



AGENDA

COMMITTEE OF THE WHOLE OF THE BOARD OF TRUSTEES

**September 3, 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

September 3, 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, September 3, 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. Review of HCC Investment Portfolio
- B. Monthly Investment Report, Financial Statement and Budget Review for July 2025
- C. Approve Chancellor's Annual Priorities and Performance Goals for 2025-26

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 **28th 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

REPORT ITEM

Meeting Date: September 3, 2025

Topics For Discussion and/or Action:

ITEM #	ITEM TITLE	PRESENTER
A.	Review of HCC Investment Portfolio	Dr. Margaret Ford Fisher Dr. Sherry Hawn Emily Upshaw, Valley View LLC

DISCUSSION

Review the HCC investment portfolio with our investment advisors, and adopt recommendations to ensure that we maximize income considering potential future interest rate reductions.

COMPELLING REASON AND BACKGROUND

The goal is to proactively manage HCC income, including investment interest, to the greatest extent possible during market fluctuations.

FISCAL IMPACT

This discussion would strengthen transparency about HCC investments, foster safety of our principal, ensure adequate and timely liquidity as needed, and generate a reasonable return on investments.

LEGAL REQUIREMENT

The Texas Government Code, Chapter 2256, Public Funds Investment Act, requires the governing body of an investing entity to review its written investment policy and strategies and make changes to it when necessary.

STRATEGIC ALIGNMENT

4. Community Investment , 5. College of Choice

ATTACHMENTS:

Description	Upload Date	Type
Investment Portfolio Overview Presentation	8/18/2025	Presentation

This item is applicable to the following: District



Investment Portfolio Overview

September 3, 2025

Presented by Emily Upshaw, CPA

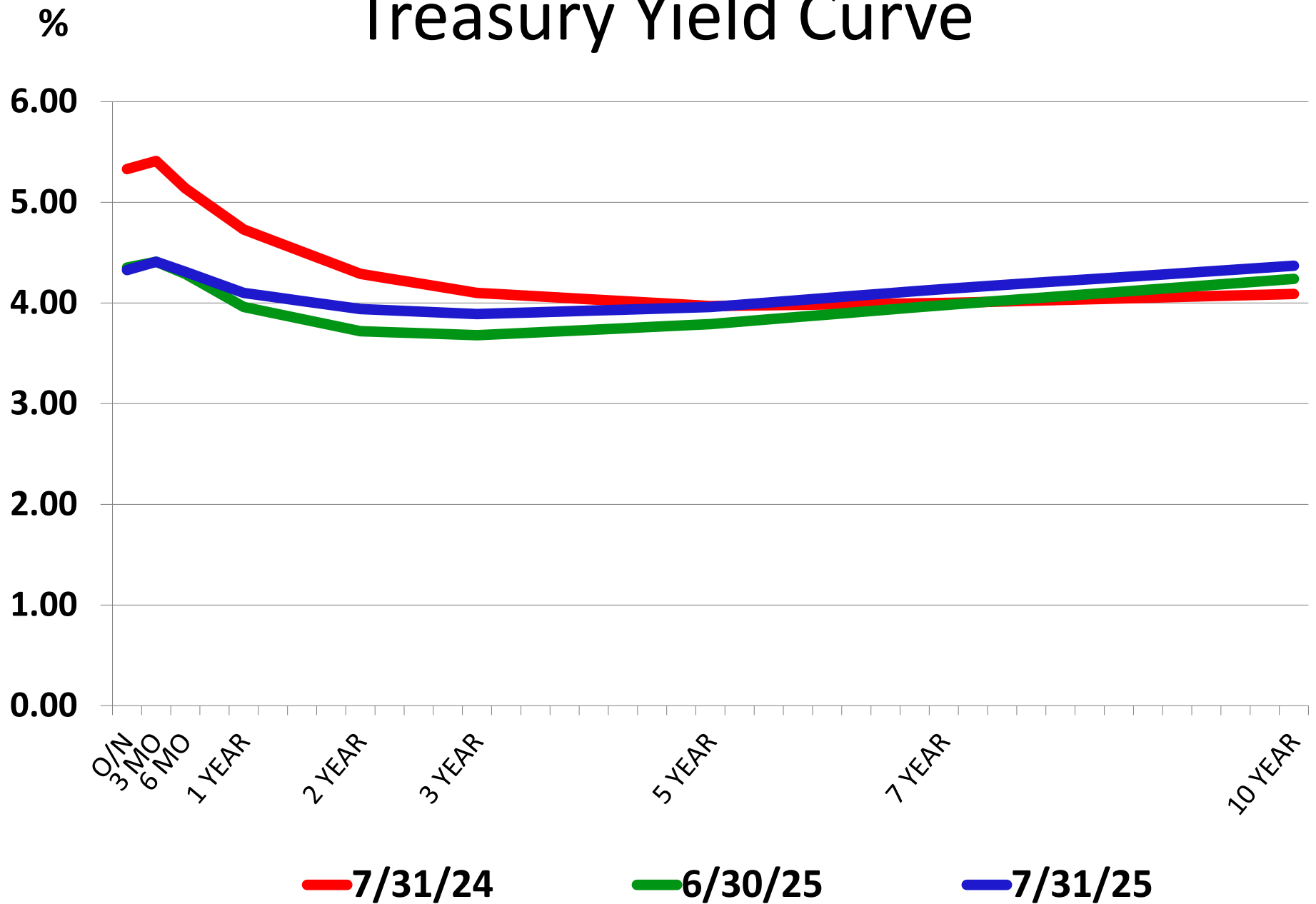


Economic Update

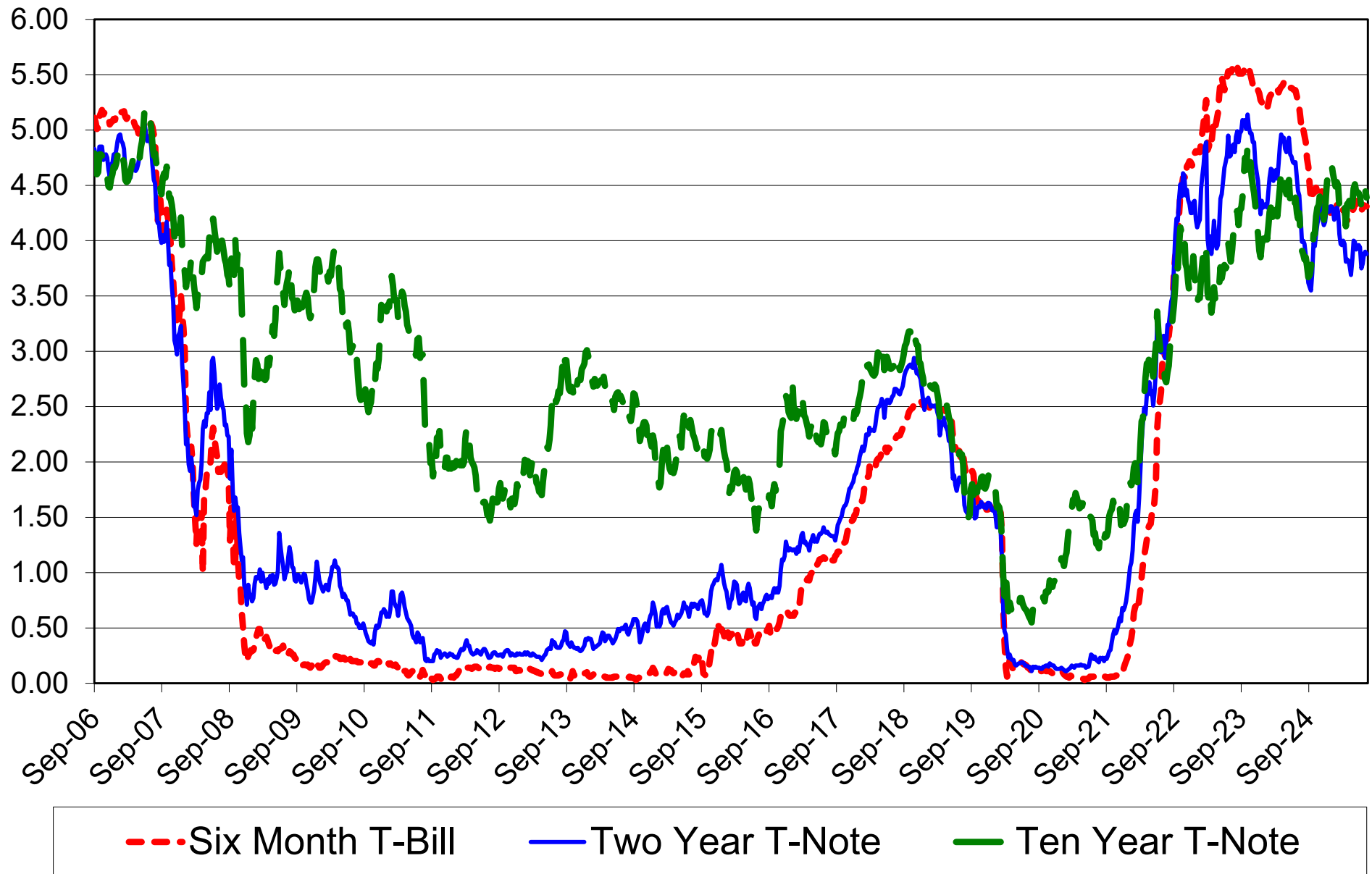
- Uncertainty, wait-and-see
 - Inflation
 - Employment
- Housing supply issue persists
- Consumers slowing
- Fed Funds Rate cuts likely
 - Current range is 4.25% to 4.50% (since Dec 2024)
 - Market anticipates next cut on September 17th
 - Another cut possible October/December 2025



Treasury Yield Curve



US Treasury Historical Yields - Since 2006



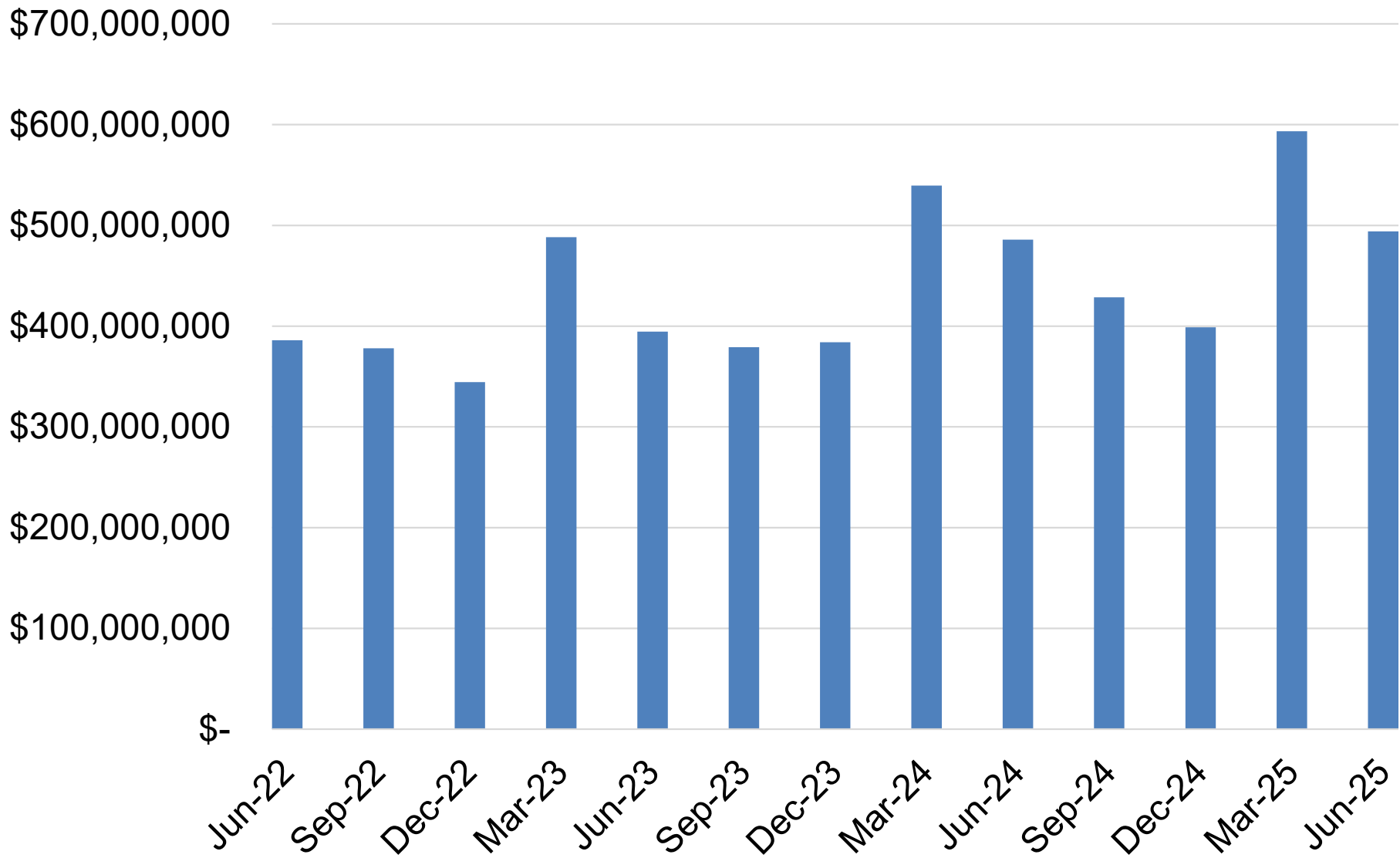
HCCS Investment Policy

- Objectives:
 - Safety of principal
 - Maintenance of liquidity
 - Maintaining public trust
 - Risk-commensurate yields
- Max maturity 3-years, max WAM 2-years

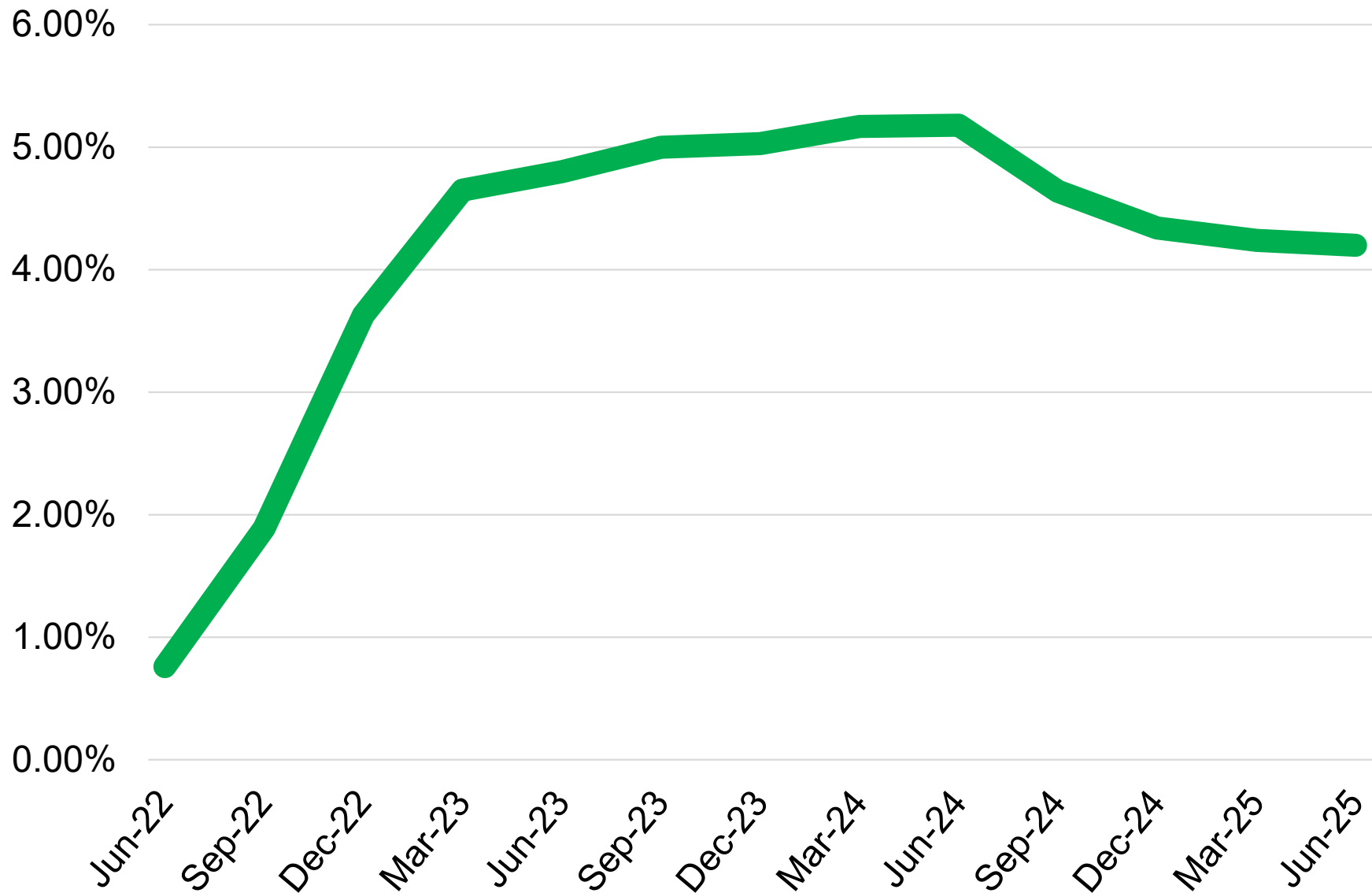
POLICY



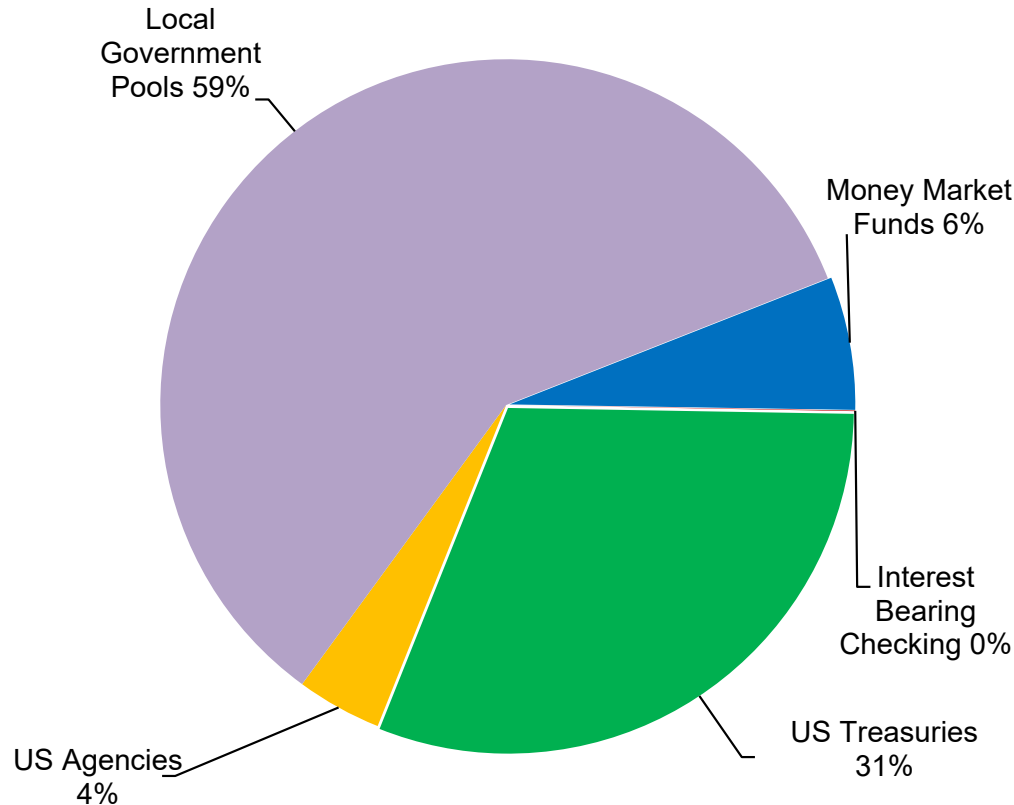
Total Portfolio Book Value



Weighted Average Yield

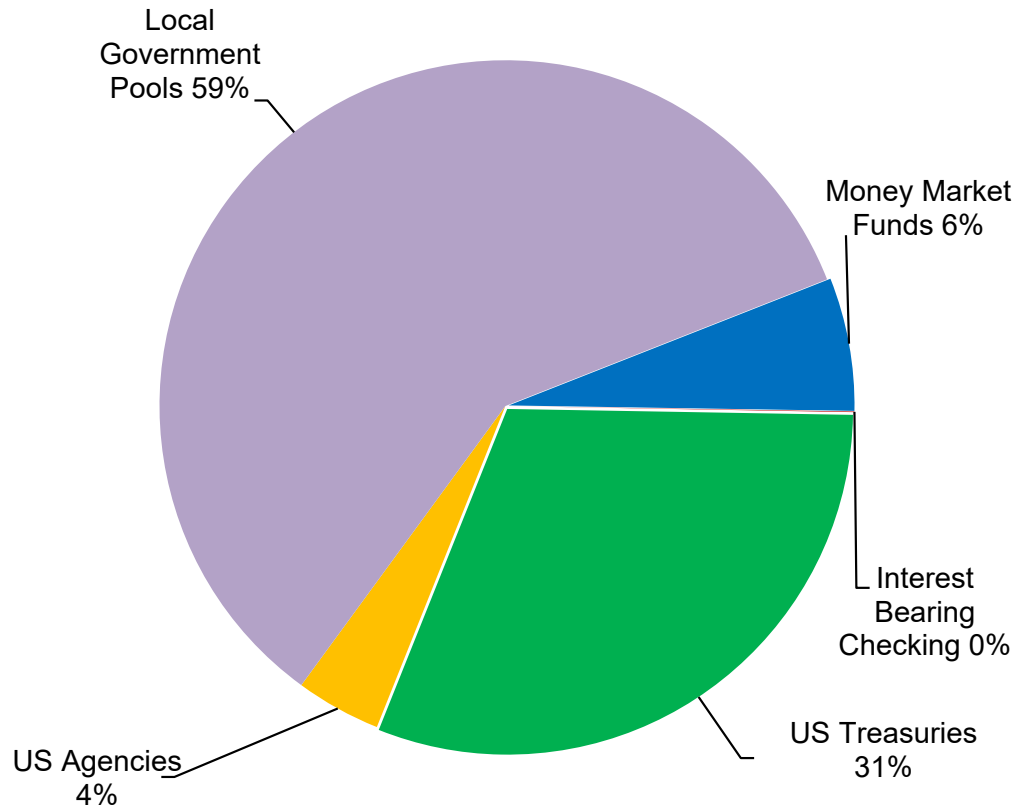


Composition - June 30, 2024

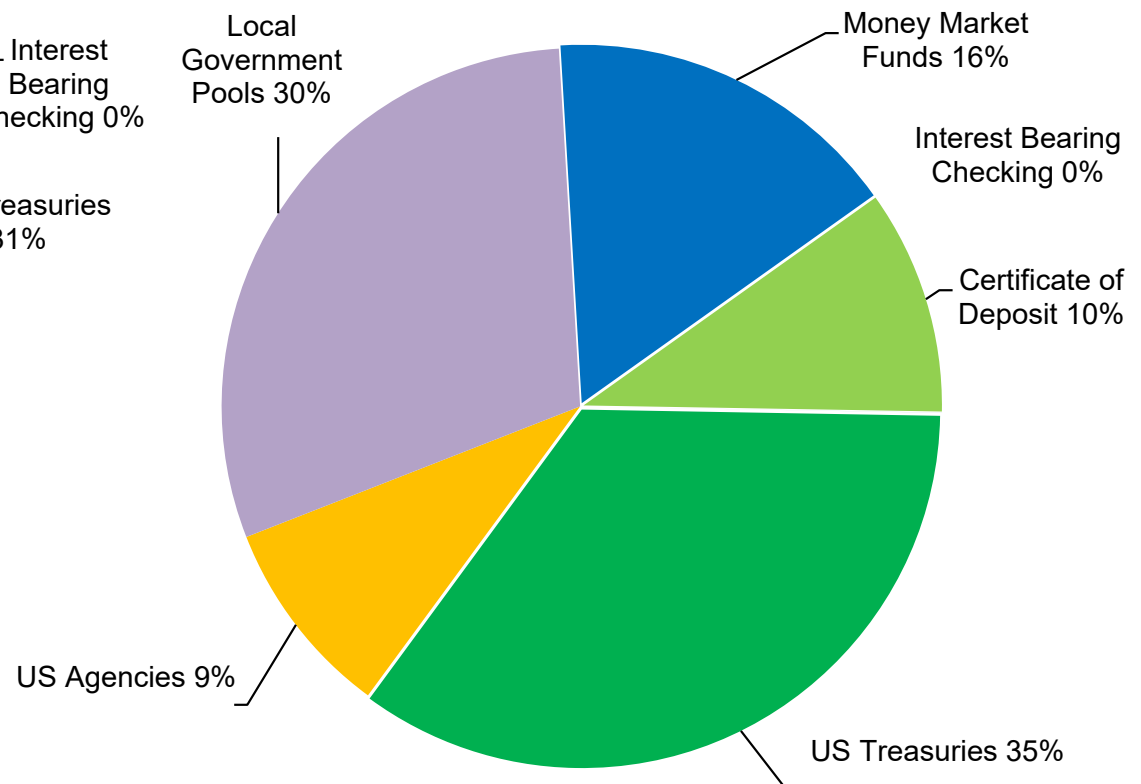


- Previous recommendations:
 - Build toward > 50% laddered (fixed income)
 - Consider collateralized CDs/MMAs
 - Diversify LGIP/MMA (cash equivalent) options
 - Anticipate lower yields

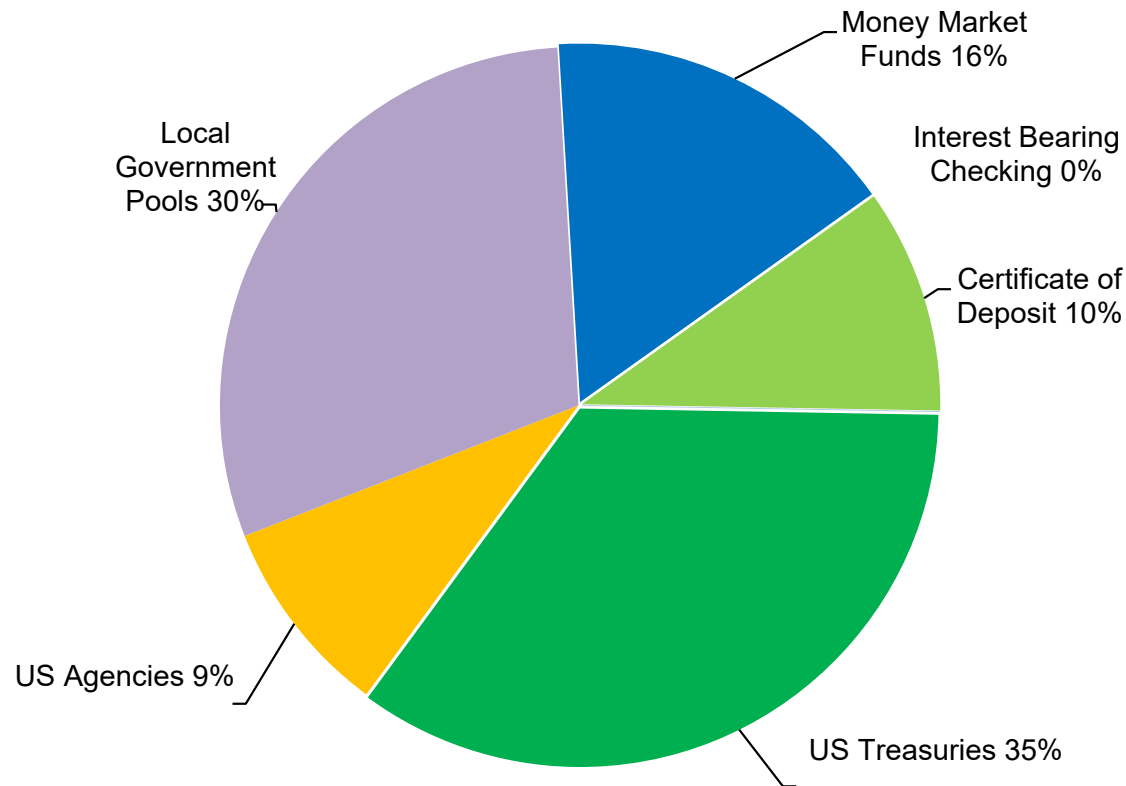
Composition - June 30, 2024



Composition - June 30, 2025



Composition - June 30, 2025



- Previous recommendations:
 - Build toward > 50% laddered (fixed income) ✓
 - Consider collateralized CDs/MMAs ✓
 - Diversify LGIP/MMA (cash equivalent) options ✓
 - Anticipate lower yields ✓

HCCS Portfolio Recommendations

- Continue laddering investments
 - Reinvest UST/Agencies as they mature
 - Consider collateralized CDs at other institutions
 - Goals of laddering:
 - Hedges future rate decreases
 - Stabilizes budgeted interest income
- Consider higher yielding MMA options
 - Fully insured/collateralized
 - Higher yield with reduced risk
- Anticipate lower yields
 - FOMC projecting lowering Fed Funds Target
 - Market anticipating rates falling



Valley View Consulting, L.L.C.

- **Emily A. Upshaw, CPA**

Ms. Upshaw joined the firm in February 2016. Ms. Upshaw began her career in taxation with Ernst & Young in Austin, Texas where she completed her CPA designation. With an interest in investment management, she then worked as an associate at a retirement benefit and administration firm in charge of various client services and transactions. She currently focuses on investment policy review & adoption, cash flow model development, investment strategy implementation, and portfolio accounting.

Valley View Consulting, L.L.C. is a Securities and Exchange Commission registered investment advisory firm serving public entities in a variety of cash and investment management and consulting roles. Valley View provides completely independent advice and consultation and is not affiliated with any investment pool, mutual fund, broker/dealer, financial institution, or investment provider.

Abbreviations

LGIP – Local Government Investment Pool

MMA – Money Market Account

WAM – Weighted Average Maturity

ACTION ITEM

Meeting Date: September 3, 2025

Topics For Discussion and/or Action:

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

RECOMMENDATION

Accept the Investment Report, Financial Statement and Budget Review for the month of July 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 analysis 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 July, the interest income earned for the month and fiscal year to date totaled \$1,063,120 and \$15,246,118, respectively. The weighted average interest rate (WAR) on July 31, 2025, was 4.20% compared to 4.23% last month and 5.17% a year ago.

Interest expense on outstanding debt was \$1,550,824 for the month of July 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	8/20/2025	Presentation
Investment Report - July 2025	8/21/2025	Attachment
Financial Statement - July 2025	8/20/2025	Attachment

This item is applicable to the following:

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



FY 2025

Summary of July 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

September 3, 2025

Fund 1: Unrestricted Revenues

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru July 31, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru July 31, 2025	Year-to-Date Actuals Thru July 31, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
REVENUES							
State Appropriations	\$ 68,243,000	\$ 71,778,893	105.2% A	\$ 71,778,893	\$ 66,386,683	\$ 5,392,210	8.1%
Ad Valorem Taxes	224,386,251	222,640,440	99.2%	222,640,440	206,602,814	16,037,626	7.8%
Tuition & Fees, Net	126,237,802	130,634,969	103.5% B	130,634,969	115,435,121	15,199,848	13.2%
Other Local Income	22,736,208	15,340,846	67.5% C	15,340,846	22,448,223	(7,107,376)	-31.7%
Tuition & Fees, Net -- Extended Learning	7,885,993	8,390,995	106.4% D	8,390,995	7,655,263	735,732	9.6%
Grant Revenue - Indirect Cost	650,000	744,533	114.5% E	744,533	553,234	191,299	34.6%
Total Revenues	450,139,254	449,530,676	99.9%	449,530,676	419,081,337	30,449,339	7.3%
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	\$ 467,340,659	99.9%	\$ 467,340,659	\$ 426,127,319	\$ 41,213,340	9.7%

Fund 1: Unrestricted Expenses

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru July 31, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru July 31, 2025	Year-to-Date Actuals Thru July 31, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
EXPENSES							
Salaries	256,313,126	230,028,951	89.7%	230,028,951	185,887,887	44,141,064	23.7%
Employee Benefits	38,314,188	28,067,212	73.3% F	28,067,212	23,446,301	4,620,911	19.7%
Supplies & General Expense	6,762,234	4,943,443	73.1% G	4,943,443	3,703,329	1,240,114	33.5%
Travel	1,393,173	720,719	51.7% H	720,719	578,764	141,954	24.5%
Marketing Costs	3,935,654	3,005,672	76.4% I	3,005,672	1,861,532	1,144,140	61.5%
Rentals & Leases	401,693	311,304	77.5% J	311,304	178,955	132,350	74.0%
Insurance/Risk Mgmt.	9,351,814	8,217,955	87.9%	8,217,955	7,682,093	535,862	7.0%
Contracted Services	40,853,557	31,291,454	76.6% K	31,291,454	21,677,215	9,614,239	44.4%
Utilities	11,245,475	8,432,710	75.0% L	8,432,710	7,643,391	789,318	10.3%
Other Departmental Expenses	3,979,748	2,426,089	61.0% M	2,426,089	1,870,214	555,874	29.7%
Instructional & Other Materials	11,301,981	8,222,974	72.8% N	8,222,974	8,519,314	(296,341)	-3.5%
Maintenance & Repair	3,397,273	2,766,250	81.4% O	2,766,250	1,440,795	1,325,454	92.0%
Transfers\Debt	55,094,331	40,285,415	73.1% P	40,285,415	66,274,842	(25,989,427)	-39.2%
Contingency/Initiatives	2,363,967	-	0.0%	-	-	-	0.0%
Capital Outlay	22,371,023	13,818,637	61.8% Q	13,818,637	2,992,451	10,826,186	361.8%
Scholarship Distribution	870,000	397,808	45.7% R	397,808	-	397,808	100.0%
Total Expenses	\$ 467,949,237	\$ 382,936,591	81.8%	\$ 382,936,591	\$ 333,757,084	\$ 49,179,507	14.7%
NET REVENUE/(EXPENSES)	(0) \$ 84,404,068			\$ 84,404,068	\$ 92,370,235	\$ (7,966,167)	

Explanation of Variance Amounts

Variance Code	Notes
A	State appropriations are higher when compared to prior year primarily due to the “Dynamic Adjustment” of \$4.7 million. The adjustment was the result of THECB recalculation of performance-based funding.
B	Tuition and Fees collections are done for FY25, as summer classes have begun.
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 receive summer bills.
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	Transfers/Debt occur at irregular intervals, debt payments occur twice per year. Transfer/Debt will be within budget by year-end.
Q	Capital Outlays occur at irregular intervals based on construction schedules and needs.
R	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 July 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

July 31, 2025

Beginning Book Value (July 1, 2025)	\$	494,071,652
Beginning Market Value (July 1, 2025)	\$	496,740,588
Additions/Subtractions (Book Value - Net)	\$	(5,171,671)
Change in Market Value	\$	(529,662)
Ending Book Value (July 31, 2025)	\$	488,899,982
Ending Market Value (July 31, 2025)	\$	491,039,268
Unrealized Gain/(Loss)	\$	2,139,286
WAM (56% of Portfolio's Weighted Average Maturity)		1 day
WAM (44% of Portfolio's Weighted Average Maturity - Securities Held To Maturity)		327

* Net amount provided/(for) operations	\$	(5,218,978)
* Net amount provided/(for) CIP/others		47,307
	\$	<u>(5,171,671)</u>

EXECUTIVE SUMMARY

INVENTORY HOLDINGS REPORT

July 31, 2025

	Ending Book Value	Ending Market Value	Unrealized Gain (Loss)
US Treasuries	\$ 171,941,432	\$ 173,514,229	\$ 1,572,797
US Agencies	44,397,708	44,964,197	566,489
Local Government Pools	148,539,684	148,539,684	-
Money Market Funds	73,845,201	73,845,201	-
Certificate of Deposit	50,000,000	50,000,000	-
Interest Bearing Checking	175,958	175,958	-
Total	<u>\$ 488,899,982</u>	<u>\$ 491,039,268</u>	<u>\$ 2,139,286</u>
WAR (Weighted Average Interest Rate)		<u>4.20%</u>	

INVESTMENTS
INVENTORY HOLDINGS REPORT (OPERATING AND OTHERS)
July 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	7,560	\$ (1,473)	\$ 7,736	\$ 9,033	\$ (60)	\$ 8,973	\$ 7,679	\$ -	\$ (1,294)
Fannie Mae ARM Pool 805454	Bank of America	4.6720%	0.0000%	12/23/04	12/01/34	8,496	(5,915)	8,721	14,411	(54)	14,357	8,676	-	(5,681)
Federal Home Loan Bank Global Unsecured	Bank of America	0.3800%	4.4730%	01/19/24	09/04/25	10,000,000	635,453	9,928,888	9,364,548	-	9,364,548	9,961,950	33,062	597,403
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	10,120,793	9,980,570	-	9,980,570	10,047,657	(73,136)	67,087
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	4,992,969	4,912,500	-	4,912,500	4,996,289	3,320	83,789
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	4,992,969	4,912,850	-	4,912,850	4,996,289	3,320	83,439
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	9,900,293	9,338,500	-	9,338,500	9,932,813	32,520	594,313
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	4,998,926	4,964,453	-	4,964,453	4,999,180	254	34,727
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	4,998,926	4,964,063	-	4,964,063	4,999,180	254	35,117
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	5,010,254	4,997,786	-	4,997,786	5,006,680	(3,574)	8,893
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	9,992,481	9,837,891	-	9,837,891	9,992,334	(147)	154,443
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	9,929,688	9,966,406	-	9,966,406	9,887,891	(41,797)	(78,516)
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	14,705,859	14,510,850	-	14,510,850	14,655,469	(50,391)	144,619
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	10,033,594	9,996,484	-	9,996,484	9,987,500	(46,094)	(8,984)
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	3.6300%	3.5600%	09/13/24	09/13/27	15,000,000	(27,510)	14,922,325	15,027,510	-	15,027,510	14,867,132	(55,193)	(160,378)
FARMER MAC DOMESTIC MTN UNSECURED	Bank of America	4.3500%	4.3430%	02/12/25	01/28/28	10,000,000	(1,750)	10,124,659	10,001,750	-	10,001,750	10,071,104	(53,555)	69,354
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	9,975,781	9,937,500	-	9,937,500	9,955,859	(19,922)	18,359
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	9,975,781	9,930,859	-	9,930,859	9,955,859	(19,922)	25,000
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	9,695,606	9,506,250	-	9,506,250	9,703,906	8,301	197,656
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	15,041,162	15,048,633	-	15,048,633	15,019,980	(21,182)	(28,652)
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	29,844,141	29,524,219	-	29,524,219	29,709,375	(134,766)	185,156
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	9,759,766	9,631,250	-	9,631,250	9,720,313	(39,453)	89,063
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	10,046,875	9,960,938	-	9,960,938	9,995,313	(51,563)	34,375
Debt Service 2001A Bond Interest Checking	Bank of America		2.2500%				-	1,299	1,299	2	1,302	1,302	-	-
HCCS Merchant Service	Bank of America		0.8100%				-	20,330	20,330	(1,303)	19,028	19,028	-	-
LTD 2013 Tax Bond General Checking	Bank of America		2.2500%				-	123	123	155,505	155,628	155,628	-	-
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		4.2300%				-	76,418,249	76,418,249	(5,690,717)	70,727,532	70,727,532	-	-
Money Market 2006 Jr. Lien Debt Reserve	Bank of America		4.2300%				-	3,106,935	3,106,935	10,734	3,117,669	3,117,669	-	-
Lone Star (Corporate Overnight Fund)	State Street Bank		4.4284%				-	67,700,263	67,700,263	253,990	67,954,253	67,954,253	-	-
TexPool - General Funds	State Street Bank		4.3274%				-	12,993,790	12,993,790	(127,119)	12,866,672	12,866,672	-	-
TexPool - Prime	State Street Bank		4.4312%				-	67,491,409	67,491,409	227,350	67,718,759	67,718,759		
TOTAL								\$ 496,740,588	\$ 494,071,652	\$ (5,171,671)	\$ 488,899,982	\$ 491,039,268	\$ (529,662)	\$ 2,139,286



Summary Operating Statements

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

For the Meeting of the Board of Trustees - September 3, 2025

for

Houston Community College System



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

Houston Community College System

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Summary of Financial Statements As of July 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 July 31, 2025, total revenues, fund balance transfers and rolled purchase orders (POs) are \$467.3 million. This represents 99.9% of the budgeted total of \$467.9 million. Expenses total \$383 million to date, which is 81.8% of the total expense budget of \$467.9 million. Compared with the same period last year, revenues and transfers are higher by 9.7% and expenses are higher by 7.3%. Actual net revenue is \$84.4 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 higher when compared to prior year primarily due to the “Dynamic Adjustment” of \$4.7 million. The adjustment was the result of THECB recalculation of performance-based funding.

Tuition and fees, net, which include revenues for semester credit hour (SCH) courses, are **13.2%** 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 13.8% primarily due to Dual Credit waivers.

Other local income, which includes investment income, is lower by \$7.1 million due to the volatility of the finance market.

Continuing Education/Non-credit tuition and fees, net are 9.6% higher than last year at this time. Gross tuition and fees revenues are up by 9.6%.

Actual salaries for FY 2025 are 12.8% 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 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.

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

	Unrestricted	Restricted	Auxiliary	Loans	Scholarship	Unexpended Plant	Capital and Technology	Retirement of Debt	Investment in Plant	Total
Revenues	\$ 449,530,676	\$ 33,126,403	\$ 8,171,455	\$ -	\$ 142,711,610	\$ 1,575,390	\$ -	\$ 44,818,286	\$ 398,161	\$ 680,331,981
Expenses										
Salaries	230,028,951	5,598,528	852,414	-	2,744,631	-	-	-	-	239,224,523
Employee Benefits	28,067,212	18,625,176	155,726	-	-	-	-	-	-	46,848,114
Supplies & General Expense	4,943,443	543,988	682,163	-	-	134,831	277,392	-	-	6,581,817
Travel	720,719	87,078	100,132	-	-	-	-	-	-	907,928
Marketing Costs	3,005,672	71,987	465	-	-	-	-	-	-	3,078,125
Rentals & Leases	311,304	2,056	5,425	-	-	10,834	-	-	-	329,619
Insurance/Risk Mgmt.	8,217,955	2,098	2,618	-	-	-	-	-	-	8,222,671
Contracted Services	31,291,454	1,060,474	1,548,765	-	-	67,847	445,322	12,925	-	34,426,788
Utilities	8,432,710	-	395,451	-	-	-	-	-	-	8,828,160
Other Departmental Expenses	2,426,089	612,938	467,815	-	399,465	-	-	-	-	3,906,306
Instructional & Other Materials	8,222,974	568,713	6,009	-	-	24,877	142,562	-	-	8,965,135
Maintenance & Repair	2,766,250	-	1,634	-	-	-	(287)	-	-	2,767,597
Transfers (In)/Out ¹	40,222,122	-	-	-	(1,417,639)	(993,098)	(24,572,500)	(13,238,885)	-	-
Debt	63,294	-	-	-	-	-	-	51,078,045	-	51,141,339
Capital Outlay	13,818,637	907,641	180,402	-	-	6,111,826	20,102,502	-	-	41,121,009
Amortization/Depreciation	-	-	-	-	-	-	-	-	32,505,311	32,505,311
Scholarship Distribution	397,808	-	1,263,905	-	141,003,599	-	-	-	-	142,665,312
Total Expenses	382,936,591	28,080,676	5,662,925	-	142,730,056	5,357,116	(3,605,008)	37,852,086	32,505,311	631,519,753
Net Revenues/(Expenses)	66,594,085	5,045,727	2,508,530	-	(18,446)	(3,781,726)	3,605,008	6,966,201	(32,107,151)	48,812,228
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	-	6,811,998	20,498,026
Transfers of Completed Projects/Assets	(3,116,721)	(116,568)	-	-	-	(773,253)	(745,070)	-	4,751,613	-
Transfers of Balances between Funds	-	-	-	-	-	-	-	-	-	-
Total Other Adjustments and Transfers	(48,000,000)	-	-	-	-	844,182	8,090,233	-	102,418,819	63,353,234
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	\$ 87,044,292	\$ 6,104,152	\$ 25,044,638	\$ 238,698	3,163,499	\$ 82,682,410	\$ 40,374,483	\$ 25,791,902	\$ 576,042,412	\$ 846,486,484

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 July 31, 2025
91.7% of Year

	Budget Comparison			Previous Fiscal Year Comparison			
	FY 2025 Adjusted Budget	Year-to-Date Actuals Thru July 31, 2025	Actuals as a % of Budget	Year-to-Date Actuals Thru July 31, 2025	Year-to-Date Actuals Thru July 31, 2024	Increase (Decrease) FY 2025 Compared to FY 2024	% Increase (Decrease)
REVENUES							
State Appropriations	\$ 68,243,000	\$ 71,778,893	105.2%	\$ 71,778,893	\$ 66,386,683	\$ 5,392,210	8.1%
Ad Valorem Taxes	224,386,251	222,640,440	99.2%	222,640,440	206,602,814	16,037,626	7.8%
Tuition & Fees, Net	126,237,802	130,634,969	103.5%	130,634,969	115,435,121	15,199,848	13.2%
Other Local Income	22,736,208	15,340,846	67.5%	15,340,846	22,448,223	(7,107,376)	-31.7%
Tuition & Fees, Net -- Extended Learning	7,885,993	8,390,995	106.4%	8,390,995	7,655,263	735,732	9.6%
Grant Revenue - Indirect Cost	650,000	744,533	114.5%	744,533	553,234	191,299	34.6%
Total Revenues	450,139,254	449,530,676	99.9%	449,530,676	419,081,337	30,449,339	7.3%
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	\$ 467,340,659	99.9%	\$ 467,340,659	\$ 426,127,319	\$ 41,213,340	9.7%
EXPENSES							
Salaries	256,313,126	230,028,951	89.7%	230,028,951	203,986,419	26,042,532	12.8%
Employee Benefits	38,314,188	28,067,212	73.3%	28,067,212	25,745,003	2,322,209	9.0%
Supplies & General Expense	6,762,234	4,943,443	73.1%	4,943,443	4,157,469	785,974	18.9%
Travel	1,393,173	720,719	51.7%	720,719	716,410	4,309	0.6%
Marketing Costs	3,935,654	3,005,672	76.4%	3,005,672	2,550,121	455,551	17.9%
Rentals & Leases	401,693	311,304	77.5%	311,304	196,840	114,464	58.2%
Insurance/Risk Mgmt.	9,351,814	8,217,955	87.9%	8,217,955	7,694,741	523,214	6.8%
Contracted Services	40,853,557	31,291,454	76.6%	31,291,454	24,671,942	6,619,512	26.8%
Utilities	11,245,475	8,432,710	75.0%	8,432,710	8,513,514	(80,804)	-0.9%
Other Departmental Expenses	3,979,748	2,426,089	61.0%	2,426,089	2,045,217	380,872	18.6%
Instructional & Other Materials	11,301,981	8,222,974	72.8%	8,222,974	9,575,831	(1,352,858)	-14.1%
Maintenance & Repair	3,397,273	2,766,250	81.4%	2,766,250	1,576,992	1,189,258	75.4%
Transfers\Debt	55,094,331	40,285,415	73.1%	40,285,415	61,824,116	(21,538,701)	-34.8%
Contingency/Initiatives	2,363,967	-	0.0%	-	-	-	0.0%
Capital Outlay	22,371,023	13,818,637	61.8%	13,818,637	3,654,633	10,164,004	278.1%
Scholarship Distribution	870,000	397,808	45.7%	397,808	-	397,808	100.0%
Total Expenses	\$ 467,949,237	\$ 382,936,591	81.8%	\$ 382,936,591	\$ 356,909,248	\$ 26,027,343	7.3%
NET REVENUE/(EXPENSES)	-	\$ 84,404,068		\$ 84,404,068	\$ 69,218,071	\$ 15,185,997	

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses by Fund

As of July 31, 2025

Auxiliary Funds - Uncommitted Portion

	Main Leasing	Misc. Auxiliary *	Bookstore Commission	Scholarships	Subtotal Uncommitted
Revenues	\$ 4,712,083	\$ 246,314	\$ 1,386,056	\$ -	\$ 6,344,453
Expenses					
Salaries	284,581	99,008	-	81,271	464,860
Employee Benefits	68,044	12,060	-	1,346	81,450
Supplies & General Expense	30,034	81,033	-		111,067
Travel		2,664	-		2,664
Marketing Costs	465		-		465
Rentals & Leases			-		-
Insurance/Risk Mgmt.			-		-
Contracted Services	1,414,840	53,263	-		1,468,103
Utilities	395,451		-		395,451
Other Departmental Expenses	1,242	367,342	-		368,584
Instructional & Other Materials			-		-
Maintenance & Repair	6,362		-		6,362
Transfers/Debt			-		-
Capital Outlay	98,430	34,278	-		132,708
Scholarship Distribution		17,232	-	1,203,813	1,221,045
Total Expenses	2,299,449	666,880	-	1,286,430	4,252,759
Contribution to Fund Balance	\$ 2,412,635	\$ (420,566)	\$ 1,386,056	\$ (1,286,430)	2,091,694
Beginning Fund Balance, Audited					18,426,404
Ending Fund Balance					\$ 20,518,097

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

HOUSTON COMMUNITY COLLEGE SYSTEM

Auxiliary Revenues and Expenses By Fund

As of July 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	\$ -	\$ -	\$ -	\$ 1,013,654	\$ 813,348	\$ 1,827,002	\$ 8,171,455
Expenses							
Salaries	-	-	-	28,517	359,038	387,555	852,414
Employee Benefits	-	-	-	1,182	73,095	74,276	155,726
Supplies & General Expense	24,852	24,852	-	457,956	89,570	547,526	683,445
Travel	45,534	45,534	-	48,577	3,357	51,934	100,132
Marketing Costs		-	-			-	465
Rentals & Leases	15	15	-		5,410	5,410	5,425
Insurance/Risk Mgmt.		-	-	2,527	91	2,618	2,618
Contracted Services		-	-	50,067	30,596	80,662	1,548,765
Utilities		-	-			-	395,451
Other Departmental Expenses	4,976	4,976	-	77,395	16,861	94,255	467,815
Instructional & Other Materials		-	-			-	-
Maintenance & Repair		-	-			-	6,362
Transfers/Debt		-	-			-	-
Capital Outlay		-	-	22,059	25,635	47,694	180,402
Scholarship Distribution		-	-	42,860		42,860	1,263,905
Total Expenses	75,376	75,376	-	731,138	603,652	1,334,790	5,662,925
Contribution to Fund Balance	(75,376)	(75,376)	-	282,516	209,696	492,213	2,508,530
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	\$ 1,483,852		\$ (1,284,080)	\$ 2,239,990	\$ 2,086,779	\$ 3,042,689	\$ 25,044,638

HOUSTON COMMUNITY COLLEGE SYSTEM
Unrestricted Adjusted Budgets and Actuals by Division - Summary Comparison
As of July 31, 2025
91.7% of Year

Division	FY 2025 Adjusted Budget	Actuals as of July 31, 2025	% Spent	FY 2024 Adjusted Budget	Actuals as of July 31, 2024	% Spent
Central College	\$ 15,682,646	\$ 14,195,759	90.5%	\$ 13,421,714	11,639,509	86.7%
Northwest College	18,980,691	16,848,955	88.8%	16,753,286	14,236,623	85.0%
Northeast College	17,721,855	16,363,310	92.3%	14,501,445	13,494,249	93.1%
Southwest College	16,805,438	15,893,770	94.6%	14,430,911	13,079,891	90.6%
Southeast College	18,354,030	17,359,378	94.6%	16,043,813	14,254,247	88.8%
Coleman College	22,307,695	20,022,004	89.8%	19,168,938	16,763,200	87.4%
Academic Instruction	83,275,668	80,685,661	96.9%	75,969,476	69,703,356	91.8%
Office of the Chancellor	11,167,178	9,145,667	81.9%	10,735,208	7,923,481	73.8%
Instructional Services	12,220,888	8,984,628	73.5%	10,503,007	7,262,264	69.1%
Online College	3,127,215	2,789,079	89.2%	2,626,045	2,169,649	82.6%
Student Services	11,567,405	7,831,834	67.7%	10,201,971	7,411,043	72.6%
Strategy, Planning & Institutional Effectiveness	4,947,025	3,863,385	78.1%	4,977,219	3,534,549	71.0%
External & Governmental Relations, Transfers and Alumni Relations	2,113,536	1,572,945	74.4%	1,370,640	380,453	27.8%
Legal & Compliance	16,897,770	14,164,777	83.8%	15,962,845	13,336,633	83.5%
Finance & Accounting	79,050,936	69,039,173	87.3%	81,458,034	70,123,925	86.1%
System	127,093,048	79,035,706	62.2%	104,742,006	84,125,738	80.3%
Grand Total	\$ 467,949,237	\$ 382,936,591	81.8%	\$ 421,779,824	\$ 356,909,248	84.6%

HOUSTON COMMUNITY COLLEGE SYSTEM

Balance Sheet by Fund

As of July 31, 2025

	CURRENT & LOAN FUNDS ¹	PLANT & BOND FUNDS ²	TOTAL ALL FUNDS	PRIOR YEAR TOTAL ALL FUNDS
ASSETS				
Current Assets:				
Cash & cash equivalents	\$ 149,129,604	\$ 102,079,647	\$ 251,209,251	\$ 258,745,698
Short-term Investments	-	-	-	24,276,204
Accounts receivable (net)	67,513,647	1,322,317	68,835,964	33,556,602
Deferred charges	1,549,919	-	1,549,919	9,295,791
Prepays	8,924,978	-	8,924,978	9,796,823
Total Current Assets	227,118,148	103,401,964	330,520,112	335,671,118
Non-current Assets:				
Restricted cash & cash equivalents	-	25,018,914	25,018,914	29,056,899
Long-term investments	218,462,071	-	218,462,071	143,424,474
Long-term lease receivable	21,380,799	-	21,380,799	20,465,825
Capital assets, net	7,752,154	1,126,003,741	1,133,755,895	1,144,265,340
Total Non-current Assets	247,595,024	1,151,022,655	1,398,617,679	1,337,212,538
Total Assets	\$ 474,713,172	\$ 1,254,424,619	\$ 1,729,137,791	\$ 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	\$ 521,942,784	\$ 1,255,988,424	\$ 1,777,931,209	\$ 1,721,677,074
LIABILITIES				
Current Liabilities:				
Accounts payable	16,312,942	46,304	16,359,246	13,700,554
Accrued Interest- SBITA	276,218	-	276,218	276,218
Accrued liabilities	355,381	24,938	380,319	18,074,315
Compensated absences	4,955,308	-	4,955,308	4,955,308
Funds held for others	653,056	189,209	842,265	908,680
Deferred revenue	43,134,287	1,405,374	44,539,661	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	72,651,920	1,846,700	74,498,620	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	\$ 305,649,951	\$ 521,256,402	\$ 826,906,353	\$ 879,452,453
Deferred Inflows of Resources:				
Leases	21,256,852	-	21,256,852	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	\$ 94,697,555	\$ 9,840,817	\$ 104,538,372	\$ 107,903,596
Total Liabilities and Deferred Inflows of Resources	\$ 400,347,506	\$ 531,097,219	\$ 931,444,725	\$ 987,356,049
Beginning Fund Balances, Audited	95,465,383	638,855,642	734,321,025	655,881,162
Net Revenue/(Expenses)				
Unrestricted	21,102,615	-	21,102,615	22,698,096
Restricted	5,027,281	-	5,027,281	950,125
Net Investment in Plant	-	86,035,563	86,035,563	54,791,642
Ending Fund Balances	\$ 121,595,279	\$ 724,891,205	\$ 846,486,484	\$ 734,321,025
Total Liabilities & Fund Balances	\$ 521,942,784	\$ 1,255,988,424	\$ 1,777,931,209	\$ 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 July 31, 2025

	FY 2024		FY 2025	
	Prior Year Activity thru 8/31/2024	Year-to-Date Activity thru 07/31/2024	Year-to-Date Activity thru 07/31/2025	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	134,740,963	152,608,605	13.3%
Waivers & Exemptions:				
Dual Credit & Early College HS	(16,567,432)	(16,558,787)	(19,216,420)	16.0%
Other	(2,786,646)	(2,747,055)	(2,757,216)	0.4%
Total Waivers & Exemptions	(19,354,078)	(19,305,842)	(21,973,636)	13.8%
Total Tuition & Fees Revenue, Net	\$ 114,817,998	\$ 115,435,121	\$ 130,634,969	13.2%

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	7,655,263	8,390,995	9.6%
Waivers & Exemptions:				
Department of Corrections	-	-	-	0.0%
Total EL Tuition & Fees Revenue, Net	\$ 7,665,722	\$ 7,655,263	\$ 8,390,995	9.6%

	FY 2024		FY 2025	
	Prior Year Activity thru 8/31/2024	Year-to-Date Activity thru 07/31/2024	Year-to-Date Activity thru 07/31/2025	Actuals % Increase/ (Decrease)YTD vs. PriorYTD
Exemptions & Waivers				
Dual Credit & Early College HS Waiver	16,567,432	16,558,787	19,216,420	16.0%
Other Exemptions:				
Employee Fee Exemptions	44,993	44,513	45,533	2.3%
Firemen	29,460	29,460	43,929	49.1%
Hazelwood	1,145,051	1,141,281	1,256,601	10.1%
Deaf & Blind	150,320	149,328	141,103	-5.5%
High Ranking High School Grad	3,025	3,025	1,364	-54.9%
Good Neighbor Program	67,042	67,042	104,266	55.5%
Child of Disabled Vet	3,757	3,757	2,817	-25.0%
Employee of State College & University	3,164	3,164	4,703	48.6%
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	445,290	439,300	-1.3%
Concurrent Enrollment	-	-	222	100.0%
Foster Children-Resident	272,473	272,129	304,639	11.9%
TX Tomorrow Waiver	-	-	277	100.0%
Surviving Spouse/Children	1,589	1,589	-	-100.0%
Peace Officer Exemption	8,202	8,202	16,211	97.6%
Adopted Student Waiver	351,710	351,068	354,365	0.9%
FAST Book & OD Fees	234,884	206,508	24,729	-88.0%
Total Other Exemptions	2,786,646	2,747,055	2,757,216	0.4%
Grand Total Exemptions & Waivers	\$ 19,354,078	\$ 19,305,842	\$ 21,973,636	13.8%

*Amount net of exemptions & waivers.

ACTION ITEM

Meeting Date: September 3, 2025

Topics For Discussion and/or Action:

ITEM #	ITEM TITLE	PRESENTER
C.	Approve Chancellor’s Annual Priorities and Performance Goals for 2025-26	Trustee Eva Loreda Dr. Margaret Ford Fisher

RECOMMENDATION

Approve Chancellor’s annual priorities and performance goals for 2025-26.

COMPELLING REASON AND BACKGROUND

In accordance with Board Bylaws, Article F, Section 5.C, the Committee of the Whole shall review and recommend to the Board for approval the annual goals and objectives of the Chancellor.

STRATEGIC ALIGNMENT

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

ATTACHMENTS:

Description	Upload Date	Type
FY2025-2026 Proposed Goals and Priorities	8/26/2025	Presentation

This item is applicable to the following:

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



FY2025-2026 Proposed Goals

Dr. Margaret Ford Fisher, Chancellor

September 3, 2025

OVERVIEW OF PROPOSED GOALS

1. Increase Student Persistence from 59% to 61%
2. Help More Students Matriculate Through Their Developmental Sequence by 5%
3. Grow Enrollments in Credentials of Value by 5%
4. Increase the Number of Students Who Are Persisting to a Baccalaureate Degree and Grow Enrollment by 10%
5. 50% of students entering Houston Reconnect earn an award within 1 Year
6. Create LVN to ADN Pathway
7. Update HCC's technology infrastructure by installing software and hardware updates, and develop a Technology Master Plan
8. Update HCC Facilities Master Plan and continue to execute the Deferred Maintenance Plan
9. Develop a strategy and timeline to address all statutory provisions of and compliance with SB 37, including adherence to applicable dates.



GOAL 1: INCREASE STUDENT PERSISTENCE FROM 59% TO 61%

Objective: Achieve annual growth of 2%.

➤ **Baseline:** 59% (Anticipated)

Final Fall 2024 through Fall 2025 Persistence Rate will be available in February 2026, after transfers to 4-year institutions in Fall 2025 become available.

➤ **Target:** 61%

➤ **Stretch Goal:** 63%

GOAL 2: HELP MORE STUDENTS MATRICULATE THROUGH THEIR DEVELOPMENTAL SEQUENCE BY 5%

Objective: HCC will increase the number of students eligible to enroll in college-level courses through pre-enrollment methods such as TSI academies and through successful completion of developmental coursework.

- **Baseline:** 5,415 of 23,666 Math (22.8%)
9,844 of 15,747 Reading (62.5%)
8,910 of 15,401 Writing (57.8%)
- **Target:** 5,686 Math (24.0%)
10,366 Reading (65.6%)
9,355 Writing (60.7%)
- **Stretch Goal:** 6%

GOAL 3: GROW ENROLLMENTS IN CREDENTIALS OF VALUE BY 5%

Objective: Achieve annual growth of 5% in Credentials of Value. Bachelors, associates, SCH certificates, ATCs, OSAs, and most ICLCs are Credentials of Value.

- **Baseline:** 56,594 using FY 26 THECB definitions of Credentials of Value
- **Target:** 59,424 students enrolled in Credentials of Value (5%)
- **Stretch Goal:** 61,122 students enrolled in Credentials of Value (8%)

Note: Both the THECB and SACSCOC require HCC to facilitate students' completion of their declared degree; for this reason, HCC cannot require students enrolled in academic plans which are no longer Credentials of Value to change their major; moreover, changing students' majors typically results in requirement of additional coursework, increasing both time to degree and expense.

GOAL 4: INCREASE THE NUMBER OF STUDENTS WHO ARE PERSISTING TO A BACCALAUREATE DEGREE AND GROW ENROLLMENT BY 10%

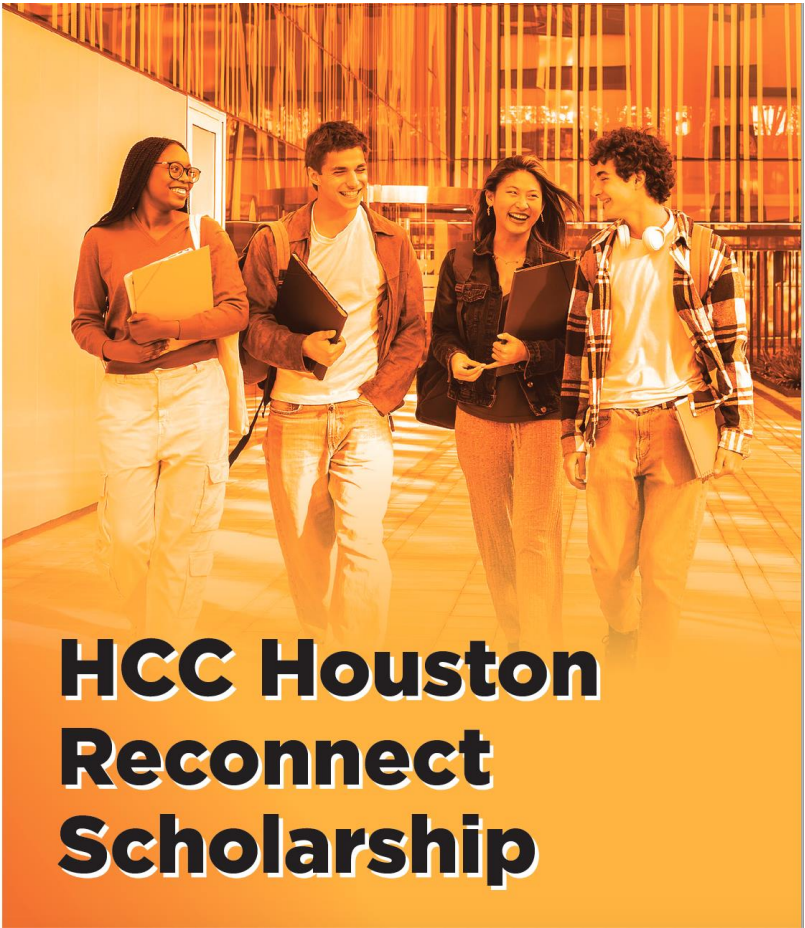
Objective: Increase student access to baccalaureate degree programs in Healthcare Management and Artificial Intelligence & Robotics.

- **Baseline:** 38 students enrolled in Artificial Intelligence and Robotics (AY 2025)
127 students enrolled in Healthcare Management (AY 2025)
- **Target:** 42 students in Artificial Intelligence & Robotics
140 students enrolled on Healthcare Management
- **Stretch Goal:** 50% growth for AI and Robotics; 30% growth for Healthcare Management

GOAL 5: 50% OF STUDENTS ENTERING HOUSTON RECONNECT EARN AN AWARD WITHIN 1 YEAR

Objective: Support students financially who are close to completion through short-term credentials.

- **Baseline:** HCC has not offered a program like Houston Reconnect before.
- **Target:** 50% earn a credential
- **Stretch Goal:** 60% earn a credential



GOAL 6: CREATE LVN TO ADN PATHWAY

Objective: The Texas Board of Nursing has granted approval for HCC to reopen its Nursing program with the LVN to ADN pathway. HCC will implement this pathway in such a manner that students persist and are prepared to succeed on the Nursing examination (NCLEX). Note that the students will not sit for the NCLEX in time to obtain results for the Chancellor’s goals; hence, leading indicators are utilized.

- **Enrollment:** 20 students enroll in Fall, 30 in Spring
- **Student Success:** Course success rates of over 85%; Fall-Spring retention over 85%. *(Note that course success rates are set to 85% to discourage faculty from passing students in the case that some students have not mastered skills necessary for a successful nursing career. Overall success rates at HCC are ~75%).*
- **Workforce readiness:** Develop new clinical and employer partnerships to strengthen job pipelines and preceptorship opportunities.
- **Program Sustainability:** Pilot hybrid and flexible scheduling options to support working LVNs and adult learners.



GOAL 7: UPDATE HCC'S TECHNOLOGY INFRASTRUCTURE BY INSTALLING SOFTWARE AND HARDWARE UPDATES, AND DEVELOP A TECHNOLOGY MASTER PLAN

Objective: Ensure all critical systems at HCC are upgraded to current supported software and hardware versions. Develop a comprehensive Technology Master Plan that: (i) plans and documents the implementation and integration of enterprise software with emphasis on Enterprise Resource Planning systems (PeopleSoft or replacement platform), (ii) outlines future infrastructure improvements and replacement schedules, and (iii) ensures strategic alignment with institutional goals.

GOAL 8: UPDATE HCC FACILITIES MASTER PLAN AND CONTINUE TO EXECUTE THE DEFERRED MAINTENANCE PLAN

Objective: Update the Facilities Master Plan and present to the Board of Trustees for review and approval in July 2026 and continue to execute the Deferred Maintenance Plan and maintain exigent spending below 15% of the Facilities Budget.

GOAL 9: DEVELOP A STRATEGY AND TIMELINE TO ADDRESS ALL STATUTORY PROVISIONS OF AND COMPLIANCE WITH SB 37, INCLUDING ADHERENCE TO APPLICABLE DATES

Objective: Ensure HCC’s governance structure and Board Policies meet the compliance requirements of SB 37. Provide updates on a regular basis in the Weekly Administrative Briefing (WAB) and/or Board Governance Committee meeting.



Thank you