co-enrollment with 15 SCH[2]	-	0.25	0.25
Institutional Credential leading to Licensure[3]	0.46	0.24	0.19
Institutional Credential leading to Licensure: High-Demand Field	0.74	1.00	1.12
Occupational Skills Award	0.19	0.09	0.09
Occupational Skills Award: High-Demand Field	1.00	2.00	1.89
Certificate I or II[3]	2.00	3.00	3.42
Certificate I or II: High-Demand Field[3]	4.00	5.00	5.62
Advanced Technical Certificate	-	0.00	0.01
Advanced Technical Certificate: High-Demand Field	0.11	0.01	0.04
Associate Degree[3]	23.00	22.00	18.62
Associate Degree: High-Demand Field[3]	8.00	6.00	5.74
Bachelor's Degree	-	-	TBD
Bachelor's Degree: High-Demand Field	-	-	TBD
CoV Premium: Certificate	-	0.04	0.04
CoV Premium: Associate	-	0.26	0.25
CoV Premium: Bachelor's	-	-	TBD
Performance Tier Funding	$ 62.50	$ 67.89	$ 66.59
Special Funding: RROC	1.19	1.19	1.19
FAST Dual Credit[4]	4.45	4.86	5.15
Total State Appropriations	$ 68.14	$ 73.94	$ 72.93

[1]FY25 includes the true-up State adjustment based upon comparing FY24 actuals with FY24 estimates (as of 2/14/25)

[2]GAI - General Academic Teaching Institution; a Texas public university

[3]Reduce possible change to COVs

[4]FY25 and FY26 FAST Dual Credit are estimated

[5] State Appropriations increased by $8M due to FY24 true-up

Note: Subject to change in late May

- FY24 and FY25 are actuals including the true-up as of 02/14/2025 totaling $4.6M

- FY26 is based on the following:

  - 3-year performance trend which includes the increase in performance related to the true-up

  - Includes reduction for possible changes to the ICLL, C1/C2 (Base COV/High Demand) and Associate Degrees (Base COV/High Demand) totaling $4.7M

  - Special Funding remains flat

  - Financial Aid for Swift Transfer (FAST) includes an estimated 6% increase in Dual Credit enrollment

  - Associate Degree revenue shows a decrease in eligible COVs totaling, $3.6M

Tax Options 1&2

Tax options that will result in a revenue increase of 2% or 4%

	TAX RATE M&O RATE DEBT RATE	EXEMPTIONS	GROWTH IN BASE PROPERTY	Budgeted Revenue
Current	TAX RATE-$0.096182 M&O-$0.081632 DEBT-$0.014551	Over 65, Disabled Homestead Exemption greater of $5K or 17% of Appraised Value	$3.4B 1.2% Increase	$224M

	MAINTAIN TAX RATE INCREASE M&O AS DEBT DECREASES	NO CHG EXEMPTIONS	GROWTH IN BASE PROPERTY	Estimated Revenue
OPTION 1	TAX RATE-$0.096182 M&O-$0.082859 DEBT-$0.013323	Over 65, Disabled Homestead Exemption greater of $5K or 17% of Appraised Value	Increase $6B	$233M 4% increase

	DECREASE TAX RATE MAINTAIN M&O AS DEBT DECREASES	NO CHG EXEMPTIONS	GROWTH IN BASE PROPERTY	Estimated Revenue
OPTION 2	TAX RATE-$0.094955 M&O-$0.081632 DEBT-$0.013323	Over 65, Disabled Homestead Exemption greater of $5K or 17% of Appraised Value	Increase $6B	$229M 2% increase

Note: Each FY26 option is based on a 2.2% (based on a 10-year trend analysis) increase in property value and Tax Collection Rate of 96.46%. Texas Property Tax Codebase §23.01 requires all taxable property to be appraised as of Jan. 1.

Tax Option 3

Tax option that will result in a revenue reduction of 1%, included in scenario 1 & 2

	TAX RATE M&O RATE DEBT RATE	EXEMPTIONS	GROWTH IN BASE PROPERTY	Budgeted Revenue
Current	TAX RATE-$0.096182 M&O-$0.081632 DEBT-$0.014551	Over 65, Disabled Homestead Exemption greater of $5K or 17% of Appraised Value	$3.4B 1.2% Increase	$224M

	DECREASE TAX RATE MAINTAIN M&O AS DEBT DECREASES	CHG EXEMPTIONS	GROWTH IN BASE PROPERTY	Estimated Revenue
OPTION 3	TAX RATE-$0.095447 M&O-$0.081632 DEBT-$0.013816	Homestead Exemption greater of $5K or 20% of Appraised Value	Reduce $4B	$221M 1% decrease

Note: Each FY26 option is based on a 2.2% (based on a 10-year trend analysis) increase in property value and Tax Collection Rate of 96.46%. Texas Property Tax Codebase §23.01 requires all taxable property to be appraised as of Jan. 1.

Tax Options 4 & 5

Tax options that will result in a revenue increase of 4% or 6%

	TAX RATE M&O RATE DEBT RATE	EXEMPTIONS	GROWTH IN BASE PROPERTY	Budgeted Revenue
Current	TAX RATE-$0.096182 M&O-$0.081632 DEBT-$0.014551	Over 65, Disabled Homestead Exemption greater of $5K or 17% of Appraised Value	$3.4B 1.2% Increase	$224M

Tax option with target rate of next lowest competitor, included in Scenario 5

	INCREASE M&O TAX RATE TO NEXT COMPETITOR TAX RATE AS DEBT DECREASES	CHG EXEMPTIONS	GROWTH IN BASE PROPERTY	Estimated Revenue
OPTION 4	TAX RATE-$0.101300 M&O-$0.087484 DEBT-$0.013816	Homestead Exemption greater of $5K or 20% of Appraised Value	Reduce $4B	$237M 6% increase

Tax option included in Scenario 3

	INCREASE TAX RATE DUE TO CHG EXEMPTIONS INCREASE M&O AS DEBT DECREASES	CHG EXEMPTIONS	GROWTH IN BASE PROPERTY	Estimated Revenue
OPTION 5	TAX RATE-$0.099738 M&O-$0.085923 DEBT-$0.013816	Homestead Exemption greater of $5K or 20% of Appraised Value	Reduce $4B	$233M 4% increase

Note: Each FY26 option is based on a 2.2% (based on a 10-year trend analysis) increase in property value and Tax Collection Rate of 96.46%. Texas Property Tax Codebase §23.01 requires all taxable property to be appraised as of Jan. 1.

Tax Options 6 & 7

Tax options that will result in a revenue increase of 5% or 8%

	TAX RATE M&O RATE DEBT RATE	EXEMPTIONS	GROWTH IN BASE PROPERTY	Budgeted Revenue
Current	TAX RATE-$0.096182 M&O-$0.081632 DEBT-$0.014551	Over 65, Disabled Homestead Exemption greater of $5K or 17% of Appraised Value	$3.4B 1.2% Increase	$224M

Tax option included in Scenario 6

	INCREASE M&O TAX RATE TO VAR AS DEBT DECREASES	NO CHG EXEMPTIONS	GROWTH IN BASE PROPERTY	Estimated Revenue
OPTION 6	TAX RATE-$0.099587 M&O-$0.086264 DEBT-$0.013323	Over 65, Disabled Homestead Exemption greater of $5K or 17% of Appraised Value	Increases $6B	$242M 8% increase

Tax option included in Scenario 4

	INCREASE M&O TAX RATE DUE TO INCREASE REVENUE AS DEBT DECREASES	CHG EXEMPTIONS	GROWTH IN BASE PROPERTY	Estimated Revenue
OPTION 7	TAX RATE-$0.100726 M&O-$0.086885 DEBT-$0.013841	Homestead Exemption greater of $5K or 20% of Appraised Value & Increase over 65/Disabled from $135k to $140K	Reduce $5B	$235M 5% increase

Note: Each FY26 option is based on a 2.2% (based on a 10-year trend analysis) increase in property value and Tax Collection Rate of 96.46%. Texas Property Tax Codebase §23.01 requires all taxable property to be appraised as of Jan. 1.

Tax Options Summary

Tax options side-by-side tax rate percentage, exemptions, base property value and revenue changes

Options	Tax Rate	M&O	Debt	Exemptions	Base Property Value	%Rev	$Rev	Scenario
Current	$ 0.096182	$ 0.081632	$ 0.014551	Homestead greater of $5K or 17% and Over 65/Disabled $135K	$3.4B	+ 1.2%	$224M	
1	No Change	↑	↓	No Change	↑	+ 4%	$233M	N/A
2	↓	No Change	↓	No Change	↑	+ 2%	$229M	N/A
3	↓	No Change	↓	↑	↓	+ 1%	$221M	1&2
4	↑	↑	↓	↑	↓	+ 6%	$237M	4
5	↑	↑	↓	↑	↓	+ 4%	$233M	3
6	↑	↑	↓	No Change	↑	+ 8%	$242M	6
7	↑	↑	↓	↑	↓	+ 5%	$235M	5

Proposed Homestead Exemption Change
Comparison of Competitors Exemption Amounts and Tax Rates

Proposed tax rate in option 5 used in Scenario 3

Competitor Exemption Amounts and Tax Rates				
				FY 2025
Jurisdiction / Taxing Unit	**Homestead Percent**	**Homestead Amount**	**Over 65/Disabled Amount**	**TY 2024 Tax Rate**
Houston Community College (Proposed)	**20%**	**$ 5,000**	**$ 135,000**	**$ 0.099738**
Houston Community College (Current)	**17%**	**$ 5,000**	**$ 135,000**	**$ 0.096182**
Lone Star College	8%	$ 5,000	$ 75,000	$ 0.107600
San Jacinto Jr. College	5%	$ 5,000	$ 127,500	$ 0.158151
Lee Jr. College	20%	$ 10,000	$ 50,000	$ 0.219590
Alamo College	1%	$ 5,000	$ 50,000	$ 0.149150
Austin Communiity College	1%	$ 5,000	$ 75,000	$ 0.101300
Dallas College	20%	$ -	$ 100,000	$ 0.105595
Tarrant	1%	$ 5,000	$ 10,000	$ 0.123471
Statewide Avg*				$ 0.160456

*Statewide Avg is the average for FY2024 (TY2023)
Note: Current Homestead is the greater of $5,000 or 17% of appraised value

Houston Peer Comparison of Annual Tax Payments

(Actual Dollars)

Impact to homeowner annual payments for $5K or 20% of appraised value (whichever is greater), plus $135k for Over 65/Disabled

Peer Comparison of Estimated Annual Tax Payments for Homestead and Over 65 and Disabled Exemptions										
	Taxpayer with Homestead Exemption Only					Taxpayer with Homestead Exemption and Over 65 or Disabled				
	Taxes Paid on $50,000 Home	Tax Paid on $150,000 Home	Tax Paid on $250,000 Home	Tax Paid on $500,000 Home	Tax Paid on $1,000,000 Home	Taxes Paid on $50,000 Home	Tax Paid on $150,000 Home	Tax Paid on $250,000 Home	Tax Paid on $500,000 Home	Tax Paid on $1,000,000 Home
Houston Community College (Proposed)	$ 40.77	$ 122.32	$ 203.86	$ 407.73	$ 815.46	$ -	$ -	$ 69.22	$ 273.08	$ 680.81
Houston Community College (Current)	$ 39.92	$ 119.75	$ 199.58	$ 399.16	$ 798.31	$ -	$ -	$ 69.73	$ 269.31	$ 668.46
Lone Star College	$ 49.60	$ 159.57	$ 269.54	$ 505.85	$ 1,011.70	$ -	$ 78.87	$ 188.84	$ 425.15	$ 931.00
San Jacinto Jr. College	$ 72.91	$ 234.54	$ 396.17	$ 767.74	$ 1,535.49	$ -	$ 32.90	$ 194.53	$ 566.10	$ 1,333.85

Estimated Change in Annual Tax Payment (Proposed Compared to Current)	$ 0.86	$ 2.57	$ 4.29	$ 8.57	$ 17.15	$ -	$ -	$ (0.51)	$ 3.77	$ 12.35

Note: Estimated annual payment calculations for the proposed homestead exemption rate change from 17% to 20% include a 2.2% increase in home values.

2025 College and University Professionals Assoc. Survey Benchmark Job Summary

- 119 benchmark jobs compared to peer group median/average pay
- **Executive:** Average pay is 111% of market (E10 through E30: 106%)
- **PTSC[*] Staff:** Average pay is 105% of market
- YoY average increase of 4.2% in peer group
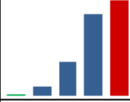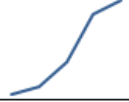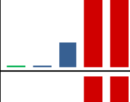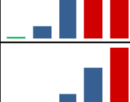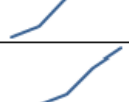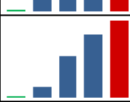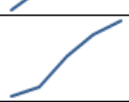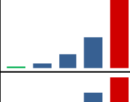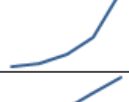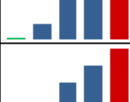
Market Movement Prior 5 years (CUPA Benchmarks)		
FY	**YoY Median Mkt**	**YoY Average Mkt**
2020	3.0%	3.1%
2021	0.3%	0.4%
2022	3.2%	5.9%
2023	5.4%	6.0%
2024	5.4%	5.5%
2025	3.8%	4.3%
Avg. All Years	3.5%	4.2%
CUPA Aging Factor		4.2%

- Professional/Technical and Support/Clerical: Pay ranges for all non-faculty and non-executive staff, excluding law enforcement
- The aging factor is a percentage adjustment used in compensation analysis to account for expected market pay growth over time.

TUCCA 8 Adjunct Rate (5 Year Lookback)

3 Semester Credit Hour Equivalent

HCC Adjunct Rate ranked 8th in state and #6 in TUCCA 8 (+2 over FY24)

College District	FY21	FY22	FY23	FY24	FY25	FY25 Rank	Highest points	5 yr Inc.	Trend	24-25 Inc
Austin Community College	$3,399	$3,477	$3,696	$4,113	$4,239	1		24.7%		3.1%
Tarrant County College District	$2,887	$2,887	$3,188	$3,848	$3,848	2		33.3%		0.0%
El Paso Community College	$2,990	$3,050	$3,203	$3,395	$3,395	3		13.5%		0.0%
Dallas College	$2,374	$2,640	$2,784	$3,121	$3,360	4		41.5%		7.7%
Alamo Community College District	$2,566	$2,643	$2,894	$3,082	$3,190	5		24.3%		3.5%
Houston Community College	$2,052	$2,094	$2,178	$2,346	$2,790	6		36.0%		18.9%
Lone Star College System	$2,100	$2,196	$2,388	$2,484	$2,584	7		23.0%		4.0%
San Jacinto College	$2,064	$2,064	$2,304	$2,400	$2,496	8		20.9%		4.0%

Data based on Texas Community College Teachers Assoc. (TCCTA) 2024-2025 survey. TUCCA—Texas Urban Community Colleges: Legacy subset of TCCTA informal peer group designation for the 8 largest urban community colleges in Texas. HCC has historically benchmarked faculty pay using this survey source and peer group.

HOUSTON COMMUNITY COLLEGE

TUCCA 8 Lowest Actual FT Faculty Salary

- #27 Statewide
- #7 in TUCCA 8
- A one-year improvement in statewide rank +11

College	FY20		FY21		FY22		FY23		FY24	
	Lowest Salary	Rank	Lowest Salary	Rank	Lowest Salary	Rank	Lowest Salary	Rank	Lowest Salary	Rank
Tarrant County College District	$53,372	1	$53,372	1	$57,250	1	$63,364	1	$65,118	1
Dallas College	$51,000	3	$50,326	3	$50,750	3	$60,000	2	$61,500	2
Austin Community College	$51,594	2	$52,769	2	$56,184	2	$50,859	3	$60,672	3
San Jacinto College	$44,365	4	$45,587	4	$43,298	6	$43,854	7	$49,751	4
Lone Star College System	$43,445	5	$45,047	5	$45,046	5	$44,146	6	$47,748	5
Alamo Colleges	$43,195	6	$43,735	6	$45,484	4	$47,394	4	$47,625	6
Houston Community College System	$41,975	7	$40,135	7	$41,757	8	$42,343	8	$45,596	7
El Paso Community College	$40,838	8	$39,847	8	$41,863	7	$44,407	5	$44,407	8

HCC General Salary Increase and Salary Structure Increase History

Fiscal Year	Faculty			Adjunct	Professional Technical (PTSC as of FY25)			Executive			Support Clerical			Law Enforcement			Telecommunication Operations		
	GSI	Structure	Total Incr.	Semesterly	GSI	Structure	Total Incr.	GSI	Structure	Total Incr.	GSI	Structure	Total Incr.	GSI	Structure	Total Incr.	GSI	Structure	Total Incr.
FY25	4%	3.5%	7.5%	19%	3.5%	4%	7.5%	2%	2%	4%	Combined into PTSC			3.5%	4%	7.5%	Combined into PTSC		
FY24	2%	5.5%	7.5%	7.5%	2%	2%	4%	4%		4%	2%	2%	4%	2%	2%	4%	2%	2%	4%
FY23	4%		4%	4%	2%	2%	4%	4%		4%	4%		4%	4%		4%	4%		4%
FY22	2%		2%	2%	2%		2%	2%		2%	2%		2%						
FY21																			
FY20	2%		2%	2%	2%		2%	2%	2%	2%	2%		2%						
FY19	2%		2%		2%		2%	2%		2%	2%		2%						
FY18	2%	3%	5%	5.2%	2%	1.5%	3.5%	2%		2%	2%	3%	5%						
FY17	2%	4%	6%		2%	2%	4%	2%		2%	2%	4%	6%						
FY16	2%		2%	3.1%	2%		2%	2%		2%	2%		2%						

FY 2021 - no general salary increase was approved by the Board

HOUSTON COMMUNITY COLLEGE

Personnel Counts

Out of the total number of positions available for hire (2,832), 89% are currently filled (# of FT EE's – 2,520)

Employee Group	# Positions	# of FT EE's
Faculty	972	935
Executive	120	104
Professional and Technical	1,654	1,415
Law Enforcement	77	66
Total	2,832	2,520

Operating Expense — Salary & Benefits

(In Millions)

3.6% increase for Salary & Benefits and other salary structure adjustments

1. COLA IMPACTS - SALARIES		FY25 BUDGET	FY26 COLA%	FY26 COLA$	%Chg
FACULTY	*FT*	$ 84	2.0%	$ 86	
	PT (INCL ADJUNCT)	34	1.5%	35	
LIBRARIAN	*FT*	3	2.0%	3	
	PT	1	1.5%	1	
STAFF	*FT*	114	2.0%	118	
	PT	10	1.5%	10	
EXECUTIVES	*FT*	19	2.0%	20	
SUB-TOTAL		$ 265		$ 273	
2. BENEFITS		$ 38		$ 40	
3. OTHER IMPACTS					
✓LONGEVITY PAY INCREASED/PROGRESSIVELY 35yrs		-		1	
SUB-TOTAL		$ -		$ 1	
GRAND TOTAL		$ 303		$ 314	**3.6%**

Note: Benefits increase is associated with the changes in salary and cost of doing business

Operating Expense – Longevity Structure Changes

(In Millions)

The longevity increase of $1M is related to rate changes for each tier and adding tiers to provide for milestones. Currently there are 4 tiers (5, 10, 30 & 35 yrs). The proposed structure includes 3 additional tiers (15, 20, and 25yrs)

Bin	Employee Count	Current Rate	Proposed Rate	FY26 Proposed Budget
35+ year bin	74	$ 175	$ 250	$ 0.2
30 year bin	57	$ 150	$ 225	$ 0.2
25 year bin	164	$ -	$ 200	$ 0.4
20 year bin	172	$ -	$ 175	$ 0.4
15 year bin	308	$ -	$ 150	$ 0.6
10 year bin	363	$ 100	$ 125	$ 0.5
5 year bin	612	$ 75	$ 100	$ 0.7
Longevity FY26 Proposal				**$ 3.0**
Longevity FY25 Original Budget				**$ 2.0**
FY26 Estimated Increase				**$ 1.0**

HOUSTON COMMUNITY COLLEGE

Operating Expense – Non-Personnel

(In Millions)

Non-Personnel detail by expense type for 6 budget scenarios

Expense Type	Flat Scenario 1	Alternate Scenario 2	Moderate Growth Scenario 3	Growth Scenario 4	Growth Scenario 5	Growth Scenario 6
Supplies & Gen	$ 6.0	$ 6.0	$ 6.0	$ 6.2	$ 6.2	$ 6.2
Travel	1.0	1.0	1.0	1.5	1.5	1.5
Marketing Costs	3.9	3.9	3.9	4.3	4.3	4.3
Rentals & Leases	0.5	0.5	0.5	0.6	0.6	0.6
Insurance/Risk Mgmt	11.0	11.0	11.0	10.6	10.6	10.6
Contracted Services	39.0	39.0	39.0	42.8	42.8	42.8
Utilities	10.0	10.0	10.0	11.4	11.4	11.4
Other Departmental Expenses	6.9	5.0	6.9	7.4	7.4	7.4
Instructional and Other Materials	10.0	10.0	10.0	11.5	11.5	11.5
Maintenance and Repair	3.0	3.0	3.0	3.2	3.2	3.2
Contingency	1.9	1.9	2.5	2.1	2.1	2.1
Capital Outlay	16.0	16.0	16.0	17.6	17.6	17.6
Total Other Non-Payroll	$ 109.2	$ 107.3	$ 109.8	$ 119.2	$ 119.2	$ 119.2
Transfers	$ 6.0	$ 6.0	$ 6.0	6.0	6.0	6.0
Debt Service	17.0	17.0	17.0	17.0	17.0	17.0
Scholarships	1.0	1.0	1.0	1.0	1.0	1.0
IT Network/Infrastructure	7.0	2.0	8.0	8.0	11.0	11.0
Deferred Maintenance	-	-	5.0	2.0	5.0	8.0
New Funding Request*	-	-	11.0	14.0	10.0	12.0
Total Operating Expenses	$ 140.2	$ 133.3	$ 157.8	$ 167.2	$ 169.2	$ 174.2

*New Funding requests include funding for additional priorities such as new faculty and priority1 requests, pending budget approval

Operating Expense – IT/Network Infrastructure

(In Millions)

IT/Network Infrastructure total need for FY26 is $10.9M

Technology Replacement Plan	FY25		FY26		$Var	
Network Equipment*	$	1.40	$	3.53	$	2.13
Server Replacement (7-8 year life)	$	2.60	$	0.65	$	(1.95)
UPS Battery Replacement (5 year max life)	$	0.10	$	0.15	$	0.05
Telecom (Telephones/Infrastructure)	$	0.42	$	0.29	$	(0.13)
Total Network	$	4.52	$	4.62	$	0.10
Computer Replacement (4 year life)	$	5.65	$	5.65	$	-
Classroom Technology (A/V)	$	0.51	$	0.51	$	-
Student Loaner Laptops	$	-	$	0.12	$	0.12
Total Infrastructure	$	6.16	$	6.28	$	0.12
Grand Total	**$**	**10.68**	**$**	**10.90**	**$**	**0.22**

*Network equipment are routers, switches, wireless access points, firewalls, & security appliances

Operating Expense – Facilities (Deferred Maintenance)

(In Millions)

Deferred Maintenance deficiencies total $71.2M. $44.9M or 68% is currently unfunded

Construction Systems	Current Need	Unfunded Need	Funded Need	Items for Woodridge, Katy Mills, Gulfton	
1 Fire and Life Safety	$ 4.79	$ 4.11	$ 0.68	$ 1.58	
2 Mechanical	$ 17.68	$ 6.78	$ 10.90	$ 0.43	
3 Conveyances	$ 4.17	$ 1.66	$ 2.51	$ -	
4 Electrical	$ 7.37	$ 7.28	$ 0.09	$ 1.03	
5 Plumbing	$ 2.46	$ 2.28	$ 0.18	$ 0.12	
6 Roofing	$ 2.64	$ 0.35	$ 2.29	$ 0.20	
7 Exterior	$ 7.32	$ 5.62	$ 1.70	$ 0.43	
8 Site	$ 9.79	$ 6.59	$ 3.20	$ 0.31	
9 Interior	$ 8.99	$ 8.99	$ -	$ 0.62	
10 Specialties	$ 1.24	$ 1.24	$ -	$ 0.03	
Grand Total	$ 66.45	$ 44.90	$ 21.55	$ 4.75	
Total Deficiencies		**$ 44.90**	**$ 21.55**	**$ 4.75**	**$71.20**

Operating Expense – Name Change

(In Millions)

Our name change in Year 1 would leverage an existing Wayfinding project balance of $2.8M. This $6M project was approved by the Board on 8/21/19.

Year 1 Cost Estimate		
0-6 Months	Install temporary signage	$150K (from balance of $2.8M)
6-12 Months	Redesign signage/begin ordering replacement signs	$1M (from balance of $2.8M)

Year 2 Cost Estimate		
12-24 Months	Replace temporary signage/install remaining plylon/mounments signage	$1.65M (from balance of $2.8M)

Year 3-7 Cost Estimate		
24-84 Months	Continue to replace and install remaining signage using the revised wayfinding and signage design	$700K/year (from annual budget)

SCENARIOS

FY26 Operating (Unrestricted) Budget – Flat Budget Scenario 1

(In Millions)

Revenues	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
State Appropriations	$ 68	15%	$ 73	17%	$ 5	7%
Ad Valorem Taxes	224	50%	221	50%	(3)	-1%
Tuition & Fees, Net	134	30%	132	30%	(2)	-1%
Other Local Income	24	5%	18	4%	(6)	-25%
Total Revenue	$ 450	100%	$ 444	101%	$ (6)	-1%

Expenses	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Salaries	$ 265	57%	$ 274	62%	$ 9	3%
Allowance for Vacancies	(5)	-1%	(10)	-2%	(5)	100%
Benefits	38	8%	40	9%	2	4%
Other (Non-Payroll)	111	24%	109	25%	(2)	-2%
Transfers	10	7%	6	1%	(4)	-42%
Debt Service	22	5%	17	4%	(5)	-21%
Scholarships	1	0%	1	0%	(0.2)	-17%
IT Network/Infrastructure	8	0%	7	2%	(1)	-8%
Total Operating Expenses	$ 450	100%	$ 444	101%	$ (6)	-1%

Fund Balance Usage	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Deferred Maintenance	15	100%	13	52%	(2)	-13%
Houston Reconnect	-	0%	8	32%	8	0%
Total Fund Balance Usage	$ 15	100%	$ 21	84%	$ 6	40%

Total Operating Budget plus Fund Balance Usage	$ 465		$ 465		$ (0)	0%

Total Revenue/Budget Gap	$ -		$ -			

Budget Input:
- 7% increase based on State Appropriation after dynamic adjustment; includes COV changes, Special Funding and FAST
- 1% decrease in tax revenue
  - Total tax rate decreased, 0.8% (Tax Option 3)
  - No change to M&O
  - Debt decrease per debt schedule
  - Change exemptions from 17% to 20%
- T&F revenue decrease includes 4% increase in enrollment; offset by a 50% decrease in enrollments for international students; overall decrease 1%
- Salaries and associated benefits 2% full-time faculty, & staff; 1.5% part-time faculty & staff and other structure changes to longevity
- Other (Non-Payroll) includes 10% decrease, known commitments, Associate Degree Nursing and Branding initiatives
- Transfers include grant matches (TPEG)
- Debt service reduced per debt payment schedule
- Nursing scholarship increased to reflect annual amount
- Fund Balance Usage, $21M; includes $13M for Deferred Maintenance and $8M for Houston Reconnect

FY26 Operating (Unrestricted) Budget – Alternate Scenario 2

(In Millions)

Revenues	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
State Appropriations	$ 68	15%	$ 73	17%	$ 5	7%
Ad Valorem Taxes	224	50%	221	50%	(3)	-1%
Tuition & Fees, Net	134	30%	130	29%	(4)	-3%
Other Local Income	24	5%	18	4%	(6)	-25%
Total Revenue	$ 450	100%	$ 442	100%	$ (8)	-2%

Expenses	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Salaries	$ 265	57%	$ 274	62%	$ 9	3%
Allowance for Vacancies	(5)	-1%	(5)	-1%	-	0%
Benefits	38	8%	40	9%	2	4%
Other (Non-Payroll)	111	24%	107	24%	(4)	-4%
Transfers	10	7%	6	1%	(4)	-39%
Debt Service	22	5%	17	4%	(5)	-21%
Scholarships	1	0%	1	0%	(0.3)	-21%
IT Network/Infrastructure	8	0%	2	0%	(6)	0%
Total Operating Expenses	$ 450	100%	$ 442	100%	$ (8)	-2%

Fund Balance Usage	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Deferred Maintenance	15	100%	-	0%	(15)	-100%
Total Fund Balance Usage	$ 15	100%	$ -	0%	$ (15)	67%

Total Operating Budget plus Fund Balance Usage	$ 465		$ 442		$ (23)	-5%

Total Revenue/Budget Gap	$ -		$ -			

Budget Input:
- 7% increase based on State Appropriation after dynamic adjustment; includes COV changes, Special Funding and FAST
- 1% decrease in tax revenue
  - Total tax rate decreased, 0.8% (Tax Option 3)
  - No change to M&O
  - Debt decrease per debt schedule
  - Change exemptions from 17% to 20%
- T&F revenue decrease includes 2% increase in enrollment; offset by a 50% decrease in enrollments for international students; overall decrease, 3%
- Salaries and associated benefits 2% full-time faculty & staff; 1.5% part-time faculty & staff
- Other (Non-Payroll) includes 10% decrease, and known commitments
- Transfers include grants matches (TPEG)
- Debt service reduced per debt payment schedule
- Nursing scholarship increased to reflect annual amount
- No Branding, No Assoc. Degree Nursing, No Fund Balance Usage, and No Houston Reconnect included
- No Deferred Maintenance

FY26 Operating (Unrestricted) Budget – Moderate Growth Scenario 3

(In Millions)

Revenues	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
State Appropriations	$ 68	15%	$ 73	16%	$ 5	7%
Ad Valorem Taxes	224	50%	233	50%	9	4%
Tuition & Fees, Net	134	30%	133	29%	(1)	-1%
Other Local Income	24	5%	23	5%	(1)	-3%
Total Revenue	$ 450	100%	$ 462	100%	$ 12	3%

Expenses	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Salaries	$ 265	57%	$ 274	59%	$ 9	3%
Allowance for Vacancies	(5)	-1%	(10)	-2%	(5)	100%
Benefits	38	8%	40	9%	2	4%
Other (Non-Payroll)	111	24%	110	24%	(1)	-1%
Transfers	10	7%	6	1%	(4)	-42%
Debt Service	22	5%	17	4%	(5)	-21%
Scholarships	1	0%	1	0%	(0.2)	-17%
IT Network/Infrastructure	8	0%	8	2%	0	5%
Deferred Maintenance	-	0%	5	1%	5	100%
New Funding Request	-	0%	11	2%	11	0%
Total Operating Expenses	$ 450	100%	$ 462	100%	$ 12	3%

Fund Balance Usage	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Deferred Maintenance	15	100%	15	65%	-	0%
Houston Reconnect	-	0%	8	35%	8	0%
Total Fund Balance Usage	$ 15	0%	$ 23	100%	$ 8	53%

Total Operating Budget plus Fund Balance Usage	$ 465		$ 485		$ 20	4%
Total Revenue/Budget Gap	$ -		$ -			

Budget Input:
- 7% increase based on State Appropriation after true-up; includes COV changes, Special Funding and FAST

- 4% increase in tax revenue
    - Total tax rate increase, estimate 3.7% (Tax option 5)
    - M&O increase
    - Debt decrease per debt schedule
    - Change exemptions from 17% to 20%

- T&F revenue is flat and includes 6% increase in enrollment; offset by a 50% decrease in enrollments for international students

- Salaries and associated benefits 2% full-time faculty, & staff ; 1.5% part-time faculty & staff and other structure changes to longevity

- Other (Non-Payroll) includes 10% decrease, known commitments, Associate Degree Nursing and Branding initiatives

- Transfers include grants matches (TPEG)

- Debt service reduced per debt payment schedule

- Nursing scholarship increased to reflect annual amount

- Deferred Maintenance annual budget, $20M; $5M from Operations and $15M from fund balance

- Fund Balance Usage, $23M; includes Deferred Maintenance, $15M and Houston Reconnect, $8M

FY26 Operating (Unrestricted) Budget – Growth Scenario 4

(In Millions)

Revenues	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
State Appropriations	$ 68	15%	$ 74	16%	$ 6	9%
Ad Valorem Taxes	224	50%	235	50%	11	5%
Tuition & Fees, Net	134	30%	139	29%	5	4%
Other Local Income	24	5%	23	5%	(1)	-3%
Total Revenue	**$ 450**	**100%**	**$ 471**	**100%**	**$ 21**	**5%**

Expenses	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Salaries	$ 265	57%	$ 274	58%	$ 9	3%
Allowance for Vacancies	(5)	-1%	(10)	-2%	(5)	100%
Benefits	38	8%	40	8%	2	4%
Other (Non-Payroll)	111	24%	119	25%	8	7%
Transfers	10	7%	6	1%	(4)	-42%
Debt Service	22	5%	17	4%	(5)	-21%
Scholarships	1	0%	1	0%	(0.2)	-17%
IT Network/Infrastructure	8	0%	8	2%	0	5%
Deferred Maintenance	-	0%	2	0%	2	100%
New Funding Request	-	0%	14	3%	14	0%
Total Operating Expenses	**$ 450**	**100%**	**$ 471**	**100%**	**$ 21**	**5%**

Fund Balance Usage	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Deferred Maintenance	15	100%	15	65%	-	0%
Houston Reconnect	-	0%	8	35%	8	0%
Total Fund Balance Usage	**$ 15**	**100%**	**$ 23**	**100%**	**$ 8**	**53%**

Total Operating Budget plus Fund Balance Usage	$ 465		$ 494		$ 29	6%
Total Revenue/Budget Gap	**$ -**		**$ -**			

Budget Input:
- 9% increase based on State Appropriation after true-up; includes 1% increase for market growth, COV changes, Special Funding and FAST

- 5% increase in tax revenue
  - Total tax rate increase, estimate 4.7% (Tax option 7)
  - M&O increase
  - Debt decrease per debt schedule
  - Change homestead exemptions from 17% to 20% and Over 65/Disabled from $135M to $140M

- T&F revenue is flat and includes 7.5% increase in enrollment; offset by a 25% decrease in enrollments for international students

- Salaries and associated benefits 2% full-time faculty, & staff ; 1.5% part-time faculty & staff and other structure changes to longevity
- Other (Non-Payroll) includes known commitments, Associate Degree Nursing and Branding initiatives
- Transfers include grants matches (TPEG)
- Debt service reduced per debt payment schedule
- Nursing scholarship increased to reflect annual amount
- Deferred Maintenance annual budget, $17M; $2M from Operations and $15M from fund balance
- Fund Balance Usage, $23M; includes Deferred Maintenance, $15M and Houston Reconnect, $8M

FY26 Operating (Unrestricted) Budget – Growth Scenario 5

(In Millions)

Revenues	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
State Appropriations	$ 68	15%	$ 74	16%	$ 6	9%
Ad Valorem Taxes	224	50%	237	50%	13	6%
Tuition & Fees, Net	134	30%	139	29%	5	4%
Other Local Income	24	5%	23	5%	(1)	-3%
Total Revenue	$ 450	100%	$ 473	100%	$ 23	5%

Expenses	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Salaries	$ 265	57%	$ 274	58%	$ 9	3%
Allowance for Vacancies	(5)	-1%	(10)	-2%	(5)	100%
Benefits	38	8%	40	8%	2	4%
Other (Non-Payroll)	111	24%	119	25%	8	7%
Transfers	10	7%	6	1%	(4)	-42%
Debt Service	22	5%	17	4%	(5)	-21%
Scholarships	1	0%	1	0%	(0.2)	-17%
IT Network/Infrastructure	8	0%	11	2%	3	45%
Deferred Maintenance	-	0%	5	1%	5	100%
New Funding Request	-	0%	10	2%	10	0%
Total Operating Expenses	$ 450	100%	$ 473	100%	$ 23	5%

Fund Balance Usage	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Deferred Maintenance	15	100%	15	65%	-	0%
Houston Reconnect	-	0%	8	35%	8	0%
Total Fund Balance Usage	$ 15	100%	$ 23	100%	$ 8	53%

Total Operating Budget plus Fund Balance Usage	$ 465		$ 496		$ 31	7%

Total Revenue/Budget Gap	$ -		$ -			

Budget Input:
- 9% increase based on State Appropriation after true-up; includes 1% increase for market growth, COV changes, Special Funding and FAST
- 6% increase in tax revenue
  - Total tax rate increase, estimate 5.3% (Tax option 4)
  - M&O increase
  - Debt decrease per debt schedule
  - Change exemptions from 17% to 20%
- T&F revenue is flat and includes 7.5% increase in enrollment; offset by a 25% decrease in enrollments for international students
- Salaries and associated benefits 2% full-time faculty, & staff ; 1.5% part-time faculty & staff and other structure changes to longevity
- Other (Non-Payroll) includes known commitments, Associate Degree Nursing and Branding initiatives
- Transfers include grants matches (TPEG)
- Debt service reduced per debt payment schedule
- Nursing scholarship increased to reflect annual amount
- Deferred Maintenance annual budget, $20M; $5M from Operations and $15M from fund balance
- Fund Balance Usage, $23M; includes Deferred Maintenance, $15M and Houston Reconnect, $8M

FY26 Operating (Unrestricted) Budget – Growth Scenario 6

(In Millions)

Revenues	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
State Appropriations	$ 68	15%	$ 74	15%	$ 6	9%
Ad Valorem Taxes	224	50%	242	51%	18	8%
Tuition & Fees, Net	134	30%	139	29%	5	4%
Other Local Income	24	5%	23	5%	(1)	-3%
Total Operating Revenue	**$ 450**	**100%**	**$ 478**	**100%**	**$ 28**	**6%**

Expenses	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Salaries	$ 265	57%	$ 274	57%	$ 9	3%
Allowance for Vacancies	(5)	-1%	(10)	-2%	(5)	100%
Benefits	38	8%	40	8%	2	4%
Other (Non-Payroll)	111	24%	119	25%	8	7%
Transfers	10	7%	6	1%	(4)	-42%
Debt Service	22	5%	17	4%	(5)	-21%
Scholarships	1	0%	1	0%	(0.2)	-17%
IT Network/Infrastructure	8	0%	11	2%	3	45%
Deferred Maintenance	-	0%	8	2%	8	100%
New Funding Request	-	0%	12	3%	12	0%
Total Operating Expenses	**$ 450**	**100%**	**$ 478**	**100%**	**$ 28**	**6%**

Fund Balance Usage	FY25 Approved Budget	% of Total	FY26 Estimated Budget	% of Total	$Chg	%Chg
Deferred Maintenance	15	100%	32	80%	17	113%
Houston Reconnect	-	0%	8	20%	8	100%
Total Fund Balance Usage	**$ 15**	**100%**	**$ 40**	**100%**	**$ 25**	**167%**

Total Operating Budget plus Fund Balance Usage	**$ 465**		**$ 518**		**$ 53**	**11%**
Total Net Revenue/Expense	**$ -**		**$ -**			

Budget Input:
- 9% increase based on State Appropriation after true-up; includes 1% increase for market growth, COV changes, Special Funding and FAST
- 7% increase in tax revenue
    - Total tax rate increase, estimate 6% (Tax option 6)
    - M&O increase
    - Debt decrease per debt schedule
    - Change exemptions from 17% to 20%
- T&F revenue is flat and includes 7.5% increase in enrollment; offset by a 25% decrease in enrollments for international students

- Salaries and associated benefits 2% full-time faculty, & staff ; 1.5% part-time faculty & staff and other structure changes to longevity
- Other (Non-Payroll) includes known commitments, Associate Degree Nursing and Branding initiatives
- Transfers include grants matches (TPEG)
- Debt service reduced per debt payment schedule
- Nursing scholarship increased to reflect annual amount
- Deferred Maintenance annual budget, $40M; $8M from Operations and $32M from fund balance
- Fund Balance Usage, $40M includes Deferred Maintenance, $32M and Houston Reconnect, $8M

FY26 Operating (Unrestricted) Budget - Revenue Summary

(In Millions)

Side-by-side view of all revenue budget scenarios and key benefits

	Operating Revenues							Key Benefits
	State Appropriations	Ad Valorem Taxes	Tuition & Fees, Net	Other Local Income	Total Revenue	Fund Balance Usage	Total Revenue and Fund Balance Usage	
FY25 Budget (Current Year)	$ 68	$ 224	$ 134	$ 23	**$ 450**	$ 15	**$ 465**	
Flat Scenario 1	73	221	132	18	**444**	21	**465**	$13M Def Maintenance; $8M Houston Reconnect or COV Completions
Alternate Scenario 2	73	221	130	18	**442**	-	**442**	GREATEST RISK MITIGATION, LOWEST COST
Moderate Growth Scenario 3	73	233	133	23	**462**	23	**485**	$15M Def Maintenance; $8M Houston Reconnect or COV Completions
Growth Scenario 4	74	235	139	23	**471**	23	**494**	$15M Def Maintenance; $8M Houston Reconnect or COV Completions
Growth Scenario 5	74	237	139	23	**473**	23	**496**	$15M Def Maintenance; $8M Houston Reconnect or COV Completions
Growth Scenario 6	74	242	139	23	**478**	40	**518**	$32M Def Maintenance; $8M Houston Reconnect or COV Completions

FY26 Operating (Unrestricted) Budget - Expense Summary
(In Millions)

Side-by-side view of all expense budget scenarios and key benefits

	Operating Expenses									Fund Balance Usage			Total Operating Expenses and Fund Balance Usage	Key Benefits
	Salary & Benefits	Other (Non-Payroll)	Transfers	Debt Service	Scholarships	IT Network/ Infrastructure	Deferred Maintenance from Ops	New Funding Requests	Total Operating Expenses	Houston Reconnect	Deferred Maintenance	Total Fund Balance Usage		
FY25 Budget (Current Year)	$ 298	$ 111	$ 10	$ 22	$ 1	$ 8	$ -	$ -	**$ 450**	$ -	$ 15	**$ 15**	**$ 465**	
Flat Scenario 1	$ 304	$ 109	$ 6	$ 17	$ 1	$ 7	$ -	$ -	**$ 444**	$ 8	$ 13	**$ 21**	**$ 465**	$7M IT Network; $13M Def Maintenance; $8M Houston Reconnect or COV Completions
Alernate Scenario 2	$ 309	$ 107	$ 6	$ 17	$ 1	$ 2	$ -	$ -	**$ 442**	$ -	$ -	**$ -**	**$ 442**	$2M IT Network; GREATEST RISK, LOWEST COST
Moderate Growth Scenario 3	$ 304	$ 110	$ 6	$ 17	$ 1	$ 8	$ 5	$ 11	**$ 462**	$ 8	$ 15	**$ 23**	**$ 485**	$8M IT Network; $20M Def Maintenance; $8M Houston Reconnect or COV Completions
Growth Scenario 4	$ 304	$ 119	$ 6	$ 17	$ 1	$ 8	$ 2	$ 14	**$ 471**	$ 8	$ 15	**$ 23**	**$ 494**	$8M IT Network; $17M Def Maintenance; $8M Houston Reconnect or COV Completions
Growth Scenario 5	$ 304	$ 119	$ 6	$ 17	$ 1	$ 11	$ 5	$ 10	**$ 473**	$ 8	$ 15	**$ 23**	**$ 496**	$11M IT Network; $20M Def Maintenance; $8M Houston Reconnect or COV Completions
Growth Scenario 6	$ 304	$ 119	$ 6	$ 17	$ 1	$ 11	$ 8	$ 12	**$ 478**	$ 8	$ 32	**$ 40**	**$ 518**	$11M IT Network; $40M Def Maintenance; $8M Houston Reconnect or COV Completions

HOUSTON COMMUNITY COLLEGE

FY 2026 NON-OPERATING BUDGETS

FY26 Recommended Restricted Budget – Fund 2

(In Millions)

Revenues:

- Federal - Decrease in federal funding due to end of $1.3M 3-year HCC Resiliency Initiative Program grant, USDA Lawncare & MBDA Business Center grant funding stopped as both grans fall under DEI category
- State - Decrease in State funding due to cancellation of nursing grants
- City/Other - Increase in funding due to new private grants received from HCC Foundation
- Student Financial Aid – change due to $3M increase in Pell grants, and increases in SEOG and private scholarship funding
- State Funded Benefits – Increase forecasted in State funded benefits due to higher allocation in 2026-2027 biennium for group insurance

Expenses:

- Student Services expense increase due to new State college readiness and success grant
- Instruction/Workforce Development expense increase due to availability of Foundation on funding
- Student Aid expenses increase due to increases in Pell, SEOG & private scholarships
- Community Service expense decrease due to end of HCC Resiliency Initiative Program grant, City of Stafford contract and USDA Lawncare & MBDA grants
- Staff Benefit expenses increase due to higher State allocation for group insurance in 2026-2027 biennium

		FY25		FY26		$Chg	%Chg
Revenue:							
Federal	$	10.3	$	8.9	$	(1.4)	-14%
State		0.6		0.5		(0.1)	-17%
City/Other		1.6		2.4		0.8	50%
Student Financial Aid		112.5		116.7		4.2	4%
Total Grant Revenues	$	125.0	$	128.5	$	3.5	3%
Stated Funded Staff Benefits:							
Group Insurance State Contribution		15.1		18.0		2.9	19%
State Retirement		4.5		4.5		-	0%
Total Stated Funded Benefits	$	19.6	$	22.5	$	2.9	15%
Total Available Funding	$	144.6	$	151.0	$	6.4	4%
Expenses:							
Student Services	$	1.6	$	1.7	$	0.1	4%
Instruction/Workforce Development		4.3		5.0		0.6	15%
Student Aid		112.5		116.7		4.2	4%
Community Service		6.6		5.2		(1.4)	-21%
Staff Benefits		19.6		22.5		2.9	15%
Total Restricted Expenditures	$	144.6	$	151.0	$	6.4	4%
Net Revenue/(Expenses)	$	-	$	-	$	-	

HOUSTON COMMUNITY COLLEGE

FY26 Recommended Auxiliary Budget – Fund 3

(In Millions)

Budget Input:
- Fees include Student Activity and Athletic Fees based on 6% increase in enrollment
- Leases & Rentals decrease due changes in rates and square footage related to MHMRA, PVA rental leases
- Bookstore Commission increase due to 30% projected increase in Bookstore instructional items
- Other Local Income increase in rental activity for facilities usage
- Fund Balance Usage for Athletic and Student services request to purchase equipment
- Salaries and associated benefits 2% COLA for staff and 1.5% for PT Staff
- Non-Payroll increase in daily operating expenses due to increased facility rentals and the purchase of the athletic equipment

Description	FY25	FY26	$Chg	%Chg
Fees	$ 1.76	$ 2.10	$ 0.3	19%
Leases & Rentals	5.40	5.20	(0.20)	-4%
Bookstore Commission	1.00	1.30	0.30	30%
Other Local Income	0.25	0.28	0.03	12%
Fund Balance Use	0.20	0.92	0.72	360%
Total Auxiliary Revenues	**$ 8.61**	**$ 9.80**	**$ 1.19**	**14%**
Salaries	$ 1.20	$ 1.30	$ 0.10	8%
Employee Benefits	0.20	0.21	0.01	5%
Non-Payroll	5.40	6.48	1.08	20%
Scholarship Distribution	1.81	1.81	-	0%
Total Auxiliary Expenditures	**$ 8.61**	**$ 9.80**	**$ 1.19**	**14%**
Net Revenue/(Expenses)	**$ -**	**$ -**		

FY26 Recommended Capital & Technology Plan Budget
(In Millions)

DESCRIPTION	Fund	FY25	FY26	$Chg	%Chg
Upgrade/Replacement of IT Equipment	7180	$ 6.36	$ 6.50	$ 0.14	2.15%
Upgrade/Replacement of Security Technology	7181	$ 0.42	$ 0.44	$ 0.02	3.77%
Upgrade/Replacement of Instructional Equipment	7182	$ 1.11	$ 1.16	$ 0.04	3.77%
Total Capital and Technology Plan		**$ 7.90**	**$ 8.10**	**$ 0.20**	**2.47%**

- This budget goes toward the funding of the IT master plan
- Tech Fees increase for FY26 due to estimated increased enrollment, 6%
- FY26 includes $2.6M transfer from operating fund
- Additional funding for the IT master plan is included all operating budget scenarios

HOUSTON COMMUNITY COLLEGE

Thank You

APPENDIX

Texas Competitors
T & F Rates

Texas Competitors
Spring 2025
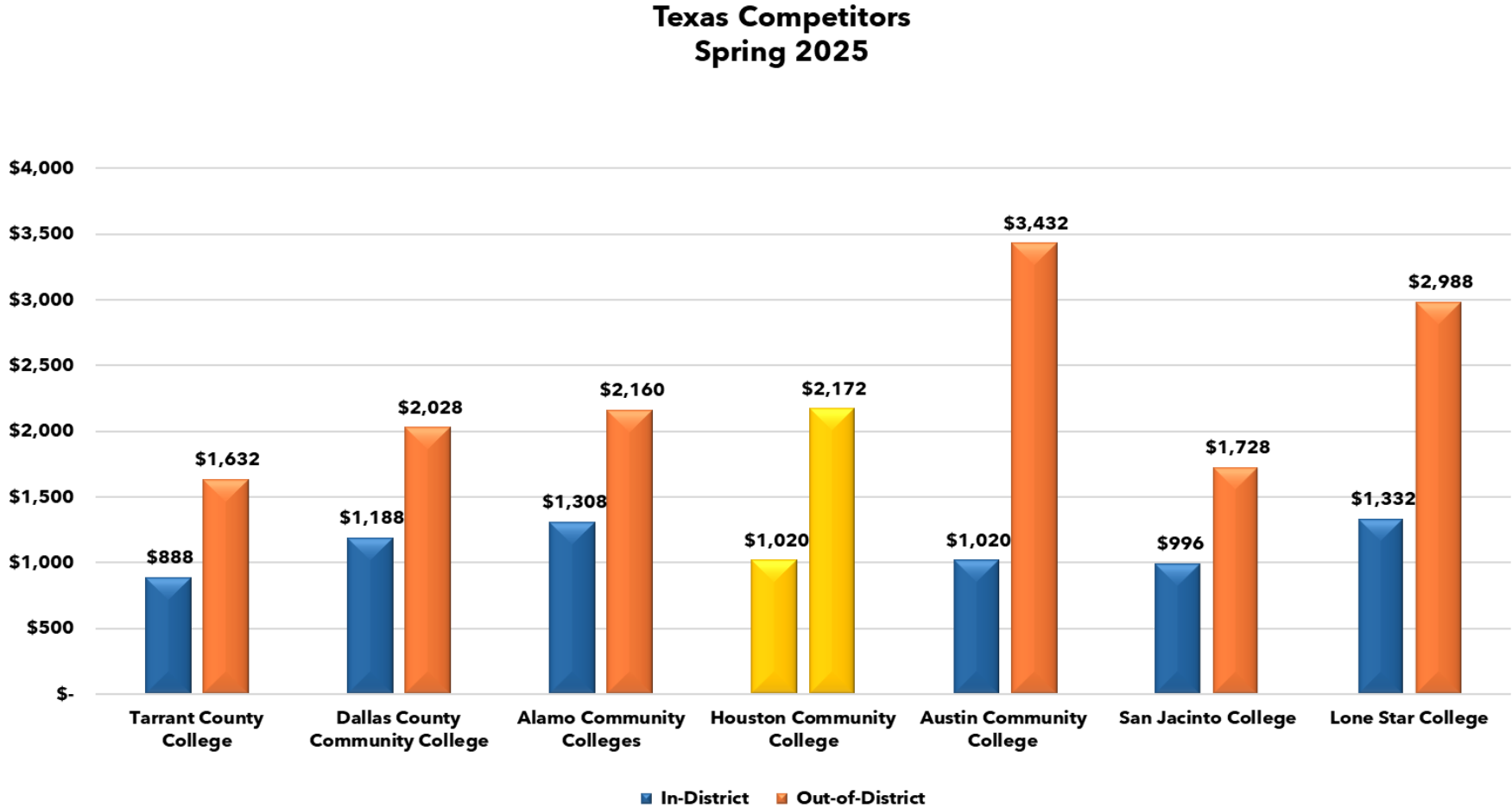
Descriptions	Tarrant County College	Dallas County Community College	Alamo Community Colleges	Houston Community College	Austin Community College	San Jacinto College	Lone Star College
In-District	$ 888	$ 1,188	$ 1,308	$ 1,020	$ 1,020	$ 996	$1,332
Out-of-District	$ 1,632	$ 2,028	$ 2,160	$ 2,172	$ 3,432	$ 1,728	$2,988
% Over In-District	84%	71%	65%	113%	236%	73%	124%

Source: Respective Colleges FY2025 websites, tuition and fees schedule

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T&F Executive Summary

Semester Credit Hour

Description	FY25	Proposed FY26	Change
In District			
Tuition	$33.00 per hour ($50.00 minimum)	$33.00 per hour ($50.00 minimum)	$0.00
General Fee	$25.50 per hour	$25.50 per hour	$0.00
Out of District			
Tuition	$121.00 per hour ($138 minimum)	$121.00 per hour ($138 minimum)	$0.00
General Fee	$33.50 per hour	$33.50 per hour	$0.00
Out-of-State			
Tuition	$151.00 per hour ($240 minimum)	$151.00 per hour ($240 minimum)	$0.00
General Fee	$50.00 per hour	$50.00 per hour	$0.00

Mandatory Fees

Description	Fall 2024	Proposed Fall 2025	Change
Technology Fee	$25.00 per hour	$25.00 per hour	$0.00
Student Activity Fee	$1.00 per hour ($12.00 maximum)	$1.00 per hour ($12.00 maximum)	$0.00
Recreation/Athletics Fee	$6.00 per semester	$6.00 per semester	$0.00

- No change to tuition and fees since Fall 2020

Other Incidental Fee

Other Incidental Fees

Description	Fall 2024	Proposed Fall 2025	Change
Deferment/Reproduction Fee	$50.00	$50.00	$0.00
Distance Education (Online) Fee	$42 per online course	42 per online course	$0.00
Drop/Add Fee	$15.00	$15.00	$0.00
Lab Fee	$4.00 - $80.00	$4.00 - $80.00	$0.00
International Student Application Fee	$75.00	$75.00	$0.00
International Student Insurance Fee	Based on Insurance Vendor	Based on Insurance Vendor	$0.00
International Student Orientation Fee	$50.00	$50.00	$0.00
Installment Plan Enrollment Fee	$30.00	$30.00	$0.00
Installment Plan Late Fee	$10.00 per late installment	$10.00 per late installment	$0.00
Katy Building Use Fee	$0.00	$5.00 per hour	$0.00
Reinstatement Fee	$75.00	$75.00	$0.00
Repeater Fee	$50.00 per hour	$50.00 per hour	$0.00
Returned Check Payment Fee	$25.00	$25.00	$0.00
Schedule Change Fee	$15.00	$15.00	$0.00
Stop Payment Fee	$25.00	$25.00	$0.00
Transcript Fee	$5.00	$5.00	$0.00
Transcript Fee through Service Provider	Based on Service Provider	Based on Service Provider	$0.00

Testing fees

Testing Fees

Description	Fall 2024	Proposed Fall 2025	Change
Advance Standing Examination for College Credit Fee	$25.00 per course	$25.00 per course	$0.00
Advance Standing Credit Evaluation	$25.00 per evaluation	$25.00 per evaluation	$0.00
Accuplacer College Level Math	$10.00 per attempt	$10.00 per attempt	$0.00
Accuplacer ESL	$29.00 Initial Test $10.00 Retest	$29.00 Initial Test $10.00 Retest	$0.00
CLEP Test	$12.00	$12.00	$0.00
Correspondence Test - Proctoring Fee	$25.00	$25.00	$0.00
EMT Testing Fee	$29.00 - $209.00	$29.00 - $209.00	$0.00
HESI	$45.00 - $75.00	$45.00 - $75.00	$0.00
National Registry Test Fee	$80.00 - $125.00	$80.00 - $125.00	$0.00
NCLEX-RN Prep Fee	$23.00 - $45.00	$23.00 - $45.00	$0.00
Medical Assistant Exam Fee	$125.00	$125.00	$0.00
State Fire Fighter Exam Fee	$85.00	$85.00	$0.00
Surgical Technology Exam Fee	$190.00	$190.00	$0.00
TEAS	$86.00	$86.00	$0.00
TSI Assessment	$29.00 All Sections $10.00 Per section	$29.00 All Sections $10.00 Per section	$0.00

Course Specific Fees

Course Specific Fee

Description	Fall 2024	Proposed Fall 2025	Change
Adult High School Materials Fee	$10.00/$20.00 (Art, BCIS, & BIM)	$10.00/$20.00 (Art, BCIS, & BIM)	$0.00
Adult High School Tuition	$275.00	$275.00	$0.00
Cert Nursing Aid Liability Fee	$12.00	$12.00	$0.00
Computer Science Program Fee	$24.00-$75.00	$24.00-$75.00	$0.00
Commercial Music Fee	$75.00	$75.00	$0.00
Commercial Truck Clearing Acct	$225.00 - $350.00	$225.00 - $350.00	$0.00
EMS AHA Card Fee	$3.00 (CPR) $15.00 (Advanced)	$3.00 (CPR) $15.00 (Advanced)	$0.00
EMS OR Fee	$25.00 (Basic) $40.00 (Advanced)	$25.00 (Basic) $40.00 (Advanced)	$0.00
EMT Online Web Tool Fee	$110.00	$110.00	$0.00
HS-Film Badge Fee	$10.00 - $26.00	$10.00 - $26.00	$0.00
HS-Liability Insurance Fee	$10.00 - $34.00	$10.00 - $34.00	$0.00
Music Fee	$145.00	$145.00	$0.00
Phlebotomy Liability Fee	$12.00	$12.00	$0.00
Phlebotomy Materials and Supplies	$10.00 - $60.00	$10.00 - $60.00	$0.00
Police In Service Mat/Test Fee	$50.00	$50.00	$0.00
AEL Registration Fee Literacy	$20.00	$20.00	$0.00
AEL Registration Fee Math & Reading	$60.00	$60.00	$0.00
Course Materials Fee	Varies per course	Varies per course	$0.00

Exemptions & Waivers Summary

			FY 24 Actual	FY 25 Est	FY26 Est	$Chg	%Chg
Early High School & P-Tech	**Tuition & Fees**	**100% Waived**	**$5.5M**	**$6M**	**$6.3M**	**$300K**	**5%**
Traditional Dual Credit	**Tuition & Fees**	**100% Waived**	**$11M**	**$12.5M**	**$13.8M**	**$1.3M**	**10%**
Dual Credit (Out-of-District)	**Fees**	**Flat $65 per course**	**$894K**	**$1M**	**$1.1M**	**$100K**	**10%**

- We are recommending no change to the Exemptions & Waiver

Note: See the appendix for Optional Exemptions and Waivers

ACTION ITEM

Topics For Discussion and/or Action:

ITEM #	ITEM TITLE	PRESENTER
D.	Update on the Strategic Plan	Dr. Margaret Ford Fisher Dr. Andrea Burridge

RECOMMENDATION

It is recommended that the Board of Trustees discuss the Mission and the Vision at an upcoming retreat with the intent to either reaffirm these statements or begin the revision process.

We bring forward for your review the College's Mission Statement and Vision Statement. In accordance with the principles established by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), it is the Board's responsibility to review and affirm guiding documents on a regular basis to ensure their continued relevance and alignment with the College's purpose and priorities.

COMPELLING REASON AND BACKGROUND

The Board of Trustees plays a critical role in setting the strategic direction of a community college and ensuring that it remains aligned with its core purpose. Regularly reviewing and the mission, vision, and strategic plan is essential to fulfilling this responsibility.

SACSCOC guidelines emphasize that an institution's mission must clearly define its purpose within the context of higher education, guiding decision-making and resource allocation. A periodic review ensures that the mission remains relevant and responsive to the needs of the community, workforce demands, and educational trends. Similarly, a forward-looking vision statement inspires progress and helps the College set long term priorities.

The strategic plan must be coherent with the mission and vision, driving continuous improvement. Board oversight in the process helps the college demonstrate its commitment to quality and effectiveness.

The Institutional Effectiveness Council, a cross-functional body representing all major areas of the institution, has conducted a comprehensive review of these documents and presents formal recommendations for the Board's consideration.

The review process of the College and the Board is essential not only for institutional accountability and continuous improvement, but also to meet accreditation expectations, foster institutional excellence, and serve the community effectively.

STRATEGIC ALIGNMENT

1. Student Success, 2. Personalized Learning , 3. Academic Rigor , 4. Community Investment , 5. College of Choice

ATTACHMENTS:

Description	Upload Date	Type
Strategic Plan Review	4/29/2025	Attachment
Strategic Plan (SB17 Approved)	4/30/2025	Attachment

This item is applicable to the following:

Central, Coleman, Northeast, Northwest, Southeast, Southwest, District, Online

Update on the Strategic Plan

Dr. Margaret Ford Fisher, Ed.D.
Chancellor, Houston Community College System

Andrea Burridge, Ph.D.
Vice Chancellor, Strategy, Planning, and Institutional Effectiveness

Strategic and Operational Planning Committee of the Institutional Effectiveness Council

May 7, 2025

Responsibilities of the Board in the Review Cycle of the Institution's Mission, Goals, and Outcomes

The governing board ensures the regular review of the institution's mission (SACSCOC 4.2.a).

HOUSTON COMMUNITY COLLEGE

The institution engages in ongoing, comprehensive, and integrated research-based planning and evaluation processes that (a) focus on institutional quality and effectiveness and (b) incorporate a systematic review of institutional goals and outcomes consistent with its mission. (SACSCOC 7.1)

SACSCOC has the expectation that

➢ The Board sets the direction for the institution.

➢ The Board approves strategic plans and evaluation.

➢ The administration, faculty, and staff implement the policies.

Responsibility of HCC's Institutional Effectiveness Council in Strategic Planning and Institutional Effectiveness: Regulation BGC

The institution engages in ongoing, comprehensive, and integrated research-based planning and evaluation processes that (a) focus on institutional quality and effectiveness and (b) incorporate a systematic review of institutional goals and outcomes consistent with its mission.

The Institutional Effectiveness Council has the responsibility to assist in the management of the college's planning process, coordination and assessment of the strategic direction of the institution, including review of the strategic plan, and accreditation compliance.

HOUSTON COMMUNITY COLLEGE

Review of the Mission and Vision

Strategic Plan Review

Mission

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

Vision

The College District will deliver relevant, high-quality education and training, ensuring success for all students, our community, economy and beyond.

Student Success

Strategic Priorities
Student Success ● Personalized Learning ● Academic Rigor ● Community Investment ● College of Choice

HCC Values
Commitment to Collaborate ● Devotion to Service ● Empower to Trust ● Passion to Learn ● Drive to Innovate

A significant change in the established mission of an institution requires SACSCOC approval. A mission change fundamentally alters the character of an institution and its portfolio of academic programs or other mission-driven activities.

Significant changes must be approved by SACSCOC and requires a full SACSCOC substantive change committee review on-site visit.

Review and Recommendations by the Institutional Effectiveness Council

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

The Institutional Effectiveness Council (IEC) did not believe revisions to the mission were necessary at this time as the mission is consistent with our expansion to baccalaureate degrees and in the non-credit workforce area.

Vision: The College District will deliver relevant, high-quality education and training, ensuring success for all students, our community, economy and beyond.

The IEC recommended the following:

➢ *The Vision statement should be tightened,*

➢ *Consider emphasizing lifelong learning,*

➢ *Consider emphasizing meaningful education,*

➢ *Consider adding connections to industry*

➢ *Vision statements should 'feel like a moonshot.'*

HOUSTON COMMUNITY COLLEGE

Recommended Goals for an Update of the Strategic Plan

- ➤ Improve the branding and visibility of the Strategic Plan in a meaningful way, so we accurately depict who we are, what we do, and why we do it.

- ➤ Enable HCC to have heightened focus on strategies to help us become the institution we envision for the future.

- ➤ Highlight alignment between the Strategic Plan, the core functions of the institution, and the allocation of funding.

- ➤ Update the Strategic Plan to reflect changes brought about by the pandemic and by legislative changes.

- ➤ Adopt leading indicators to augment the core KPIs.

HOUSTON COMMUNITY COLLEGE

Recommendation: Addition of Guiding Principles for the Strategic Plan

Student Success at the CORE

Students achieving their goals through academic advancement, career development, workforce training, and lifelong learning.

CARE

QUALITY

CONNECTION

STUDENT SUCCESS

Student Success

College of Choice

Academic Rigor

Personalized Learning

Community Investment
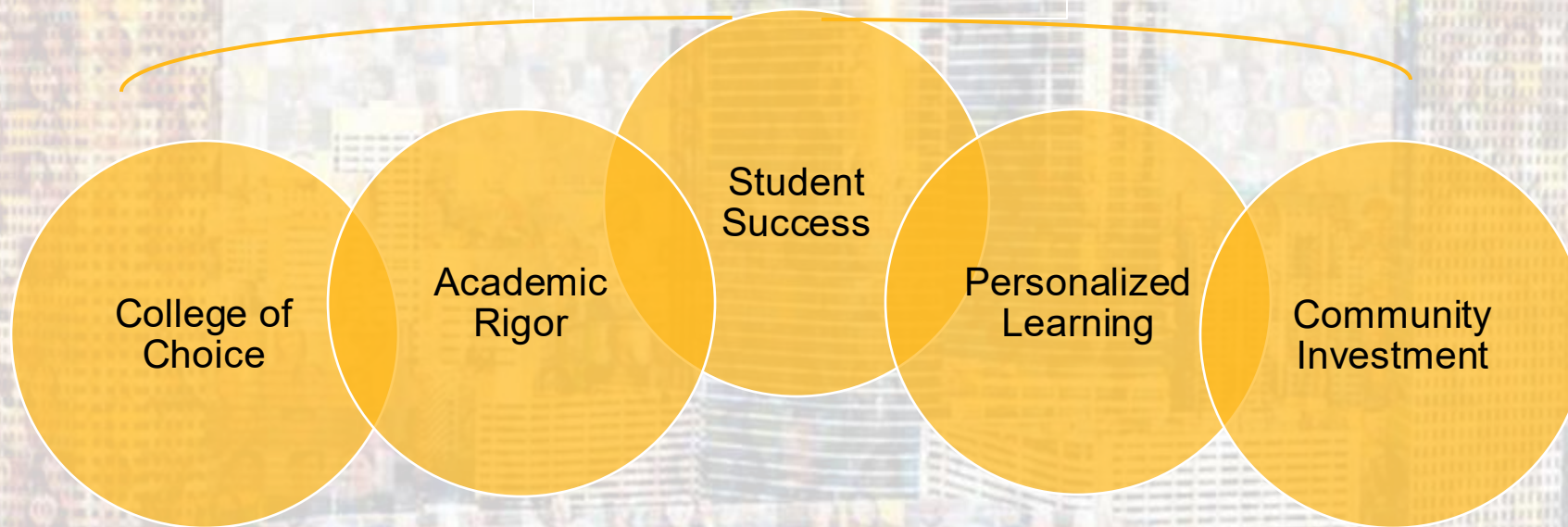
Care

Statement

Our college prioritizes a culture of care that emphasizes safety and security for all individuals on campus, addressing both physical and emotional well-being.

We are committed to fostering an environment of respectful behavior and civility, supported by comprehensive training for all staff and faculty.

Our "Caring Campus" initiative promotes accountability and responsibility, ensuring that everyone contributes to a positive atmosphere.

CARE

STUDENT SUCCESS

QUALITY
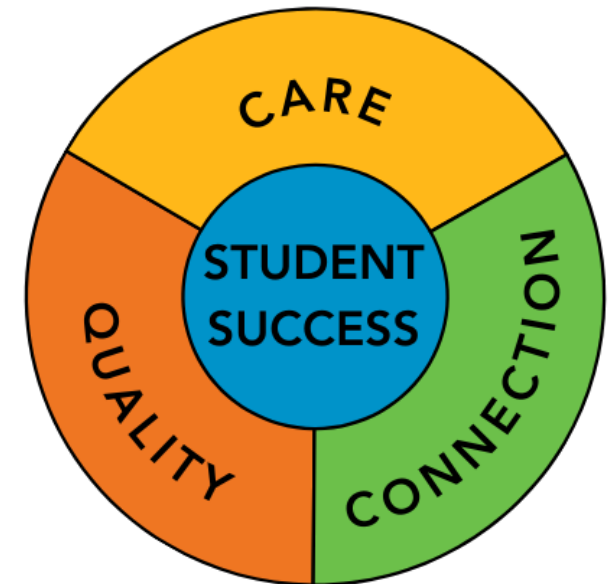
CONNECTION
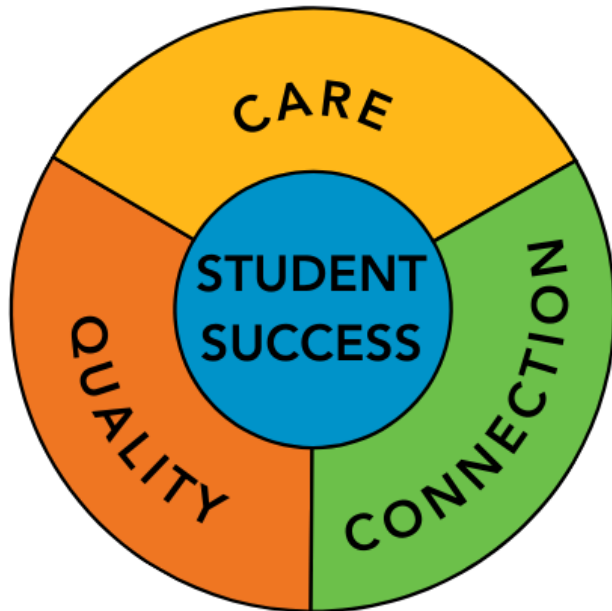
Connection

Statement

Our college is dedicated to building meaningful connections with students throughout their educational journey.

We engage prospective students from discovery to enrollment, providing clear pathways and support services.

After graduation, we stay connected with alumni, offering ongoing opportunities for lifelong learning and engagement.

Quality

Statement

Our college is committed to providing a high-quality education that fosters academic advancement, workforce training, career development, and lifelong learning.

These goals are in alignment with the organization's Quality Enhancement Plan.
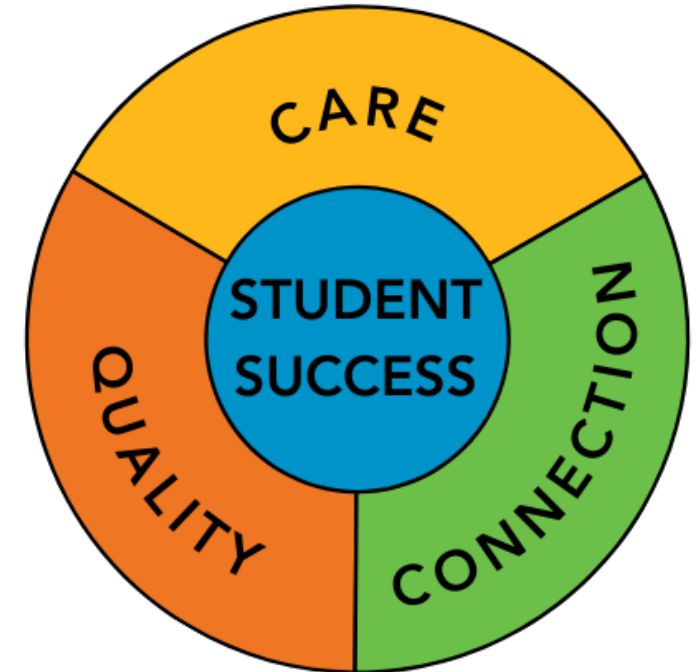
The Student Success Journey at HCC
Personalized Learning Pathways for Student Success

COMPLETION/ADVANCEMENT

OUTCOMES
Persistence Term-to-Term
Program Completion

SUPPORT
Experiential Learning
Career Advancement

ACTIVITIES
Transfer Plans
Job Placement

OUTCOMES
Employment
Bachelors Transfer

SUPPORT
Counseling
Basic Needs

31+ Hours

OUTCOMES
Major Choice
Academic Readiness

ACTIVITIES
Progress Monitoring
Intrusive Support Plans
Transfer Fairs

PROGRESS

0-30 Hours

SUPPORT
Tutoring
Personalized Learning

ACTIVITIES
Outreach & Recruitment
Career Information
Admissions Advising

OUTCOMES
Enrollment
Initial Program Declaration

SUPPORT
Financial Aid
Career Exploration

CONNECTION

0 Hours

INITIAL ADVISING VISIT

ACTIVITIES
New Student Orientation
Career Advising
Academic Planning

ENTRY

Year 1 Progression

Advising

Financial Aid

Tutoring

Instruction

Testing

Library Services

Counseling

Career & Transfer Services

Request to the Board

➢ Consider the Mission of Houston Community College at the August Board retreat with a recommendation to affirm or revise by September 2025.

➢ With the same timeline, consider revision to HCC's Vision.

➢ Consider the incorporation of the Care – Connection - Quality guiding principles as HCC moves forward in updating the Strategic Plan.

Thank you!

EMBRACING HOUSTON'S FUTURE

A COMPREHENSIVE STRATEGY

Table of Contents

Section E: Strategic Priorities and Key Performance Indicators

Section F: Building Organizational Capacity

Section G: Bias for Action: Executing the Plan
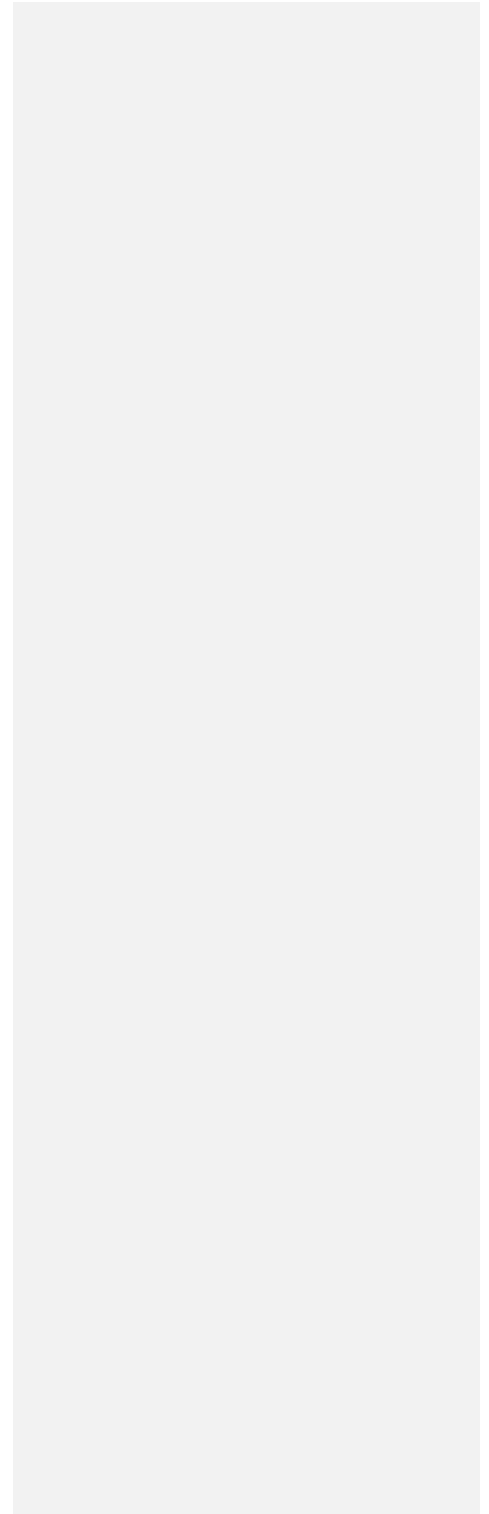
Section A:

Introduction
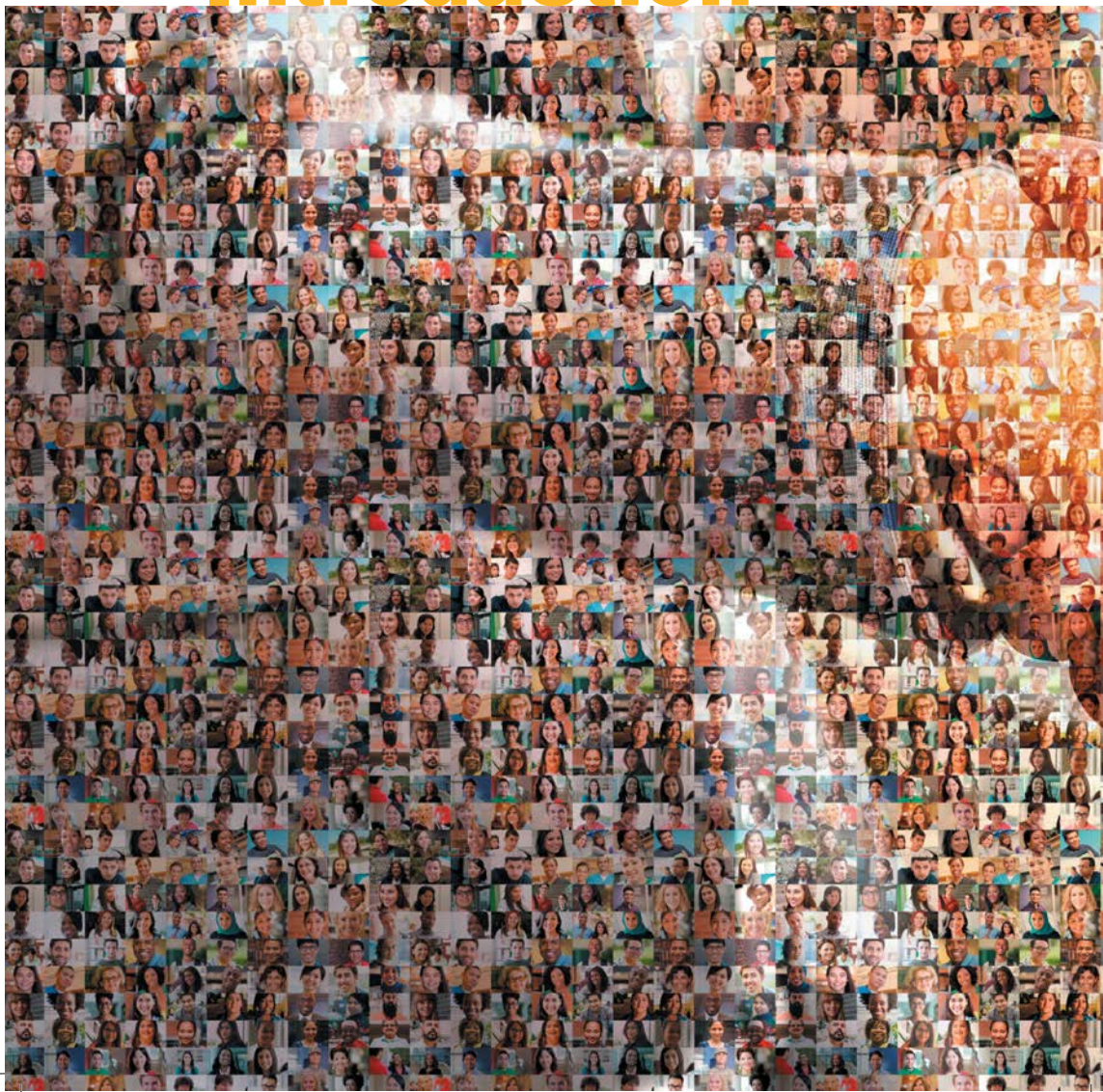
Cynthia Lenton-Gary, Ph.D.
DISTRICT VII
Chair

Monica Flores Richart
DISTRICT I
Vice Chair

Eva L. Loredo
DISTRICT VIII
Secretary

Charlene Ward Johnson
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DISTRICT III

Reagan Flowers, Ph.D.
DISTRICT IV

Robert Glaser
DISTRICT V

Dave Wilson
DISTRICT VI

Pretta VanDible
Stallworth, Ph.D., PMP
DISTRICT IX
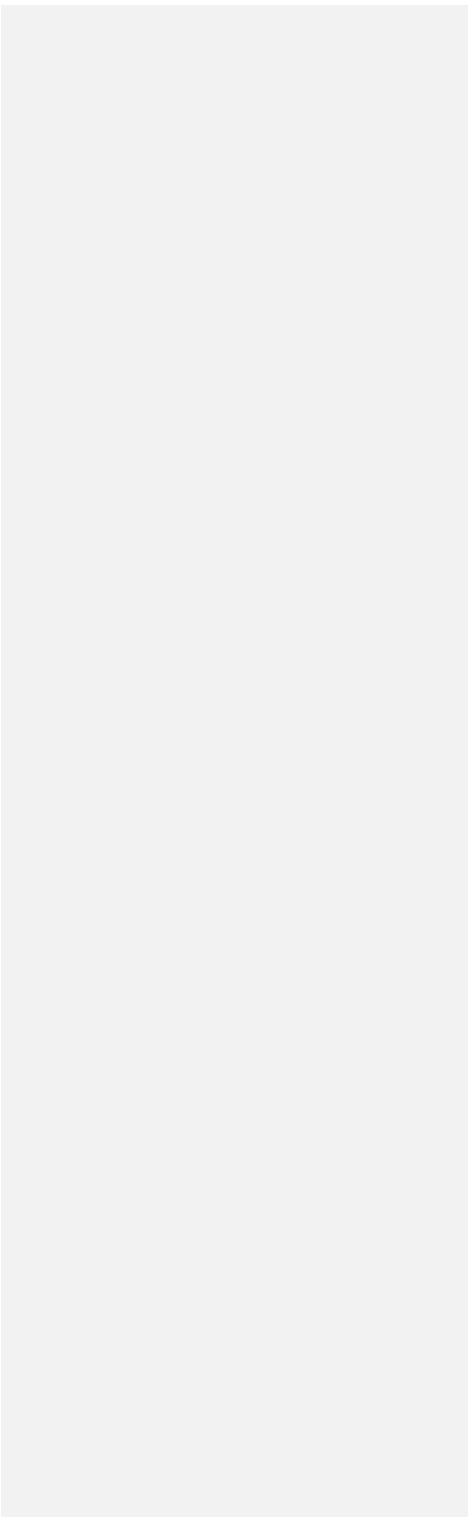
A.2 Trustee District Map

Source: Tiger Reference Files, Census Bureau, 2010; GIS MapInfo v12.0.3,2013; OIR Mapping files, HCC 2011 Redistricted Board District Boundaries, DOJ approved 2011, as of January 2016.
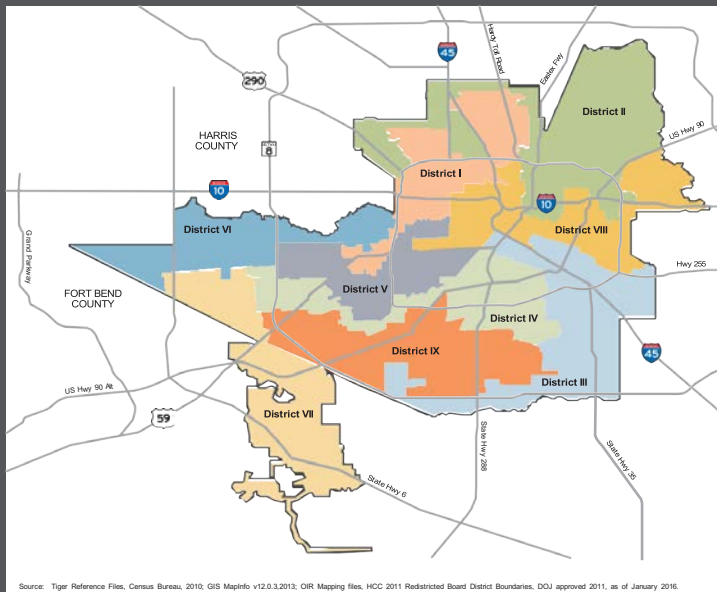
Dear HCC Community,

It is an extraordinary time to be at and to serve Houston Community College. For the past several years, the Board of Trustees have joined in conversations with business leaders, community advocates, students, faculty, administrators, representatives from area Independent School Districts, and many higher education groups in the Greater Houston Area to develop HCC's Strategic Comprehensive Plan detailed here. The hundreds of people who played a role in the creation of our Comprehensive Plan care deeply about our city and depend on HCC to educate the community's current and future workforce, supporting the life-long learning integral to personal success as well as the growth and vibrancy of our communities. They have given generously of their time, their ideas, and their passion for learning to help HCC create the plan we call "Embracing Houston's Future."

The need for higher education and career advancement continues to grow, and HCC continues to provide courses and programs to stimulate educational advancement for our students. "Embracing Houston's Future" offers a robust framework grounded in student success, community engagement, and fair-mindedness which guides decision-making and supports the success that happens every day across our college. Additionally, it allows us the necessary flexibility to adapt to our ever-changing circumstances so that we may meet the needs of our students and our community.

HCC's successes are broad and deep, and we continue to strive to fulfill our mission and reach toward our vision. According to data from the National Center for Education Statistics, among 2-year institutions nationally, we rank first for Black/African American headcount and third for awarding Associates Degrees to these students. HCC remains the top ranked for enrollment and granting awards to international students among two-year institutions. HCC continues to bear student needs and financial circumstances in mind, ranking as eighth among Texas community colleges in lowest tuition and fees according to the Texas Higher Education Coordinating Board. We are a proud minority-majority institution, with around 85% of our students identifying as non-white, and our reach is impressive and expanding.

The Trustees have been integral in identifying the Comprehensive Plan's five Strategic Priorities: Student Success, Personalized Learning, Academic Rigor, Community Investment, and College of Choice. Regular reports of our progress will be presented throughout the years ahead and will be available at https://www.hccs.edu/about-hcc/board-of-trustees. The Trustees will routinely review the Strategic Priorities, measure HCC's progress, and revise them as needed. The Board of Trustees takes seriously its role in setting the strategic course of the College.

HCC is leading the way to design a bold vision for our students' future. We are working to evolve our institution and empower our students to succeed inside and outside the classroom. On behalf of the Board of Trustees, I encourage you to review HCC's Comprehensive Strategy, "Embracing Houston's Future," that the Chancellor and his team have detailed in this report.

We are grateful, as always, for your ongoing support and your belief in our crucial work. With our new Comprehensive Strategy and in all that we do, HCC continues to demonstrate that we are Houston's community college.

Sincerely,

Cynthia Lenton-Gary, Ph.D.
HCC Board of Trustees
District VII

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To the HCC Board of Trustees:

On behalf of my colleagues who are the faculty and staff of the Houston Community College System, and for the more than 80,000 students and many communities we serve every day, I am pleased to present this Comprehensive Strategy for the future of an institution centrally important to the economic and social health of one of the largest, most diverse, and vibrant metropolitan areas of our country.

What we present in this document begins not with what is new but with what already exists and will endure: the core purpose and philosophy that drives HCC. This Comprehensive Strategy builds on that purpose and philosophy. At the same time, it marks a profound step forward in our maturation as an institution in service to the community – a process that began with the Imagine HCC 2019 Strategic Plan, found its voice in the establishment of the HCC Way, and has become a reality as we have brought forward the ultimate student experience.

Our goal, toward which we make progress every day, is to bring about a cultural change that empowers our institution to meet the ever-increasing, complex challenges of a rapidly evolving economy, an increasingly fluid workplace, and significantly altering employer and employee expectations. We started down the path to that reimagined institution five years ago. During those five years, we accomplished a lot, and we gained knowledge through hard work and practical experience. The result? A deeper, more nuanced understanding of the world our students live in now and the one they are likely to live in, in the future. Thanks to what we have learned, we are better equipped than ever to help make that complex world work for our students and our community.

The uniqueness of our Comprehensive Strategy – the elements that distinguish it from more traditional strategic plans – is captured throughout this document by two recurring images. The first will be found in the title bar that starts each section: a small mosaic. The mosaic image underscores our belief that HCC is the sum of many parts; whatever their individual purposes, our shared goal when stepping back must be to see a coherent, cohesive whole that is, indeed, greater than the sum of those parts. The second is a logo, a stylized Venn diagram, which visually reinforces our strategic approach that brings together the discreet and disparate elements of a complex institution in ways that foster innovation and advancement.

Five unique elements of the Comprehensive Strategy give concrete expression to these ideas. Personas – the stories of our students – give us a more robust understanding of the people we serve. Organizational Strategic Competencies focus us on the individual and organizational behaviors essential for success. The Mosaic Movement underscores the importance of making sure each of us does the right things the right way. Integrated Planning Cycles builds strategic thinking into HCC's DNA. Relationship Mapping takes down barriers across the institution, fostering the cooperation and collaboration that are the starting point for innovation and achievement. A Bias for Action ensures that things get done. Throughout, the overarching goal remains to continue building an HCC with the capacity needed to serve Houston, the "City of America's Future."

As you read through this Comprehensive Strategy, I hope you will come to share my commitment to this unique approach to creating a strategic HCC. As with any strategy, however, it is the quality of the people behind it that determines whether real progress gets made. I invite you to be one of those people, to join us on this journey, and to make your contribution to our collective success.

Cesar Maldonado, PH.D., P.E.
Chancellor

Executive Summary
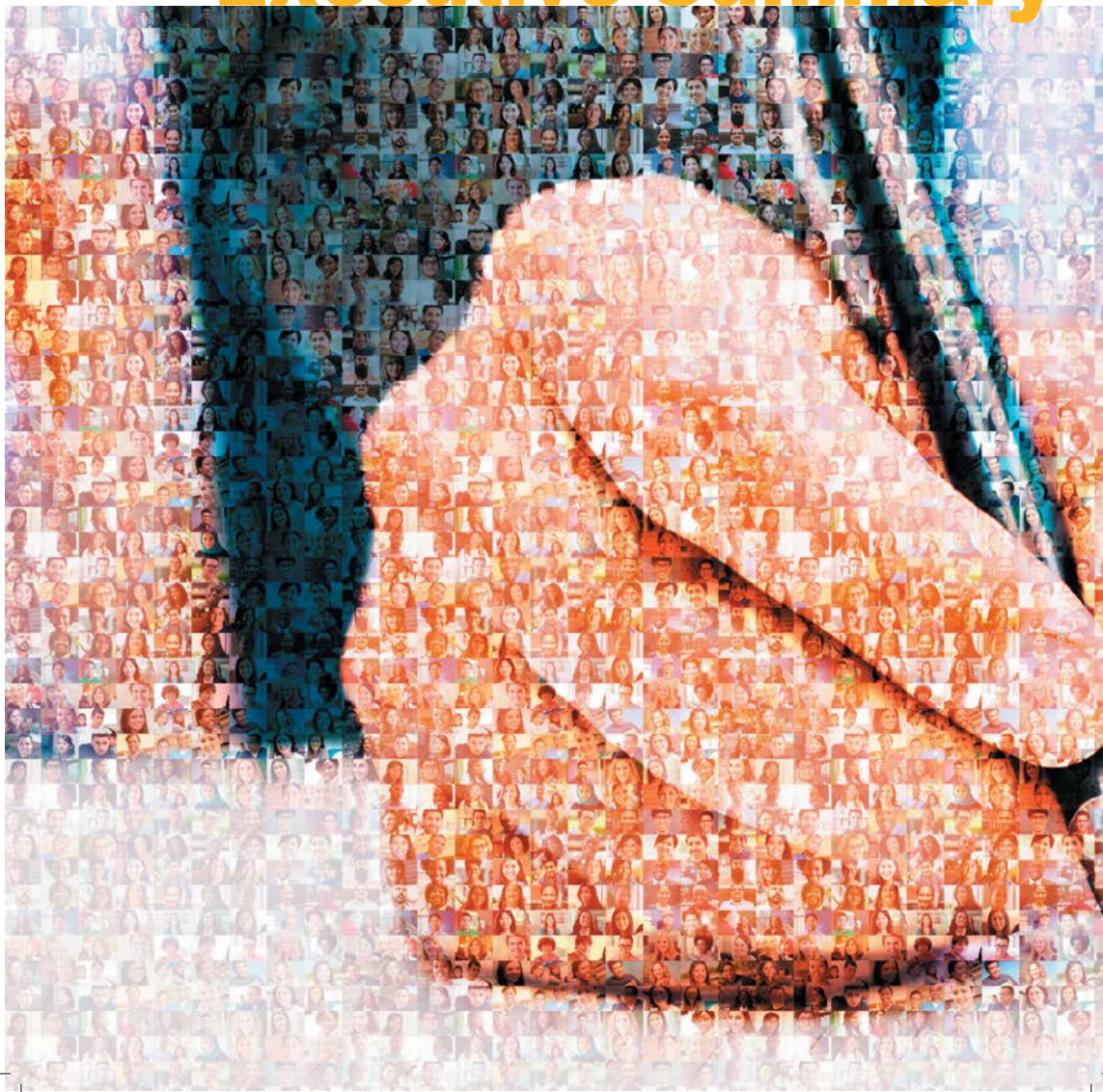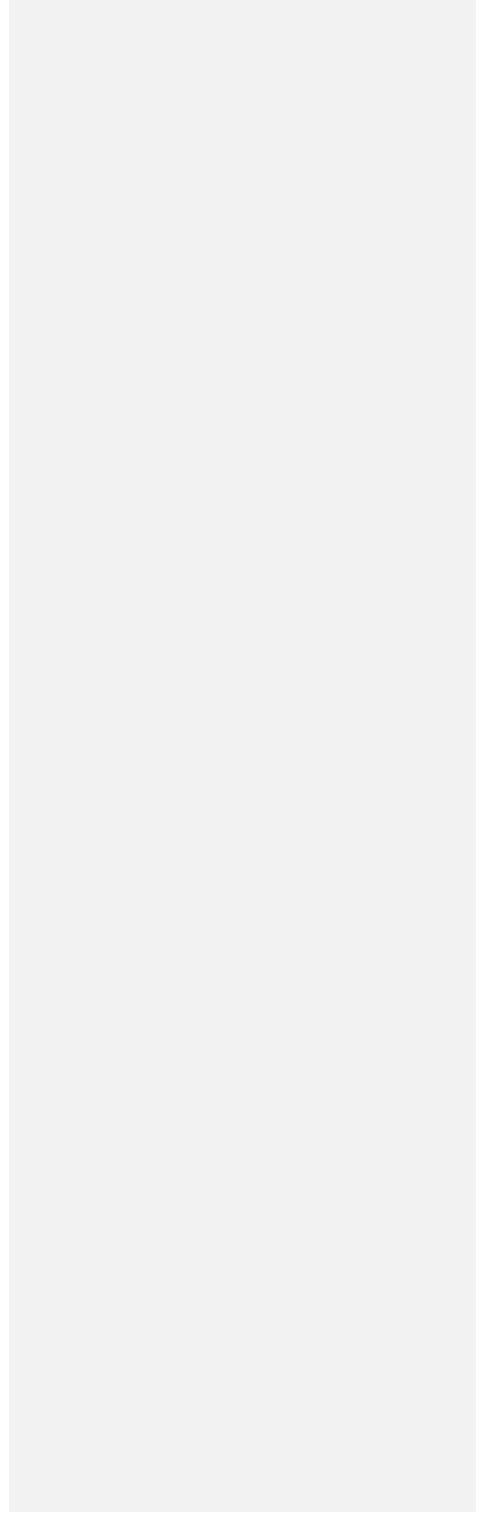
B.1 The Comprehensive Strategy

In 2020, HCC celebrated its fiftieth anniversary, a milestone of the College's five decades of accomplishments and contributions to its students and the community. This Comprehensive Strategy builds on those accomplishments and contributions so that, when the College marks its sixtieth anniversary in 2030, it will be even more efficient, interconnected, responsive, aligned, and innovative, educating even more students and producing even more successful graduates – further enhancing the critical value of its contribution to the community.

The Comprehensive Strategy will achieve HCC's 2030 vision by:

- Maintaining a clear and continuing commitment to HCC's Mission

- Fulfilling HCC's Mission and Vision through unswerving commitment to its values

- Concentrating on the strategic priorities of Student Success, Personalized Learning, Academic Rigor, Community Investment, and College of Choice

- Acting on those strategic priorities using the tools of Personas, Organizational Strategic Competencies, the HCC Way/Mosaic & Me, Integrated Planning Cycles, and Relationship Mapping

- Attending to the Key Performance Indicators

- Reaffirming HCC's commitment to the transformational progress that has been made over the last five years

- Building on the foundation of what has been learned through practical experience

- Supporting a Bias for Action reinforced through clear expectations for individual and organizational behaviors

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The Comprehensive Strategy's logo illustrates the combination of discrete elements that generate a result which no one single part can achieve on its own. The foundational concept is straightforward: the more interplay, cooperation, and collaboration generated among otherwise freestanding components, the greater the areas where progress, innovation, and transformation take place. The core notion of the Comprehensive Strategy is that the complexity of HCC should be seen as evidence of the great number of assets, represented by the independent circles, that the College commands. These assets denote a substantial opportunity; when these assets – these circles – are effectively marshalled through an understanding of how they can work together most productively, they can be deployed to maximum effect. The Comprehensive Strategy takes an approach that brings assets together to cultivate clarity, creating the foundation for sustained progress, innovation, and transformation. Whether it is strategic priorities, organizational goals, or organizational strategic competencies, the Comprehensive Strategy addresses complexity head-on by forming links and collaborations among different elements to constitute a more productive whole. The success of this effort is tracked through Key Performance Indicators aimed to assess the productive, creative, and transformational performance of the institution as a whole. The Comprehensive Strategy's logo encapsulates this: the more the circles overlap, interact, support each other, cooperate, and collaborate – whether the circles are strategic priorities, organizational strategic priorities, or particular programs that call for involvement and support from across the College – the greater the likelihood of real, innovative, and lasting progress.

Introduction: A Comprehensive Strategy

This Comprehensive Strategy for Houston Community College marks a significant departure from a more traditional strategic plan.

Most strategic plans follow a standard template. Typical strategic plans have a designated life span; they are intended to conclude and be replaced by a new strategic plan after a fixed time period. This Comprehensive Strategy creates an ongoing, integrated coordination of mission, vision, values, competencies, and execution designed to achieve an ever-evolving set of strategic priorities.

The goal is simple: to accelerate the transformation of HCC into an organization that thinks and acts strategically every day in all of its work. The decisive adoption of a Comprehensive Strategy is driven by the fact that the community HCC serves is different and underscored by the rapid pivots necessitated by the COVID-19 pandemic. Houston has been rightly described as the "City of America's Future." It is diverse and international, embodies the energy and dynamism of entrepreneurial capitalism, is a magnet for the young from all over the world, is an employer in a vast and diversified array of industries that increasingly rely on an educated workforce, and is home to a community that has transformed radically over the last fifty years and is likely to transform radically yet again. No strategic plan based on a traditional model can serve that city. This Comprehensive Strategy will.

HCC's Strategic Planning Process

HCC's Comprehensive Strategy grew out of a multi-year inclusive collaborative process which brought together the thinking and analysis of trustees, senior administrators, faculty, staff, students, alumni, and a wide range of representatives from across the Greater Houston community. Additional perspectives, analyses, and ideas were brought to bear through a process of benchmarking against other community colleges across the United States. The strategic planning process was guided by the Chancellor, the HCC Strategy, Planning, and Institutional Effectiveness Office, and senior college leaders, with the support of Berkeley Research Group, LLC (an internationally recognized consulting firm with deep experience and strong presence in higher education). The final product marks a significant departure from the traditional strategic plan. Over time, the goal changed from creating a strategic plan for HCC to shaping HCC into a strategic organization, one where strategy is found in the decisions and actions it makes every day. The intention: a College that is strategic in each of its actions, nimbly responding to the challenges of a complex environment, seizing opportunities, and acting in ways that are truly transformational.

HCC Today

Through the course of the discovery process, HCC not only engaged with individuals, organizations, and communities across Greater Houston but also sought to better understand, in the most concrete

terms possible, its contribution to the economic vitality of the region. Equally important, HCC sought answers to how it could amplify its contributions in the future. This required the College to learn as much as it could about one of the most diverse, economically dynamic, and socially complex regional communities in the nation.

Today, the HCC service area includes the Houston Independent School District, the Katy, Spring Branch, and Alief Independent School Districts, the Stafford Municipal District, and the Fort Bend portion of Missouri City. With eighteen locations across the Houston region, fourteen Centers of Excellence, and more than 100 programs of study, HCC currently brings academics and skills development to area residents. The COVID-19 pandemic, which began during the construction of this plan, forever changed the way that HCC connects to and educates the Gulf Coast community. From the inception of the H-Force collaborative to leverage Houston Community College's resources to supply personal protective equipment to rapid pivots that allowed students to continue their education and find jobs, the vital connection of HCC to the communities it serves remains steadfast. HCC rapidly evolved to online models to meet student needs, and the recurring waves of the pandemic required swift collaboration and design that changed the way work is done at HCC.

Pushing the boundaries of the traditional educational model, HCC is engaging with the changing times, creating an ecosystem where student aspirations align with solutions and create long

lasting impacts. The twenty-first century presents HCC with great opportunities, but it also challenges the institution to connect with students where they learn and to adjust to their needs. HCC has committed itself to delivering the ultimate student experience by meeting students where they are, creating the intersection of innovation and education where meaningful change happens. HCC is charting a path that combines creativity, entrepreneurship, groundbreaking technology, and community partnerships to build on its enduring strengths while building something new that matches the challenges of a rapidly changing workplace and world. This Comprehensive Strategy provides the framework to coordinate current major initiatives, to sustain HCC's economic impact on the Greater Houston Area, and to meet the increasing demand for a diverse workforce.

HCC's Future

This Comprehensive Strategy serves as the foundation for building an organization ready for anything, designed to last, and prepared to embrace a future of specific accomplishments. Those accomplishments will be as wide-ranging as organizational restructuring, furthering the role of the Centers of Excellence, pursuing the Ultimate Student Experience, and enhancing teaching and instruction. The Comprehensive Strategy will also drive decision-making about considerably broader issues, such as sustaining lifelong learning, which gives HCC students the ability to constantly refresh and update

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their workplace competencies and capabilities. HCC's strategic priorities will measure how effectively it achieves these important goals.

The Comprehensive Strategy

HCC's Comprehensive Strategy comprises many parts which nest within each other to form a cohesive, coherent whole. They include a clear sense of direction, specific strategies, and distinct operational elements designed for achievement. Embracing Houston's Future serves as a manual for how to operate HCC as an institution that thinks and works strategically. Those elements are:

Mission, Vision, and Values. While HCC's Mission has not changed since originally formulated in 2007, the world around the College has. So, while the Mission remains the same, the Vision has been rethought to reflect the shifts taking place and how best to respond. Likewise, practical experience with the HCC Way – the College's expression of its Values and what it holds dear in its working environment – has led to modifications such as The Mosaic Movement, which seeks to better express and achieve the culture HCC believes essential to its Mission.

Strategic Priorities. Aside from clearly stated Mission, Vision, and Values, a successful organization requires strategic priorities that are exact and quantifiable. While too few priorities allow an organization to stagnate, too many priorities scatter the focus of the organization. In trying to do too many things, the organization wastes its finite resources and is likely to fall short. HCC has chosen to focus on five strategic

priorities: Student Success, Personalized Learning, Academic Rigor, Community Investment, and College of Choice.

Strategic Goals, Targets, Benchmarks, Measurement, and Evaluation. Effective strategic priorities must be specific and quantifiable. Progress toward them must be measured. The act of measurement focuses the organization's attention and energies; regular assessment enhances accountability and provides the basis for improvement - the knowledge of what works well, and why, and what does not, and why not. HCC has committed to measurement as necessary to achieve its goals. Equally important, this represents an acceptance of accountability – to itself and to those it serves.

Organizational Capacity. A clearly stated Mission, a refined Vision, articulated and well-observed Values, strategic priorities, goals, targets, benchmarks, and Key Performance Indicators and measures still require that an organization has the capacity to act on them. A unique aspect of this Comprehensive Strategy is its focus on five organizational elements designed to build that organizational capacity:

- **Personas.** Typically, schools understand their students through traditional categorizations; they see their students as part of a particular race, ethnicity, economic class, or other standard classification. HCC, on the other hand, has chosen to understand the stories of its students by developing common models based on those stories. Through these models, the College can better serve students thanks to a deeper understanding of who they are now, who

they aspire to be, what they hope to do in the future, and the role that HCC can play in helping them navigate their path. Personas allow faculty, staff, and institutional leaders to empathize with students and the contexts of their lives, assisting in the development of policies and practices that are tailored to the needs of our students. Personas facilitate a student-centered perspective that allows HCC to provide all students what they need exactly when they need it.

- **Organizational Strategic Competencies.** HCC will build the capacity to be an organization that works strategically by becoming stronger in five key areas of organizational strategic competency: student-centeredness, communal responsiveness, collaborative design, entrepreneurial capacity, and technological mindfulness. Discussions of these competencies found later in this document makes clear that HCC defines them with precision and infuses them with specific expectations.

- **Integrated Planning Cycles.** Thanks to organizational transformation, the evolution of the HCC Way, and the Shared Services initiative, HCC has already been removing barriers across the organization and replacing them with policies and practices that foster cooperation and collaboration. This next stage in effective planning makes sure that all of the College's many planning cycles fit seamlessly together, reinforce

each other, and lead to strategically consistent outcomes across all levels of the College.

- **Relationship Mapping.** Every institution has an organizational chart; however, actual experience suggests that no chart based on carefully detailed hierarchies reflects the lived work experiences. Relationship mapping – the act of capturing how different parts of a complex organization actually relate to each other – yields doubly beneficial results: it offers HCC a much more complex portrait of how the institution functions and, at the same time, equips the College to better serve its strategic purposes thanks to a deeper understanding of the College's complexity.

- **Bias for Action.** Finally, a clear Mission, thoughtful Vision, articulated Values, strategic priorities, and the capacity to pursue them require the organization to commit to execution, to getting things done. HCC intends to draw on its organizational strategic competencies to pursue the College's five strategic priorities and get things done. HCC will support this bias for action in two ways:

- Organization Design. First, HCC will organize itself to get things done. This effort began in February 2017 with the reestablishment of the Strategy, Planning, and Institutional Effectiveness Division under the leadership of a new Vice Chancellor. This Division is responsible for providing system-wide leadership supporting

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in conjunction with other equity lenses such as race, gender, and ability status,

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operational planning, innovation, growth, and transformation to ensure organizational effectiveness.

- Results-Focused Management. Results require actions and deliberate behaviors on the part of individuals. To ensure that HCC's comprehensive strategic vision becomes lived reality, the College has incorporated an approach to incentivize faculty and staff to engage in the behaviors that will generate the results which realize HCC's vision and fulfill its mission. The culture of an organization is the sum of the individual behaviors found there. HCC will put in place a program of results-focused management and will foster the culture necessary for it to be the institution our community needs.

Mission, Vision, and Values
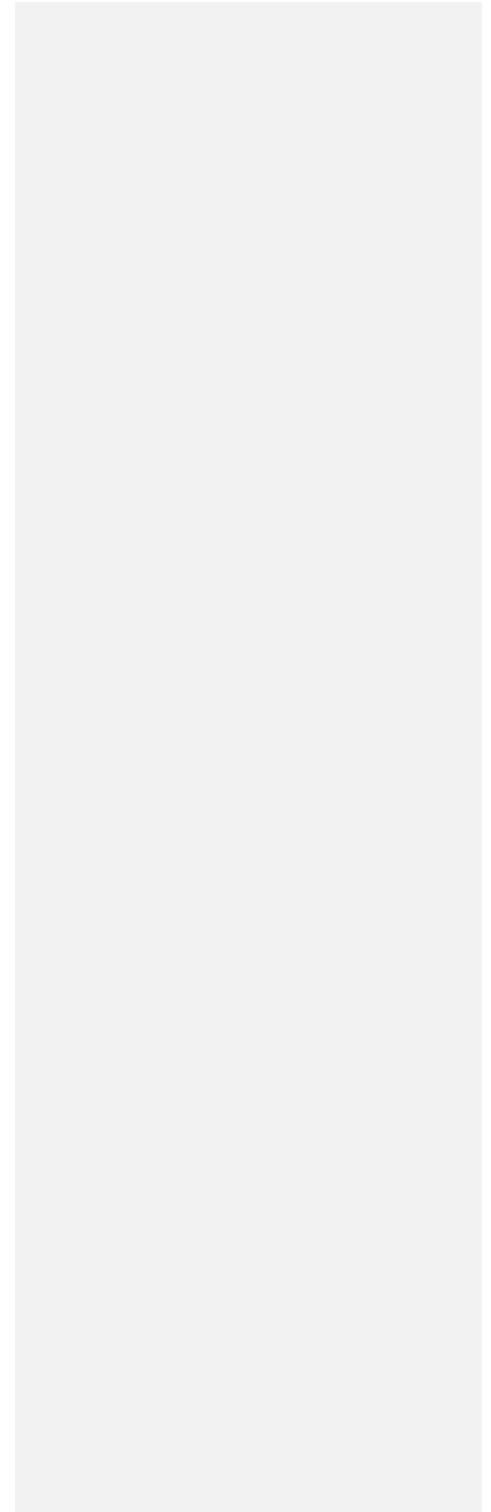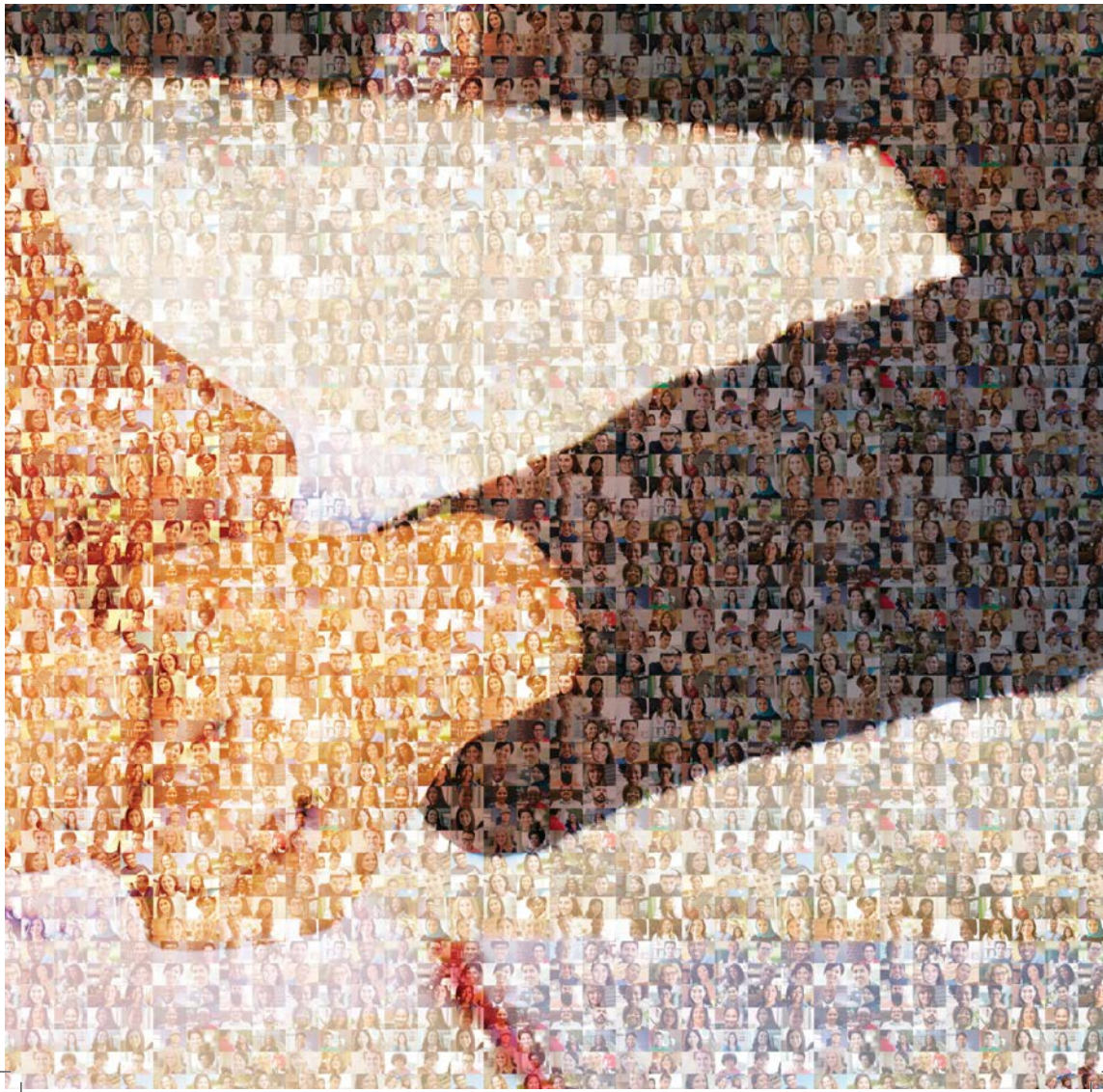
About the HCC Mission, Vision, and Values

Established for more than a decade, the Mission of HCC remains the same. While the Mission remains the same, the Greater Houston community HCC serves has become more diverse than ever before — indeed, more diverse than anywhere else in the United States. The world of work has become trickier to traverse; the notion of lifetime employment with an employer who returns that loyalty and commitment has given way increasingly to serial employment and placed long term economic security more on the individual than the employer. At the same time, younger generations are less attached to a lifetime with one employer, and they seek a different work-life balance. Consequently, people must acquire knowledge and training over their lives, not as a one-time experience. Thanks to these and other emerging realities, the Mission of HCC may not have changed, but the methods required to fulfill that Mission most certainly have. As HCC has grown in its understanding of its Mission in the community it serves, its Vision has likewise deepened and broadened. Given the competition for the attention and commitment of potential students, the imperative to provide the highest quality education is greater than ever. Advances in methods of teaching and learning – including the ever-increasing use of technology – require a mindset prone to innovation. Perhaps most important, HCC has gained an even stronger role in the community.

> **The College must not only respond to the needs of that community; it must also take on a leadership role in driving the change that will ensure an educated, productive, and fulfilled workforce that supports the vibrant economy that will guarantee the future of the Greater Houston region. All of this is reflected in a Vision revised to meet the times.**

Finally, while HCC still holds fast to the Values that inform every aspect of its work, the College continues to learn from practical experience all that living those Values entails. This has allowed HCC to capture the contours of those Values and more precisely express them even more clearly – a step critical to promote common understanding of what is expected from employees and what can be expected from HCC by students, stakeholders, and the community at large. As the Values state, going forward, HCC will be more committed than ever to collaboration, whether internally or with the world outside. The Values underscore HCC's devotion to service and belief in empowerment of individuals as essential to the success of the institution. The College's passion to learn and commitment to drive innovation speak to HCC's recognition that, in the modern world, learning is no longer a single moment in one's life but a perpetual practice, and that the many ways people learn, numerous and varied as they may be now, must become even more creative in the future. Together, all of these values constitute what HCC expects of its faculty and staff as essential to realizing its Vision and fulling its Mission. HCC Values have been refined, and at their heart they have not changed; they have instead been enhanced so that HCC may better respond to a changing world, seize the opportunities presented, transform both the institution and the community it serves.

The HCC 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 development, and lifelong learning to prepare individuals in our diverse communities for life and work in a global and technological society.
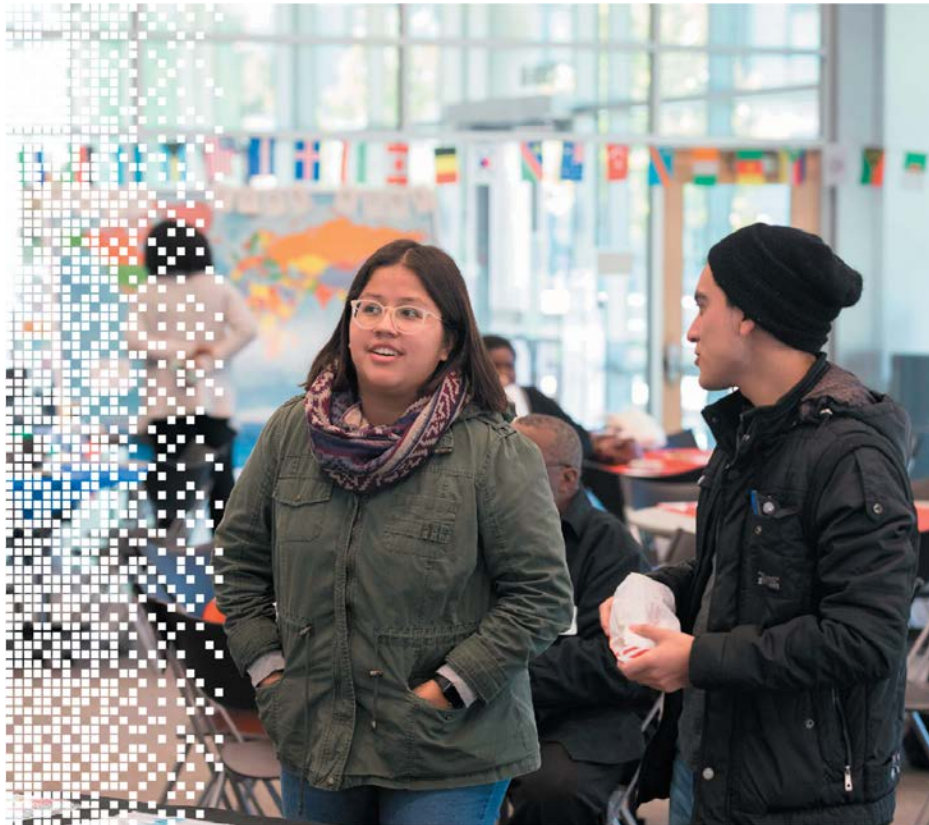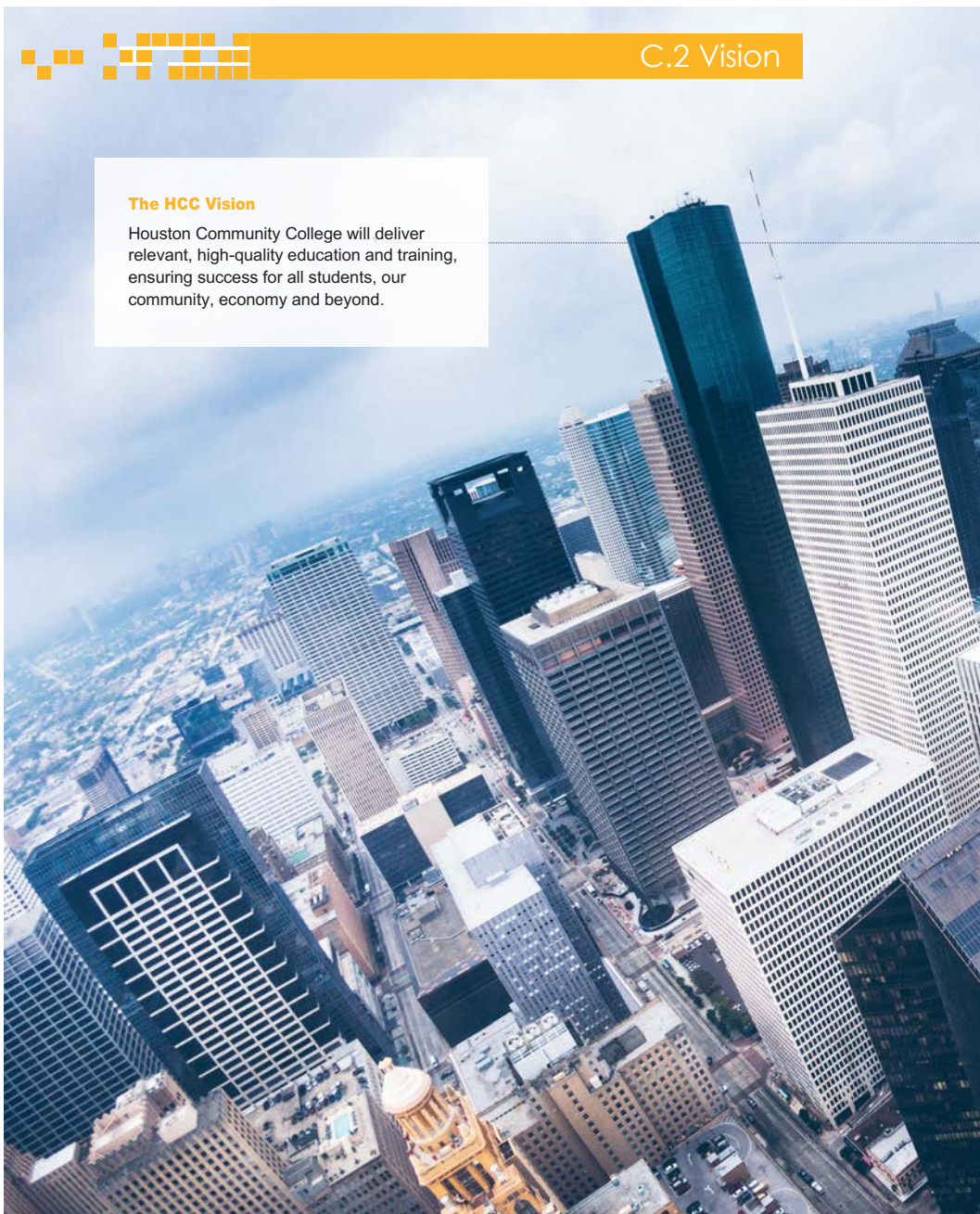
The HCC Vision

Houston Community College will deliver relevant, high-quality education and training, ensuring success for all students, our community, economy and beyond.

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HCC Shared Values

Commitment to Collaborate. HCC works best when faculty and staff collaborate with each other, students, community, and all whom the College serves. The open sharing of resources, ideas, skills, and knowledge from diverse perspectives working towards common goals and solutions help to generate synergy to achieve HCC's goals. Those who work at HCC value differences in each other, recognizing those distinctions as assets that when brought together create better outcomes.

Devotion to Service. HCC faculty and staff subscribe to an unwavering commitment to serve students and community. Their willingness to adopt a "serve others first" mentality and approach to their work enables them to live up to and surpass the expectations of their constituents and each other. By putting service first, HCC ensures the best experience for those who choose to be part of HCC and those who the College serves.

Empower to Trust. HCC encourages and actively empowers trust individually and collectively as faculty and staff work to serve students, community, and each other. Empowering themselves and others to trust each other's motives, work, and integrity, they are able to encourage and sustain an environment where students can most effectively learn, faculty can teach, and employees can thrive.

Passion to Learn. HCC as an institution believes in life-long learning, where faculty and staff are committed to the continuous pursuit of learning in all that they do. There is an inherent passion for teaching and connecting ideas, lessons, and concepts with other classrooms, colleges, and offices. HCC faculty and staff embrace and promote the never-ending pursuit of learning and bettering of themselves, their colleagues, and those they serve.

Drive to Innovate. HCC actively encourages intentional innovation and purposeful evolution to anticipate the changing needs of students, their current and future employers, and the Greater Houston community. In such an environment, innovation becomes an internalized way of thinking and affecting change. HCC faculty and staff commit themselves to understanding the here and now as well as the nascent trends that they must address. They also understand and accept that innovation does not always succeed; a willingness to embrace the new must be balanced with a prudent assessment of risk and reward.

Mosaic

Mosaic is the culmination of decades of work HCC has done to codify and align the things that matter most – the values, competencies, and behaviors that fuel the efforts to achieve the strategic goals and fulfill the Mission of the College. The Mosaic Movement realizes how all of the parts of the College – the foundational pieces – and all of its activities interconnect and work in unison. Mosaic & Me is the "cultural mortar" or glue that holds everything together; it combines the guiding principles of HCC's shared values with the individual habits and behavioral expectations of individual employees, building on the foundation laid by the HCC Way.

MOSAIC
& ME

2022 STRATEGIC PLAN

Section D:

Current State Analysis
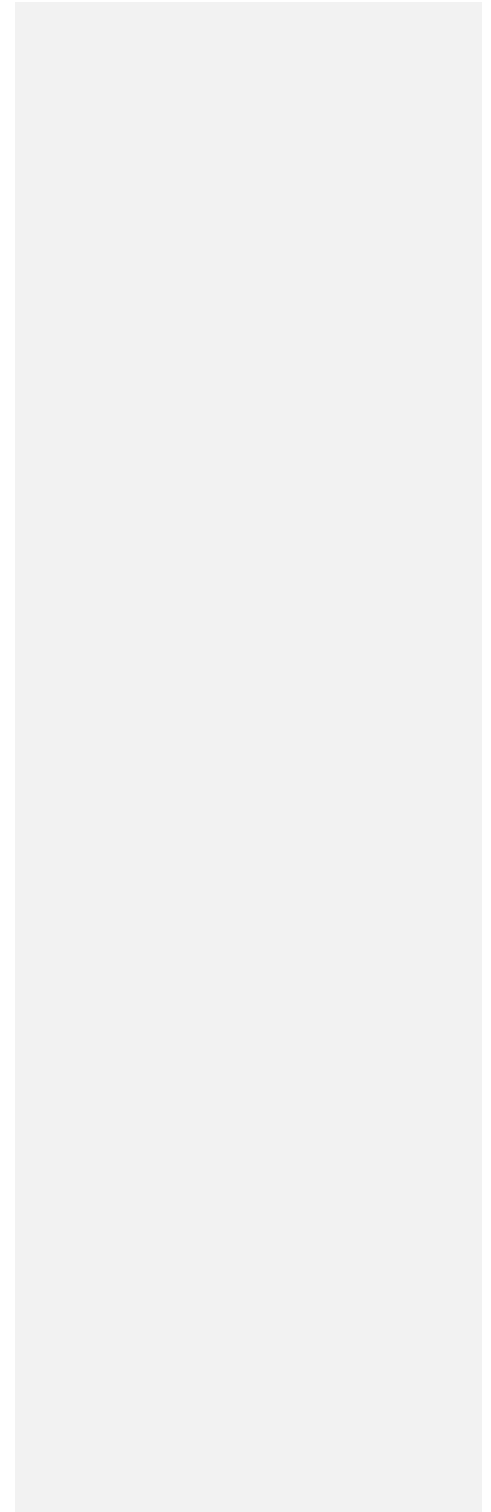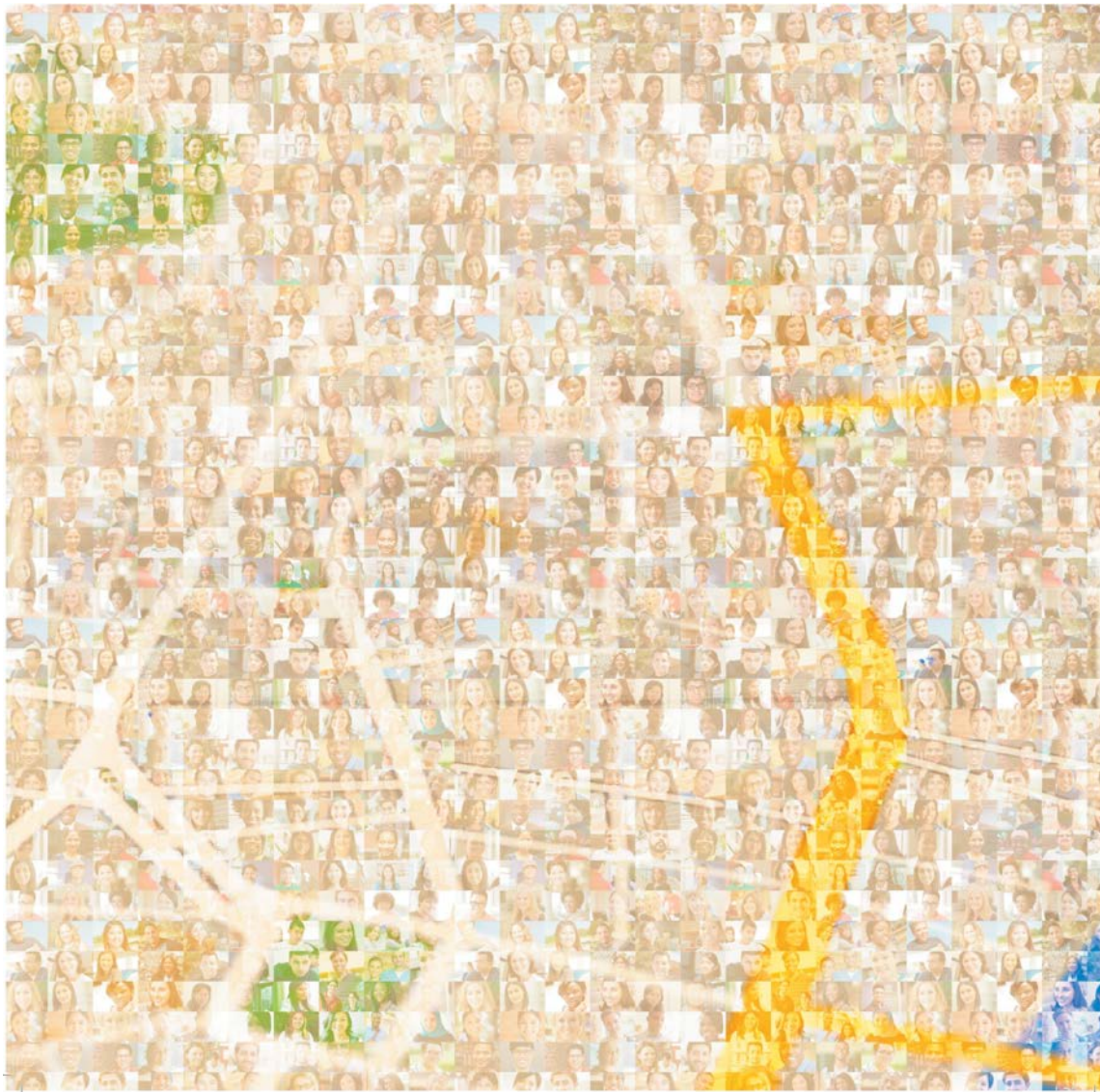
D.1 HCC Today

Houston Community College was created in 1971 by referendum vote. Originally established under the governance of the Houston Independent School District, it was made independent in 1989 and given its own elected Board of Trustees. In 1992, HCC was restructured into a multi-college system.

Today, the HCC service area includes the Houston Independent School District, the Katy, Spring Branch, and Alief Independent School Districts, the Stafford Municipal District, and the Fort Bend portion of Missouri City. With nineteen locations across the Houston region, fourteen Centers of Excellence, and more than 100 programs of study, HCC is bringing academics and skills development to area residents.

Partnering with industry leaders, HCC provides best practices training and workforce preparedness. Joining forces with local and state universities, the College gives its students pathways to high-quality, affordable education. To ensure student success, HCC also offers students one-on-one advising to help them achieve their goals. These efforts have met with significant success. Graduation rates are up. Costs and excess credit hours are down. HCC is supplying a steady stream of accredited graduates to industries across Greater Houston.

> HCC seeks to serve students most effectively by meeting them where they are, drawing on the leverage created when innovation and education intersect. Charting a path that combines creativity, entrepreneurship, groundbreaking technology, and community partnerships, the College is working to deliver the ultimate student experience.

HCC's commitment to disrupting education through innovation also includes exclusive, forward-thinking partnerships with Apple, Sony, Audi, and the Challenger Learning Center, through which students are learning 3D printing, robotics, and coding for apps in the iOS platform, as well as working on space architecture for NASA's Mars Project.

To address the business community's need for more skilled workers, HCC continues to develop innovative programs that align with industry needs. The RigOne simulation lab trains roustabouts to work on oil rigs. The truck driving program trains students with both state-of-the-art truck simulators and actual trucks, resulting in drivers who are road-ready from day one on the job. A unique partnership with Trio Electric and the Spring Branch Independent School District provides electrician training through classroom experience and apprenticeships while students are still in high school. Coleman College, in the heart of the Texas Medical Center, provides students with hands-on experience with medical equipment, technology, and tools in a simulated hospital setting and in clinical rotations in world-class facilities.

These innovations and many others are central to HCC's goal of meeting the diverse needs of its students, as well as the multiple and complex workplace demands of Greater Houston. Whatever the particular program, the goals remain the same: to meet students where they are and give them the education they need today, while looking forward through a process of continuous improvement to anticipate and prepare what those needs will be tomorrow.

HCC College Service Area Map 2022

Taxing District

Non-Taxing District

● Facility
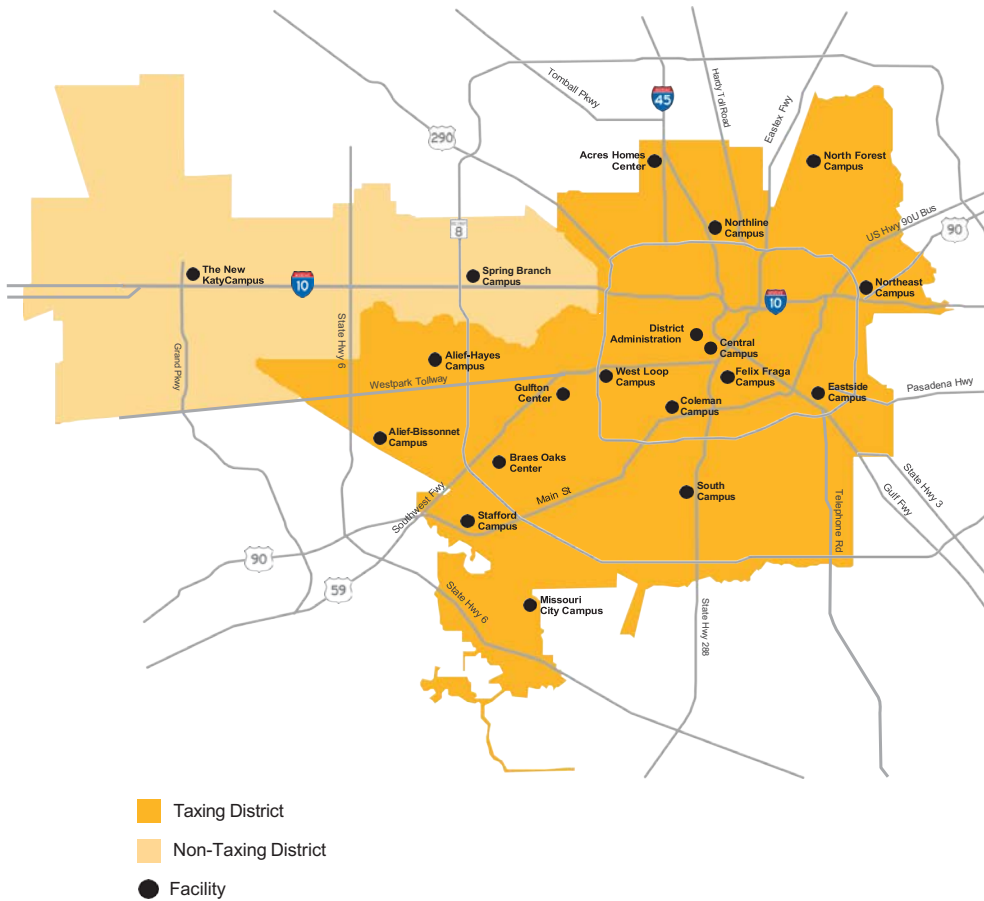
Source: Tiger Reference Files, Census Bureau, 2010; GIS MapInfo v12.0.3,2013; OIR Mapping files of Executive Team approved HCC Service Area and College Boundaries, Sept. 13, 2013.

An integral element of HCC's transformation journey was a transition toward a model focused on education, innovation, and improving student outcomes. In pursuit of this outcome, the College migrated away from "Centers of Delivery" to the concept of Centers of Excellence.

> **Previously, HCC had been structured as one entity that operated as six separate colleges. The Center of Excellence model strengthens workforce preparation by connecting technical programs, unifying institution-wide efforts in workforce development, and providing better, more complete support for students.**

At the heart of HCC's system of Centers of Excellence is a laser-sharp focus on academics and on rigor. Centers of Excellence enable HCC to be more efficient in scheduling course sections, increasing course availability in response to student demand, enhancing collaboration regarding faculty development across the service area, and placing more emphasis on creating the ultimate student experience.

The locations of the Centers were determined based on establishing effective partnerships with industry leaders and developing the most productive learning environment for students. The Centers of Excellence are distributed strategically in corridors where the industry in question is strong and where the College can best leverage a concentration of assets: human capital, facilities, and equipment. While introductory classes are offered in more than one location, the higher-level requirements require a student to be at the location that offers them the best education in their field of interest. Online offerings and other technological advances support this model and make it easier for students to access the very best education available in these fields.

Today HCC's Centers of Excellence leverage the expertise, resources, and faculty of the College allowing students to craft pathways to their futures. HCC's Coleman College for Health Science exemplifies the benefits to students of the Centers of Excellence strategy. Coleman students are clustered with peers all of whom are interested in the same industry and area of study. Coleman College is located in the Texas Medical Center, the largest life sciences destination in the world. These students learn together, go into the workforce together, and even operate together. They are educated as much through these daily interactions with medical professionals and with each other as they are by their classroom experience.

What follows is a complete catalog of HCC's fourteen Centers of Excellence and their locations. Equally important, the accreditations for each Center are listed; illustrating the faculty's commitment to rigor.

7 Colleges

14 Centers of Excellence

Media, Visual & Performing Arts

Resilience

Public Safety

Engineering

Academics

Global Energy

Northwest

Northeast

Architecture, Design & Construction

Central

Online

Consumer

Education

Southwest

Southeast
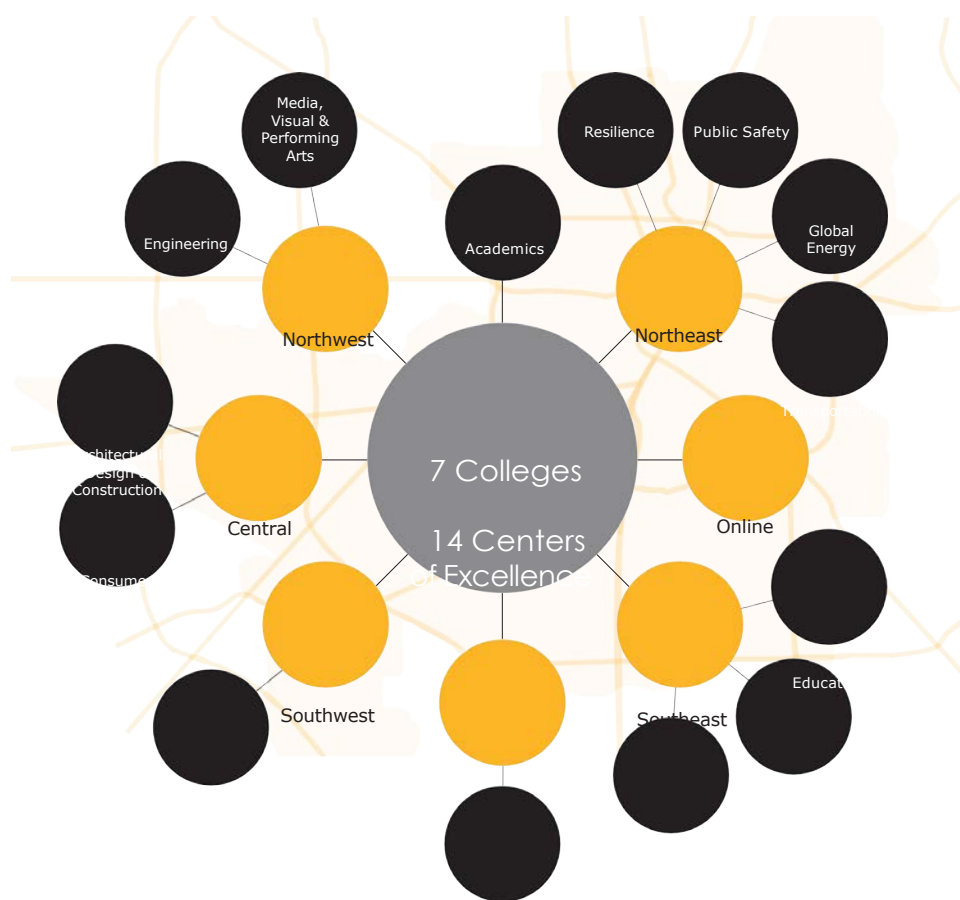
ACCREDITATIONS

- ■ NABCP North American Board of Certified Energy Practitioners
- ■ TDLR Texas Department of Licensing and Regulation (Cosmetology)
- ■ C.I.D. Certified Interior Decorators International
- ■ ACPHA Accreditation Commission for Programs in Hospitality Administration
- ■ NASAD The National Association of Schools of Art and Design
- ■ NCCER National Center for Construction and Education Research
- ■ NKBA National Kitchen and Bath Association
- ■ ACF American Culinary Federation Education Foundation Accrediting Commission

Central

Consumer Arts & Sciences

- Cosmetology
- Culinary Arts
- Pastry Arts
- Fashion Design
- Fashion Merchandising
- Hospitality Administration

Architectural Design and Construction

- Interior Design
- Construction Management Technology
- Heating, Air Conditioning, Refrigeration
- Electrical Technology
- Drafting & Design Engineering Technology
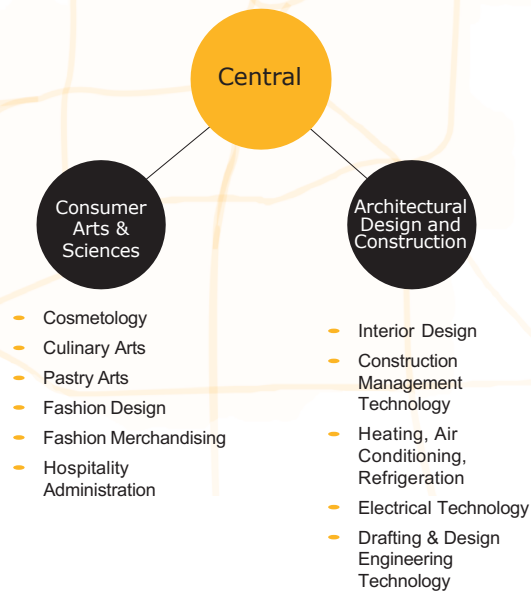
ACCREDITATIONS

- ◼ CODA Commission on Dental Accreditation of the American Dental Association
- ◼ CAAHEP/MAERB Commission on Accreditation of Allied Health Education Programs accredits programs upon the recommendation of the Medical Assisting Education Review Board
- ◼ CAAHEP/JRC-DMS Commission on Accreditation of Allied Health Education Programs accredits programs upon the recommendation of the Joint Review Committee on Educational Programs in Diagnostic Medical Sonography
- ◼ JRCNMT Joint Review Committee on Educational Programs in Nuclear Medicine Technology
- ◼ ASHP/ACPE American Society of Health-System Pharmacists and the Accreditation Council for

  Pharmacy Education
- ◼ CoARC Commission on Accreditation for Respiratory Care
- ◼ CAAHEP/ARC/STSA Commission on Accreditation of Allied Health Education Programs accredits programs upon the recommendation of the Accreditation Review Council on Education in Surgical Technology and Surgical Assisting
- ◼ CAPTE Commission on Accreditation in Physical Therapy Education
- ◼ CAHIIM Commission on Accreditation for Health Informatics and Information Management Education
- ◼ NAACLS National Accrediting Agency for Clinical Laboratory Sciences
- ◼ TBON Texas Board of Nursing
- ◼ ACOTE The American Council for Occupational Therapy
- ◼ JRCERT Joint Review Committee on Education in Radiologic Technology

Coleman — Health Sciences

- Dental Assisting
- Dental Hygiene
- Computed Tomography
- Diagnostic Medical Sonography
- Medical Biotechnology
- Health Information Technology
- Human Service Technology
- Histological Technician
- Licensed Vocational Nursing (LVN)
- Medical Assistant
- Medical Laboratory Technician
- Nuclear Medicine Technology
- Associate Degree Nursing
- Occupational Therapy Assistant
- Pharmacy Technician
- Physical Therapy Assistant
- Radiography
- Respiratory Therapy
- Surgical Technology
- Endoscopy Technician

Northeast

- **Global Energy**
- **Resilience**
- **Public Safety**
- **Transportation**

Global Energy
- Electronics Engineering Technology
- Instrumentation and Controls Engineering Technology
- Petroleum Engineering Technology
- Process Technology

Public Safety
- Fire Science & Safety
- Criminal Justice/Law Enforcement
- Emergency Medical Services

Transportation
- Automotive Technology
- Heavy Vehicle & Truck Repair

ACCREDITATIONS

- NATEF National Automotive Technicians Education Foundation
- TCOLE Texas Commission on Law Enforcement
- TCFP Texas Commission on Fire Protection
- NAPTA North American Process Technology Alliance
- ETAC/ABET Engineering Technology Accreditation Commission / Accreditation Board for Engineering and Technology
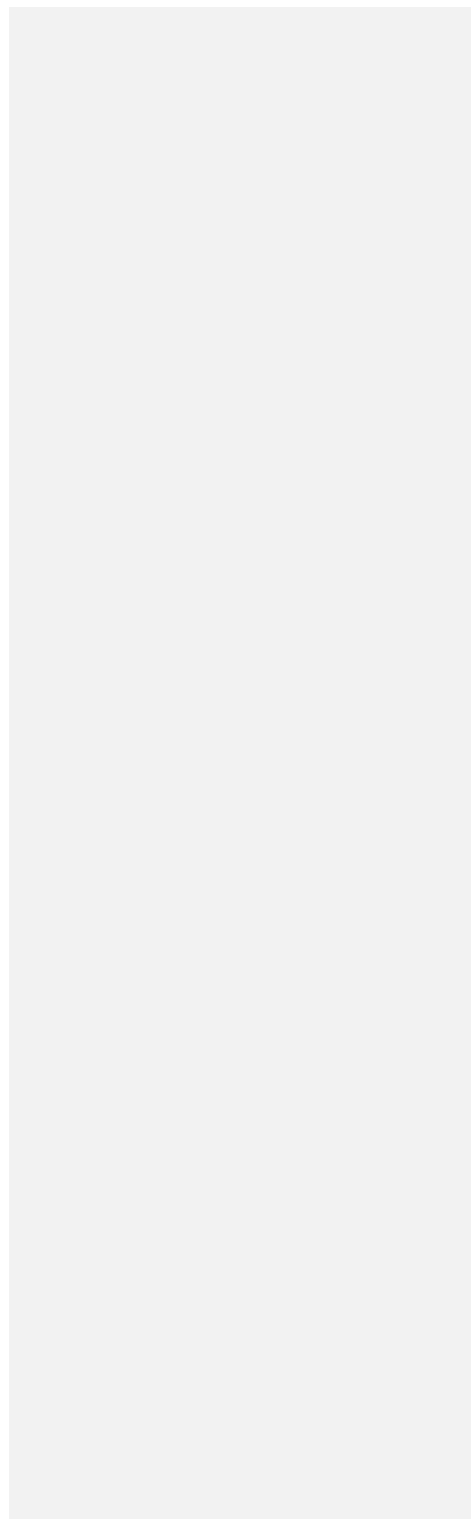
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                    Northwest


      Engineering              Media,
                              Visual and
                              Performing
                                 Arts
```

- Engineering
- Audio Recording Technology
- Filmmaking
- Music Business
- Art
- Dance
- Drama
- Music

ACCREDITATIONS

■ NASAD The National Association of Schools of Art and Design

ACCREDITATIONS

- ■ ACBSP Accreditation Council for Business Schools and Programs
- ■ ABA American Bankers Association
- ■ TREC Texas Real Estate Commission
- ■ SBEC/TEA The State Board for Educator Certification and the Texas Education Agency
- ■ NIMS The National Institute for Metalmaking Skills
- ■ PMMI The Association for Packaging and Processing Technologies
- ■ NCCER National Center for Construction Education and Research
- ■ AWS American Welding Society
- ■ NALA National Association of Legal Assistants (State Bar of Texas: Paralegal Division)
- ■ NAEYC National Association for the Education of Young Children

Southeast

Education Professions	Material Science & Smart Manufacturing	Logistics	Business
Child Development	Welding Technology	Logistics & Global Supply Chain Management	Accounting
Teacher Education	Manufacturing Engineering Technology	International Business	Business
Alternative Teacher Certification	Machining Technology		Business Management
Kinesiology			Business Technology
			Finance/Banking
			Marketing/ Marketing Management
			Paralegal Technology
			Real Estate
			Translation & Interpretation

ACCREDITATIONS

- NASAD The National Association of Schools of Art and Design
- NCAE-C The National Centers of Academic Excellence in Cybersecurity

Southwest

Digital & Information Technology

- Computer Systems, Networking
- Digital Gaming & Simulation
- Digital Communication
- Artificial Intelligence
- Computer Programming

Leading HCC requires collaboration and creativity across the system. In 2018, the Chancellor's assemblies were consolidated into a single team to improve attention on performance and achieve institutional goals. This restructuring accomplished two critical objectives: it enabled the Chancellor's Council to focus on shared services and for college Presidents to give greater attention to delivery of HCC's value proposition to students. In this structure, the Presidents to report directly to the

Chancellor establishing a single assembly in shared leadership that focuses on strategic and cross-functional planning. The shared leadership model has proven to be effective in dealing with both challenges and new opportunities. This has enabled HCC to leverage the knowledge, skills, and abilities of its entire leadership team. The new structure connects the leadership team to activities that are critical to growth and operational excellence.

Chancellor's Executive Council

D.1.4 Enrollment by Student Demographic

Thanks to its location, population, and industry clusters, HCC is strategically well-positioned to enhance its presence as a national leader driving the change that will ensure an educated and fulfilled workforce supporting a vibrant economy in the nation's urban core. Situated within Houston, Texas, the nation's fourth largest and most diverse city, HCC's student body reflects that size and diversity.

The COVID-19 pandemic, which began during the construction of this plan, forever changed the way that HCC connects to the Gulf Coast community. HCC demonstrated its vital connection to the communities it serves through programs like H-Force, a collaborative, which leveraged the resources of the College to supply personal protective equipment, and Jobs Now Houston, which connects displaced workers to living wage jobs. The rapid evolution of online models to meet student needs, as well as the recurring waves of the pandemic, required swift collaboration and design that changed the way work is done at HCC.

FULL-TIME ENROLLMENT
33,867

PART-TIME ENROLLMENT
46,010

FALL 2019 STUDENTS TRANSFERRED TO 4-YEAR SCHOOLS
9,995

UNIVERSITY PARTNERSHIPS

INTERNATIONAL STUDENT ENROLLMENT
6,371

TOP 5 REPRESENTED COUNTRIES

VIETNAM   MEXICO   NIGERIA   CHINA   INDIA
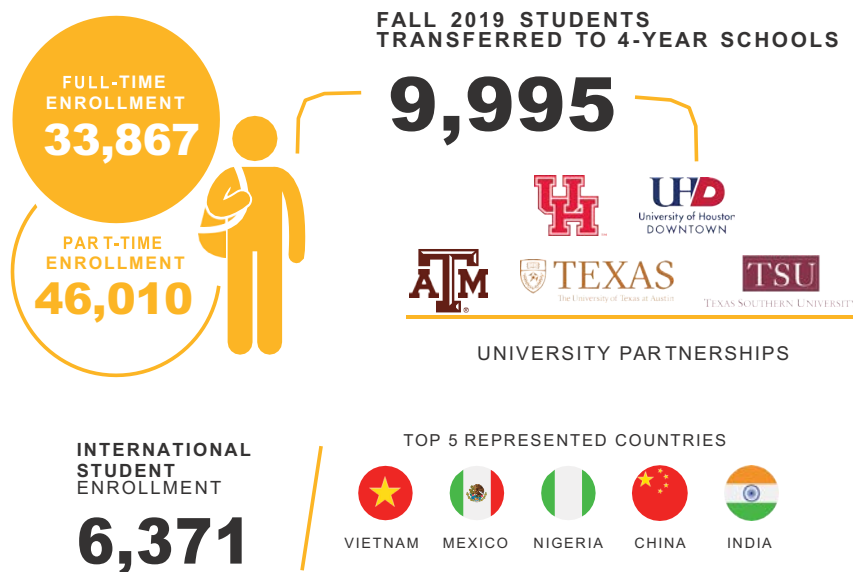
Pushing the boundaries of the traditional educational model, HCC is engaging with the changing times, creating an ecosystem where student aspirations align with solutions far more impactful than before. The twenty-first century presents HCC with great opportunities, but it also challenges the institution to connect with students where they learn and adjust to their needs. HCC has committed itself to delivering the ultimate student experience by meeting students where they are, creating the intersection of innovation and education where meaningful change happens. HCC is charting a path that combines creativity, entrepreneurship, groundbreaking technology, and community partnerships to build on its enduring strengths while building something new that matches the challenges of a rapidly changing workplace and world.

2019-2020
Source: HCC Fact Book 2019-2020

5.7% OTHER

12.9% ASIAN

27.9% AFRICAN AMERICAN

14.9% WHITE

38.5% HISPANIC

2017-2018 HCC ANNUAL ENROLLMENT

98,211

GENDER
ALL STUDENTS

MALE
41,759

OTHER/ UNKNOWN
440

FEMALE
56,012

AGE GROUP

UNDER 18	5,518
18-22	35,165
23-30	28,354
31-50	23,654
OVER 50	5,433
UNKNOWN	87
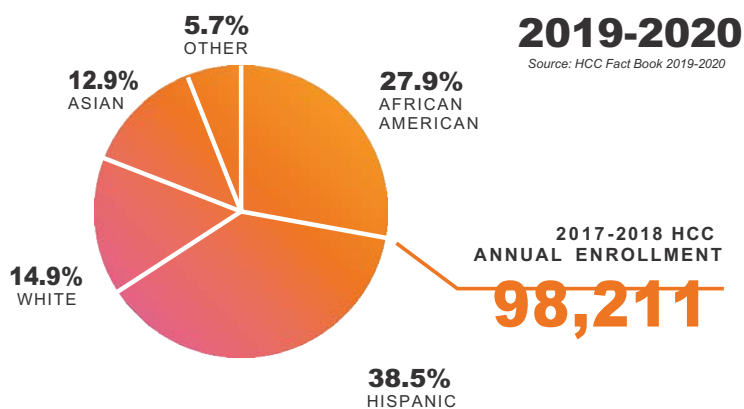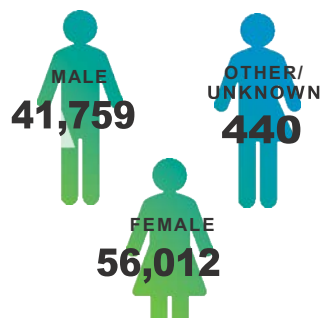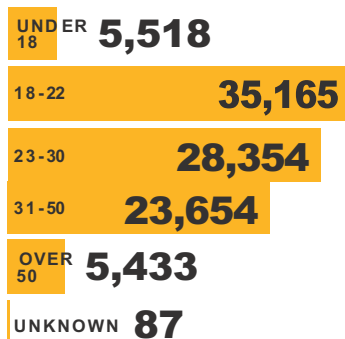
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Current Major Initiatives

To succeed, HCC must undertake a wide range of initiatives, from innovations in curriculum and student services to facilities planning and capital projects, as well as everything in between. Many of these initiatives fall into one of four broad categories:

Creating the Ultimate Student Experience. Knowing that the reason HCC exists is to serve the community by serving students, the College has focused significant resources on making the student experience the most positive one possible. Among these initiatives has been an enhanced focus on professional development, customer service, improved advising with increased staffing, training, and process alignment, improved educational pathways that ensure greater clarity for students and ease the transition to work or university, new offerings that include online, weekend, and honors college courses, apprenticeship programs in high-demand industries and professions, and nearly $17 million in student scholarships between 2017 and 2021. The results have been commensurate with the effort: two examples are an 89% rate in job placement or transfer after graduation, and a 45% increase in dual-credit enrollment. This work continues with the institution's Quality Enhancement Plan, *Personalized Learning Pathways*, which seeks to continue HCC's transition to a student-centered college.

Modernizing College Organization and Operations. Understanding that to better serve students and the community requires innovative change, HCC has taken a number of steps to streamline the institution and make operations more effective. Among these steps are: creating industry responsive Centers of Excellence, implementing a Shared Service model, updating the budgeting and budget development process, improving financial transparency, optimizing resources and enhancing sustainability, and reorganizing the executive leadership team to better meet the needs of the College. The result: a more nimble, responsive organization poised to take the next significant step in its evolution.

Strengthening Partnerships. Embracing the reality that for HCC to succeed, the College must be wholly and productively integrated with the communities it seeks to serve, and recognizing that to accomplish that integration requires a willingness to enter into partnerships, the College has reached out in many directions to pair its strengths and resources with those of others. This has included partnerships with independent school districts, charter and private schools through the Collect Connections and Eagle Promise programs, collaborations with local universities, articulation agreements and Houston GPS, and work with business and industry through organizations such as the Greater Houston Partnership and regional chambers of commerce. The outcome is a series of programs and initiatives that have extended the reach and deepened the impact of the College.

Cultural Alignment. Organizational culture encompasses the shared values, expectations, and practices of the institution and forms the basis for the organization's priorities as well as how

things are done. Organizational culture is one of the strongest predictors of organizational effectiveness. Alignment of culture, habits, and routines with strategy and leadership supports and sustains execution. HCC has promoted cultural alignment through a variety of initiatives, including cultivating a culture of care, aligning the allocation of faculty and staff across the District to match student needs, launching Mosaic + Me, defining shared cultural foundations, and developing a collaborative governance model through establishment of accountable bodies such as the T-100 and the Executive Council.

Focus on these four areas has also led to significant results:

Capital Improvements Program. HCC successfully completed a $425M Capital Improvements Program under budget, without sacrificing programmatic commitments. Thanks to coming in under budget, the College is currently repurposing $21M in savings to support student and community expectations.

The HCC Way. HCC introduced one of the most forward-thinking cultural change initiatives in the College's history through the launch of the HCC Way, defining behavioral expectations for every employee at HCC and making each staff and faculty member accountable to each other for the ultimate student experience and institutional success. The lessons learned in implementing the HCC Way have served as the basis for the next step in defining core competencies and expectations, the Mosaic Movement.

Recruiting and Onboarding. Changes in recruiting and onboarding practices have led to prioritization of outreach and succession planning, strengthening the College's most valuable resource: talent.

Shared Services. The College has adopted and is implementing a shared leadership structure and a Shared Services model designed to properly support faculty and staff across the breadth of their needs.

Debt Management. HCC has paid down debt by $19.1 million, improved the College's financial rating through sound financial management, and, with the adoption of a strong financial reserve policy, increased Days Cash on Hand from 168 to 218. Moody's and S & P Global provided their top ratings to HCC in acknowledgment of the College's sound financial status.

Regional Emergency Response Training Center. HCC continues to address sustainability and the long-term needs of the community by expanding its training offerings. The College plans to increase the size of the Northeast campus first-response and public service training programs to meet the expectations of the community, the Gulf coast, and the state. HCC will build a unique facility that provides controlled realistic training scenarios in flood, rising-, and swift-water conditions. Emergency responders are in need of a facility of this caliber and HCC is dedicated to providing it. This facility will form the core of the new Resilience Center of Excellence.

West Houston Expansion. The College has relocated and increased the size of the Katy Campus to meet the needs of

Deleted: inclusion

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the far west Houston area – part of HCC's current service area – and to expand its programs to meet the growing in-demand needs for science and workforce programs, such as nursing, at the most economical cost and value to the district. With the support of the HCC Board of Trustees, the community, and a unique partnership with the University of Houston, the College co-located its Katy Campus with the University of Houston to provide a seamless 2+2 transfer program arrangement, accommodate additional instruction delivery, and expand science facilities. The ribbon-cutting ceremony occurred on May 6, 2022.

50th Anniversary. 2021 was a historic year for HCC, as the College officially celebrates fifty years of educating and training

Houstonians. Due to the pandemic, the College scaled back in-person events, but each college hosted a celebration.

Houston Promise & Houston Connect. Prior to the pandemic, the percentage of graduates entering higher education had remained fairly constant; however, during the pandemic the percentage of students entering higher education dropped precipitously. Houston Promise and Houston Connect will create pathways that impact students in HCC's ISD partners' under-performing schools by connecting with both employers and four-year institutions. Examples include a six-week summer bridge program which provides invaluable job training, apprenticeships, college readiness, and Texas Success Initiative Academies. This latter,

HCC area high school graduates enrolling in higher education declined 15% over last decade

	11-12 Grads	12-13 Grads	13-14 Grads	14-15 Grads	15-16 Grads	16-17 Grads	17-18 Grads	18-19 Grads	19-20 Grads	20-21 Grads
Enrolled in Higher Education	51%	51%	51%	50%	49%	50%	49%	48%	39%	36%

Source: THECB, HS graduates found in higher education, 2013-2014 through 2020-2021; HCC districts include Houston, Spring Branch, Fort Bend, Katy, and Alief.
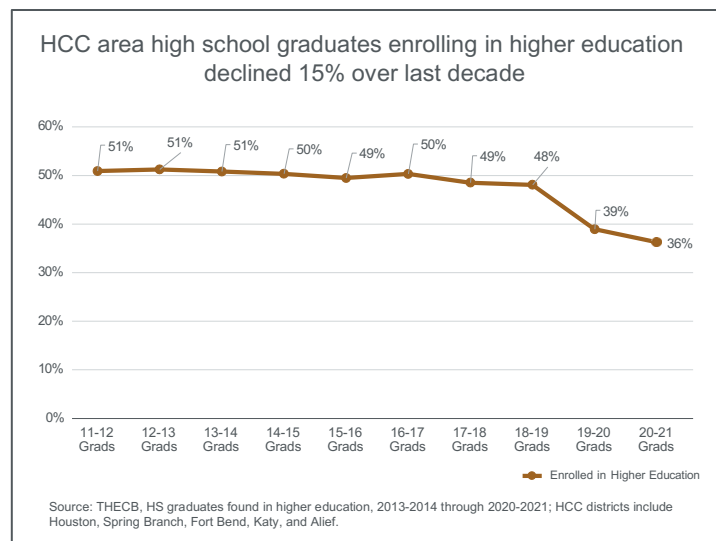
unprecedented initiative, which represents the convening of multiple institutions – higher ed, K12, community board partners, the business community, and employers – will provide students with the pathway to a better life while fueling the local economy with a highly trained workforce.

Census. 2020 saw the launch of the Constitutionally-mandated decennial census, which provides HCC with significant information about the people who live in the College's service area. This information is critical to HCC in planning how to engage and educate an increasingly diverse and growing population. The census results also directly affect the redrawing of trustee districts.

SACSCOC Reaffirmation. In 2022, the Board of Directors of the Southern Association of College and Schools Commission on Colleges (SACSCOC) will consider HCC's application for reaffirmation of its regional accreditation. This reaffirmation will come as a result of years of institutional effort already under way to develop a compliance certification document around more than seventy Principles of Accreditation and includes the development of a five-year Quality Enhancement Plan focused on student learning and success. A site visit by an accreditation team in the fall of 2021 was successful and resulted in no recommendations, which means that the college is fully in compliance with SACSCOC standards.

Building a Talent Strong Texas. The State of Texas' strategic plan for higher education, Building a Talent Strong Texas,

is based on a determination by the state of Texas that the future of state depends on a majority of its residents getting some form of higher education. The COVID-19 pandemic accelerated trends that were already in progress, changing the way Texans learn, work, and connect with each other. Research shows that, of the 11.6 million new jobs the United States created after the 2008 Great Recession, 99% went to workers who had some form of higher education, defined as a certificate or degree earned after high school. It is also estimated that by 2030, 60% or more of all new jobs will require some level of higher education. However, right now, only 35% of Texans 25 years and older have an associates degree or higher. The goal of Building a Talent Strong Texas is to increase this to at least 60 percent by 2030 by encouraging institutions of higher education to expand work-based learning and offer a broader array of credentials, especially short-term credentials and badges. Additionally, the program intends that by 2030 at least 550,000 Texans will have completed a certificate, associate, bachelor's, or master's degree from a Texas higher-education institution, all graduates of Texas higher-education institutions will have completed programs conferring marketable skills, and that 95% of graduates will complete with no student debt or with manageable levels of debt relative to their earnings. HCC will be an integral part of this effort, taking on its responsibility to achieve its share of the goals and also exercising leadership in the Gulf Coast region to ensure the program's success.

POPULATION AND DEMOGRAPHICS

7.2 million
residents in the 9-county
Houston-The Woodlands-Sugar Land MSA

Nation's 5th most populous metro area

Larger than Missouri or Maryland

>

Approximate number of city of Houston residents

2.3 million
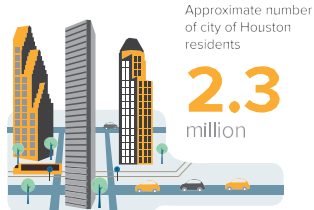
Houston is the nation's **4TH** most populous city

Race/Ethnicity: Houston MSA
Houston today mirrors the U.S. in 4 decades

- 38.6% Hispanic
- 34.1% Anglo
- 17.4% Black
- 8.1% Asian
- 1.8% Other
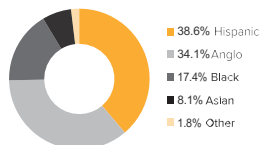
Nearly **1 in 4** Houstonians is foreign born

GLOBAL PRESENCE

15 foreign governments

maintain trade and commercial offices in Houston

39 active foreign chambers of commerce

Houston exports topped
$44.4 billion

a quarterly record for the region

45 million
Houston airport passengers in '21

global travelers
7.3 million

domestic travelers
38.8 million

The region has trading relationships with more than 200 countries.

$170.4 billion
in trade was handled by the Houston-Galveston Customs Districts in '21

Houston has the largest export market in the U.S.

Port Houston ranks

1st
in foreign tonnage for straight years
25

Largest
Gulf Coast container port

7th
busiest U.S. container port in '21, based on total TEUs.

140 Houston firms operate
2,955
subsidiary locations across 108 foreign countries.

1,700+
Houston establishments
report foreign ownership

87 nations
have consular representation in Houston

3RD largest representation in the nation

16 foreign banks
are located in Houston from 9 nations

GREATER HOUSTON
PARTNERSHIP
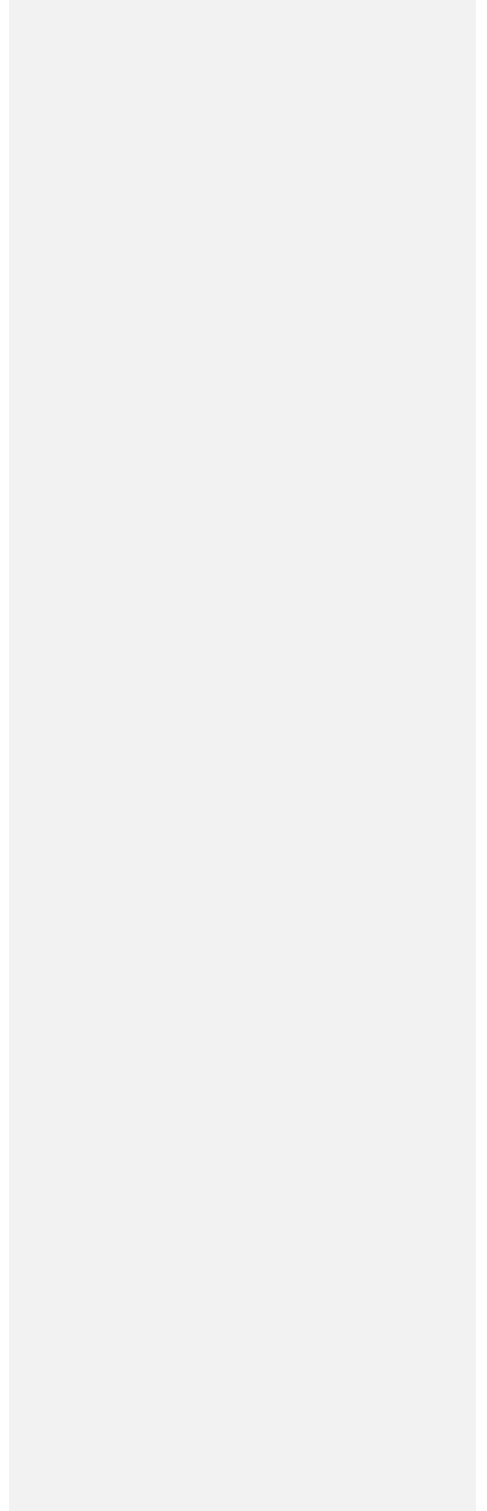
9TH LARGEST ECONOMY IN THE WORLD*

*IF TEXAS WERE A NATION

26 COMMERCIAL AIRPORTS

19 SEA PORTS

22 INTERSTATE HIGHWAYS

34 FOREIGN TRADE ZONES

58 FREIGHT RAILROADS

367 MILES OF COASTLINE

NO PERSONAL OR CORPORATE INCOME TAX

TEXAS IS THE LARGEST ENERGY-PRODUCING STATE IN THE NATION

TEXAS IS THE LEADING DESTINATION FOR COMPANIES RELOCATING FROM OTHER STATES

NUMBER 1 JOBS CREATOR
IN 2022, TEXAS ADDED **650,100 JOBS**

90% GRADUATION RATE

TEXAS' HIGH SCHOOL GRADUATION RATE IS AMONG THE TOP 5 HIGHEST IN THE NATION, WITH A 90% COMPLETION RATE

TEXAS LEADS THE NATION IN HIGH TECH EXPORTS FOR THE 10TH CONSECUTIVE YEAR **IN 2022**

THE LONE STAR STATE IS HOME TO **53** FORTUNE 500 COMPANY HQs

MORE THAN **14.8** MILLION PEOPLE IN THE CIVILAIN LABOR FORCE

#1 U.S. EXPORTER FOR 21 YEARS IN A ROW **IN 2022**
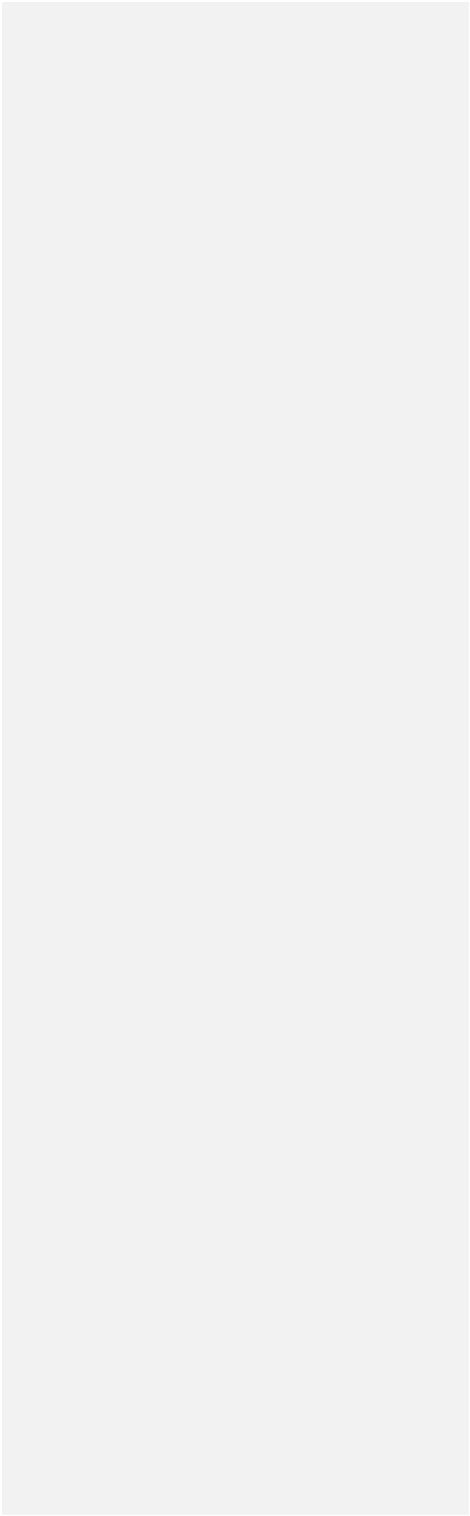
HCC positively impacts the Greater Houston economy in a variety of ways. For example, the College is an employer and buyer of goods and services. Through its day-to-day operations and the expenditures of its students, it attracts monies that otherwise would not have entered the regional economy. Further, HCC provides students with the knowledge, skills, and abilities they need to become productive citizens and add to the overall economic output of the region.

The Core Finding

HCC is a good investment for the Greater Houston community. The money invested from taxes, tuition, and other sources yields many multiples of those dollars in benefits – both for the community at large and students individually. Investment in higher education to develop the educated, trained workforce that is a prerequisite to a healthy economy makes sense. In 2021, HCC commissioned Economic Modeling Specialists Intl. (Emsi) Burning Glass to determine the economic value of the College to the HCC Regional Area, defined as Harris, Fort Bend, and Waller Counties. Emsi Burning Glass data, which covers more than 99% of the workforce, is compiled from a wide variety of government sources, job postings, and online profiles and résumés. Emsi Burning Glass data is used to solve a variety of problems: aligning programs with regional needs, equipping students with career visions, understanding regional economic and workforce activity, and finding and hiring the right talent.

In December 2021, Emsi Burning Glass issued economic and investment analyses of the effects of HCC's work in the HCC regional area. The analysis measured how the institution affects the local economy and the return on investment. HCC creates a positive net impact on the regional economy and generates a positive and substantial return on investment for students, taxpayers, and the community.

In its study, Emsi Burning Glass focused on HCC's 2019–2020 Fiscal Year, which ran from September 2019 through August 2020. During that period, HCC spent $278.9 million on payroll and benefits for 5,192 full-time and part-time employees. The College spent another $161.66 million on facilities, supplies, and professional services to carry out its day-to-day operations. This spending generated spending across other businesses throughout the regional economy, resulting in what are commonly referred to as multiplier effects. This analysis demonstrated that HCC operations and student spending, together with the enhanced productivity of its alumni, generated $3.1 billion in added income for the HCC Regional Area economy. The additional income of $3.1 billion created by HCC was equal to approximately 0.6% of the total gross regional product (GRP) of the HCC Regional Area. Notably, the contribution that the college provided on its own is nearly as large as the entire Arts, Entertainment, and Recreation industry in the service area. This $3.1 billion was equivalent to supporting 340,128 jobs. For further perspective, this meant that during the referenced fiscal year, one out of every 92 jobs in the HCC Regional Area was supported by the activities of HCC and its students.

The Economic Impact: Detail

These economic impacts broke down as follows:

Operations Spending. Payroll and benefits to support HCC's day-to-day operations amounted to $278.9 million. The college's non-pay expenditures amounted to $161.5 million. The net impact of HCC operations spending came to approximately $318 million in added income, equivalent to supporting 5,338 jobs.

Student Spending. During the fiscal year that was the subject of the analysis, approximately 27% of students attending HCC originated from outside the region. Some of these students may not have come to the HCC Regional Area if the College did not exist. In addition, some students were residents of the HCC Regional Area who would have left the region if not for the existence of the College. The money that these students spent toward living expenses in the HCC Regional Area is attributable to HCC. The expenditures of relocated and retained students in the region during the analysis year added approximately $161.2 million, which was equivalent to supporting 3,357 jobs.

Alumni. By studying at HCC, students gain new skills, making them more productive workers. After almost fifty years of HCC operations, hundreds of thousands of these former students work in the HCC Regional Area. The accumulated impact of their payroll and benefits amounted to $2.6 billion in added income for the HCC Regional Area economy, equivalent to supporting 31,433 jobs.

The Return on Investment

An investment analysis evaluates the cost associated with HCC against the expected benefits. The analysis concludes that HCC is a good investment from the perspective of the students, taxpayers, and community in the gulf coast area.

The Student Perspective. Students invest their money and time in their education to pay for tuition, books, and supplies. Many take out student loans to attend the college, which they pay back over time. While some students were employed while attending the college, students overall forewent earnings that they would have generated had they been employed full-time instead of in the classroom. Summing these direct outlays, opportunity costs, and future student loan costs yields a total of $638 million in present value student costs. In return for their investments, over a working lifetime, the benefits of the associate degree over a high school diploma will amount to approximately $441 thousand in higher earnings per graduate. Overall, students will receive a present value of $2.4billion in increased earnings over their working lives. This translates to a return of $3.80 in higher future earnings for every $1 that students pay for their education at HCC. The corresponding annual rate of return is 16.6%.

The Taxpayer Perspective. During the fiscal year in question, taxpayers provided $304.2 million of local and state funding. Over time, this taxpayer investment will yield an estimated present value of $642 million in added tax revenue thanks to higher lifetime earnings of HCC alumni and the increased output of the businesses where they work. In addition, savings to the public sector will contribute another estimated $521 million in benefits due to a reduced demand for government-funded social services in Texas. For every tax dollar

spent educating students attending HCC during the applicable year, taxpayers will over time receive an average of $2.3 in return over the course of the students' working lives. As an annual rate of return, this comes to 5.9%.

The Community Perspective. During the fiscal year analyzed, Texas as a whole spent an estimated $1 billion on educations obtained at HCC. This included the College's expenditures, student expenses, and student opportunity costs. In return, over the course of the students' working lives, the state will receive an estimated present value of $10.7 billion in added revenue. Texas will also benefit from an estimated $129 million in present value social savings related to reduced crime, lower welfare and unemployment, and increased health and well-being across the state. In short, for every dollar society invests in educations from HCC, the state will receive an average ROI of $10.70.

ROI Versus Wise Investing

The facts clearly make the case that, whether considered from the perspective of the community, students, or alumni, HCC generates a good ROI. As demonstrated through the work of Emsi Burning Glass, the economic justification for the community's decision to invest in HCC is clear. Likewise, the economic argument for students to attend HCC is compelling. And the financial benefits to alumni continue to accrue long after their time at HCC ends.

But justifying HCC as generating a good return is only half the equation. Equally important is that the investments be wise, that they maximize the ROI, bring as many economic benefits as possible to the community, and provide students and alumni the greatest possible contribution to a sound financial future. Investing in HCC is wise as a matter of policy, but that judgment must be validated every day in financial decisions based on hard thought, sober reflection, and disciplined analysis – the end product of an organization that approaches financial decisions strategically and makes them through evaluation against well- established criteria employed in a deliberative process. For this reason, Community Investment is a strategic priority and a key component in the development of HCC's comprehensive strategy.

Projected Industry Needs

Houston, the city and the metropolitan area that HCC serves, is an economic powerhouse. Greater Houston is the U.S. energy headquarters and a world center for virtually every segment of the oil and gas industry from exploration and production to marketing and technology. Houston is also home to one of the most important industrial bases in the world, ranking second in manufacturing GDP in the U.S.

Houston is also home to the largest medical complex in the world: the Texas Medical Center provides clinical health care, research, and education at its 61 institutions. In the area of Biology and Life Science, Houston employs more than 360,000 workers. Nearly one in three manufacturers in Texas is based in Greater Houston. The city ranks fourth among all American metropolitan areas for headquarters of Fortune 500 companies. Of 128 U.S. publicly traded oil and gas companies, 28 are headquartered in Houston. The city and surrounding communities also are home to more than 500 digital technology companies.

Houston is a city whose current economics and future prospects demand a reliable source of skilled workers to maintain and accelerate its prosperity. Skilled workers are needed for a wide range of industries, from professional services to health care and advanced manufacturing to aerospace. Houston consistently ranks among the nation's leaders when it comes to jobs growth. A strong economy with expanding businesses, numerous universities and technical schools, and a relatively low cost of living that draws new residents combine to make this one of the fastest growing regions in the U.S. The Perryman Group, which has deep experience with the economics of Texas and Houston, expects population growth averaging 1.6 percent annually in the Houston region. Over the same period, Perryman forecasts wage and salary employment to rise at a 1.7 percent annual rate.

Workforce Solutions, the operating affiliate of the Gulf Coast Workforce Board, makes similar projections. According to that organization, by 2028 the total population in the Houston metropolitan region will grow to 9,259,720. The diversity of the community will become even more pronounced, with 31.9% Anglo, 38.1% Hispanic, 16.6% African American, and 10.6% Asian. Workforce Solutions anticipates a slightly aging workforce, with workers over the age of 55 growing to 24.7%, although it is projected that more will stay in the workforce.. Workforce Solutions also projects total Houston area employment to increase by 14.2% from 2018, to 3,729,008. Key industries in the region are projected to include oil and gas exploration and production, construction, manufacturing, health care, education, and business and technical services.

Critical from HCC's perspective is the estimate by Workforce Solutions that even before 2028, 58.8% of all jobs in the Houston metropolitan area will require education or training beyond the high school level, and that the majority of these will be what Workforce Solutions categorizes as "middle skill" jobs. They project that in 2028 Houston area employers will need 1.2 million workers in middle skill positions – those that require some post-secondary education, on-the-job training, or both. Workforce Solutions and Houston business leaders alike agree that these are crucial positions that will need to be filled in order to keep the

Houston workforce competitive in a global environment.

This data establishes at least five critical imperatives for HCC:

- First, the Greater Houston economy is most likely to remain strong, consequently driving an ongoing demand for skilled workers; HCC must continue to ensure that it can, on a sustained basis, meet its responsibility to ensure a skilled workforce.

- Second, an important component of those needed workers will be what Workforce Solutions terms "mid-skilled," which is exactly HCC's core target community for students; HCC bears a particular responsibility to equip the workers who will be most important to Houston's economic future.

- Third, these workers will have to come from an increasingly diverse workforce, which is intrinsic to HCC's mission.

- Fourth, as the workforce ages, the likelihood will increase that at least some portion of those older workers will need new skills or refreshing of old ones; HCC needs to be prepared to offer those workers the educational options they will require.

- Fifth, as illustrated by the COVID-19 pandemic, it is critical that HCC be able to pivot to serve the needs of its community.

The tables that follow provide greater detail about the demand for skilled workers HCC will have to help meet in particular industries and job categories.

Deleted: equity

Mid-Skilled Employment Projections by Industry

Industry Title	Employment Growth		
	Annual Averages 2018–2028	Absolute Change	Percent Change
Mining			
Support Activities for Mining	40,534	47,525	6,991	17.2%
Construction			
Residential Building Construction	13,939	16,989	3,050	21.9%
Nonresidential Building Construction	39,686	43,792	4,106	10.3%
Utility System Construction	36,286	43,317	7,031	19.4%
Foundation, Structure, and Building Exterior Contractors	22,108	28,458	6,350	28.7%
Building Equipment Contractors	50,190	60,392	10,202	20.3%
Other Specialty Trade Contractors	18,568	23,392	4,824	26.0%
Manufacturing			
Basic Chemical Manufacturing	22,839	23,283	444	1.9%
Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing	9,797	12,154	2,357	24.1%
Agriculture, Construction, and Mining Machinery Manufacturing	28,701	29,619	918	13.2%
Trade, Transportation, and Utilities			
Machinery, Equipment, and Supplies Merchant Wholesalers	33,079	41,804	8,725	26.4%
Automobile Dealers	28,581	32,431	3,850	13.5%
Scheduled Air Transportation	17,935	20,005	2,070	11.5%
Deep Sea, Coastal, and Great Lakes Water Transportation	1,666	2,045	379	22.7%
Inland Water Transportation	2,240	2,655	415	18.5%
General Freight Trucking	14,981	17,029	2,048	13.7%
Specialized Freight Trucking	12,076	14,065	1,989	16.5%
Support Activities for Water Transportation	9,510	11,225	1,715	18.0%
Support Activities for Road Transportation	2,467	2,998	531	21.5%
Freight Transportation Arrangement	10,277	13,243	2,966	28.9%
Other Support Activities for Transportation	1,576	1,829	253	16.1%
Warehousing and Storage	17,835	21,178	3,343	18.7%
Finance and Insurance			
Agencies, Brokerages, and Other Insurance-Related Activities	20,937	23,117	2,180	10.4%
Activities Related to Real Estate	19,607	22,623	3,016	15.4%
Professional and Business Services			
Accounting, Tax Preparation, Bookkeeping, and Payroll Services	24,732	28,871	4,139	16.7%
Architectural, Engineering, and Related Services	67,870	82,409	14,539	21.4%
Computer Systems Design and Related Services	29,050	31,075	2,025	7.0%
Management, Scientific, and Technical Consulting Services	37,668	60,611	22,943	60.9%
Other Professional, Scientific, and Technical Services	18,089	21,037	2,948	16.3%
Management of Companies and Enterprises	45,593	54,414	8,821	19.3%
Office Administrative Services	23,639	31,892	8,253	34.9%
Education and Health Services			
Elementary and Secondary Schools	205,003	228,146	23,143	11.3%
Colleges, Universities, and Professional Schools	59,689	60,654	965	1.8%
Offices of Physicians	51,539	63,936	12,397	24.1%
Offices of Dentists	18,254	23,243	4,989	27.3%
Outpatient Care Centers	14,822	24,089	9,267	62.5%
General Medical and Surgical Hospitals	89,049	103,187	14,138	15.9%
Specialty (except Psychiatric and Substance Abuse) Hospitals	23,974	28,109	4,135	17.2%

Notes:
1. Criteria used to identify the targeted industries:
• Industries with a projected employment growth of at least 1,801 new jobs, the average net change across all 4-digit NAICS industries for the period 2018–2028
• Industries with projected employment growth rate greater than or equal to the average rate for all industries of 14.2% for the period 2018–2028
• Industries with an average weekly wage of at least $1,044 per week derived the OES 2019 average hourly wage for all occupations converted to a weekly rate
• Industries meeting at two of three criteria above and present on the previous targeted industry list
2. Absolute changes do not represent total demand for labor because they do not reflect demand due to replacements, attrition, turnover, etc.

3. Employment and average weekly wage information is from the first quarter 2019 Quarterly Census of Employment and Wages
4. Industry not fully meeting primary or secondary criteria but projected to grow and retained due to need for representation of the 2-digit parent sector
5. Projection data provided by third-party source EMSI
6. Projection data provided by third-party source Chmura Economics JobsEQ
7. All other projection data provided by Texas Workforce Commission – LMCI
Authorized by the Gulf Coast Workforce Board: February 2, 2021

Gulf Coast Workforce Region

Mid-Skilled Employment Projections by Position

Occupational Title	Employment Growth		
	Annual Averages 2018–2028	Absolute Change	Percent Change
Professional, Business, and Technical Services			
Accountants and Auditors	36,417	42,291	2,429	16.1%
Aerospace Engineers	2,400	2,653	253	10.5%
Electrical Engineers	4,058	4,848	790	19.5%
Electronics Engineers, Except Computer	2,685	2,958	273	10.2%
Environmental Engineers	1,212	1,479	267	22.0%
Mechanical Engineers	8,250	9,674	9,674	17.3%
Computer Systems Analysts	14,401	15,635	1,234	8.6%
Database Administrators	2,316	2,627	311	13.4%
Electrical and Electronic Engineering Technicians	3,069	3,527	458	14.9%
Insurance Sales Agents	7,587	8,493	906	11.9%
Interpreters and Translators	2,007	2,565	558	27.8%
Mechanical Engineering Technicians	1,443	1,688	245	17.0%
Network and Computer Systems Administrators	8,030	8,786	756	9.4%
Operations Research Analysts	2,246	3,102	856	38.1%
Paralegals and Legal Assistants	6,499	7,599	1,100	16.9%
Software Developers, Applications	14,158	16,572	2,414	17.1%
Software Developers, Systems Software	5,540	6,154	614	11.1%
Construction			
Architectural and Civil Drafters	3,305	3,867	562	17.0%
Civil Engineering Technicians	2,509	2,999	490	19.5%
Civil Engineers	9,842	11,817	1,975	20.1%
Construction and Building Inspectors	3,851	4,650	799	20.7%
Cost Estimators	5,145	6,102	957	18.6%
Electricians	19,193	22,696	3,503	18.3%
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	7,491	8,958	1,937	19.6%
Insulation Workers and Mechanical	1,430	1,607	177	12.4%
Operating Engineers and Other Construction Equipment Operators	11,260	13,324	2,064	18.3%
Plumbers, Pipefitters, and Steamfitters	13,360	15,940	2,580	19.3%
Structural Iron and Steel Workers	3,169	3,858	689	21.7%
Welders, Cutters, Solderers, and Brazers	19,773	22,955	3,182	16.1%
Education			
Kindergarten Teachers (Except Special Education)	3,732	4,212	480	12.9%
Elementary School Teachers (Except Special Education)	31,123	31,123	3,889	12.5%
Middle School Teachers (Except Special Education and CTE)	14,403	16,242	1,839	12.8%
Secondary School Teachers (Except Special Education and CTE)	29,479	33,230	5,260	12.7%
Special Education Teachers, Preschool	256	300	44	17.2%
Special Education Teachers, Kindergarten, and Elementary School	3,101	3,471	370	11.9%
Special Education Teachers, Middle School	1,693	1,895	202	11.9%
Special Education Teachers, Secondary School	3,525	3,951	426	12.1%
Career/Technical Education Teachers, Secondary School	2,161	2,408	247	11.4%
Preschool Teachers (Except Special Education)	11,747	13,248	1,501	12.8%

Occupational Title	Employment Growth		
	Annual Averages 2018–2028	Absolute Change	Percent Change
Health Care			
Biomedical Engineers	222	227	5	2.3%
Cardiovascular Technologists and Technicians	1,655	1,927	272	16.4%
Dental Hygienists	2,898	3,665	767	26.5%
Diagnostic Medical Sonographers	1,573	2,049	467	30.3%
Licensed Practical and Licensed Vocational Nurses	14,986	18,642	3,656	24.4%
Medical and Clinical Laboratory Technicians	3,330	3,983	653	19.6%
Medical and Clinical Laboratory Technologists	3,983	4,142	683	19.7%
Medical Records and Health Information Technicians	4,099	4,994	895	21.8%
Occupational Health and Safety Specialists	4,672	5,514	842	18.0%
Radiologic Technologists	4,446	5,552	1,106	24.9%
Registered Nurses	54,969	67,597	12,628	23.0%
Respiratory Therapists	2,606	3,427	821	31.5%
Surgical Technologists	3,009	3,689	680	22.6%
Oil and Gas and Related Manufacturing			
Chemical Engineers	4,534	5,341	807	17.8%
Industrial Engineers	4,966	5,970	1,004	20.2%
Materials Engineers	937	1,090	153	16.3%
Marine Engineers and Naval Architects	531	681	150	28.2%
Mining and Geological Engineers, Including Mining Safety Engineers	170	214	44	25.9%
Petroleum Engineers	11,123	12,297	1,174	10.6%
Chemical Plant and System Operators	3,485	3,568	83	2.4%
Computer-Controlled Machine Tool Operators, Metal and Plastic	4,052	4,393	341	8.4%
Geological and Petroleum Technicians	2,755	3,042	287	10.4%
Geoscientists, Except Hydrologists and Geographers	5,025	5,431	406	8.1%
Health and Safety Engineers (Except Mining Safety Engineers and Inspectors)	1,351	1,503	152	11.3%
Industrial Machinery Mechanics	12,643	14,178	1,535	12.1%
Machinists	11,033	13,232	2,199	19.9%
Maintenance Workers, Machinery	2,296	2,670	374	16.3%
Mechanical Drafters	2,032	2,167	135	6.6%
Petroleum Pump System Operators, Refinery Operators, and Gaugers	4,684	4,847	163	3.5%
Service Unit Operators, Oil, Gas, and Mining	4,847	7,295	866	13.5%
Sheet Metal Workers	2,834	3,391	557	19.7%
Surveying and Mapping Technicians	2,727	3,265	538	19.7%
Surveyors	1,529	1,838	309	20.2%
Transportation			
Bus and Truck Mechanics and Diesel Engine Specialists	7,590	8,652	1,062	14.0%
Crane and Tower Operators	1,880	2,223	343	18.2%
Flight Attendants	4,755	5,570	815	17.1%
Heavy and Tractor-Trailer Truck Drivers	41,797	47,924	6,127	14.7%
Logisticians	4,172	4,969	797	19.1%
Mobile Heavy Equipment Mechanics, Except Engines	6,151	7,383	1,232	20.0%
Production, Planning, and Expediting Clerks	9,345	10,822	1,477	15.8%
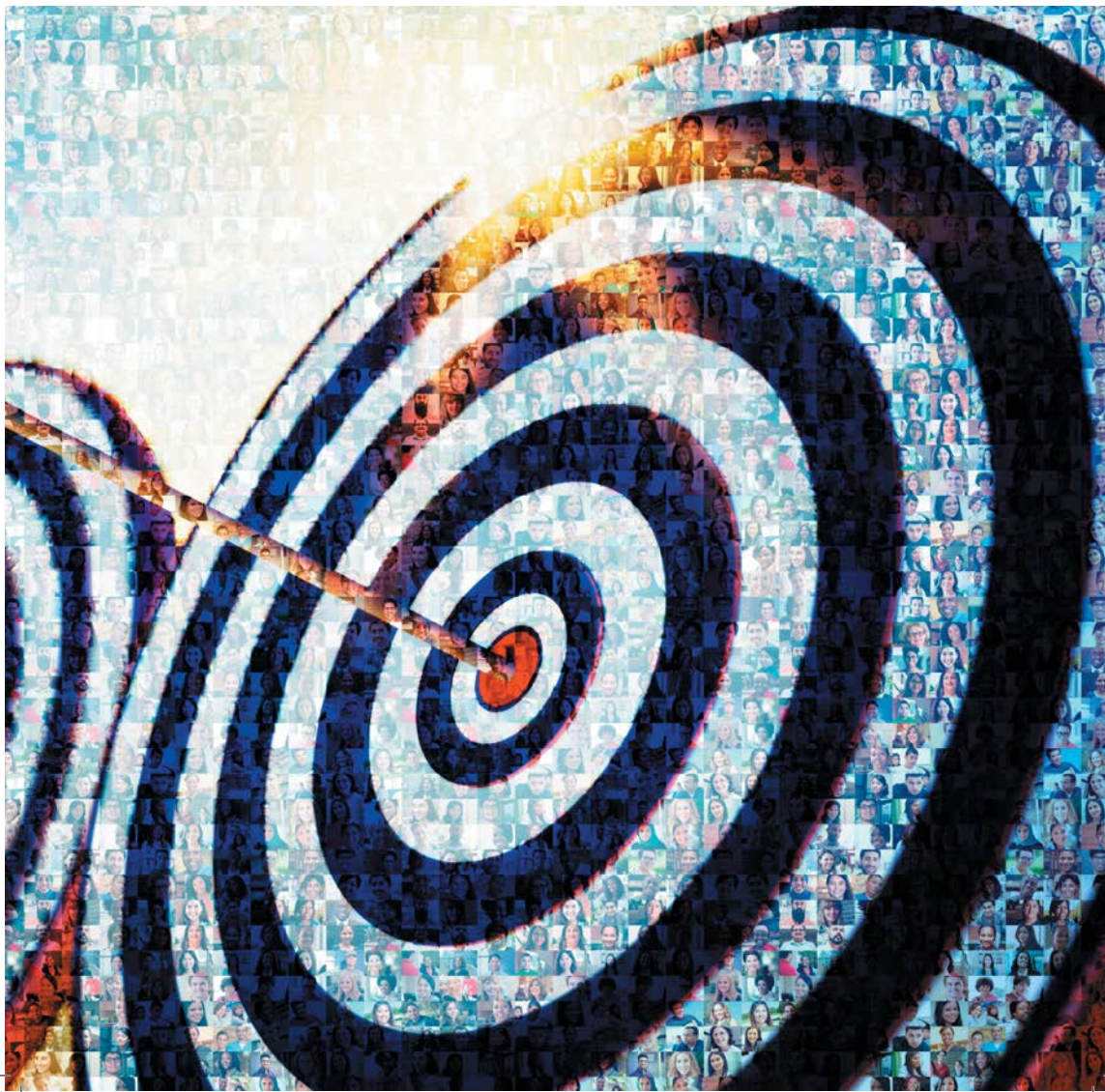
Strategic Priorities and Key Performance Indicators

HCC's Five Strategic Priorities

While an organization as large and complex as HCC has many tasks, transforming the institution to achieve its Vision and fulfill its Mission demands focus on core priorities essential to progress. In executing the Comprehensive Strategy, HCC has five such strategic priorities: student success, personalized learning, academic rigor, community investment, and college of choice. For each strategic priority, HCC has identified a working definition and key areas of focus.

Strategic Priority 1: Student Success

Definition

To build and sustain the ultimate student experience – a personalized experience that helps students discover and identify a path to achieve their goals, ensures relevant student learning through interactive and engaging instruction, and provides support along the way – where success is measured by demonstrated readiness for career placement, workforce entry, and/or college transfer.

Areas of Focus

- **1.1 Enhance Academic and Workforce Educational Pathways:** HCC will continue its work with Texas Pathways, which helps colleges clarify paths to student end goals, helps students choose, enter, and stay on a pathway, and ensures they are learning. HCC will focus on credentials and pathways that lead to living wage jobs with the focus on career progression through the student's life.

- **1.2 Extend the quality and reach of community education programs (including adult and continuing education):** HCC will expand outreach through continuing education and adult education and literacy with programs such as the Career4U Academies, which allow students to enter HCC without a high school diploma to earn a level 1 certificate. HCC will cultivate pathways that facilitate transitions from these programs to related credit programs.

- **1.3 Develop and Implement a Quality Enhancement Plan:** The Quality Enhancement Plan (QEP) was developed in preparation for HCC's 2022 decennial review of its regional accreditation with the Southern Association of Colleges and Schools, Commission on Colleges. A QEP (1) has a topic identified through ongoing, comprehensive, and evaluative processes, (2) has the broad-based support of institutional constituencies, (3) focuses on improving specific student learning outcomes and/or student successes, and (4) commits resources to initiate and implement.

- **1.4 Support the success of HCC's International Student Population:** HCC is located in one of the largest and most diverse metropolitan areas in the country. Houston is an international city: one out of four Houston residents was born outside the United States. Thus, is it not a

surprise that HCC has the largest international population of any two-year institution, enrolling students from 145 countries. Strengthening HCC's international student community supports all students to excel in the global economy.

- **1.5 Enhance the quality of our Remote Learning Modalities:** In the pandemic, faculty, staff, and students pivoted quickly to online formats. These formats enable students the flexibility to learn and to seek support wherever they are. Enhancing the quality of remote learning modalities supports student success overall.

- **1.6 Actively promote high quality student and employee support and safety during COVID-19:** When the College closed in March, 2020, no one understood the eventual impact of the pandemic on communities and on families. Fear, worry, and stress have compounded, resulting in a rise in depression, anxiety, and burnout. For this reason, it is critical that the College support both the physical and mental health of its students and employees.

E.1.1 The HCC Strategic Priorities

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Areas of Focus¶

2.1 Promote the growth of a Diversity and EquityBelonging-minded culture: HCC serves one of the most diverse cities in the country and boasts one of the most diverse student bodies. It is critical for HCC to promote a culture that supports belonging and inclusion for faculty, staff, and students. Towards this end, HCC has participated in USC's Race & Equity institute, which empowers leaders to develop and achieve race and equity goals.¶

2.2 Implement programs that distribute opportunity for all segments of the HCC communities: Although Houston is one of the largest metropolitan regions in the US, its rate of postsecondary attainment trails others. Of the 50 largest metro areas, Houston ranks 32 in adult population with a Bachelors or higher and 48 in adult population with a high school diploma or higher. Fundamental to HCC's mission and vision is its role in providing access to education and training necessary for economic vitality for individuals, communities, and the region.¶

————————Column Break————————

the Dream (ATD). ATD is the most comprehensive non-governmental reform movement for student success in higher education history. ATD is a network of over 277 higher education institutions focused on helping students have a better chance of realizing greater economic opportunity and achieving their dreams. HCC was¶

a founding member institution in 2004 and has been a leader college from 2009 through 2021. From its inception, ATD has been committed to access and equity as well as assisting colleges in using evidence-based practice to reach these goals.¶

2.4 Integrate the use of personas to inform Diversity and Inclusionbelonging activities: Personas are archetypes that are composed of a student story, background, goals, assets, and challenges. Approaches to equity that only consider race and gender may not adequately address intersectionality and may fail because they do not consider differences in experience and life stage, especially in community college settings where many students are post-traditional and goals vary widely. Personas provide a way to overlay differences to promote empathy and understanding, and to analyze policies and practices which promote inclusivity and equity of learning outcomes.¶

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Strategic Priority 2: Personalized Learning

Definition

To provide customized instruction and assessments that support student success by understanding the students' unique needs, preferences, concerns, and aspirations. Personalized learning is student-directed, student-paced, and designed for each learner.

Initial Areas of Focus

2.1 Expand and refine the use of the HCC personas into institutional decision-making practices: Personas are student-centered archetypes that represent groups of students with similar goals, assets and challenges. As such, they can be used to gain insight into students' journeys through HCC as well as the policies and practices that will facilitate their success. By using personas in institutional decision-making processes, HCC gains insight into how student journeys differ and how HCC can best serve each group.

2.2 Integrate the HCC personas into student advising and teaching and learning strategies: Personas allow institutional leaders, instructional personnel, and student service personnel to empathize with a student and, when they plan services or provide professional development, to 'put themselves in the student's shoes.' Personas provide a way to overlay differences to promote empathy and understanding, and to analyze policies and practices to promote student success. Personas are particularly useful when experimenting with or developing academic and student support services that work to improve learning outcomes.

2.3 Develop data collection capabilities that support the integration of the "student experience" into institutional decision-making practices: In order to build a student-centered college, it is necessary to listen to student voices and understand the student experience. HCC will continue to use student engagement surveys, interviews, and focus groups to elicit students' lived experience.

Strategic Priority 3: Academic Rigor

Definition

To establish a set of common, high-quality curricular and instructional standards that continually challenge all students to demonstrate achievement of proficiencies throughout their academic journey with HCC.

Areas of Focus

3.1 Develop a vision for teaching and learning and student support in the post-pandemic educational environment: Teaching, learning, and student support in this new era is inherently more flexible and less dependent on place. Additionally, HCC must adapt to meet new academic, social, and emotional needs that have arisen during the pandemic. This compels HCC to develop a vision to serve students and communities going forward.

Implicit in this vision is the need to create 21st-century Learning Spaces. In the post-pandemic educational milieu, virtual learning spaces will coexist alongside physical spaces. Traditional classrooms will not disappear, but nontraditional spaces will likely represent an increasing percentage of learning environments. Learning spaces may also be distributed in unique ways, not always located on educational campuses. Internships, for example, may be associated with learning spaces at an employer's worksite. The field may also come to be considered more of a learning space, especially as devices such as laptops and work pads allow all

the world to be a classroom. HCC will focus consistently on the highest and best realizations of learning spaces. The college will favor innovation, exhibiting a willingness to place small bets on a range of options to determine which fits best with HCC's needs.

3.2 Enhance the use of learning outcomes assessment data to enhance program quality: An integral part of the Texas Pathways movement is ensuring that students are learning. Learning is best measured not through grades but through assessments that track student learning outcomes. Implementation of virtual reality/augmented reality, adaptive learning, competency-based education, and credit for experiential learning will enhance HCC's ability to help students in developing the relevant knowledge and skills they need to meet their goals.

3.3 Strengthen the role and influence of workforce program industry advisory committees to ensure alignment with industry need: HCC's workforce programs form advisory committees to ensure that programs align to both present and future industry needs. By strengthening these advisory committees, HCC can strengthen connections between the institution, its students, and the community.

3.4 Develop plans to maximize the utilization of instructional facilities in support of program expansion and teaching and learning excellence: HCC is developing a Facilities Master Plan that incorporates principles of optimum space utilization, use- and user-centered design, the

creation of 21st-century learning spaces, and the most efficient and effective use of existing facilities. This process also will involve stakeholders beyond faculty, staff, and students; the communities HCC serves also will be involved. In addition, the Plan may well reach beyond the traditional boundaries of such endeavors to consider such options as colocation of facilities with other institutions of higher education, or even with businesses and not-for-profit organizations. Facilities Master Planning will include a variety of considerations, such as facility assessments, program evaluations, administration/faculty/ staff input, surveys of facility conditions, concept plans, stakeholder input, collaborative meetings and committees, and thorough vetting of draft proposals. HCC's goal will be a Facilities Master Plan grounded in and supportive of the Comprehensive Strategy, as detailed in the strategic priorities, the Vision, and the Mission.

4.5 Expand the use of co-requisite remediation teaching models in order to improve student preparedness to be successful in college-level work: HCC has implemented co-requisite remediation as strategy in which students' first college-level English and math courses are paired with a support course for students who enter needed support in college-level coursework. Since 2016, co-requisite remediation has increased the percent of underprepared students completing college-level math in the first year by 14%, and the percent completing college-level English by 17%. Continued implementation and expansion will continue to increase these rates, especially in the face of potential learning loss in the K-12 setting during the pandemic.

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Strategic Priority 4: Community Investment

Definition

To serve as an economic engine for the Greater Houston Region, we must encourage access and provide opportunity that leverages the collective resources of the College to support student success. This includes partnering with key stakeholders to ensure the creation of economic development opportunities in all of our local communities.

Areas of Focus

- **4.1 Enhance partnership in support of K-12 educational pathway development:** Currently, HCC serves six K-12 districts within its service area: Houston, Alief, Fort Bend, Katy, Stafford, and Spring Branch, as well as charter schools and private schools. In addition to dual credit courses, HCC offers Early College High School and P-tech programs, enabling students to earn a post-secondary credential while still in high school. Expanding these partnerships expands opportunities for students in HCC's service area.

A second critical component is expansion of support for students exiting high school, thereby increasing the percentage of students who enter post-secondary education after high school. *Building a Talent Strong Texas,* the Texas Higher Education Coordinating Board's statewide strategic plan, sets a goal of 60% of Texans age 25–64 obtaining a degree

or credential by of 2030. To meet this goal, stronger on-ramps from high schools to post-secondary institutions are necessary, especially given the decline in college enrollment that occurred during the pandemic.

- **4.2 Partner with community leaders across greater Houston to identify community education programs (including adult and continuing education) needs and distribution gaps:** As described above, Houston was 48th out of the 50 largest urban centers in the percent of residents with at least a high school education in 2021. Programs like HCC's Career4U academies allow adult learners to earn a level 1 certificate without the requirement of a high school credential. These certificates are in fields leading to living-wage jobs and economic security. HCC will collaborate with communities to identify needs and distribution gaps, expand these types of offerings, and provide on-ramps to stackable credentials.

- **4.3 Expand our collaboration with leaders of regional colleges and universities for enhanced pathways for student success:** Eighty-five percent of HCC students express the intent to transfer to a four-year institution. As a result, HCC is one of the founding institutions of the Houston Guided Pathways to Success, or Houston GPS, which is a collaborative of 2-year and 4-year institutions designed to accelerate pathways to completion and transfer in the Greater Houston Area. In addition, HCC offers articulation agreements

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and 2+2 transfer pathways that smooth students' transition to 4-year institutions. HCC will work to expand and enhance these collaborations.

4.4 Expand our collaboration with industry for enhanced pathways for student success: The Centers of Excellence are distributed strategically in corridors where the industry in question is strong and where the College can best leverage a concentration of assets: human capital, facilities, and equipment. Among the partnerships in place are those with the Greater Houston Partnership and UpSkill Houston, the Houston Area Construction Education Collaborative, Sony, Audi, Apple, JPMorgan Chase, CVS, Perry Homes, TRIO Electric and Spring Branch ISD, the AARP Foundation, Gallery Furniture and Intel. HCC continues to expand partnerships to increase student opportunity and success.

4.5 Expand our collaboration with legislative leaders and civic leaders for enhanced pathways for student success: The pandemic illustrated the importance of collaboration in ensuring the health, safety, and educational success of HCC's students. Moreover, hurricanes and freezes have underscored the importance of both collaboration and resilience. Strengthening HCC's collaboration with both state and local leaders is crucial for success of HCC's students.

4.6 Strengthen outreach and engagement efforts to local communities across greater Houston in order to align program offerings with local community needs: Embracing the reality that, for HCC to succeed, the College must be wholly and productively integrated with the communities it seeks to serve, the College has reached out in many directions both before and during the pandemic to pair its strengths with others. This included partnerships with independent school districts, charter and private schools through the College Connections and Eagle Promise programs, collaborations with local universities, and work with business and industry through organizations such as the Greater Houston Partnership and regional chambers of commerce. During the pandemic, H-Force partnered to create PPE for first responders, and HCC created JobsNowHouston to facilitate return to the workforce in high-demand jobs. HCC is also partnering in initiatives on upstream and midstream skills training. By strengthening outreach and engagement efforts, HCC will continue to align program offerings with local community needs.

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Strategic Priority 5: College of Choice

> **Definition**
>
> Advancing HCC as the model for the next generation of community colleges by setting the standard for quality, and value in higher education; leading innovation of programs, industry partnerships and economic opportunities; and serving as a preeminent choice for students and employees.

Areas of Focus

6.1 Enhance administrative succession planning to build a sustainable workforce: There is no more important key to HCC's superior performance than a highly skilled, well-motivated, and deeply committed workforce. This will require three things of the organization and five from its leaders. First, as an institution, HCC must prioritize talent identification, acquisition, training, and retention. Second, the institution must place a premium on the development of its talent. Providing mentoring, stretch assignments, and opportunities for growth and learning should be standard and based on an articulated program designed to advance the individual upwards through the organization. Third, HCC must establish a development culture, where the entire process from hiring through advancement is designed within a system that identifies and promotes talent at every opportunity. For HCC leaders, the five tasks will include acting as a role model, reinforcing the value of learning, building sustainable processes to support development, reinforcing shared values, and taking advantage of opportunities for real world learning and development.

6.2 Develop a sustainable budget that supports a communications and marketing strategy that ensures we are seen as the college of choice:

- Sustainable Business Model: A sustainable business model is one that positions the institution to thrive in realization of its goal – and to continue to do so over the long term. In determining sustainability, a number of factors must be considered, including but not necessarily limited to: all of the requirements for the particular activity, the amount needed to sustain the activity, current resources available to provide that support, additional resources that may be needed now or in the future, and sources of funding both current and potential. Risk factors should also be taken into account, including external factors that could affect the availability of necessary funding. In addition, opportunity costs must be considered – that is, whether a particular program exists or will be sustained over time at the cost of losing another more worthwhile undertaking. The goal will be to create a sustainability strategy based on reasonable assumptions and resiliency features incorporated to deal nimbly with the unexpected.

- Expanded Sustainable Revenue Streams: HCC has two primary revenue streams: taxpayer dollars and student tuition. To ensure sustainability, the College must strengthen its ability to develop long-range projections and plans for both of its primary revenue streams. Moreover, those projections and plans must be shared with and supported by the Trustees as the persons entrusted with overseeing the long-term strategic direction of the College. Realistic expectations regarding tax revenues
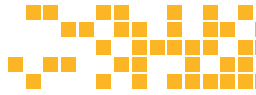
are essential for maintaining taxpayer support. While keeping tuition affordable ensures access to education for HCC's target populations; both must be key elements of financial stewardship. Optimizing organizational effectiveness – streamlining, rightsizing, eliminating duplication, adapting processes, improving and/or flattening hierarchical structures – contributes to sustainability, to an organization that can be maintained financially over time. Moreover, optimizing organizational effectiveness cannot be a singular, one-time event; to promote sustainability, it must be an ongoing, continuous process that seeks out every possible path to improvement.

- Mission-Focused Entrepreneurial/ Auxiliary Funding Mechanisms: HCC's two principal funding sources – taxes and tuition – will continue to be the institution's financial mainstays. But ever-rising costs – as well as the natural resistance to significantly increased taxes or tuition – will make it imperative for the College to promote and reinforce entrepreneurial initiatives that generate new revenue streams, both one-time and ongoing. This may involve identifying needs that will benefit businesses willing to participate financially in addressing them. It may likewise entail development of intellectual content that can be monetized – such things as online learning programs or academic programs that can be capitalized as marketable packages. HCC might also volunteer to be the test platform for new educational tools in return for preferential access to their use and royalties from their use by others. In every case, however, the initiative must align with the HCC Mission. The goal will not be to chase dollars but to pursue programs that promote the HCC Mission and generate revenue as a byproduct.

- Integrated Annual Budget Development Process: A key element of this Comprehensive Strategy is the concept and practice of integrated planning – the bringing together of disparate planning activities into a coherent, systematic, sequenced process that incorporates all of those individual activities into a single whole of maximum productivity. HCC will use this integrated planning model for the annual budget process.

- Marketing and Communications: Within a sustainable budget, it is necessary to include an intentional program of marketing and communication. No institution, however successful, gets recognized for its success alone. HCC will expand its marketing and communication efforts through a variety of programs and a range of channels. Particular consideration will be given to how that marketing and communication program can be more carefully tailored so that it speaks more directly to discrete audiences. This will require a deeper understanding of who the people are who need to know about HCC and why their awareness is important. For every act of outreach, there should be a clear and measurable goal. Likewise, every communication initiative should be regularly assessed to evaluate its ongoing effectiveness. Innovations in marketing and communication, whether in the message, the groups targeted, or the communication medium employed, should be a standard feature of all such efforts. Most important, the primary goal of all marketing and communications should be to build support for HCC by explaining clearly and consistently HCC's value to the targeted audience.

The Reasons for Performance Measurement

Every organization determined to excel must define with absolute clarity its mission, vision, and values. Success also requires an unwavering focus on those few critical strategic priorities and objectives which, if accomplished, will move the organization furthest and take it closest to reaching the outer limits of its ambition. All of this must be supported by the organizational and individual competencies and behaviors needed to translate the ideal state to which the organization aspires into concrete reality.

As essential as mission, vision, values, strategic priorities and objectives, and organizational and individual competencies are for success, they are rendered inconsequential unless the organization is prepared to hold itself accountable for action that leads to intended results. This requires the organization to commit to measuring those things that matter – and measuring those things which, if achieved, are most likely to advance the purposes for which that organization exists.

Performance Indicators: A Taxonomy

Performance indicators, or measurements, have several purposes, each supporting a different aspect of accountability; some measure what has passed, some measure what is happening in the moment, and some help predict what will happen. The lines between these three categories are not brightly drawn as there is frequent overlap. They also inform each other. Measures of what has passed may influence the outcome of measures focusing on the present, and both measures of what has passed and what is happening now can help illuminate the measures that forecast the future. That said, there is enough difference among them to consider them separately as well.

Measures for Past Performance. Some performance indicators measure past performance to assess how much actual progress has been made toward carefully articulated goals over a fixed period. These performance indicators are lagging measures; they give the box score on results. Examples of lagging measures are graduation rates and employment outcomes.

Lagging measures can provide useful guidance for the future, especially by providing data for evaluating what went well, what did not, and where opportunities for improvement might lie. But they can also represent where performance fell short and opportunities were lost. By the time these performance indicators capture the shortfall, the opportunity for intervention has passed.

Measures for Predicting Future Performance. A second class of performance indicators offer guidance as to how well the organization is progressing toward accomplishment of future goals. Such performance measures are leading indicators; they offer predictive information as to the likelihood of future outcomes. In predicting the likely success of a student (for example, measures such as whether students succeed in first year English or math, the number of credit hours they complete, and whether they persist – all leading measures of behavior) leading measures offer predictions as to how likely it is that a student will complete their program.

Measures for Current Performance. Other performance indicators are of the moment, assessing current performance through far more contemporaneous data. They provide data that can illuminate where immediate action is required. For example, a student may be doing poorly in a particular class. The results measure is that student's current grade. But the student's attendance, a class-to-class thing, may also be poor. Taken together, these measurements – the grades as result and the poor attendance as behavior – provide information that should be attended to in the moment as a matter of improving current performance as well as future outcomes.

An organization committed to holding itself accountable through measurement, and likewise prepared to embrace performance indicators as a key tool in evaluating and improving performance, will engage in all three categories of measurement. Moreover, the data consequently generated will be continuously fed back into the organization, both at the institutional and individual levels, as a tool to spur further improvement and accomplishment.

Accountability at HCC: Performance Indicators and Supporting Measures

HCC is committed to the success of the Comprehensive Strategy. As a result, HCC is equally committed to measurements that hold the College accountable for its execution of the Comprehensive Strategy. This accountability will be established through three sets of performance indicators:

The Three Core Performance Areas. HCC has identified three broad-ranging areas that are critical indicators of the College's success in advancing the strategic

priorities. These areas are measured by the Core Performance Indicators, or CPIs – which will gauge overall organizational health and performance. CPIs evaluate the broad progress of the College toward accomplishment of its strategic priorities. They are multi-dimensional, collecting individual elements of data that, taken together, provide a nuanced and deeply informative assessment of HCC's performance. They are not ultimate standards of success but instead provide the information that, factored together with the judgment of the Board and administration, will determine the institution's understanding of how well it is doing and where the opportunities for further improvement lie.

Supporting Performance Measures. While the CPIs are invaluable gauges of organizational accomplishment, they are also lagging indicators reflecting past action. The CPIs provide data about performance and what can be improved, but do not allow the College to go back in time and remedy performance shortfalls. For that reason, the CPIs must be complemented by Supporting Performance Indicators, or SPIs. Drawing on the taxonomy of performance indicators discussed earlier, SPIs will focus on measures of current performance and measures of future performance. The indicators of current performance measure both results and behaviors leading to results; indicators of future performance are weighted more heavily to behaviors that lead to results. The goal of the SPIs will be to complement the broad and high level perspectives provided by the CPIs with information that allows for in-the-moment improvement and actions to influence future results.

It is important to note that the CPIs and SPIs work in tandem. Each CPI brings with it SPIs; each SPI contributes along some dimension to one or more of the CPIs. They create constellations of measurement rather than a series of discrete, somewhat disconnected measures. Taken together, their value to HCC is greater than the simple sum of their parts. For this reason, the discussion that follows starts with the three CPIs and describes the SPIs associated with each.

HCC Performance Indicators: Sources. Performance indicators used at HCC are the product of a number of contributing factors. National standards for the performance of institutions of higher education are one source. Another includes the benchmarks set by the State of Texas. Academic research about important measures of the quality and effectiveness of higher education delivery is also informative and advisable. Policy guidance supplied by the HCC Board of Trustees is imperative. Trustees provide guidance as to what those institutional CPIs should be. On an annual basis, the Board sets specific accountabilities for the Chancellor, as chief executive officer of the College, for their attainment, and these specific accountabilities can include SPIs. In robust dialogue with the Chancellor, Trustees can also provide guidance on specific targets for the CPIs as well as directions the SPIs should take.

The CPIs

It is important to understand the reasons why each CPI is critically important to the college: what it encompasses, which SPIs enhance our understanding of it, and what subsidiary issues or challenges the CPI may reveal. It should also be noted that the order of discussion of the CPIs that follows is not indicative of their relative importance; they are all critical performance indicators for HCC.

Student Success

- **CPI 1: Award Rate**. Fundamental to HCC's Mission, Vision, and Values is the education and success of students. The Award Rate sits at the heart of metrics which track how well the College lives up to its Mission and Vision. For HCC, the Award Rate will measure student persistence in earning certificates and degrees. The higher the Award Rate, the more robust the number of students leaving the College with certificates and degrees.

This CPI is also central the HCC's SACSCOC accreditation and represents a primary measure of success reported as part of the National Center for Educational Statistics (NCES) Integrated Postsecondary Data System (IPEDS). This CPI measures completion of certificates and degrees by full-time students within three years of entry.

- **Award Rate SPIs:** In isolation, the Award Rate will not give HCC the robust, multidimensional assessment that tells the College how well it is doing in supporting the education of all its students. Importantly, the Award Rate is a lagging indicator, which means that it reveals lost opportunities and has limited usefulness for charting a future course. For these reasons, SPIs are needed to give context and depth to the information the Award Rate provides. It is critical that HCC deploy a range of SPIs that can be measured contemporaneously to bring context

IPEDS 3 -Year Completion Rates

Source: IPEDS Data as of 1/17/2022
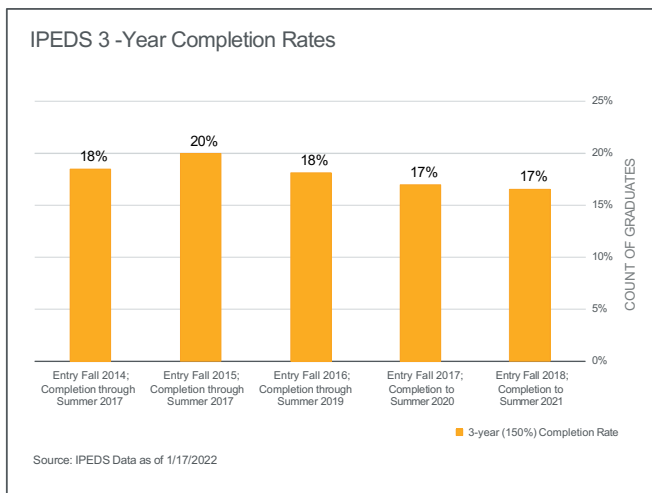
and detail to the Award Rate CPI. In any given semester, more than 70% of HCC students attend part-time, making the inclusion of these students in our metrics essential to understanding HCC's performance towards its strategic priorities. Furthermore, many students who start a semester on a full-time basis do not stay full time: they may encounter financial or other constraints, they may stop-out, or they may not successfully complete their coursework. Students who are not full time – the majority of HCC students – must be accounted for.

Additional SPIs provide both context and leading indicators that offer institutional leaders a measure of whether they are successful, contextualize future outcomes, and forecast changes in the Award Rate. Since graduation rates change slowly, changes HCC makes today will not show impacts on those rates for three or four years more.

- For students to receive certificates or awards, they must first succeed along the way – for instance, completing gateway courses such as math and English, persisting from semester to semester, or accumulating required course credits. Measurement of these elements provide information about whether the actions the College has taken will help meet the goals that have been established. As students' persistence is necessary for course completion, credit accumulation, and award completion, Fall to Spring and Fall to Fall persistence are measured as SPIs.

- Because the majority of HCC students are part-time, intend to transfer to a four-year institution, or both, SPIs leverage HCC's Achieving the Dream

(AtD) cohort. This cohort includes both full-time and part-time students, as well as both FTIC and transfer-in students. Through consideration of the four-year award rate (for those students whose time at HCC stretches beyond the standard three years), the AtD four-year rate complements the portrait painted by the Award Rate CPI; the result will be a more complete picture of student outcomes that will give HCC a better understanding of how well it is accomplishing its primary task.

- Achievement of a certificate or degree is an important milestone, but it is not the end of a student's journey. A CPI or SPI that does not consider what happens once a student has been successful at HCC omits a significant dimension of how the College should measure its impact. In creating SPIs that round out the Award Rate CPI, HCC must include performance indicators whose impact falls across a longer time horizon. Thus, transfer rate and workforce outcomes are included as SPIs.

- It is important to meaningfully disaggregate the data. Personas will play an especially important role in this regard, helping determine what SPIs are critical for each of the personas during their time at HCC, and how best to measure the impact on each persona once they have left the College. In addition, there must be certainty that all categories of students are included. HCC needs to understand the trajectories by socio-economic background, of full-time versus part-time students, of students who transfer in, of those who transfer to

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a four-year institution rather than finishing at HCC, and those who leave the College before receiving a certificate or degree without transferring to a four-year institution and enter the workforce instead.

Access

- **CPI 2: Access.** Transfer and completion rates comprise the access CPI. HCC provides access to higher education to students throughout the Greater Houston Area who higher education has traditionally underserved. National data collected from tax records demonstrates that the College is an engine for economic mobility for its students. Among these students are those low income, of first-generation backgrounds, or those who reside at
the intersection of those categories. A critical responsibility arising from HCC's focus on all students is to provide students the educational opportunities

foundational for economic and social mobility. The responsibility to empower students to reach their goals will be measured through growth in transfer and completion rates. Importantly, HCC's mission is to serve its communities, a goal that is also required by SACSCOC, HCC's accrediting body. Thus, HCC will dissagregate data in multiple ways (economic disadvantage, dual credit status, etc.) to ensure it meets the needs of its constiuents.

- **Access SPIs:** Community Colleges are indispensable to providing access to higher education for all students, particularly nontraditional students, low-income students, and others who have been underserved by institutions of higher education. HCC recognizes that student access and success in higher education is impacted by the effects of systemic poverty still present throughout society. The mission of the College is to increase access to higher education

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and pathways to living-wage careers. The first SPI leverages HCC's pathways work to focus on improved access to high-status programs that lead to jobs in which individuals earn a living wage. This goes beyond access to the institution and considers how the HCC supports students in achieving excellence.

- The second SPI recognizes that it is necessary to foster a welcoming climate to achieve student success.

Creating a supportive environment means maintaining ongoing engagement to address the campus climate and culture to cultivate an environment where under-represented populations feel welcome to participate actively in the college community. Creating a respectful and supportive environment will strengthen HCC's connection with the surrounding Houston communities.

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SPIs are needed to provide additional illumination on student access to HCC as a whole, equitable progression through programs that engender social and economic mobility, equity of outcomesequal opportunities, and the ability of HCC to foster a welcoming, inclusive culture. Thus, t

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Financial Health

- **CPI 3: Composite Financial Index (CFI):** As a public institution funded primarily by taxpayers in the Greater Houston Area, HCC has a responsibility to ensure the effective use of the monies entrusted to it. The College takes this responsibility seriously. The Composite Financial Index, which is used widely throughout higher education, addresses how well HCC meets this responsibility by tracking the relative financial health of the institution.

The composite financial index is comprised of four ratios:

- The primary reserve ratio, a measure of financial reserves relative to operating expenses
- The viability ratio, a measure of debt relative to reserves
- The net operating revenues ratio, a measure of whether an institution is operating within its available resources
- The net asset ratio, a measure of economic return

The statewide standard for this measure of financial health is established by the Texas Legislature and by the Texas Higher Education Coordinating Board. HCC consistently exceeds this standard.

- **SPIs – Financial Health:** Evaluating how well HCC performs in spending its financial resources to best effect as regards student outcomes is not a straightforward financial calculation. To get the most complete assessment requires SPIs. The SPIs more directly measure how HCC manages programmatic spending to increase student attainment and the balance among sources of HCC's revenues.

- Critical to student success is allocating funds to instruction and student

Metric 3.1: Composite Financial Index

Community College	Composite Financial Index		FY 2020	FY 2021
	FY 2018	FY 2019		
Alamo	1.9	3.0	2.4	4.6
Austin	3.7	3.2	2.6	2.8
Dallas	6.6	6.6	6.1	7.2
Houston	2.6	2.1	3.5	4.6
Lone Star	2.6	2.0	1.3	4.2
Tarrant	6.6	6.8	5.2	5.9
Statewide Average	3.7	3.8	3.5	5.3
Acceptable Standard	>2.0	>2.0	>2.0	>2.0

Composite Financial Index

Answers the questions:

"Is the institution financially capable of successfully carrying out its current programs?"

and

"Is the institution able to carry out its intended programs well into the future?"

Source: THECB Financial Condition Report

support. In reporting expenses, college and universities are required to categorize funds according to National Association of College and University Business Operators (NACUBO) functional categories. Three categories – instruction, student services, and academic support – best index services that directly support students. It is not possible to allocate 100% of expenses to these categories, as expenses such as facilities, instructional technology, and administration are necessary. However, as a supplementary performance indicator, focus on the proportion of funding that directly supports student success assists HCC in meeting the strategic priorities.

• Also critical to ensuring student success is ensuring a sufficient and

reliable revenue stream. In Texas, community college funding comes from four major sources:

- Legislative appropriations,
- Ad valorem taxes,
- Tuition and fee revenue,
- Grants, contracts, and auxiliary services.

It is essential to keep taxes, tuition, and fees as low as possible while ensuring that funding is sufficient to support student success within the institution. When revenue is too low to support the institution, student success suffers, and the cost to students in terms of lost dreams is too great. For this reason, SPIs that the consider HCC's revenue mix with particular attention to affordability, student success, and sustainability are crucial to the financial health of the institution.

Revenue Sources Over Time

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Fund Balance Transfer Carry-Forward	0%	0%	2%	3%	3%
State Appropriations	35%	33%	33%	33%	33%
Ad Valorem Taxes	43%	46%	44%	44%	44%
Tuition & Fees, Net	21%	20%	19%	19%	18%

Legend: Fund Balance Transfer Carry-Forward, Tuition & Fees, Net, State Appropriations, Other Local Income, Ad Valorem Taxes

Source: HCC Finance Includes Fund 1 Expenditures
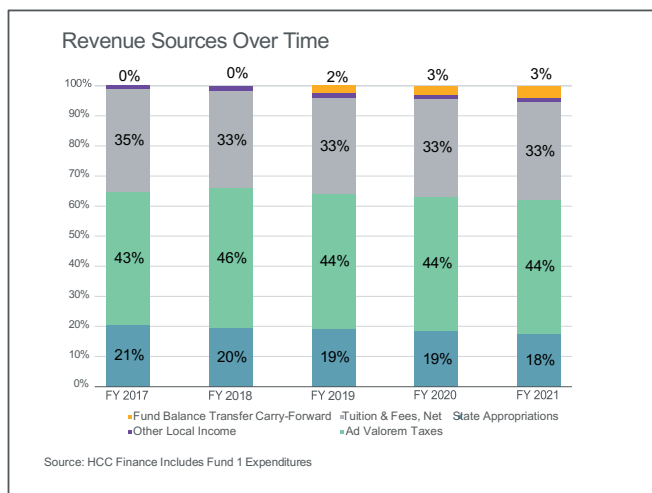
Connection to the Strategic Priorities: The CPIs are metrics that represent the state that HCC will achieve as it advances towards its strategic priorities. HCC's progression toward the strategic priority of personalized learning will impact both the Student Success and Access Core Performance indicators. The CPIs index the goals of successful completion, transfer, and financial health that HCC aspires to achieve through the strategic priorities. The SPIs provide context and leading indicators to measure progress to provide opportunities for continuous improvement along HCC's trajectory.

Importantly, HCC should never consider either CPIs or SPIs as carved in stone; as times, circumstance, and strategic priorities and objectives change, the criteria by which performance is measured may likewise have to change. HCC's ability to review and revise the CPIs and SPIs based on situational contexts will enhance HCC's capability to use the information effectively through thoughtful, considered, and timely analysis.

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Building Organizational Capacity
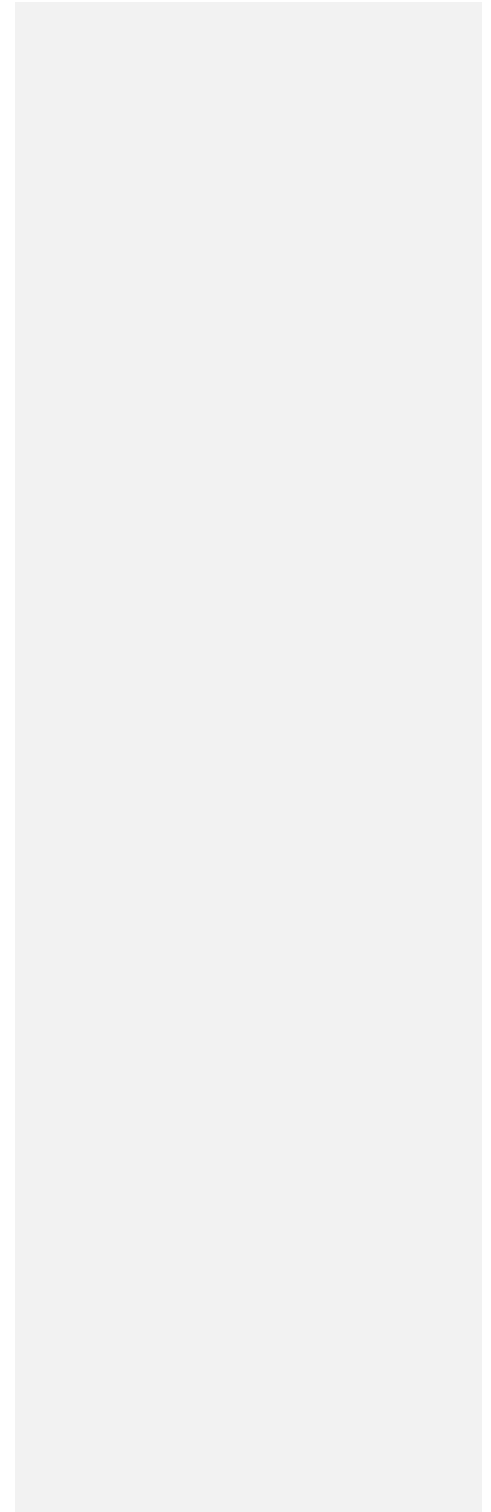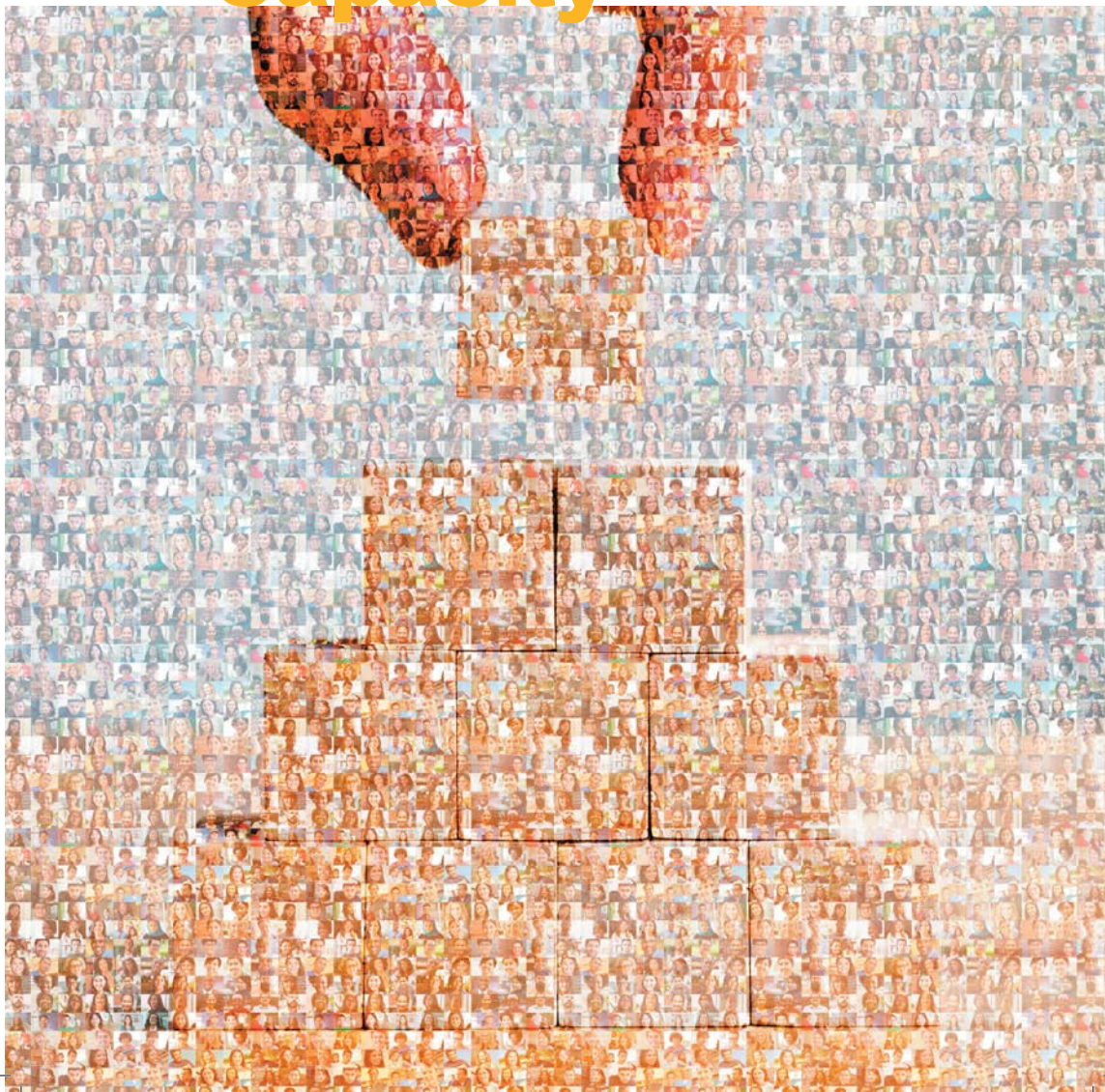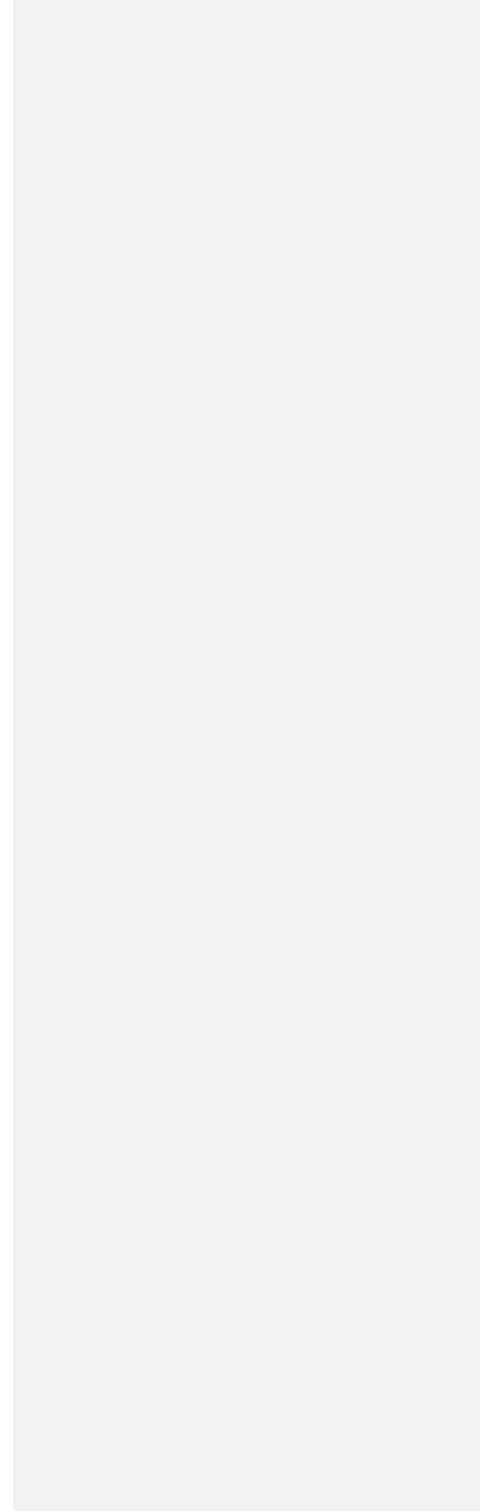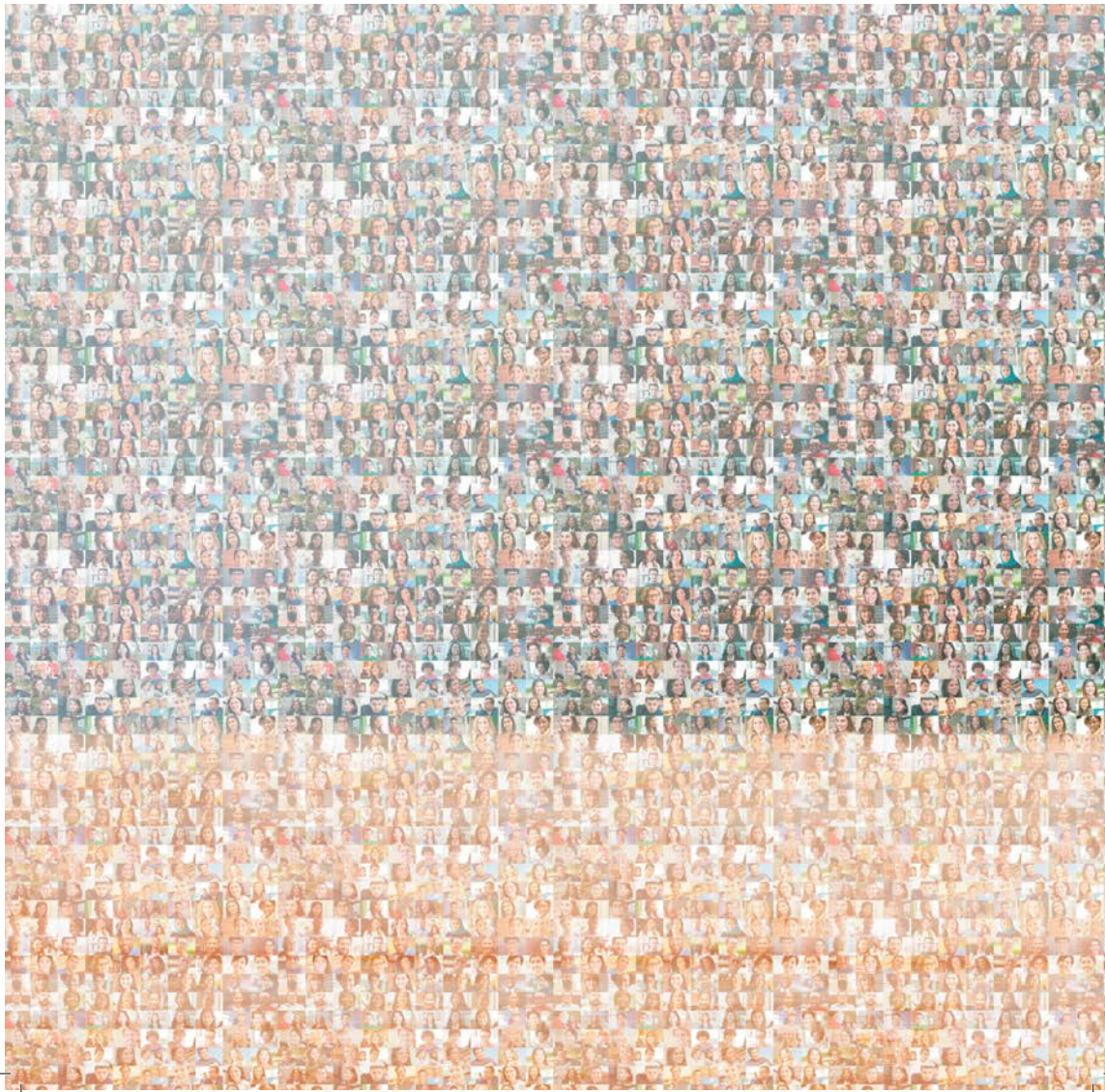
The Comprehensive Strategy departs from more traditional strategic plans in significant ways which will reap long term benefits for HCC. While it includes strategic priorities and objectives – as well as performance indicators to measure and evaluate plan execution – the framework's primary goal is to foster strategic thinking and guide all of the work of the College.

To accomplish this transformation, HCC has embraced five tools. Personas will enable the College to better understand and serve its students by looking at them from their perspective, understanding their stories, and no longer assigning them to traditional categories that say almost nothing about them as individuals. Organizational strategic competencies will build the capacity of HCC to make transformational change happen on a sustained basis. The Mosaic Movement will build on the HCC Way, establishing and reinforcing the behaviors expected of faculty and staff that will be essential to an organization which acts strategically to serve students and the community. Integrated planning cycles will promote collaboration and coordination among all of the various planning activities and planning cycles that take place across the College throughout the year. Relationship mapping will facilitate the elimination of silos in favor of collaboration among constituent units of the institution, ensuring that for every project and task all of the available resources needed to ensure the best possible outcome are marshaled and deployed.

These five elements are not discrete; they work in tandem with each other. They function as a part of a coordinated whole, interacting with each other to create an organization that consistently thinks and acts with the strategic intent required to be responsive to the community, quick to seize opportunities, and constantly evolves in response to an ever-more-quickly changing world of challenges and opportunities for those who would educate the workforce of tomorrow.

Personas: Meeting a Challenge

Personas are a key transformative tool, and they will work in coordination with the framework's other mechanisms (Strategic Competencies, the HCC Way/Mosaic Movement, Integrated Planning Cycles, and Relationship Mapping) to move us powerfully toward our mission's aims. Personas will enable the College to better understand and serve its students: they encourage us to view students through the lens of empathy; they invite us to better understand students' individual stories; and they allow us to consider the nuances between and among the categories to which students have traditionally been assigned.

The positioning of student centeredness as a core competency – the intentional grounding of every action HCC takes, large or small, in the interests of the students we serve – requires dedicated inquiry into the emerging needs of HCC's student and how to best meet those needs. Personas are archetypes which build upon a body of research around our student body – how it is changing, the diverse range of student journeys taking place at HCC, and who HCC has yet to fully serve. Thus, personas inform HCC's leadership, faculty, and staff in their quest to serve their students.

While industry has long used the persona tool for marketing and to better

understand and serve customers, any analogy between customer service and student service insufficiently captures the level of care and concern HCC has for its students. HCC will re-purpose this tool – redesigning, reframing, and deploying personas as integral to planning so that the College can create and refine processes and programs which better adhere to our College's vision.

Personas: An Overview

A persona is a shorthand representation of key information about a specific segment of our student population and is built on a body of qualitative research; it's an archetype representing a particular group of students with key commonalities rather than a stereotype of a group based on race, gender, age, and so on. Initially, qualitative research captures a specific student segment's goals, needs, and expectations. Those, in turn, inform the student experience necessary for the students represented by a particular persona to achieve their goals efficiently and successfully. For HCC, there are multiple personas. Rather than thinking of the student body as an undifferentiated whole, the HCC personas attempt to recognize the true plurality of the distinct needs that different student segments exhibit. Creating a set of personas encourages this divergent line of thinking and prevents opaque, one-dimensional generalizations in favor of more nuanced and insightful observations about our wonderfully diverse student population.

To be clear, the HCC personas (representing various student segments) do not use the traditional labels often applied by research about students, such as gender, age, socioeconomics, and program. After collecting sufficient data through interviews,

surveys, workshops, and focus groups, a set of personas emerge using patterns in psychographic traits – goals, motivations, needs, assets, and influences – and researchers distill meaningful groupings from those patterns. Each persona is supplied a short biography or backstory, is illustrated with the key takeaways around goals and pain points, and is allocated certain correlated readiness factors. The development of robust data sets associated with the four readiness factors (Self Efficacy, Gateway Skills, Resources, and Health) is still a work in progress and will continue to enhance our understanding as we learn more about our prospective and current students.

Why personas add value:

- **Memorability.** A persona is a memorable, relatable way to develop insights and take action based on real student data without navigating spreadsheets or statistics.

- **Instill empathy.** As naturally empathetic people, decision makers within the College can understand student needs with increasing clarity when the need is revealed through a personal story, as is the case with a persona.

- **Shared point of reference.** It becomes easy to talk about personas ("Students like Between and Becoming would really benefit from Program X,") and to keep track of mutually exclusive student segments using agreed-upon terminology and naming conventions.

- **Scalable/measurable.** Because they are rooted in data rather than an autobiographical story of a particular student, personas reflect the scale of opportunity – for example, how many

students like this persona are enrolled at HCC and would benefit from initiatives designed with the success of this persona in mind.

Lastly, it is important to systematize the process of persona creation – the data collection, analysis, and insight refreshment. We must regularly evaluate personas past a standalone moment in time. When we re-examine them, some personas may shift, others may lose relevancy, and more may evolve in their place. Personas are not static; they can't be, for our student body is dynamic. Because we will regularly revisit them, personas are a great fit for the toolkit of the strategic organization HCC intends to be, as they are built to systematically sense, take note, and flag how student needs change and emerge over time. They are more a process and way of thinking than product, and sets of personas will be artifacts of that process – snapshots of HCC's student body archetypes taken at particular moments.

Applications at HCC

As HCC moves from being an organization with a strategic plan to an organization that is strategic in all its thinking and actions, constantly engaged in sensing and responding to its environment, a great deal of that responsiveness will involve understanding and reacting to student needs. Personas can help answer important questions around student centeredness, both today and over time:

- What are the meaningful differences between our students' diverse needs?
- What kinds of experiences do we need to support to make different kinds of student journeys equally successful?

- How can we better anticipate the kinds of resources our students need and proactively connect them to those resources?
- Who have we yet to serve in our community, and why is that relationship untapped?

Answering these questions through personas became a central line of inquiry in the most recent strategic planning process. The methodology employed is detailed below and will be a helpful guide as we revisit and refresh the HCC personas systematically.

The Methodology

Personas rely on three different kinds of information in order to be robust and representative. For personas to be useful in our thinking and planning processes, they must emerge from a conscientious mix of these data types.

First, and perhaps simplest, is to ask students directly about their goals, pain points, motivations, and influences through qualitative primary reporting (for example, surveys and focus groups). Through data analysis of the students' responses, meaningful segments start to emerge from feedback to questions such as how students define success – a short-term achievement versus a long-term outcome – or the myriad forms of barriers most likely to get in their way – such as time, money, family demands, or self-confidence. Even still, this data tends to attract student respondents who have the time and interest to complete surveys. This same group with a tendency to answer surveys may significantly represent the students who HCC is likely to already serve well. In fact, in an effort as broad and holistic as the Comprehensive

Deleted: , and equitably,

Strategy, HCC may stand to gain the most from learning more about the students who did not provide feedback directly. This is why it is critical to augment qualitative self-reporting with other sources of data.

A secondary qualitative resource regarding student journeys requires expert input, namely the faculty and staff who work with students day in and day out. Faculty and staff see the whole spectrum of students who come to HCC and, therefore, are prepared to provide the comprehensive feedback that complements the initial student survey data to ensure it's inclusive of a wide variety of student journeys, including incomplete journeys or those which take many years to culminate. Additionally, faculty and staff are in a better position to understand trends in the student body over time. By nature, the year-over-year quality of their work gives them a perspective on changing student needs that pushes this inquiry from the current state of the student body to the cusp of emerging needs. Faculty input is invaluable for both the generation and validation of personas.

Finally, quantitative institutional data helps scale the qualitative findings essential to bringing personas to their full expression. While persona generation is quite often a helpful and heuristic process on its own thanks to the new conceptual approach to thinking about student commonalities, the metrics and outcomes data that institutions typically generate in the course of their normal operations and accreditations can be joined with the qualitative research to great effect.

Quantitative data helps validate that a persona exercise is complete by estimating how many students fall under each persona type. Through Pareto analysis (the valid assumption that 80% of consequences come from 20% of the causes), we can begin to verify that personas have captured the majority of students and to discern the extent to which outliers still exist. While the extremes of student journeys are too specific to address well with a persona-based understanding of the student body (which relies on abstraction and generalization to the degree that the analysis is still useful and meaningful), they are certainly still worthwhile to document as an indicator or vector toward potential future personas as those outliers become mainstream.

Personas: The Process at HCC

These three types of data were critical to the development of HCC's current set of personas and exemplify the strengths of the institution, particularly the incredibly dedicated faculty and staff who hold deep empathy for students and provided exceptionally thoughtful feedback throughout this process.

The persona process at HCC began with a baseline student survey (the primary

Methodology

Self report
Direct input from students
Incomplete, self-referential

Ask the experts
Faculty see the spectrum
Introducing some interpretation

Scale the findings
Map to institutional data
Pervasiveness, trends, outcomes

qualitative reporting) conducted through Outreach Strategists/Berkeley Research Group. This survey reached 1,652 students in total from June through October of 2018 and was distributed through in-person, pop-up events across many of the HCC campuses and through digital e-blasts to student email lists. Students were offered the opportunity to enter their name for a prize drawing to entice them to complete the survey. The survey results were analyzed to develop four initial personas based on patterns in student priorities and goals.

Next, the process moved toward secondary qualitative research with faculty and staff, so we asked them for their input. We presented them the students' survey results and asked: What rings true? What can you add from your experience with these students? Who is missing? Which students do you work with regularly who are not represented in these categories so far? We received over 300 responses

through a survey of faculty and staff, and then we workshopped with over 100 of the College's leaders. After dissecting the results with a smaller team of experts who have been focused on student experiences, five additional personas were generated to complement the original four rooted in the student survey. Finally, the original four personas were validated for accuracy and completion to create an inaugural set of nine personas.

Personas: Their Future at HCC

Even though HCC is early in the process of incorporating personas into its thinking and analytical approach, they are already having a significant impact. One clear example involves persistence rates – the rates for students who have stuck with a certificate or degree program through to completion.

Traditional persistence analysis at HCC has grouped students by gender and race. For the academic years 2014 through 2020, the

Timeline

"Tell us who you are."   "Who are we missing?"   "How does this map?"

4 initial personas   8 comprehensive personas   Scale, frequency, outcomes for each

results were as shown in Figure 1.

However, when the same data was analyzed using the nine HCC personas, the results were markedly different, as shown in Figures 2 and 3. The resulting was analysis more aligned with reality. Personas group students by their stories; those whose stories are similar are clustered together. Homogeneous categorizations by gender or race, which lump people together regardless what their individual stories may be, do not offer HCC the nuanced understanding of its students that allows the College to meet them where they are. Personas do. Going forward, HCC will treat the Personas as living texts/documents, to be refined and updated, perhaps even discarded and replaced. This is the reason why, in the following section, there is a tenth Persona: the Unknown Persona. This tenth Persona is evidence of HCC's commitment to ongoing, continuous improvement in the innovation of personas. If a significant new HCC Persona evolves – if a group of students with a different story emerges – HCC will embrace that reality. The College's operating assumption will be that HCC never knows enough about its students' stories – that the College must never stop working to learn more. One source of guidance in this regard will be students themselves. HCC will give them the opportunity to see themselves in one of the Personas, and to offer further insights – more information about their stories. HCC, as a learning organization, will use personas as a better lens for understanding its students, including what can be learned from those students themselves.
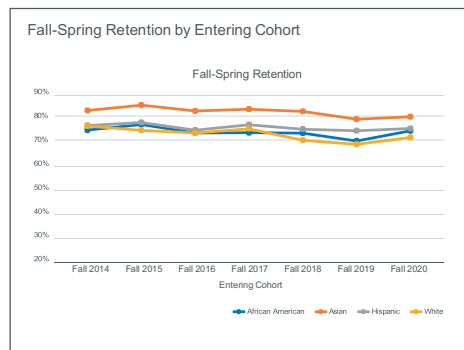
Figure 2
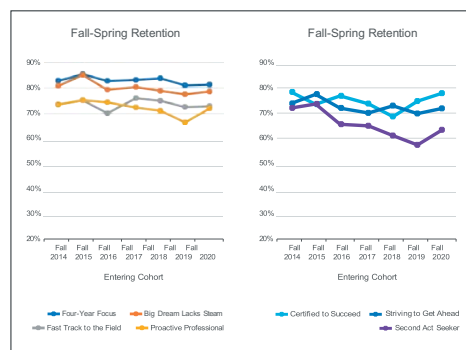
Figure 3

PERSONA 1

PROACTIVE PROFESSIONAL

AGE: 28

PROGRAM: Associate in Arts, Business

GOAL
Break a career ceiling with stronger credentials

SUCCESS LOOKS LIKE
- Building a strong transcript
- Getting accepted at UH
- Collecting credits they can carry

PAIN POINTS
- Keeping up their work schedule and responsibilities

The Proactive Professional is a sales specialist at a small IT company who enjoys their career but feels stalled. After ten years of working closely with customers, they feel like they could contribute more as a manager but is anxious about their credentials. The Proactive Professional sees their boss promoting coworkers with 4-year college degrees and decides to get proactive. They see the first step as enrolling at HCC to test a full-time course load given their busy schedule, with the intention of getting their AA and continuing on to the University of Houston.
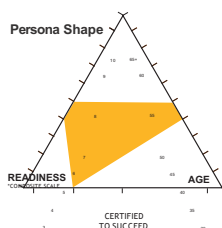
Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

| Low | Medium | High |

GATEWAY SKILLS // Readiness to start the journey

| Low | Medium | High |

RESOURCES // Access to help to be successful on journey

| Low | Medium | High |

HEALTH // Basic needs are being met

| Low | Medium | High |

Persona Shape

READINESS
*COMPOSITE SCALE

AGE

PROACTIVE PROFESSIONAL

| 1 Month | 1 Year | 2 Years | 4+ Years |

GOAL TIMEFRAME

F.1 Personas
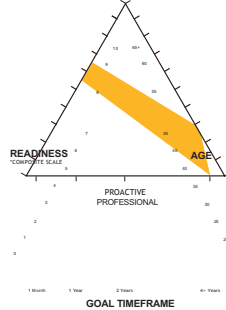
F.1.2 The HCC Personas

PERSONA 2
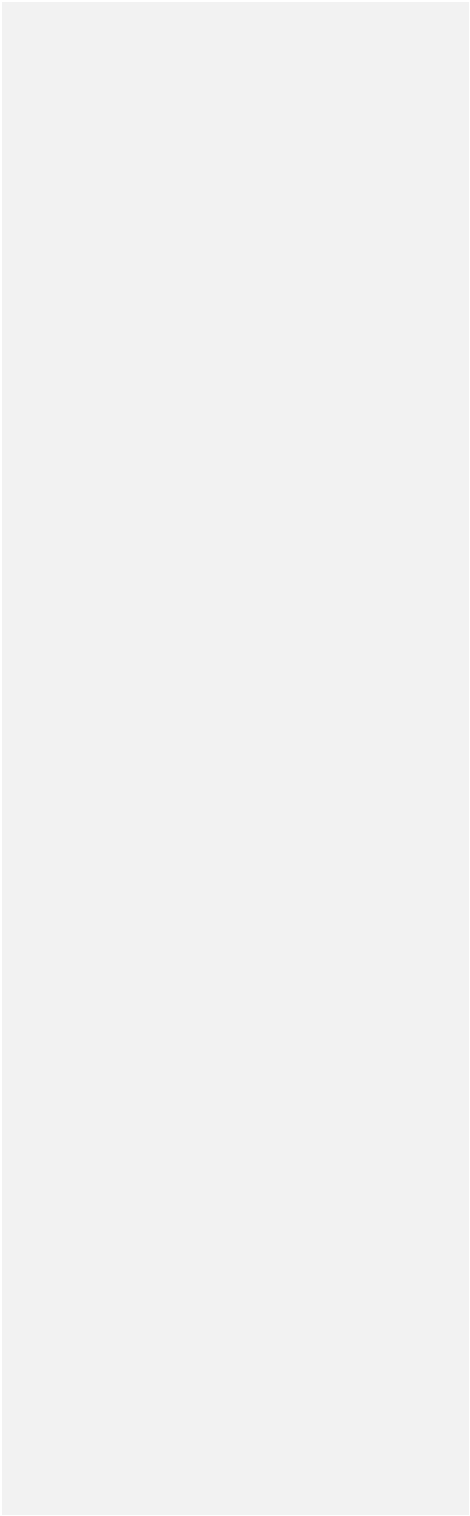
CERTIFIED

TO SUCCEED

AGE:
36

PROGRAM:
Construction
Management
Technology,
Certificate
Level 1

Certified to Succeed is an electrician with twelve years' experience under their belt. Along with their spouse, they are raising three daughters together, and they have been slowly putting money away for their college funds. It's becoming clear that the math just doesn't add up across their financial needs. To help close the gap, Certified to Succeed enrolls in HCC's Construction Management Technology certificate program. Their goal is to quickly move up to a foreman role on larger jobs, which would come with a significant pay bump and better benefits. Their spouse will take on more of the childcare responsibilities while Certified to Succeed balances work and school to finish quickly.

GOAL
Better support their family financially

SUCCESS LOOKS LIKE
- Gaining more valuable skills
- Job placement at a higher leadership level

PAINPOINTS
- Completing quickly

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

Low   Medium   High

GATEWAY SKILLS // Readiness to start the journey

Low   Medium   High

RESOURCES // Access to help to be successful on journey

Low   Medium   High

HEALTH // Basic needs are being met

Low   Medium   High

Persona Shape

READINESS
COMPOSITE SCALE

AGE

CERTIFIED
TO SUCCEED

GOAL TIMEFRAME

1 Month   1 Year   5 Years   6+ Years

F.1.2 The HCC Personas

PERSONA 3

FAST-TRACK

AGE:
20

PROGRAM:
Licensed
Vocational
Nursing,
Certificate
Level 1

TO THE FIELD

GOAL
Jumpstart a career

SUCCESS LOOKS LIKE
- Hands-on training
- Graduating with a job offer

PAIN POINTS
- Passing certification exam

Fast-Track to the Field is a recent high school grad who has found their calling in nursing. After a health scare with their mom last year, they decided to pursue a career in healthcare to make a difference in people's lives when they need it the most. The LVN Certificate program at HCC appealed to Fast-Track to the Field since it seemed to be the fastest track to get out of the classroom and into the clinic. In their second semester, they already spend a few supervised hours a week with patients in various clinical settings at Memorial Hermann. Fast-Track to the Field knows nursing is a broad field and is hoping to find a long, secure career in an area they're passionate about.

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

| Low | Medium | High |

GATEWAY SKILLS // Readiness to start the journey

| Low | Medium | High |

RESOURCES // Access to help to be successful on journey

| Low | Medium | High |

HEALTH // Basic needs are being met

| Low | Medium | High |

Persona Shape

READINESS
*COMPOSITE SCALE

AGE

FAST-TRACK
TO THE FIELD

1 Month   1 Year   2 Years   4+ Years

GOAL TIMEFRAME

F.1 Personas

F.1.2 The HCC Personas

PERSONA 4

FOUR-YEAR

AGE:
18

PROGRAM:
Associate In Science, Engineering

FOCUS

Four-Year Focus just graduated from high school and can't wait to kickoff their college experience. They know they'd like to get their bachelor's degree, likely in an engineering field. Four-Year Focus chose HCC to explore an engineering foundation while working part time and living at home to save up for tuition. They're looking at UT for their next steps, still feel connected to HCC, and are investing in social circles and athletic teams. They spend as much time as they can on campus. Over the summer, they hope to get an internship to learn more about chemical engineering.

GOAL
Build to a 4-year degree

SUCCESS LOOKS LIKE

• Credits that will carry

• Navigating the transfer to UT

• Exploring their career passions

PAINPOINTS

• Program cost

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

| Low | Medium | High |

GATEWAY SKILLS // Readiness to start the journey

| Low | Medium | High |

RESOURCES // Access to help to be successful on journey

| Low | Medium | High |

HEALTH // Basic needs are being met

| Low | Medium | High |

Persona Shape

READINESS
*COMPOSITE SCORE

AGE

FOUR-YEAR
FOCUS

1 Month   1 Year   2 Years   4+ Years

GOAL TIMEFRAME

HCC's Personas
Personas will be developed based on better understanding end user behavior by looking at more than just demographics. Understanding user stories, not just statistics, is making their primary care a person that has defined nothing about them and collected...

HCC

F.1.2 The HCC Personas

PERSONA 5

STRIVING TO

GET AHEAD

AGE:
34

PROGRAM:
Consumer Arts
and Science

GOAL

Life-changing financial independence for their family and themselves

SUCCESS LOOKS LIKE

- Food and housing security
- A good job with benefits
- Bringing their family up

with them

PAIN POINTS

- Fear of neglecting family

obligations

- Pressure to earn vs. invest in themself

Striving to Get Ahead works exceptionally hard and has already overcome many obstacles in their life. Despite holding down multiple jobs, they stress about living paycheck-to-paycheck, fearful the next bill will be their family's undoing. Sick of feeling trapped by their circumstances, they enroll at HCC determined to change them. Striving to Get Ahead's family and employers are abstractly supportive but can't offer them any real help, from schedule flexibility to childcare. Sometimes, their family doesn't understand why they are "wasting time and money" to go to school. Striving to Get Ahead is nervous about their academic background, especially their limited math experience, but takes their courses very seriously – their schoolwork has to lead to a good job, and quickly.

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

| Low | Medium | High |

GATEWAY SKILLS // Readiness to start the journey

| Low | Medium | High |

RESOURCES // Access to help to be successful on journey

| Low | Medium | High |

HEALTH // Basic needs are being met

| Low | Medium | High |

Persona Shape

READINESS
COMPLETE SCALE

AGE

STRIVING
TO GET AHEAD

GOAL TIMEFRAME

F.1 Personas

F.1.2 The HCC Personas

PERSONA 6

BIG DREAM

LACKS STEAM

AGE:
19

PROGRAM:
Associate
in Science,
Biology

Big Dream Lacks Steam loves to work with animals and dreams of becoming a veterinarian, beginning with a degree in biology. With this goal in mind, they worked reasonably diligently in high school and completed their assignments, but they didn't have access to college-bound curriculum or many science courses. They were surprised that they tested into remedial reading and math courses at HCC and have become very concerned about their severe academic challenges. Big Dream Lacks Steam worries they won't make it through the semester but struggles with the idea of giving up. Sometimes, they consider just leaving to "save face," as quitting may seem better than failing. They're unsure what their life looks like without this vision.

GOAL

Realize a longstanding passion, despite a skill mismatch

SUCCESS LOOKS LIKE

- Good quality of life
- Making family proud
- A career that makes a

  difference

PAIN POINTS

- Limited reading and

  math skills–potential
  learning disability

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

| Low | Medium | High |

GATEWAY SKILLS // Readiness to start the journey

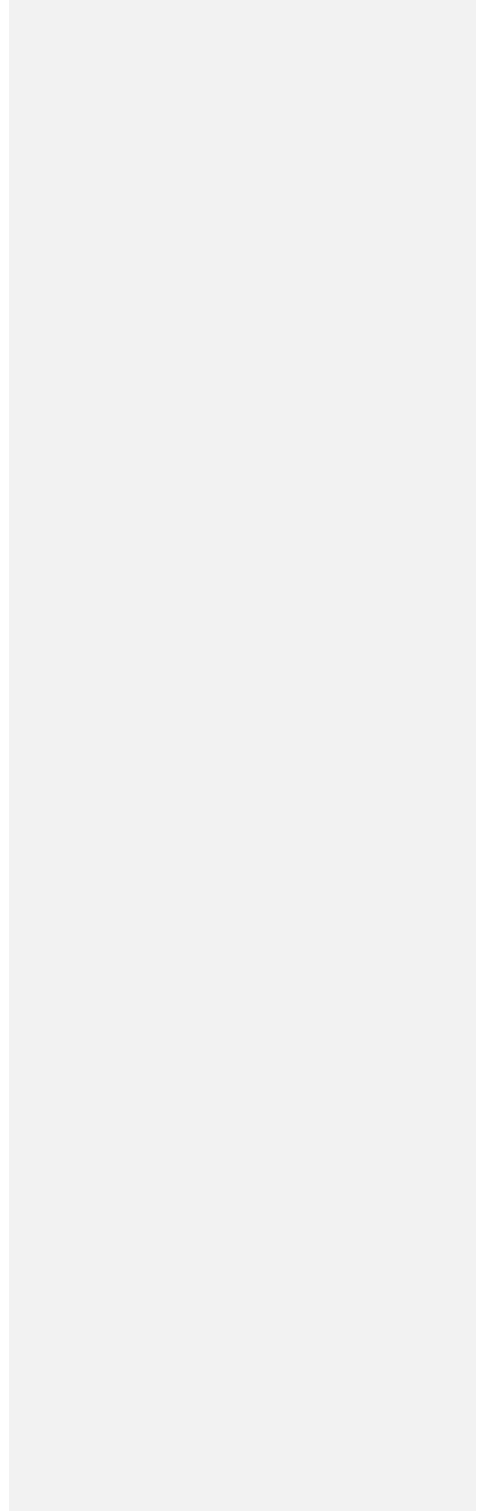| Low | Medium | High |

RESOURCES // Access to help to be successful on journey

| Low | Medium | High |

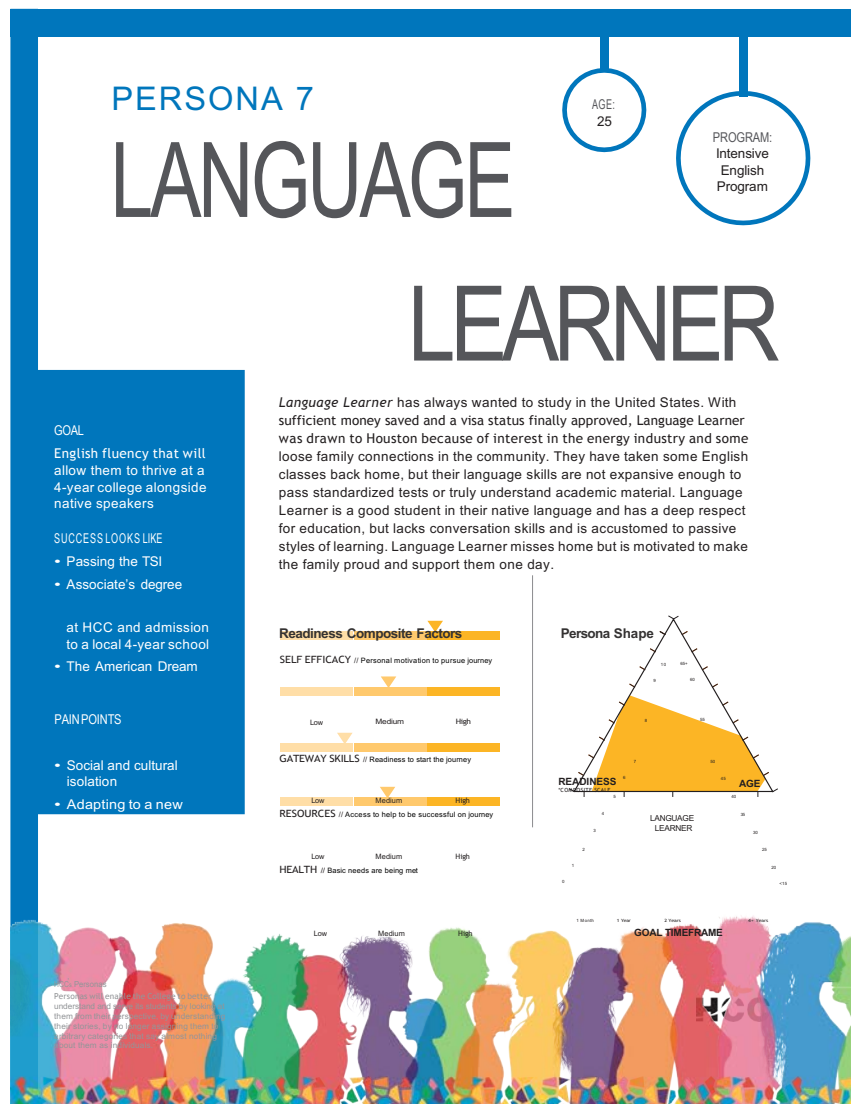HEALTH // Basic needs are being met
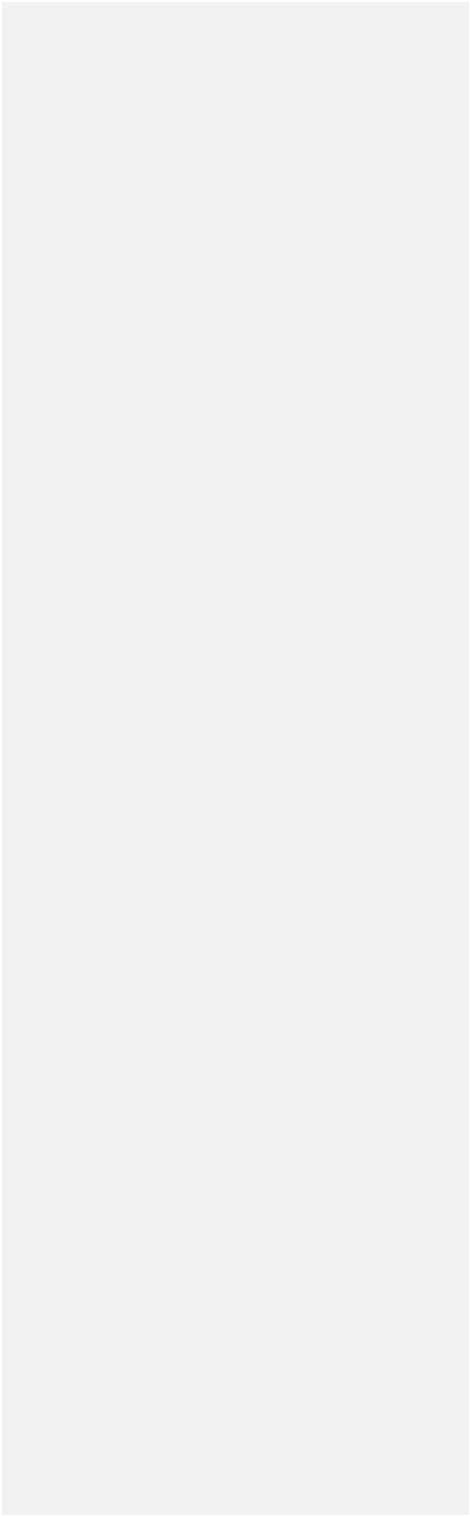
| Low | Medium | High |

Persona Shape

READINESS
COMPOSITE SCALE

AGE

BIG DREAM
LACKS STEAM

1 Month   1 Year   2 Years   4+ Years

GOAL TIMEFRAME

F.1 Personas

F.1.2 The HCC Personas

PERSONA 7

LANGUAGE
LEARNER

AGE:
25

PROGRAM:
Intensive
English
Program

Language Learner has always wanted to study in the United States. With sufficient money saved and a visa status finally approved, Language Learner was drawn to Houston because of interest in the energy industry and some loose family connections in the community. They have taken some English classes back home, but their language skills are not expansive enough to pass standardized tests or truly understand academic material. Language Learner is a good student in their native language and has a deep respect for education, but lacks conversation skills and is accustomed to passive styles of learning. Language Learner misses home but is motivated to make the family proud and support them one day.

GOAL

English fluency that will allow them to thrive at a 4-year college alongside native speakers

SUCCESS LOOKS LIKE

- Passing the TSI
- Associate's degree

  at HCC and admission to a local 4-year school
- The American Dream

PAIN POINTS

- Social and cultural isolation
- Adapting to a new

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

Low   Medium   High
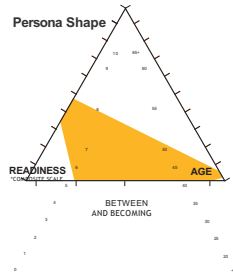
GATEWAY SKILLS // Readiness to start the journey

Low   Medium   High

RESOURCES // Access to help to be successful on journey

Low   Medium   High

HEALTH // Basic needs are being met

Low   Medium   High

Persona Shape

READINESS   AGE

LANGUAGE
LEARNER

1 Month   1 Year   2 Years

GOAL TIMEFRAME

F.1 Personas

F.1.2 The HCC Personas

PERSONA 8

SECOND ACT

AGE:
50

PROGRAM:
Associate
in Arts,
Teaching

SEEKER

Second Act Seeker has spent the last twenty-five years working as a personal accountant at a small firm. They fell into accounting because of the stable money and flexible hours, after completing most of a math degree and starting a family in their early 20s. While they're proud of what they accomplished, they see the industry changing around them as more people choose to do their own taxes online. Second Act Seeker knows the time is now to start a new career chapter – with aging parents who will need increasing help and kids who are now independent, they're in a bit of a sweet spot to focus on themselves. Becoming a teacher appealed to them when they were younger, and the youthful energy and capacity to give back still feels right in many ways. They enroll at HCC to test the waters and learn how to be a student again.

GOAL
Start their next chapter in life with a new, second career

SUCCESS LOOKS LIKE
- Transitioning into a career they enjoy
- Credit for practical experience where

  possible
- Successful job placement

PAINPOINTS

- Social stigma for their age

- Managing a lot of uncertainty

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

| Low | Medium | High |

GATEWAY SKILLS // Readiness to start the journey

| Low | Medium | High |

RESOURCES // Access to help to be successful on journey

| Low | Medium | High |

HEALTH // Basic needs are being met

| Low | Medium | High |

Persona Shape

READINESS

AGE

SECOND ACT
SEEKER

GOAL TIMEFRAME

F.1 Personas

F.1.2 The HCC Personas

PERSONA 9

BETWEEN

AGE:
17

PROGRAM:
Undecided

AND BECOMING

GOAL

Get a head start on
my future

SUCCESS LOOKS LIKE

- Attending a 4-year
  college one day

- Time and money saved
  through dual credit

PAIN POINTS

- Time management skills

  and issues prioritizing
  work
- Confidence in abilities,
  compounded by fear of
  the unknown
- Single parent household
  dynamics

- Financial stress

Between and Becoming is taking courses that also count for college credit
to get a jump start on a college degree, saving both time and money.
Between and Becoming is excited about the idea of getting an early start,
but often has a hard time setting aside the time to study that's required to be
successful in college courses. They have aspirations to attend a 4-year college
but are concerned about leaving family and about the cost, which seems
prohibitive. They feel responsible to the family and worry about leaving them
behind. Between and Becoming is a first-generation college student.

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

Low   Medium   High

GATEWAY SKILLS // Readiness to start the journey

Low   Medium   High

RESOURCES // Access to help to be successful on journey

Low   Medium   High

HEALTH // Basic needs are being met

Low   Medium   High

Persona Shape

READINESS
COMPOSITE SCALE   AGE

BETWEEN
AND BECOMING

1 Month   1 Year   2 Years   4+ Years

GOAL TIMEFRAME
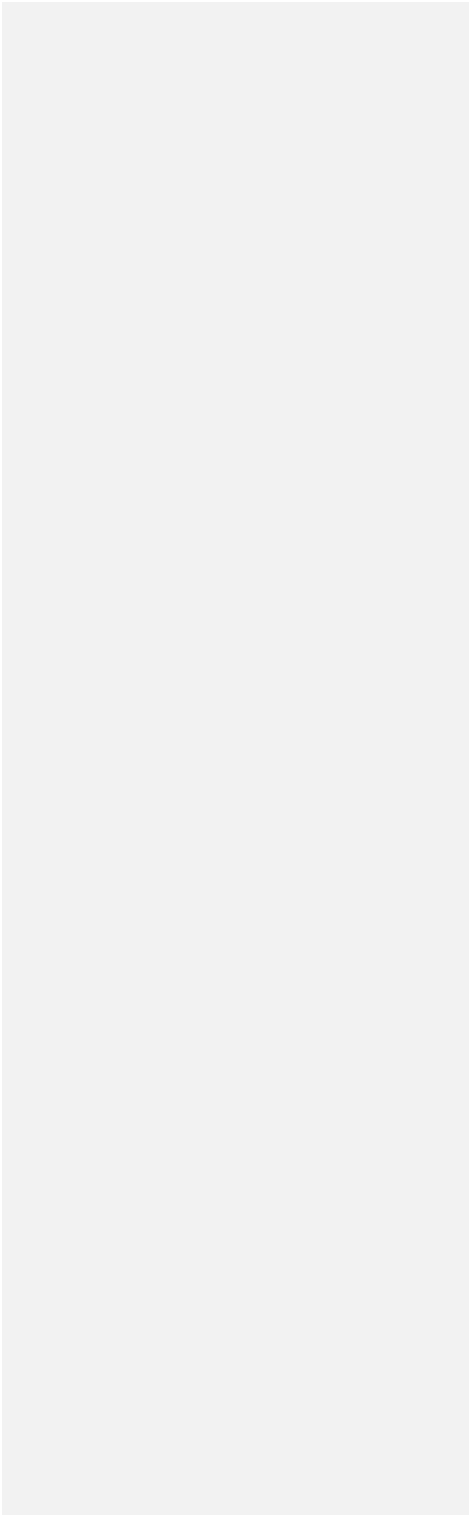
F.1 Personas

F.1.2 The HCC Personas

PERSONA 10

THE UNNAMED

AGE:

PROGRAM:

PERSONA

GOAL

SUCCESS LOOKS LIKE

PAIN POINTS

The Unnamed Persona is a direct representation of persona development as an ongoing process of inquiry. Leaving this persona deliberately open-ended recognizes that there is a "known unknown" that will continue to be iteratively explored. While the named personas are aimed to reflect and amplify both the lived concerns and aspirations of a broad base of HCC's students, any student who has yet to see aspects of themselves in a persona created to date can be assured that the Unnamed Persona invites the creation of additional personas over time to best reflect and serve the plurality of student experiences.

Readiness Composite Factors

SELF EFFICACY // Personal motivation to pursue journey

| Low | Medium | High |

GATEWAY SKILLS // Readiness to start the journey

| Low | Medium | High |

RESOURCES // Access to help to be successful on journey

| Low | Medium | High |

HEALTH // Basic needs are being met

| Low | Medium | High |

Persona Shape

READINESS
*COMPOSITE SCALE

AGE

GOAL TIMEFRAME

| 1 Month | 1 Year | 2 Years | 5+ Years |

HCC's Personas
Personas will be updated/added to better understand our students by collecting information that will help us understand their stories, their journeys, applying them to primary categories that represent nothing about their specific attributes.

F.1.2 The HCC Personas
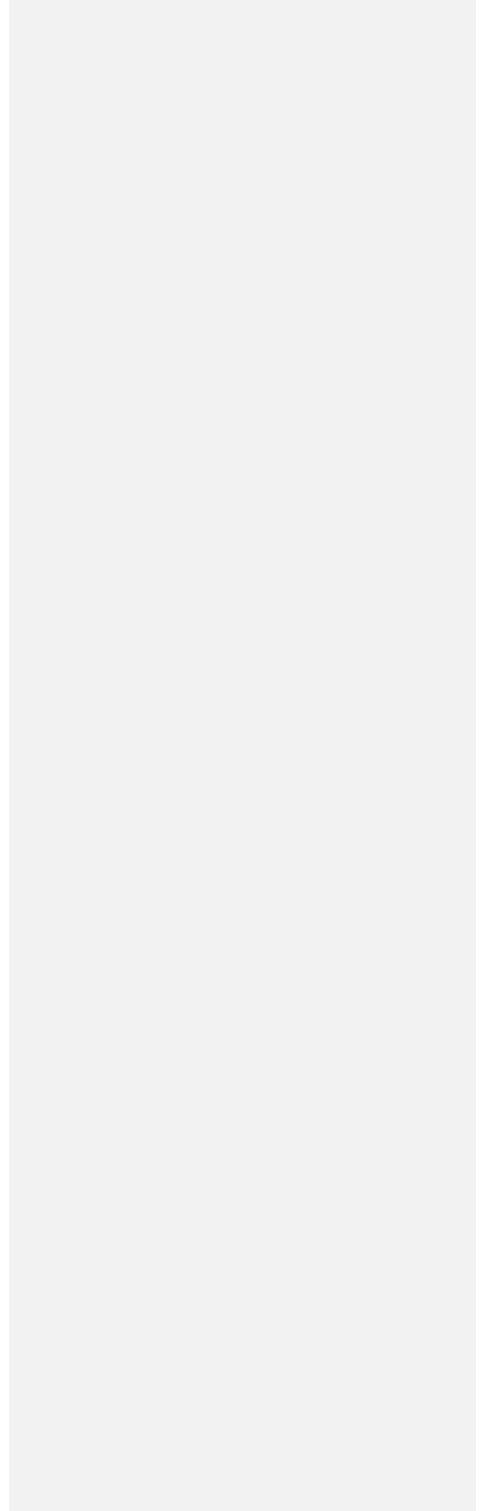
F2 Organizational Strategic Competencies

For HCC to think and act strategically every day, specific capacities – organizational strategic competencies – will need to be incorporated within the institution. These competencies will give HCC the ability to be a strategic organization; and will provide the foundation for HCC to better serve students and the community with strategic intent.

Building the organizational strategic competency of **Student Centeredness** will ensure that, as the College strives to address our strategic priority of Student Success, we do so in a way that encompasses all aspects of that challenge. Developing **Communal Awareness** will lead HCC to a deeper understanding and more expansive approach to the work of integrating with our communities and embracing our role as leader on issues of higher education and workforce development. Strengthening our ability to demonstrate **Collaborative Design** will lead to a college which uses its storehouse of assets to the best effect because all of the right elements are brought together in the right mix, crossing organizational boundaries and combining resources in service to our students and communities. Encouraging **Entrepreneurial Capacity** will enable us to better capture the innovation, experimentation, and prudential risk-taking required if HCC is to respond to present challenges and leap forward with meaningful change that prepares us for whatever comes next. Requiring **Technological Mindfulness** will drive the College – whether the focus is the organization collectively, or faculty, staff, and students individually – to not only use technology but also to understand and respond to how technology will change the way faculty teach, students learn, and people relate to one another and their work.

Each of these organizational strategic competencies, standing alone, would provide enough capacity to serve our students and communities sufficiently. Taken together, however, they will equip HCC to become an institution that has, in everything it thinks and does, strategy in its DNA.
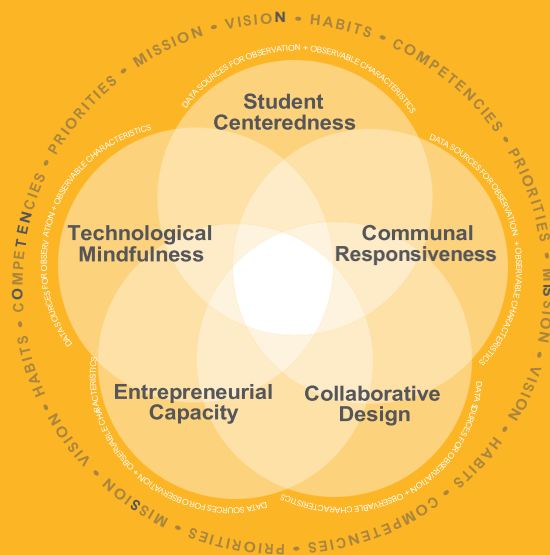
Student Centeredness
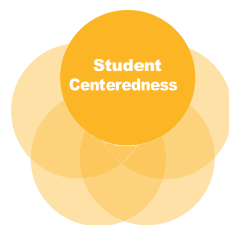
Student centeredness reflects the highest level of care and concern for each student, ambition for that student's success, and a willingness to do all that is required to ensure each student succeeds and thrives. Student Centeredness requires HCC to engage with students in a range of ways.

For HCC to help students craft their workplace future, we will need as comprehensive and accurate a portrait as possible of what that workplace will look like. The pace and depth of change happening in the world of work challenges us to examine trends that have emerged or are highly likely to emerge in addition to those transformative trends that have not yet become visible, catching much of the world unaware.

Likely Trends

Many trends affecting HCC students have already emerged, although their future direction is not always clear. HCC will need to sense and embrace these trends; the College will also have to seize on how those trends become everyday realities, using that knowledge to fuel a process of continuous positive adaptation. Among these expected trends:

Technological change may be an ever-more-pervasive and disruptive factor in the workplace. Despite many expert forecasts, no prediction of our technological future can be guaranteed. The unpredicted emergence of the smartphone in just fifteen years as the ubiquitous technological feature of daily life is the most common example. We do not know exactly where technology is taking us, but it is taking us there very fast. When it comes to Student Centeredness and technological change, HCC must address the issue across multiple dimensions. Rapid disruptions in the workplace will require us to carefully consider new programming offerings and robust continuing education options. Additionally, new technological advances will necessitate investments in equipment as well as student access to resources, and the human impacts of technological change will challenge

us to strategically formulate how we prepare students to navigate their ever-changing worlds.

Job Specific vs. Spectrum Training. The traditional educational model, especially for workforce, has been to "train to the job." While that model still prevails in many areas, we can no longer assume that a particular job or task will exist forever. More and more, it is the possession of skills, rather than the ability to perform a particular job, that will provide workers long-term employment security. Therefore, HCC will have to look afresh at how it confirms academic achievement. The traditional degree in a particular field of knowledge will not disappear anytime soon. Even so, it can also be reasonably expected that more and more employers will seek individuals who have certain credentials and skills rather than a specific degree. HCC will have to consider embracing this emerging trend toward credential stacking as an alternative path – an option parallel to that of the degree – for students. Moreover, HCC will have to determine what it should offer graduates by way of credential stacking. HCC will have to consider whether to stay engaged with students throughout their careers, providing them ongoing opportunities to

Deleted: equitable

respond to shifts in workplace expectations by adding credentials to their stack. This will also require reconsideration of the traditional tuition model; a parallel subscription approach may be required.

Job Applications vs. Networking. As the competition for good-paying jobs intensifies, traditional approaches of submitting a resume and hoping to beat the odds, get the interview, and win the position will give way to networking as an essential skill. For current students, the College could offer mini-courses in job-search techniques, including networking. The College could create an HCC Network to draw on existing relationships among students, alumni, and key individuals from current and potential employers. Tools facilitating networking might include a dedicated website, regular electronic communications, in-house job boards, and job fairs exclusively for HCC students and alumni.

Work-life Balance. Many incoming students have different attitudes regarding the balance to be struck between work and the rest of their lives, and these attitudes have been radically affected by the COVID pandemic. HCC will need to better understand this trend and how best to serve the students who are experiencing it. If HCC students today are not likely to show the same lifetime loyalty to a single employer – or just as likely, if that employer is not as able to show the same lifetime loyalty to the student – they will need career counseling and support not just for their first job, but for a lifetime career strategy as well.

Empathy + Education. Finally, HCC can demonstrate Student Centeredness by acknowledging that, for the generations just starting out, there will be unique tests when it comes to living a successful life. Ensuring a sound financial future despite the increasing fragility of a worker's revenue stream, building a financial bulwark for retirement at a time when traditional pension programs are fast eroding, planning for second and third careers extending past the long- accepted retirement age of sixty-five – all of these issues and others equally challenging will face HCC students. HCC will have to consider its role in providing empathic support to address student needs and concerns in areas such as these.

The Unexpected

As the COVID-19 pandemic has demonstrated, changes happen drastically and unexpectedly. While many of the trends with which HCC students will have to contend may be clear, there are others not yet known that may prove even larger factors in their lives. HCC must help students navigate these unexpected trends with unexpected outcomes. To do so, HCC will have to make it possible for alumni to remain engaged with the College. HCC will need to become a lifetime partner, an extension of the graduate's network of support. Among the ways in which HCC can prepare itself to deal with unforeseen trends, HCC must regularly scan and evaluate relevant literature about the nature of the workplace. Further, we must actively participate in professional colloquia and forums to maintain a current-state understanding of thinking regarding trends affecting students and higher education. HCC must host external experts to expose the college to fresh thinking and challenge long-held assumptions. Lastly, HCC must employ incremental pilot projects to explore possibilities created by unexpected trends.

Student Centeredness
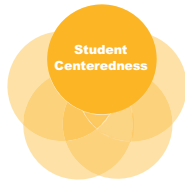
Achieving Student Centeredness: Implementation and Execution

HCC will be able to say that it has achieved the core organizational strategic competency of Student Centeredness when the College consistently exhibits behaviors such as these:

AT THE INSTITUTIONAL LEVEL:

- A clearly understood, objectively stated, and positively reinforced set of institutional, departmental, and individual expectations that establish and maintain Student Centeredness;

- A reflection of these expectations in all college activities; and

- A set of measurable, objective actions and outcomes by departments that further Student Centeredness.

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DEPARTMENTS:

- First evaluate every action, plan, and project in terms of its impact on students;

- Set and reinforce expectations for faculty and staff regarding students that are specific, observable as well as objectively and continuously measured, serving as a key factor in compensation and promotion; and

- Continuously update their understanding of, and their responses to, the needs and concerns of students, and continuously test actions, plans, and projects from the student perspective.

....

AT THE INDIVIDUAL LEVEL, FACULTY AND STAFF:

- Have a list of specific behaviors associated with Student Centeredness that are expected of them;

- Are provided coaching and feedback regarding their documented performance of these expected behaviors; and

- Are compensated and promoted based on the objectively measured results of their performance against these expected behaviors.
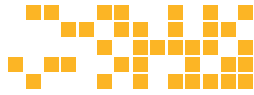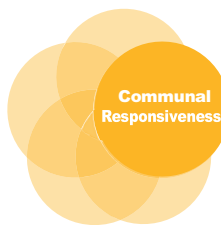
Communal Responsiveness involves mindfulness and intentionality: a deep and constant sensitivity to the needs of the community and the people HCC has been created to serve, as well as an abiding commitment to responding to and meeting those needs. However, Communal Responsiveness requires something more than this basic commitment, going far beyond merely responding to various external leaders.

Communal Responsiveness

As a starting point, HCC will demonstrate Communal Responsiveness through basic behaviors that consistently seek to understand and respond to the needs and expectations of the community. When Communal Responsiveness is most expansive, HCC will drive the conversation on how Greater Houston can ensure an educated workforce of people equipped to thrive in an increasingly complex and demanding world.

Three ascending levels of Communal Awareness merit discussion: Active Responder; Trusted Partner; and Core Leader.

Level I: Active Responder. As an Active Responder, HCC will conduct ongoing scans of its community environment to determine needs and evolve initiatives in response. In Level 1, the community sets the agenda and HCC responds, placing the College in a reactive mode. Given the size and complexity of the Greater Houston community, this role can be organizationally exhausting. The College is pushed from priority to priority, depending on the community concerns of the moment, and strategic direction is difficult to establish and maintain. Resources are not deployed to maximum effect, and the College could actually become less Communally Responsive if we measure this competency by how much HCC's contribution to the community falls short of what it actually could do.

Level II: Trusted Partner. To engage in Communal Responsiveness at the level of a Trusted Partner, HCC needs to blend attributes of an Active Responder with behaviors that recast the College's role from one of simply meeting community demands to that of participant in active dialogue with the community. As a Trusted Partner, the

College would work with the community to assess needs and prioritize among conflicting demands for resources and programs. To achieve this level of partnership, HCC must earn the community's trust in its ability to lead and to make strategic decisions. For HCC to become a true partner with the community, HCC will have to aggressively seek and earn trusted partner roles as opportunities present themselves.

Level III: Core Leader. The most evolved level of Communal Responsiveness incorporates elements of Active Responder and Trusted Partner, is Core Leader. To be a Core Leader and to drive the conversation on key issues about education in the community, HCC must exhibit many core values and behaviors, including:

- Empathy
- Active Listening
- Self-Awareness
- Healing
- Conceptualization
- Persuasiveness
- Stewardship
- Foresight
- Community Building
- Commitment to the Growth of Others

Achieving Communal Responsiveness: Implementation and Execution

HCC will be able to say that it has achieved Communal Responsiveness at the level of Core Leadership when these behaviors, among others, are evident:

AT THE INSTITUTIONAL LEVEL:

- HCC reaches out continuously to the community through a variety of channels to ascertain community concerns and needs in the community, with clearly stated goals and objectives;

- The College has a concrete multi-year plan for establishing itself as a Core Leader in the community, with clearly stated goals and objectives; and

- HCC regularly conducts rigorous self-assessments to evaluate how well it is developing its Core Leadership role in the community.

DEPARTMENTS:

- Consistently exhibit the behaviors of Core Leadership through actions that are specific, observable, objective, and measurable;

- Hold themselves accountable for adherence to those actions through reporting that is accurate, current, and transparent; and

- Emphasize the strategic behaviors associated with Core Leadership when assessing and reinforcing individual performance.

INDIVIDUALS:

- Have been given clear expectations regarding the strategic behaviors most commonly associated with Core Leadership; and

- Are continuously evaluated regarding their adherence to the expectations and behaviors associated with Core Leadership.

Collaborative Design is an intentional institutional commitment to resist and eliminate barriers and obstacles, such as silos, and to operate as a seamless, fully integrated organization. Silos occur when individuals exhibit more loyalty to their immediate colleagues and organizational unit than to the greater institution, making collaboration across organizational units difficult, if not impossible.

The negative impacts of silos are well-known. Organizational units resist change, seeking to maintain the status quo. They throw up barriers, hoard information, and sequester financial resources. Reluctant to cede authority, fearful of being perceived as less valuable, different organizational units duplicate work. They often hobble change initiatives that would reflect well on others in order to prevent other organizational units from gaining a perceived institutional advantage.

Collaborative Design (circle graphic)

Collaborative Design: What It is, What It Isn't

The high-performance organization networks centers of expertise. Collaborative Design retains the advantages of discrete organizational units while eliminating their negative effects. When this occurs, units coalesce around projects and issues, harnessing the capacities of different organizational units to generate a result greater than the sum of the parts.

Collaborative Design at HCC will create networks of organizational units through cooperation, coordination, and mutual support to forge a more nimble, efficient, and effective institution. HCC will use the tool of Relationship Mapping to cultivate Collaborative Design.

Generating Collaborative Design

To facilitate Collaborative Design, HCC must take specific actions. Shared Service agreements will set baseline expectations of how College units relate to one another. Senior leaders must be encouraged to learn about the work of other areas of the institution. Where issues and projects of longer duration are involved, coalitions should come together in a more formal way through designated teams,. Specific individuals should be designated to serve as liaisons, removing barriers to collaboration and ensuring that the benefits of collaboration are effectively measured, reported, recognized, and rewarded.

HCC can foster Collaborative design through the following practices:

- Provide a clear and compelling case for collaboration
- Communicate unmistakable expectations
- Enforce expectations vigorously
- Encourage spontaneous coalitions
- Ensure early engagement
- Insist on collective responsibility
- Require time-appropriate collaborations
- Insist on resource optimization
- Nurture innovation
- Demand reliability and transparency
- Provide feedback and coaching
- Use results-based management

Collaborative
Design

Building Collaborative Design: Implementation and Execution

HCC will be able to say that it has achieved the organizational strategic competency of Collaborative Design when behaviors such as the following are observable on a recurring and consistent basis:

AT THE INSTITUTIONAL LEVEL:

- HCC has made clear its expectation that faculty and staff will consistently demonstrate the organizational strategic competency of Collaborative Design, working with each other across boundaries to achieve what is best for the College;

- HCC hires, promotes, retains, recognizes, and rewards leaders who are consistent and effective in their adherence to the principles of Collaborative Design; and

- HCC encourages Collaborative Design that leads to innovative initiatives, recognizing and rewarding even those initiatives which, though carefully considered and thoughtfully crafted, do not achieve their stated goal.

DEPARTMENTS:

- Make the most of opportunities for employing Collaborative Design;

- Adhere to the principles of Collaborative Design, including the sharing of information, the willingness to contribute financial resources, and the readiness to subordinate departmental goals to the needs of the institution at large; and

- Take the initiative in creating clusters with other departments and organizational units to pursue opportunities and address challenges.
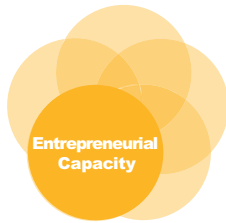
INDIVIDUALS:

- Demonstrate commitment to Collaborative Design within their sphere of responsibility;

- Can offer a cogent explanation of Collaborative Design, as well as the specific behaviors expected of them in support of the competency; and

- Engage in behaviors associated with Collaborative Design in their daily work.

Entrepreneurial Capacity

Entrepreneurs are opportunists – in the best sense of the word. They draw on creativity, drive, and vision to create economic or social value. Two questions drive them. First, "Why do we do things this way?" And second, "How can we do things better?" Organizations that want to grow, thrive, and must constantly ask the same questions and act on the answers. They must develop and maintain Entrepreneurial Capacity. For HCC, the challenge of Entrepreneurial Capacity is twofold: how to create it and how to keep it.

Entrepreneurial Capacity: The Four Essentials

For HCC to address these two guiding questions, the College will need to focus on four things: leadership, organizational structure, collaborative work style, and individual faculty and staff.

Leadership. Developing and maintaining Entrepreneurial Capacity in an organization requires leaders who lead, not manage, their teams. True leaders must empower others. Senior leaders provide the vision, but leadership itself must be evidenced throughout the enterprise, regardless of organizational reporting lines. Entrepreneurial Capacity thrives where the vision both articulates a long-term plan to achieve a meaningful mission and serves as a steadfast point of reference in a fluid, sometimes volatile environment – the organization's true north.

Leaders must also make that vision and empowerment real. First, they must establish entrepreneurial values such as non-linear thinking, associative perspective, openness, and forthrightness. Second, they must articulate clear expectations as to what constitutes entrepreneurial behaviors, such as constructive opportunism, proactivity, iconoclasm, ambition, perseverance, appetite for responsible risk,

and commitment to excellence. Finally, they must have a tolerance for risk, setting clear standards of risk tolerance that create "freedom with guardrails."

At HCC, the elements for Entrepreneurial Capacity are in place. The College has refreshed its Vision and more sharply focused its Values, positioning the institution to promote the empowered creativity that will be required. Senior leadership has embraced the concept of the collaborative workplace, an essential element for sparking innovation. Most important, HCC is making it clear that entrepreneurialism is not just a sometime theme. By consciously including Entrepreneurial Capacity as an organizational strategic competency, the College has made it clear that entrepreneurialism is a core concept.

One caution: in a truly entrepreneurial culture, failure will occur. So long as failure is the result of reasonable risk responsibly taken, that failure should be celebrated and those who took it reinforced for their effort. HCC should view this type of failure as a learning opportunity, as well as the chance to provide feedback and coaching that encourages further efforts and increases the odds of a more positive future outcome.

Organizational Structure. Entrepreneurial Capacity requires the right kind of structure. There must be a high level of social interaction; we must encourage and reinforce social networks where ambitious thinking and open expression thrive. We must avoid barriers to entrepreneurialism caused by work specialization, departmentalism, and chains of command. Work specialization cannot be allowed to narrow an employee's perspective. Therefore, social interaction will have to be made the order of the day; social networks will likewise have to dominate. Individuals will have to be given the opportunity to work outside their immediate zone of responsibility; departments must work in collaboration with each other. Chains of command must be seen as porous, allowing employees to reach out with their new idea to whomever they think best. HCC's culture must evolve to a more fluid state where traversing the organizational structure is made easier. This will not only encourage the freedom of movement needed for the creation of constructive entrepreneurial networks – it will also increase the speed with which those networks are created and the speed at which their work advances.

Collaborative Work style. HCC's capacity for Collaborative Design plays a key role in growing Entrepreneurial Capacity. Even so, groupthink must be avoided, resources provided, robust communication made the rule, and the team must be elevated above any individual.

Entrepreneurial Capacity will happen at HCC if HCC encourages these things to happen. HCC cannot mandate Entrepreneurial Capacity, but it can provide fertile ground where that organizational strategic competency can evolve and flourish.

Individual Faculty and Staff. Research suggests that individuals are more likely to be entrepreneurial if they possess four behavioral traits: creativity, constructive opportunism, proactivity, and vision. Identifying individuals, whether new hires or current employees, who have all four hallmark traits of entrepreneurialism in full force is rare. Therefore, HCC leaders must create diverse teams: teams in which different individuals – some more creative or constructively opportunistic, others more proactive or visionary – are joined together to synthesize all the behaviors needed for entrepreneurial success.
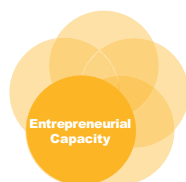
Entrepreneurial Capacity: Implementation and Execution

HCC will have made significant progress in building Entrepreneurial Capacity when certain things such as the following are true:

AT THE INSTITUTIONAL LEVEL:

- The status quo is regularly questioned and challenged

- The College mantra is that it is better to think big, do things differently, and fail, than not to try at all

- Knowledge and experience are freely shared across the institution, and

- Entrepreneurial behaviors are a principal focus when hiring.

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DEPARTMENTS:

- Welcome genuine debate where people are unafraid to express their views

- Encourage regular, unstructured brainstorming sessions around the question of what can be done differently and better

- Look for entrepreneurial talent within the department, and

- Willingly and readily share information and seek out creative partnerships with other departments.

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INDIVIDUALS:

- Feel encouraged to think big and not fear failures that result from reasonable risks responsibly taken

- Possess at least one if not more entrepreneurial behaviors

- Are willing to ask others for help, share information, and embrace joint responsibility for outcomes, whether positive or not, and

- Are reinforced and rewarded for their entrepreneurialism.
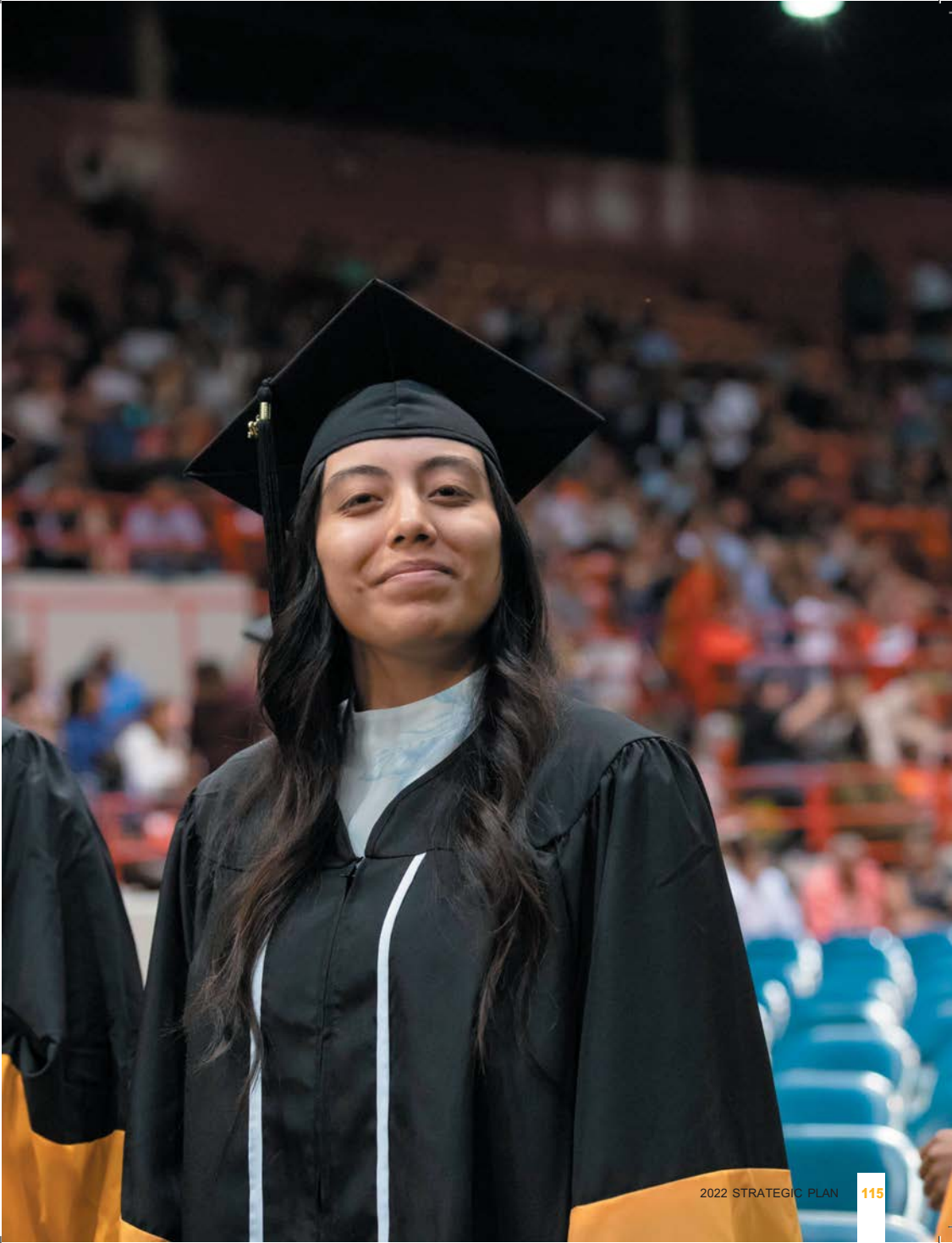
Technological Mindfulness

Technology is no longer simply a tool. It is a fundamental component of our existence, an extension of ourselves. It must likewise be an integral part of any organization that plans to prosper in coming years.

HCC will achieve Technological Mindfulness by:

- Identifying every area where technology does or should play a role;

- Exploiting every opportunity technology presents in each of those areas

- Creating processes that make the understanding and application of technology a constantly evolving component of the College's fundamental structure.

Ultimately, Technological Mindfulness at HCC will be demonstrated by the everyday behaviors of faculty, staff, and students. It will underpin and support the other four organizational strategic competencies. HCC must build the capacity to timely sense changes in the technological landscape, seize the opportunities those changes present, and do so in a way that constructively transforms the institution. It must become not just a supporting tool for education but also a spur to innovation in the classroom.

Technological Mindfulness in Practice

At HCC, Technological Mindfulness must take many forms: as a means for reducing cycle times in daily and longer-term processes and activities; a tool for instilling greater capacity for oversight

and accountability; an avenue to cost-effectiveness; a lever to increase the quality productivity of existing staff; an enriched repository of data as well as the systems to mine that data with maximum benefit; and a system for improved internal and external communication. Among the opportunities technology offers:

Oversight and Accountability. An organization is more likely to achieve its goals when it objectively measures and reports on critical activities. Current and evolving technologies can help monitor and report on those activities, making it easier to hold accountable those who have been given responsibility for their execution. A risk to be guarded against, however, is that in pursuit of comprehensive information on every aspect of the organization, technology may become a burden rather than an asset, a system of such complexity and time consumption that its usefulness is undermined. There is also a risk of over-commitment to a particular technology, of investing too many College resources in technology that becomes outpaced or outmoded.

Cost-Effectiveness. The rapid development of technology tools encourages a fixation on the next bright and shiny technological innovation. This type of fixation can reduce cost-effectiveness in integrating technology into

the DNA of the College. For example, it might encourage acquisition of unproven technology that is difficult to use, does not have adequate vendor support, or imposes expensive maintenance. Technology cost-effectiveness considers the increasingly short cycle times for technological developments. Cost-effectiveness also recognizes that any technology must be an extension of, rather than an imposition on, existing staff and systems and that, in many cases, technologies may best be introduced through preliminary trials and pilot projects.

Increased Quality Productivity. Increased productivity must lead to increased quality. Staff and faculty need to be trained to standard levels of proficiency that ensure their productivity will be professional, of high quality, and valuable. For instance, increasing quality productivity requires faculty and staff to be able to develop skills in the full suite of a software's capacities and to use those skills in their day-to-day work.

Data Collection and Exploitation. Current technology facilitates the collection, storage, and exploitation of data in amounts unthinkable just five years ago. Yet even as more and more data is at our command, the question remains whether that data is transformed into information put to a useful purpose. Technological Mindfulness requires both the assiduous collection of data and its thoughtful, effective use. Effective data exploitation involves knowing which data are truly essential and which are not. It also calls for a mindset that says data collected but left unused is time, money, and talent wasted. Technological Mindfulness done well means that the right data is collected and not allowed

to lie fallow but analyzed using the most current techniques and tools. Ultimately, faculty, staff, and administrators use the appropriate data for maximum impact.

Improved Communication, Internal and External. We know that how we communicate will transform multiple times over the course of the working lives of HCC students. The Pandemic amplified the role of virtual and of asynchronous communication in student learning, engagement, and experience, highlighting the importance of Technological Mindfulness across the district. Developing Technological Mindfulness will require: first, making the highest and best use of existing technologies; and, second, taking advantage of new communication technologies as they emerge using realistic adoption strategies. Internally, this means focusing on how to enhance communication among employees – not just how they talk with each other but how that interaction leads to improved results. It also means focusing on how best to communicate with students either to engage them in the life of the College or to facilitate and enhance their educational experience.

Technological Mindfulness in Teaching and Learning. Technology has already disrupted educational models. Technology-aided instruction and online learning are examples of how technology is transforming education. Yet the issue runs deeper. Technological Mindfulness will require HCC to consider how technology can be most effectively deployed in the design of new facilities and within the interactions among the College's campuses to enhance educational effectiveness. Likewise, it will require HCC to set

high standards for faculty technology competence; it may also require that the College establish standards of technology competence for students and programs to assist both faculty and students who need training to meet those standards.

Technological Mindfulness will require that HCC consider necessary innovations in teaching and learning models and methods to meet the expectations and challenges of future student cohorts who have grown up in a digital world, replete with unmediated information and increasingly rapid information cycles. Putting courses online will not be enough. Technological Mindfulness in teaching and learning will require embracing existing and emerging technologies as well as adopting effective responses to the practical effects of those technologies. HCC will also be challenged to maintain the rich dimensions of human interaction required for a truly immersive and meaningful educational experience even as it builds capacity for Technological Mindfulness in teaching and learning.

Finally, HCC will have to decide what levels of technology education it will provide. For instance, HCC must determine the scale of educational offerings of the following: first, basic technological training to provide students the level of proficiency required to perform optimally in whatever employment they may undertake; second, programming training to equip students with the coding expertise that prepares them for work in areas requiring substantial programming skills; and third, advanced technological training for that small component of the student population who may move into the entrepreneurial space of innovating new technologies.

Nimble Technological Mindfulness. The rapidity of technological change – a pace likely to increase in coming years – presents HCC significant challenges.

- First, there is the question of how to treat legacy systems as newer options emerge. Decisions will have to be made about how long to retain an existing system, the right moment to transition to new technology, and the rate and expense of the transition.

- Second, there will be the question of which new technologies are worth adopting and which are better left unused.

- Third, there will be the task of ensuring that new technologies are thoroughly evaluated to ensure their applicability is considered for all appropriate aspects of the College.

- Fourth, there will be the challenge of discarding low-value technology that produces data or results which do not truly further HCC's mission and represent a net drain on financial and human resources.

- Fifth, there will be the need to integrate Technological Mindfulness into all elements of the institution, moving away from a model where this core competence resides primarily in Information Technology to one where it can be found in every part of the College.

Achieving Technological Mindfulness: Implementation and Execution

HCC will be able to say that it has achieved the organizational strategic competency of Technological Mindfulness when these behaviors among others are in evidence:
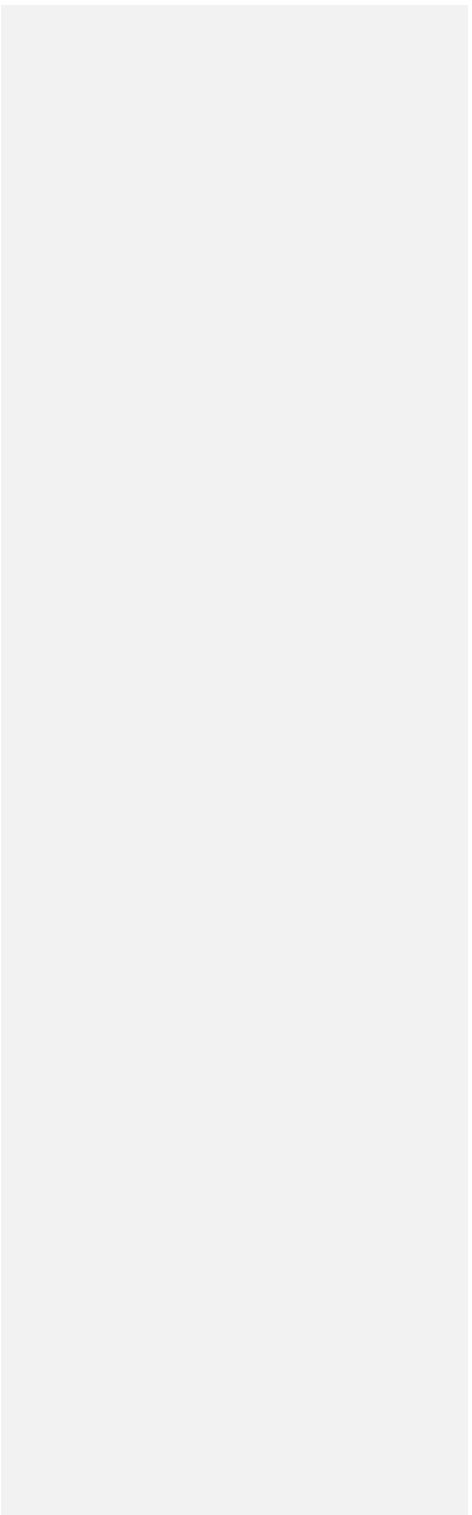
AT THE INSTITUTIONAL LEVEL:

- Objectively stated expectations for faculty and staff as regards technology deployment are clearly defined and regularly updated.

....

DEPARTMENTS:

- Regularly review faculty and staff against objective Technological Mindfulness performance criteria, and that evaluation factors into retention, compensation, and promotion decisions; and

- Constantly scan employment patterns to assess emerging technological needs for which they should be preparing students.

....

INDIVIDUALS:

- Have a clear understanding of the skills required of them as regards Technological Mindfulness;

- Demonstrate in their daily work the Technological Mindfulness appropriate to their position; and

- Are regularly refreshing and expanding their technological skills.

The HCC Way: The Foundation of Mosaic & Me

Every day, HCC faculty and staff execute their work using behaviors produced by habits they have acquired over time. The HCC Way attempted to capture those behaviors – those ways of thinking, those habits – that are most critical to moving the College forward and enlarging its capacity to serve students and the community. Expanded into Mosaic & Me, these critical few behaviors are essential to developing the organizational strategic competencies that will help serve as the foundation for the College's forward progress.

The Mosaic Movement is not another program. It's about housing in one place the decades of work HCC have done to codify and align the things that matter most to the institution. Mosaic & Me will serve as a go-to resource for HCC's foundational elements, to understand how everything fits together, as well as to share ideas and learning.

Establishing, fostering, and acting on the behaviors identified by the HCC Way and expanded in Mosaic & Me – the key to the HCC culture – must be an intentional act. That act starts with the HCC Values, which supply the north star for the behaviors of those who work at the College. Overall, the Mosaic Movement is the result of all the pieces and parts working together to make this a true interaction and not just an idea or static moment in time. Mosaic & Me becomes the "cultural mortar" or glue that holds everything together. HCC is a large organization – but even with its distance and diversity, the College can act together as one cohesive, forward-moving body.
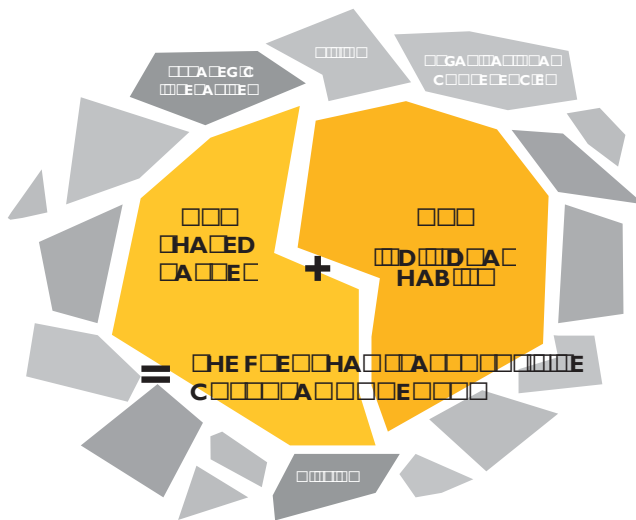
What are shared values?

Shared values are what motivate employees at the College. They are the guiding principles that dictate behavior and action. Shared values can help organizations determine if they are on the right path and fulfilling their strategic goals. They create an unwavering and unchanging guide to an organization's identity. These are the most fundamental principles that we all share – no matter who we are or where we work.

What are individual habits?

Individual habits are the behavioral expectations of each employee. They describe the "actions" or "way we do things around here" that serve as a tangible link between the organization's identity ("who we are"), its motives ("what

we value"), and its operational strategy ("what we expect to achieve"). Habits (also known as behavioral competencies) are a commonly used management tool for identifying desired behaviors and improving performance.

Together, the HCC Values lay the foundation for successful execution of the Organizational Strategic Competencies. While all of the foundational elements are important, it's the Shared Values and Individual Habits that spark positive cultural momentum. The College's expectation is that HCC's Shared Values and Individual Habits create excellence in the work of the college. Looking closer at HCC's mosaic, it is clear how the foundational pieces connect – with employees holding everything together:

HCC has identified five core Shared Values that represent the essence of the HCC Way: commitment to collaborate; devotion to service; empower to trust; passion to learn; and drive to innovate.

Commitment to collaborate.

We are at our best when we collaborate with each other, our students, our community, and all we serve. When we are working towards common goals and solutions, the open sharing of resources, ideas, skills, and knowledge from diverse perspectives helps generate synergy to achieve HCC's goals. We value differences in each other and use them to create better outcomes together.

Devotion to service.

We are unwavering in our commitment to serve our students and our community. By our willingness to adopt a serve-others-first mentality and approach to our work, we are able to live up to and surpass the expectations of our constituents and each other. By putting service first, we ensure the best experience for those we serve and those who choose to be part of HCC.

Empower to trust.

We encourage and actively empower trust individually and collectively as we work to serve our students, community, and each other. By empowering ourselves to trust each other's motives, work, and integrity, we encourage and sustain an environment where students can most effectively learn, faculty can teach, and employees can thrive.

Impassion to learn.

We are an institution of life-long learning and are committed to the continuous pursuit of knowledge in all that we do. There is an inherent passion in teaching and connecting ideas, lessons, and concepts with others in our classrooms, colleges, and offices. We embrace the never-ending pursuit of learning and bettering ourselves and those around us.

Drive to innovate.

We are intentionally innovating and purposely evolving to anticipate the changing needs of our students, their current and future employers, and our greater community. Innovation becomes our way of thinking and affecting change. We are committed to understanding the here and now as well as the trends that we must uniquely address for and with those around us.

However, defining these critical few Values is not enough. For those Values to have real impact, they must be supported every day by the behaviors of the HCC Way.

Individual Habits

Individual Habits describe the actions – or colloquially, "the way we do things around here" – that serve as a tangible link between the organization's identity (what the organization aspires to be), its motives (what the organization values), and its operational strategy (what the organization expects to achieve). Habits, also known as behavioral competencies, are a commonly used management tool for identifying desired behaviors and improving performance.

Examples of how those individual habits might be expressed at HCC could include:

- **Championing Student Needs.** Faculty and staff work to champion the needs of students, and thereby, the community.

- **Driving Continuous Improvement.** Faculty and staff work every day to improve themselves, their processes, their approaches, and those around them.

- **Building Relationships.** Faculty and staff work every day to build, expand, and deepen relationships inside and outside the College.

- **Communicating Effectively.** Faculty and staff work every day to communicate more openly, more effectively, and more intentionally.

- **Working Collectively.** Every day, faculty and staff work to encourage and invite others into our solutions and challenges.

Shared Values Plus Individual Habits: A Key to Improved Performance

HCC's culture is defined by shared values and individual habits. These are the things with which each employee can understand, embrace, and impact the College. When those who work at HCC adopt and live these out every day, it creates an environment where they can act through the Organizational Strategic Competencies and the important work for students and community.

HCC is committed to maintaining a vibrant culture – a purposeful environment where shared values and individual habits intentionally protect and carefully move the organization forward. It is from this framework that HCC will improve its selection, evaluation, promotion, and succession efforts of its people, align the workforce to the College's strategic thinking, and improve HCC's capacity for reliable, sustainable business execution.

Elements critical to this approach include:

- **Culture on Purpose.** Culture can be described as the shared motives, aspirations, and behaviors of the organization. Focusing on the right individual habits, which we all share, will help HCC take a much more intentional approach to the College's culture.

- **Hire the Right People.** Behavioral-based interviewing grounded in a prescribed group of habits and competencies will ensure that HCC finds and hires the kind of people who will embrace the culture and help the College realize its strategic objectives.

- **Evaluate the Person, Not Just the Job.** Evaluating employees for not only their ability to functionally do their job –

their ability to leverage their knowledge, skills, and abilities – but also their ability to operate in a manner that is consistent with our shared values and individual habits.

- **Focus Development on What Matters Most.** In addition to development activities relating to knowledge, skills, and abilities, individual habits at HCC serve as a platform for mapping the organization's curriculum and focusing individual development efforts at every level of the organization. Deficits can be easily surfaced, development plans can be created, and mastery can be pursued along a predictable path that meets the needs of the individual while serving the interests of the organization.

- **Promote for Talent Not Tenure.** By standardizing evaluation and development efforts to incorporate our shared values and individual habits, HCC can purposefully develop a pipeline of talent with the ability to assume future management and leadership roles in the organization. Knowledge, skills, and abilities may be unique from one part of the College to another, but core values and individual habits remain consistent.
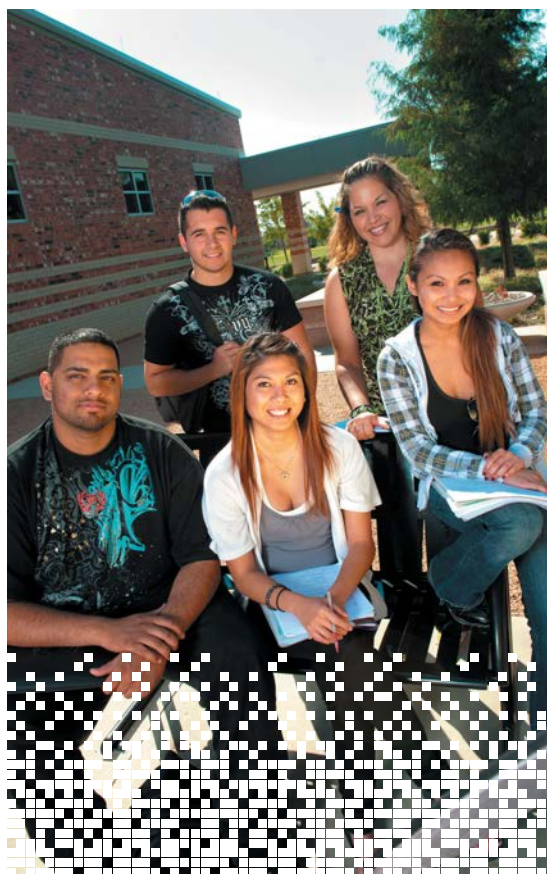
Individual Habit Roadmaps

**Championing
Student Needs**

Definition:

Every day we work to champion the needs of our students, and thereby, our community.

Behavioral Examples:

- Builds strong relationships with students: proactively reaches out to learn about student goals and interests and is aware of their needs, concerns, and satisfaction

- Responds promptly to student questions and requests; takes responsibility for ensuring their needs are met

- Effectively manages student expectations; does not promise things that cannot be delivered

- Resolves student concerns in a calm, positive, and sensitive manner; makes students feel valued and appreciated

Driving Continuous Improvement

Definition:

Every day we work to improve ourselves, our processes, our approaches and others around us.

Behavioral Examples:

- Establishes methods to continuously monitor and improve performance of systems and processes; creates and utilizes metrics to drive continuous improvement

- Emphasizes the use of standardized work methods that support incremental, ongoing improvement; examines past practices and results in order to learn from experience

- Drives change that is focused on increasing the effectiveness and/or efficiency of the organization's goals

- Seeks out and adopts practices from other departments or companies that can be used to improve performances; compares and benchmarks performance practices against those of other organizations

Building Relationships

Definition:

Every day we work to build, expand, and deepen relationships inside and outside our institution.

Behavioral Examples:

- Establishes trust of individuals by actively listening and seeking to understand their views

- Builds acceptance and support by aligning ideas with the needs and priorities of others

- Demonstrates the ability to balance own strengths and weaknesses with the strengths and weaknesses of others

- Able to create an inclusive environment; works effectively with individuals from diverse background

Communicating Effectively

Definition:

Every day we work to communicate more openly, more effectively, and more intentionally.

Behavioral Examples:

- Expresses ideas and information in a clear and concise manner; messages are both complete and succinct; focuses on critical information and leaves out irrelevant or unnecessary details; provides effective responses to questions

- Tailors message to fit the interests and needs of the audience; focuses on relevant topics; uses vocabulary and terminology appropriate to the audience

- Delivers information in a manner that is interesting and compelling to the listener; makes appropriate use of humor, examples, and analogies to engage the audience

- Uses appropriate language, grammar, and pronunciation; is easy to understand

**Working
Collectively**

Definition:

**Every day we passionately work to encourage and invite others into
our solutions and challenges.**

Behavioral Examples:

- Works toward a shared vision for the organization that includes a
  common understanding of what we are trying to accomplish and
  a joint approach to solving problems through agreed-upon actions

- Complies with how success is measured and reported; adheres to
  the established performance indicators identified; uses outcomes for
  learning and improvement

- Works with team members through a mutually reinforcing plan of action
  to achieve the desired goals and outcomes of the organization

- Engages in frequent and structured open communication to build trust,
  assure mutual objectives, and create common motivation

HCC culture will be purposeful, and our shared values and individual habits will intentionally protect and carefully move the organization forward. From this framework, we will improve our selection, evaluation, promotion, and succession efforts of all our people, align our workforce to our strategy, and improve our capacity for reliable execution. HCC has a clearly articulated strategy that will guide the College's work and investment for years to come. As with all organizations, the ability to achieve the strategic goals is dependent on the people and the culture they work within. At HCC, Mosaic & Me defines the most basic expectations of our culture and our people. When we live up to these expectations individually and collectively, we will win together. We not only have a great work environment, but also we have the collective vision and the will to live up to the key strategic drivers. The entire HCC institution – each college, each department, each function – must excel at and perform at the highest levels.

HCC is a complex, geographically distributed organization. Seven colleges are supported by shared-service divisions consistent with the institution's size and mission. Integrated Planning Cycles – supported by the Office of Strategic Planning and Institutional Effectiveness, and the Office of Project and Change Management – will ensure that the range of planning activities across the institution associated with a particular area of focus are coordinated and executed with strategic cohesion and consistency.

The annual budget development process provides a good example of how the process of Integrated Planning Cycles will work in practice when, after a ramp-up period, it is fully implemented. The goal in this instance, as with use of the process in every area of focus, will be to ensure coordination and alignment in terms of timing, focus, decision making, documentation, and reporting. The annual budget planning example that follows is based on HCC having already started the transition to Integrated Planning Cycles and moving toward full implementation.

Annual budget planning, while complicated across the district, follows a predictable timeline built according to the September start of the annual budget year, which runs from September to August of the following year. (For example, Fiscal Year 2023 will start on September 1, 2022, and end on August 31, 2023.) Integrated Planning Cycles require all colleges and shared-service divisions to coordinate timing of planning-related activities to achieve two goals:

- First, to make sure those activities are efficiently and effectively sequenced with other planning activities that impact multiple division or functions.

- Second, to ensure timely inclusion of the results in the budget development process.

When replicated across all divisions and reported through shared planning tools like Microsoft Project, this process will support HCC's annual review of strategic goals as part of the College's continuous improvement process.

Annual planning cycles are rooted in the institution's longer-term planning horizon that focuses on activities, events, and thresholds that have system-wide impact – such as the State of Texas's biennium budget or HCC's decennial review of its regional accreditation with the Southern Association of Colleges and Schools, Commission on Colleges (SACSCOC). At the same time, good annual planning is recursive; it allows us to recognize past decisions and commitments, articulate aspirations for the future, and learn from the challenges and successes associated with the implementation of current-year plans.

The graphic on the next page illustrates this relationship. It assumes Integrated Planning Cycles have been fully implemented as regards the annual budget process by Fiscal Year 2024. As documented in the graphic, the top-level steps in the annual budget planning process will be as follows once Integrated Planning Cycles are fully implemented.

Integrated Planning Cycle

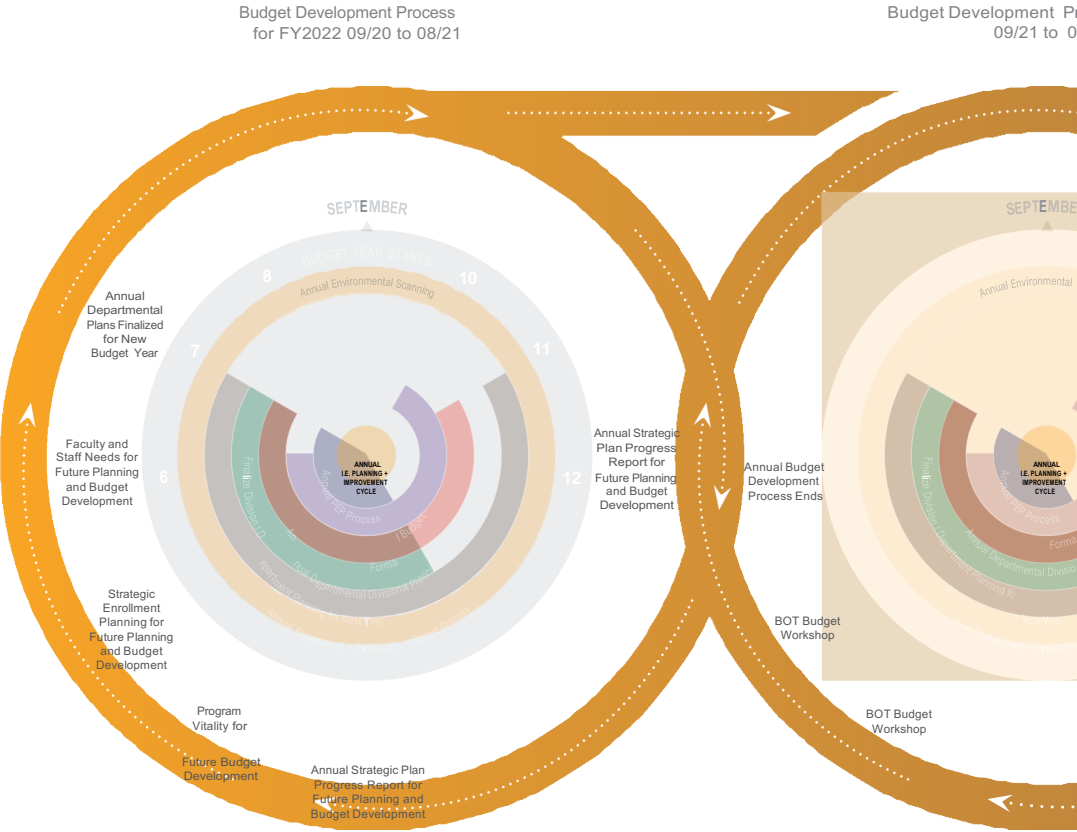| Annual Budget Planning Process for Fiscal Year 2024 (September 1, 2022–August 31, 2023)		
Activity	Fiscal Year	Calendar Year
Monthly Budget Workshops Start (Administration and Board)	FY2023	October 2022
Monthly Budget Workshops End (Administration and Board)	FY2023	May 2023
FY2023 Budget Approved	FY2023	June 2023
FY2024 Budget Starts	FY2024	September 2023

Budget development deliberations take place from October through May and are informed by the institution's strategic priorities, future realities that emerge over time, revenue assumptions based on enrollment planning and forecasting, institutional aspirations for the future, and any additional finance assumptions required to make the budget viable. For example, the FY2023 Budget development process for the FY2024 Budget will require HCC to meaningfully absorb the results of integrated planning connected to all College and shared-service divisions. For this example, integrated planning will require:

- The Annual Strategic Plan Progress Report and adjustments, additions, and deletions to the strategic plan based on data related to implementation of the plan and operational reports/results from all departments and divisions on prior year results.
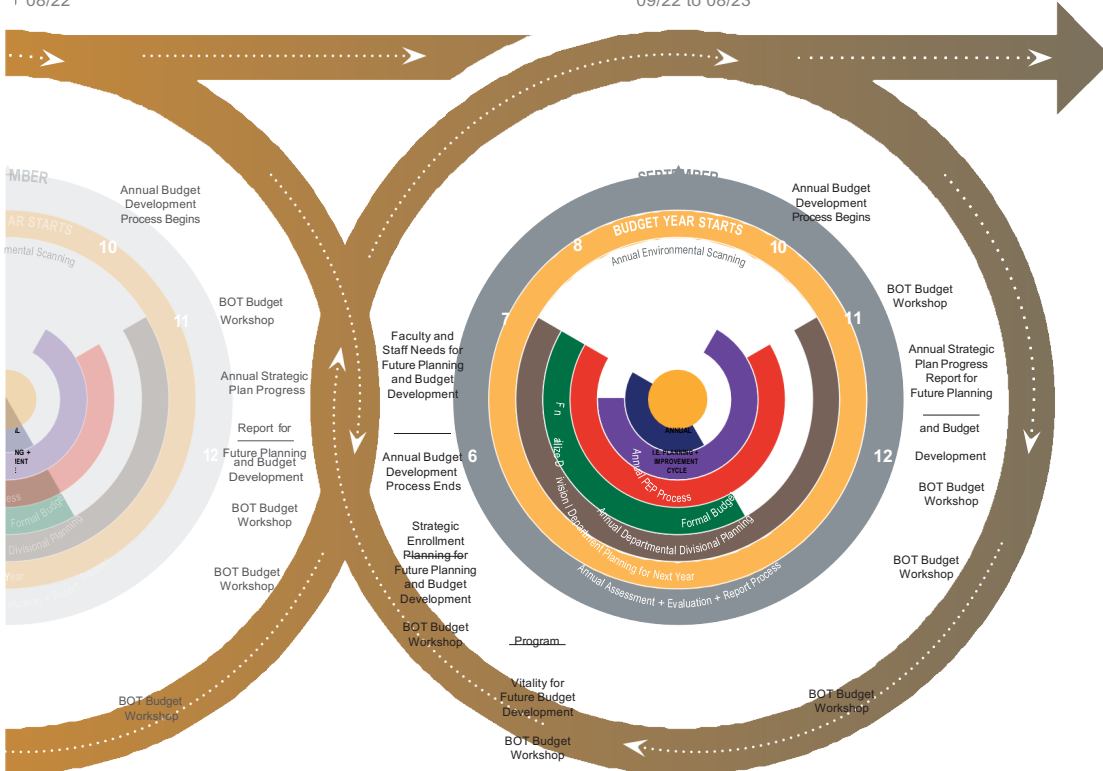
- Departmental and Divisional strategic and operational planning for next year and the year to follow.

- Systemwide strategic enrollment planning and forecasting for campuses, colleges, and Centers of Excellence.

- Program Vitality and Viability Planning rooted in Student Outcomes and Program Student Learning Assessment and Evaluation.

Integrated Planning, an Example supporting the Budget Development for the 2024 Fiscal Year

Budget Development Process
for FY2022 09/20 to 08/21

Budget Development Pr
09/21 to 0

SEPTEMBER

8

10

7

11

6

12

BUDGET YEAR STARTS

Annual Environmental Scanning

ANNUAL
I.E. PLANNING +
IMPROVEMENT
CYCLE

Annual Departmental Plans Finalized for New Budget Year

Faculty and Staff Needs for Future Planning and Budget Development

Strategic Enrollment Planning for Future Planning and Budget Development

Program Vitality for Future Budget Development

Annual Strategic Plan Progress Report for Future Planning and Budget Development

Annual Strategic Plan Progress Report for Future Planning and Budget Development

Annual Budget Development Process Ends

BOT Budget Workshop

SEPTEMBE

Annual Environmental

ANNUAL
I.E. PLANNING +
IMPROVEMENT
CYCLE

BOT Budget Workshop

Process for FY 2023
08/22

Budget Development for FY 2024
09/22 to 08/23

MBER

Annual Budget
Development
Process Begins

10

BOT Budget
Workshop

11

Annual Strategic
Plan Progress

Report for
Future Planning
and Budget
Development

12

BOT Budget
Workshop

BOT Budget
Workshop

BOT Budget
Workshop

SEPTEMBER

Annual Budget
Development
Process Begins

10

BUDGET YEAR STARTS

Annual Environmental Scanning

8

BOT Budget
Workshop

11

Faculty and
Staff Needs for
Future Planning
and Budget
Development

Annual Strategic
Plan Progress
Report for
Future Planning

and Budget

6

Annual Budget
Development
Process Ends

12

Development

BOT Budget
Workshop

Strategic
Enrollment
Planning for
Future Planning
and Budget
Development

CONTINUOUS
IMPROVEMENT
CYCLE

Annual PEP Process

Annual Departmental Divisional Planning

Annual Assessment + Evaluation + Report Process

Formal Budget

Annual Divisional Department Planning for Next Year

BOT Budget
Workshop

BOT Budget
Workshop

Program

Vitality for
Future Budget
Development

BOT Budget
Workshop

BOT Budget
Workshop

1

The Annual Strategic Plan Progress Report and adjustments, additions, and deletions to the strategic plan based on data related to implementation of the plan, operational reports/results from all departments and divisions on prior year results.
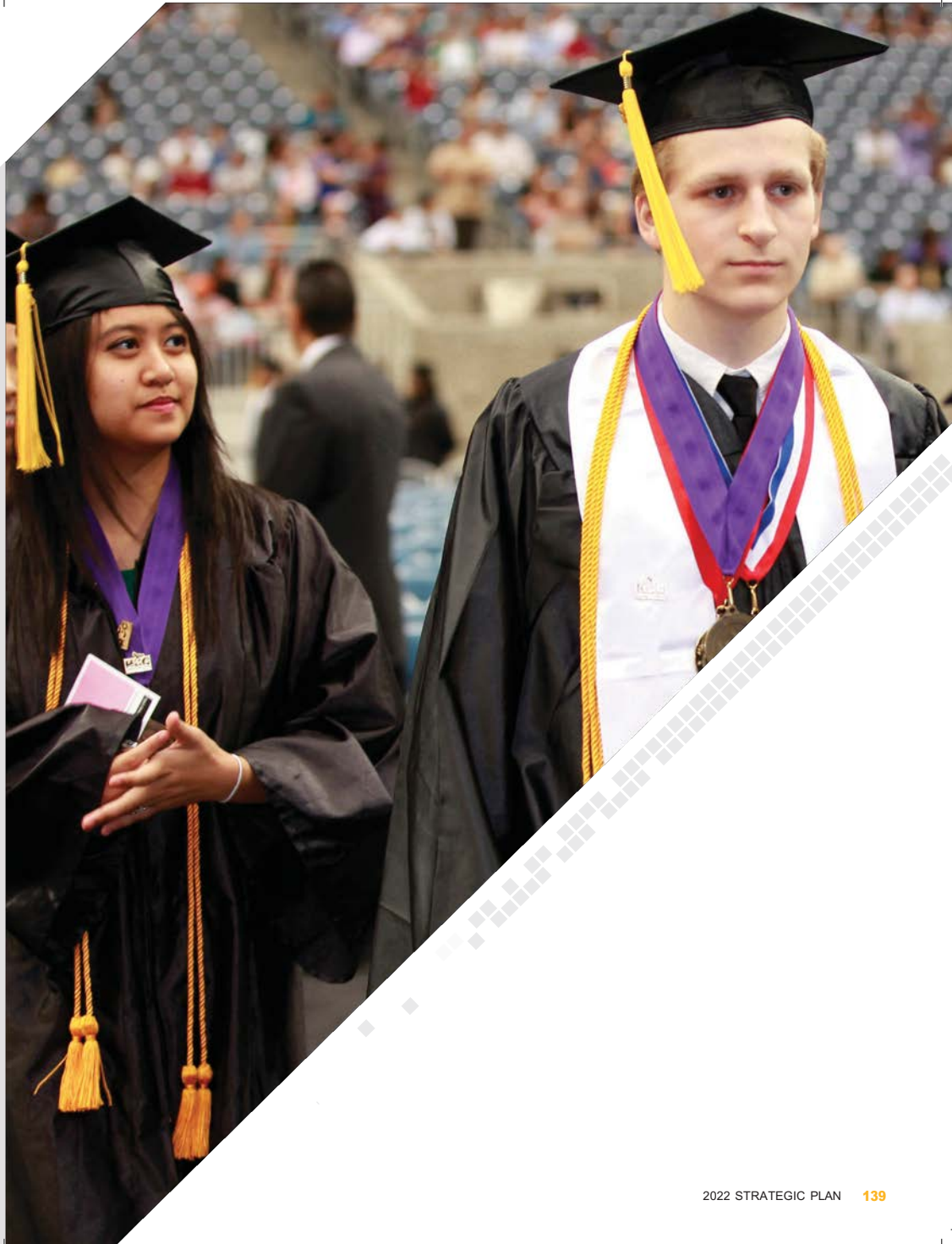
2

Departmental and Divisional strategic and operational planning for next year and the year to follow.

3

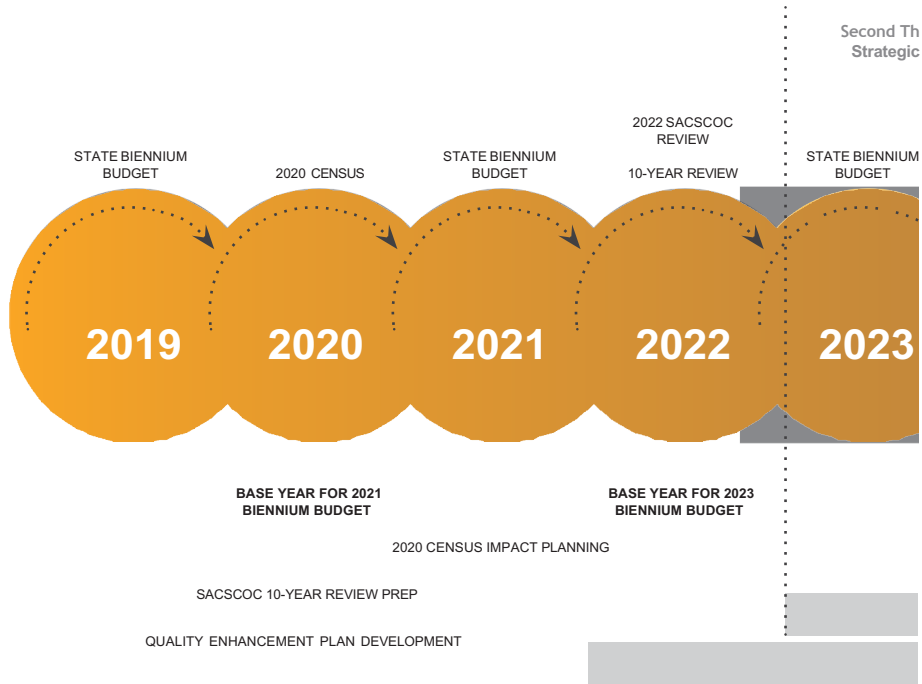Systemwide strategic enrollment planning and forecasting for campuses, colleges, and Centers of Excellence.

4

Program Vitality and Viability Planning rooted in Student Outcome and Program Student Learning Assessment and Evaluation.
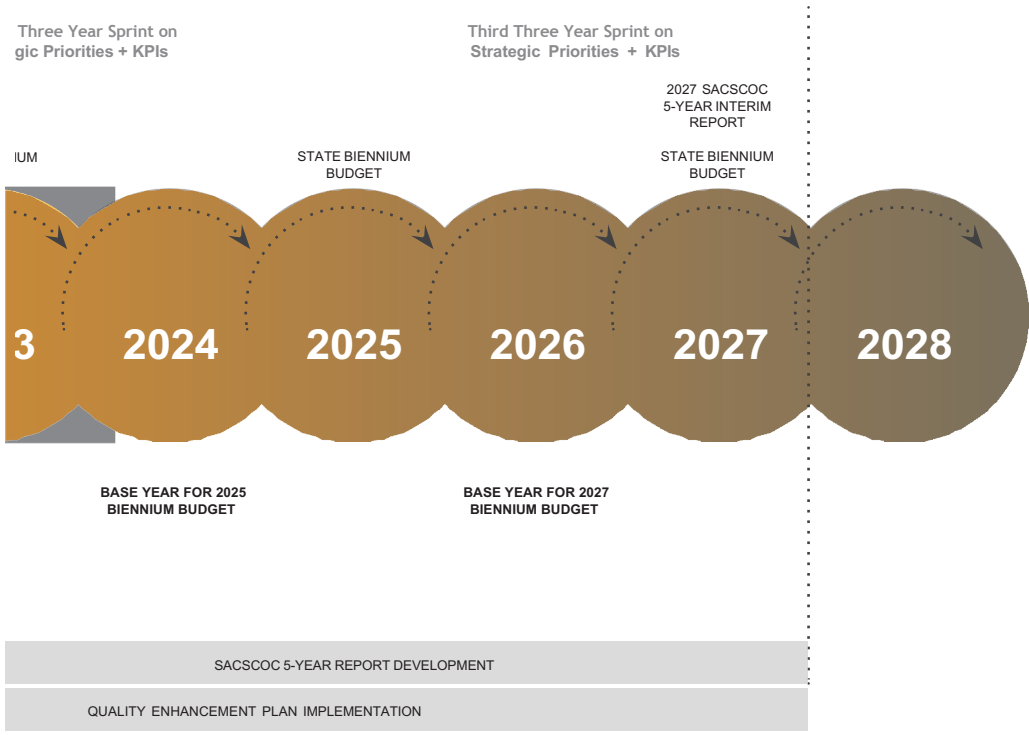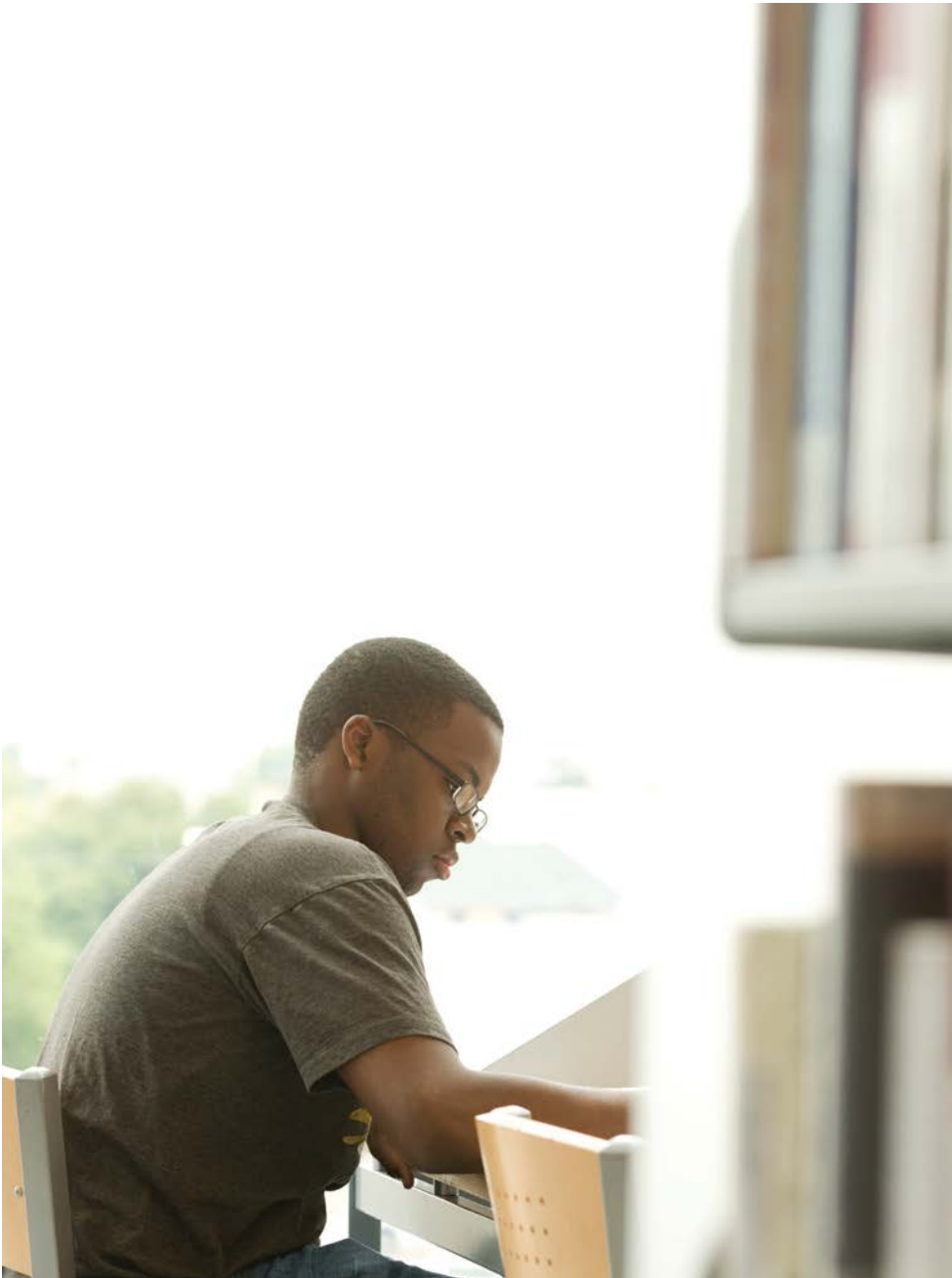
Evolving Long-term Integrated Planning Timeline

EXTERNAL REALITIES

INTERNAL REALITIES

Second Th
Strategic

2022 SACSCOC
REVIEW

STATE BIENNIUM
BUDGET

2020 CENSUS

STATE BIENNIUM
BUDGET

10-YEAR REVIEW

STATE BIENNIUM
BUDGET

2019 **2020** **2021** **2022** **2023**

**BASE YEAR FOR 2021
BIENNIUM BUDGET**

**BASE YEAR FOR 2023
BIENNIUM BUDGET**

2020 CENSUS IMPACT PLANNING

SACSCOC 10-YEAR REVIEW PREP

QUALITY ENHANCEMENT PLAN DEVELOPMENT

Three Year Sprint on
gic Priorities + KPIs

Third Three Year Sprint on
Strategic Priorities + KPIs

2027 SACSCOC
5-YEAR INTERIM
REPORT

IUM

STATE BIENNIUM
BUDGET

STATE BIENNIUM
BUDGET

3   **2024**   **2025**   **2026**   **2027**   **2028**

**BASE YEAR FOR 2025
BIENNIUM BUDGET**

**BASE YEAR FOR 2027
BIENNIUM BUDGET**

SACSCOC 5-YEAR REPORT DEVELOPMENT

QUALITY ENHANCEMENT PLAN IMPLEMENTATION

SECTION F: BUILDING ORGANIZATIONAL CAPACITY

Traditional organizational maps are useful because their structure demarcates formal lines of authority, reporting, and boundaries among respective organizational units.

They may also help identify organizational dysfunction, such as inappropriate groupings of activities, spans of control that are too large, or inappropriate placement of key activities for purposes of monitoring and oversight. While HCC will continue to use traditional organizational charts for the limited benefits they confer, the College will also embrace its complexity and the reality that progress is best made through collaborations and connections across formal boundaries. Collaboration across operating structures offers greater opportunities for efficiency and effectiveness than the more traditional configuration of boxes connected by solid and dotted reporting lines.

HCC will use relationship mapping to capture and understand how the work of the College is both enacted by stakeholders and affects them. Relationship mapping involves building out a visual chart of all the key stakeholders. It provides a concrete visual diagram of who plays what role in the processes and operations of the organization, and how, why, and when the various components of organization interact, whether by choice or through necessity. Relationship mapping helps make complex operations easier to understand. These maps help communicate which individuals and what organizational units need to interact and why, ensuring better decisions and less redundancy by involving all the affected parties in the process. By encouraging systems-level thought, relationship mapping helps reduce the risk of missing requirements – whether people, organizational units, or resources – that are needed for success.

Relationship mapping will be used to help HCC understand current-state and future-state organizational entities that are affected, need to be involved, or both. Creating relationship maps will be standard operating procedure for every project. Project leaders should consult relationship maps before undertaking any initiative, and those maps should be regularly reviewed as an initiative progresses. All project outcomes should craft a relationship map to develop a comprehensive understanding of how the divisions of the organization may collaborate to successfully achieve their goals.
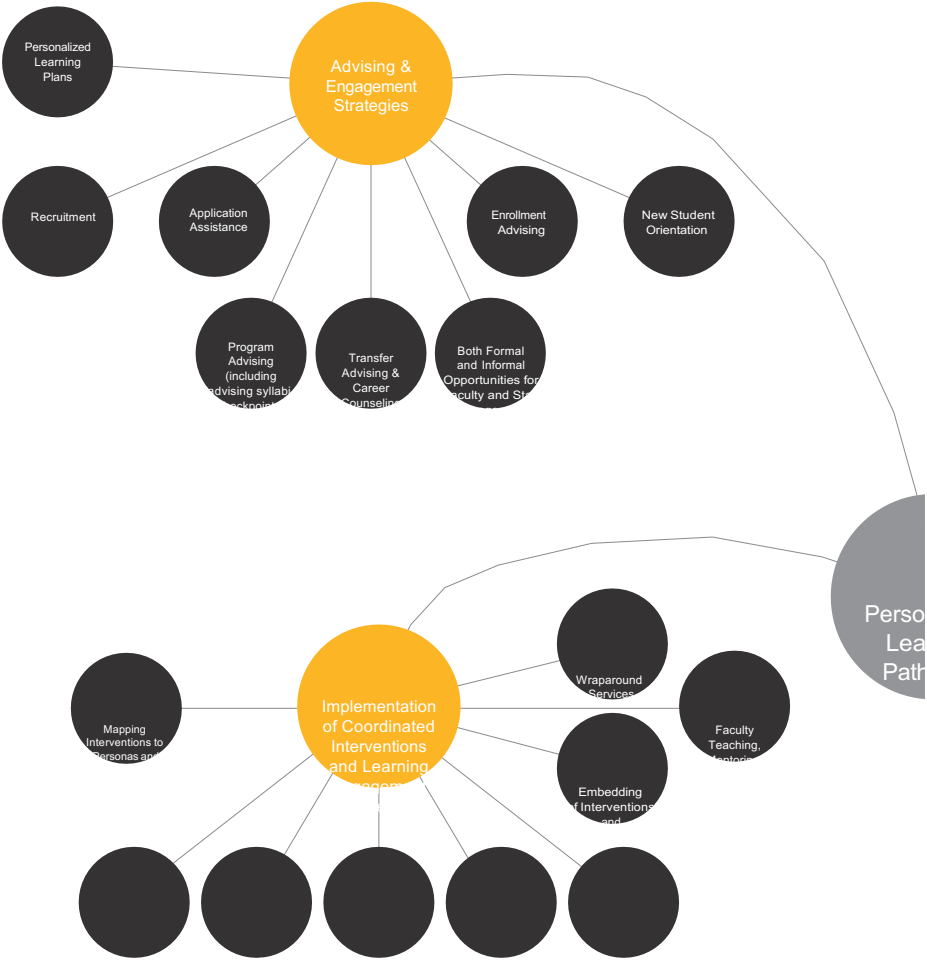
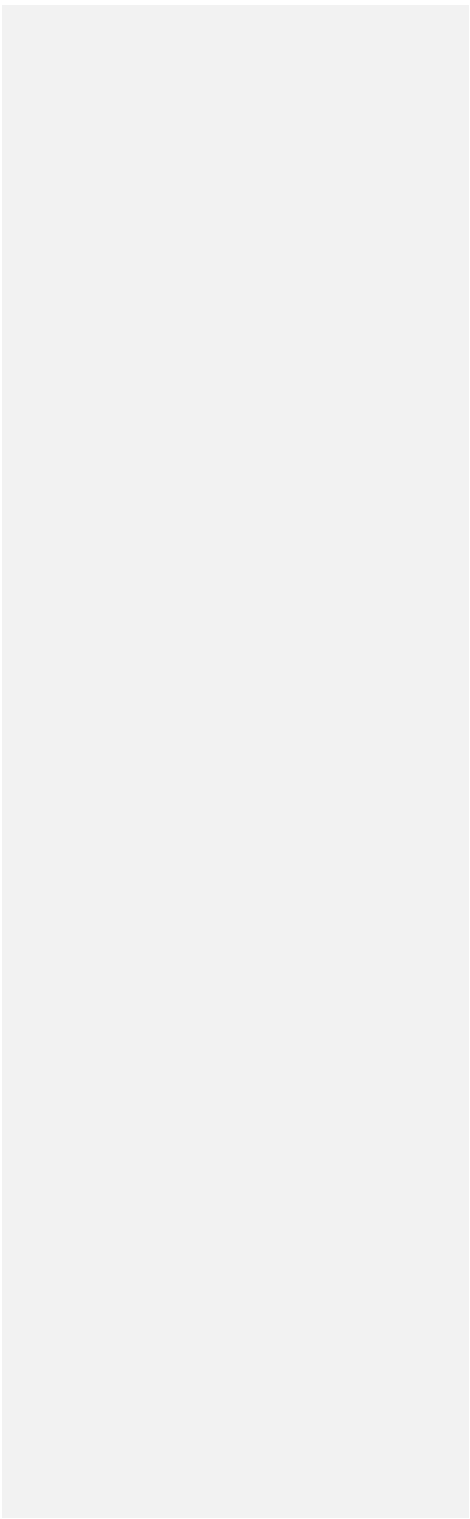Relationship mapping involves asking a series of questions:

- Who are the individual and organizational stakeholders for the particular undertaking?
- What are the strategic relationships that need to be formed among those stakeholders to achieve the goal?
- What must be done to take full advantage of strong existing relationships, strengthen those relationships that have unrealized potential, and create relationships where none exist? How can the task be accomplished or the project completed in a way that benefits all of the stakeholders or, at least, minimizes any loss they might experience?
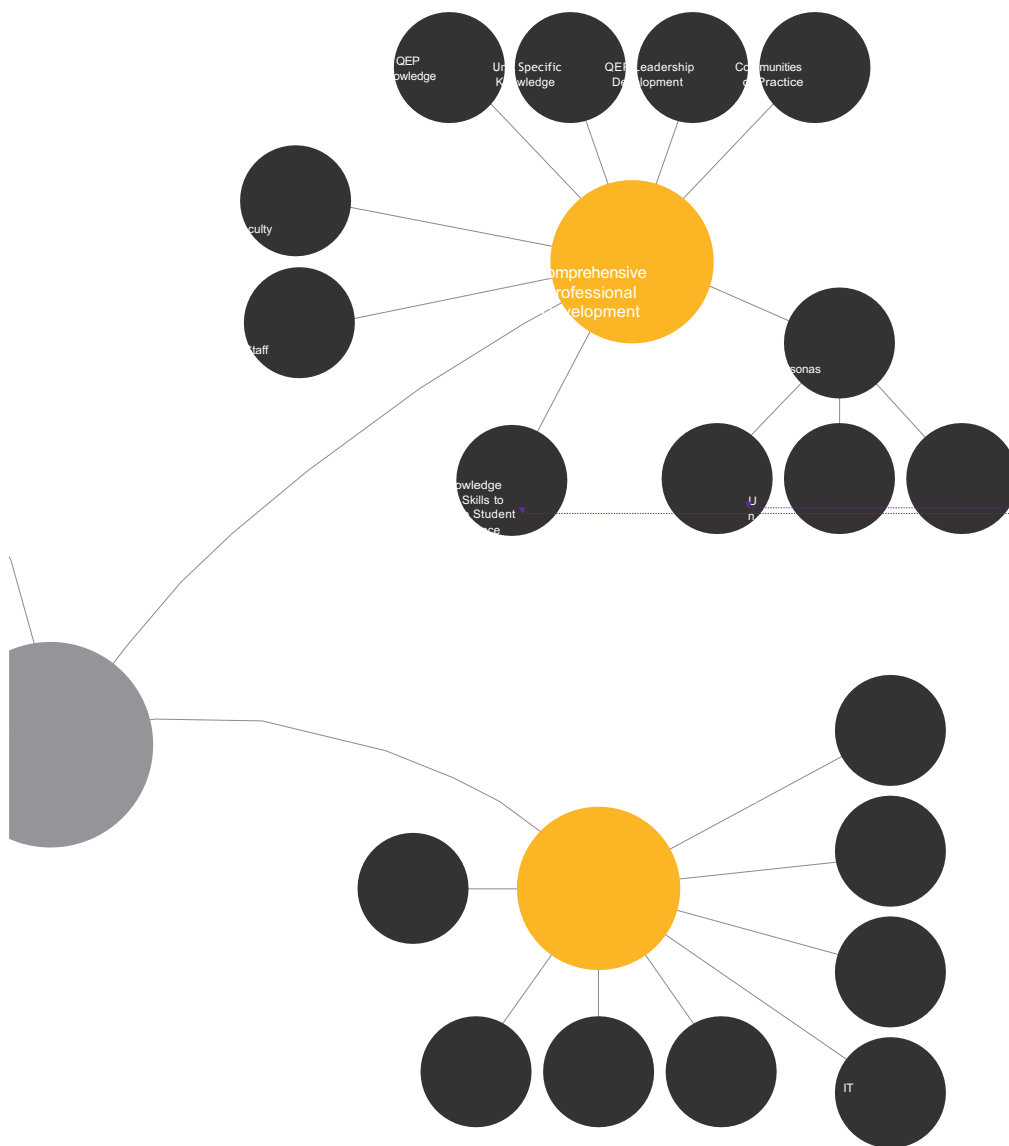
An example of relationship mapping is found in the accompanying illustration of the current relationship map for the Quality Enhancement Plan, *Personalized Learning Pathways*. Enactment of the four strategies by which HCC will implement *Personalized Learning Pathways* requires collaboration across divisions, which is illustrated within the maps. As *Personalized Learning Pathways* is realized over the next five years, this map will be extended with more detail for the component parts. This illustration underscores the paradox of relationship mapping that makes it such a valuable tool and an essential part of building HCC's organizational capacity: they capture the complexity of a large, diverse, geographically distributed institution, while conversely clarifying what needs to be done, and which individuals and organizational units need to be engaged, to create the greatest possible probability of success.

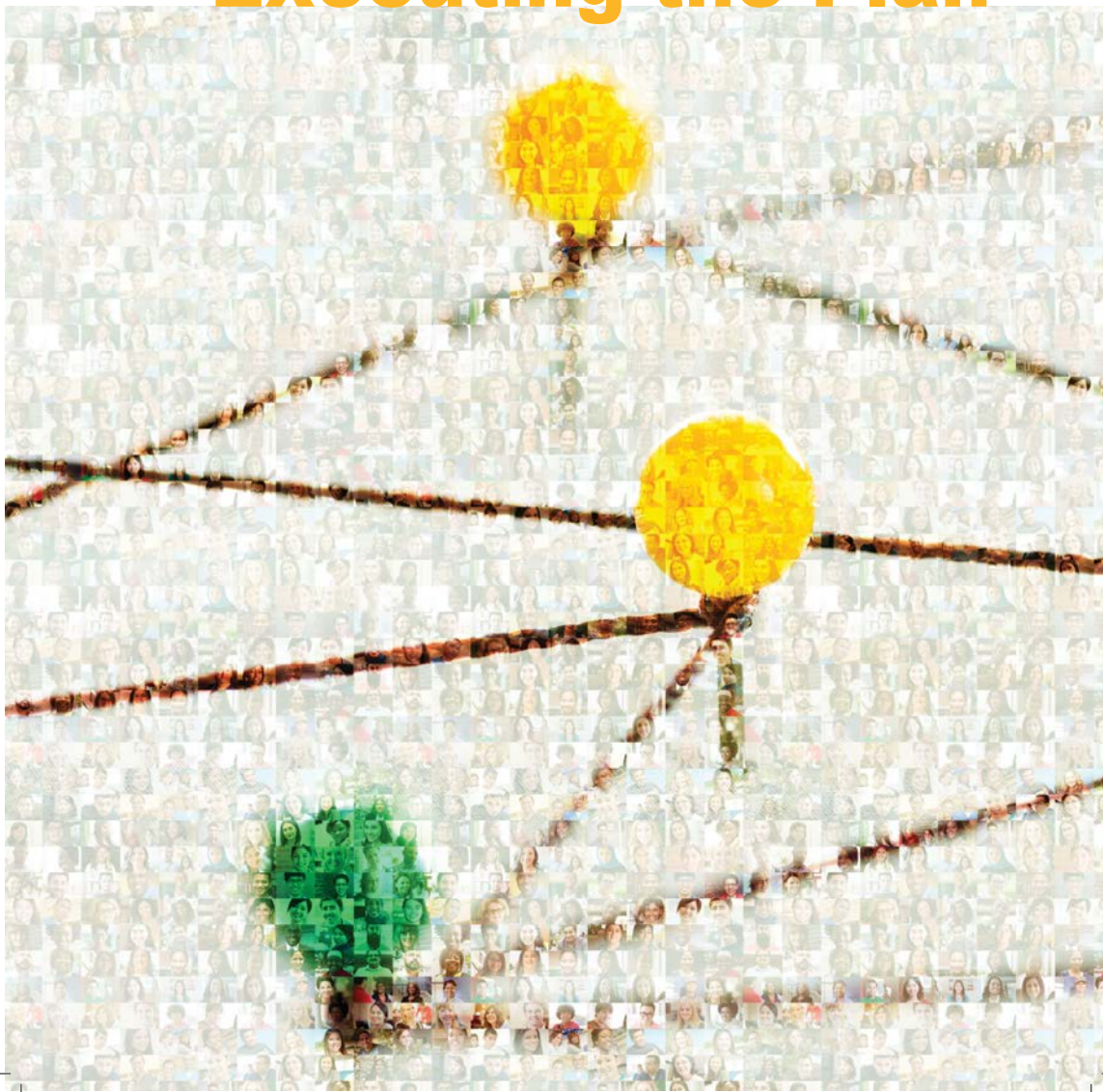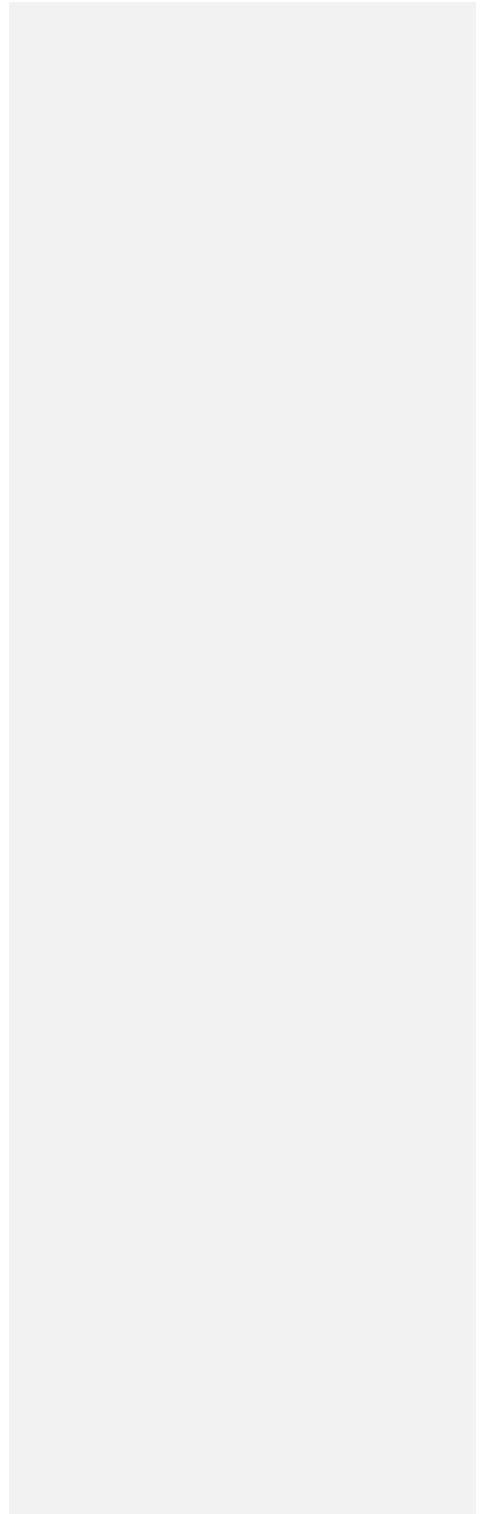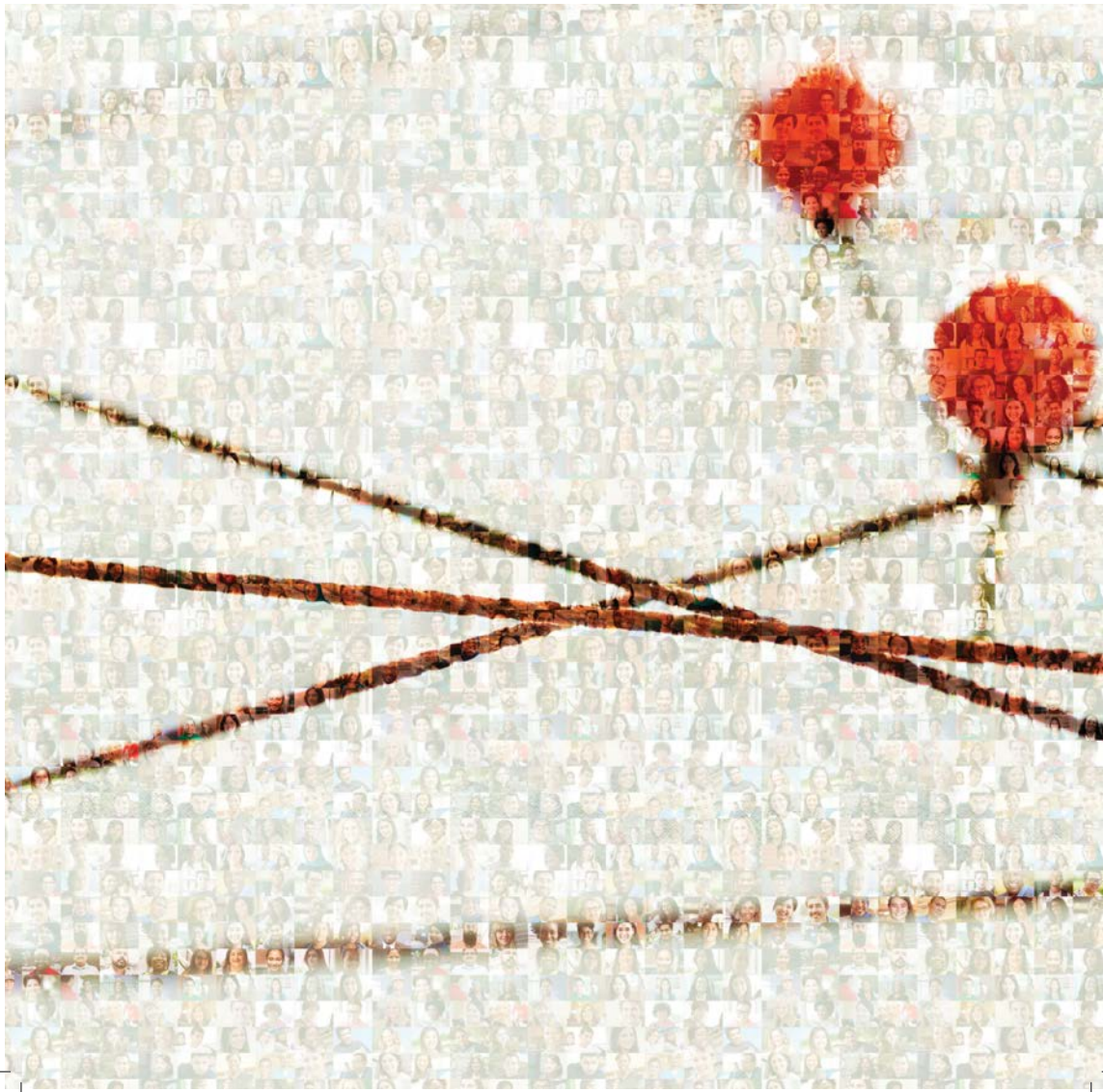# Relationship Mapping
Strategic Priorities

Personalized Learning Plans

Advising & Engagement Strategies

Recruitment

Application Assistance

Enrollment Advising

New Student Orientation

Program Advising (including advising syllabi checkpoints)

Transfer Advising & Career Counseling

Both Formal and Informal Opportunities for Faculty and Staff

Implementation of Coordinated Interventions and Learning Management

Mapping Interventions to Personas and

Wraparound Services

Faculty Teaching, Mentoring

Embedding of Interventions and

Person Lea Path

QEP Knowledge

Unit Specific Knowledge

QEP Development

Leadership Development

Communities of Practice

Faculty

Staff

Comprehensive Professional Development

Personas

Knowledge Skills to Student Service

Uni...

IT

Bias for Action:
Executing the Plan

A Bias for Action

HCC's Comprehensive Strategy is unique from traditional strategic plans in a variety of ways. One of the most important of those differences is the Bias for Action: a commitment that runs beyond verbal affirmation that actions will be taken and work will get done. The Comprehensive Strategy commits to crafting a blueprint for the organizational machine that will actually make that happen.

Prerequisites for Success

There are four prerequisites for HCC to become the institution of higher education that it aspires to be.

- First, HCC must have a clear direction. There must be a clear line of sight from the Mission statement and the highest level of leadership to the faculty or staff member on the front lines, such that everyone who works at HCC understands how his or her work ties to and supports the Mission, Vision, and Values of the College.

- Second, those who work at HCC, whether faculty or staff, must be possessed of the competencies required to do their jobs. These include interpersonal competencies, technical competencies, and job-specific competencies.

- Third, HCC must commit the right mix and quantity of resources so that those who have the competencies needed to perform can do so. These resources include but are not necessarily limited to time, tools, technology, authority, people, place, process, information, materials, and financial resources. HCC will commit to ensure that those asked to do the work have what they need to get the job done.

- Fourth, HCC must provide the motivation that encourages and rewards superior sustained performance. Too often this is thought of as solely an issue of compensation. However, the organization that seeks superior individual and institutional performance knows that it takes more than a fair and just compensation structure to ensure superior performance. HCC is committed to ensuring the full range of incentives that comprise a motivating work environment that in turn yields superior, sustained performance.

Clear direction stems from the Mission, an updated Vision, and more clearly articulated Values. The organization's design must be considered before addressing competencies, resources, and motivation.

HCC's Comprehensive Strategy is built step-by-step from individual parts that come together to create a learning institution characterized by continuous improvement, an organization that works strategically every day – a College constantly sensing its environment, seizing the opportunities it finds, and thereby transforming itself, the students it serves, and the community of which it is a part.

The step-by-step progression that leads to the complete Comprehensive Strategy is straightforward:

- A Mission statement that makes clear HCC's enduring, unchanging purpose, and the intent to progress without loss of what is good and valuable and already exists.
- A refreshed Vision that more precisely defines what success means to HCC and points the way to where the institution wants to be when it celebrates its 60th anniversary in 2031.
- More clearly defined Values that bring into even sharper focus the behavioral expectations of College employees.
- A set of five strategic priorities which provide necessary focus to better align people and resources to undertake the most important tasks of the College..
- Building HCC's organizational capacity – the ability to get things done – by use of five unique tools:
  - Personas to gain a deeper, more nuanced understanding of the students HCC serves, as a major step forward in learning how to serve them better.

- Organizational strategic competencies that will give HCC the capacities needed to act on those five strategic priorities and their particular areas of focus.
- Integrated planning cycles that bring together all the planning activities of a large, complex, and distributed organization into coherent, consistent processes.
- Relationship mapping that fosters collaboration and cooperation among organizational units and reflects the reality that, in an organization like HCC, acctual progress is impossible without authentic cooperation across traditional boundaries.
- Key performance indicators and measures that more accurately capture the information that counts.

Each of these elements is essential to HCC's continued transformation. But they are not sufficient. These elements and tools will not have their intended effect without one more thing: a bias for action, a commitment to getting things done. HCC will make that commitment through Organization Design and Results-Based Management.

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Organization Design: Basic Structure

If HCC is to fulfill its Mission of providing "a high-quality, affordable education" by realizing its Vision to provide "relevant, high quality education and training, ensuring success for all students, our community, economy and beyond," it must do so by drawing on its Organizational Strategic Competencies and focusing on its Strategic Priorities, all the while adhering to those core values that comprise the Mosaic Movement. To do this, HCC will organize itself to get results.

In fact, this work is already under way. In February 2017, the College reestablished the Planning and Institutional Effectiveness Division under the leadership of a new Vice Chancellor. This Division is responsible for providing system-wide leadership supporting operational planning, innovation, growth, and transformation to ensure organizational effectiveness. This Comprehensive Strategic Vision represents one of its most significant accomplishments to date.

The Division provides organizational oversight for the College's comprehensive strategy development and implementation planning process, which includes creation of data analytics and decision support systems, systemic deployment of project and change management procedures, planning and resource allocation to ensure compliance with regional accreditation requirements, grant development and implementation oversight, and entrepreneurial approaches to program development and problem solving. In this role, the Office of Strategy, Planning, and Institutional Effectiveness is primarily responsible for guiding the development of a common vision for how work is planned, organized, implemented, and evaluated – especially for projects requiring cross-functional collaboration.

The Division is organized in three clusters: Strategy and Planning; Innovation and Systems Development; and Reporting, Evaluation, Planning, and Development.

Strategy and Planning is responsible for articulating strategic priorities in terms of research, data and analytics, external and institutional initiatives, and resource development.

Innovation and System Development is responsible for the creation and implementation of organizational mechanisms related to project and change management that ensure crossfunctional alignment of institutional efforts related to innovation, student success, entrepreneurship, and all other strategic priorities.

Reporting, Evaluation, Planning, and Development is responsible for operationalizing reporting and accountability requirements – for grants, state and federal reporting, and regional accreditation – within the context of institutional planning and strategy development.

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Organization Design: Collaborative Facilitation

Formal organization structures are just one part of the organizational design required to make the Comprehensive Strategy a reality. Relationship mapping is one of the unique ways HCC seeks to build the organizational capacity needed to work strategically. The reality is that stand-alone organizational units will not be able to deliver the desired results. What will be required is the systematic bringing together of disparate College organizational units in those temporary configurations needed to achieve strategic goals through exercise of the organizational strategic competency of Collaborative Design. While some of this

may occur through the actions of the various organizational units, the College also needs to actively seek out and bring together these collaborations.

The role is that of a project facilitator, a role which brings together the right people and right operational units around a particular issue or challenge. That role may also involve identifying a need to institutionalize the connections that are established on a more permanent basis. The Strategy, Planning, and Institutional Effectiveness Division is ideally positioned to execute this role and to facilitate the cross-organizational collaborations for which relationship mapping lays the groundwork.

The right organizational structure will be critical to HCC's success as an institution with a bias for action. But organization structures, however optimally designed, do not generate results; people do. In pursuing its bias for action, HCC will craft initiatives based on a set of underlying propositions and an approach to organization management grounded in leadership strategies customized to HCC's mission and unique character.

Behaviors: The Source of Results

HCC believes that to realize set Vision and fulfill its Mission requires results:

Results are the ultimate goal. HCC has a responsibility to its students: to provide them the ultimate student experience that meets them where they are and gives each of them access to an education experience that will equip them to find meaningful work and be a contributing member of the community. HCC also has a responsibility to the community: to develop a workforce that can power a robust economy that is the foundation for a community of quality. HCC meets these dual responsibilities only if it accomplishes real, measurable, and meaningful results.

Behaviors drive results. Results are the end product of a collection of individual and organizational behaviors. If the right behaviors are made a priority, and if those behaviors are recognized and rewarded when they happen, the right results will follow. Organizations focused on the right behaviors – their identification and reinforcement – create cultures of accomplishment. At HCC, those right behaviors are defined in the Mosaic Movement.

Consequences drive behaviors. Organizations get the right results by putting in place consequence systems that reinforce individuals and the organization itself in pursuing those behaviors that have been identified as essential to getting results. Where individuals and the organization exhibit those essential behaviors, recognition and reward – which can come in many forms, not all monetary – are the order of the day. Where those essential behaviors are not in evidence, or are inadequately executed, the remedy is feedback and coaching. At the same time, every organization that aspires to high performance must insist on adherence to those critical few behaviors it has determined will lead to success; individuals who even after substantial feedback and coaching consistently fail or refuse to demonstrate those behaviors cannot be allowed to continue with that organization.

Building Results-Based Leadership: Foundations

Over time, HCC will continue to build a Results-Based Management approach to leading the institution and achieving the results the students and community deserve. This ongoing learning journey of continuous improvement will draw on a suite of management precepts customized to the unique qualities and particular mission of the College, as further enriched by actual experience gained over time.
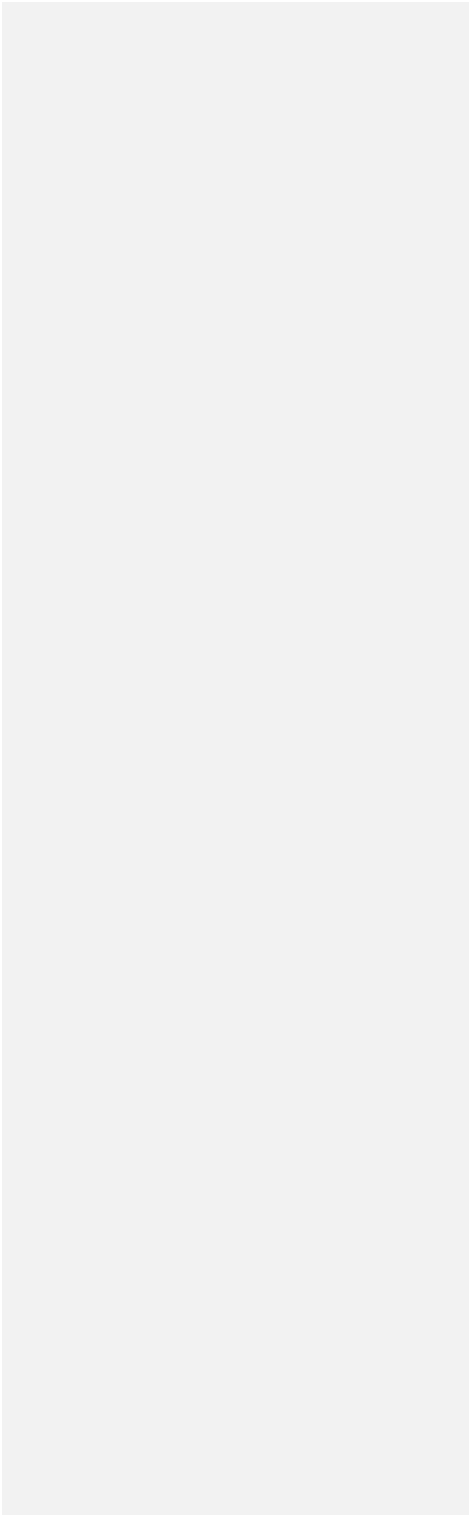
This suite of management concepts will start with the principles of the Mosaic Movement; the precepts themselves will be known as the Mosaic Movement Leadership.

The Mosaic Movement Leadership perceives organizational leaders as falling into one of four general categories, as shown in the accompanying matrix:

- **Quadrant 1.** Leaders who cannot or will not demonstrate the behaviors the organization has identified as essential to their success and whose results are consistently unacceptable. The result: disengaged employees, poor results, organizational failure.

- **Quadrant 2.** Leaders who demonstrate the behaviors the organization has identified as essential to success of the organization but who do so inconsistently or undermine their own leadership in other ways. The result: while employees may be engaged and enjoying their work, the results are poor and the organization ultimately falls short.

- **Quadrant 3.** Leaders who fail to demonstrate the behaviors the organization has identified as essential for organizational success but who achieve results through wrong behaviors. The result: the good results achieved are short term, cannot be sustained, and come with high organizational costs that range from high staff turnover and a punishing work environment to inconsistent and unreliable outcomes.

- **Quadrant 4.** Leaders who follow the precepts of the Mosaic Movement and who get the right results fall into the fourth quadrant. Their behaviors and results are both right and sustainable. The result: engaged, committed employees, results that are sustained over time, and an organization mission that is achieved.

Q3
- Good short-term results
- Fearful, uncommitted employees

Q4:
The Mosaic Movement Leadership
- Engaged, committed employees
- Sustainable results

Q1
- Poor results
- Disengaged employees

Q2
- Poor results
- Engaged employees

Results — Maximum Results / Minimum Results

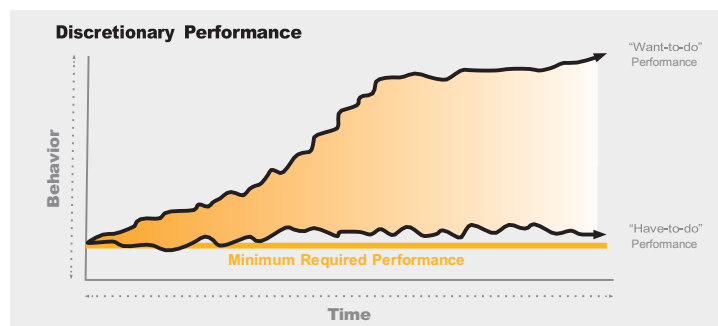Leadership Behavior — Negative Impact / Positive Impact

G.3 Results-Focused Management

HCC's goal over time will be to ensure that all of its leaders fall into the fourth quadrant, consistently demonstrating the Mosaic Movement Leadership that will be needed for the institution to both achieve and sustain desired results. Leaders who do so will also draw on several other key management concepts.

Discretionary Performance. As a practical matter, confirmed by long observation, many workers function at a level that guarantees their continued employment at the organization but which represents only a fraction of their actual capacity. The unused portion of their capacity is their discretionary performance – that portion of their capacity that they can volunteer if they wish but which the organization does not demand. Discretionary performance withheld represents a loss to the organization, increasing the odds that the organization will not achieve its results. Mosaic Movement Leaders work to encourage their employees to bring their discretionary performance to the workplace. They accomplish this through the use of Accountability Management.

Accountability Management. Mosaic Movement Leaders encourage the Discretionary Performance of their employees using three tools: Pinpointing, Measurement, and Feedback:

- Pinpointing is the act of being specific about expectations – the difference between telling an employee they are expected to deliver the ultimate student experience and giving them a list of specific, observable, and measurable behaviors that for HCC constitute that experience.

- Measurement takes regular stock of where employees are in meeting expectations, based not on opinion but the accomplishment of observable, measurable, and specific goals.

- Coaching and Feedback. Mosaic Movement Leaders do not wait for an annual review to give employees feedback on their performance. Rather, they use the results of measurement taken on an ongoing basis to provide coaching and feedback in real time. Where performance meets


Discretionary Performance

Behavior — "Want-to-do" Performance — "Have-to-do" Performance — Minimum Required Performance — Time

expectations, the Mosaic Movement Leader provides feedback that is reinforcing; where performance falls short, the Mosaic Movement Leader provides coaching to help the employee better align with expectations.

Fluency. Mosaic Movement Leaders understand that there are different levels of knowledge and capabilities that employees and they themselves may possess. There may be management concepts or practical skills of which they are not even aware. There may be others of which they are aware but not well versed, as well as those about which they are well versed but not well practiced. And there will be those management concepts and practical skills about which they are both knowledgeable and accomplished. Where the leader or person led is aware of the concept or skill but not versed in practicing it, they are said to be literate. Where they are not only aware but competent in exercise of the precept

or execution of the skill, they are said to be fluent. The movement from awareness to literacy to fluency is one of which HCC Leaders must facilitate. A learning organization requires learning employees; that in turn requires leaders who ensure that learning process happens.

Shaping. The path from awareness to literacy to fluency mirrors the progression any learning organization follows in a cycle that repeats itself over and over again as experience, knowledge, and capacity increase. Rather than seek to accomplish major leaps in performance overnight – an effort that more often than not results in disappointment and discouragement – Mosaic Movement Leadership sets incremental goals, moving the team from success to success, gaining capacity and confidence that in turn feeds the next step. Not only is this shaping process a more realistic approach to change, but also it is far more likely than any crash program to achieve substantive change that lasts.

Continuous Improvement. For HCC, Shaping means that the components of the Bias for Action will change over time as the College deepens its understanding of what is needed for superior performance. Unlike a more traditional strategic plan, the Comprehensive Strategy both anticipates that learning process and facilitates it; it sets in motion a process of continuous change and growth that responds with strategic opportunism to both the external and internal environments. For HCC, continuous improvement guided by Mosaic Movement Leadership is an ongoing and constantly renewing process.
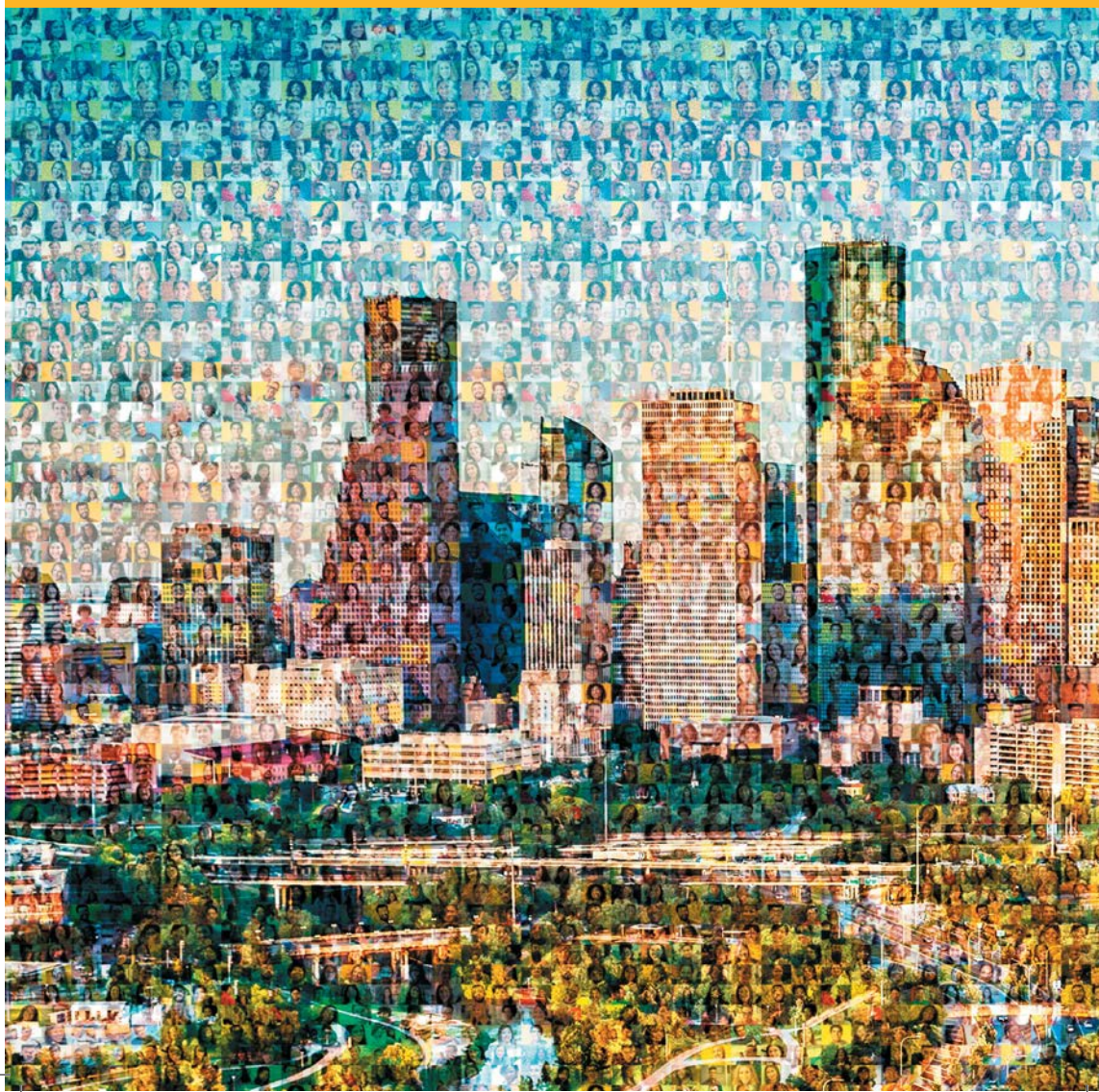
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