



AGENDA

COMMITTEE OF THE WHOLE OF THE BOARD OF TRUSTEES

**August 6, 2025
4:30 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

August 6, 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, August 6, 2025 at 4:30 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. Approval of Funds for the Connect 2 Workforce Initiative
- B. Monthly Investment Reports, Financial Statements and Budget Reviews for May and June 2025

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 **1st day of August 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

Meeting Date: August 6, 2025

Topics For Discussion and/or Action:

ITEM #	ITEM TITLE	PRESENTER
A.	Approval of Funds for the Connect 2 Workforce Initiative	Dr. Margaret Ford Fisher Dr. Norma Perez Dr. Sherry Hawn

RECOMMENDATION

Approval of funds to implement the Connect 2 Workforce Initiative as a new, targeted HCC Scholarship program to financially support student enrollment and completion in selected high demand workforce programs. It will support enrollment growth and increase marketability across a cluster of industries and thus enhance the Texas workforce in our region.

COMPELLING REASON AND BACKGROUND

- Support students financially toward completion of ICLCs, OSAs, and certificates in selected high-demand workforce areas
- Enhance access and completion by easing financial burdens that negatively impact student success
- High Demand Programs with the credential of value encompassing ICLCs, OSAs, and Certificates in the following programs:
 - DIT
 - Smart Manufacturing
 - Transportation
 - Health Sciences
 - Construction

FISCAL IMPACT

\$1M from HCC reserves, as a one-time infusion for FY2026.

LEGAL REQUIREMENT

None.

STRATEGIC ALIGNMENT

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

ATTACHMENTS:

Description	Upload Date	Type
Connect 2 Workforce Initiative Presentation	7/30/2025	Presentation

This item is applicable to the following:

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



Connect 2 Workforce Initiative

Norma Perez, Ph.D.

Sr. Vice Chancellor, Instruction & Student Services and Chief Academic Officer

Sherry Hawn, Esq., CPA

Sr. Vice Chancellor, Administration & Finance and Chief Finance/Business Officer

August 6, 2025

Connect 2 Workforce Initiative

- A last-dollar scholarship program designed to support students financially toward completion of ICLCs, OSAs, certificates, and associate degrees in selected high-demand workforce areas.
- Enhance access and completion by easing financial burdens that negatively impact student success.
- Encompasses strategic initiatives, including student success, personalized learning, and college of choice.

Connect 2 Workforce Framework

*First come first serve

Student Selection Criteria

- ✓ Must be enrolled in one of the five Connect 2 High Demand Workforce Programs
- ✓ Required to be enrolled in 6 hrs. SCH, or CEU enrollment
- ✓ Must apply for FAFSA, dependent on FAFSA income eligibility

Award Focus

- ✓ High Demand Programs with the credential of value encompassing ICLCs, OSAs, and Certificates
 - DIT
 - Smart Manufacturing
 - Transportation
 - Health Sciences
 - Construction

FY26 One Year Investment Strategy

- \$1M – From HCC reserves for the pilot
 - Do short-term completion results match expectations?
- Offered through HCC Financial Aid channel
- Eligible students in selected high demand workforce programs
- First come-first served basis
- Until funding is no longer available

2024-2025 Enrollment in Selected COEs

COE	ICLC/OSAs	SCH Certificates	Total Unduplicated Students
DIT	28	273	301
HEALTH	635	454	1,089
ARCHITECTURAL DESIGN & CONST.	131	459	590
SMART MFG.	29	436	465
TRANSPORTATION	416	442	858
Totals	1,239	2,064	3,303

Projected Return – High Demand Courses

Award Types	Actual Count FY25	Projected Count FY26	Estimated Complete Rate	Revenue per Completion	Revenue Realized Year	Total Revenue
ICLC/OSA	1,239	2,140 (+73%)*	70%	\$1,250	FY26	\$1,872,500
SCH Certificate	2,064	2,560 (+24%)*	40%	\$3,500	FY27	\$3,584,000
Grand Total	3,303	4,700				\$5,456,500
ROI						445%

*Growth estimates based upon new demand due to C2W highest demand for shorter programs.

Tracking and Assessment

❖ The following metrics will be tracked:

- Applied, offered, enrolled
- Success rate in courses
- Fall-Spring retention (where applicable)
- Fall-Fall retention
- Program completion

Thank you!

ACTION ITEM

Meeting Date: August 6, 2025

Topics For Discussion and/or Action:

ITEM #	ITEM TITLE	PRESENTER
B.	Monthly Investment Reports, Financial Statements and Budget Reviews for May and June 2025	Dr. Margaret Ford Fisher Dr. Sherry Hawn

RECOMMENDATION

Accept the Investment Reports, Financial Statements and Budget Reviews for the month of May and June 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 56% 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 June, the interest income earned for the month and fiscal year to date totaled \$1,250,800 and \$14,182,998, respectively. The weighted average interest rate (WAR) on June 30, 2025, was 4.23% compared to 4.20% last month and 5.18% a year ago.

Interest expense on outstanding debt was \$1,500,797 for the month of June 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	7/15/2025	Presentation
Investment Report - May 2025	7/15/2025	Attachment
Financial Statement - May 2025	7/15/2025	Attachment
Investment Report - June 2025	7/15/2025	Attachment
Financial Statement - June 2025	7/15/2025	Attachment

This item is applicable to the following:

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



FY 2025

Summary of June 2025

Monthly Investment Report, Financial Statements, and Budget Review

Dr. Margaret Ford Fisher, Chancellor

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

August 6, 2025

Fund 1: Unrestricted Revenues

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru June 30, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru June 30, 2025	Year-to-Date Actuals Thru June 30, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
REVENUES							
State Appropriations	\$ 68,243,000	\$ 53,724,309	78.7%	\$ 53,724,309	\$ 66,386,683	\$ (12,662,374)	-19.1%
Ad Valorem Taxes	224,386,251	222,290,223	99.1%	222,290,223	206,594,490	15,695,733	7.6%
Tuition & Fees, Net	126,237,802	131,342,650	104.0%	131,342,650	115,441,965	15,900,685	13.8%
Other Local Income	22,736,208	14,728,240	64.8%	14,728,240	20,025,038	(5,296,798)	-26.5%
Tuition & Fees, Net -- Extended Learning	7,885,993	8,076,839	102.4%	8,076,839	7,422,937	653,901	8.8%
Grant Revenue - Indirect Cost	650,000	686,523	105.6%	686,523	521,757	164,767	31.6%
Total Revenues	450,139,254	430,848,783	95.7%	430,848,783	416,392,870	14,455,914	3.5%
 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	 \$ 448,658,767	 95.9%	 \$ 448,658,767	 \$ 423,438,851	 \$ 25,219,915	 6.0%

Fund 1: Unrestricted Expenses

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru June 30, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru June 30, 2025	Year-to-Date Actuals Thru June 30, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
EXPENSES							
Salaries	256,374,567	209,166,958	81.6%	209,166,958	185,887,887	23,279,070	12.5%
Employee Benefits	38,341,388	25,504,246	66.5% F	25,504,246	23,446,301	2,057,945	8.8%
Supplies & General Expense	6,632,736	4,330,044	65.3% G	4,330,044	3,703,329	626,716	16.9%
Travel	1,424,373	650,376	45.7% H	650,376	578,764	71,612	12.4%
Marketing Costs	3,986,510	2,763,420	69.3% I	2,763,420	1,861,532	901,888	48.4%
Rentals & Leases	411,355	295,667	71.9% J	295,667	178,955	116,712	65.2%
Insurance/Risk Mgmt.	9,352,554	8,217,995	87.9%	8,217,995	7,682,093	535,902	7.0%
Contracted Services	40,923,273	28,027,790	68.5% K	28,027,790	21,677,215	6,350,575	29.3%
Utilities	11,249,856	8,011,205	71.2% L	8,011,205	7,643,391	367,813	4.8%
Other Departmental Expenses	3,998,606	2,111,393	52.8% M	2,111,393	1,870,214	241,178	12.9%
Instructional & Other Materials	11,259,299	7,534,284	66.9% N	7,534,284	8,519,314	(985,030)	-11.6%
Maintenance & Repair	3,419,656	2,353,164	68.8% O	2,353,164	1,440,795	912,368	63.3%
Transfers\Debt	55,094,331	40,209,866	73.0%	40,209,866	66,274,842	(26,064,976)	-39.3%
Contingency/Initiatives	2,295,155	-	0.0%	-	-	-	0.0%
Capital Outlay	22,315,577	12,919,032	57.9% P	12,919,032	2,992,451	9,926,581	331.7%
Amortization/Depreciation	-	-	0.0%	-	-	-	0.0%
Scholarship Distribution	870,000	397,808	45.7% Q	397,808	-	397,808	100.0%
Total Expenses	\$ 467,949,237	\$ 352,493,246	75.3%	\$ 352,493,246	\$ 333,757,084	\$ 18,736,163	5.6%
NET REVENUE/(EXPENSES)	(0) \$ 96,165,520			\$ 96,165,520	\$ 89,681,768	\$ 6,483,753	

Explanation of Variance Amounts

A	Ad Valorem Taxes are collected between December and March, leading to temporary fluctuations in monthly revenue.
B	Tuition and Fees reflect early Summer collections, classes begin in June most collections are done.
C	Other Local Income Includes Transfers-Out for Unrealized Gains and Losses and reflects the volatility of the financial market.
D	Tuition and Fees, Extended Learning collections fluctuate as course offerings fluctuate.
E	Grant Revenue - Indirect Cost do not occur equally by month; it is contingent on activity for the month.
F	Employee Benefits – Pension & OPEB expenses are recorded at year-end, creating a delay in reporting.
G	Supplies and General expenses are incurred as needed throughout the year, leading to periodic spending fluctuations.
H	Travel expenses are trending down following the travel ban in FY24; Travel will likely be under budget by FYE.
I	Marketing expenses occur based on timing of marketing campaigns.
J	Rental expenses occur based on events during the year and is expected to be within budget by year-end.
K	Contracted Services is trending down & may be under budget by year end.
L	Utility expenses are lower this month but is expected to increase as we approach summer months.
M	Other Departmental expenditures occur at irregular intervals but will be within budget by year-end.
N	Instructional & Other Material expenses are incurred at irregular intervals, resulting in fluctuations throughout the year.
O	Maintenance & Repairs occur as needed and vary from month to month.
P	Capital Outlays occur at irregular intervals based on construction schedules and needs.
Q	Scholarships are distributed based on needs and are generally awarded during the Summer semester.

Thank You



HOUSTON COMMUNITY COLLEGE SYSTEM

MONTHLY INVESTMENT REPORT

For the Month of May 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

May 31, 2025

Beginning Book Value (May 1, 2025)	\$	547,937,398
Beginning Market Value (May 1, 2025)	\$	550,977,313
Additions/Subtractions (Book Value - Net)	\$	(12,916,243)
Change in Market Value	\$	(5,819,782)
Ending Book Value (May 31, 2025)	\$	535,021,155
Ending Market Value (May 31, 2025)	\$	537,125,761
Unrealized Gain/(Loss)	\$	2,104,606
WAM (58% of Portfolio's Weighted Average Maturity)		1 day
WAM (42% of Portfolio's Weighted Average Maturity - Securities Held To Maturity)		330

* Net amount provided/(for) operations	\$	37,069,293
* Net amount provided/(for) CIP/others		14,464
	\$	<u>37,083,757</u>

EXECUTIVE SUMMARY

INVENTORY HOLDINGS REPORT

May 31, 2025

	Ending Book Value	Ending Market Value	Unrealized Gain (Loss)
US Treasuries	\$ 176,829,127	\$ 178,381,537	\$ 1,552,410
US Agencies	44,397,942	44,950,138	552,196
Local Government Pools	147,650,416	147,650,416	-
Money Market Funds	116,101,112	116,101,112	-
Certificate of Deposit	50,000,000	50,000,000	-
Interest Bearing Checking	42,558	42,558	-
Total	<u>\$ 535,021,155</u>	<u>\$ 537,125,761</u>	<u>\$ 2,104,606</u>
WAR (Weighted Average Interest Rate)		<u>4.20%</u>	

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

Description	Held At	Coupon Rate	Yield 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	4.0690%	0.0000%	02/22/05	05/01/33	7,680	\$ (1,470)	\$ 7,855	\$ 9,150	\$ (57)	\$ 9,093	\$ 7,786	\$ -	\$ (1,307)							
Fannie Mae ARM Pool 805454	Bank of America	4.6720%	0.0000%	12/23/04	12/01/34	8,610	(5,914)	8,844	14,525	(53)	14,471	8,776	-	(5,695)							
Federal Home Loan Bank Global Unsecured	Bank of America	0.3800%	4.4730%	01/19/24	09/04/25	10,000,000	635,453	9,866,593	9,364,548	-	9,364,548	9,896,918	30,325	532,371							
Federal Farm Credit Bank US Domestic Unsecured	Bank of America	4.2500%	4.3200%	02/12/25	01/28/28	10,000,000	19,430	10,146,259	9,980,570	-	9,980,570	10,078,079	(68,181)	97,509							
U.S. Treasury Note US Govt Treasury	Bank of America	2.7500%	4.6460%	02/08/24	05/15/25	5,000,000	115,500	4,996,745	4,884,500	(4,884,500)	-	-	(4,996,745)	-							
U.S. Treasury Note US Govt Treasury	Bank of America	2.8800%	4.6080%	02/08/24	06/15/25	5,000,000	112,305	4,991,211	4,887,695	-	4,887,695	4,996,875	5,664	109,180							
U.S. Treasury Note US Govt Treasury	Bank of America	3.5000%	4.7020%	03/05/24	09/15/25	5,000,000	87,500	4,987,109	4,912,500	-	4,912,500	4,987,370	260	74,870							
U.S. Treasury Note US Govt Treasury	Bank of America	3.5000%	4.6970%	03/05/24	09/15/25	5,000,000	87,150	4,987,109	4,912,850	-	4,912,850	4,987,370	260	74,520							
U.S. Treasury Note US Govt Treasury	Bank of America	0.2500%	4.7930%	03/20/24	09/30/25	10,000,000	661,500	9,837,305	9,338,500	-	9,338,500	9,867,813	30,508	529,313							
U.S. Treasury Note US Govt Treasury	Bank of America	4.2500%	4.7300%	03/28/24	10/15/25	5,000,000	35,547	5,002,002	4,964,453	-	4,964,453	4,998,568	(3,434)	34,115							
U.S. Treasury Note US Govt Treasury	Bank of America	4.2500%	4.7350%	03/28/24	10/15/25	5,000,000	35,938	5,002,002	4,964,063	-	4,964,063	4,998,568	(3,434)	34,505							
U.S. Treasury Note US Govt Treasury	Bank of America	5.0000%	5.0300%	04/24/24	10/31/25	5,000,000	2,214	5,019,727	4,997,786	-	4,997,786	5,011,641	(8,086)	13,854							
U.S. Treasury Note US Govt Treasury	Bank of America	4.0000%	5.0160%	04/11/24	12/15/25	10,000,000	162,109	9,996,615	9,837,891	-	9,837,891	9,991,537	(5,078)	153,646							
U.S. Treasury Note US Govt Treasury	Bank of America	3.3800%	3.4940%	09/16/24	09/15/27	10,000,000	33,594	9,947,656	9,966,406	-	9,966,406	9,885,938	(61,719)	(80,469)							
U.S. Treasury Note US Govt Treasury	Bank of America	2.7500%	4.0060%	10/25/24	07/31/27	15,000,000	15,000,000	14,716,406	14,510,850	-	14,510,850	14,641,406	(75,000)	130,556							
U.S. Treasury Note US Govt Treasury	Bank of America	3.8800%	3.8800%	10/15/24	10/15/27	10,000,000	10,000,000	10,059,375	9,996,484	-	9,996,484	9,992,188	(67,188)	(4,297)							
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	3.6300%	3.5600%	09/13/24	09/13/27	15,000,000	(27,510)	14,931,328	15,027,510	-	15,027,510	14,860,470	(70,857)	(167,040)							
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	4.3500%	4.3430%	02/12/25	01/28/28	10,000,000	(1,750)	10,172,101	10,001,750	-	10,001,750	10,098,109	(73,993)	96,359							
U.S. Treasury Note US Govt Treasury	Bank of America	3.7500%	4.1240%	12/5/2024	8/31/2026	10,000,000	10,000,000	9,993,750	9,937,500	-	9,937,500	9,957,422	(36,328)	19,922							
U.S. Treasury Note US Govt Treasury	Bank of America	3.7500%	4.1640%	12/5/2024	8/31/2026	10,000,000	10,000,000	9,993,750	9,930,859	-	9,930,859	9,957,422	(36,328)	26,563							
U.S. Treasury Note US Govt Treasury	Bank of America	0.8800%	4.1540%	12/5/2024	6/30/2026	10,000,000	10,000,000	9,663,281	9,506,250	-	9,506,250	9,658,203	(5,078)	151,953							
U.S. Treasury Note US Govt Treasury	Bank of America	4.5000%	4.2080%	1/29/2025	3/31/2026	15,000,000	15,000,000	15,074,180	15,048,633	-	15,048,633	15,034,766	(39,414)	(13,867)							
U.S. Treasury Note US Govt Treasury	Bank of America	3.5000%	4.0790%	2/26/2025	1/31/2028	30,000,000	30,000,000	29,906,250	29,524,219	-	29,524,219	29,707,031	(199,219)	182,813							
U.S. Treasury Note US Govt Treasury	Bank of America	2.7500%	4.0810%	2/26/2025	2/15/2028	10,000,000	10,000,000	9,770,703	9,631,250	-	9,631,250	9,707,422	(63,281)	76,172							
U.S. Treasury Note US Govt Treasury	Bank of America	3.8800%	4.0150%	3/19/2025	3/15/2028	10,000,000	10,000,000	10,073,438	9,960,938	-	9,960,938	10,000,000	(73,438)	39,063							
Debt Service 2001A Bond Interest Checking	Bank of America		2.2500%				-	1,294	1,294	2	1,297	1,297	-	-							
HCCS Merchant Service	Bank of America		0.8100%				-	24,983	24,983	(1,635)	23,348	23,348	-	-							
LTD 2013 Tax Bond General Checking	Bank of America		2.2500%				-	95,749	95,749	(77,835)	17,914	17,914	-	-							
Chase Certificate of Deposit	Chase		3.4200%					50,000,000	50,000,000	-	50,000,000	50,000,000	-	-							
Merrill Lynch (Morgan Stanley Govt/Goldman Sachs)	Bank of America		4.2600%				-	121,519,577	121,519,577	(8,514,320)	113,005,257	113,005,257	-	-							
Money Market 2006 Jr. Lien Debt Reserve	Bank of America		4.2600%				-	3,085,080	3,085,080	10,774	3,095,854	3,095,854	-	-							
Lone Star (Corporate Overnight Fund)	State Street Bank		4.4320%				-	67,203,643	67,203,643	252,053	67,455,696	67,455,696	-	-							
TexPool - General Funds	State Street Bank		4.3545%				-	12,813,811	12,813,811	46,880	12,860,691	12,860,691	-	-							
TexPool - Prime	State Street Bank		4.4654%				-	67,081,580	67,081,580	252,449	67,334,029	67,334,029									
								\$	550,977,313	\$	547,937,398	\$	(12,916,243)	\$	535,021,155	\$	537,125,761	\$	(5,819,782)	\$	2,104,606



Summary Operating Statements

**For the Period
September 1, 2024 - May 31, 2025**

For the Meeting of the Board of Trustees - August 6, 2025

for

Houston Community College System



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

Houston Community College System

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Summary of Financial Statements As of May 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 May 31, 2025, total revenues, fund balance transfers and rolled purchase orders (POs) are \$444.2 million. This represents 94.9% of the budgeted total of \$467.9 million. Expenses total \$320.4 million to date, which is 68.5% of the total expense budget of \$467.9 million. Compared with the same period last year, revenues and transfers are higher by 10.2% and expenses are higher by 15.2%. Actual net revenue is \$123.8 million to date.

Ad Valorem tax revenue is trending at 7.8% higher when compared to last year. This is namely due to the increase in taxable valuations compared to prior year. Revenue is expected to fall within budget plan at year end.

State appropriations are slightly higher when compared to prior year, however, appropriations are expected to be within budget by year-end.

Tuition and fees, net, which include revenues for semester credit hour (SCH) courses, are **13.3%** 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 13% primarily due to Dual Credit waivers.

Other local income, which includes investment income, is lower by \$5 million due to the volatility of the finance market.

Continuing Education/Non-credit tuition and fees, net are 10.6% higher than last year at this time. Gross tuition and fees revenues are up by 10.6%.

Actual salaries for FY 2025 are 12.5% 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 8.6% 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 \$1,563,490.

HOUSTON COMMUNITY COLLEGE SYSTEM
Statement of Revenues, Expenses and Fund Balances - All Funds
As of May 31, 2025

	Unrestricted	Restricted	Auxiliary	Loans	Scholarship	Unexpended Plant	Capital and Technology	Retirement of Debt	Investment in Plant	Total
Revenues	\$ 426,402,003	\$ 27,312,155	\$ 7,132,475	\$ -	\$ 122,685,323	\$ 1,389,181	\$ -	\$ 44,541,638	\$ 320,362	\$ 629,783,137
Expenses										
Salaries	189,191,392	4,450,336	675,828	-	2,490,038	-	-	-	-	196,807,593
Employee Benefits	23,018,012	15,239,255	125,357	-	-	-	-	-	-	38,382,623
Supplies & General Expense	3,771,904	340,159	536,003	-	-	129,662	238,088	-	-	5,015,815
Travel	552,222	67,531	47,422	-	-	-	-	-	-	667,175
Marketing Costs	2,233,652	55,432	465	-	-	-	-	-	-	2,289,549
Rentals & Leases	274,601	31	3,683	-	-	10,498	-	-	-	288,813
Insurance/Risk Mgmt.	8,194,874	1,846	2,338	-	-	-	-	-	-	8,199,058
Contracted Services	23,313,397	557,691	1,010,479	-	-	38,589	258,307	(6,485)	-	25,171,978
Utilities	7,126,866	-	335,371	-	-	-	-	-	-	7,462,237
Other Departmental Expenses	1,944,514	479,370	327,910	-	388,800	-	-	-	-	3,140,594
Instructional & Other Materials	6,325,481	397,575	4,860	-	-	24,877	118,374	-	-	6,871,167
Maintenance & Repair	1,990,845	-	1,324	-	-	-	(287)	-	-	1,991,882
Transfers (In)/Out ¹	39,972,132	-	-	-	(1,167,649)	(993,098)	(24,572,500)	(13,238,885)	-	-
Debt	63,294	-	-	-	-	-	-	51,078,045	-	51,141,339
Capital Outlay	12,030,988	581,620	147,514	-	-	4,490,514	11,452,936	-	-	28,703,571
Amortization/Depreciation	-	-	-	-	-	-	-	-	26,522,481	26,522,481
Scholarship Distribution	397,808	-	1,152,618	-	120,990,001	-	-	-	-	122,540,427
Total Expenses	320,401,980	22,170,845	4,371,173	-	122,701,190	3,701,042	(12,505,083)	37,832,675	26,522,481	525,196,302
Net Revenues/(Expenses)	106,000,023	5,141,310	2,761,302	-	(15,867)	(2,311,861)	12,505,083	6,708,963	(26,202,119)	104,586,835
Other Adjustments and Transfers										
Debt Principal Payments ²	(48,000,000)	-	-	-	-	-	-	-	90,855,209	42,855,209
Debt Refinancing	-	-	-	-	-	-	-	-	-	-
Capitalization of Assets & CIP ²	3,116,721	116,568	-	-	-	1,581,447	6,754,932	-	3,485,606	15,055,273
Transfers of Completed Projects/Assets	(3,116,721)	(116,568)	-	-	-	(773,254)	(745,071)	-	4,751,613	-
Transfers of Balances between Funds	-	-	-	-	-	-	-	-	-	-
Total Other Adjustments and Transfers	(48,000,000)	-	-	-	-	808,193	6,009,861	-	99,092,428	57,910,482
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	\$ 126,450,230	\$ 6,199,735	\$ 25,297,411	\$ 238,698	3,166,077	\$ 84,116,287	\$ 47,194,186	\$ 25,534,665	\$ 578,621,052	\$ 896,818,340

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

²Per 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 May 31, 2025
75% of Year

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget & Actuals						
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru May 31, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru May 31, 2025	Year-to-Date Actuals Thru May 31, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
REVENUES							
State Appropriations	\$ 68,243,000	\$ 53,724,309	78.7%	\$ 53,724,309	\$ 50,718,970	\$ 3,005,339	5.9%
Ad Valorem Taxes	224,386,251	221,498,782	98.7%	221,498,782	205,378,068	16,120,715	7.8%
Tuition & Fees, Net	126,237,802	130,002,935	103.0%	130,002,935	114,692,298	15,310,637	13.3%
Other Local Income	22,736,208	12,756,938	56.1%	12,756,938	17,743,699	(4,986,761)	-28.1%
Tuition & Fees, Net -- Extended Learning	7,885,993	7,791,680	98.8%	7,791,680	7,042,949	748,731	10.6%
Grant Revenue - Indirect Cost	650,000	627,359	96.5%	627,359	491,422	135,937	27.7%
Total Revenues	450,139,254	426,402,003	94.7%	426,402,003	396,067,405	30,334,598	7.7%
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	\$ 444,211,986	94.9%	\$ 444,211,986	\$ 403,113,386	\$ 41,098,599	10.2%
EXPENSES							
Salaries	257,626,422	189,191,392	73.4%	189,191,392	168,125,298	21,066,094	12.5%
Employee Benefits	38,321,946	23,018,012	60.1%	23,018,012	21,200,585	1,817,427	8.6%
Supplies & General Expense	6,699,196	3,771,904	56.3%	3,771,904	3,226,501	545,402	16.9%
Travel	1,458,394	552,222	37.9%	552,222	528,689	23,532	4.5%
Marketing Costs	3,978,620	2,233,652	56.1%	2,233,652	1,702,841	530,811	31.2%
Rentals & Leases	411,277	274,601	66.8%	274,601	187,531	87,070	46.4%
Insurance/Risk Mgmt.	9,365,467	8,194,874	87.5%	8,194,874	7,675,235	519,640	6.8%
Contracted Services	39,778,497	23,313,397	58.6%	23,313,397	19,364,264	3,949,133	20.4%
Utilities	11,249,856	7,126,866	63.4%	7,126,866	6,758,240	368,626	5.5%
Other Departmental Expenses	4,213,640	1,944,514	46.1%	1,944,514	1,711,368	233,146	13.6%
Instructional & Other Materials	11,375,425	6,325,481	55.6%	6,325,481	7,994,475	(1,668,994)	-20.9%
Maintenance & Repair	3,380,469	1,990,845	58.9%	1,990,845	1,337,482	653,363	48.9%
Transfers\Debt	55,094,331	40,035,425	72.7%	40,035,425	35,595,182	4,440,243	12.5%
Contingency/Initiatives	2,211,811	-	0.0%	-	-	-	0.0%
Capital Outlay	21,913,885	12,030,988	54.9%	12,030,988	2,668,393	9,362,595	350.9%
Amortization/Depreciation	-	-	0.0%	-	-	-	0.0%
Scholarship Distribution	870,000	397,808	45.7%	397,808	-	397,808	100.0%
Total Expenses	\$ 467,949,237	\$ 320,401,980	68.5%	\$ 320,401,980	\$ 278,076,084	\$ 42,325,896	15.2%
NET REVENUE/(EXPENSES)	\$ (0)	\$ 123,810,006		\$ 123,810,006	\$ 125,037,302	\$ (1,227,296)	

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses by Fund

As of May 31, 2025

Auxiliary Funds - Uncommitted Portion

	Main Leasing	Misc. Auxiliary *	Bookstore Commission	Scholarships	Subtotal Uncommitted
Revenues	\$ 3,933,042	\$ 190,554	\$ 1,197,764	\$ -	\$ 5,321,361
Expenses					
Salaries	235,704	80,385	-	57,320	373,409
Employee Benefits	55,838	9,841	-	525	66,205
Supplies & General Expense	19,720	66,607	-	-	86,326
Travel	-	-	-	-	-
Marketing Costs	465	-	-	-	465
Rentals & Leases	-	-	-	-	-
Insurance/Risk Mgmt.	-	-	-	-	-
Contracted Services	914,177	25,047	-	-	939,224
Utilities	335,371	-	-	-	335,371
Other Departmental Expenses	1,027	261,435	-	-	262,462
Instructional & Other Materials	4,816	-	-	-	4,816
Maintenance & Repair	1,324	-	-	-	1,324
Transfers/Debt	-	-	-	-	-
Capital Outlay	76,567	23,253	-	-	99,820
Scholarship Distribution	-	15,430	-	1,106,328	1,121,758
Total Expenses	1,645,009	481,999	-	1,164,173	3,291,181
Contribution to Fund Balance	\$ 2,288,033	\$ (291,444)	\$ 1,197,764	\$ (1,164,173)	2,030,179
Beginning Fund Balance, Audited					18,426,404
Ending Fund Balance					\$ 20,456,583

* Expenditures in this category include Government Relations, Mobile Go, etc.

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses By Fund

As of May 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	\$ -	\$ -	\$ -	\$ 1,006,873	\$ 804,242	\$ 1,811,114	\$ 7,132,475
Expenses							
Salaries	-	-	-	14,630	287,788	302,418	675,828
Employee Benefits	-	-	-	141	59,011	59,152	125,357
Supplies & General Expense	16,033	16,033	-	367,942	65,701	433,644	536,003
Travel	8,475	8,475	-	37,145	1,802	38,947	47,422
Marketing Costs	-	-	-	-	-	-	465
Rentals & Leases	-	-	-	-	3,683	3,683	3,683
Insurance/Risk Mgmt.	-	-	-	2,247	91	2,338	2,338
Contracted Services	-	-	-	43,742	27,514	71,256	1,010,479
Utilities	-	-	-	-	-	-	335,371
Other Departmental Expenses	743	743	-	51,192	13,514	64,705	327,910
Instructional & Other Materials	-	-	-	44	-	44	4,860
Maintenance & Repair	-	-	-	-	-	-	1,324
Transfers/Debt	-	-	-	-	-	-	-
Capital Outlay	-	-	-	22,059	25,635	47,694	147,514
Scholarship Distribution	-	-	-	30,860	-	30,860	1,152,618
Total Expenses	25,250	25,250	-	570,002	484,739	1,054,741	4,371,173
Contribution to Fund Balance	(25,250)	(25,250)	-	436,871	319,502	756,373	2,761,302
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	\$ 1,533,978		\$ (1,284,080)	\$ 2,394,344	\$ 2,196,585	\$ 3,306,849	\$ 25,297,411

HOUSTON COMMUNITY COLLEGE SYSTEM
Unrestricted Adjusted Budgets and Actuals by Division - Summary Comparison
As of May 31, 2025
75% of Year

Division	FY 2025 Adjusted Budget	Actuals as of May 31, 2025	% Spent	FY 2024 Adjusted Budget	Actuals as of May 31, 2024	% Spent
Central College	\$ 15,644,375	\$ 11,358,298	72.6%	\$ 13,312,369	9,518,551	71.5%
Northwest College	19,230,721	13,443,965	69.9%	16,851,006	11,740,779	69.7%
Northeast College	17,601,050	12,951,178	73.6%	14,357,850	11,039,426	76.9%
Southwest College	16,610,855	12,753,883	76.8%	14,339,406	10,801,052	75.3%
Southeast College	18,311,208	14,235,543	77.7%	15,914,355	11,691,209	73.5%
Coleman College	22,318,308	16,241,765	72.8%	19,162,436	13,580,568	70.9%
Academic Instruction	83,015,328	65,207,412	78.5%	75,904,243	58,156,375	76.6%
Office of the Chancellor	17,961,338	11,497,150	64.0%	18,686,218	11,248,384	60.2%
Instructional Services	12,501,378	6,641,645	53.1%	10,491,178	5,673,657	54.1%
Online College	3,163,282	2,291,116	72.4%	2,631,445	1,761,139	66.9%
Student Services	11,647,054	6,179,978	53.1%	10,246,894	5,784,438	56.5%
Strategy, Planning & Institutional Effectiveness	5,138,200	3,141,236	61.1%	5,130,469	2,909,785	56.7%
External & Governmental Relations, Transfers and Alumni Relations	2,142,872	1,260,766	58.8%	1,507,828	250,106	16.6%
Legal & Compliance	17,151,944	12,843,266	74.9%	16,058,344	12,364,067	77.0%
Finance & Accounting	80,411,875	58,660,391	72.9%	70,741,283	48,467,630	68.5%
System	125,099,449	71,694,386	57.3%	92,909,562	63,088,921	67.9%
Grand Total	\$ 467,949,237	\$ 320,401,980	68.5%	\$ 398,244,885	\$ 278,076,084	69.8%

HOUSTON COMMUNITY COLLEGE SYSTEM

Balance Sheet by Fund

As of May 31, 2025

	CURRENT & LOAN FUNDS ¹	PLANT & BOND FUNDS ²	TOTAL ALL FUNDS	PRIOR YEAR TOTAL ALL FUNDS
ASSETS				
Current Assets:				
Cash & cash equivalents	\$ 171,061,235	\$ 111,255,619	\$ 282,316,854	\$ 258,745,698
Short-term Investments	-	-	-	24,276,204
Accounts receivable (net)	45,177,064	1,347,100	46,524,164	33,556,602
Deferred charges	510,401	-	510,401	9,295,791
Prepays	8,903,626	-	8,903,626	9,796,823
Total Current Assets	225,652,326	112,602,719	338,255,045	335,671,118
Non-current Assets:				
Restricted cash & cash equivalents	-	25,036,885	25,036,885	29,056,899
Long-term investments	223,315,113	-	223,315,113	143,424,474
Long-term lease receivable	21,861,655	-	21,861,655	20,465,825
Capital assets, net	7,752,154	1,126,466,626	1,134,218,780	1,144,265,340
Total Non-current Assets	252,928,922	1,151,503,511	1,404,432,433	1,337,212,538
Total Assets	\$ 478,581,248	\$ 1,264,106,230	\$ 1,742,687,478	\$ 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	\$ 525,810,860	\$ 1,265,670,036	\$ 1,791,480,896	\$ 1,721,677,074
LIABILITIES				
Current Liabilities:				
Accounts payable	7,045,746	108,266	7,154,012	13,700,554
Accrued Interest- SBITA	276,218	-	276,218	276,218
Accrued liabilities	400,749	24,938	425,687	18,074,315
Compensated absences	4,955,308	-	4,955,308	4,955,308
Funds held for others	2,679,289	189,209	2,868,498	908,680
Deferred revenue	13,870,711	450,040	14,320,751	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	-	180,875	180,875	720,798
Bonds payable-current portion	-	-	-	41,215,000
Total Current Liabilities	36,192,749	953,328	37,146,077	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	\$ 269,190,780	\$ 520,363,030	\$ 789,553,810	\$ 879,452,453
Deferred Inflows of Resources:				
Leases	21,827,227	-	21,827,227	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	\$ 95,267,930	\$ 9,840,817	\$ 105,108,747	\$ 107,903,596
Total Liabilities and Deferred Inflows of Resources	\$ 364,458,710	\$ 530,203,847	\$ 894,662,557	\$ 987,356,049
Beginning Fund Balances, Audited	95,465,383	638,855,642	734,321,025	655,881,162
Net Revenue/(Expenses)				
Unrestricted	60,761,325	-	60,761,325	22,698,096
Restricted	5,125,443	-	5,125,443	950,125
Net Investment in Plant	-	96,610,547	96,610,547	54,791,642
Ending Fund Balances	\$ 161,352,152	\$ 735,466,189	\$ 896,818,340	\$ 734,321,025
Total Liabilities & Fund Balances	\$ 525,810,860	\$ 1,265,670,036	\$ 1,791,480,896	\$ 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 May 31, 2025

	FY 2024		FY 2025	
	Prior Year Activity thru 8/31/2024	Year-to-Date Activity thru 05/31/2024	Year-to-Date Activity thru 05/31/2025	Actuals % Increase/ (Decrease) 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	133,779,806	151,566,836	13.3%
Waivers & Exemptions:				
Dual Credit & Early College HS	(16,567,432)	(16,547,986)	(18,958,998)	14.6%
Other	(2,786,646)	(2,539,522)	(2,604,903)	2.6%
Total Waivers & Exemptions	(19,354,078)	(19,087,508)	(21,563,901)	13.0%
Total Tuition & Fees Revenue, Net	\$ 114,817,998	\$ 114,692,298	\$ 130,002,935	13.3%

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	7,042,949	7,791,680	10.6%
Waivers & Exemptions:				
Department of Corrections	-	-	-	0.0%
Total EL Tuition & Fees Revenue, Net	\$ 7,665,722	\$ 7,042,949	\$ 7,791,680	10.6%

	FY 2024		FY 2025	
	Prior Year Activity thru 8/31/2024	Year-to-Date Activity thru 05/31/2024	Year-to-Date Activity thru 05/31/2025	Actuals % Increase/ (Decrease) YTD vs. PriorYTD
Exemptions & Waivers				
Dept of Corrections	\$ -	\$ -	\$ -	0.0%
Dual Credit & Early College HS Waiver	16,567,432	16,547,986	18,958,998	14.6%
Other Exemptions:				
Employee Fee Exemptions	44,993	41,866	42,141	0.7%
Firemen	29,460	27,102	38,867	43.4%
Hazelwood	1,145,051	1,066,828	1,190,095	11.6%
Deaf & Blind	150,320	149,639	135,099	-9.7%
High Ranking High School Grad	3,025	1,694	1,848	9.1%
Good Neighbor Program	67,042	65,230	67,527	3.5%
Child of Disabled Vet	3,757	2,865	2,642	-7.8%
Employee of State College & University	3,164	3,990	5,273	32.2%
Non-resident Teach/Research Assistant	6,876	7,410	11,030	48.9%
Non-resident Competitive Scholarships	13,823	13,823	6,555	-52.6%
Senior Citizens	450,277	424,177	423,216	-0.2%
Misc Tuition/Fees Waivers	-	-	3,705	100.0%
Concurrent Enrollment	-	-	222	100.0%
Foster Children-Resident	272,473	263,675	287,314	9.0%
TX Tomorrow Waiver	-	-	279	100.0%
Surviving Spouse/Children	1,589	1,589	-	-100.0%
Peace Officer Exemption	8,202	7,326	13,497	84.2%
Adopted Student Waiver	351,710	347,008	350,864	1.1%
FAST Book & OD Fees	234,884	115,300	24,729	-78.6%
Total Other Exemptions	2,786,646	2,539,522	2,604,903	2.6%
Grand Total Exemptions & Waivers	\$ 19,354,078	\$ 19,087,508	\$ 21,563,901	13.0%

*Amount net of exemptions & waivers.



HOUSTON COMMUNITY COLLEGE SYSTEM

MONTHLY INVESTMENT REPORT

For the Month of June 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

June 30, 2025

Beginning Book Value (June 1, 2025)	\$	525,021,155
Beginning Market Value (June 1, 2025)	\$	527,125,761
Additions/Subtractions (Book Value - Net)	\$	(30,949,503)
Change in Market Value	\$	(4,323,485)
Ending Book Value (June 30, 2025)	\$	494,071,652
Ending Market Value (June 30, 2025)	\$	496,740,588
Unrealized Gain/(Loss)	\$	2,668,936
WAM (56% of Portfolio's Weighted Average Maturity)		1 day
WAM (44% of Portfolio's Weighted Average Maturity - Securities Held To Maturity)		340

* Net amount provided/(for) operations	\$	18,978,083
* Net amount provided/(for) CIP/others		72,414
	\$	<u>19,050,497</u>

EXECUTIVE SUMMARY

INVENTORY HOLDINGS REPORT

June 30, 2025

	Ending Book Value	Ending Market Value	Unrealized Gain (Loss)
US Treasuries	\$ 171,941,432	\$ 173,895,068	\$ 1,953,637
US Agencies	44,397,822	45,113,121	715,299
Local Government Pools	148,185,462	148,185,462	-
Money Market Funds	79,525,184	79,525,184	-
Certificate of Deposit	50,000,000	50,000,000	-
Interest Bearing Checking	21,752	21,752	-
Total	<u>\$ 494,071,652</u>	<u>\$ 496,740,588</u>	<u>\$ 2,668,936</u>
WAR (Weighted Average Interest Rate)		<u>4.23%</u>	

INVESTMENTS
INVENTORY HOLDINGS REPORT (OPERATING AND OTHERS)
June 30, 2025

Description	Held At	Coupon Rate	Yield 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	4.0690%	0.0000%	02/22/05	05/01/33	7,620	\$ (1,473)	\$ 7,786	\$ 9,093	\$ (60)	\$ 9,033	\$ 7,736	\$ (50)	\$ (1,298)
Fannie Mae ARM Pool 805454	Bank of America	4.6720%	0.0000%	12/23/04	12/01/34	8,550	(5,921)	8,776	14,471	(60)	14,411	8,721	(55)	(5,691)
Federal Home Loan Bank Global Unsecured	Bank of America	0.3800%	4.4730%	01/19/24	09/04/25	10,000,000	635,453	9,896,918	9,364,548	-	9,364,548	9,928,888	31,970	564,341
Federal Farm Credit Bank US Domestic Unsecured	Bank of America	4.2500%	4.3200%	02/12/25	01/28/28	10,000,000	19,430	10,078,079	9,980,570	-	9,980,570	10,120,793	42,714	140,223
U.S. Treasury Note US Govt Treasury	Bank of America	2.8800%	4.6080%	02/08/24	06/15/25	5,000,000	112,305	4,996,875	4,887,695	(4,887,695)	-	-	(4,996,875)	-
U.S. Treasury Note US Govt Treasury	Bank of America	3.5000%	4.7020%	03/05/24	09/15/25	5,000,000	87,500	4,987,370	4,912,500	-	4,912,500	4,992,969	5,599	80,469
U.S. Treasury Note US Govt Treasury	Bank of America	3.5000%	4.6970%	03/05/24	09/15/25	5,000,000	87,150	4,987,370	4,912,850	-	4,912,850	4,992,969	5,599	80,119
U.S. Treasury Note US Govt Treasury	Bank of America	0.2500%	4.7930%	03/20/24	09/30/25	10,000,000	661,500	9,867,813	9,338,500	-	9,338,500	9,900,293	32,481	561,793
U.S. Treasury Note US Govt Treasury	Bank of America	4.2500%	4.7300%	03/28/24	10/15/25	5,000,000	35,547	4,998,568	4,964,453	-	4,964,453	4,998,926	358	34,473
U.S. Treasury Note US Govt Treasury	Bank of America	4.2500%	4.7350%	03/28/24	10/15/25	5,000,000	35,938	4,998,568	4,964,063	-	4,964,063	4,998,926	358	34,863
U.S. Treasury Note US Govt Treasury	Bank of America	5.0000%	5.0300%	04/24/24	10/31/25	5,000,000	2,214	5,011,641	4,997,786	-	4,997,786	5,010,254	(1,387)	12,468
U.S. Treasury Note US Govt Treasury	Bank of America	4.0000%	5.0160%	04/11/24	12/15/25	10,000,000	162,109	9,991,537	9,837,891	-	9,837,891	9,992,481	944	154,590
U.S. Treasury Note US Govt Treasury	Bank of America	3.3800%	3.4940%	09/16/24	09/15/27	10,000,000	33,594	9,885,938	9,966,406	-	9,966,406	9,929,688	43,750	(36,719)
U.S. Treasury Note US Govt Treasury	Bank of America	2.7500%	4.0060%	10/25/24	07/31/27	15,000,000	15,000,000	14,641,406	14,510,850	-	14,510,850	14,705,859	64,453	195,009
U.S. Treasury Note US Govt Treasury	Bank of America	3.8800%	3.8800%	10/15/24	10/15/27	10,000,000	10,000,000	9,992,188	9,996,484	-	9,996,484	10,033,594	41,406	37,109
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	3.6300%	3.5600%	09/13/24	09/13/27	15,000,000	(27,510)	14,860,470	15,027,510	-	15,027,510	14,922,325	61,855	(105,185)
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	4.3500%	4.3430%	02/12/25	01/28/28	10,000,000	(1,750)	10,098,109	10,001,750	-	10,001,750	10,124,659	26,550	122,909
U.S. Treasury Note US Govt Treasury	Bank of America	3.7500%	4.1240%	12/5/2024	8/31/2026	10,000,000	10,000,000	9,957,422	9,937,500	-	9,937,500	9,975,781	18,359	38,281
U.S. Treasury Note US Govt Treasury	Bank of America	3.7500%	4.1640%	12/5/2024	8/31/2026	10,000,000	10,000,000	9,957,422	9,930,859	-	9,930,859	9,975,781	18,359	44,922
U.S. Treasury Note US Govt Treasury	Bank of America	0.8800%	4.1540%	12/5/2024	6/30/2026	10,000,000	10,000,000	9,658,203	9,506,250	-	9,506,250	9,695,606	37,402	189,356
U.S. Treasury Note US Govt Treasury	Bank of America	4.5000%	4.2080%	1/29/2025	3/31/2026	15,000,000	15,000,000	15,034,766	15,048,633	-	15,048,633	15,041,162	6,396	(7,471)
U.S. Treasury Note US Govt Treasury	Bank of America	3.5000%	4.0790%	2/26/2025	1/31/2028	30,000,000	30,000,000	29,707,031	29,524,219	-	29,524,219	29,844,141	137,109	319,922
U.S. Treasury Note US Govt Treasury	Bank of America	2.7500%	4.0810%	2/26/2025	2/15/2028	10,000,000	10,000,000	9,707,422	9,631,250	-	9,631,250	9,759,766	52,344	128,516
U.S. Treasury Note US Govt Treasury	Bank of America	3.8800%	4.0150%	3/19/2025	3/15/2028	10,000,000	10,000,000	10,000,000	9,960,938	-	9,960,938	10,046,875	46,875	85,938
Debt Service 2001A Bond Interest Checking	Bank of America		2.2600%				-	1,297	1,297	2	1,299	1,299	-	-
HCCS Merchant Service	Bank of America		0.8100%				-	23,348	23,348	(3,017)	20,330	20,330	-	-
LTD 2013 Tax Bond General Checking	Bank of America		2.2600%				-	17,914	17,914	(17,791)	123	123	-	-
Chase Certificate of Deposit	Chase		3.4200%					50,000,000	50,000,000	-	50,000,000	50,000,000	-	-
Merrill Lynch (Morgan Stanley Govt/Goldman Sachs)	Bank of America		4.2500%				-	103,005,257	103,005,257	(26,587,008)	76,418,249	76,418,249	-	-
Money Market 2006 Jr. Lien Debt Reserve	Bank of America		4.2500%				-	3,095,854	3,095,854	11,081	3,106,935	3,106,935	-	-
Lone Star (Corporate Overnight Fund)	State Street Bank		4.4480%				-	67,455,696	67,455,696	244,567	67,700,263	67,700,263	-	-
TexPool - General Funds	State Street Bank		4.3520%				-	12,860,691	12,860,691	133,099	12,993,790	12,993,790	-	-
TexPool - Prime	State Street Bank		4.5680%				-	67,334,029	67,334,029	157,380	67,491,409	67,491,409		
TOTAL								\$ 527,125,761	\$ 525,021,155	\$ (30,949,503)	\$ 494,071,652	\$ 496,740,588	\$ (4,323,485)	\$ 2,668,936



Summary Operating Statements

For the Period
September 1, 2024 - June 30, 2025

For the Meeting of the Board of Trustees - August 6, 2025

for
Houston Community College System



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For the Period September 1, 2023 - June 30, 2025

Houston Community College System

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Summary of Financial Statements As of June 30, 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 June 30, 2025, total revenues, fund balance transfers and rolled purchase orders (POs) are \$448.7 million. This represents 95.9% of the budgeted total of \$467.9 million. Expenses total \$352.5million to date, which is 75.3% of the total expense budget of \$467.9 million. Compared with the same period last year, revenues and transfers are higher by 6% and expenses are higher by 5.6%. Actual net revenue is \$96.2 million to date.

Ad Valorem tax revenue is trending at 7.6% higher when compared to last year. This is namely due to the increase in taxable valuations compared to prior year. Revenue is expected to fall within budget plan at year end.

State appropriations are slightly lower when compared to prior year due to late disbursements from the state, however, appropriations are expected to be within budget by year-end.

Tuition and fees, net, which include revenues for semester credit hour (SCH) courses, are **13.8%** higher than last year at this time. Gross tuition and fee revenues are up 13.8% 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 14.3% primarily due to Dual Credit waivers.

Other local income, which includes investment income, is lower by \$5.3 million due to the volatility of the finance market.

Continuing Education/Non-credit tuition and fees, net are 8.8% higher than last year at this time. Gross tuition and fees revenues are up by 8.8%.

Actual salaries for FY 2025 are 12.5% 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 8.8% 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 \$1,500,797 compared to this time in FY 2024 of \$1,513,491.

HOUSTON COMMUNITY COLLEGE SYSTEM
Statement of Revenues, Expenses and Fund Balances - All Funds
As of June 30, 2025

	Unrestricted	Restricted	Auxiliary	Loans	Scholarship	Unexpended Plant	Capital and Technology	Retirement of Debt	Investment in Plant	Total
Revenues	\$ 430,848,783	\$ 30,010,931	\$ 7,610,788	\$ -	\$ 132,075,791	\$ 1,485,483	\$ -	\$ 44,768,012	\$ 398,161	\$ 647,197,949
Expenses										
Salaries	209,166,958	4,991,777	768,087	-	2,665,344	-	-	-	-	217,592,165
Employee Benefits	25,504,246	16,929,659	140,911	-	-	-	-	-	-	42,574,816
Supplies & General Expense	4,330,044	461,094	587,927	-	-	134,170	246,568	-	-	5,759,804
Travel	650,376	74,534	56,319	-	-	-	-	-	-	781,229
Marketing Costs	2,763,420	66,722	465	-	-	-	-	-	-	2,830,607
Rentals & Leases	295,667	31	3,683	-	-	10,834	-	-	-	310,214
Insurance/Risk Mgmt.	8,217,995	2,098	2,366	-	-	-	-	-	-	8,222,459
Contracted Services	28,027,790	1,019,311	1,254,768	-	-	39,593	437,837	8,391	-	30,787,689
Utilities	8,011,205	-	375,339	-	-	-	-	-	-	8,386,544
Other Departmental Expenses	2,111,393	545,718	384,385	-	396,273	-	-	-	-	3,437,769
Instructional & Other Materials	7,534,284	518,007	4,860	-	-	24,877	121,070	-	-	8,203,098
Maintenance & Repair	2,353,164	-	1,324	-	-	-	(287)	-	-	2,354,201
Transfers (In)/Out ¹	40,146,573	-	-	-	(1,342,090)	(993,098)	(24,572,500)	(13,238,885)	-	-
Debt	63,294	-	-	-	-	-	-	51,078,045	-	51,141,339
Capital Outlay	12,919,032	612,425	157,604	-	-	4,907,598	19,137,286	-	-	37,733,945
Amortization/Depreciation	-	-	-	-	-	-	-	-	29,507,901	29,507,901
Scholarship Distribution	397,808	-	1,183,078	-	130,369,390	-	-	-	-	131,950,276
Total Expenses	352,493,246	25,221,375	4,921,116	-	132,088,918	4,123,973	(4,630,025)	37,847,551	29,507,901	581,574,055
Net Revenues/(Expenses)	78,355,537	4,789,556	2,689,672	-	(13,127)	(2,638,490)	4,630,025	6,920,461	(29,109,740)	65,623,894
Other Adjustments and Transfers										
Debt Principal Payments ²	(48,000,000)	-	-	-	-	-	-	-	90,855,209	42,855,209
Debt Refinancing	-	-	-	-	-	-	-	-	-	-
Capitalization of Assets & CIP ²	3,116,721	116,568	-	-	-	1,617,436	8,835,303	-	4,622,790	18,308,817
Transfers of Completed Projects/Assets	(3,116,721)	(116,568)	-	-	-	(773,253)	(745,071)	-	4,751,614	-
Transfers of Balances between Funds	-	-	-	-	-	-	-	-	-	-
Total Other Adjustments and Transfers	(48,000,000)	-	-	-	-	844,182	8,090,232	-	100,229,612	61,164,026
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	\$ 98,805,744	\$ 5,847,981	\$ 25,225,780	\$ 238,698	3,168,817	\$ 83,825,646	\$ 41,399,500	\$ 25,746,163	\$ 576,850,614	\$ 861,108,942

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

²Per 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 June 30, 2025
83.3% of Year

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru June 30, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru June 30, 2025	Year-to-Date Actuals Thru June 30, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
REVENUES							
State Appropriations	\$ 68,243,000	\$ 53,724,309	78.7%	\$ 53,724,309	\$ 66,386,683	\$ (12,662,374)	-19.1%
Ad Valorem Taxes	224,386,251	222,290,223	99.1%	222,290,223	206,594,490	15,695,733	7.6%
Tuition & Fees, Net	126,237,802	131,342,650	104.0%	131,342,650	115,441,965	15,900,685	13.8%
Other Local Income	22,736,208	14,728,240	64.8%	14,728,240	20,025,038	(5,296,798)	-26.5%
Tuition & Fees, Net -- Extended Learning	7,885,993	8,076,839	102.4%	8,076,839	7,422,937	653,901	8.8%
Grant Revenue - Indirect Cost	650,000	686,523	105.6%	686,523	521,757	164,767	31.6%
Total Revenues	450,139,254	430,848,783	95.7%	430,848,783	416,392,870	14,455,914	3.5%
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	\$ 448,658,767	95.9%	\$ 448,658,767	\$ 423,438,851	\$ 25,219,915	6.0%
EXPENSES							
Salaries	256,374,567	209,166,958	81.6%	209,166,958	185,887,887	23,279,070	12.5%
Employee Benefits	38,341,388	25,504,246	66.5%	25,504,246	23,446,301	2,057,945	8.8%
Supplies & General Expense	6,632,736	4,330,044	65.3%	4,330,044	3,703,329	626,716	16.9%
Travel	1,424,373	650,376	45.7%	650,376	578,764	71,612	12.4%
Marketing Costs	3,986,510	2,763,420	69.3%	2,763,420	1,861,532	901,888	48.4%
Rentals & Leases	411,355	295,667	71.9%	295,667	178,955	116,712	65.2%
Insurance/Risk Mgmt.	9,352,554	8,217,995	87.9%	8,217,995	7,682,093	535,902	7.0%
Contracted Services	40,923,273	28,027,790	68.5%	28,027,790	21,677,215	6,350,575	29.3%
Utilities	11,249,856	8,011,205	71.2%	8,011,205	7,643,391	367,813	4.8%
Other Departmental Expenses	3,998,606	2,111,393	52.8%	2,111,393	1,870,214	241,178	12.9%
Instructional & Other Materials	11,259,299	7,534,284	66.9%	7,534,284	8,519,314	(985,030)	-11.6%
Maintenance & Repair	3,419,656	2,353,164	68.8%	2,353,164	1,440,795	912,368	63.3%
Transfers\Debt	55,094,331	40,209,866	73.0%	40,209,866	66,274,842	(26,064,976)	-39.3%
Contingency/Initiatives	2,295,155	-	0.0%	-	-	-	0.0%
Capital Outlay	22,315,577	12,919,032	57.9%	12,919,032	2,992,451	9,926,581	331.7%
Amortization/Depreciation	-	-	0.0%	-	-	-	0.0%
Scholarship Distribution	870,000	397,808	45.7%	397,808	-	397,808	100.0%
Total Expenses	\$ 467,949,237	\$ 352,493,246	75.3%	\$ 352,493,246	\$ 333,757,084	\$ 18,736,163	5.6%
NET REVENUE/(EXPENSES)	-	\$ 96,165,520		\$ 96,165,520	\$ 89,681,768	\$ 6,483,753	

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses by Fund

As of June 30, 2025

Auxiliary Funds - Uncommitted Portion

	Main Leasing	Misc. Auxiliary *	Bookstore Commission	Scholarships	Subtotal Uncommitted
Revenues	\$ 4,359,929	\$ 216,432	\$ 1,197,764	\$ -	\$ 5,774,125
Expenses					
Salaries	259,742	90,466	-	72,944	423,152
Employee Benefits	61,963	10,947	-	1,287	74,197
Supplies & General Expense	27,299	69,587	-		96,886
Travel			-		-
Marketing Costs	465		-		465
Rentals & Leases			-		-
Insurance/Risk Mgmt.			-		-
Contracted Services	1,134,077	47,354	-		1,181,431
Utilities	375,339		-		375,339
Other Departmental Expenses	1,242	302,184	-		303,427
Instructional & Other Materials			-		-
Maintenance & Repair	6,052		-		6,052
Transfers/Debt			-		-
Capital Outlay	76,567	33,343	-		109,910
Scholarship Distribution		17,232	-	1,127,286	1,144,518
Total Expenses	1,942,745	571,115	-	1,201,517	3,715,377
Contribution to Fund Balance	\$ 2,417,184	\$ (354,683)	\$ 1,197,764	\$ (1,201,517)	2,058,748
Beginning Fund Balance, Audited					18,426,404
Ending Fund Balance					\$ 20,485,151

* Expenditures in this category include Government Relations, Mobile Go, etc.

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses By Fund

As of June 30, 2025

Auxiliary Funds - International and Committed Portions

	<u>International</u>		<u>Committed</u>				<u>Total</u>
	Other International Initiatives	Subtotal International	Student Vending Commission	Student Activity Fee	Student Athletic Fee	Subtotal Committed	Total Auxiliary
Revenues	\$ -	\$ -	\$ -	\$ 1,018,409	\$ 818,254	\$ 1,836,663	\$ 7,610,788
Expenses							
Salaries	-	-	-	21,540	323,394	344,934	768,087
Employee Benefits	-	-	-	661	66,053	66,714	140,911
Supplies & General Expense	17,991	17,991	-	402,534	70,649	473,183	588,060
Travel	8,475	8,475	-	44,487	3,357	47,844	56,319
Marketing Costs		-	-			-	465
Rentals & Leases		-	-		3,683	3,683	3,683
Insurance/Risk Mgmt.		-	-	2,275	91	2,366	2,366
Contracted Services		-	-	43,742	29,596	73,337	1,254,768
Utilities		-	-			-	375,339
Other Departmental Expenses	1,273	1,273	-	64,826	14,861	79,686	384,385
Instructional & Other Materials		-	-			-	-
Maintenance & Repair		-	-			-	6,052
Transfers/Debt		-	-			-	-
Capital Outlay		-	-	22,059	25,635	47,694	157,604
Scholarship Distribution		-	-	38,560		38,560	1,183,078
Total Expenses	27,738	27,738	-	640,683	537,318	1,178,001	4,921,116
Contribution to Fund Balance	(27,738)	(27,738)	-	377,726	280,937	658,662	2,689,672
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	\$ 1,531,490		\$ (1,284,080)	\$ 2,335,199	\$ 2,158,019	\$ 3,209,139	\$ 25,225,780

HOUSTON COMMUNITY COLLEGE SYSTEM
Unrestricted Adjusted Budgets and Actuals by Division - Summary Comparison
As of June 30, 2025
83.3% of Year

Division	FY 2025 Adjusted Budget	Actuals as of June 30, 2025	% Spent	FY 2024 Adjusted Budget	Actuals as of June 30, 2024	% Spent
Central College	\$ 15,601,893	\$ 12,598,962	80.8%	\$ 13,364,965	10,575,833	79.1%
Northwest College	18,961,826	14,887,240	78.5%	16,845,325	12,973,692	77.0%
Northeast College	17,555,538	14,489,441	82.5%	14,465,949	12,295,764	85.0%
Southwest College	16,641,314	14,134,131	84.9%	14,382,801	11,932,721	83.0%
Southeast College	18,260,520	15,731,335	86.1%	15,956,535	12,954,495	81.2%
Coleman College	22,223,344	18,015,181	81.1%	19,180,715	15,083,886	78.6%
Academic Instruction	83,809,742	72,640,844	86.7%	75,932,729	63,788,786	84.0%
Office of the Chancellor	17,862,279	12,971,720	72.6%	19,612,210	13,583,187	69.3%
Instructional Services	12,375,619	7,945,107	64.2%	10,459,083	6,441,645	61.6%
Online College	3,150,290	2,531,495	80.4%	2,626,102	1,961,386	74.7%
Student Services	11,616,790	7,142,588	61.5%	10,225,833	6,445,123	63.0%
Strategy, Planning & Institutional Effectiveness	5,036,591	3,513,949	69.8%	5,052,744	3,203,517	63.4%
External & Governmental Relations, Transfers and Alumni Relations	2,125,232	1,414,330	66.5%	1,450,726	314,055	21.6%
Legal & Compliance	17,027,540	13,517,903	79.4%	16,019,647	12,690,410	79.2%
Finance & Accounting	79,986,736	64,991,827	81.3%	80,437,855	64,221,393	79.8%
System	125,713,983	75,967,191	60.4%	111,631,667	85,291,189	76.4%
Grand Total	\$ 467,949,237	\$ 352,493,247	75.3%	\$ 427,644,885	\$ 333,757,084	78.0%

HOUSTON COMMUNITY COLLEGE SYSTEM

Balance Sheet by Fund

As of June 30, 2025

	CURRENT & LOAN FUNDS ¹	PLANT & BOND FUNDS ²	TOTAL ALL FUNDS	PRIOR YEAR TOTAL ALL FUNDS
ASSETS				
Current Assets:				
Cash & cash equivalents	\$ 150,284,731	\$ 104,384,730	\$ 254,669,461	\$ 258,745,698
Short-term Investments	-	-	-	24,276,204
Accounts receivable (net)	55,555,416	1,335,822	56,891,238	33,556,602
Deferred charges	752,695	-	752,695	9,295,791
Prepays	8,924,978	-	8,924,978	9,796,823
Total Current Assets	215,517,820	105,720,552	321,238,372	335,671,118
Non-current Assets:				
Restricted cash & cash equivalents	-	25,127,103	25,127,103	29,056,899
Long-term investments	218,991,733	-	218,991,733	143,424,474
Long-term lease receivable	21,606,956	-	21,606,956	20,465,825
Capital assets, net	7,752,154	1,126,811,941	1,134,564,095	1,144,265,340
Total Non-current Assets	248,350,843	1,151,939,044	1,400,289,887	1,337,212,538
Total Assets	\$ 463,868,663	\$ 1,257,659,596	\$ 1,721,528,259	\$ 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	\$ 511,098,275	\$ 1,259,223,402	\$ 1,770,321,677	\$ 1,721,677,074
LIABILITIES				
Current Liabilities:				
Accounts payable	14,468,715	1,024,604	15,493,319	13,700,554
Accrued Interest- SBITA	276,218	-	276,218	276,218
Accrued liabilities	355,997	24,938	380,935	18,074,315
Compensated absences	4,955,308	-	4,955,308	4,955,308
Funds held for others	652,691	189,209	841,900	908,680
Deferred revenue	22,188,659	731,336	22,919,995	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	-	180,875	180,875	720,798
Bonds payable-current portion	-	-	-	41,215,000
Total Current Liabilities	49,862,316	2,150,962	52,013,278	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	\$ 282,860,347	\$ 521,560,664	\$ 804,421,011	\$ 879,452,453
Deferred Inflows of Resources:				
Leases	21,510,206	-	21,510,206	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	\$ 94,950,909	\$ 9,840,817	\$ 104,791,726	\$ 107,903,596
Total Liabilities and Deferred Inflows of Resources	\$ 377,811,256	\$ 531,401,481	\$ 909,212,737	\$ 987,356,049
Beginning Fund Balances, Audited	95,465,383	638,855,642	734,321,025	655,881,162
Net Revenue/(Expenses)				
Unrestricted	33,045,209	-	33,045,209	22,698,096
Restricted	4,776,429	-	4,776,429	950,125
Net Investment in Plant	-	88,966,279	88,966,279	54,791,642
Ending Fund Balances	\$ 133,287,020	\$ 727,821,921	\$ 861,108,942	\$ 734,321,025
Total Liabilities & Fund Balances	\$ 511,098,275	\$ 1,259,223,402	\$ 1,770,321,677	\$ 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 June 30, 2025

	FY 2024		FY 2025	
	Prior Year Activity thru 8/30/2024	Year-to-Date Activity thru 06/30/2024	Year-to-Date Activity thru 06/30/2025	Actuals % Increase/ (Decrease)YTD vs. Prior YTD
Tuition & Fees				
Budget:				
Adjusted Budget, Annual*	\$ 106,400,157	\$ 101,709,073	\$ 126,237,802	24.1%
Revenues:				
Gross Tuition & Fees	134,172,076	134,625,462	153,267,213	13.8%
Waivers & Exemptions:				
Dual Credit & Early College HS	(16,567,432)	(16,568,752)	(19,193,122)	15.8%
Other	(2,786,646)	(2,614,745)	(2,731,441)	4.5%
Total Waivers & Exemptions	(19,354,078)	(19,183,497)	(21,924,563)	14.3%
Total Tuition & Fees Revenue, Net	\$ 114,817,998	\$ 115,441,965	\$ 131,342,650	13.8%

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	7,422,937	8,076,839	8.8%
Waivers & Exemptions:				
Department of Corrections	-	-	-	0.0%
Total EL Tuition & Fees Revenue, Net	\$ 7,665,722	\$ 7,422,937	\$ 8,076,839	8.8%

	FY 2024		FY 2025	
	Prior Year Activity thru 8/30/2024	Year-to-Date Activity thru 06/30/2024	Year-to-Date Activity thru 06/30/2025	Actuals % Increase/ (Decrease)YTD vs. PriorYTD
Exemptions & Waivers				
Dept of Corrections	\$ -	\$ -	\$ -	0.0%
Dual Credit & Early College HS Waiver	16,567,432	16,568,752	19,193,122	15.8%
Other Exemptions:				
Employee Fee Exemptions	44,993	43,602	45,685	4.8%
Firemen	29,460	29,304	40,803	39.2%
Hazelwood	1,145,051	1,117,808	1,229,296	10.0%
Deaf & Blind	150,320	147,625	139,677	-5.4%
High Ranking High School Grad	3,025	1,694	1,848	9.1%
Good Neighbor Program	67,042	65,230	104,266	59.8%
Child of Disabled Vet	3,757	2,865	2,642	-7.8%
Employee of State College & University	3,164	3,162	5,273	66.8%
Non-resident Teach/Research Assistant	6,876	6,876	10,602	54.2%
Non-resident Competitive Scholarships	13,823	13,823	6,555	-52.6%
Senior Citizens	450,277	439,665	437,059	-0.6%
Misc Tuition/Fees Waivers	-	-	10,300	100.0%
Concurrent Enrollment	-	-	222	100.0%
Foster Children-Resident	272,473	267,129	302,832	13.4%
TX Tomorrow Waiver	-	-	277	100.0%
Surviving Spouse/Children	1,589	1,589	-	-100.0%
Peace Officer Exemption	8,202	7,567	15,510	105.0%
Adopted Student Waiver	351,710	351,506	353,865	0.7%
FAST Book & OD Fees	234,884	115,300	24,729	-78.6%
Grant Awards Disb	-	-	-	100.0%
Total Other Exemptions	2,786,646	2,614,745	2,731,441	4.5%
Grand Total Exemptions & Waivers	\$ 19,354,078	\$ 19,183,497	\$ 21,924,563	14.3%

*Amount net of exemptions & waivers.