

**MEETING OF THE
BOARD GOVERNANCE COMMITTEE
OF THE BOARD OF TRUSTEES
HOUSTON COMMUNITY COLLEGE**

April 11, 2012

Minutes

The Board Governance Committee of the Board of Trustees of Houston Community College held a meeting on Thursday, April 11, 2013 at the HCC Administration Building, 3100 Main, 2nd Floor, Seminar Room A, Houston, Texas.

COMMITTEE MEMBERS PRESENT

Neeta Sane, *Committee Chair*
Leila Feldman, *Committee Member*
Yolanda Navarro Flores, *Committee Member*
Eva Loreda, *Alternate Committee Member*
Bruce A. Austin
Sandie Mullins
Carroll G. Robinson

ADMINISTRATION

Renee Byas, Acting Chancellor
Art Tyler, Deputy Chancellor/COO
Destinee Waiters, Acting General Counsel
Shantay Grays, Executive Officer to the Chancellor
William Carter, Vice Chancellor, Information Technology
Charles Cook, Vice Chancellor, Instruction
Diana Pino, Vice Chancellor, Student Success
Margaret Ford Fisher, President, Northeast College
Fena Garza, President, Southwest College
William Harmon, President, Central College
Zachary Hodges, President, Northwest College
Irene Porcarello, President, Southeast College
Betty Young, President, Coleman College
Remmele Young, Executive Director, Government Relations & Sustainability
Karen Edwards, Interim Chief Human Resources Officer

OTHERS PRESENT

Jarvis Hollingsworth, System Counsel, Bracewell & Giuliani
Todd Bisch, President, Faculty Senate
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mrs. Sane, Chair called the meeting to order at 3:20 p.m. and declared the Committee convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

DISCUSS PROPOSED REVISIONS TO BOARD BYLAWS AND POLICIES

Motion – Mrs. Feldman moved and Mrs. Sane seconded.

Mr. Hollingsworth informed that the proposed revisions would delegate the responsibility to the Board Chair to approve a request for travel that exceeds the guidelines of Board policy.

Mr. Hollingsworth noted that the issue warrants revising due to timing constraints and possible non-conference travel such as legislative sessions. Mr. Austin apprised that the legislative travel has been custom usage.

(Ms. Loredo joined the meeting at 3:26 p.m.)

(Mrs. Flores joined the meeting at 3:26 p.m.)

Ms. Mullins informed that major conferences should be provided for Board approval because she has concerns of political preferences.

Mrs. Feldman suggested revising the list of approved conferences to include conferences Trustees are interested in attending.

Mrs. Sane informed that the revisions could note that if timing does not allow for the Board to approve, then the Chair could approve the conference attendance. She asked Board Counsel to review and provide a proposed policy revision with the recommended revision.

Mr. Hollingsworth apprised that he would revise and provide the proposed policy to the Board for consideration.

DISCUSSION REGARDING CHANCELLOR'S SIGNATURE AUTHORITY

Motion – Mrs. Feldman moved and Mrs. Sane seconded.

Mrs. Byas informed that the current statute requires that anything over \$50,000 must be competed. She noted that the current authority of \$100,000 allows for the signing of contracts below \$100,000 even though the contracts are competed.

Mr. Austin inquired who monitors the contracts to ensure there is no circumventing of the statute or restricted procurement. Mr. Anasagasti apprised that the contracts are reviewed through Procurement and noted that contracts are viewed to make certain multiple year contracts do not exceed the signature authority.

Mr. Anasagasti informed that anything over \$200 comes through procurement. He apprised that items over \$50,000 trigger the contract process. Mrs. Byas noted that strict guidelines are in place regarding sole source. She informed that procurement has to sign off that all procurement procedures have been met prior to obtaining signature from the Chancellor.

Ms. Loredo inquired if the process includes the credit cards. Mr. Anasagasti apprised that there are checks and balances in place with the P-card procedures. He noted that purchases over \$2,500 require procurement procedures to be followed.

Mrs. Flores inquired if there has been a review of the credit cards to make certain the procedures are followed. Mrs. Byas informed that she has not reviewed the listing; however, Procurement is in the process of reviewing. She noted that the Presidents have signature authority of \$25,000 per year.

Mr. Austin requested to include credit card purchases in the audit plan.

Mrs. Flores apprised that there has possibly been misuse of the credit cards.

Mrs. Sane apprised that the review will fall under internal audit. She noted that there does not appear to be a need to reduce the Chancellor's signature authority at this time based on the procedures presented and the internal audit review in place.

Ms. Loredo noted that her concern was regarding the transition in administration. She apprised that the Acting Chancellor has not been given enough information and background regarding the expenditures.

Motion – Mrs. Flores moved that the Chancellor's spending authority should be reduced to \$50,000. Mrs. Sane seconded. The motion passed 2-1 with Mrs. Feldman opposing.

(Mrs. Flores stepped out at 3:49 p.m.)

**HCC BOARD OF TRUSTEES NOMINATION TO THE TEXAS HIGHER EDUCATION
COORDINATION BOARD TWO-YEAR COLLEGE STAKEHOLDER COMMITTEE**

Motion – Mrs. Feldman moved and Ms. Loredo seconded.

(Mr. Robinson arrived at 3:50 p.m.)

Ms. Loredo recommended that a member from the Board Governance committee serve on the Board.

Motion – Ms. Loredo nominated Trustee Sane to serve on the Texas Higher Education Coordinating Board Stakeholder Committee and Mrs. Feldman seconded. The motion passed with vote of 3-0.

Mr. Hollingsworth informed that Mr. Robinson had some concerns.

Mr. Robinson apprised that his concerns were regarding:

- Board hired services should be engaged by the Board and not the Chancellor or administration
- Require bid bonds on Bond procurement
- Policy on receiving points on evaluation for local firms during procurement evaluation process

Mr. Robinson noted that he would like to see those who are hired by the Board report only to the Board. He noted that those items that need to be included as policy should be drafted.

Mr. Hollingsworth informed that the Board bylaws state that the external auditor and board counsel should be recommended by administration. He apprised that the Board has final authority of the hired auditor or counsel.

Mr. Robinson noted that once there is filtering and recommendation, there has been an encroachment on the hiring authority of the Board.

(Mrs. Flores returned at 3:58 p.m.)

Mr. Austin informed that a footnote needs to be included in the policy or bylaws to denote that the efforts of administration are administrative duties so that their role is to only provide information to the Board.

(Ms. Loreda stepped out at 4:01 p.m.)

Mrs. Sane requested that Mr. Hollingsworth provide the language and process to give the complete authority to the Board to make the final decision regarding the hiring of the external auditor and board counsel. She apprised that the procurement process should be followed.

(Ms. Loreda returned at 4:03 p.m.)

Mrs. Flores asked Mr. Hollingsworth to reiterate the request of the Board. Mr. Hollingsworth informed that the request is to provide the process that allows the Board to select the external auditor and board counsel.

Mrs. Sane apprised that the following items would be discussed at a later meeting:

- Discussion Regarding Contract Review Policy
- Discuss Revision of Financial Policy Regarding Required Review of Contracts and Expiration Dates

Mr. Hollingsworth noted that the procedure will include administration providing a process of how contracts will be reviewed.

ADJOURNMENT

With no further business, the meeting adjourned at 4:07 p.m.

Recorded, transcribed and submitted by:
Sharon R. Wright, Manager, Board Services

Minutes Approved: May 16, 2013