



**SOUTH TEXAS  
COLLEGE**

# **Board of Trustees**

## **Special Board Meeting**

**Tuesday, May 08, 2018  
6:30 p.m.**

**Pecan Campus  
Ann Richards Administration Building  
Board Room  
McAllen, Texas**

**Online Board Packet**

**SOUTH TEXAS COLLEGE**  
**BOARD OF TRUSTEES SPECIAL MEETING**  
**Tuesday, May 8, 2018 @ 6:30 p.m.**  
**Ann Richards Administration Building Board Room**  
**Pecan Campus, McAllen, Texas 78501**

**AGENDA**

“At anytime during the course of this meeting, the Board of Trustees may retire to Executive Session under Texas Government Code 551.071(2) to confer with its legal counsel on any subject matter on this agenda in which the duty of the attorney to the Board of Trustees under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code. Further, at anytime during the course of this meeting, the Board of Trustees may retire to Executive Session to deliberate on any subject slated for discussion at this meeting, as may be permitted under one or more of the exceptions to the Open Meetings Act set forth in Title 5, Subtitle A, Chapter 551, Subchapter D of the Texas Government Code. At this meeting, the Board of Trustees may deliberate on and take any action deemed appropriate by the Board of Trustees on the following subjects:”

- I. Call Meeting to Order**
  
- II. Determination of Quorum**
  
- III. Consideration and Action on Board Election**
  - A. Review and Action as Necessary on Award of Student Insurance..... 1 - 8
  - B. Discussion and Action as Necessary on Amending Specifications for Solicitation of Property and Casualty Insurance..... 9 - 12
  - C. Deliberation and Action as Necessary Regarding the Assessment of the College President and the Self-Assessment of the Board of Trustees..... 13
  
- IV. Announcements ..... 14**
  - A. Next Meetings:
    - Tuesday, May 22, 2018
      - 5:30 p.m. – Regular Board Meeting
  
  - B. Other Announcements:
    - Spring 2018 Graduation will be held Friday, May 11 and Saturday, May 12, 2018
    - The College will be closed on Monday, May 28, 2018 in observance of Memorial Day
    - Summer Classes begin on Monday, June 4, 2018.

## **Review and Recommend Action on Award of Student Insurance**

Approval to award the student insurance proposals for Voluntary Student Accident Insurance, Student / Faculty Medical Professional Liability Insurance, and Workforce Training Programs Student Accident Insurance is requested as follows:

- **Voluntary Student Accident Insurance:**  
Student Assurance Services, Inc. / Ameritas Life Insurance Corporation for the period beginning August 27, 2018 through August 27, 2019. The student accident insurance limit is \$25,000. The annual cost to students is \$75 per insured person for school coverage or \$160 on a 24-hour basis. The dental coverage is \$8 additional premium. **This is a voluntary product and is paid by students directly to the insurance company, so there is no cost to the College.**
- **Student / Faculty Medical Professional Liability Insurance:**  
Affinity Insurance Services Inc. and C.N.A. American Casualty Company of Reading, PA for the period beginning August 27, 2018 through August 27, 2019. The premium is \$22,278, which is \$10 per student. The recommendation is based on 2,227 students with limits of \$1,000,000 per occurrence / \$5,000,000 aggregate. **The cost for the Medical Professional Liability Insurance is paid by the students enrolled in the Nursing Allied Health and Child Development programs. The College and Faculty are insured parties at no cost to the student or to the College.**
- **Workforce Training Programs Student Accident Insurance:**  
Student Assurance Services / Ameritas Life Insurance Corporation for the period beginning August 27, 2018 through August 27, 2019. The student accident insurance limit is \$25,000. The annual premium is \$2,700 and includes all participants. The Workforce Training premium is based on 680 participants. These participants are enrolled in non-credit Continuing Education Training Programs such as Phlebotomy, Welding, Emergency Care Assistant, Certified Nurse Assistant, Medication Aide, Welding and Building Trades. **This cost is covered by Workforce Solutions Project Grow and Accelerate Texas grants as well as cash paying students.**

The request for proposals was advertised and issued to six (6) vendors. Two (2) responses were received and reviewed by Mr. Raul Cabaza, III, Risk Management Consultant, Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, Frank Jason Gutierrez, Director of Accountability, Risk, & Compliance, Ken Lyons, Risk Manager, and the Purchasing Department.

The recommendation and spreadsheets provided by Mr. Raul Cabaza, III, follows in the packet for your information and review.

The Finance, Audit, and Human Resources Committee will be asked on May 8, 2018 to recommend Board approval of the proposal awards for Voluntary Student Accident Insurance, Student / Faculty Medical Professional Liability Insurance, and Workforce Training Programs Student Accident Insurance as presented.

**Recommendation:**

It is recommended that the Board of Trustees of South Texas College approve and authorize the proposal awards for Voluntary Student Accident Insurance, Student / Faculty Medical Professional Liability Insurance, and Workforce Training Programs Student Accident Insurance as presented.

**The Following Minute Order is proposed for consideration by the Board of Trustees:**

The Board of Trustees approves and authorizes the proposal awards for Voluntary Student Accident Insurance, Student / Faculty Medical Professional Liability Insurance, and Workforce Training Programs Student Accident Insurance as presented.

**Approval Recommended:**

**Shirley A. Reed, M.B.A., Ed.D.**  
**President**

**SHEPARD WALTON KING**  
**INSURANCE GROUP**  
Bob Shepard • Raul Cabaza III • Chris Graham • Josh Fields • Cynthia Cabaza

April 27, 2018

Ms. Mary Elizondo  
Vice President for Finance & Administrative Services  
South Texas College  
PO Box 9701  
McAllen, TX 78501

Re: Voluntary Student Accident Insurance RFP #17-18-1035

Dear Ms. Elizondo:

One proposal was received from Student Assurance Services in response to your request for Voluntary Student Accident Insurance.

**Voluntary Student Accident Insurance**

Student Assurance Services proposed placement of coverage through Ameritas Life Insurance Corp on a primary basis for school time or alternately on a 24-hour basis. The annual premium is \$75 per insured person for school time coverage or \$160 on a 24-hour basis. The dental coverage is \$8 additional premium. The premium is only charged for the first coverage period (school year or semester) for which the student purchases the coverage. Premium is not prorated on a semester basis.

Recommendation:

Student Assurance Services, Inc./Ameritas Life Insurance Corp for the year August 27, 2018 to August 27, 2019. The student accident insurance limit is \$25,000. This is voluntary product, so there is no cost to the College.

Sincerely,



Raul Cabaza III, CIC  
President

**SOUTH TEXAS COLLEGE**  
**Voluntary Student Accident Only Insurance - RFP #17-18-1035**  
**2018-2019**

<b>Voluntary Student Accident Insurance</b>		
	<i>Current Program</i>	<b>Proposed</b>
Proposer:	<i>Student Assurance Services, Inc.</i>	<b>Student Assurance Services, Inc.</b>
Carrier:	<i>Ameritas Life Insurance Corp.</i>	<b>Ameritas Life Insurance Corp.</b>
A.M. Best Rating	<i>A XIV</i>	<b>A XIV</b>
Limits:	<i>\$25,000 Maximum Medical Benefit</i>	<b>\$25,000 Maximum Medical Benefit</b>
Type of Policy:	<i>Primary Basis - will pay benefits regardless of Other Valid Coverage.</i>	<b>Primary Basis - will pay benefits regardless of Other Valid Coverage.</b>
2000 packets for registration	<i>Yes</i>	<b>Yes</b>
School Time Rate (Annual Cost)	<i>\$75 per student</i>	<b>\$75 per student</b>
24-Hour Basis (Annual Cost)	<i>\$160 per student</i>	<b>\$160 per student</b>
Cost for extended dental - \$5,000 Limit	<i>\$8 Stand Alone covg. - Not available</i>	<b>\$8 Stand Alone covg. - Not available</b>
All school sponsored activities?	<i>Yes</i>	<b>Yes</b>

# SHEPARD WALTON KING

## INSURANCE GROUP

Bob Shepard • Raul Cabaza III • Chris Graham • Josh Fields • Cynthia Cabaza

April 27, 2018

Ms. Mary Elizondo  
Vice President for Finance & Administrative Services  
South Texas College  
PO Box 9701  
McAllen, TX 78501

Re: Medical Professional Liability RFP #17-18-1035

Dear Ms. Elizondo:

One proposal was received for Professional Liability coverage

**Medical Professional Liability Insurance:**

Affinity Insurance Services, Inc. offered renewal terms through the current carrier, C.N.A. American Casualty Company of Reading PA with the following options:

Limits:	Premium:	Cost per Student
\$1,000,000/\$5,000,000.	\$22,278.	\$10.003
\$2,000,000/\$5,000,000.	\$27,418.	\$12.31

Basis: 2,227 students

*Coverage Highlights:*

Occurrence Form

Insured includes the College and faculty

Defense Costs (Legal Representation) – Outside the Liability Limits

Deductible -0-

Recommendation:

Affinity Insurance Services Inc. and C.N.A. American Casualty Company of Reading PA for the year August 27, 2018 to August 27, 2019 at an annual premium of \$22,278. The limit is \$1,000,000 per occurrence/\$5,000,000 aggregate. The cost for the medical professional liability insurance is paid by the students enrolled in the allied health and child development programs. The College and faculty are insured parties at no cost to the student or the College.

Sincerely,



Raul Cabaza III, CIC  
President

**SOUTH TEXAS COLLEGE  
Student Insurance 2018-2019**

<b>Student/Faculty Medical Professional Liability</b>			
	<i>Current Program</i>	Recommended Program	Alternate Increased Limits
Proposer:	<i>Affinity Ins Services</i>	<b>Affinity Ins Services</b>	<b>Affinity Ins Services</b>
Carrier:	<i>American Casualty Company of Reading PA (C.N.A.)</i>	<b>American Casualty Company of Reading PA (C.N.A.)</b>	<b>American Casualty Company of Reading PA (C.N.A.)</b>
A.M. Best Rating	<i>A XV</i>	<b>A XV</b>	<b>A XV</b>
Coverage Form:	<i>Occurrence</i>	Occurrence	Occurrence
Limit Per Occurrence:	<i>\$1,000,000</i>	\$1,000,000	\$2,000,000
Aggregate Limit:	<i>\$5,000,000</i>	\$5,000,000	\$5,000,000
Defense Costs:	<i>Outside the Limits</i>	Outside the Limits	Outside the Limits
Deductible:	<i>None</i>	None	None
<b>Annual Premium:</b>	<b>\$22,968</b>	<b>\$22,278</b>	<b>\$27,418</b>
Rate per Student:	<i>2,296 students/Approx. \$10. per participant</i>	2,227 students/Approx. \$10. per participant	2,227 students/Approx. \$12.31 per participant



# SHEPARD WALTON KING

## INSURANCE GROUP

Bob Shepard • Raul Cabaza III • Chris Graham • Josh Fields • Cynthia Cabaza

April 27, 2018

Ms. Mary Elizondo  
Vice President for Finance & Administrative Services  
South Texas College  
PO Box 9701  
McAllen, TX 78501

Re: Workforce Training Programs Student Accident Insurance RFP #17-18-1035

Dear Ms. Elizondo:

One proposal was received from Student Assurance Services.

### **Workforce Training Program- Student Accident Insurance**

Student Assurance Services proposed placement through Ameritas Life Insurance Corporation for students participating in Workforce related programs.

Accident Medical Expense Limit: \$25,000.  
Basis: 680 Rostered Participants

Premium: \$2,700.

#### Recommendation:

Student Assurance Services/Ameritas Life Insurance Corp for the year August 27, 2018 to August 27, 2019. The student accident insurance limit is \$25,000. The annual premium is \$2,700 for all participants.

The Workforce Training premium is based on 680 rostered participants. These participants are enrolled in non-credit Continuing Education Training Programs such as Phlebotomy, Welding, Emergency Care Assistant, Certified Nurse Assistant, Medication Aide, Welding and Building Trades. The cost is covered by Workforce Solutions Project Grow and Accelerate Texas grants as well as cash paying students.

Sincerely,



Raul Cabaza III, CIC  
President

121 W. Pecan / McAllen, Texas 78501 / (956) 682-2841 / Fax (956) 630-4015  
1906-B East Tyler Avenue / Harlingen, Texas 78550 / 956-423-8755 / Fax (956) 428-0730

**SOUTH TEXAS COLLEGE  
2018-2019**

<b>Workforce Training Programs - Student Accident Insurance</b>		
	<i>Current Program</i>	<b>Renewal Program</b>
Proposer:	<i>Student Assurance Services</i>	<b>Student Assurance Services</b>
Carrier:	<i>Ameritas Life Insurance Corp.</i>	<b>Ameritas Life Insurance Corp.</b>
A.M. Best Rating	<i>A XIV</i>	<b>A XIV</b>
WTS - Trade Students - Group Premium:	<i>\$2,700</i>	<b>\$2,700</b>
Basis:	<i>689</i>	<b>680</b>
<b>Schedule of Benefits - Accidental Medical</b>		
<b>Maximum Medical Benefit per Injury</b>	<i>\$25,000 - Excess basis</i>	<i>\$25,000 - Excess basis</i>
<b>Type of Policy:</b>	<i>Secondary to any other Insurance</i>	<i>Secondary to any other Insurance</i>
<b>Deductible Amount:</b>	<i>\$0</i>	<i>\$0</i>
<b>Benefit Period:</b>	<i>52 weeks</i>	<i>52 weeks</i>
<b>1. Inpatient Benefits</b>		
a. Hospital Room & Board	<i>U&amp;C</i>	<i>U&amp;C</i>
b. Intensive Care (in lieu of 1.a.)	<i>U&amp;C</i>	<i>U&amp;C</i>
c. Hospital Miscellaneous Services	<i>U&amp;C</i>	<i>U&amp;C</i>
d. Physicians Non-Surgical Visits (1 a day, not paid day of surgery)	<i>U&amp;C</i>	<i>U&amp;C</i>
e. Physiotherapy (1 visit per day, includes office visits)	<i>U&amp;C</i>	<i>U&amp;C</i>
f. X-ray and Radiology Services	<i>U&amp;C</i>	<i>U&amp;C</i>
g. Registered Nurse (private duty nurse, when ordered by physician)	<i>U&amp;C</i>	<i>U&amp;C</i>
<b>2. Outpatient Surgery Benefits</b>		
a. Day Surgery Charges	<i>U&amp;C</i>	<i>U&amp;C</i>
<b>3. Other Outpatient Benefits</b>		
a. Hospital Emergency Room (including urgent care)	<i>U&amp;C</i>	<i>U&amp;C</i>
b. X-ray Services	<i>U&amp;C</i>	<i>U&amp;C</i>
c. Diagnostic Imaging (Includes CT scans, MRI and bone scans)	<i>U&amp;C</i>	<i>U&amp;C</i>
d. Physician's Non-Surgical Visits (1 a day, not paid day of surgery)	<i>U&amp;C</i>	<i>U&amp;C</i>
e. Physiotherapy (1 visit per day, includes office visits & chiropractic)	<i>U&amp;C</i>	<i>U&amp;C</i>
f. Orthopedic Appliances	<i>U&amp;C</i>	<i>U&amp;C</i>
g. Durable Medical Equipment	<i>U&amp;C</i>	<i>U&amp;C</i>
h. Prescription Drugs	<i>U&amp;C, up to \$50</i>	<i>U&amp;C, up to \$50</i>
i. Ambulance Services (ground)	<i>U&amp;C</i>	<i>U&amp;C</i>
j. Laboratory Services	<i>U&amp;C</i>	<i>U&amp;C</i>
k. Shots and Injections (when administered in physician's office)	<i>U&amp;C</i>	<i>U&amp;C</i>
<b>4. Other Physician Services</b>		
a. Dental Treatment (in lieu of all other medical benefits; including x-rays of sound and natural teeth)	<i>U&amp;C, up to \$250</i>	<i>U&amp;C, up to \$250</i>
b. Physician Surgical Care (inpatient or outpatient)	<i>U&amp;C</i>	<i>U&amp;C</i>
c. Assistant Surgeon (inpatient or outpatient)	<i>25% of Surgeon's Allowance</i>	<i>25% of Surgeon's Allowance</i>
d. Anesthesia Services (inpatient or outpatient)	<i>25% of Surgeon's Allowance</i>	<i>25% of Surgeon's Allowance</i>
e. Physician Consultation (1 visit per day, when referred by attending Physician)	<i>U&amp;C</i>	<i>U&amp;C</i>
<b>5. Motor Vehicle Injury</b>		
	<i>Same as any Injury</i>	<i>Same as any Injury</i>
<b>8. Other Covered Service</b>		
a. Rehabilitation Services (1 visit per day, includes home health care and inpatient skilled nursing)	<i>U&amp;C</i>	<i>U&amp;C</i>

*U&C means Usual & Customary*

## **Discussion and Action as Necessary on Amending Specifications for Solicitation of Property and Casualty Insurance**

Approval to amend the specifications for solicitation of property and casualty insurance is requested.

Mr. Raul Cabaza, III, Risk Management Consultant, will review with the Committee the Request for Proposals for Property, Boiler and Machinery, Crime, General Liability, Automobile, School Board, Cyber, and Foreign Liability in addition to Workers' Compensation Coverage for the policy year beginning September 1, 2018.

Purpose - South Texas College will be soliciting proposals in May for such insurance coverage and is requesting the Committee's direction as to the content and format of the solicitation document and the evaluation process. The Board's participation in the process will help make certain that the desired coverage will be reflected in the final document.

Justification - The intent is to provide a solicitation document that provides as much clarification as possible to potential respondents and for evaluation of proposals by the College and the College's consultant.

The following additional items are listed for discussion by the Finance Committee:

- Specific evaluation criteria will be included in the request for proposals document
- Establishment of a committee comprised of STC staff and the consultant to review responses
- Request proposals for term of policy for the following:
  - Option 1: Provide proposal for a 1-Year Policy for the period from September 1, 2018 to August 31, 2019
  - Option 2: Provide proposal for a 2-Year Policy for the period from September 1, 2018 to August 31, 2020
  - Option 3: Provide proposals for both a 1-Year and a 2-Year Policy for the periods stated in options 1 and 2.

Reviewers – This item has been reviewed by Mr. Raul Cabaza, III, Risk Management Consultant, Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, Frank Jason Gutierrez, Director of Accountability, Risk, & Compliance, Ken Lyons, Risk Manager, the Purchasing Department, and by South Texas College legal counsel.

Background - The College solicits proposals annually after completing updates to its property schedule and completing applications that update enrollment, employee counts, payroll, and human resource activities such as voluntary and involuntary departures.

Enclosed Documents – The Proposed Schedule and the Comparison Matrix follow in the packet for your information and review. The draft Request for Proposals (RFP) to be used in FY 2018 -2019 is provided under separate cover for the Board's review and information.

The Finance, Audit, and Human Resources Committee will be asked on May 8, 2018 to recommend Board approval to amend the specifications for solicitation of property and casualty insurance as presented.

**Recommendation:**

It is recommended that the Board of Trustees of South Texas College approve and authorize amending the specifications for solicitation of property and casualty insurance as presented.

**The Following Minute Order is proposed for consideration by the Board of Trustees:**

The Board of Trustees approves and authorizes amending the specifications for solicitation of property and casualty insurance as presented.

**Approval Recommended:**

**Shirley A. Reed, M.B.A., Ed.D.**  
**President**

## Insurance RFP- Term of Policy for Other Community Colleges and School Districts

Community Colleges	Contract Term	Renewal Option	Renewal Terms
<b>College of the Mainland</b>	One Year	Option to renew for two additional one-year terms	A two and three year fixed rates program were requested on the RFP for consideration. They rely on their consultant that monitors the market conditions. Most changes are due to the increase in property values and mostly economic conditions.
<b>Collin College</b>	One Year	Option to renew for four additional one-year terms	Collin College may consider quotes with multi-year rate guarantees or rate caps for renewal periods in one (1) year terms, based on fiscal year funding or appropriations, existing terms, conditions, quality of service, and competitive prices. They request pricing from the provider and take it to the Board for approval.
<b>Blinn College</b>	One Year	Option to renew for four additional one-year terms	Renewal issued if service is satisfactory and both parties agree upon renewal terms. They go out to bid every other year because normally there is no change.
<b>Houston Community College</b>	18 Months	Option to renew for five additional one-year terms	
<b>McLennan Community College</b>	One Year	Option to renew for six additional one-years terms	Assuming no additional coverage is requested or major claim is made, annual premiums for policy renewal shall be capped at a maximum of 4% per year. Proposals for lower percentage caps are encouraged and will be considered total long term cost of services.
<b>Tarrant County College District</b>	One Year	Option to renew for two additional one-year terms	
<b>Tyler Junior College</b>	One Year	Option to renew for two additional one-year terms	They base the renewal on the end-user's recommendation. They have only had one response in the last few years.
<b>Weatherford College</b>	Five Years	Option to renew for five additional one-year terms	Total term 10 years

School Districts	Contract Term	Renewal Option	Renewal Terms
<b>PSJA ISD</b>	One Year	Option to renew for two additional one-year terms	Based on Board of Trustees review
<b>Harlingen ISD</b>	One Year	Option to renew for two additional one-year terms	Total 3 Year term
<b>Los Fresnos ISD</b>	One Year	Option to renew for an additional year	Option to renew if premium is +- 3-5% per prior year premium. Option to rebid if premium is greater than 5%.

## South Texas College Insurance RFP Proposed Timeline

Advertise	Board Meeting	Renewal Terms
Advertise May 9th and May 16th  Due May 31st	Review and recommend at the June 12th Finance and award at the June 26th Board of Trustees meeting	Send out RFP on May 9th and due May 31st which would allow Raul Cabaza one week to review and provide his recommendations at the June 12 Finance meeting

## **Deliberation and Action as Necessary Regarding the Assessment of the College President and the Self-Assessment of the Board of Trustees**

Approval to conduct the assessment of the College President and the self-assessment of the Board of Trustees by the Trustees was granted by the Board on February 27, 2018.

The evaluations were distributed with addressed, postage-paid envelopes to the Board Members and were returned to Dr. Alejo Salinas, Jr., Board Chair.

Dr. Salinas is asked to review and discuss the results of the assessments with the Board of Trustees, and to take action to accept the results of the assessments as necessary.

### **Recommendation:**

It is recommended that the Board of Trustees of South Texas College accept the results of the assessment of the College President and the self-assessment of the Board of Trustees, as conducted by the Board of Trustees.

### **The following Minute Order is proposed for consideration by the Board of Trustees:**

The Board of Trustees of South Texas College accepts the results of the assessment of the College President and the self-assessment of the Board of Trustees, as conducted by the Board of Trustees.

### **Approval Recommended:**

**Shirley A. Reed, M.B.A., Ed.D.**  
**President**

## **Announcements**

A. Next Meetings:

Tuesday, May 22, 2018

➤ 5:30 p.m. – Regular Board Meeting

B. Other Announcements:

- Spring 2018 Graduation will be held Friday, May 11 and Saturday, May 12, 2018
- The College will be closed on Monday, May 28, 2018 in observance of Memorial Day
- Summer Classes begin on Monday, June 4, 2018.