AUDIT COMMITTEE
OF THE BOARD OF TRUSTEES
HOUSTON CITY COLLEGE

September 2, 2026

Minutes

The Audit Committee of Houston City College Board of Trustees met on Wednesday, September 2, 2026, at the HCC Administration Building, 3100 Main, Second Floor Auditorium, Houston, Texas.

MEMBERS PRESENT
Pretta VanDible Stallworth, Committee Chair
Monica Richart, Committee Member
David Wilson, Committee Member
Sean Cheben, Alternate Member
Laolu Davies
Cynthia Lenton-Gary
Eva Loredo (via Video Conference)
Renee Patterson
Adriana Tamez

CHANCELLOR'S COUNCIL
Margaret Ford Fisher, Chancellor
Rima Adil, Vice Chancellor, Strategic Communications and Marketing
Lisa Alcorta, Vice Chancellor, Student Services
Andrea Burridge, Vice Chancellor for Strategy, Planning, and Institutional Effectiveness
Jerome Drain, President, Online College
Michael Edwards, Office of the Ombudsman
Betty Fortune, President, Northeast College
Frances Villagran-Glover, President, Southeast College
Lutricia Harrison, President, Coleman College
Edmond "Butch" Herod, President, Central College
Warren Hurd, Vice Chancellor, Administrative Services
Barry Sullivan, Chief Information Officer, Information Technology
Bob McCracken, Vice Chancellor, Administration and Operations
Elizabeth McGee, Chief Artificial Intelligence Transformation Officer
Nicole Montgomery, General Counsel
Rodney Nathan, Vice Chancellor for Talent Engagement/Chief Human Resource Officer
Norma Perez, Senior Vice Chancellor for Instructional Services/Chief Academic Officer
Karen Schmidt, Executive Director, HCC Foundation
Nathan Smith, Faculty Senate President
Michael Webster, President, Southwest College
Izzy Flowers, Staff Senate President

Remmele Young, Vice Chancellor of External and Governmental Relations, Transfer and Alumni Relations

OTHER PRESENT
Melissa Mihalick, Board Counsel, Thompson and Horton, LLP (via Video Conference)

CALL TO ORDER
Dr. Pretta VanDible Stallworth, Committee Chair, called the meeting to order at 10:40 a.m. and declared the Board convened to consider matters about Houston City College as listed on the duly posted Meeting Notice.

(The following Trustees were present: Cheben, Lenton-Gary, Richart, Tamez, and VanDible Stallworth)

OPPORTUNITY FOR PUBLIC COMMENT
No citizens signed up to speak before the Committee.

TOPICS FOR DISCUSSION AND/OR ACTION

ENTERPRISE RISK MITIGATION REPORT: DEFERRED MAINTENANCE
Dr. Ford Fisher noted that the item provides an overview of the Enterprise Risk Mitigation: Deferred Maintenance Program Update. She advised that Bob McCracken, Vice Chancellor, Administration and Operations, would provide an overview.

Mr. McCracken provided an overview of the following:

- Executive Highlights
- Primary Deferred Maintenance Risks
- Deferred Maintenance and Annual FCI by Year and Investment

(Trustee Loredo joined the meeting remotely at 10:45 a.m.)

- How We Are Mitigating Risks
  - Multi-Layered Risk Mitigation Program
  - Proactive Asset Management
  - Efficient Use of Funding / Deliberate Planning Process
- Deferred Maintenance 10 Step Prioritization Process Update
- Deferred Maintenance Funds By College
- Evidence That Mitigation Is Working
  - Operational Performance Indicators
  - Maintenance Performance
  - Facility Reliability
- Planned and Reactive Work Orders Breakdown
- Facilities Interruptions to Operations Update
- Program Maturity and Delivery Improvements

- Project Management Platform and Dashboard
- Remaining Challenges
  - Risks Still Requiring Attention
  - Funding Gap
  - Increasing Exigent Spend
  - Portfolio Complexity

(Trustee Wilson joined the meeting at 10:53 a.m.)

- Major Proposed Items with $22M Budget
- Major Proposed Items with $42M Budget
- Major Proposed Items with $52M Budget

Dr. Tamez inquired about who conducts the facilities assessment. Mr. McCracken noted that the most recent comprehensive assessment was completed by Jacobs in 2019 and that the next assessment is anticipated in 2029. He explained that the 2019 model is updated annually based on work tickets and information maintained in-house; therefore, the current information does not solely reflect 2019 data. He added that the model incorporates various cost factors, including an inflation index.

Dr. VanDible Stallworth referenced page 7 and the percentages reflected for each college regarding completed, in-process, and remaining projects. She inquired about the distribution of the $15 million approved in the budget across the district. Mr. McCracken noted the information is available in the Capital Improvement Plan Report and noted that the information could be provided to the Trustees.

Dr. VanDible Stallworth referenced exigent expenditures and inquired about the source of those costs. Mr. McCracken explained that exigent expenditures represent items requiring repair before they were placed on the deferred maintenance list.

Dr. VanDible Stallworth inquired whether there was a separate line item for exigent expenditures in the previous budget. Mr. McCracken noted that when the Board approved the budget amendment in June 2026, none of those funds were allocated to exigent expenditures.

Dr. VanDible Stallworth inquired whether exigent expenditures are funded from the $15 million deferred maintenance allocation. Mr. McCracken confirmed that they are. Dr. VanDible Stallworth inquired whether exigent expenditures could be reflected as a separate line item. Mr. McCracken noted that a separate line item could be established for exigent expenditures.

(Trustee Davies joined the meeting at 11:03 a.m.)

(Trustee Patterson joined the meeting at 11:04 a.m.)

Mr. McCracken noted that the intent is to keep day-to-day operating maintenance separate from long-term deferred maintenance projects.

Dr. VanDible Stallworth noted that the Board had been informed that exigent expenditures were being used for day-to-day repairs. Mr. McCracken advised that exigent expenditures were used for emergency items associated with deferred maintenance. He noted that many projects require design work; however, he did not recommend expending funds on design work unless the projects could move forward. He further noted that the Jacobs assessment identified an annual need of approximately $43 to $45 million to adequately address deferred maintenance.

Dr. VanDible Stallworth referenced the additional information included in the appendix and inquired about current deferred maintenance projects for South Campus. Mr. McCracken referenced page 61 and noted that three items were listed for South Campus.

Dr. VanDible Stallworth inquired about the number of committee members involved in reviewing and making decisions regarding the projects. Mr. McCracken noted that the projects are managed in-house and that he ultimately makes the decision regarding project prioritization. He referenced slide 6 regarding the 10-Step Prioritization Process, noting that some adjustments are made at the administrative level following the review process.

(Dr. Lenton-Gary stepped out of the meeting at 11:22 a.m.)

Dr. VanDible Stallworth noted that the $15 million annual allocation has not kept pace with the College's deferred maintenance needs and reiterated that exigent expenditures have been funded from the same allocation. She expressed that exigent expenditures should be separated and that the financial information should be clearly identified to provide an understanding of the flow and use of the funds.

Dr. VanDible Stallworth noted that the Board may need to consider adjustments to the budget to address maintenance needs before they become an exigent expense.

Trustee Cheben inquired about the impact of deferred maintenance on the College's ability to serve students, including whether conditions could result in classes being interrupted or relocated. He inquired whether the College is at risk of such situations. Mr. McCracken noted that the circumstances vary by location. He referenced Central Campus, where multiple buildings provide greater flexibility to relocate classes, compared with smaller campuses that may have only one building. He noted that circumstances may require relocating classes or closing portions of a building.

Trustee Cheben noted that it would be helpful in future meetings to receive information regarding where repairs result in or could result in the relocation of students and classes.

Trustee Wilson noted that approximately five or six years ago, there was a period when no funding was allocated in the budget for deferred maintenance and that the current deferred maintenance need is approximately $107 million. He apprised that the Board should have an opportunity to provide input before the budget is approved. He further noted that all associated costs should be presented as part of the budget process and that projects should be appropriately categorized and prioritized.

Mr. McCracken noted that the College has facilities funded by taxpayers and a responsibility to properly maintain those assets. He apprised that the criteria used to prioritize projects include safety and the potential impact of the investment, while items such as painting and flooring generally receive a lower priority.

Dr. VanDible Stallworth noted that the goal is to address the College's current deficiencies and referenced page 29, which indicated that projects 1 through 29 could be completed with $22 million. Mr. McCracken apprised that the $22 million has already been allocated, consisting of the $15 million budget allocation and $7 million from Fund Balance, and that the identified projects are scheduled.

Dr. VanDible Stallworth inquired how the College will manage the projects without experienced project managers available internally. Mr. McCracken noted that the College relies heavily on external project managers who have the expertise necessary to manage the projects.

Dr. VanDible Stallworth recommended that an internal staff member monitor the projects to ensure they are completed in accordance with the established criteria and approved funding allocations.

Trustee Davies referenced the discussion regarding internal staffing for project management and requested an overview of the current staffing structure. He also inquired whether staffing is appropriately sized as the CIP continues to wind down. Mr. McCracken noted that the College previously had in-house project managers whose positions were reduced some time ago and discussed considerations associated with maintaining project management functions internally.

Trustee Davies noted that the Board began discussions in 2024 regarding deferred maintenance and the need to scale and track projects in a manner that provides a clear understanding of their status. He inquired about how other institutions address deferred maintenance. Mr. McCracken noted that deferred maintenance will likely never reach zero and discussed various options available to institutions for addressing ongoing maintenance needs.

Trustee Davies noted that additional discussion may be needed regarding how the College will sustain and raise the standards of its facilities beyond addressing deferred maintenance. He noted that as enrollment increases, the College should also consider future facility needs and opportunities for innovation.

Dr. VanDible Stallworth noted that the Board may need to receive additional reporting regarding retrofit projections as well as exigent items.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 11:46 a.m.

Minutes submitted by Sharon Wright, Executive Director, Board Services

Minutes Approved as Submitted: October 28, 2026