

Legislative Appropriations Request

for Fiscal Years 2010 and 2011

Submitted to the
**Governor's Office of Budget, Planning and Policy
and the Legislative Budget Board**



by

Houston Community College
Date of Submission: August 19, 2008

Submitted By:

Dr. Mary Spangler
Chancellor

Dr Arthur Q. Tyler
Deputy Chancellor

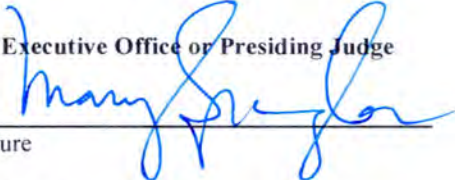


CERTIFICATE

Agency Name **HOUSTON COMMUNITY COLLEGE SYSTEM**

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Governor's Office of Budget, Planning and Policy (GOBPP) is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the bound paper copies are identical.

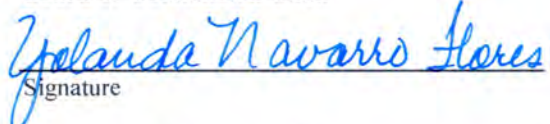
Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the GOBPP will be notified in writing in accordance with Article IX, Section 7.01 (2006-07 GAA).

Chief Executive Officer or Presiding Judge

Signature

Dr. Mary Spangler
Printed Name

Chancellor
Title


August 19, 2008
Date

Board or Commission Chair

Signature

Yolanda Navarro Flores
Printed Name

Board of Trustees, Chairman
Title

August 19, 2008
Date

Chief Financial Officer

Signature

Dr Arthur Q. Tyler
Printed Name

Deputy Chancellor
Title

August 19, 2008
Date

Houston Community College
LAR FY2010-FY2011
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ADMINISTRATOR'S STATEMENT
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
TIME: **11:53:59AM**
PAGE: **1 of 2**

Agency code: **994** Agency name: **Houston Community College**

GOVERNING BOARD: ELECTED BOARD OF TRUSTEE'S

DISTRICT	MEMBER	TERM EXPIRES
I	Yolanda Navarro-Flores	2013
II	Bruce A. Austin	2013
III	Diane Olmos-Guzman	2009
IV	Dr. Michael P. Williams	2011
V	Richard Schechter	2011
VI	Robert Mills Worsham	2009
VII	Neeta Sane	2013
VIII	Abel Davila	2009
IX	Christopher W. Oliver	2011

LAR Administrator's Statement

On behalf of its governing board, the administration, and faculty and staff, Houston Community College ("HCC") appreciates the opportunity to partner with the state of Texas in Closing the Gaps by 2015. As we collectively pursue this state-supported goal, HCC submits its Fiscal Year 2010 and 2011 Legislative Appropriations Request ("LAR") for consideration purposes.

The substance of this LAR consists of inclusive planning and sound fiscal practices that promote educational quality and accountability. It further recognizes the importance of closing the gaps in student participation, student success, excellence and research. Moreover, it factors the need to work with relevant key stakeholders (e.g., local communities, industry, independent school districts, etc.) that enhance our ability to provide access to educational opportunities.

As HCC continues pursuing the state-supported goal of Closing the Gaps, our vision of being the most relevant community college in the country, and being the opportunity institution for every student we serve – essential to our community's success – will guide our actions.

Relevant to our Fiscal Year 2010 and 2011 LAR request, and consistent with the state-supported goal of Closing the Gaps, HCC identifies four priority areas that need state budgetary support. These priority areas are as follows:

1. Recruitment of New Students
2. Retention of Existing Students
3. Student Completion
4. Implement Career and Industry Clusters

1. Recruitment of New Students: HCC is strategically recruiting new students. The recruitment effort supports the Closing the Gaps initiative and provides greater access to educational opportunities. Through a comprehensive marketing plan, HCC is raising its visibility with the intent of growing its student population by at least 3% annually over the next biennium. The additional growth, in part, will result from the removal of the financial barrier of out-of-district tuition through annexation of certain portions of our service area. Additionally, HCC will expand existing and build new facilities over the next biennium to support present and future growth.

ADMINISTRATOR'S STATEMENT
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
TIME: **11:54:04AM**
PAGE: **2 of 2**

Agency code: **994**

Agency name: **Houston Community College**

2. Retention of Existing Students: While HCC's Fall to Fall student retention ranks among the average for our peers, our goal is to place HCC in the top quartile of our national peers. This will occur through the implementation of innovative strategies for student engagement, as well as the configuring of our campuses to house Learning Hubs or buildings with additional space allocated for student life and interaction.

3. Student Completion: Our goal is to improve our semester completion rate and advance toward ranking first among all Texas community colleges. Students who complete their coursework have a higher retention rate and are more likely to eventually graduate from college.

4. Implement Career and Industry Clusters: Consistent with the State's efforts to address industry clusters, HCC offers its programs in "clusters" that best meet the needs of its students and industry within the region. As defined, a "career cluster" is a grouping of programs inter-related by subject matter that affords students pathways to jobs and careers. HCC organizes its programs by "career clusters" and is partnering with industry to ensure meeting the workforce needs that prepares students both educationally and positions them to become gainfully employed.

In conclusion, HCC seeks to partner with the State of Texas in meeting the State's goal of Closing the Gaps by 2015. As a higher education provider, HCC also acknowledges its commitment to work with our local community partners to help achieve our collective goal that includes ensuring greater student participation, student success, excellence and promoting educational research.

Finally, HCC identifies for the State's consideration that it provides higher educational opportunities to an international community in the fourth largest city in the United States. Like other education providers, HCC is experiencing the rising costs of energy, employee health insurance, maintenance of facilities, capital improvement, etc. -- all factors that challenge our efforts to Closing the Gaps. Notwithstanding this sentiment, HCC believes that our collective educational goal is achievable with sufficient state budgetary support. Accordingly, we respectfully ask the State of Texas to fully fund our request.

Thank you for the opportunity to submit this LAR that addresses our funding needs during the 2010 and 2011 biennium.

Schedule 3C: Group Insurance Data Elements (Community Colleges)

81st Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Date: **8/19/2008**

Time: **10:35:13AM**

Page: **1 of 2**

Agency Code: **994**

Agency Code: **Houston Community College**

	Total I & A Enrollment	Local Non I & A	State Enrollment	District Enrollment	Total Enrollmen
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GENERAL REVENUE / SALARIES

Unrestricted General Revenue:	61,312,488	State Proportional Share:	50.78%
Total Salaries:	120,751,280	District Proportional Share:	49.22%

FULL TIME ACTIVES

1a Employee Only	898	81	497	482	979
2a Employee and Children	302	106	207	201	408
3a Employee and Spouse	217	14	117	114	231
4a Employee and Family	160	13	88	85	173
5a Eligible, Opt Out	28	4	16	16	32
6a Eligible, Not Enrolled	0	0	0	0	0
Total for this Section	1,605	218	925	898	1,823

PART TIME ACTIVES

1b Employee Only	0	0	0	0	0
2b Employee and Children	0	0	0	0	0
3b Employee and Spouse	0	0	0	0	0
4b Employee and Family	0	0	0	0	0
5b Eligible, Opt Out	0	0	0	0	0
6b Eligible, Not Enrolled	0	0	0	0	0
Total for this Section	0	0	0	0	0

Total Active Enrollment

	1,605	218	925	898	1,823
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FULL TIME RETIREES by ERS

1c Employee Only	0	0	0	0	0
2c Employee and Children	0	0	0	0	0
3c Employee and Spouse	0	0	0	0	0
4c Employee and Family	0	0	0	0	0
5c Eligible, Opt Out	0	0	0	0	0
6c Eligible, Not Enrolled	0	0	0	0	0
Total for this Section	0	0	0	0	0

Schedule 3C: Group Insurance Data Elements (Community Colleges)

81st Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/19/2008

Time: 10:35:19AM

Page: 2 of 2

Agency Code: 994

Agency Code: Houston Community College

	Total I & A Enrollment	Local Non I & A	State Enrollment	District Enrollment	Total Enrollmen
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for this Section	0	0	0	0	0
Total Retirees Enrollment	0	0	0	0	0
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	898	81	497	482	979
2e Employee and Children	302	106	207	201	408
3e Employee and Spouse	217	14	117	114	231
4e Employee and Family	160	13	88	85	173
5e Eligible, Opt Out	28	4	16	16	32
6e Eligible, Not Enrolled	0	0	0	0	0
Total for this Section	1,605	218	925	898	1,823
TOTAL ENROLLMENT					
1f Employee Only	898	81	497	482	979
2f Employee and Children	302	106	207	201	408
3f Employee and Spouse	217	14	117	114	231
4f Employee and Family	160	13	88	85	173
5f Eligible, Opt Out	28	4	16	16	32
6f Eligible, Not Enrolled	0	0	0	0	0
Total for this Section	1,605	218	925	898	1,823

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/19/2008
 TIME: 10:36:59AM

Agency code: **994** Agency name: **Houston Community College**

GOAL: 1 Provide Instruction Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Provide Administration and Instructional Services Service Categories:
 STRATEGY: 1 Academic Education Service: 20 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
Output Measures:						
1	Number of Degrees or Certificates Awarded	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$33,880,114	\$38,569,345	\$38,569,345	\$0	\$0
2004	UTILITIES	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$33,880,114	\$38,569,345	\$38,569,345	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$33,880,114	\$38,569,345	\$38,569,345	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$33,880,114	\$38,569,345	\$38,569,345	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$33,880,114	\$38,569,345	\$38,569,345	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/19/2008
 TIME: 10:37:06AM

Agency code: **994** Agency name: **Houston Community College**

GOAL:	1	Provide Instruction	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Provide Administration and Instructional Services	Service Categories:		
STRATEGY:	1	Academic Education	Service:	20	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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Responding to the State’s Closing the Gap initiative, HCC embarked upon an aggressive program designed to increase the number of students attending and graduating from HCC. Our strategic plan seeks to transform our institution into a premier educational service provider in the Gulf Coast area by focusing on the following:

1. Recruitment of New Students: Through marketing campaigns and partnerships with area organizations, HCC intends to grow its student population by at least 3% annually over the next biennium. Further growth will result from the removal of the financial barrier associated with out-of-district tuition through annexation of portions of our service area. HCC will expand many facilities and build new campuses over the next biennium to support this and future growth.
2. Retention of Existing Students: While HCC’s Fall to Fall student retention ranks among the average for its peers, our goal is to place HCC in the top quartile of our national peers. This will occur through the implementation of innovative strategies for student engagement, as well as the configuring of our campuses to house Learning Hubs or buildings with additional space allocated for student life and interaction.
3. Student Completion: Our goal is to improve our semester completion rate and advance toward ranking first among all Texas community colleges. Students who complete their coursework have a higher retention rate and are more likely to eventually graduate from college.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Reflecting the population of the school districts we encompass, HCC serves an above-average number of economically disadvantaged and non-traditional students. HCC must first remove financial barriers to which these students are more sensitive and offer a broad range of support services to achieve student participation and success rates comparable to the general population of the state, particularly in academic education.

HCC is also working with the Alief, Katy, North Forest and Spring Branch communities to explore how annexation would benefit resident students. Annexation effectively positions HCC to expand educational resources at the in-district tuition rate. This would greatly increase student enrollment and improve affordability of higher education.

Finally, the college is partnering with community organizations and industry to ensure that we develop and deliver programs that serve their respective education and training needs. However, many of our goals will require significant capital investments to realize the desired benefits.

We urge the State to do its part by providing additional resources for growth, recognizing that this is an offset to much higher costs that the State would otherwise incur at the universities if they take a larger burden of the Closing the Gap initiative. Because the local communities through referenda provide facility expansion that offsets the State’s costs, the expansion of community college enrollments and the services they provide is an important strategy that the Legislature should endorse.

3.A. STRATEGY REQUEST
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/19/2008
 TIME: 10:37:06AM

Agency code: **994** Agency name: **Houston Community College**

GOAL:	1	Provide Instruction	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Provide Administration and Instructional Services	Service Categories:		
STRATEGY:	2	Vocational/Technical Education	Service:	20	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
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HCC serves an above-average number of economically disadvantaged and non-traditional students. HCC must remove financial barriers that impede student participation and success. Houston’s continued economic expansion, despite the national downturn, mandates the need for job skill expansion training that community colleges provide.

Our strategic plan will meet this need by focusing on the following:

1. Recruitment of New Students: Through marketing campaigns and partnerships with area organizations, HCC intends to grow its student population by at least 3% annually over the next biennium. Further growth will result from the removal of the financial barrier associated with out-of-district tuition through annexation of portions of our service area. HCC will expand many facilities and build new campuses over the next biennium to support this and future growth.
2. Retention of Existing Students: While HCC’s Fall to Fall student retention ranks among the average for its peers, our goal is to place HCC in the top quartile of our national peers. This will occur through the implementation of innovative strategies for student engagement, as well as the configuring of our campuses to house Learning Hubs or buildings with additional space allocated for student life and interaction.
3. Student Completion: Our goal is to improve our semester completion rate and advance toward ranking first among all Texas community colleges. Students who complete their coursework have a higher retention rate and are more likely to eventually graduate from college.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

HCC is working with the Alief, Katy, North Forest and Spring Branch communities to explore how annexation would benefit resident students. Annexation effectively positions HCC to expand educational resources at the in-district tuition rate. This would greatly increase student enrollment and improve affordability of higher education to these students.

Moreover, success in our annexation discussions is critical to our future ability to maintain the same or greater levels of service without substantially increasing the burden on local property taxpayers. It is also important to highlight that the requisite number of Alief registered voters recently petitioned the HCC governing board to annex its immediate community.

Finally, the college is partnering with community organizations and industry to ensure that we develop and deliver programs that serve their respective education and training needs. However, many of our goals will require significant capital investments to realize the desired benefits.

We urge the State to do its part by providing additional resources for growth, recognizing that this is an offset to much higher costs that the State would otherwise incur at the universities if they take a larger burden of the Closing the Gap initiative. Because the local communities through referenda provide facility expansion that offsets the State’s costs, the expansion of community college enrollments and the services they provide is an important strategy that the Legislature should endorse.

3.A. STRATEGY REQUEST
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/19/2008
TIME: 10:37:06AM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
METHODS OF FINANCE (INCLUDING RIDERS):				\$0	\$0
METHODS OF FINANCE (EXCLUDING RIDERS):	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:					

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
 TIME: **12:07:14PM**

Agency code: **994**

Agency name:
Houston Community College

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: New Alief Campus		
	Item Priority: 9		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Academic Education		
	01-01-02 Vocational/Technical Education		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,126,345	1,182,026
1005	FACULTY SALARIES	4,951,729	5,147,947
2004	UTILITIES	1,675,904	1,726,181
2009	OTHER OPERATING EXPENSE	1,100,364	1,133,375
TOTAL, OBJECT OF EXPENSE		\$8,854,342	\$9,189,529
 METHOD OF FINANCING:			
1	General Revenue Fund	8,854,342	9,189,529
TOTAL, METHOD OF FINANCING		\$8,854,342	\$9,189,529

DESCRIPTION / JUSTIFICATION:

HCC purchased and is renovating a four-story, 300,000 square feet facility in the fast-growing Alief area of Houston. The purchase and subsequent renovation creates a major HCC campus site within the Alief community that provides needed space for educational services. The full use of the facility has been delayed in part by the loss of new campus funds appropriated during the 80th Legislative session. Presently, only the first floor (70,000 square feet) is operational (i.e., serving students).

Once fully operational, the facility will meet community needs in the area by providing multi-disciplined educational services along with student resources and gathering areas; thus, contributing to a positive and affordable college experience for area students. As renovations progress, the facility will also be available for use by other area institutions to house special programs of interest; (e.g., executive level business courses, post-graduate programs of study, etc.) thus, making the facility a valuable resource for students and area residents.

Note: The "Enrollment Growth" rider may be sufficient to cover the needs of smaller institutions, where few additional students would trigger the funding provided for that purpose. This is not the case for large community colleges. At large community colleges like HCC, it would take thousands of new students, for whom we would receive no funding for two years, before we would receive a single dollar of aid under the enrollment growth provision. The traditional "New Campus" rider approach recognizes that a new campus serves students who are not there in the base year and provides funding accordingly.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
81st Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
TIME: **12:07:19PM**

Agency code: **994**

Agency name:

Houston Community College

CODE DESCRIPTION

Excp 2010

Excp 2011

HCC's original Alief campus is a much smaller facility. With the explosive growth that the Alief area has seen in the last few years this facility is woefully inadequate to meet educational needs of its residents. The Alief community recently petitioned HCC to expand its educational services in the Alief area.

Successful annexation efforts would reduce the tuition cost, thereby providing the area a more affordable education. From the resulting surge in enrollment, HCC expects both expanded use of the newly completed space and the need for completion of additional classroom space at the new campus. Because of our initial capital investment and anticipated annexation of Alief, HCC expects enrollment growth to generate approximately 660 thousand contact hours in 2009.

Based upon a 5% anticipated growth rate, HCC's total contact hours for 2010 is 693 thousand for Alief. These contact hours represent an appropriation of \$2.7 million. For the 2011 period, HCC anticipates a 3% growth rate, the contact hours are 713,790, and the corresponding appropriation is \$2.8 million.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
 TIME: **12:07:19PM**

Agency code: **994**

Agency name:
Houston Community College

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Drennan Center		
	Item Priority: 10		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Academic Education		
	01-01-02 Vocational/Technical Education		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	220,557	222,966
1005	FACULTY SALARIES	1,884,441	1,905,030
2004	UTILITIES	112,500	115,875
2009	OTHER OPERATING EXPENSE	226,736	233,538
TOTAL, OBJECT OF EXPENSE		\$2,444,234	\$2,477,409
 METHOD OF FINANCING:			
1	General Revenue Fund	2,444,234	2,477,409
TOTAL, METHOD OF FINANCING		\$2,444,234	\$2,477,409

DESCRIPTION / JUSTIFICATION:

HCC will be constructing a new 65,000 square foot academic facility in the vicinity of the Southeast College campus to open in Fall 2010. It will house many academic and workforce programs in addition to operating as an early college. Our current services to the Southeast Houston community are limited due to limited classroom space. This facility will allow us to add 20 classrooms and much needed space for dual credit programs.

EXTERNAL/INTERNAL FACTORS:

Predominately, this community is comprised of lower-income students of Hispanic descent. These students are a part of the State of Texas' "Closing the Gaps" initiative. By enhancing program offerings, as well as introducing dual credit opportunities for these students, HCC will make higher education more accessible to this community. Because of our anticipated capital investment at the Drennan site, HCC expects enrollment growth to generate approximately 646 thousand contact hours in 2010. These contact hours represent an appropriation of \$2.6 million. For the 2011 period, HCC anticipates a 3% growth rate, the contact hours are 665,380, and the corresponding appropriation is \$2.7 million.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
 TIME: **12:07:19PM**

Agency code: **994**

Agency name:
Houston Community College

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Missouri City		
	Item Priority: 11		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Academic Education		
	01-01-02 Vocational/Technical Education		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	216,473	222,966
1005	FACULTY SALARIES	1,188,498	1,224,154
2004	UTILITIES	100,000	103,000
2009	OTHER OPERATING EXPENSE	188,418	194,070
TOTAL, OBJECT OF EXPENSE		\$1,693,389	\$1,744,190
 METHOD OF FINANCING:			
1	General Revenue Fund	1,693,389	1,744,190
TOTAL, METHOD OF FINANCING		\$1,693,389	\$1,744,190

DESCRIPTION / JUSTIFICATION:

HCC is constructing a new 40,000 square foot workforce facility in the vicinity of the Southwest College campus that will open September 2008. It will allow us to offer many new workforce programs to the recently annexed Missouri City area of the Southwest Houston community, such as cosmetology, wireless telecommunications, automotive technology, etc. Our current services to the Southwest Houston community are limited by lack of facilities configured to specialized workforce program needs.

EXTERNAL/INTERNAL FACTORS:

By enhancing program offerings, as well as introducing dual credit opportunities for local residents, HCC will make higher education more accessible to this community. As the community is predominantly lower-income with substantial African American and Hispanic populations, this furthers the goals of the State of Texas' "Close the Gaps" initiative. Lack of appropriate space limits our ability to serve the growth in demand resulting from the elimination of out-of-district fees for Missouri City residents following annexation. Because of our capital investment at the Missouri City site, HCC expects enrollment growth to generate approximately 574 thousand contact hours in 2009.

Based upon a 5% anticipated growth rate, HCC's total contact hours for 2010 is approximately 603 thousand. These contact hours represent an appropriation of \$2.4 million. For the 2011 period, HCC anticipates a 3% growth rate, the contact hours are 621 thousand, and the corresponding appropriation is \$2.5 million.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
 TIME: **12:07:19PM**

Agency code: **994**

Agency name:
Houston Community College

CODE	DESCRIPTION	Excp 2010	Excp 2011
	Item Name: Northeast Academic/Workforce Center		
	Item Priority: 12		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Academic Education		
	01-01-02 Vocational/Technical Education		
 OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	214,430	227,489
1005	FACULTY SALARIES	2,965,796	2,965,796
2004	UTILITIES	118,125	118,125
2009	OTHER OPERATING EXPENSE	229,689	229,689
TOTAL, OBJECT OF EXPENSE		\$3,528,040	\$3,541,099
 METHOD OF FINANCING:			
1	General Revenue Fund	3,528,040	3,541,099
TOTAL, METHOD OF FINANCING		\$3,528,040	\$3,541,099

DESCRIPTION / JUSTIFICATION:

HCC is planning a 40,000 square foot academic facility in the vicinity of the Northeast Houston area. It will house many academic and workforce programs in addition to operating an early college in conjunction with other educational service providers. Our current services to the Northeast Houston community are limited due to inadequate and insufficient classroom space. This facility will allow for additional new classrooms and needed space for dual credit programs.

EXTERNAL/INTERNAL FACTORS:

The Northeast Houston community is an inner city area of Houston with a large lower income population, almost entirely African American and Hispanic. By updating and expanding our presence in the area, we are furthering the goals of the "Closing the Gaps" initiative. Moreover, this initiative will attract a historically underserved population into higher education. Because of our anticipated capital investment at the Northeast site, HCC expects enrollment growth to generate approximately 508 thousand contact hours in 2010. These contact hours represent an appropriation of \$2 million. For the 2011 period, HCC anticipates a 3% growth rate, the contact hours are 523,200, and the corresponding appropriation is \$2.1 million.

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
 TIME: **10:38:21AM**

Agency code: **994** Agency name: **Houston Community College**

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<u>GENERAL REVENUE</u>					
1 General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Legislature, Regular Session	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
TOTAL, General Revenue Fund	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
TOTAL, ALL GENERAL REVENUE	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
GRAND TOTAL	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0

FULL-TIME-EQUIVALENT POSITIONS

TOTAL, ADJUSTED FTES

NUMBER OF 100% FEDERALLY FUNDED FTES	0.0	0.0	0.0	0.0	0.0
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2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/19/2008**
 TIME: **10:43:38AM**

Agency code: **994** Agency name: **Houston Community College**

Goal / Objective / STRATEGY	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
1 Provide Instruction					
1 Provide Administration and Instructional Services					
1 ACADEMIC EDUCATION	33,880,114	38,569,345	38,569,345	0	0
2 VOCATIONAL/TECHNICAL EDUCATION	27,435,450	25,058,088	25,058,087	0	0
TOTAL, GOAL 1	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
TOTAL, AGENCY STRATEGY REQUEST	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	61,315,564	63,627,433	63,627,432	0	0
SUBTOTAL	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0
TOTAL, METHOD OF FINANCING	\$61,315,564	\$63,627,433	\$63,627,432	\$0	\$0

*Rider appropriations for the historical years are included in the strategy amounts.

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : **8/19/2008**
 TIME : **10:44:15AM**

Agency code: **994** Agency name: **Houston Community College**

Goal/Objective/STRATEGY	Base 2010	Base 2011	Exceptional 2010	Exceptional 2011	Total Request 2010	Total Request 2011
1 Provide Instruction						
1 <i>Provide Administration and Instructional Services</i>						
1 ACADEMIC EDUCATION	\$0	\$0	\$9,251,203	\$9,493,247	\$9,251,203	\$9,493,247
2 VOCATIONAL/TECHNICAL EDUCATION	0	0	7,268,802	7,458,980	7,268,802	7,458,980
TOTAL, GOAL 1	\$0	\$0	\$16,520,005	\$16,952,227	\$16,520,005	\$16,952,227
TOTAL, AGENCY STRATEGY REQUEST	\$0	\$0	\$16,520,005	\$16,952,227	\$16,520,005	\$16,952,227
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$0	\$0	\$16,520,005	\$16,952,227	\$16,520,005	\$16,952,227

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 81st Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/19/2008
 TIME : 10:44:20AM

Agency code: 994 Agency name: Houston Community College

Goal/Objective/STRATEGY	Base 2010	Base 2011	Exceptional 2010	Exceptional 2011	Total Request 2010	Total Request 2011
General Revenue Funds:						
1 General Revenue Fund	\$0	\$0	\$16,520,005	\$16,952,227	\$16,520,005	\$16,952,227
	\$0	\$0	\$16,520,005	\$16,952,227	\$16,520,005	\$16,952,227
TOTAL, METHOD OF FINANCING	\$0	\$0	\$16,520,005	\$16,952,227	\$16,520,005	\$16,952,227

FULL TIME EQUIVALENT POSITIONS