MINUTES OF THE
SPECIAL MEETING OF THE BOARD OF TRUSTEES
LONE STAR COLLEGE SYSTEM
Via WebEx
April 9, 2020
2:00 p.m.

PRESENT: Dr. Alton Smith, Chair
Ms. Myriam Saldívar, Vice Chair
Mr. Art Murillo, Secretary
Ms. Linda Good, Assistant Secretary
Ms. Ernestine Pierce
Mr. Ken Lloyd
Mr. Mike Sullivan
Mr. Michael Stoma
Mr. David Vogt

I. CALL TO ORDER: Chair Smith called the special meeting of the Board of Trustees to order at 2:08 p.m. after determining that a quorum was present. Dr. Smith thanked the Board for their prayers and support. Dr. Smith also thanked the administration, professors, staff and the students of Lone Star College for a job well done during this difficult time. The Board appreciates the way the staff has converted our system’s educational product in a relatively short time to meet the needs of everybody. Dr. Smith thanked the police department for doing their usual outstanding job in protecting the Lone Star College property and assets 24/7 and thanked Mario Castillo for overseeing this department. Dr. Smith stated that since this meeting was by teleconference, he wanted to make sure the agenda is followed and encouraged Trustees to ask questions as the meeting continued.

II. CERTIFICATION OF THE POSTING OF THE NOTICE OF THE MEETING: Chancellor Head confirmed that the Notice for the meeting had been properly posted. No action was required. A copy is attached as Exhibit “A”.

III. PUBLIC COMMENT: None.

Ms. Saldívar entered the meeting at 2:24 p.m.

IV. DISCUSSION – IMPACT OF COVID-19:

A. Chancellor – Dr. Head indicated that Lone Star College has over 7500 employees with most of them working on the COVID-19 transition. The presidents, professors and staff have stepped up and really taken care of the students at the campuses and the centers. As of March 15th, we had 66,000 still enrolled and only 200 students drop out. Dr Head cited various resources used to help develop a blueprint to plan for different scenarios for Lone
Star College amid the COVID-19 pandemic. The situation is fluid and changes every day. The blueprint is broken down into the following categories: Instruction - Academic and Workforce, Student Enrollment - Retention, Experiences and Equity, Faculty and Staff, Infrastructure-IT and Facilities, Finances and the “New Normal”— Adapting to Change. Dr. Head gave a brief overview of steps taken due to the COVID-19 Pandemic, first stabilizing operations and developing communications and responsibilities. The biggest challenge has been transitioning to online academic and workforce courses which includes faculty and staff training and ensuring students have the technology they need. Currently all Lone Star College facilities are closed until May 4th, employees are working remotely, and all employees are being paid. There is a budget freeze except for essential expenditures and there is a hiring freeze, travel and conferences are cancelled through 2020 and all essential services are being reviewed.

**Dr. Head outlined the timeline if the virus abates:**
- Students return to class in fall 2020 with safeguards and social distancing. There are discussions on moving large numbers to online teaching.
- Focus on entering students who experienced disruptions in their high school transition
- Special attention to at risk students, first generation in college, and lower income
- Heavy emphasis on online technology for students – this is probably biggest challenge since many students do not have access to technology
- Assistance to faculty and staff with little experience in online education
- Special attention to workforce programs, medical programs requiring clinicals and labs, performing arts and other
- Cancellation of conferences, large gatherings, travel, study abroad and restrictions on international students
- Remote services such as tutors, advisors, call centers and online exams
- Counseling services for students and employees

**The Major Challenges we face include:**
- IT infrastructure support for upgrades, expansions of online and new learning software
- Student and employee access to technology
- Finances will be under considerable strain
- Probable decline in tuition and fee revenue
- Scenarios for reduction in revenues (5-7%)

**Action Plan for May-July**
- Focus on students
  - Financial Aid
  - Mental Health
Education
- Support of faculty and staff
  - Online training and support – working on more consistent in training and a Lone Star College approach
  - Work from home guidelines
- Financial resilience and planning

**Action Plan for June - August**
- Focus on enrollment, persistence and operations
- Attention to higher risk students
  - First generation in college
  - Lower income
  - College preparatory classes
- Examine current teaching models

**FALL 2020 RECOVERY “NEW NORMAL”**
- Clear focus on student learning in new model
- Online that is consistent, engaging and prepares students
- Faculty engagement and commitment
- Workforce programs
- Employee work guidelines
- Affordable and accessible education
- Develop new LSC model of learning and work options

**CRISIS PLANNING 2020 AND BEYOND:** we are looking closely at all categories to develop policies. Leadership team of administrators, faculty, and staff

- Business Continuity Plan
  - Strategies to safeguard future and plan for “new normal”
- Work with Board on different scenarios focused on:
  - Finance and facilities
  - Instruction
  - Students
  - Employees-faculty and staff
- Recommendations to the Board in Fall 2020

Dr. Head indicated that Lone Star College has a very experienced group of professionals who can handle the operations but will need the board’s input, guidance and approval on several different issues. Lone Star College does have ongoing business to conduct and for the next couple of months and possibly up to September, but board meetings may need to be held via video. We are revamping the FY 2020-2021 Budgets that will need to be approved by the board. Dr Head thanked the Trustees for their questions and sending articles and information that other institutions are doing during this crisis related to
students, operations and technology. Dr. Head stated that we are in good shape compared to other colleges due to Lone Star College’s funding model and board policies. Chief Operating Officer-updates, actions taken and data – Mario Castillo, Chief Operating Officer & General Counsel outlined the legal obligation to report cases of COVID-19 to local health authorities and the state. Emails were sent to every student and employee outlining the steps to report if they had been exposed to somebody that had COVID-19, were presumptive positive or tested positive for COVID-19.

Police officers are patrolling all facilities and dispatchers are now working in different rooms to assure social distancing. Lone Star College has been able to provide all officers proper PPE to ensure their safety. The police department has gone above and beyond exposing themselves every day and Mr. Castillo commended them for their service.

B. Vice Chancellor Academic Success—transition to online – Dr. Dwight Smith discussed the transition to online classes. During the spring there were 8,546 course sections offered. 778 course sections (461 online) were completed by spring break. 7,768 course sections were left to be completed after spring break. 1,624 course sections were already offered online which left 5,201 course sections migrated to online learning. At this time there are 481 course sections offered by face to face or hybrid modalities because of licensing, accreditation, or workforce skills requirements; for example, nursing and welding need clinicals and ability to demonstrate competency, etc. 2,397 instructors have transitioned from face to face or hybrid to 100% online. 2,675 of 3,097 (87%) Spring 2020 instructors are certified to teach online. They have been supported by instructional designers to help design the course and webinars and other online tools through LSC-Online to be supportive of this transition to help provide a high-quality learning environment for students and compassion to students during this time, so they are successful.

C. Chief Financial Officer-budget impact for FY20 and FY21 - Jennifer Mott gave an overview of the budget impact due to COVID-19. Currently the projected impact for FY20 is -$13.5M with $8.9M from Revenue Loss which includes summer enrollment, refund of spring withdrawals and waiver of distance learning fee and $4.6M from additional expenditures which includes costs for deep cleaning, personal protective equipment, online instructional conversion and possible computers for students. The biggest and most unknown variable is decline in summer enrollment. To offset this possible shortfall there has been a budget freeze (non-essential items) and a hiring freeze resulting in an estimated $5.7M bringing the budget impact to -$7.8M. The estimated stimulus funds eligible to be used is $14M which would offset the -$7.8M and leave a balance of $6.2M to rollover into FY21. The budget impact projections for FY21 is -$12.4M include: -$8.2M for Delay of Tuition Increase to Fall 2021 (Out of District/State Spring 2021), -$2.9M for Flat Enrollment Growth (Assuming 2.5%) and -$1.3M for Permanent Increase to Online
Instructional Budget. FY21 Budget Considerations to cover shortfall and remaining unknowns: Flat Budgets and Mid-year Across the Board Pay Increases. The financial resiliency strategy is to keep cash reserves at 16% so that additional reserves are available if the crisis worsens, hurricane season, future pandemics, and other future unknowns and returning to normal so we can focus on restoring and growing operations instead of replenishing reserves that additional reserves. A cautious return to normal which would include: restore delayed expenditures, grow online learning and restore planned new initiatives. Examine the future: budget allocation between online and face to face, a full review of all remaining bond projects and space utilization.

Mr. Stoma suggested to plan for worst cost scenario for planning purposes, so we know what we are up against and have a financial model to reflect that in an extreme case.

Mr. Sullivan commented on planning worst case scenarios to plan for short term and long term in respect to revenue and enrollment. Mr. Sullivan asked if the 40% decline in enrollment numbers were for Summer I and Summer II sessions and what information that number was based on? Ms. Mott indicated the estimates were for Summer I and Summer II and the estimate was based on this point in time from reporting from Analytics and Institutional Research. Ms. Mott noted that in terms of percentages, the Summer enrollment is significantly smaller than Fall and Spring. Mr. Sullivan asked Dr. Head what he meant when had stated “we have lost 60 students”. What does that mean and what is that in relation to? Dr. Head said he was trying to measure the impact of the virus on drops by students. He said he feels we need to refund the students who dropped because of the virus after March 15th. Part of the stimulus money will help with that. The drop date has been moved back to May 1st to give the faculty time to work with the students to try to keep the students enrolled. Mr. Sullivan asked if we could survive without the stimulus money and if receiving the stimulus money will help put Lone Star College in a better financial position. Dr. Head indicated it would. Mr. Sullivan asked how the stimulus amount was determined, either by an application or a formula? Dr. Head said it was a formula based on reports that are sent to the federal government and Pell grants we have. Lone Star College received notification they will receive $28M in stimulus money. $14M will be earmarked for students.

Mr. Murillo asked if there is any way to determine if any of the Summer enrollment is high school students and was concerned about the students being able to adapt. Dr. Head said Lone Star College has reached out to the ISD’s to make sure the high school students are ready to go and to implement ways to help students adapt. Mr. Murillo asked if the government has set up any guidelines in terms with coming up with projections and estimates for the future and standards that will need to be implemented and any calculations for cost of implementing. Dr. Head said they have heard there is talk of a second stimulus and stimulus money for being a Hispanic Serving Institution.
Ms. Saldívar asked Ms. Mott if the financials took into consideration what Lone Star College lost for Hurricane Harvey. Ms. Mott indicated it doesn’t and they are still working with FEMA to be reimbursed for Hurricane Harvey expenditures.

Ms. Pierce stated since we don’t know what the future holds and what will happen with the COVID-19, does Lone Star College have a reduction in force policy? Dr. Head indicated there is a board policy in place and that he would send it to the Board, Recommendations would be made to the board to vote on if necessary.

Mr. Sullivan asked about our oil and gas efforts going forward given the current state of the oil and gas industry; the resources it consumes and the investments that had been planned and those currently in progress. Also, is this the time to ramp up Cybersecurity or soft skill, technical, intellectual programs instead of workforce hands on programs? Dr. Head said he will be coming back to the board with recommendations for the oil and gas programs.

Dr. Smith indicated that some of the large charter schools are reporting they will not have any more school this year and some of the ISD’s are reporting students having difficulties in getting students to complete assignments and that may impact our instructional model for those students coming out of the high schools. The type of students we get, especially from certain areas, may be a little bit less efficient than they were before because of the loss of three months of skill building and that could impact our instructional model. Dr. Head stated that issue is at the top of the list, those students coming out of high school, some will be better prepared than others because some of the ISD’s had already been moved into technology. Dr. Head said we need to pay attention to these equity gaps.

D. Future Board Meetings Schedule – Dr. Head indicated we would need to go to board meetings via video in May, June and August and then go back to our regular board meeting schedule in September taking into account social distancing measures. He recommended that the next meeting to be held on May 14, 2020 in order to give staff time to put the agenda together and the June meeting would be June 11, 2020.

Mr. Sullivan recommended that if the May and June meetings will be remote that we dispense with unnecessary reports and deal with issues that are timely and required by law and keep meetings concise and tight and allow the Chancellor the business of running the system as he has been.

E. Other Updates – None.

V. SUGGESTED FUTURE AGENDA ITEMS: None.

VI. ADJOURNMENT: There being no further business, the meeting was adjourned at 3:32 p.m.
ATTEST:

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[Signature]

Board of Trustees, Chair  Board of Trustees, Secretary