



**SOUTH TEXAS
COLLEGE**

**Board of Trustees
Regular Board Meeting**

**Tuesday, July 23, 2019
5:30 p.m.**

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

Online Board Packet

**SOUTH TEXAS COLLEGE
BOARD OF TRUSTEES REGULAR MEETING
Tuesday, July 23, 2019 @ 5:30 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. Invocation**
- IV. Public Comments**
- V. Presentations 1 - 38**
 - A. Presentation of Donation to Valley Scholars Program by BBVA
 - B. Presentation on the Starr County Economic Development Summit
 - C. Presentation of the Texas Higher Education Coordinating Board Report on the Fiscal Year 2018 Financial Condition Analysis of Texas Public Community College Districts
- VI. Consideration and Action on Consent Agenda**
 - A. Approval of Board Meeting Minutes 39 - 66
 - 1. June 25, 2019 Regular Board Meeting
 - B. Approval and Authorization to Accept Grant Awards and Agreements... 67 - 68
 - 1) John G. and Marie Stella Kenedy Memorial Foundation, Scholarship Funds in the amount of \$15,000
 - 2) Texas Higher Education Coordinating Board, Carl D. Perkins State Leadership, Advancing Completion and Employment in Information Technology (ACE-IT) Grant in the amount of \$196,145
 - 3) Additional Grant(s) Received/Pending Official Award
- VII. Consideration and Action on Non-Committee Items**
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 - A. Presentation on the South Texas College Library Services 2018 Annual Report Highlights
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 - 2) Childcare Services (Award)
 - 3) Library Serials (Award)
 - 4) Purchase of Audio Visual Equipment (Award)
 - 5) Purchase of Audio Visual Equipment II (Award)
 - B. Purchases and Renewals
 - B-a. Instructional Items
 - 6) Instructional Equipment (Purchase)
 - 7) Library Materials (Renewal)
 - 8) Science Laboratory Supplies (Renewal)
 - B-b. Non-Instructional Items
 - 9) Mail Services (Renewal)

10)Rental of Storage Facilities (Renewal)

B-c. Technology

11)Student Enrollment Management System Agreement (Renewal)

B. Interlocal Agreements

12)Clinical Education Facilities Agreement (Interlocal Agreement)

13)Training Services Agreement (Interlocal Agreement)

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A. Next Meetings:	
• <u>Tuesday, August 13, 2019</u>	
➤ 3:30 p.m. – Education and Workforce Development Committee	
➤ 4:30 p.m. – Facilities Committee	
➤ 5:30 p.m. – Finance, Audit, and Human Resources Committee	
• <u>Tuesday, August 27, 2019</u>	
➤ 5:30 p.m. – Regular Board Meeting	

Presentations

1. Presentation of Donation to Valley Scholars Program by BBVA

BBVA has provided a generous donation of \$5,000 for the Valley Scholars Program.

Ms. Gina Lobato, BBVA Senior Vice President and Deposit Relationship Manager, and Robert Rosell, BBVA Vice President and Community Relations Officer – Texas Border Region, will attend the Board meeting to formally present this donation to the Board on behalf of the Valley Scholars Program.

2. Presentation on the Starr County Economic Development Summit

The Starr County Industrial Foundation (SCIF) partnered with South Texas College, and was supported by funding from the U.S. Economic Development Administration (EDA), to develop a plan for economic growth and prosperity for Starr County.

On Friday, July 12, 2019, SCIF and the College jointly hosted the Starr County Economic Development Summit, bringing together higher education, government, and private sector leaders to create a roadmap for the development and implementation of these opportunities.

The Summit included a series of panels addressing key issues in infrastructure, healthcare, workforce, education, economic development, and industry.

The Summit represented the final in a series of forums conducted throughout the county, which collectively served to gather vital data on the areas strengths and opportunities, as well as the challenges.

The next step is a digital asset mapping process, which will improve recruitment of expansion opportunities that build toward regional prosperity.

Ms. Rose Benavidez serves as the President of the Starr County Industrial Foundation and the Vice Chair of the South Texas College Board of Trustees, and will speak a few words on the Summit, and the future in Starr County.

3. Presentation of the Texas Higher Education Coordinating Board Report on the Fiscal Year 2018 Financial Condition Analysis of Texas Public Community College Districts

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, will review the Texas Higher Education Coordinating Board Report on the Fiscal Year 2018 Financial Condition Analysis of Texas Public Community College Districts.

Background - The Texas Higher Education Coordinating Board collects financial documents for Texas Public Institutions of higher education, including community colleges. The Texas Higher Education Coordinating Board's annual report on the financial condition of the state's community colleges is required as referenced in the General Appropriations Act, House Bill 1 (H.B. 1), 85th Texas Legislature, Section 13 (page III-211). The rider states the following:

"Each community college shall provide to the Texas Higher Education Coordinating Board financial data related to the operation of each community college using the specific content and format prescribed by the Coordinating Board. Each community college shall provide the report no later than January 1st of each year.

The Coordinating Board shall provide an annual report due on May 1 to the Legislative Budget Board and Governor's Office about the financial condition of the state's community college districts."

With the implementation of Governmental Accounting Standards Board (GASB) pronouncements 68 and 75, community college districts experienced significant turbulence in the financial condition metrics for Fiscal Year FY 2015 and FY 2018. Statements 68 and 75 are summarized below:

GASB 68 Summary

"The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency."

GASB 75 Summary

"The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency."

To create additional transparency, the GASB 68 and 75 implementation transferred pension and other post-employment benefit (OPEB) liability from the state-level financial statements of the Teachers Retirement System (TRS) and Employers Retirement System (ERS) to the individual financial statements of the institutions. This transfer increased the visibility of pension and OPEB liability at the community college district level. The overall effect to statewide financial ratios and to the financial condition of community college districts was substantial.

For the purpose of this report, the implementation of GASB 68 and 75 have been removed from the calculation of these metrics for FY 2018, based on the updated KPMG report¹.

Justification - The objective of this report is to provide an assessment of the overall financial health of public community colleges and to identify institutions in which the potential for financial stress exists.

Enclosed Documents - The PowerPoint presentation and a copy of the report follows in the packet for the Board's review and discussion.

The presentations are for the Board's information, and no action is requested.

Texas Higher Education Coordinating Board

Financial Condition Analysis of Texas Public Community College Districts

FY 2018

Presented by: Mary Elizondo, MBA, CPA, CFE, CGMA
Vice President for Finance & Administrative Services
May 2019

Executive Summary

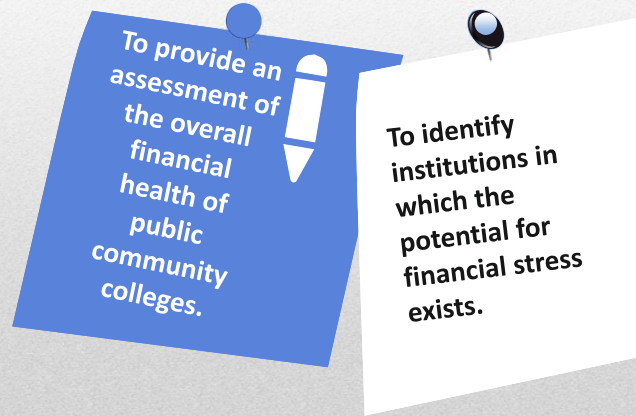
General Appropriation Act For The 2018-19 Biennium,
House Bill 1 (HB 1) 85th Texas Legislature, Section 13



Community colleges shall provide a financial report to the Texas Higher Education Coordinating Board (THECB) by January 1st of each year.

THECB shall provide an annual report to the Legislative Budget Board and Governor's Office by May 1st about the financial condition of the State's Community College Districts.

Objective of Report



Ratios Calculated

- Composite Financial Index (CFI)
 - Primary Reserve Ratio
 - Viability Ratio
 - Return on Net Position
 - Operating Margin
- Equity Ratio
- Leverage Ratio

Composite Financial Index (CFI)

CFI blends four core financial ratios into one metric:

- 1 **Primary Reserve Ratio** → How long can the institution survive without additional net position generated by operating revenue?
- 2 **Viability Ratio** → How much of their debt can the institution pay off with existing resources?
- 3 **Return on Net Position** → Are they better off financially than they were a year ago?
- 4 **Operating Margin** → Did they balance operating expenses with available revenue?

Additional Indicators

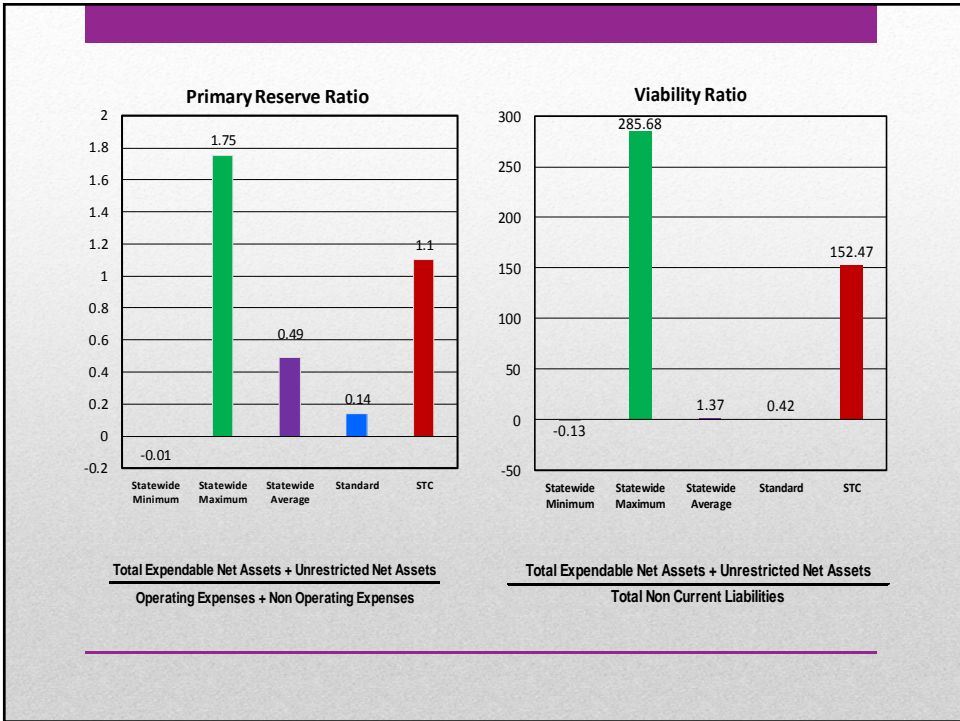
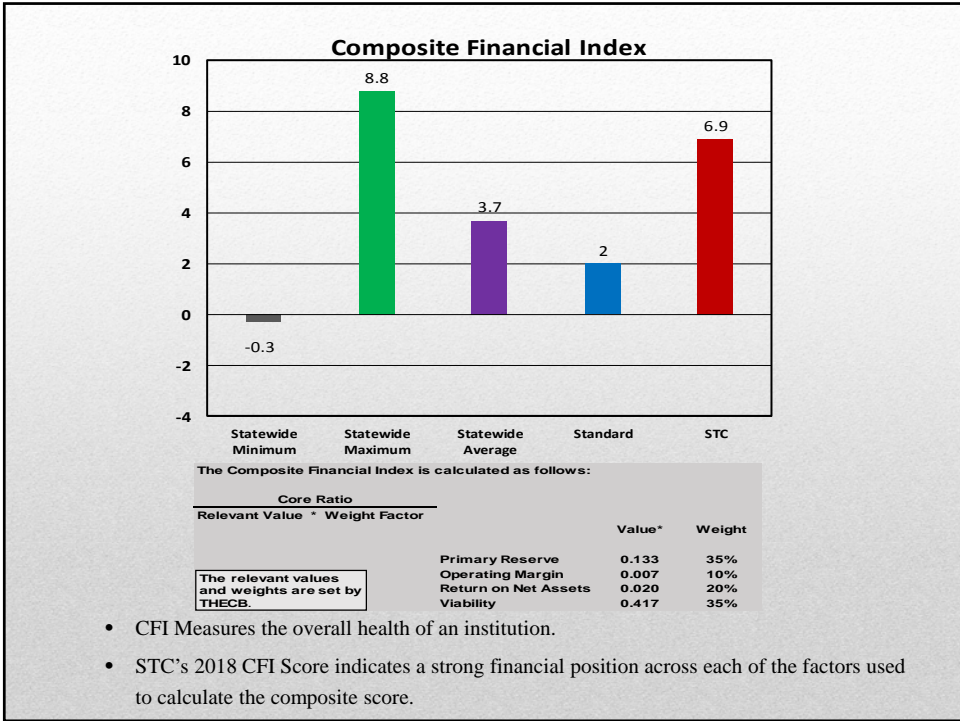
- 1 **Equity Ratio** → Measures capital resources available and the college's ability to borrow
- 2 **Leverage Ratio** → Provides an indication of the amount of debt interest and principal the institution must absorb into the future relative to existing resources

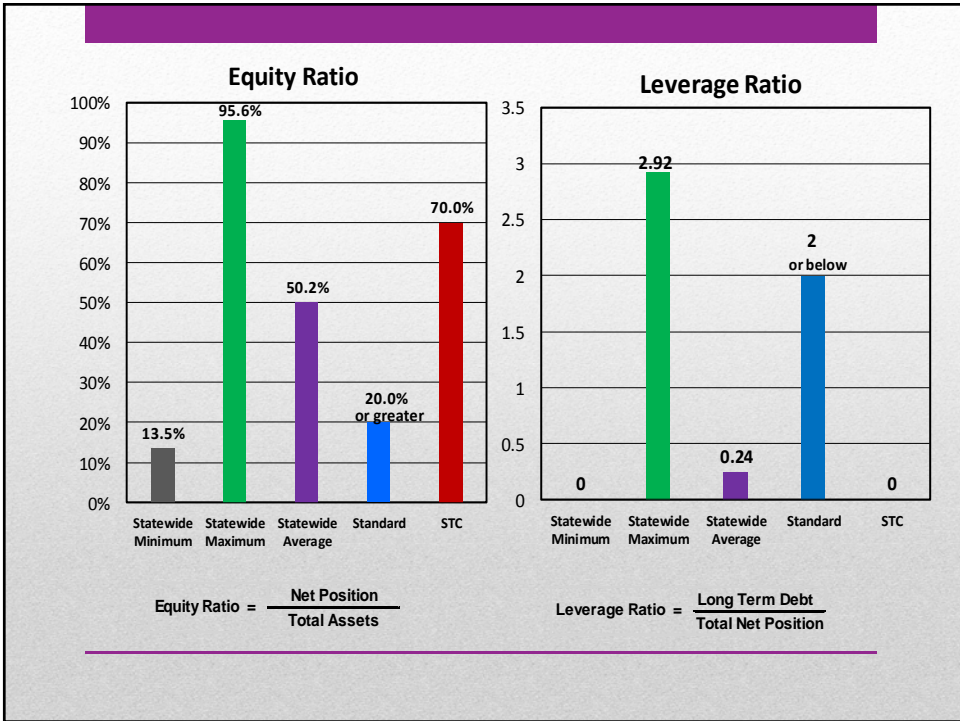
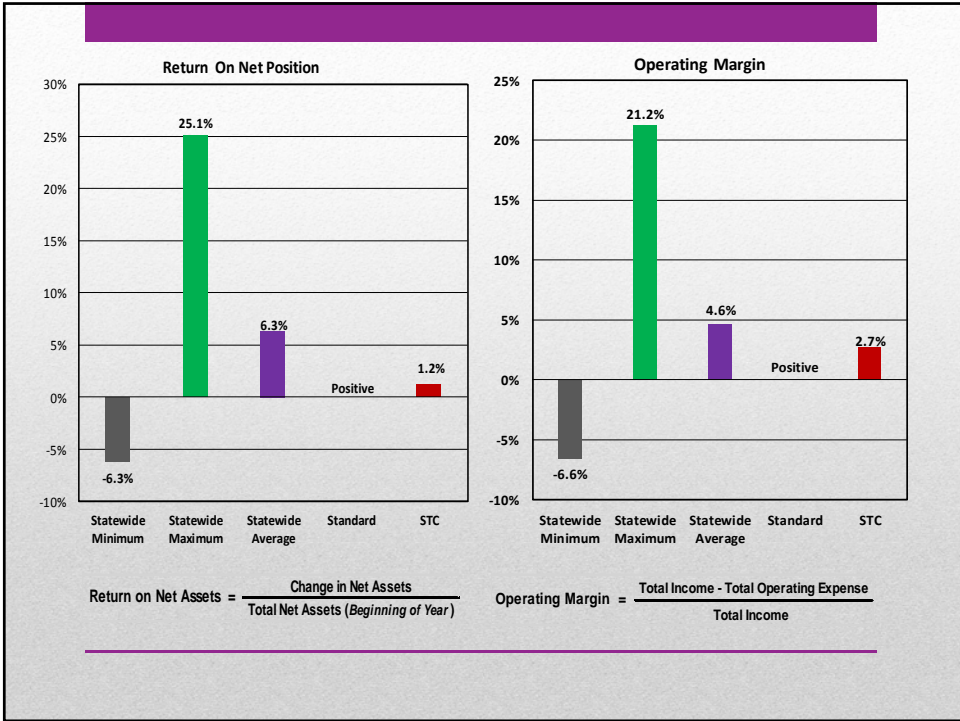
GASB 68 and 75 Implementation

- For FY 2018, the implementation of GASB 68 (pension liability) and GASB 75 (other post-employment benefit) have been removed from the calculation of these metrics based on the update to *the 7th Edition of the Strategic Financial Analysis in Higher Education, Summer 2016*, published by KPMG.

Factors Affecting Fiscal Year 2018 Financial Condition Metrics

- Fund Balance comprised of M&O carried-over from FY 2016 – 2017 to cover the cost of furniture, fixture, and equipment for bond 2013 facilities.





Financial Condition Conclusion

- For Fiscal year 2018, South Texas College met all seven financial conditions and has no indication of financial stress.

Financial Condition Analysis of Texas Public Community College Districts FY 2018

Questions ?

Appendix A: Composite Financial Index, Core Financial, and Other Financial Ratios

Fiscal Year 2018 General Obligation Bond Debt Excluded

Financial Stress Indicators	District	Composite Financial Index	Return on Net Position	Operating Margin	Primary Reserve	Viability Ratio	Equity Ratio	Leverage Ratio
● 1	Alamo	1.9	8.6%	0.3%	0.23	0.46	34.4%	0.42
● 0	Alvin	4.8	7.0%	0.3%	0.21	99.67	38.3%	0.00
● 1	Amarillo	4.6	4.8%	(2.7%)	0.37	4.54	56.4%	0.04
● 0	Angelina	6.6	9.2%	6.5%	0.49	66.52	70.5%	0.00
▲ 3	Austin	3.7	25.1%	9.2%	0.22	0.17	13.5%	2.92
● 0	Blinn	4.0	11.4%	13.6%	0.49	0.74	54.5%	0.48
● 0	Brazosport	3.7	8.6%	10.9%	0.35	1.05	39.7%	0.09
● 0	Central Texas	6.3	1.3%	2.6%	0.87	80.18	84.6%	0.00
● 0	Cisco	2.2	6.5%	3.5%	0.18	0.66	57.3%	0.41
▲ 3	Clarendon	(0.2)	(6.3%)	(6.6%)	0.16	0.48	68.1%	0.03
● 0	Coastal Bend	3.6	14.0%	4.9%	0.25	1.05	56.9%	0.26
▲ 3	College Of The Mainland	1.2	(0.5%)	(0.4%)	0.26	0.75	50.2%	0.00
● 0	Collin	8.7	6.5%	17.7%	1.75	285.68	65.4%	0.00
● 0	Dallas	6.6	8.9%	3.6%	0.63	64.60	67.5%	0.00
● 0	Del Mar	4.6	8.4%	2.5%	0.45	2.66	34.6%	0.00
● 0	El Paso	3.9	8.4%	9.9%	0.57	0.71	47.7%	0.70
◆ 4	Frank Phillips	(0.3)	0.4%	(1.2%)	(0.01)	(0.13)	74.8%	0.05
● 0	Galveston	6.5	4.1%	5.1%	0.71	57.30	91.9%	0.00
● 0	Grayson	6.7	9.0%	6.5%	0.77	3.36	61.4%	0.08
● 0	Hill	5.4	2.5%	3.2%	0.44	127.56	86.0%	0.00
● 0	Houston	2.6	4.2%	3.5%	0.45	0.63	37.8%	0.57
● 0	Howard	3.5	3.7%	3.9%	0.53	1.45	63.0%	0.24
● 1	Kilgore	4.3	0.3%	(1.6%)	0.37	27.67	92.3%	0.01
● 0	Laredo	5.1	20.9%	11.9%	0.59	0.59	25.5%	1.08
● 1	Lee	2.2	7.8%	(2.2%)	0.37	0.98	39.9%	0.33
● 1	Lone Star	2.6	18.7%	0.2%	0.14	0.37	28.4%	0.29
▲ 2	McLennan	1.9	3.8%	(1.2%)	0.21	1.32	41.0%	0.19
● 0	Midland	6.1	4.5%	7.9%	0.64	3.59	74.1%	0.08
● 1	Navarro	1.9	2.1%	2.8%	0.27	0.70	57.0%	0.30
● 1	North Central Texas	4.5	1.8%	(0.0%)	0.30	6.38	67.5%	0.05
◆ 4	Northeast Texas	0.3	0.2%	(6.2%)	0.13	0.38	26.4%	0.47
● 0	Odessa	7.6	16.1%	11.0%	0.59	4.10	46.3%	0.10
● 0	Panola	7.7	10.2%	10.2%	0.82	47.30	57.6%	0.00
● 0	Paris	5.4	5.4%	12.6%	0.83	2.03	72.1%	0.22
● 1	Ranger	3.1	13.1%	6.1%	0.28	0.27	32.0%	1.54
▲ 2	San Jacinto	1.7	1.9%	(3.9%)	0.29	1.42	28.1%	0.25
● 0	South Plains	3.7	11.4%	9.5%	0.27	1.01	63.9%	0.26
● 0	South Texas	6.9	1.2%	2.7%	1.10	152.47	70.0%	0.00
▲ 2	Southwest Texas	2.2	8.9%	5.3%	0.13	0.22	36.9%	1.21
● 0	Tarrant	6.6	3.0%	7.4%	0.69	66.55	95.6%	0.00
● 1	Temple	2.9	1.9%	(2.0%)	0.52	1.97	51.2%	0.22
● 0	Texarkana	5.2	2.9%	2.5%	0.40	4.88	76.2%	0.00
● 1	Texas Southmost	7.2	2.0%	(0.1%)	1.32	4.24	67.6%	0.08
● 0	Trinity Valley	5.1	6.3%	7.7%	0.38	2.92	85.0%	0.08
◆ 4	Tyler	0.6	(0.1%)	2.2%	0.08	0.11	40.7%	0.70
● 0	Vernon	2.3	6.3%	5.1%	0.18	0.54	55.2%	0.43
● 1	Victoria	4.0	2.7%	(3.3%)	0.24	100.00	57.0%	0.00
● 0	Weatherford	8.8	16.7%	21.2%	1.06	4.00	73.3%	0.15
● 0	Western Texas	5.1	8.3%	17.6%	0.92	0.96	58.1%	0.52
● 0	Wharton	5.1	0.7%	0.7%	0.54	19.64	81.0%	0.02
● 0	Statewide	3.7	6.3%	4.6%	0.49	1.37	50.2%	0.24

Bold fonts indicate ratios that do not meet the state standard.

- Zero to one financial stress indicators, which indicates no financial stress.
- ▲ Two to three financial stress indicators, which indicates little to moderate financial stress.
- ◆ Four to seven financial stress indicators, which indicates financial stress.

Financial Condition Analysis of Texas Public Community College Districts

March 2019

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Texas Higher Education Coordinating Board

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Raymund A. Paredes, COMMISSIONER OF HIGHER EDUCATION

Agency Mission

The mission of the Texas Higher Education Coordinating Board is to provide leadership and coordination for Texas higher education and to promote access, affordability, quality, success, and cost efficiency through *60x30TX*, resulting in a globally competitive workforce that positions Texas as an international leader.

Agency Vision

The THECB will be recognized as an international leader in developing and implementing innovative higher education policy to accomplish our mission.

Agency Philosophy

The THECB will promote access to and success in quality higher education across the state with the conviction that access and success without quality is mediocrity and that quality without access and success is unacceptable.

The Coordinating Board's core values are:

Accountability: We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.

Efficiency: We accomplish our work using resources in the most effective manner.

Collaboration: We develop partnerships that result in student success and a highly qualified, globally competitive workforce.

Excellence: We strive for excellence in all our endeavors.

The Texas Higher Education Coordinating Board does not discriminate on the basis of race, color, national origin, gender, religion, age or disability in employment or the provision of services.

Please cite this report as follows: Texas Higher Education Coordinating Board. (2019). Financial condition analysis of Texas public community college districts. Austin, TX.

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Executive Summary

An annual report about the financial condition of the state's community colleges is required by a rider in Senate Bill 1, General Appropriations Act (Section 12, page III- 217), 85th Texas Legislature (See Appendix B). The objective of the report, and the accompanying Excel workbook, is to provide an assessment of the overall financial health of public community colleges and to identify the potential for financial stress at specific community colleges.

This analysis is intended to be a broad financial evaluation. Other key performance indicators must be taken into account to gain a more robust and complete understanding of institutional strength. This analysis is not intended for peer-group comparisons or for benchmarking purposes.

With the implementation of Governmental Accounting Standards Board (GASB) pronouncements 68 and 75, community college districts experienced significant turbulence in the financial condition metrics for Fiscal Year (FY) 2015 and (FY) 2018. Statements 68 and 75 are summarized below:

GASB 68 Summary

"The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency."

GASB 75 Summary

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To create additional transparency, the GASB 68 and 75 implementation transferred pension and other post-employment benefit (OPEB) liability from the state-level financial statements of the Teachers Retirement System (TRS) and Employers Retirement System (ERS) to the individual financial statements of the institutions. This transfer increased the visibility of pension and OPEB liability at the community college district level. The overall effect to statewide financial ratios and to the financial condition of community college districts was substantial.

Ratios referenced in this report are commonly used by external entities to measure the health of higher education institutions. A Composite Financial Index (CFI) has been calculated to provide one metric to efficiently analyze the financial health of all districts. Other ratios used in this analysis include an equity ratio and a leverage ratio. For the purpose of this report, the implementation of GASB 68 and 75 have been removed from the calculation of these metrics for (FY) 2018, based on the updated KPMG report¹.

¹ For more information, see *Strategic financial analysis for higher education*, 7th edition, KPMG, Prager, Sealy & Co., Bearing Point, summer 2016.

Overview

There are 50 public community college districts in Texas, the oldest dating back to 1869. They are locally controlled governmental entities established via an election process.

State statute specifies that newly created districts must have 15,000 secondary students and a minimum assessed property valuation of \$2.5 billion. Seven of the existing districts do not currently meet that standard.

To a significant degree, local control enables districts to determine their own financial destiny. State law and rules of the Texas Higher Education Coordinating Board (THECB or Coordinating Board) impose some limitations, but local autonomy and demographics account for much of the variation in resource allocation and revenue collection².

Community college districts have four primary funding sources: state formula funding, local property tax revenue, tuition and fee revenue, and other income that is largely from federal funds. Although some districts have endowments, they are more commonly found in universities. Revenue from endowments is most often used for tuition assistance, as opposed to operations.

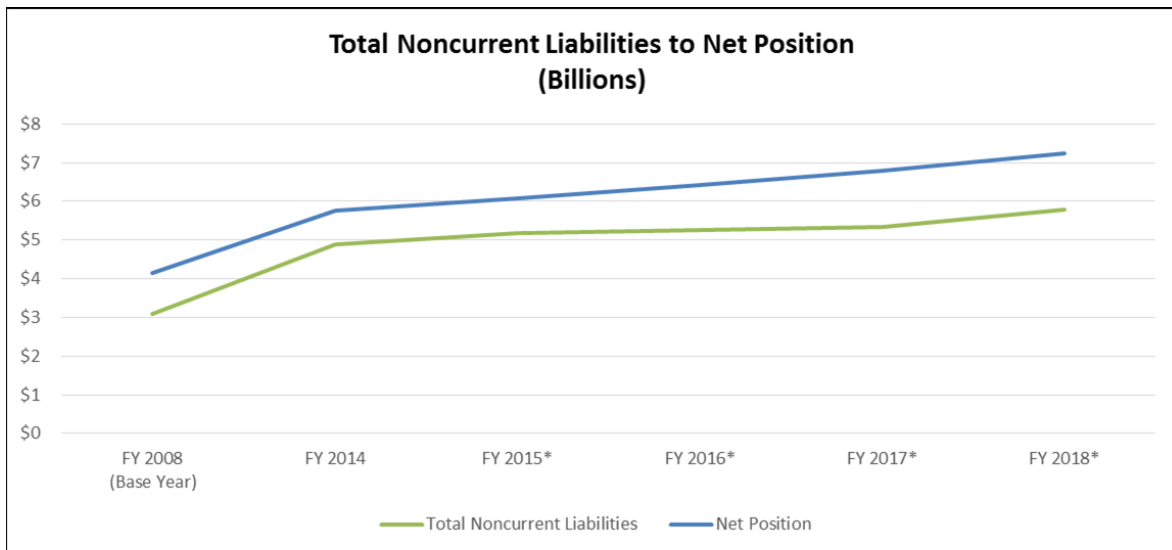
² Texas Research League, *Bench marks for community and junior colleges in Texas*, August 1993.

Noncurrent Liabilities to Net Position Comparison

There are two financial components considered in analyzing the financial condition of Texas community colleges. A comparison of an institution’s noncurrent liabilities or long-term debt to its cash or net position are instrumental in determining an institution’s financial condition.

The year-to-year comparison in figure 1 shows total noncurrent liabilities to net position. The graph does not include the impacts of GASB 68 and 75 implementation for FY 2018. Total noncurrent liabilities have increased \$2.72 billion since FY 2008. Most of the increase is due to the issuance of general obligation (GO) bonds by the institutions. For FY 2018, the total noncurrent liabilities for Texas public community colleges was \$5.80 billion. Overall, Texas public community colleges are managing the growth they have experienced. Net position has increased \$3.09 billion since FY 2008, to \$7.23 billion in FY 2018.

Figure 1. Comparison of statewide noncurrent liabilities to net position of Texas public community colleges.



*Without GASB 68 and 75 implementation.

Financial Ratio	FY 2008	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
Total Noncurrent Liabilities	\$3.08	\$4.88	\$5.17	\$5.26	\$5.34	\$5.80
Net Position	\$4.14	\$5.77	\$6.08	\$6.42	\$6.80	\$7.23

Financial Analysis in Higher Education³

The concept of using selected indicators, such as ratios, during the course of financial analysis dates back to at least 1980. Financial analysis can measure success against institutional objectives and provide useful information that can form a basis for sound planning.

The overall financial health of an institution can be assessed via two dimensions of inquiry. First, is the institution financially capable of successfully carrying out its current programs? Second, is the institution able to carry out its intended programs well into the future?

Along with these two dimensions, four key financial questions need to be asked:

- Are resources sufficient and flexible enough to support the mission?
- Are resources, including debt, managed strategically to advance the mission?
- Does asset performance and management support the strategic direction?
- Do operating results indicate the institution is living within available resources?

A widely accepted metric called the Composite Financial Index (CFI) is often used to address these four key questions. The index was developed over time by a consortium of consulting companies led by KPMG and introduced in 1999. Many institutions, including the U.S. Department of Education, the State of Ohio Board of Regents, credit-rating agencies, and countless institutions of higher education, employ the index or similar approaches.

The CFI blends four core financial ratios into one metric, providing a more balanced view of an institution's finances since weakness in one measure can be offset by strength in another. Additionally, measuring the index over time provides a glimpse of the progress institutions are making toward achieving financial goals.

The Coordinating Board has been calculating the CFI and sharing related data with community college districts since 2007.

The CFI includes the following four core ratios: Primary Reserve, Viability, Return on Net Position, and Operating Margin.

³ For more information, see *Strategic financial analysis for higher education*, 6th edition, KPMG, Prager, Sealy & Co., Bearing Point, 2005.

Metrics Used in This Report

This report uses a Composite Financial Index (CFI) to provide one metric to efficiently analyze the financial health of all Texas community college districts. Other metrics used in this analysis include an equity ratio and a leverage ratio.

The threshold for the CFI was established by considering the original work conducted by KPMG in creating the index and industry practice. Using the CFI is the single best method to assess overall financial condition. While variability exists in the statewide CFI when looking at a year-to-year comparison, the overall financial condition of public community colleges improved in the four years prior to 2015, with the statewide CFI increasing from 3.0 in FY 2011 to 3.3 in FY 2014. FY 2018 has demonstrated an improvement statewide with 2018 achieving a CFI index of 3.7.

Composite Financial Index

The composite financial index (CFI) measures the overall health of an institution by combining four ratios into a single metric. The four core ratios used in the CFI include return on net position, operating margin, primary reserve, and viability ratio.

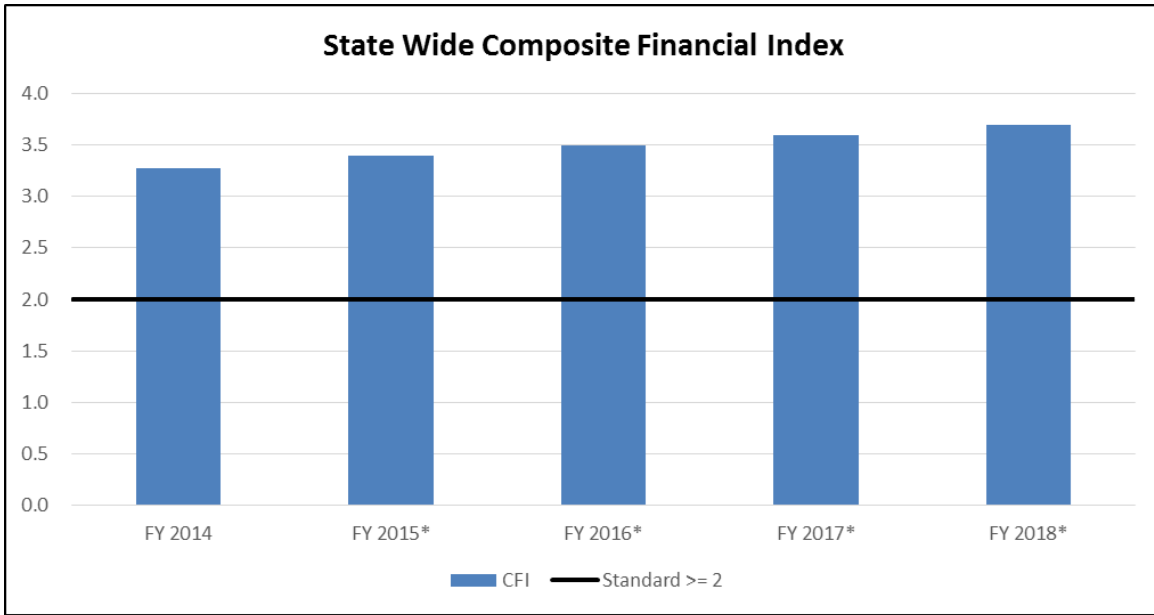
Calculation – The CFI is computed using a four-step methodology:

1. Computing the values of the core ratios
2. Calculating strength factors by dividing the core ratios by threshold values
3. Multiplying the factors by specific weights
4. Totaling the resulting scores to obtain the Composite Financial Index

<i>Core Ratio</i>	<i>Value</i>	<i>Strength Factor</i>	<i>Weight</i>	<i>Score</i>
Return on Net Position /	0.02 =	Factor	X 20%	= Score
Operating Margin /	0.007 =	Factor	X 10%	= Score
Primary Reserve /	0.133 =	Factor	X 35%	= Score
Viability Ratio /	0.417 =	Factor	X 35%	= Score
Composite Financial Index =				<u>Total Score</u>

Results – The 2018 combined CFI for public community colleges is 3.7, which is an increase from 3.6 in 2017 and exceeds the statewide standard of 2.0 or greater. The standard was met by 41 of the 50 districts. CFI numbers generally range from 0.0 to 10.0, although it is possible to have a CFI higher than 10.0 or below zero. A year-to-year comparison of statewide CFI can be seen in figure 2 on the following page.

Figure 2. A year-to-year comparison of the Texas public community colleges composite financial index.



*Without GASB 68 and 75 implementation.

Financial Ratio	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
CFI	3.3	3.4	3.5	3.6	3.7
Standard >= 2	2.0	2.0	2.0	2.0	2.0

Financial Ratios

Primary Reserve Ratio

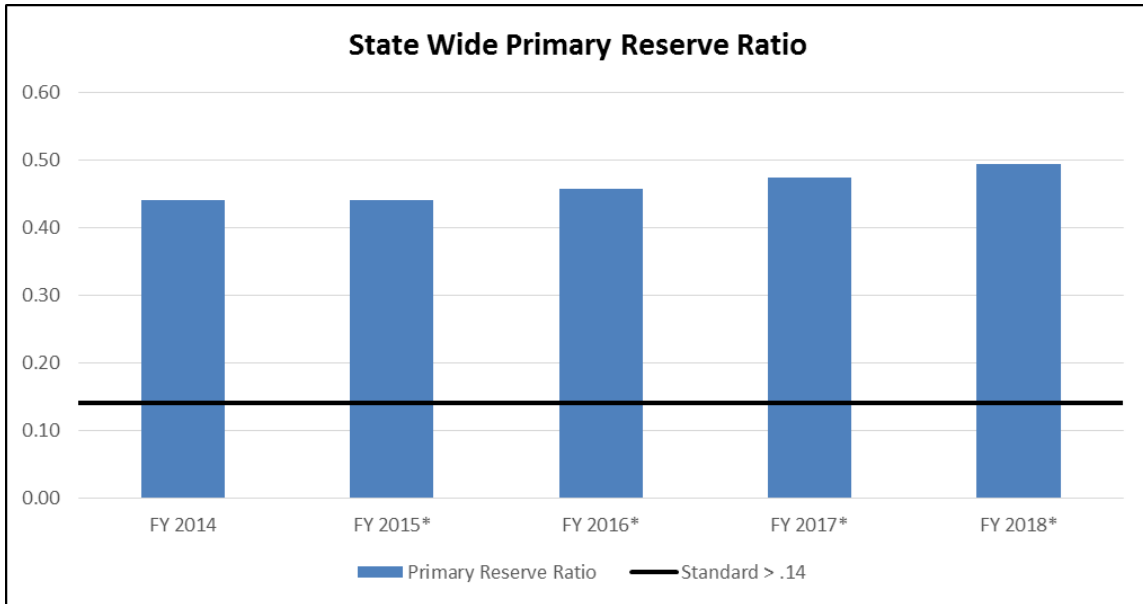
The primary reserve ratio measures financial strength and flexibility by comparing expendable net position to total expenses, as expressed in figure 3. This measure answers the question, "How long can the institution survive without additional net position generated by operating revenue?"

Calculation – Total expendable net position + unrestricted net position / operating expenses + interest expense on debt.*

*Interest expense on debt includes all debt, both tax and other revenue supported.

Results – The 2018 statewide ratio for public community colleges is .49, which is an increase from .47 in 2017. A ratio of 0.14 or greater is the standard used in this report. The standard was met by 46 of the 50 districts.

Figure 3. A year-to-year comparison of the Texas public community colleges primary reserve ratio.



*Without GASB 68 and 75 implementation.

Financial Ratio	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
Primary Reserve Ratio	0.44	0.44	0.46	0.47	0.49
Standard > .14	0.14	0.14	0.14	0.14	0.14

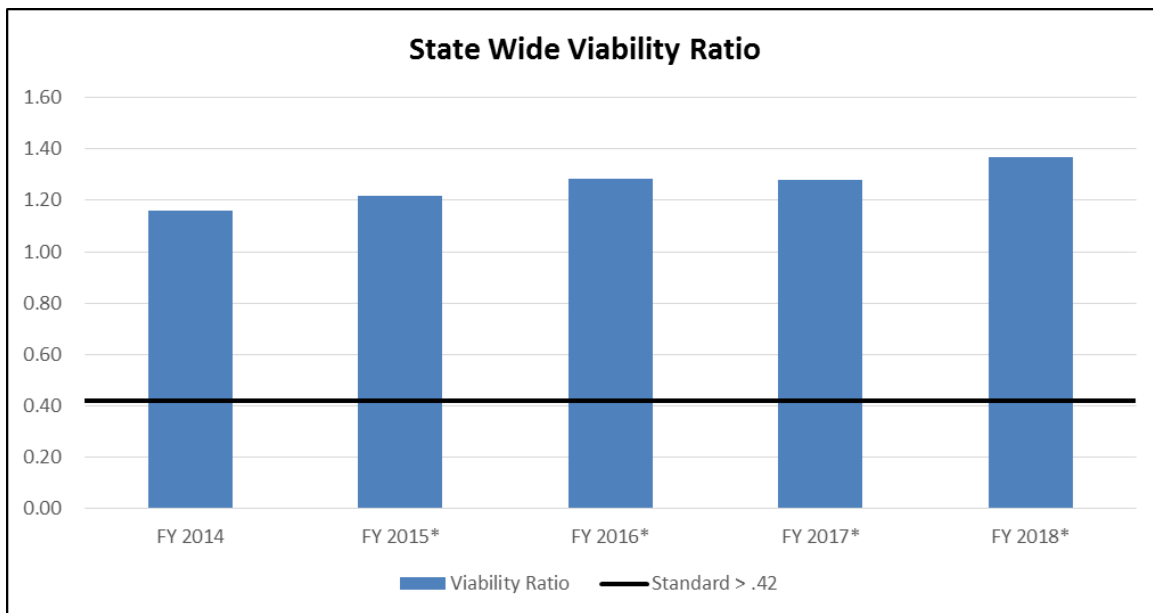
Viability Ratio

The viability ratio measures the financial health of the institution by comparing total expendable net position to total noncurrent liabilities, as expressed in figure 4. This ratio is similar to a coverage ratio used in the private sector to indicate the ability of an organization to cover its long-term debt and answers the question, "How much of the debt can the institution pay off with existing resources?"

Calculation – Total expendable net position + unrestricted net position / noncurrent liabilities, excluding general obligation (GO) debt.

Results – The 2018 statewide ratio for public community colleges is 1.37, which is an increase from 1.28 in 2017. A ratio of 0.42 or greater is the state standard, which was met by 43 of the 50 districts.

Figure 4. A year-to-year comparison of the Texas public community colleges statewide viability ratio.



*Without GASB 68 and 75 implementation.

Financial Ratio	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
Viability Ratio	1.16	1.22	1.28	1.28	1.37
Standard > .42	0.42	0.42	0.42	0.42	0.42

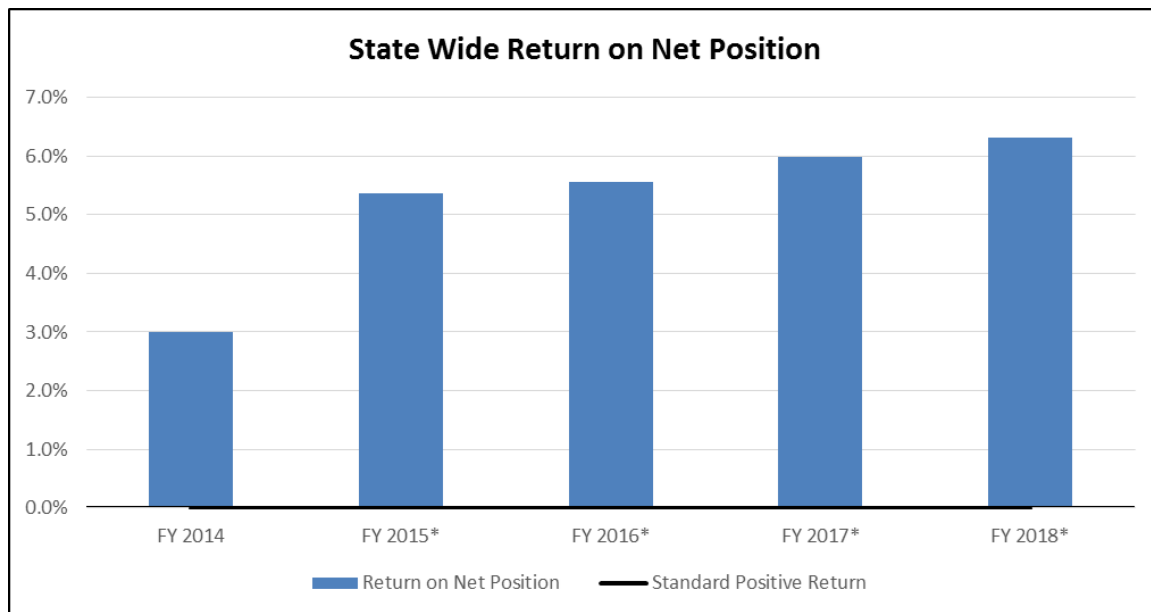
Return on Net Position

Return on net position measures total economic return during the fiscal year, as expressed in figure 5. This measure is similar to the return on equity ratio used in examining for-profit concerns and answers the question, "Is the institution better off financially than it was a year ago?"

Calculation – Change in net position / Total net position (beginning of year)

Results – The 2018 statewide ratio for public community colleges is 6.3 percent, which is an increase from 6.0 percent in 2017. A positive return is the standard used in this report and this standard was met by 47 of the 50 districts.

Figure 5. A year-to-year comparison of the Texas public community colleges statewide net position.



*With GASB 68 and 75 implementation removed.

Financial Ratio	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
Return on Net Position	3.0%	5.4%	5.6%	6.0%	6.3%
Standard Positive Return	0.0%	0.0%	0.0%	0.0%	0.0%

Operating Margin

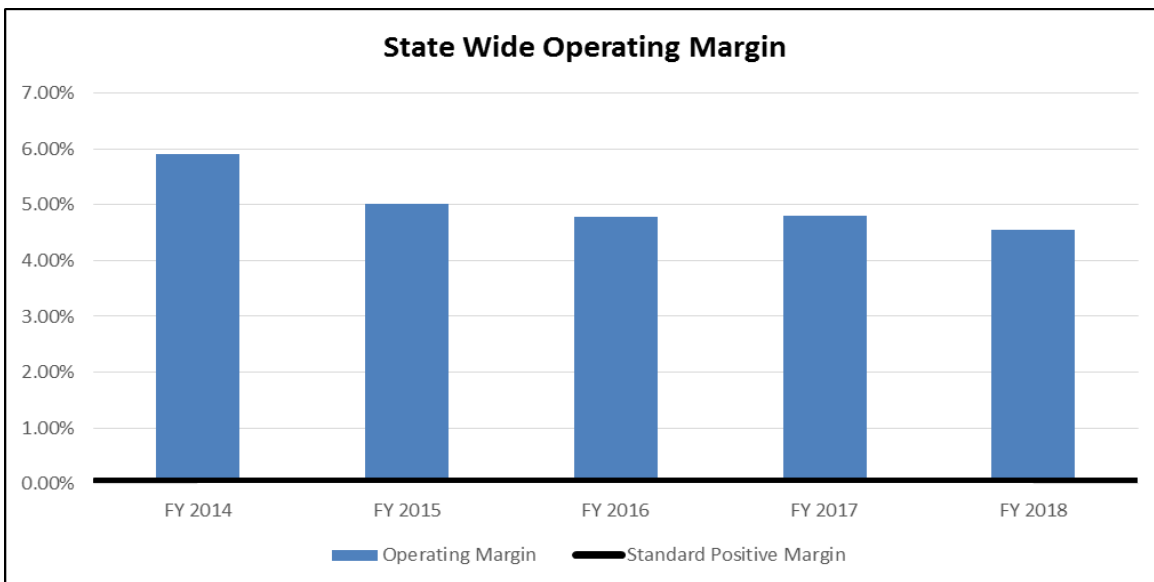
Operating Margin indicates an operating surplus or deficit in the given fiscal year, as expressed in figure 6. This ratio is similar to a profit margin and answers the question, “Did the institutions balance operating expenses with available revenue?” Depreciation expense is included to reflect the use of physical assets in measuring operating performance.

Calculation – Total income - total operating expense / Total income*

*Includes all operating revenue plus formula funding, property tax, and Title IV federal revenue.

Results – The 2018 statewide margin for public community colleges is 4.6 percent, which is a decrease from 4.8 percent in 2017. A positive margin is the standard used in this report. The standard was met by 37 of the 50 districts.

Figure 6. A year-to-year comparison of the Texas public community colleges statewide operating margin.



Operating Margin was not affected by GASB 68 or 75 implementation.

Financial Ratio	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operating Margin	5.9%	5.0%	4.8%	4.8%	4.6%
Standard Positive Margin	0.0%	0.0%	0.0%	0.0%	0.0%

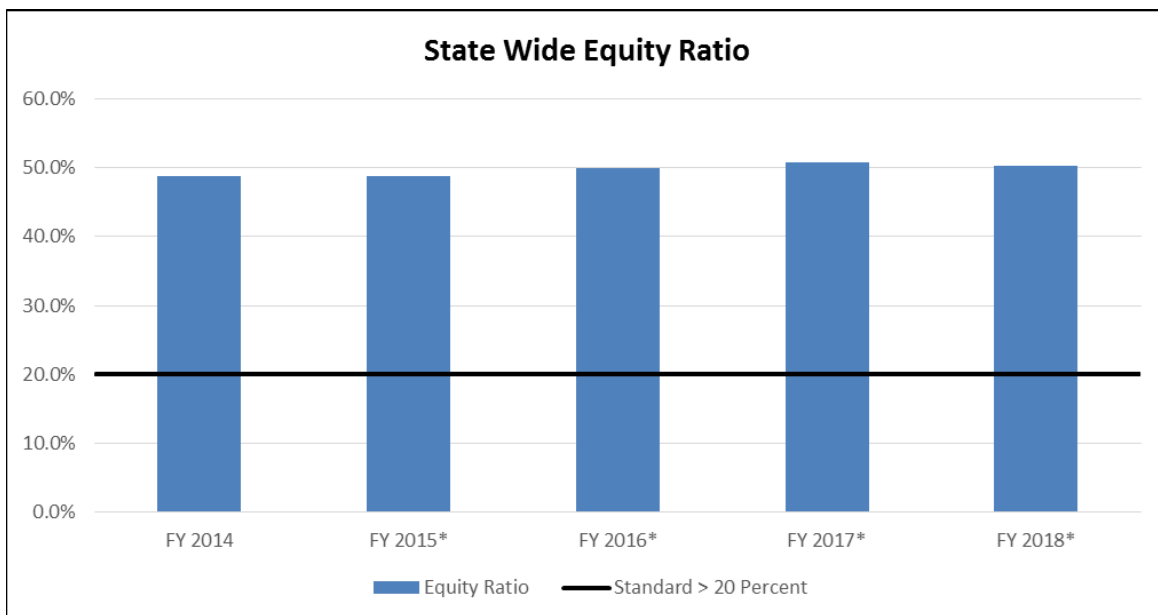
Equity Ratio

The equity ratio measures capital resources available and a college’s ability to borrow, as expressed in figure 7. The U.S. Department of Education (ED) introduced this ratio to enhance reporting for institutions that do not have long-term debt. The ED uses financial ratios, in part, to provide oversight to institutions participating in programs authorized under Title IV of the Higher Education Act.

Calculation – Net position / Total assets

Results – The 2018 statewide ratio for public community colleges is 50.2 percent, which is a decrease from 50.7 percent in 2017. A ratio of 20 percent or greater is the standard used in this report. The standard was met by 49 of the 50 districts.

Figure 7. A year-to-year comparison of the Texas public community colleges statewide equity ratio.



*With GASB 68 and 75 implementation removed.

Financial Ratio	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
Equity Ratio	48.8%	48.8%	49.9%	50.7%	50.2%
Standard > 20 Percent	20.0%	20.0%	20.0%	20.0%	20.0%

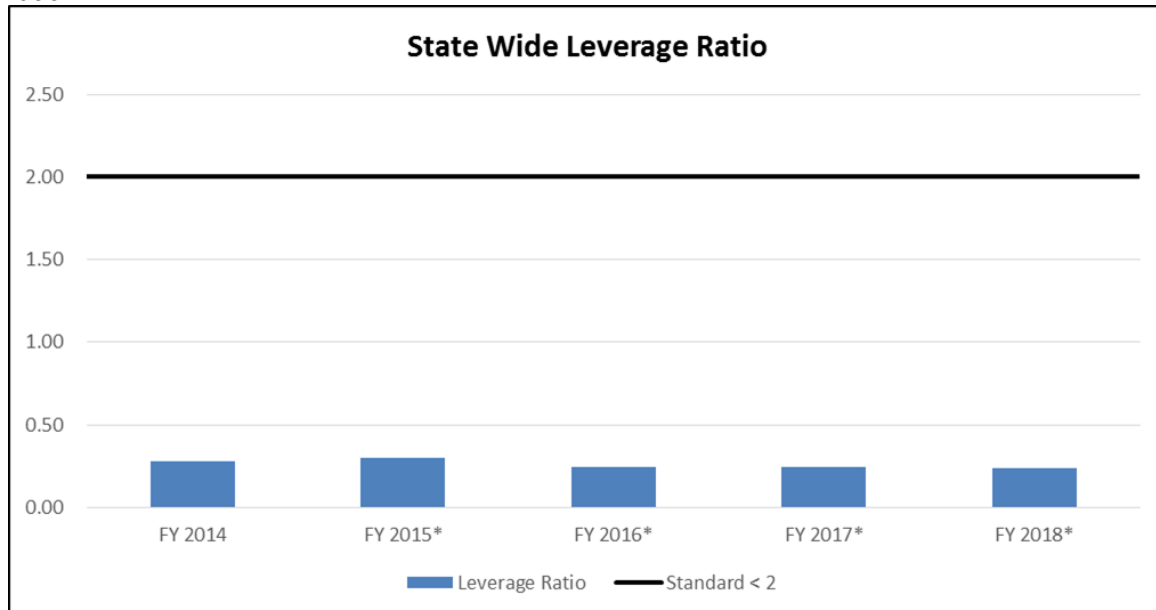
Leverage Ratio

The leverage ratio measures the amount of debt in relation to net position and provides an indication of the amount of interest and principle the institution must absorb in the future, as expressed in figure 8. This ratio is similar to the debt-to-equity ratio used in the private sector. The leverage ratio differs from the viability ratio in that investment in physical plant assets is included as part of the numerator. Long-term debt includes bonds payable, excluding GO bonds and long-term liabilities.

Calculation – Long-term debt / Total net position

Results – The 2018 statewide ratio for the public community colleges is .24, which remains the same as 2017. A ratio of less than 2.0 is the standard used in this report. The standard was met by 49 of the 50 districts.

Figure 8. A year-to-year comparison of the Texas public community colleges statewide leverage ratio.



*With GASB 68 and 75 implementation removed.

Financial Ratio	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
Leverage Ratio	0.28	0.30	0.24	0.24	0.24
Standard < 2	2.00	2.00	2.00	2.00	2.00

Appendix A contains the indicators for the 50 districts for FY 2018. An Excel workbook is available that contains all the financial data used for the indicators and includes data for Fiscal Years 2003 to 2018.

The financial data used in this analysis came from the Community College Annual Reporting and Analysis Tool (CARAT) and is available online at: http://reports.thecb.state.tx.us/approot/carat/afr_reports.htm.

Data are reported by the institutions and came from published annual financial reports.

Financial Condition

As seen in table 1 below, 47 of the 50 Texas public community college districts have moderate or no indication of financial stress, which means they met four or more of the seven indicators. Thirty of these meet the threshold for all indicators. In FY 2018, 47 community college districts had moderate or no indication of financial stress. Currently, three community college districts do not meet four or more indicators, which means they could be experiencing some financial stress.

Table 1. A year-to-year comparison of the number of Texas public community colleges meeting the individual indicators.

	FY 2012	FY 2013	FY 2014	FY 2015*	FY 2016*	FY 2017*	FY 2018*
Met all 7 indicators	39	31	29	30	29	28	30
Met 6 indicators	6	5	5	6	4	10	11
Met 5 indicators	1	7	10	7	7	7	3
Met 4 indicators	2	3	4	4	6	3	3
Met 3 indicators	1	2	0	2	2	0	3
Met 2 or fewer indicators	1	2	2	1	2	2	0
*Without GASB 68 and/or 75 implementation.							

The three institutions below were requested to provide a brief detail explanation as to the cause of their not meeting four or more indicators. The remaining three are worthy of additional discussion:

Frank Phillips College

Frank Phillips College did not meet four of the indicator thresholds. The operating margin was negative. Expendable and unrestricted net position was negative, which lowered the primary reserve and viability ratios below the state standard. In the previous eight years, the college has had a negative operating margin and has not met the 2.0 threshold on the CFI.

Institutional Comments – Dr. Jud Hicks, President

"On behalf of Frank Phillips College, we would like to provide an explanation regarding the College's financial ratios for the year ending 2018. We understand that these ratios do show financial stress but we would like to acknowledge that we have had some improvement in the last year.

From a financial perspective, we as a college operate on a balanced budget excluding depreciation expense. Every year we recognize approximately \$350,000 of depreciation expense which directly relates to our decrease in net position. Our net position improved this year from \$(244,618) to \$(224,618). This growth is directly related to an increase in Federal, State and Local grants received. We believe our small community college is headed in the right direction and will continue in this direction in the future.

Last year we discussed growing new programs and increasing our contact hours, we are working hard to accomplish this goal. Our overall contact hours were flat this year with a slight increase on the academic side and a slight decrease on the

career and technical side. In our Career and Technical Education we have employed a new Dean with a new drive and focus on expanding our CTE programs. We have started a new CTE program at both our branch campuses that should bring additional revenue with little related expense. We have updated our Distance Learning Classrooms on all of our campuses so that we can teach from any of these campuses, which will lead to a direct decrease in instructional salaries while increasing tuition revenue. Another positive about the updates to these classrooms is that we can tap into the expertise of the citizens in our rural communities and broadcast it anywhere in our service area.

In 2018, we were able to move into a new building for our Dalhart campus and in February of 2019 opened a new welding facility at that location. We are constantly working with our local communities to offer programs that will directly fill high-demand career fields. We are also collaborating with several counties and hospitals in a rural nursing program. We have dedicated hospital staff that will assist in teaching these courses so that there will be little to minimal impact in our expense. We are anticipating growth in tuition and fees in the upcoming year, with our completed CTE programs, new branch facilities, and increased focus on our rural nursing program.

We believe that the changes above, as well as additional strategies not listed, and the support of our local communities will keep us headed in a positive direction. We are confident that our financial indicators will continue to improve and resolve with the persistent focus on these changes.”

Northeast Texas College

Northeast Texas College did not meet four of the indicator thresholds. The operating margin was negative. The college's expendable and unrestricted net position improved from FY 2017, which increased the institution's viability and primary reserve ratios to just below the state standard.

Institutional Comments – Jeffrey W. Chambers, Vice President of Administrative Services

Operating Margin

NTCC missed this indicator due to lower student enrollment than expected, lower than anticipated auxiliary enterprise revenue, and increases in depreciation expense from additional assets put into service following renovation projects. A combination of cuts and other adjustments were made, but were not enough to balance expenditures to lower than anticipated revenue.

Primary Reserve Ratio

NTCC's is below standard primarily due to the increase of depreciation expense noted above and higher annual interest cost due to increased bonded debt taken on within the last 3 years.

Viability Ratio

NTCC's viability ratio is below the standard due to a significant amount of bonded debt added within the last 3 years. This debt has allowed renovation to aged facilities and planning for future enrollment growth.

Composite Financial Index

All of the above reasons, in combination, resulted in missing the composite index as well.”

Tyler Junior College

Tyler Junior College did not meet four of the indicator thresholds. The return on net position was negative, and CFI is below the state standard of 2.0. The increase in noncurrent liabilities and the reduction in operating and nonoperating expenses caused the primary reserve and viability ratios to improve but remain below the state standard.

Institutional Comments – Sarah E. Van Cleef, CPA, Vice President for Financial and Administrative Affairs, Chief Financial Officer

"On August 16, 2016, Standard and Poor's assigned a AA+ rating to Tyler Junior College's series 2016 maintenance tax notes and affirmed its AA+ rating on the District's outstanding general obligation (GO) bonds with a stable outlook." The District recently completed a rating review during 2018 and anticipates affirmation of its AA+ rating on the outstanding maintenance tax notes as well as the outstanding GO bonds.

The calculations for the ratios in the Financial Condition Analysis allow institutions to exclude the debt generated by the issuance of General Obligation Bonds; however, the treatment of the debt generated by the issuance of Maintenance Tax Notes is treated like Combined Fee Revenue Bonds for some of the ratio calculations – which they are not. The District's Maintenance Tax Notes have the same dedicated debt service as General Obligation Bonds, property taxes. Therefore, the Maintenance Tax Note debt should be consistently excluded as well. The exclusion of Maintenance Tax Note debt decreases TJC's Noncurrent Liabilities by over \$18.5 million.

During the FY2018 financial year, the transfer of capital campaign pledges from the TJC Foundation for the construction of the Rogers Nursing and Health Sciences Building in FY2015 ended. This resulted in a decrease of miscellaneous revenue of approximately \$750,000. As a note, in FY2017, there was a one –time settlement payment of \$220,000. Additionally, the District's Waivers and Exemptions increased over \$300,000 over FY2017.

Taking into consideration the treatment of Maintenance Tax Notes, the timing of capital campaign pledges, as well as the non-routine miscellaneous revenue of FY2017, the adjustments to the ratio calculations are significant and would drastically improve the ratio analysis for FY2018."

Appendix A: Composite Financial Index, Core Financial, and Other Financial Ratios

Fiscal Year 2018 General Obligation Bond Debt Excluded

Financial Stress Indicators	District	Composite Financial Index	Return on Net Position	Operating Margin	Primary Reserve	Viability Ratio	Equity Ratio	Leverage Ratio
● 1	Alamo	1.9	8.6%	0.3%	0.23	0.46	34.4%	0.42
● 0	Alvin	4.8	7.0%	0.3%	0.21	99.67	38.3%	0.00
● 1	Amarillo	4.6	4.8%	(2.7%)	0.37	4.54	56.4%	0.04
● 0	Angelina	6.6	9.2%	6.5%	0.49	66.52	70.5%	0.00
▲ 3	Austin	3.7	25.1%	9.2%	0.22	0.17	13.5%	2.92
● 0	Blinn	4.0	11.4%	13.6%	0.49	0.74	54.5%	0.48
● 0	Brazosport	3.7	8.6%	10.9%	0.35	1.05	39.7%	0.09
● 0	Central Texas	6.3	1.3%	2.6%	0.87	80.18	84.6%	0.00
● 0	Cisco	2.2	6.5%	3.5%	0.18	0.66	57.3%	0.41
▲ 3	Clarendon	(0.2)	(6.3%)	(6.6%)	0.16	0.48	68.1%	0.03
● 0	Coastal Bend	3.6	14.0%	4.9%	0.25	1.05	56.9%	0.26
▲ 3	College Of The Mainland	1.2	(0.5%)	(0.4%)	0.26	0.75	50.2%	0.00
● 0	Collin	8.7	6.5%	17.7%	1.75	285.68	65.4%	0.00
● 0	Dallas	6.6	8.9%	3.6%	0.63	64.60	67.5%	0.00
● 0	Del Mar	4.6	8.4%	2.5%	0.45	2.66	34.6%	0.00
● 0	El Paso	3.9	8.4%	9.9%	0.57	0.71	47.7%	0.70
◆ 4	Frank Phillips	(0.3)	0.4%	(1.2%)	(0.01)	(0.13)	74.8%	0.05
● 0	Galveston	6.5	4.1%	5.1%	0.71	57.30	91.9%	0.00
● 0	Grayson	6.7	9.0%	6.5%	0.77	3.36	61.4%	0.08
● 0	Hill	5.4	2.5%	3.2%	0.44	127.56	86.0%	0.00
● 0	Houston	2.6	4.2%	3.5%	0.45	0.63	37.8%	0.57
● 0	Howard	3.5	3.7%	3.9%	0.53	1.45	63.0%	0.24
● 1	Kilgore	4.3	0.3%	(1.6%)	0.37	27.67	92.3%	0.01
● 0	Laredo	5.1	20.9%	11.9%	0.59	0.59	25.5%	1.08
● 1	Lee	2.2	7.8%	(2.2%)	0.37	0.98	39.9%	0.33
● 1	Lone Star	2.6	18.7%	0.2%	0.14	0.37	28.4%	0.29
▲ 2	McLennan	1.9	3.8%	(1.2%)	0.21	1.32	41.0%	0.19
● 0	Midland	6.1	4.5%	7.9%	0.64	3.59	74.1%	0.08
● 1	Navarro	1.9	2.1%	2.8%	0.27	0.70	57.0%	0.30
● 1	North Central Texas	4.5	1.8%	(0.0%)	0.30	6.38	67.5%	0.05
◆ 4	Northeast Texas	0.3	0.2%	(6.2%)	0.13	0.38	26.4%	0.47
● 0	Odessa	7.6	16.1%	11.0%	0.59	4.10	46.3%	0.10
● 0	Panola	7.7	10.2%	10.2%	0.82	47.30	57.6%	0.00
● 0	Paris	5.4	5.4%	12.6%	0.83	2.03	72.1%	0.22
● 1	Ranger	3.1	13.1%	6.1%	0.28	0.27	32.0%	1.54
▲ 2	San Jacinto	1.7	1.9%	(3.9%)	0.29	1.42	28.1%	0.25
● 0	South Plains	3.7	11.4%	9.5%	0.27	1.01	63.9%	0.26
● 0	South Texas	6.9	1.2%	2.7%	1.10	152.47	70.0%	0.00
▲ 2	Southwest Texas	2.2	8.9%	5.3%	0.13	0.22	36.9%	1.21
● 0	Tarrant	6.6	3.0%	7.4%	0.69	66.55	95.6%	0.00
● 1	Temple	2.9	1.9%	(2.0%)	0.52	1.97	51.2%	0.22
● 0	Texarkana	5.2	2.9%	2.5%	0.40	4.88	76.2%	0.00
● 1	Texas Southmost	7.2	2.0%	(0.1%)	1.32	4.24	67.6%	0.08
● 0	Trinity Valley	5.1	6.3%	7.7%	0.38	2.92	85.0%	0.08
◆ 4	Tyler	0.6	(0.1%)	2.2%	0.08	0.11	40.7%	0.70
● 0	Vernon	2.3	6.3%	5.1%	0.18	0.54	55.2%	0.43
● 1	Victoria	4.0	2.7%	(3.3%)	0.24	100.00	57.0%	0.00
● 0	Weatherford	8.8	16.7%	21.2%	1.06	4.00	73.3%	0.15
● 0	Western Texas	5.1	8.3%	17.6%	0.92	0.96	58.1%	0.52
● 0	Wharton	5.1	0.7%	0.7%	0.54	19.64	81.0%	0.02
● 0	Statewide	3.7	6.3%	4.6%	0.49	1.37	50.2%	0.24

Bold fonts indicate ratios that do not meet the state standard.

- Zero to one financial stress indicators, which indicates no financial stress.
- ▲ Two to three financial stress indicators, which indicates little to moderate financial stress.
- ◆ Four to seven financial stress indicators, which indicates financial stress.

Appendix B House Bill 1 Authorizing Financial Condition Report

Senate Bill 1, General Appropriations Act (Section 12, page III-217), 85th Texas Legislature

“Each community college shall provide to the Texas Higher Education Coordinating Board financial data related to the operation of each community college using the specific content and format prescribed by the Coordinating Board. Each community college shall provide the report no later than January 1st of each year.

The Coordinating Board shall provide an annual report due on May 1 to the Legislative Budget Board and Governor's Office about the financial condition of the state's community college districts.”

Appendix C General Comments from Institutions

No responses received.



Texas Higher Education
Coordinating Board

This document is available on the Texas Higher Education Coordinating Board website:
<http://www.thecb.state.tx.us>

For more information contact:

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Approval of Board Meeting Minutes

The following Board Meeting Minutes are submitted for approval:

- 1) June 25, 2019 Regular Board Meeting

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and adopt the June 25, 2019 Regular Board Meeting Minutes as presented.

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

The Board of Trustees of South Texas College approves and adopts the June 25, 2019 Regular Board Meeting Minutes as presented.

Approval Recommended:

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

**SOUTH TEXAS COLLEGE
BOARD OF TRUSTEES REGULAR MEETING
Tuesday, June 25, 2019 @ 5:30 p.m.
Ann Richards Administration Building Board Room
Pecan Campus, McAllen, Texas 78501**

Minutes

Call Meeting to Order:

The Special Board Meeting of the South Texas College Board of Trustees was held on Tuesday, June 25, 2019 in the Ann Richards Administration Building Board Room at the Pecan Campus in McAllen, Texas. The meeting commenced at 6:01 p.m. with Mr. Paul R. Rodriguez presiding.

Members present: Mr. Paul R. Rodriguez, Ms. Rose Benavidez, Mrs. Victoria Cantú, Mr. Gary Gurwitz, Mr. Rene Guajardo, and Dr. Alejo Salinas, Jr., with Mr. Roy de León participating via telephone for a portion of the meeting.

Members absent: None

Also present: Dr. Shirley A. Reed, Mr. Jesus Ramirez, Mrs. Mary Elizondo, Dr. Anahid Petrosian, Mr. Matthew Hebbard, Dr. David Plummer, Mr. Ricardo De La Garza, Mrs. Rebecca Cavazos, Mr. George McCaleb, Dr. Ali Esmaeili, Mrs. Brenda Balderaz, Mr. Daniel Ramirez, Mr. Khalil Abdullah, Mr. Robert Cuellar, Mr. David Valdez, Dr. Christopher Nelson, Mr. Lucio Gonzalez, Ms. Nohemi Marroquin, Mr. Christopher Woods, Ms. Monica Perez, Ms. Victoria Rodriguez, Ms. Shania Bautista, Mr. Denzel Horton, Ms. Sandra Horton, and Mr. Andrew Fish.

Determination of a Quorum

A quorum was present and a notice of the meeting was posted.

Invocation

Mr. Daniel Ramirez, Director of Public Relations and Marketing, said the invocation.

Public Comments

No public comments were given and a notice of the meeting was posted.

Presentations

A. Recognition of South Texas College with the Seal of Excelencia

On Thursday, June 20, 2019, South Texas College was recognized by Excelencia in Education with the inaugural *Seal of Excelencia*.

This award is granted to institutions which are intentionally serving Latino student populations and providing meaningful support and pathways for college completion. The major strategic areas evaluated by Excelencia in Education are:

1. Access and Success
2. Equity
3. Latino Cultural Competency

South Texas College is proud of its nomination and recognition as a national leader in providing Latino students with affordable and high quality education and workforce training.

Ms. Rose Benavidez, Vice Chair, attended the award ceremony in Washington D.C. and received the *Seal of Excelencia* on behalf of the College.

Ms. Benavidez reported on this prestigious recognition by Excelencia in Education, and shared a short video of her acceptance speech.

The presentation was for the Board's information, and no action was requested.

Approval of Board Meeting Minutes

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mrs. Victoria Cantú, the Minutes for the May 30, 2019 Regular Board Meeting were approved as written. The motion carried.

Approval and Authorization to Accept Grant Awards and Agreements

Authorization to accept and approve the following grant awards and use of related funds as authorized by each grant was requested:

- 1. The Association of American Colleges and Universities Subaward with support from the Bill & Melinda Gates Foundation and Ascendium Education Group, Inc., in the amount of \$30,000**

This subaward was provided to South Texas College for participation in the Association of American Colleges and Universities' (AAC&U) *Strengthening Guided Pathways and Career Success by Ensuring Students are Learning* project. Guided Pathways support

student success and builds institutional capacity by defining clear and coherent pathways for degree completion and ensures learning while on the pathways, leading to completion of a postsecondary degree or credential.

Funds would be used for faculty stipends, professional development, and travel to support project goals. The funding period was from June 1, 2019 to August 31, 2021.

This sub-award aligned to Strategic Direction #4, Collective Responsibility, by empowering faculty to design the best learning experiences for students, leading to their academic success, career readiness, and timely completion.

2. Texas Workforce Commission, Skills for Small Business Fund, Additional Funds in the amount of \$78,750

This grant would help to provide training offered by the Department of Continuing, Professional Workforce Education and the Institute for Advanced Manufacturing to local employers. This program supports businesses with fewer than 100 employees and upgrades employees' skills by offering courses such as accounting, computers, strategic management, HIPAA, and customer service.

These additional funds would provide training in areas such as communications skills, medical billing and coding, time management and medical office manager. The funding period for this grant was from November 1, 2018 to November 30, 2019.

This grant was aligned to Strategic Direction #3, High Success Rate by providing training that will help employees increase their economic and social mobility.

Summary of Grant Award Funding

The presented grants would provide up to \$108,750 in funding for the College to provide services and opportunities throughout the region.

Upon a motion by Mr. Rene Guajardo and a second by Dr. Alejo Salinas, Jr., the Board of Trustees approved and authorized accepting the following grant award(s) and use of related funds as authorized by each grant, contingent upon official award as appropriate.

1. The Association of American Colleges and Universities Subaward with support from the Bill & Melinda Gates Foundation and Ascendium Education Group, Inc., in the amount of \$30,000
2. Texas Workforce Commission, Skills for Small Business Fund, Additional Funds in the amount of \$78,750

The motion carried.

Review of Presentations Delivered at May 14, 2019 Education and Workforce Development Committee Meeting

On June 13, 2019, the Education and Workforce Development Committee received the following presentation:

A. Presentation on the South Texas College Dual2Degree Department

The South Texas College Dual2Degree Department was developed to support the College's goal to build a college-going culture in the Rio Grande Valley. They support this goal by engaging with parents and students, building their understanding of the value of higher education and workforce training, and helping them establish their own goals for educational attainment.

The Dual2Degree Department develops and reinforces the students' and parents' understanding of the opportunities at South Texas College, and guides them through the development of clear pathways to matriculate as traditional college students if they do not achieve a college credential while enrolled as a dual credit program student.

Much like the campus Enrollment Centers provide traditional students with convenient and centralized access for admissions, financial aid, advising, registration, and other vital student support services, the Dual2Degree team brings those same services to the dual credit students' local schools and community events.

Mr. Tony Matamoros, Director of Enrollment Services for Dual Credit, presented on the Dual2Degree Department and their activities supporting the burgeoning college-going culture in the Rio Grande Valley.

Mr. Matamoros emphasized the cultivation of meaningful connections with the school districts, and with the students and parents while enrolled at the school district. Through properly framing student and parental expectations and establishing clear goals, students are set on a pathway to successful completion.

The Dual2Degree team works closely with school district personnel. This includes regular communication, coordination on dual program events, and access to the College's DegreeWorks program, which gives students and advisors a recommended degree plan and an assessment of student progress, and helps with the selection of courses that will meet program requirements.

Mr. Matamoros shared a 2 ½ minute video developed for local school district counselors, which showcases Dual2Degree outreach activities across the two counties served by South Texas College. This video cultivates and nourishes students' understanding that college access and college completion are within their reach.

Mr. Matamoros discussed the matriculation initiatives, which were designed to reduce dual credit stop outs – those students who enroll in some college hours through dual enrollment, but do not complete a credential and do not enroll as traditional students upon graduation from high school.

The presentation was included for the Board's review, and no action was requested.

Review and Action as Necessary on Proposed Academic Calendar for Academic Year 2020 – 2021

Approval of the 2020 - 2021 Academic Calendar was requested.

The Academic Calendar Steering Committee, which includes membership from each area of the College, has developed the FY 2020 – 2021 Academic Calendar. The calendar was developed to be compatible with local area school district calendars and other higher education institutions in Texas.

The calendar was presented to South Texas College faculty and staff for review, feedback, and input during the months of March and April. Input received from staff and faculty was incorporated into the proposed calendar.

The proposed calendar was unanimously approved by the Academic Calendar Steering Committee and was reviewed and approved by the President's Cabinet, Administrative Staff, and Planning and Development Council.

The proposed calendar was provided in the packet for the Board's review and consideration.

The Education and Workforce Development Committee recommended Board approval of the 2020 – 2021 Academic Calendar as presented. The Committee further recommended formal engagement and participation by appropriate student groups in future development of academic calendars.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Gary Gurwitz, the Board of Trustees of South Texas College approved and authorized the 2020 – 2021 Academic Calendar as presented. The motion carried.

Review and Action as Necessary on Award of Proposals, Rejection of Proposals, Purchases, Renewals, and Interlocal Agreements

The Finance, Audit, and Human Resources Committee recommend Board approval of the award of proposals, rejection of proposals, purchases, renewals, and interlocal agreements as listed below:

A. Award of Proposals

- 1) **Purchase of Projectors (Award):** award the proposal for the purchase of projectors to **Audio Visual Aids** (San Antonio, TX), at a total amount of \$104,988.00;
- 2) **Vending Services – Snacks (Award):** award the proposal for vending services – snacks to **STX Snacktime Vending Co. LLC.** (Weslaco, TX) (New), for the period of September 1, 2019 through August 31, 2024 with services to all South Texas College locations. The five (5) year proposal includes a monthly commission of 22.5% on gross sales (less applicable sales tax). The pricing is as follows: candy - \$1.25, pastries - \$1.25, chips - \$0.80-\$1.10, and crackers - \$0.75;

B. Rejection of Proposals

- 3) **Online Real Estate Courses (Reject):** reject the proposal received for online real estate courses due to incomplete documentation that was received by a vendor;
- 4) **Purchase of Audio Visual Equipment (Reject):** reject the proposals received for the purchase of audio visual equipment in order to add additional projects and additional requirements needed;

C. Purchases and Renewals (a. Instructional Items)

- 5) **Breathing Simulator (Purchase):** purchase a breathing simulator from **IngMar Medical** (Pittsburgh, PA) (New), a sole source vendor, at a total amount of \$84,772.00;
- 6) **Electrical Equipment, Parts, and Supplies (Purchase):** purchase electrical equipment, parts, and supplies from **Crawford Electric Supply Company, Inc.** (San Antonio, TX/Mission, TX) and **Dealers Electric Supply, Co.** (Waco, TX/McAllen, TX), board approved vendors, for the period beginning June 26, 2019 through August 31, 2019, at an estimated amount of \$80,000.00;
- 7) **Electronic Anatomy and Physiology Teaching System (Purchase):** purchase an electronic anatomy and physiology teaching system from **Anatamage, Inc.** (San Jose, CA) (New), a sole source vendor, at a total amount of \$78,650.00;
- 8) **Instructional Equipment (Purchase):** purchase instructional equipment from **DiaMedical USA** (West Bloomfield, MI) (New), The Interlocal Purchasing System (TIPS) approved vendor, at a total amount of \$74,782.39;
- 9) **Pediatric Simulator Manikin (Purchase):** purchase a pediatric simulator manikin from **Gaumard** (Miami, FL) a sole source vendor, at a total amount of \$50,477.00;
- 10) **Recording Systems (Purchase):** purchase recording systems from **KbPort, LLC.** (Pittsburgh, PA), a sole source vendor, at a total amount of \$62,294.00;
- 11) **Nursing and Allied Health Equipment and Supplies (Renewal):** renew the nursing and allied health equipment and supplies contracts for the period beginning August 1, 2019 through July 31, 2020, at an estimated amount of \$150,000.00 with the following vendors:
 - a. **Bound Tree Medical, LLC.** (Dublin, OH)
 - b. **Cynmar, LLC.** (Yulee, FL)
 - c. **Health Care Logistics, Inc.** (Circleville, OH)

- d. **Henry Schein, Inc.** (Irmo, SC)
- e. **Medline Industries** (Northfield, IL)
- f. **Pocket Nurse Enterprises, Inc./dba Pocket Nurse** (Monaca, PA)
- g. **QuadMed** (Jacksonville, FL)

C. Purchases and Renewals (b. Non – Instructional Items)

12)Air Condition Filters (Purchase): purchase and installation of air condition filters from **Joe W. Fly Company, Inc.** (Dallas, TX/Harlingen, TX), a Texas Association of School Boards – Buyboard approved vendor, for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$145,000.00, which is based on prior year expenditures;

13)Building Automation Control Equipment, Parts, and Equipment Maintenance (Purchase): purchase building automation control equipment, parts, and equipment maintenance from **Siemens Industry, Inc.** (Buffalo Grove, IL/La Feria, TX), a State of Texas Multiple Award Schedule (TXMAS) approved vendor, for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$85,000.00, which is based on prior year expenditures;

14)Chiller Chemicals and Maintenance (Purchase): purchase chiller chemicals and maintenance from **U. S. Water Services, Inc.** (St. Michael, NM), a State of Texas Purchasing and Support Services (TPASS) – Term Contract approved vendor, for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$85,000.00, which is based on prior year expenditures;

15)Furniture (Purchase): purchase furniture from National Cooperative Purchasing Alliance (NCPA), OMNIA Partners formerly National Intergovernmental Purchasing Alliance (NIPA), Sourcewell, and The Interlocal Purchasing System (TIPS), at a total amount of \$82,713.52.

#	Vendor	Amount
A	Computer Comforts, Inc. (Kemah, TX)	\$2,185.20
B	Exemplis Corporation/Gateway Printing and Office Supply, Inc. (Cypress, CA/Edinburg, TX)	\$2,953.19
C	The Hon Company/Gateway Printing and Office Supply, Inc. (Muscatine, IA/Edinburg, TX)	\$8,354.84
D	Howard Technologies (Laurel, MS)	\$14,830.00
E	Krueger International, Inc./Gateway Printing and Office Supply, Inc. (Green Bay, WI/Edinburg, TX)	\$47,396.19
F	National Office Furniture/Gateway Printing and Office Supply, Inc. (Jasper, IN/Edinburg, TX)	\$5,833.70
G	Versteel/Gateway Printing and Office Supply, Inc. (Jasper, IN/Edinburg, TX)	\$1,160.40
Furniture Total		\$82,713.52

- 16)Parts and Supplies (Purchase):** purchase parts and supplies from **W. W. Grainger/dba Grainger** (Lake Forest, IL/McAllen, TX), a State of Texas Multiple Award Schedule (TXMAS) and the Texas Association of School Boards – Buyboard approved vendor, for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$100,000.00, which is based on prior year expenditures;
- 17)Collection Agency Services (Renewal):** renew the collection agency services contracts for the period beginning September 1, 2019 through August 31, 2020, at no charge to the College. The collection fee is charged directly to the student, faculty, or staff. The vendors are as follows:
Primary: a. **S&S Recovery, Inc.** (Memphis, TN)
Secondary: b. **Continental Service Group, Inc. / dba ConServe** (Fairport, NY)
c. **Immediate Credit Recovery, Inc.** (Poughkeepsie, NY)
- 18)Commercial Card Services (Accounts Payable Card)(Renewal):** renew the commercial card services (accounts payable card) with **BBVA Compass** (McAllen, TX), for the period beginning September 1, 2019 through August 31, 2020, at no charge to the College;
- 19)Creative Agency Services (Renewal):** renew the creative agency services contract with **Interact Communications** (La Crosse, WI), for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$1,098,999.00. This will include approximately \$147,500 in research, \$67,500 in production and creative services, \$719,090 in media buying, \$101,909 in media buying strategy and campaign implementation, and \$63,000 in administrative fees and travel fees;
- 20)Elevator Maintenance Agreement (Renewal):** renew the elevator maintenance agreement with **Otis Elevator Company** (Dallas, TX), a Texas Association of School Boards – Buyboard approved vendor, for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$95,000.00;
- 21)Financial Advisor Service Agreement (Renewal):** renew the financial advisor service agreement with **Hilltop Securities, Inc.** (San Antonio, TX), for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$3,500.00.
- 22)Grounds Maintenance (Renewal):** renew the grounds maintenance contract with **TLC Total Lawn Care, LLC.** (Weslaco, TX), for the period beginning July 26, 2019 through July 25, 2020, at an estimated amount of \$367,107.00 for mowing, tree trimming, and shredding services, an estimated amount of \$175,000.00 for various plants, replacement plants and landscaping, and an estimated amount of \$30,000.00 for sprinkler system repair, at a total estimated annual amount of \$572,107.00;
- 23)Promotional Items for Student Outreach (Renewal):** renew the promotional items for student outreach contracts, for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$65,000.00. The vendors are as follows:
a. **Authentic Promotions.com** (Carmichael, CA)
b. **Imprezos Pro Uniforms** (Pharr, TX)
c. **Promo Universal, LLC.** (Corpus Christi, TX)

24) Promotional T-Shirts for Student Outreach (Renewal): renew the promotional t-shirts for student outreach contracts, for the period beginning September 1, 2019 through August 31 2020, at estimated amount of \$74,000.00. The vendors are as follows:

- a. **Authentic Promotion.com** (Carmichael, CA)
- b. **Ad-Wear & Specialty of Texas, Inc.** (Houston, TX)
- c. **Imprezos Pro Uniform, LLC.** (Pharr, TX)
- d. **Images In Ink, Inc.** (McAllen, TX)

C. Purchases and Renewals (c. Technology Items)

25) Computers, Laptops, Monitors, and Tablets (Purchase): purchase of computers, laptops, monitors, and tablets from the State of Texas Department of Information Resources (DIR) approved vendors **Dell Marketing, LP.** (Dallas, TX) and **Apple, Inc.** (Dallas, TX), at a total amount of \$460,062.13;

26) Software Subscription (Purchase): purchase a software subscription from **Insight Public Sector** (Tempe, AZ/McAllen, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning June 26, 2019 through June 25, 2020, at a total amount of \$55,946.38;

27) Network Cabling and Equipment Installation Services (Renewal): renew the network cabling and equipment installation services contracts, for the period beginning July 26, 2019 through July 25, 2020, at an estimated amount of \$150,000.00 based on prior year expenditures. The vendors are as follows:

- a. **BridgeNet Communications, LLC.** (Donna, TX)
- b. **Telepro Communications, LLC.** (Mission, TX)

D. Interlocal Agreements

28) Facility Usage Interlocal Agreements - McAllen (Lease/Rental): lease/rental facility usage interlocal agreements with the **City of McAllen – McAllen Convention Center** (McAllen, TX), for the period beginning September 27, 2019 through August 31, 2020, at an estimated amount of \$39,896.00;

29) Facility Usage Interlocal Agreement - Mission (Lease/Rental): lease/rental facility usage interlocal agreement with the **City of Mission – Mission Event Center** (Mission, TX), for the period beginning July 22, 2019 through July 27, 2019, at an estimated amount of \$10,850.00;

30) Professional Development Services (Interlocal Agreement/Renewal): renew the professional development services with **Region One Education Service Center** (Edinburg, TX), through an interlocal agreement, for the period beginning September 1, 2019 through August 31, 2020, at a total amount of \$14,237.50.

Recommend Action - The total for all award of proposals, purchases, renewals, and interlocal agreement was \$3,618,274.92.

Upon a motion by Ms. Rose Benavidez and a second by Mrs. Victoria Cantú, the Board of Trustees approves and authorizes the award of proposals, purchases, renewals, and interlocal agreement in the amount of \$3,618,274.92, and stipulating a 5-year contract for item #2, and rejection of items #3 and #4, as presented. The motion carried.

Review and Action as Necessary on Proposal for Vending Services – Beverages

Approval to award a contract for vending services – beverages for a three- or five-year period beginning August 1, 2019 for all South Texas College locations was requested.

Purpose – The College requested approval to secure vendor services for beverages at all South Texas College campuses and centers.

Justification and Benefit – The services needed to be available outside of the cafeterias hours of operation for all faculty, staff, and students, and visitors.

Background - Proposals were advertised on April 15, 2019 and April 22, 2019 and issued to three (3) vendors. Two (2) proposals were received on May 29, 2019 and reviewed by Facilities Operations and Maintenance (Auxiliary Services) and the Purchasing Department.

Reviewers – The vending services – beverages proposals were reviewed by Facilities Operations and Maintenance and the Purchasing Department.

Enclosed Documents – The initial proposal summary, proposal evaluations, and vendor commission rates were provided in the packet for the Board's information and review.

A summary of the projected vending services commissions of each vendor based on their proposal was also provided in the packet for the Board's information and review.

- Pepsi determined their commission based on the sale of 8,600 cases.
- Coca-Cola did not provide the number of cases on which the commission was based upon.

Using the information presented within each vendor's proposal, administration could not reconcile either vendor's calculations for the proposed commissions to be paid to the College. As described below, administration has requested clarification of the proposed commissions.

Sales History – 2017 – 2018 Calendar Years

On June 13, 2019, the Finance, Audit, and Human Resources Committee noted that the estimated commissions were based on a projection of 8,600 cases sold annually, and asked how close this was to actual sales in recent years. Administration did not have the information available at the Committee meeting, but has since verified the following actual sales:

Calendar Year	Number of Cases Sold
2017	8,855
2018	8,515

Request for Clarification of Commission Based on 8,500 Cases in Annual Sales

Administration reviewed the recent sales and asked both responding vendors to resubmit their calculations of commission to be paid by the College based on an estimated 8,500 cases sold per year, and with a clear and reconcilable process for determining the commission.

The Board reviewed the updated estimated commission calculations based on an estimated 8,500 cases per year, as provided by the vendors. Administration maintained their recommendation of a 3- or 5-year contract to PepsiCo, based on the updated estimates.

Review of Contract Termination for Failure to Perform

Committee Chair Roy de León expressed his concern about entering into a long-term contract, such as the ten-year term length proposed, and asked whether the contract included any provisions for termination if the College was not satisfied with the service provided.

Following the Finance, Audit, and Human Resources Committee meeting, College staff reviewed the agreement with legal counsel and verified that the agreement includes a clause that allows South Texas College to terminate the contract for failure by contractor to perform in accordance with the contract terms. The agreement contains performance service expectations such as vending machines stock level of at least 80%, servicing of machines of no less than once a week, and maintaining machines in working order.

Legal Counsel confirmed that the termination clause in the agreement adequately addresses South Texas College's termination rights.

The current vendor has complied with all the terms and conditions of the current contract and services have been satisfactory district-wide.

The Committee was not prepared to recommend formal Board action; however, they noted that they did not favor a ten-year contract length. They recommended focusing on either a three- or five-year contract when presenting this information to the Board of Trustees.

The Board was asked to approve a three-year or five-year contract, or to take other action as necessary. In the event that the Board authorized a contract for vending services - beverages, the College would request that the contracted vendor provide monthly sales reports along with the monthly commission payment.

Mary Elizondo, Vice President for Finance and Administrative Services, George McCaleb, Director of Operations and Maintenance, and Becky Cavazos, Director of Purchasing attended the meeting to respond to questions.

Upon a motion by Ms. Rose Benavidez and a second by Mrs. Victoria Cantú, the Board of Trustees of South Texas College approved and authorized awarding a contract for vending services – beverages with Pepsico for a five (5) year period beginning August 1, 2019 through July 31, 2024 for all South Texas College locations as presented. The motion carried.

Review and Action as Necessary on Revisions to the Student Tuition and Fees Schedule for FY 2019 – 2020

On June 13, 2019, the Finance, Audit, and Human Resources Committee reviewed and recommended Board approval of administration's proposal to revise the Student Tuition and Fees Schedule for FY 2019 – 2020.

Upon further review of the proposed tuition structure for the competency-based courses, administration requested that the Board delay formal action on the proposal.

This item would be brought before the Finance, Audit, and Human Resources Committee at a future meeting, and no action was requested of the Board of Trustees on June 25, 2019.

Discussion and Action as Necessary on Proposed Deletion of Vacant Faculty and Staff Positions for FY 2019 – 2020

Approval of proposed deletion of vacant faculty and staff positions for FY 2019 - 2020 was requested.

Administration reviewed the need for the deletion of vacant faculty and staff positions for FY 2019 - 2020 with staff and supported the recommendations. The proposed deletion of vacant faculty and staff positions may need to be adjusted prior to final approval of the Staffing Plan by the Board, based on final revenue projections.

The deletion of vacant faculty and staff positions were recommended by the appropriate supervisor and reviewed with the Office of Human Resources.

A total of forty (40) vacant faculty positions were proposed to be deleted. The funds budgeted for these positions would be transferred to fund instructional salary pools for all academic divisions. The instructional pools are used to fund adjunct faculty, lecturers, and special assignment stipends.

A total of seventeen (17) vacant staff positions were proposed to be deleted. The funds budgeted for these positions would be transferred to fund new proposed positions for FY 2019 – 2020.

A listing of the proposed deleted vacant faculty and staff positions for FY 2019 – 2020 was provided in the packet for the Board’s information and review.

Dr. Shirley Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, attended the meeting to respond to questions.

The Finance, Audit, and Human Resources Committee recommended Board approval of the proposed deletion of vacant faculty and staff positions for FY 2019 - 2020 as presented.

Upon a motion by Ms. Rose Benavidez and a second by Dr. Alejo Salinas, Jr., the Board of Trustees of South Texas College approved and authorized the proposed deletion of vacant faculty and staff positions for FY 2019 - 2020 as presented. The motion carried.

Discussion and Action as Necessary on New Staff Positions for FY 2019 – 2020

Approval of New Staff Positions for FY 2019 - 2020 was requested.

Administration reviewed the need for additional new non-faculty staffing positions for FY 2019 - 2020 with staff and supported the recommendations subject to the availability of funding and Board approval of the final budget. The proposed new positions may need to be adjusted prior to final approval of the Staffing Plan by the Board, based on final revenue projections.

New staff positions proposed for FY 2019 – 2020 were necessary to accommodate the expansion in functional units to include new areas of activities and focus in an effort to improve student success and maintain efficient operations. In addition, the proposed new staff positions would assist in developing and implementing new initiatives.

A proposed net increase in salary budget of \$121,875 was requested for a total of twenty-three (23) new staff positions. Salary budget increase for the proposed new positions totaled \$1,019,862; however, funding in the amount of \$897,987 for twenty (20) of these new positions was identified from salary pools and vacant positions, as follows:

Funding	Amount
Salary Budget Increase for Proposed New Positions	\$1,019,862
Less -- Funding from Vacant and Pool Positions	(897,987)
Net Salary Budget Increase for Proposed New Positions	\$121,875

A listing of the proposed new staff positions for FY 2019 - 2020 was provided in the packet.

Dr. Shirley Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, attended the meeting to respond to questions.

The Finance, Audit, and Human Resources Committee recommended Board approval of the New Staff Positions for FY 2019 -2020 as presented.

Upon a motion by Ms. Rose Benavidez and a second by Mr. Gary Gurwitz, the Board of Trustees of South Texas College approve and authorize the New Staff Positions for FY 2019 -2020 as presented. The motion carried.

Discussion and Action as Necessary on Non-Faculty Salary Adjustments, Reclassifications, and Title Changes for FY 2019 – 2020

Approval of non-faculty salary adjustments, reclassifications, and title changes for FY 2019 - 2020 was requested.

Administration reviewed the need for non-faculty salary adjustments, reclassifications, and title changes for FY 2019 - 2020 with staff and supported the recommendations subject to the availability of funding and Board approval of the final budget. The proposed non-faculty salary adjustments, reclassifications, and title changes may need to be adjusted prior to final approval of the Staffing Plan by the Board, based on final revenue projections.

Salary adjustments, reclassifications, and title changes were recommended by the appropriate supervisor and reviewed with the Office of Human Resources.

Non-faculty salary adjustments, reclassifications, and title changes proposed for positions for FY 2019 - 2020 were due to the expansion of work duties or redistribution of work that has increased the accountability of the position or that have increased the complexity of fulfilling responsibilities.

On June 13, 2019, the Finance, Audit, and Human Resources Committee recommended Board approval of the non-faculty salary adjustments, reclassifications, and title changes for FY 2019 – 2020, which included salary adjustments for thirty-three (33) positions and a change in classification and/or grade for twenty-three (23) positions, for a net budget increase of \$65,000. Following the Finance Committee meeting, administration also included title changes for eight positions with no adjustments to salary or reclassification.

The proposed net increase in salary budget was \$61,000, which included the proposed salary adjustments, reclassifications, and title changes.

Funding	Amount
Salary Budget Increase for Proposed Non-Faculty Salary Adjustments, Reclassifications, and Title Changes	\$178,263
Less -- Funding from Vacant and Pool Positions	(117,263)
Net Salary Budget Increase for Proposed Non-Faculty Salary Adjustments, Reclassifications and Title Changes	\$61,000

A listing of the non-faculty salary adjustments, reclassifications, and title changes for FY 2019 - 2020 was provided in the packet for the Board's information and review.

Dr. Shirley Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, attended the meeting to respond to questions.

Upon a motion by Ms. Rose Benavidez and a second by Dr. Alejo Salinas, Jr., the Board of Trustees of South Texas College approved and authorized the proposed Non-Faculty Salary Adjustments, Reclassifications, and Title Changes for FY 2019 - 2020 as presented. The motion carried.

Acceptance of Internal Audit Report in the Area of Custodial Services Work Orders

Mr. Khalil Abdullah, Internal Auditor, attended the June 13, 2019 Finance, Audit, and Human Resources Committee meeting to discuss the procedures, findings, and recommendations of the internal audit report in the area of Custodial Services Work Orders.

Mr. Abdullah acknowledged that Mr. George McCaleb, Director of Operations and Maintenance, requested this audit of his team. Mr. Abdullah further noted that the team was open and helpful to the audit, and similar management support of future audits was encouraged.

The Internal Audit Report was provided in the packet for the Board's review.

The Finance, Audit, and Human Resources Committee recommended Board acceptance of the internal audit report in the area of Custodial Services Work Orders as presented.

Upon a motion by Ms. Rose Benavidez and a second by Dr. Alejo Salinas, Jr., the Board of Trustees of South Texas College accepted the Internal Audit Report in the area of Custodial Services Work Orders as presented. The motion carried.

Review and Action as Necessary on Contracting Architectural Services for the Renovation and Expansion of the Existing Pecan Campus Library Building F

Approval to contract architect design services to evaluate the existing facility, provide recommendations to the Board, and prepare plans for the renovation & expansion of the existing Pecan Campus Library Building F was requested.

Purpose

Architectural design services were necessary for the evaluation, design, and construction administration services for the renovation and expansion of the existing Pecan Campus Library Building F. The design scope of work included, but was not limited to analysis and evaluation, design, preparation of plans and specifications, permit applications, construction administration, and inspection of the project.

Justification

The proposed renovation and expansion of the existing Pecan Campus Library Building F was necessary to accommodate student needs in accordance with best practices and compliance with accreditation requirements.

Background

On April 30, 2019, the Board authorized the publication of a Request for Qualifications to solicit architectural services for a two-phase project for the renovation and expansion of the existing Library and Center for Learning Excellence facilities. The first phase of the project would be to assess at least three expansion options, including expansion to the west, south, or east of the current Library, and to recommend Board approval of an expansion option. Upon Board approval of an expansion option, the second phase of the project would be to serve as the architect of record, including the development of construction documents, solicitation of construction services, and oversight of construction for the project.

On May 9, 2019, South Texas College began soliciting for architectural design services for the purpose of selecting a firm to prepare the necessary plans and specifications for the evaluation, renovation, and expansion of the Existing Pecan Campus Library Building F. A total of thirteen (13) firms received a copy of the RFQ and a total of seven (7) firms submitted their responses on May 24, 2019.

Funding Source

Funds for these expenditures were budgeted and available in the unexpended construction budget for FY 2018-2019.

Reviewers

The Requests for Qualifications were reviewed by staff from the Library and Learning Support Services, Facilities Planning and Construction, Facilities Operations and Maintenance, and Purchasing departments.

Enclosed Documents

The evaluation team members completed evaluations for the firms and provided scoring and ranking summaries.

The Facilities Committee recommended Board approval to contract architectural design services with ERO Architects to evaluate the existing facility, provide recommendations to the Board, and prepare plans for the renovation and expansion of the existing Pecan Campus Library Building F as presented.

Upon a motion by Mr. Gary Gurwitz and a second by Mr. Rene Guajardo, the Board of Trustees of South Texas College approved and authorized contracting architectural design services with ERO Architects to evaluate the existing facility, provide recommendations to the Board, and prepare plans for the renovation and expansion of the existing Pecan Campus Library Building F as presented. The motion carried.

Review and Action as Necessary on Contracting Engineering Services for the Mid Valley Campus Drainage Improvements – Phase I

Approval to contract engineering services for the Mid Valley Campus Drainage Improvements – Phase I project was requested.

Purpose

The procurement of an engineer would provide for design services necessary for the Mid Valley Campus Drainage Improvements – Phase I project.

Justification

The procurement of an engineer would allow for the engineer to work with staff to prepare all necessary design development drawings and specifications in preparation for the construction documents phase using college design standards, the Mid Valley Campus Evaluation of the Existing Drainage Conditions Report as prepared by Perez Consulting Engineers, LLC, as well as all applicable codes and ordinances. Construction documents will then be issued for solicitation of construction proposals. Once received, construction proposals would be evaluated and submitted to the Board of Trustees with a recommendation to award a construction contract.

Background

On April 23, 2019, the Board of Trustees accepted the findings and recommendations of the Mid Valley Campus Evaluation of the Existing Drainage Conditions Report as prepared by Perez Consulting Engineers, LLC (PCE). The evaluation was undertaken in response to extensive flooding during and after heavy rains on June 20 - 21, 2018, which resulted in costly repairs and the displacement of personnel and services.

The accepted report from PCE recommended performing the drainage improvements in three phases. Phase I addresses the west side of the campus and drainage improvements associated with the Center for Learning Excellence Building A, at an estimated construction cost of \$290,000. On April 23, 2019, the Board approved the

solicitation of civil engineering services for Phase I of the accepted report from PCE. Design and construction for Phase II, associated with the east side of campus, and Phase III, associated with the south side of campus, would begin at a later date upon approval and authorization from the Board.

- **Phase I** – West Campus; storm water improvements associated with Building A.
Opinion of Probable Construction Cost: \$290,000
- **Phase II (Future)** – East Campus; storm drainage system improvements associated with Parking Lots 6 & 7.
Opinion of Probable Construction Cost: \$206,000
- **Phase III (Future)** – South Campus; storm water system improvements and detention pond relocation associated with the future expansion of that area.
Opinion of Probable Construction Cost: \$ 120,000

Solicitation for civil engineering qualifications began on May7, 2019, for the purpose of selecting an engineering firm to prepare the necessary plans and specifications for the Mid Valley Campus Drainage Improvements – Phase I project. A total of thirteen (13) firms received a copy of the RFQ and a total of six (6) firms submitted their responses on May 22, 2019.

Funding Source

Funds for these expenditures were available in the unexpended construction budget for FY 2018-2019.

Reviewers

The Requests for Qualifications were reviewed by staff from the Facilities Planning and Construction, Operations and Maintenance, and Purchasing departments.

Enclosed Documents

A site plan of the Mid Valley Campus was enclosed. The evaluation team members completed evaluations for the firms and provided scoring and ranking summaries.

At the June 13, 2019 Facilities Committee meeting, Mr. Gary Gurwitz asked administration whether all responding engineers were provided a fair chance to respond to the RFQ. Administration confirmed that the RFQ was published publicly, and all respondents were provided the same opportunity to review and respond.

The Facilities Committee recommended Board approval to contract engineering services with Perez Consulting Engineers, LLC for civil engineering services for the Mid Valley Campus Drainage Improvements – Phase I project as presented.

Upon a motion by Mr. Gary Gurwitz and a second by Dr. Alejo Salinas, Jr., the Board of Trustees of South Texas College approved and authorized contracting engineering services with Perez Consulting Engineers, LLC for civil engineering services for the Mid Valley Campus Drainage Improvements – Phase I project as presented. The motion carried.

Review and Action as Necessary on Additional Infrastructure Requirements for Portable Buildings at the Regional Center for Public Safety Excellence

Approval to proceed with additional construction for a fire hydrant, fire line, a temporary fire access drive, fire alarm system, and landscaping & irrigation for the portable buildings at the Regional Center for Public Safety Excellence (RCPSE) was requested.

Purpose

Authorization was requested to proceed with additional construction infrastructure to meet the requirements of the City of Pharr for the portable buildings at the RCPSE.

Justification

Additional infrastructure was required to meet the municipal building codes of the City of Pharr for the portable buildings at the RCPSE.

Background

On March 26, 2019, the Board of Trustees approved the expansion plan to provide five (5) portable buildings at the RCPSE and the engagement of engineering firms to provide engineering design for the infrastructure necessary for the portable buildings. On May 30, 2019, the Board approved the recommendation from College staff to purchase six (6) portable buildings in lieu of the originally planned five (5) portable buildings.

The City of Pharr has communicated to College staff that additional infrastructure would be required to meet the City's municipal building codes. The additional infrastructure requirements were as follows:

- New Fire Line, New Fire Hydrant, and New Temporary Caliche Fire Access Drive
- Fire Alarm System
- Landscape & Irrigation Requirements:
 - Landscape & Irrigation design documents by licensed professional
 - Landscape & Irrigation to meet municipal building codes

Estimated Costs for Additional Infrastructure Requirements		
Construction Item	Design Fees	Construction Cost
New Fire Line, Hydrant, and New Temporary Caliche Fire Access Drive	\$2,106.20	\$58,750
Fire Alarm System	\$0	\$11,250
Landscape & Irrigation	\$2,650	\$14,945
Total	\$4,756.20	\$84,945

The additional infrastructure work required by the City of Pharr would be in addition to the previously Board approved infrastructure for the portable buildings. A summary of the estimated costs of the originally approved infrastructure work is below:

Original Portable Buildings Expansion Plan for the RCPSE	
Construction Item	Estimated Cost
Infrastructure for mechanical, electrical, plumbing and sidewalks	\$125,000
Engineering / Design <ul style="list-style-type: none"> • Mechanical, plumbing, & electrical • Civil • Structural 	16,000
Landscaping and Irrigation	\$10,000
Total	\$151,000

The scope of the initially planned infrastructure increased due to the addition of a sixth portable building. Additionally, the proposed structural engineering services will no longer be required. The estimated total for the additional infrastructure requirements and the revised expansion plan was as follows:

Total Estimated Cost for Infrastructure for RCPSE Portable Buildings	
Item	Estimated Cost
Additional Infrastructure Requirements	\$84,945
Additional Design Fees	4,756.20
Original Infrastructure Plan	151,000
Reduction from Original Infrastructure Plan – Deletion of Structural Engineering Design Fees	(\$6,125)
Subtotal of Estimated Infrastructure Cost	\$234,576.20
Project Contingency at 10%	23,457.62
Total Estimated Infrastructure Cost	\$258,033.82

The proposed additional requirements by the City of Pharr and the addition of a portable added estimated costs that would require the College to procure these services through the competitive sealed proposal process in lieu of the Request for Quote process. This process would affect the previously proposed schedule of completing the installation of the portables by the Fall 2019 semester.

In addition, DBR Engineering informed College Staff that the existing transformer was insufficiently sized to provide the proper electrical service needed for the six portable buildings. Magic Valley Electric Cooperative would install an additional transformer for the portables, at no cost to the College. The engineers would include it in their plans and specifications. The original infrastructure plan costs included funds for the additional electrical service costs estimated at \$10,000.

A Special Board Meeting may be called on July 9, 2019, following the Facilities Committee meeting scheduled that same day, to take action on recommendations for the engagement of Civil and MEP construction services for the expanded scope of work required at the site.

Funding Source

Funds were available in the FY 2018–2019 Unexpended Construction Plant Fund budget.

Enclosed Documents

An updated site plan indicating the additional infrastructure requirements was enclosed for the Board’s review and information.

The Facilities Committee recommended Board approval to proceed with additional construction for a fire hydrant, fire line, a temporary fire access drive, fire alarm system, and landscaping & irrigation as presented.

Upon a motion by Mr. Gary Gurwitz and a second by Mr. Rene Guajardo, the Board of Trustees of South Texas College approved and authorized proceeding with additional construction for a fire hydrant, fire line, a temporary fire access drive, fire alarm system, and landscaping & irrigation as presented. The motion carried.

Review and Action as Necessary on Final Completion for the District Wide Basketball Court Repainting

Approval of final completion for the following District Wide Basketball Court Repainting project was requested.

	Project	Completion Recommended	Date Received
1.	District Wide Basketball Court Repainting Contractor: Teni-Trak, Inc.	Final Completion Recommended	April 11, 2019

Final Completion, including punch list items, was accomplished as required in the Owner/Contractor agreement for this project. It is recommended that final completion and release of final payment for this project with Teni-Trak, Inc. be approved. The original cost approved for this project was in the amount of \$55,000.

The following charts summarize the above information:

District Wide Basketball Court Repainting					
Construction Budget	Approved Proposal Amount	Net Total Change Orders	Final Project Cost	Previous Amount Paid	Remaining Balance
\$55,000	\$53,125	\$0	\$53,125	\$47,812.50	\$5,312.50

Enclosed Documents

The packet included a copy of the letter of Final Completion for the Board’s review and information.

The Facilities Committee recommended Board approval of final completion for the District Wide Basketball Court Repainting project and release of final payment of \$5,312.50 to Teni-Trak, Inc. as presented.

Upon a motion by Mr. Gary Gurwitz and a second by Dr. Alejo Salinas, Jr., the Board of Trustees of South Texas College approved and authorized the final completion for the District Wide Basketball Court Repainting project and release of final payment of \$5,312.50 to Teni-Trak, Inc. as presented. The motion carried.

Review and Action as Necessary on Final Completion for the District Wide Automatic Door Openers – Phase III

Approval of final completion for the following District Wide Automatic Door Openers – Phase III project was requested.

Project		Completion Recommended	Date Received
1.	District Wide Automatic Door Openers – Phase III Engineer: Ethos Engineering Contractor: 5 Star GC Construction, LLC	Final Completion Recommended	June 6, 2019

Final Completion, including punch list items, was accomplished as required in the Owner/Contractor agreement for this project. It is recommended that final completion and release of final payment for this project with 5 Star GC Construction, LLC be approved. The original cost approved for this project was in the amount of \$65,000.

The following charts summarize the above information:

District Wide Automatic Door Openers – Phase III					
Construction Budget	Approved Proposal Amount	Net Total Change Orders	Final Project Cost	Previous Amount Paid	Remaining Balance
\$65,000	\$128,000	\$422.25	\$127,577.75	\$121,600.00	\$5,977.75

Enclosed Documents

The packet included a copy of the letter of Final Completion for the Board’s review and information.

The Facilities Committee recommended Board approval of final completion for the District Wide Automatic Door Openers – Phase III project and release of final payment of \$5,312.50 to 5 Star GC Construction, LLC as presented.

Upon a motion by Mr. Gary Gurwitz and a second by Ms. Rose Benavidez, the Board of Trustees of South Texas College approve and authorize final completion for the District Wide Automatic Door Openers – Phase III project and release of final payment of \$5,977.75 to 5 Star GC Construction, LLC as presented. The motion carried.

Review and Action as Necessary on Facility Lease Agreement with the City of Edinburg

Approval of the facility lease agreement with the City of Edinburg for use of the Edinburg Fire Department Training facility by South Texas College was requested.

Purpose

Authorization was requested to approve a new facility lease agreement for use of the City of Edinburg Fire Department Training facility by the College’s fire science program.

Justification

The approval of the lease agreement for use of this facility was needed to continue to accommodate fire science programs being offered by South Texas College.

Background

At the November 24, 2015 Board meeting, the Board approved the initial facility lease agreement with the City of Edinburg for the period of September 1, 2015 to May 31, 2016 with the option to renew for three successive terms. The Board approved the final renewal at the June 20, 2018 Board meeting, which renewed the lease until May 31, 2019.

Staff from the fire science program expressed interest in continuing to lease this space, and a new lease agreement would be necessary. Staff recommended approval of the proposed facility lease agreement for use starting September 1, 2019 to May 31, 2020.

Facility	Initial Term	Optional Renewal Periods	Lease Cost
City of Edinburg Fire Department Training Facility	9/1/19 – 5/31/20	9/1/20-5/31/21 9/1/21-5/31/22 9/1/22-5/31/23	Up to \$13,000 per academic semester plus materials used

Funding Source

Funds for these expenditures were budgeted in the Facilities Leases budget for FY 2019-2020.

The Facilities Committee recommended Board approval of the facility lease agreement with the City of Edinburg for use of the Edinburg Fire Department Training facility by South Texas College for the period of September 1, 2019 to May 31, 2020, and providing for three one-year renewal options through May 2023, as presented.

Upon a motion by Mr. Gary Gurwitz and a second by Ms. Rose Benavidez, the Board of Trustees of South Texas College approved and authorized the facility lease agreement with the City of Edinburg for use of the Edinburg Fire Department Training facility by South Texas College for the period of September 1, 2019 to May 31, 2020, and providing for three one-year renewal options through May 2023, as presented. The motion carried.

Review and Recommend Action as Necessary on Cause No. CL-18-3669-A; South Texas College v. D. Wilson Construction Company, D & F Industries, Inc. and JF Trenching & Paving Construction, LLC

Mr. Gary Gurwitz abstained from the discussion and action on this item at the Facilities Committee meeting and the Board meeting.

Dr. Alejo Salinas, Jr. introduced the Facilities Committee's recommendation on this item to the Board.

The Facilities Committee recommended Board approval of action as necessary on matters regarding Cause No. CL-18-3669-A; South Texas College v. D. Wilson Construction Company, D & F Industries, Inc. and JF Trenching & Paving Construction, LLC for the 2013 Bond Construction Program Starr County Campus Thermal Plant Chiller System Incidents at the June 25, 2019 Board meeting.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mrs. Victoria Cantú, the Board of Trustees of South Texas College approved and authorized the College President to negotiate and execute the settlement of Cause No. CL-18-3669-A; South Texas College v. D. Wilson Construction Company, D & F Industries, Inc. and JF Trenching & Paving Construction, LLC for the 2013 Bond Construction Program Starr County Campus Thermal Plant Chiller System Incidents. The motion carried.

Update on Status of Unexpended Plant Fund Construction Projects

The Facilities Planning and Construction staff provided a design and construction update. This update summarized the status of each capital improvement project currently in progress. Mary Elizondo and Rick de la Garza were available to respond to questions and address concerns of the trustees.

Consideration and Approval of Checks and Financial Reports

Board action was requested to approve the checks for release and the financial reports for the month of May 2019. The approval was for checks submitted for release in the amount greater than \$125,000.00 and checks in the amount greater than \$25,000.00 that were released as authorized by Board Policy No. 5610.

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, would provide a review of the Financial Report for the month of **May 2019**, and would respond to questions posed by the Board.

The checks and the financial reports submitted for approval were included in the Board packet under separate cover.

Upon a motion by Mr. Rene Guajardo and a second by Dr. Alejo Salinas, Jr., the Board of Trustees approved and authorized the submitted checks for release in an amount over \$125,000.00, the checks that were released as authorized by Board Policy #5610, and the financial reports submitted for the month of May 2019. The motion carried.

Executive Session:

The South Texas College Board of Trustees convened into Executive Session at 6:23 p.m. in accordance with Chapter 551 of the Texas Government Code for the specific purpose provided in:

- Section 551.071, Consultations with Attorney
- Section 551.074, Personnel Matters

1. Review and Action as Necessary Regarding Additional Paving Concerns at the South Texas College Regional Center for Public Safety Excellence

Mr. Gary Gurwitz abstained from the executive session deliberation.

2. Deliberation and Action as Necessary Regarding the Assessment of the College President and the Self-Assessment of the Board of Trustees

Mr. Roy de León joined the Board in the executive session deliberation via telephone.

Open Session:

The South Texas College Board of Trustees returned to Open Session at 7:49 p.m. No action was taken in Executive Session.

Review and Action as Necessary Regarding Additional Paving Concerns at the South Texas College Regional Center for Public Safety Excellence

The Board discussed additional concerns raised about the paving infrastructure installed at the South Texas College Regional Center for Public Safety Excellence under the 2013 Bond Construction Program.

Legal Counsel advised the Board of any action as necessary.

Mr. Gary Gurwitz abstained from the executive session deliberation and Board action on this item.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Rene Guajardo, the Board of Trustees of South Texas College approved and authorized Dr. Shirley A. Reed, College President, to pursue negotiations with the construction group involved in the Regional Center for Public Safety Excellence, regarding issues related to the driveway. The motion carried.

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 April 23, 2019.

The evaluations were returned to Mr. Paul R. Rodriguez, Chairman of the Board.

Mr. Rodriguez was 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.

The Southern Association of College and Schools, Commission on Colleges (SACSCOC), publishes the Principles of Accreditation, which offers accreditation guidelines and guidance to member institutions.

Principle of Accreditation 4.2.g established that the governing board of an accredited college define and regularly evaluate its responsibilities and expectations. SACSCOC further expects that the Board consider and act upon the results of that self-evaluation.

The Board was asked to document the completion and acceptance of the assessment of the College President and self-assessment of the Board of Trustees, and to take any other action as necessary based upon this process.

Mr. Paul R. Rodriguez noted that Mr. Roy de León joined them via telephone to discuss the assessments.

Mr. Paul R. Rodriguez further noted that while the Board is satisfied in many areas with how the Board is functioning and providing guidance to the College, there were areas where they know they need improvement, and they intend to pursue that improvement with the guidance of the College President and improved performance by the Chairman.

Mr. Rodriguez also announced that he was happy to report that the overall assessment of the College President was very good, and he noted that the Board felt very fortunate to have Dr. Reed in this position. He noted that there were items that the Board wished to see addressed, and the Board directed Chairman Rodriguez to communicate the assessment to her and to discuss those areas for improvement.

Upon a motion by Dr. Alejo Salinas, Jr. and a second by Mr. Rene Guajardo, the Board of Trustees of South Texas College accepted the results of the assessment of the College President and the self-assessment of the Board of Trustees. The motion carried.

Announcements

A. Next Meetings:

- Tuesday, July 9, 2019
 - 3:30 p.m. – Education and Workforce Development Committee
 - 4:30 p.m. – Facilities Committee
 - 5:15 p.m. – Special Board Meeting
 - 5:30 p.m. – Finance, Audit, and Human Resources Committee
- Tuesday, July 23, 2019
 - 5:30 p.m. – Regular Board Meeting

Adjournment

There being no further business to discuss, the Regular Meeting of the South Texas College Board of Trustees adjourned at 7:53 p.m.

I certify the foregoing are the true and correct minutes of the Tuesday, June 25, 2019 Regular Board Meeting of the South Texas College Board of Trustees.

X

Mr Roy de León
Board Secretary

Approval and Authorization to Accept Grant Awards and Agreements

Authorization to accept and approve the following grant awards and use of related funds as authorized by each grant is requested:

1. John G. and Marie Stella Kenedy Memorial Foundation, Scholarship Funds in the amount of \$15,000

Funding from the Kenedy Memorial Foundation will provide scholarships for students that are in need of financial assistance to help support the completion of an Associate of Applied Science degree in a technical field through the Division of Business, Public Safety, and Technology. The funding period is from June 1, 2019 to August 31, 2020.

This grant aligns with Strategic Direction #2, Access and Success, by providing scholarships to students wishing to pursue an Associate of Applied Science Degree.

2. Texas Higher Education Coordinating Board, Carl D. Perkins State Leadership, Advancing Completion and Employment in Information Technology (ACE-IT) Grant in the amount of \$196,145

Funding from the Texas Higher Education Coordinating Board will help advance the 60x30TX state plan for the development of a replicable CTE Pathway, based on a Competency-Based Education (CBE) framework for high-wage/high-demand occupations in Information Technology career clusters. The program will help to increase the completion of Computer Network Specialist and Computer User Support Specialist Certifications for the creation of a replicable IT work-based learning model that includes a Pre-apprenticeship to Apprenticeship design with a Prior Learning Assessment (PLA), direct classroom instruction, and CBE coursework that leads to postsecondary credential completion. The funding period is from September 1, 2019 to August 31, 2021.

This award aligns with Strategic Direction #1, Clear Pathways, by providing students with opportunities in career and technical education, including extensive support for completing programs successfully. This award also aligns to Strategic Direction #2, Access and Success, by increasing community awareness and access to Career and Technical Education programs.

3. Any Additional Grant(s) Pending Official Award

Summary of Grant Award Funding

The presented grants will provide up to \$211,145 in funding for the college to provide services and opportunities throughout the region.

Recommendation:

It is recommended the Board of Trustees approve and authorize accepting the following grant award(s) and use of related funds as authorized by each grant, contingent upon official award as appropriate.

1. John G. and Marie Stella Kenedy Memorial Foundation, Scholarship Funds in the amount of \$15,000

2. Texas Higher Education Coordinating Board, Carl D. Perkins State Leadership, Advancing Completion and Employment in Information Technology (ACE-IT) Grant in the amount of \$196,145

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

The Board of Trustees of South Texas College approves and authorizes accepting the following grant awards and using related funds as authorized by each grant, contingent upon official award as appropriate:

1. John G. and Marie Stella Kenedy Memorial Foundation, Scholarship Funds in the amount of \$15,000
2. Texas Higher Education Coordinating Board, Carl D. Perkins State Leadership, Advancing Completion and Employment in Information Technology (ACE-IT) Grant in the amount of \$196,145

Approval Recommended:

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

Review and Action as Necessary on Proposed Revision of Policy #1001: *Authority & Functions of the Board, Committees, and Individual Trustees*

Board Policy #1001: *Authority & Functions of the Board, Committees, and Individual Trustees*, identifies responsibilities of the Board of Trustees. The third responsibility is to periodically review, revision, and adoption of the Comprehensive Mission Incorporating the Institutional Vision, Purpose, Core Values, Guiding Principles, and Strategic Directions. This is an outdated reference, and should be updated.

This policy was last revised in January 2009, and since that time, the College has revised its institutional documentation, in line with best practices.

Institutional Vision, Mission, and Core Values

Since the last revision of Policy #1001 in January 2009, the College has restructured its institutional documentation, and no longer maintains an institutional *Purpose, Guiding Principles, or Strategic Directions*. The essential functions of these documents have been incorporated into other documents. The College has further adopted an institutional *Mission*.

On November 6, 2018, the Education and Workforce Development Committee reviewed the process by which administration worked with faculty, staff, and students to continually solicit stakeholder feedback and refine the proposed revisions to the Vision, Mission, and Core Values of South Texas College.

On December 13, 2018, the Board of Trustees reviewed and adopted proposed revisions to the Vision, Mission, and Core Values of South Texas College.

The Board had the opportunity to revisit these documents at the February 16, 2019 Board Retreat, and will have further opportunities to review these documents on an on-going basis.

On March 26, 2019, the Board adopted a revision to Policy #900: *Comprehensive Mission Incorporating Institutional Vision, Mission, and Core Values*, which updated the language to match the revisions to the Vision, Mission, and Core Values as approved.

The Board is now asked to update Policy #1001: *Authority & Functions of the Board, Committees, and Individual Trustees*, to update the language to match the current documentation maintained by the College.

Other Revisions to Policy #1001

While it was necessary to revise Policy #1001 to update the aforementioned reference, administration reviewed several peer institutions to compare similar policy or bylaws, and has proposed minor changes that update other areas of Board responsibility.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the proposed revision to Policy #1001: *Authority & Functions of the Board, Committees, and Individual Trustees* as presented, and which supersedes any previously adopted Board policy.

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

The Board of Trustees approves and authorizes the proposed revision to Policy #1001: *Authority & Functions of the Board, Committees, and Individual Trustees* as presented, and which supersedes any previously adopted Board policy.

Approval Recommended:

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

MANUAL OF POLICY

Title	Authority & Functions of the Board, Committees and Individual Trustees	1001
Legal Authority	Approval of the Board of Trustees	Page 1 of 2
Date Approved by Board	Board Minute Order Dated July 27, 1995 As Amended by Board Minute Order Dated February 18, 1999 As Amended by Board Minute Order Dated July 15, 2004 As Amended by Board Minute Order Dated August 21, 2008 As Amended by Board Minute Order Dated January 15, 2009 As Amended by Board Minute Order Dated June 25, 2019	

Authority & Functions of the Board of Trustees

The Board, within the limits imposed by law, has complete and full control of the College. The Board has final authority to formulate and interpret the policies that govern the College.

The written policies adopted by the Board shall serve as authority for implementation of Board decisions and actions by the College administration.

The general responsibilities of the Board are to:

1. Determine the boundaries of the Single-Member Districts from which Trustees are to be elected.
2. Call and hold elections pursuant to statute.
3. Periodically review, revise and adopt the Comprehensive Mission Incorporating the Institutional Vision, ~~Purpose, Mission, and Core Values.~~ ~~, Guiding Principles, and Strategic Directions.~~
4. Determine the quality of professional leadership needed to carry out the administration and operation of the College.
5. Select, appoint, and annually evaluate the performance of the President of the College.
6. ~~Approve the policies necessary for supporting operations of the College.~~ Establish upon recommendation of the College President, the policies which govern the organization and operation.
7. Review and take appropriate action on matters relating to site selection, acquisition of real and personal property, and facilities development.
8. Approve the annual budget, review and approve expenditures as required under College policy and State law and authorize and review the annual audit of the College.
9. Approve degree and certificate programs of study.
10. Receive and review administrative reports concerning the appointment, promotion, retention, or dismissal of College employees.
11. Receive and review administrative reports concerning academic, continuing education, programs and workforce training programs.
12. Consider inquiries and requests from citizens, students, employees, faculty and organizations on matters of policy and administration affecting the College.
13. Provide a forum for students, employees, faculty, and citizen comments on matters of Board policy.
14. Enhance the public image of South Texas College.
15. Bear the legal responsibility for all aspects of the operation of the College.
16. Perform other duties authorized by applicable laws or regulations.

MANUAL OF POLICY

Title	Authority & Functions of the Board, Committees and Individual Trustees	1001
Legal Authority	Approval of the Board of Trustees	Page 2 of 2

Authority of Board Committees

Committees may be created by the Board **Chair** to advise the Board and facilitate the efficient operation of the Board. The Board is not bound by the action of a Board Committee or any of its individual members.

Authority of Individual Trustees

A member of the Board (a 'Trustee') has no authority except when in an official meeting or except when acting with official authorization of the Board.

Additions are in yellow highlights
~~Deletions are in red strikeout~~

Review and Action as Necessary on Proposed Revision of Policy #1220: *Vacancy on the Board of Trustees*

The Board is now asked to approve the proposed revisions to update Policy #1220: *Vacancy on the Board of Trustees*.

Board Policy #1220: *Vacancy on the Board of Trustees* outlines the process by which the Board may fill vacancies in the Board of Trustees.

In 2010, Mr. Mike Allen representing Single-Member District No. 3 passed away, leaving a vacancy on the Board, with a five-and-one-half year unexpired term.

The Board noted a conflict in laws regarding the filling of vacancies, with two major points of contention between the laws:

- Would the South Texas College Board of Trustees fill the vacancy by appointment or through a special election?
- Would the appointed/elected trustee serve the full unexpired term, or only through the next general election held by the Board of Trustees?

Attorney General Opinion

South Texas College, working through its legal counsel and Texas Senator Eddie Lucio, Jr., sought an opinion from the Attorney General on the legal conflict.

On January 23, 2012, the Office of the Attorney General (AG) delivered the opinion (GA-0907) that the vacancy needed to be filled by an appointment by the sitting Trustees, and the appointment would be for the remainder of the unexpired term.

The AG opined that Texas Education Code 130.082 does not apply to South Texas College for the purposes of filling a vacancy, because it conflicts with the more specific Texas Education Code 130.0822, which applies to governing boards whose trustees are elected from single-member districts. A copy of GA-0907 is included in the packet, following the proposed policy revision.

The College subsequently followed the opinion to fill the vacancy, and on July 24, 2012, appointed Mr. Paul R. Rodriguez to the vacancy. Mr. Rodriguez formally assumed the seat on August 29, 2012.

Need to Revise Policy #1220: *Vacancy on the Board of Trustees*

Policy #1220 was not updated pursuant to the AG Opinion, and still outlines the option to fill vacancies on the Board through a special election and includes a reference to Education Code 130.082, which the AG opined does not apply to South Texas College in this context.

Upon review of this policy in preparation for the upcoming accreditation visit, administration has recommended the policy be revised to reflect the AG opinion and the process used to fill the most recent vacancy on the Board in 2012.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the proposed revision to Policy #1220: *Vacancy on the Board of Trustees* as presented, and which supersedes any previously adopted Board policy.

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

The Board of Trustees approves and authorizes the proposed revision to Policy #1220: *Vacancy on the Board of Trustees* as presented, and which supersedes any previously adopted Board policy.

Approval Recommended:

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

MANUAL OF POLICY

Title	Vacancy on the Board of Trustees	1220
Legal Authority	Approval of the Board of Trustees	Page 1 of 2
Date Approved by Board	Board Minute Order Dated September 14, 1995 As Amended by Board Minute Order Dated July 15, 2004 As Amended by Board Minute Order Dated July 23, 2019	

I. Purpose

The purpose of the policy is to provide the process for filling a vacancy on the South Texas College Board of Trustees.

II. Policy

A vacancy shall occur in the manner and as of the dates set by statute.

Any vacancy occurring on the Board shall be filled by ~~a special election ordered by the Board or by~~ appointment **made by the remaining members of the Board**. ~~The determination of whether a vacancy may be filled by appointment or by special election is within the discretion of the Board. However, a vacancy may be filled by appointment only until the next regular election of members to the Board, at which time the position shall be filled by election for a term appropriately shortened (if necessary) to conform to what regularly would have been the length of the term for that position. Tex. Educ.Code §130.082~~

When a vacancy occurs on the Board, the Board shall announce the vacancy through the news media. The Board, in its discretion, also may announce the vacancy to other individuals and organizations that it feels may have an interest in the vacancy. The announcement shall specify ~~whether~~ the vacancy is to be filled by appointment ~~or by special election~~, and shall specify how a person seeking appointment ~~or election~~ may request such position ~~(in the case of appointment) or place their name on the ballot (in the case of election)~~. Any person desiring appointment to fill a vacancy shall submit a resume to the Board Chair within the time frame as set by the Board. The Board may request additional documentation and interview candidates, as it deems advisable. However, the act of accepting resumes and interviewing candidates shall not require the Board of Trustees to fill a vacancy ~~by appointment~~ **from within that pool of candidates**.

~~If the vacancy is to be filled by special election, the election is to be conducted in the same manner as the district's general election except as provided by the applicable provisions of the Texas Election Code.~~

The person appointed ~~or elected~~ to fill an unexpired term must meet the requirements for serving as a Trustee, as specified herein, including residency requirements.

III. History

Origination Date Approved by Board:
September 14, 1995

MANUAL OF POLICY

Title	Vacancy on the Board of Trustees	1220
Legal Authority	Approval of the Board of Trustees	Page 2 of 2
Date Approved by Board	Board Minute Order Dated September 14, 1995 As Amended by Board Minute Order Dated July 15, 2004 As Amended by Board Minute Order Dated July 23, 2019	

Date Amended and Approved by Board:

July 15, 2004

July 23, 2019



ATTORNEY GENERAL OF TEXAS
GREG ABBOTT

January 23, 2012

The Honorable Eddie Lucio, Jr.
Chair, Senate Committee on International
Relations and Trade
Post Office Box 12068
Austin, Texas 78711-2068

Opinion No. GA-0907

Re: Vacancies on a junior college district's board of
trustees (RQ-0987-GA)

Dear Senator Lucio:

You ask two questions about a vacancy on a junior college district's board of trustees. Your first question is, "What legal procedures are available to determine whether a member of the board of trustees of a junior college district whose trustees are elected from single-member trustee districts has vacated the position by ceasing to reside in the single-member district from which the member was elected?"¹ One available legal action would be an application for a writ of quo warranto, which "is an ancient prerogative writ through which the State acts to protect itself and the good of the public generally through its chosen agents as provided by its constitution and laws . . . to challenge the authority of a public officer." *Lewis v. Drake*, 641 S.W.2d 392, 394 (Tex. App.—Texarkana 1982, no writ). Some "authorities in this State indicate that a proceeding in quo warranto is the exclusive legal remedy afforded to the public by which it may protect itself against the usurpation or unlawful occupancy of a public office by an illegal occupancy." *Hamman v. Hayes*, 391 S.W.2d 73, 74 (Tex. Civ. App.—Beaumont 1965, writ ref'd) (citing several Texas cases, including a Texas Supreme Court case, *Williams v. Castleman*, 247 S.W. 263 (Tex. 1922)). However, we have not found, and no briefing submitted on this matter has identified, a Texas constitutional provision or statute providing that it is the exclusive remedy. See TEX. CONST. art. V, § 3(a) (authorizing the Legislature to grant the Texas Supreme Court original jurisdiction over writs of quo warranto in specified cases), TEX. CIV. PRAC. & REM. CODE ANN. § 66.001 (West 2008) (listing who may seek a writ of quo warranto). Therefore, unless or until a statutory or constitutional provision provides that a writ of quo warranto is the exclusive remedy for the illegal occupancy of an office, courts may determine whether it is the exclusive remedy. See, e.g., *Robinson et al. v. Neeley et al.*, 192 S.W.3d 904, 909 (Tex. App.—Dallas 2006, no pet.).

¹Letter from Honorable Eddie Lucio, Jr., Chair, Senate Committee on International Relations and Trade, to Honorable Greg Abbott, Attorney General of Texas at 1 (July 15, 2011), https://www.oag.state.tx.us/opin/index_rq.shtml ("Request Letter").

Since the *Hamman* decision, some courts have indicated that other legal remedies might be available in particular circumstances. *Id.* For example, a Texas appeals court has held that an independent school district's board of trustees could seek a declaratory judgment on whether a trustee vacated his office by ceasing to reside in his district. *See Tovar v. Bd. of Trs. of Somerset Indep. Sch. Dist.*, 994 S.W.2d 756, 759–760 (Tex. App.—Corpus Christi 1999, pet. denied).

Another Texas appeals court has held that an injunction was a proper way to restrain some trustees of an independent school district from filling vacancies that the trustees supposed had been created when other trustees resigned from office. *Garcia v. Angelini*, 412 S.W.2d 949, 951 (Tex. Civ. App.—Eastland 1967, no writ). *See also id.* (stating that quo warranto was not the exclusive way to determine whether the trustees who had resigned were still trustees).

Accordingly, we advise you that, depending on the facts of a particular case, an application for a writ of quo warranto, a declaratory judgment, or an injunction could be a legal action in which a court would determine whether a board member vacated his or her position. Because this office cannot resolve fact questions, we cannot determine whether any of those legal actions would be available in any particular instance. *See Tex. Att'y Gen. Op. No. GA-0884* (2011) at 1 n.2 (explaining that attorney general opinions cannot resolve questions of fact).

Your second question is, “May the board of trustees of a junior college district whose trustees are elected from single-member trustee districts order a special election to fill a vacancy on the board? If so, what term would the trustee elected at the special election serve?” Request Letter at 1. The first part of that question is based on a discrepancy between two sections of the Education Code. *Id.* at 2. Section 130.0822(i) provides that “[a]ny vacancy on the board shall be filled by appointment made by the remaining members of the board.” TEX. EDUC. CODE ANN. § 130.0822(i) (West 2002). Section 130.082 provides that “[a]ny vacancy occurring on the board through death, resignation, or otherwise, shall be filled by a special election ordered by the board or by appointment by resolution or order of the board.” *Id.* § 130.082(d) (West Supp. 2011).

In attempting to resolve that discrepancy, we note that section 130.0822 applies specifically to “single-member trustee districts.” *Id.* § 130.0822(a), (d) (West 2002) (entitled “Election From Single-Member Trustee Districts”). *See also* Request Letter at 1 (asking about “single-member trustee districts”). In contrast, section 130.082 does not apply specifically to single-member districts. TEX. EDUC. CODE ANN. § 130.082 (West Supp. 2011) (applying to the “Governing Board of Junior College of Other than Independent School District”); *id.* § 130.082(d)–(f) (applying to “at large districts”). If, as you suggest, there is an irreconcilable conflict between sections 130.082 and 130.0822 regarding elections in single-member trustee districts, the provisions in section 130.0822, which specifically address single-member trustee districts, would prevail over the provisions of section 130.082, which do not specifically address single-member trustee districts. *See Bradley v. State ex rel. White*, 990 S.W.2d 245, 251 (Tex. 1999) (noting that, under Texas law, when a specific statutory provision is in irreconcilable conflict with a general statutory provision, the specific provision prevails over the general). *See also id.* (explaining that section 311.026 of the Texas Government Code is a codification of the common-law doctrine of *in pari materia*, which provides

that specific statutory provisions prevail over general ones). Accordingly, “[a]ny vacancy on the board shall be filled by appointment made by the remaining members of the board.” TEX. EDUC. CODE ANN. § 130.0822(i) (West 2002). Furthermore, section 130.0822 provides that “[t]he appointment and election of trustees of the junior college district are subject to Section 130.082 of this code, except as otherwise provided by this section.” *Id.* § 130.0822(c). Section 130.0822 provides otherwise from section 130.082 regarding elections in single-member trustee districts. TEX. EDUC. CODE ANN. §§ 130.082(d) (West Supp. 2011), 130.0822(i) (West 2002).


The second part of your last question is based on another discrepancy between sections 130.082 and 130.0822. Request Letter at 3. Section 130.082(d) provides that “[t]he person appointed to fill the unexpired term shall serve until the next regular election of members to the board” and section 130.0822(i) provides that “[t]he appointed person serves for the unexpired term.” TEX. EDUC. CODE ANN. §§ 130.082(d) (West Supp. 2011), 130.0822(i) (West 2002). Neither statute discusses how long an elected officer must serve, but article XVI, section 27 of the Texas Constitution requires that all elections to fill vacancies of office in this State be for the unexpired term only. TEX. CONST. art. XVI, § 27. In any event, the person filling the vacancy would perform the duties of office until his or her successor is duly qualified, whenever that may be. *Id.* art. XVI, § 17.

S U M M A R Y

Depending on the facts of the case and the circumstances surrounding any particular litigation, an application for a writ of quo warranto, a declaratory judgment, or an injunction might allow a court to determine whether a member of a board of trustees of a junior college district vacated his or her position.

A vacancy on the board of trustees of a junior college district whose trustees are elected from single-member trustee districts must be filled by appointment made by the remaining members of the board. A person elected or appointed to fill a vacancy on a junior college district's board of trustees must perform the duties of office until his or her successor is duly qualified.

Very truly yours,



GREG ABBOTT
Attorney General of Texas

DANIEL T. HODGE
First Assistant Attorney General

DAVID J. SCHENCK
Deputy Attorney General for Legal Counsel

JASON BOATRIGHT
Chair, Opinion Committee

Jason Boatright
Assistant Attorney General, Opinion Committee

Review and Action as Necessary on Proposed FY 2019 – 2020 Board and Board Committee Meeting Schedule

The Board of Trustees for South Texas College is asked to approve and adopt the following schedule of Board and Board Committee meetings for the period from September 2019 through September 2020.

The proposed meeting schedule for the Board of Trustees is as follows:

Month	Committee Meeting Date	Board Meeting Date
September 2019	September 10, 2019	September 24, 2019
October 2019	October 8, 2019	October 29, 2019
November 2019	November 12, 2019	November 26, 2019
December 2019	December 3, 2019	December 10, 2019
January 2020	January 14, 2020	January 28, 2020
February 2020	February 11, 2020	February 25, 2020
March 2020	March 10, 2020	March 31, 2020
April 2020	April 14, 2020	April 28, 2020
May 2020	May 12, 2020	May 26, 2020
June 2020	June 9, 2020	June 23, 2020
July 2020	July 14, 2020	July 28, 2020
August 2020	August 11, 2020	August 25, 2020
September 2020	September 8, 2020	September 22, 2020

A full calendar view of the proposed Committee and Board meeting schedule follows in the packet for the Board's information.

There may be some variation during the scheduled period, to accommodate agenda items for scheduled meetings as necessary. This schedule was reviewed by during the July 9, 2019 Committee meetings.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and adopt the Board and Board Committee meeting schedule for FY 2019 - 2020 as presented.

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

The Board of Trustees of South Texas College approves and adopts the Board and Board Committee meeting schedule for FY 2019 - 2020 as presented.

Approval Recommended:

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



Board Meeting Committee Meeting Calendar FY 2019 - 2020

September 2019						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October 2019						
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November 2019						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 2019						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

January 2020						
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2020						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

March 2020						
S	M	T	W	TH	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2020						
S	M	T	W	TH	F	S
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12	13	14	15	16	17	18
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26	27	28	29	30		

May 2020						
S	M	T	W	TH	F	S
					1	2
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2020						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July 2020						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2020						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2020						
S	M	T	W	TH	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Regular Board Meeting
 Graduation Ceremonies
 Holiday/Professional Dev. Day, College Closed

Committee Meetings -
 • Education & Workforce Development
 • Facilities
 • Finance, Audit, & Human Resources

* Education & Workforce Development Committee: 2nd Tuesday of the month, 3:30 p.m.
 * Facilities Committee: 2nd Tuesday of the month, 4:30 p.m.
 * Finance, Audit, & Human Resources Committee: 2nd Tuesday of the month, 5:30 p.m.
 * Board Meetings: 4th Tuesday of the month, 5:30 p.m.

Review and Action to Comply with the Department of Education's Early Implementation to Rescind the Gainful Employment Regulations

In 2014, the Department of Education approved rules requiring certain institutions to report employment information to the Department of Education as well as disclose employment information to current and prospective students. This requirement is known as the Gainful Employment Regulations.

Under these regulations, the College was required to report and disclose employment information only for certificate programs that qualify for federal financial aid. The College complied with all reporting and disclosure requirements under the Gainful Employment Regulations.

Effective July 1st 2020, the Department of Education will fully rescind all Gainful Employment Regulations including all reporting and disclosure requirements. In addition, the Department of Education published a final rule on July 1st, 2019 which allows institutions to implement the rescission of the Gainful Employment Regulations early prior to the July 1st, 2020 final official rescission.

Justification

College Administration has reviewed all of the final rules and recommends that the College moves forward with the early rescission as permitted by the Department of Education, effective as of August 1st, 2019. This will ensure that the College is in compliance with the rescission of the Gainful Employment Regulations.

All reporting and disclosure requirements for the College would no longer be required as of the effective date of August 1st, 2019. The Department of Education does not require an official notification from institutions of the decision to implement the rescission early; however, institutions that decide to implement early rescission must have internal documentation that the decision was made and must make this documentation available upon request by the Department of Education.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the early rescission of the Gainful Employment Regulations as presented.

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

The Board of Trustees approves and authorizes the early rescission of the Gainful Employment Regulations as presented.

Approval Recommended:

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

Review of Presentations Delivered at May 14, 2019 Education and Workforce Development Committee Meeting

On July 9, 2019, the Education and Workforce Development Committee received the following presentation:

A. Presentation on the South Texas College Library Services 2018 Annual Report Highlights

Dr. Jesus Campos, Dean of Library and Learning Support Services, reviewed the South Texas College Library Services – 2018 Annual Report.

This report includes data that highlights trends in the use of the library and learning support services at South Texas College. Dr. Campos illustrated the role of libraries in supporting academic careers by providing the space, services, and resources necessary for successful college completion.

Changing Role of Libraries

Dr. Campos also provided data that illustrates the changing role of libraries, as access to technology changes how students use the provided resources. He reviewed the changes in specific areas of library utilization by students, and the correlating needs that have arisen.

This included a review of the transition into a new age of digital information and the distractions that come with it, where some students are in many cases best served by a quiet place to study and direct access to curated, reputable sources of information.

Dr. Campos discussed library collection and usage trends, the library art gallery exhibits and events, and the role of library services in directly supporting the academic disciplines.

B. Presentation on the South Texas College – College Connections’ Jaguar Pride: Making Exceptional Connections

Dr. Larry Barroso, Director of College Connections, presented College Connections’ Jaguar Pride: Making Exceptional Connections.

The College Connections team manages recruitment and outreach activities that include:

- Graduating dual credit students who seek to continue higher education at STC;
- First time in college (FTIC) students looking for higher education or workforce training;
- Non-traditional students, such as returning students, or working adults seeking training in new fields.

The strategies of the College Connections team align with the College’s focus on developing a culture within our communities that values going to college and

successfully attaining a credential. This is also in line with the state-wide TX60x30, which seeks to have 60% of young adults in Texas holding a higher education credential by the year 2030.

College Connections is central in the establishment of enrollment strategies, and the recruitment efforts that support those strategies. This includes working with families, rather than strictly with prospective students, to develop an understanding of the incredible value of higher education and the opportunities provided by college credentials.

Dr. Barroso reviewed the research that supports the value of early college connections in enrollment strategies, and the impact of these strategies on actual enrollment.

Finally, Dr. Barroso highlighted events throughout the district and with various audiences, promoting a College going culture in Hidalgo and Starr Counties.

The presentations are included for the Board's review, and no action is requested.

Review and Action as Necessary on Proposed Memorandum of Understanding and Interlocal Agreement for Dual Credit Programs with Local School Districts

The Board of Trustees is asked to approve the memorandum of understanding and interlocal agreement (MOU) for dual credit program partnerships with local school districts for academic year 2019 – 2020.

Background

South Texas College has required partnering school districts to execute an (MOU in previous years, which outlined the partnership terms that help the College and Districts maintain a high level of quality and service to participating dual credit high school students. The MOU was updated annually, and included all Board-approved changes to the tuition and fee structures and policies that impacted dual credit programs.

There have been concerns regarding non-compliance with the MOU by several school districts. Administration seeks an opportunity to help the partnering Districts and the College hold one another accountable to the MOU while avoiding disruption of the opportunities and services these partnerships offer to the students of the region.

McAllen ISD Interlocal Agreement in Lieu of MOU

For several years, McAllen ISD has required an Interlocal Agreement, in lieu of an MOU. This Interlocal Agreement closely paralleled the MOU signed with other partnering districts, but was submitted to and approved by the McAllen ISD School Board and the South Texas College Board of Trustees.

Proposed Memorandum of Understanding and Interlocal Agreement

Based on this approach and seeking Board-level support for the terms of the Dual Credit Program partnership terms, administration recommends the approval and adoption of the MOU for academic year 2019 - 2020 by the South Texas College Board of Trustees, as well as the governing board of each partnering district. It is hoped that this will assist in the communication of and response to any compliance concerns with administration of partnering districts and the College.

Recognition of Dual Credit Program Partnership

Section 2 of the proposed MOU includes a requirement that the school district recognize their higher education partner when reporting and publicizing high school students' completion of dual credit courses, degrees, or certificates, and the waiving of tuition and fees.

This section includes specific requirements to ensure that South Texas College and School District Partners adequately recognize one another while publicizing the opportunities provided through this dual credit partnership. The packet includes some examples of school district publications, with varying compliance toward this recognition of the partnership.

Non-compliance with the terms of the proposed agreement would be reported to the District's Superintendent and the College President.

The South Texas College Board of Trustees is asked to approve the form and content of the MOU for academic year 2019 - 2020, which will then be sent to each partnering district for review and approval by the governing boards.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Education and Workforce Development Committee Meeting. Mr. Gurwitz took no action, and asked that the memorandum of understanding and interlocal agreement (MOU) for dual credit program partnerships with local school districts for academic year 2019 – 2020 be presented to the Board for consideration.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the memorandum of understanding and interlocal agreement (MOU) for dual credit program partnerships with local school districts for academic year 2019 – 2020 as presented.

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

The Board of Trustees approves and authorizes the memorandum of understanding and interlocal agreement (MOU) for dual credit program partnerships with local school districts for academic year 2019 – 2020 as presented.

Approval Recommended:

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



Memorandum of Understanding and Interlocal Agreement South Texas College Dual Credit Programs

SOUTH TEXAS COLLEGE (herein called the “College”) and _____ SCHOOL DISTRICT (herein called the “School District”) enter into the following Memorandum of Understanding and Interlocal Agreement (MOU), and for the terms of which WITNESS THE FOLLOWING:

TERM

This MOU shall be in effect from August 24, 2019 to August 24, 2020, and posted during this term on the College’s and School District’s respective internet websites.

OVERVIEW

The College is committed to serving the students and communities of South Texas through collaborative work with school districts in the College’s service area. A major initiative promoting a college-going and college graduation culture is the **South Texas College Dual Credit Programs**, which complies with the rules set forth by the State of Texas (TAC Title:19 Chapter 4, Subchapter D, Rule § 4.84) for dual credit partnerships between secondary schools and Texas public colleges to offer dual credit to qualified students; therefore,

NON-DISCRIMINATION

The College prohibits discrimination, including harassment, against any employee, applicant for employment, student or applicant for admission on the basis of any protected class or any other basis prohibited by law. Protected classes at the College include: race, color, national origin, religion, age, sex, sexual orientation, gender, gender identity, physical or mental disability, genetic information, veteran status or any other basis prohibited by law.

Discrimination is defined as prohibited conduct directed at an employee or student on the basis of race, color, national origin, religion, age, sex, including pregnancy and parental status, sexual orientation, gender, gender identity, physical or mental disability, genetic information, veteran status, or any other basis prohibited by law, that adversely affects the employee’s employment or that adversely affects the student.

For more information, please visit **Board Policy #4216: Harassment, Discrimination, and Sexual Misconduct** <https://admin.southtexascollege.edu/president/policies/pdf/4000/4216.pdf>

1) MOU PURPOSE

The purpose of this MOU is to outline the roles and responsibilities of the College and the School Districts that participate in the Dual Credit Programs. This MOU is the agreement that encompasses all programs and initiatives under the Dual Credit Programs as required by the Texas Higher Education Coordinating Board (THECB). An additional MOU is required by the Texas Education Agency for Early College High Schools, T-STEM and P-TECH schools.

2) RECOGNITION OF HIGHER EDUCATION PARTNER

The School District, when reporting and publicizing high school *students’ completion* of dual credit **courses, degrees, or certificates**, will recognize all Higher Education partners, including South Texas College. Furthermore, when the School District advertises and/or publicizes including but not limited to,

designations, awards received, tuition saved, and articles written in social media, television commercials and print ads for dual credit, the School District will recognize South Texas College as their Higher Education partner. The following statement must be included in all the School District’s publications and/or advertisements in regards to the Dual Credit Programs:

“[ISD name] collaborates with South Texas College, our Higher Education partner, to offer college credit hours, college certificates and degrees, while saving families hundreds of thousands of dollars by waiving tuition and fees.”

In addition, the School District shall adhere to the format and style of all advertising, marketing, reporting, and publicity materials, which includes billboards, print ads, and television commercials, as set forth in the College’s ***Branding, Marketing, and Advertising Guidelines for South Texas College Dual Credit Programs*** at www.southtexascollege.edu/go/dual-credit-marketing (see Exhibit B for Sample Recognition). Failure to follow this provision will result in a non-compliance notification as stated in Section 9 of this document.

3) **ACADEMIC POLICIES & PROCEDURES**

Regular academic policies and procedures applicable to regular college courses and students will also apply to dual credit courses and dual credit students. A degree plan with a defined sequence of courses will be available through DegreeWorks for all dual credit students.

a) *Eligible Courses*

Academic courses offered by the College for dual credit are developed based on the guidelines published in the Academic Course Guide Manual. Workforce courses are developed based on the guidelines published in the Workforce Education Course Manual. The College does not offer remedial, kinesiology, or developmental courses for dual credit.

b) *Faculty Qualification, Selection, Supervision, and Evaluation*

The College has established an approval process for selecting and/or approving qualified School District faculty (those approved will herein be called “Dual Credit Faculty”) to teach dual credit course(s). Each approved Dual Credit Faculty will be supervised by the College’s respective department chair or designee and be evaluated and monitored to ensure quality of instruction and compliance with the College’s policies and procedures in accordance with the standards established by the State of Texas and the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). For a comprehensive view of the Faculty Credentials and Qualification, Selection, Supervision, and Evaluation process, refer to the ***Dual Credit Programs Instructional and Quality Standards Manual - Academic Affairs Division***.

- i. The School District will collaborate with the College to ensure that the School District instructor applying to teach in the Dual Credit Programs meets the credential requirements as stated in the College’s ***Board Policy #4151 Academic and Professional Credentials for Faculty***, which includes the criteria used by the College to determine teaching eligibility.
- ii. The College will ensure that College Faculty requested to teach dual credit courses at the School District sites have met acceptable national criminal background checks.
- iii. School District faculty approved as Dual Credit Faculty must be cleared by the College’s Office of Human Resources to teach any dual credit courses.
- iv. Dual Credit Faculty will submit all required reporting documents such as rosters, learning outcome results, syllabi/section outlines, and grades by the deadlines set by the College.

- v. College and Dual Credit Faculty teaching dual credit courses should check their class rosters during the first week of classes by accessing Starfish through JagNet to make sure that all students attending the class are enrolled in the dual credit course. Refer students not on the roster to the appropriate School District counselor and the Dual2Degree Department. Any student not listed on the roster by the 12th day of class (Census Day) will not be enrolled in the dual credit course.
- vi. New Dual Credit Faculty approved for the upcoming Academic Year must satisfactorily complete the DELTA Online Academy course offered through the College's Office of Professional and Organizational Development during the summer prior to, or the Fall semester of, their first academic year. Dual Credit Faculty not completing this Academy will not be allowed to continue teaching the following academic year. This Academy focuses on relevant College policies and procedures, resources, faculty responsibilities, and maintaining a college environment in the classroom.
- vii. The School District will allow release time from School District duties for all Dual Credit Faculty to attend required College departmental meetings, discipline and course-specific College professional development training, and the two Dual Credit professional development days organized by the College held on the Saturday before each full semester begins. The department chairs will provide the meeting schedule to the Dual Credit Faculty before the beginning of the semester, so that the Dual Credit Faculty can coordinate his/her teaching responsibilities at the high school in order to attend required department meetings.
- viii. College Faculty and Dual Credit Faculty teaching college-level courses are expected to reach out to students who need academic assistance and direct them to the appropriate College or School District support services.
- ix. The School District will forward any concerns regarding Dual Credit Faculty or College Faculty teaching the college-level course to the College Department Chair for investigation. To resolve the concerns, a meeting shall take place between the College Department Chair (and/or designee) and the School District Principal (and/or other designated high school administrator) to discuss the issues and reach a decision that is mutually agreeable.
- x. The faculty assigned to teach a dual credit course is charged with the duties and responsibilities of the instructor of record. In cases where the course is a Distance Learning course taught at the partner school, as stated in [Board Policy #3115 Distance Education](#), the instructor of record, not an assistant, is the one responsible for delivery of instruction and evaluation of student progress. Online students shall be informed that they are able to access the online course at any time, not only during a designated time at the high school.
- xi. Even though Dual Credit Faculty members are full-time employees of the School District wherein they teach the college course(s), they are expected to follow all the College's policies as applicable during the instructional time designated for dual credit courses. Because Dual Credit Faculty are employed by both the College and the School District, they are confronted with unique challenges, but should have the same rights, responsibilities, and privileges as College Faculty teaching a dual credit course at a high school site. They must fulfill their responsibilities as Dual Credit Faculty while acting in accordance with the expectations, policies, and responsibilities required by their School District and Principal.
- xii. Dual Credit Faculty Rights and Responsibilities when teaching a College-level Course at the College:

- College-Level Course Work: The rigor of college-level course work can often require additional time outside of class for students to meet course learning objectives and outcomes; therefore, Dual Credit Faculty should not be coerced to decrease the amount of out-of-class work assigned to students.
- Issuing of College Grade: Dual Credit Faculty shall not inflate the college letter grade, which might differ from the high school numeric grade.
- Contact Hours Pertaining to Dual Credit Students: Just as Dual Credit Faculty are expected to meet the required number of contact hours per semester, students enrolled in dual credit courses are required to maintain regular and punctual attendance in classes and laboratories. In accordance with the College [Board Policy #3335: Student Attendance](#), the student is responsible for communicating with faculty members concerning any absence. The student may be required to present evidence to support an absence, and make-up work for class absences will be permitted only as specified by the faculty in the course syllabus.
- Dual Credit Faculty must not be coerced to take unreasonable measures to help a student who, in the estimation of the Faculty member, is failing the course due to a lack of effort and/or excessive student absences.

c) Location, Facilities, Teaching Environment, and College Courses

The location of dual credit courses will be held at approved high school sites in accordance with SACSCOS standards.

i. Facilities

The School District will work with the College to ensure that the School District’s facilities meet the expectations and criteria required for college classes and are appropriate for college-level instruction by the first day of class including the following:

- School District will ensure that College Faculty and dual credit students have appropriate access to all available instructional facilities, resources, and essential technology;
- School District shall permit access to the College’s electronic learning resources when the course is taught at the School District; and
- School District offering science courses shall meet the laboratory safety standards and have material/equipment required for College courses available in all labs in which classes are being taught to comply with the College science program requirements.

ii. Teaching Environment

The School District will ensure that the classroom environment is conducive to college-level learning by:

- Designating a classroom for the dual credit classes;
- Displaying the signs provided by the College outside of the classroom that indicate “College Course is in Session”;
- Assuring no interruptions take place in the College dual credit class while in session, such as removing students for high school activities, or making announcements except for official business or emergencies. Interruptions for official announcements must be minimized; and
- Accepting the faculty member’s attendance requirements as stated in the course syllabus and as supported by [Board Policy #3335 Student Attendance](#). This policy provides guidelines related to student attendance and authorizes faculty to drop a student, prior to the withdrawal deadline, when in the opinion of the faculty, the student would have difficulty in successfully completing the course.

- iii. College Courses
Dual credit courses must use the College's approved Learning Management System.
- d) Course Curriculum, Instruction, and Grading
School Districts that participate in the Dual Credit Programs at the College will comply with procedures and guidelines as published in the *Dual Credit Programs Instructional and Quality Standards Manual*, including the following:
 - i. Academic Instructional Calendar
Dual credit classes will follow the College Academic Calendar. Exceptions may be arranged through collaboration between the College and the School District. When the requested exception involves the Final Exam Schedule for long semester classes, the College Department Chair and Division Dean should be involved in any decision. The College requires that the Division Dean approve any exception. Notification of conflicts between mandatory State testing and final exams must be made well in advance of final exams.
 - ii. Monitoring Instruction
The School District will work with the College so College personnel will have the opportunity to monitor the quality of instruction in compliance with the College course syllabus and the standards established by the State of Texas, SACSCOC, and the School District.
 - iii. Books and Supplemental Materials
The School District will provide textbooks for each registered student, equipment, and supplemental materials required for the cohort (S sections) classes. College-approved textbooks purchased by the School District as required for a college course are allowed to be used for four (4) years. Chairs may request a change of textbooks earlier than four (4) years, if the textbooks are for technology-based courses or with reasonable justification. Required textbooks and materials shall be available to each registered student on the first class day. Exceptions must be discussed with the Dean of Dual Credit Programs and the Department Chair.
 - iv. Grading Procedures
All Dual Credit Faculty will follow the College Grading System as stated in the College's [Board Policy #3310 Grading System: Credit Programs](#), as well as the grading criteria in the department approved syllabus.
 - v. Submission of College Grade
The primary responsibility for assigning College grades in a course belongs to the faculty member, and in the absence of compelling evidence of discrimination, differential treatment, or procedural irregularities, the judgment of the faculty member responsible for the course must remain determinant. College and School District officials will not interfere with the faculty member's responsibility for assigning College grades. The final course grade for the College will be a letter grade and for the high school a numeric grade that might differ from the College grade.
 - vi. Grade Appeal
The School District will direct students to follow the College's Grade Appeal process. An electronic copy of these documents may be accessed on the Academic Affairs Department webpage at the following link: https://academicaffairs.southtexascollege.edu/grade_appeals/.

vii. Reporting Required Critical Student Performance Information

The College has developed guidelines for sharing critical student performance information when needed for high school reporting. The guidelines indicate reporting requirements and responsibilities of the Dual Credit Faculty regarding parent inquiries, progress reports, and discipline matters. These guidelines are found in the *Dual Credit Programs Instructional and Quality Standards Manual*.

e) Dual Credit Policies

i. Board Policy #3230 Dual Credit Programs with Partnering School Districts

- Lists general provisions that partnering School District must comply with; and
- States that tuition and fees for dual credit students sponsored by partnering School District will be charged as approved by the College's Board of Trustees.

ii. Board Policy #3232 Dual Credit Student Eligibility Requirements

- Outlines the dual credit student eligibility requirements;
- Stipulates limitations on what courses and how many hours may be taken;
- Mandates student compliance with Financial Aid Satisfactory Academic Progress (SAP); and
- Levies the independent student tuition and fees for students enrolled in (non-S) section(s) without prior approval by the College.

iii. Board Policy #3320 Academic Progress Standards

- States expectation that students meet academic standards for coursework at the College;
- Defines levels of academic status GPA criteria; and
- Explains student academic progress standards including probation, suspension, and readmission.

iv. Board Policy #3322 Student Financial Aid - Satisfactory Academic Progress (SAP)

- Cites Federal regulations that require the College to monitor Satisfactory Academic Progress (SAP) for all students, including dual credit students, in order to determine financial aid eligibility; and
- Cites regulations that require the evaluation of quantitative (67% course completion rate and maintaining at least a 2.0 cumulative GPA) standards, as well as completion of a degree or certificate within 150% of normal time frame.

4) STUDENT ENROLLMENT & SUPPORT SERVICES

a) Student Eligibility

The College requires the School District to follow all College enrollment procedures and guidelines for dual credit students. All procedures and guidelines are outlined in the College's *Dual Credit Programs Enrollment and Support Services Manual*. An electronic copy of this document may be accessed on the Dual Credit Programs webpage at the following link:

<https://www.southtexascollege.edu/dual/index.html>.

All students must meet dual credit admissions and eligibility requirements as outlined by the THECB laws and regulations, the Texas Administrative Code, Title 19, Part 1, Chapter 4, Subchapter D, Rule § 4.85, and as stated in the College's Board Policy #3200 Student Admissions. The School District will work with the College to make certain that all dual credit students are enrolled by the first day of class to help ensure student success and will comply with the College Dual Credit Programs Admission and Registration Timeline. An electronic copy of this document

may be accessed on the Dual Credit Programs webpage at the following link:
<https://www.southtexascollege.edu/dual/index.html>.

High school students are eligible to participate in the Dual Credit Programs upon meeting the Texas Success Initiative (TSI) Assessment minimum passing scores established by the THECB and the College dual credit course pre-requisites as published in the College's *Dual Credit Programs Enrollment and Support Services Manual*.

Dual credit students must comply with the College's Academic Progress Standards as outlined in [Board Policy #3320](#) and [Board Policy #3322](#). Federal Financial Aid SAP requirements measure all students' GPA and progression regardless of whether or not they receive aid and these requirements are applicable to dual credit students who are still in high school.

b) *Collaboration and Outreach Efforts*

The College provides informational sessions for students and parents regarding dual credit opportunities, benefits, cost, and resources. Sessions are available throughout the academic year upon request by the School District. The College disseminates the most current dual credit information regarding enrollment, resources, and requirements for the program the College's dual credit website.

c) *Course Load*

As stated in the College's [Board Policy #3232 Dual Credit Student Eligibility Requirement](#), dual credit students may not enroll in college-level courses until the Spring semester of their 9th grade, and then limited to no more than two (2) dual credit courses for that semester from an approved list of recommended courses. All 10th grade students will be limited to only two (2) dual credit courses per Fall and Spring semester. All 11th and 12th grade students should not exceed four (4) dual credit courses per Fall and Spring semesters. Summer session enrollment is limited to two (2) dual credit courses for Summer Term I/III and two (2) dual credit courses for Summer Term II.

Dual credit students shall be limited to courses within their declared major and corresponding degree plan. Students who declare a major leading to Career Technical Education (CTE) certificate or Associate degree, may also enroll in academic dual credit courses, limited to English 1301, Mathematics/Natural Science Electives, Humanities Electives, Social and Behavioral Electives, and other Associate of Applied Science (AAS) Electives needed to complete their Certificate and/or AAS degree, while not exceeding the limitation on dual credit courses per semester described below. Students may attempt a maximum of 68 credit hours, with the exception of students pursuing the Associate of Science in Engineering. The Dual Credit Programs is subject to all applicable College policies and procedures.

Non-S Section Enrollment

Students who want to enroll in regular (non-S) section(s) must be approved by the Dean of Dual Credit Programs and School District Partnerships. Students can only be enrolled in courses within their declared major. Any student approved to enroll in a regular (non-S) section(s) will not be assessed the independent student tuition and fee rates based on the Board Approved Tuition & Fee Schedule. Dual credit students who do not receive approval to enroll in a regular (non-S) section(s), may still enroll, but will be assessed the independent student tuition and fee based on the Board Approved Tuition & Fee Schedule.

Non-S section requests for 12 or more students in the same course type during the same semester will require an "S" section to be created by the School District. Criteria is available on the Dual Credit Programs website, which includes the eligibility of enrollment of only 11th and 12th graders.

d) *Student Composition of Class*

As outlined in the Texas Administrative Code, Title 19, Part 1, Chapter 4, Subchapter D, Rule 4.85, the school district may not enroll both dual credit and non-dual credit students in the same section unless creation of a high school credit-only class is not financially viable for the high school and only under one of the following conditions:

- i. If the course is required for completion under State Board of Education High School graduation requirements, and the school is otherwise unable to offer such a course.
 - ii. If the high school credit-only students are College Board Advanced Placement or International Baccalaureate students.
 - iii. If the course is a career and technology/college workforce education course and the high school credit-only students are eligible to earn articulated college credits.
- e) Advising
The College and the School District shall offer college advising services for dual credit students consisting of a general first-time dual credit student advising, group enrollment advising using DegreeWorks, face-to-face advising, and a College Advising Training Program for High School District Counselors.

The College offers advising services for dual credit students regarding transferability and applicability to baccalaureate degree plans of all college credit offered and earned.

- f) Pathways Alignment
The College shall provide a comprehensive guide to the alignment of High School endorsements, dual credit courses, post-secondary pathways, credentials at the institution, and industry certifications.

- g) Counseling and Student Accommodations
The College and the School District will adhere to Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 (ADA), and the ADA Amendments Act of 2008.

The School District will provide classroom accommodations for dual credit students. If the class is taught by a College Faculty at the high school, the College Counselor will coordinate class accommodations with the high school Special Education Counselor. All procedures and guidelines are outlined in the College *Dual Credit Programs Enrollment and Support Services Manual*. An electronic copy of this document may be accessed on the Dual Credit Programs webpage at the following link: <https://www.southtexascollege.edu/dual/index.html>.

- h) Student Complaints
Grievance or Complaint procedures for handling student complaints, regarding college courses, are applicable to all students including those enrolled in dual credit courses.
Dual credit students with complaints shall follow the procedures as stated in the College's [Board Policy #3313, Student Grievance or Complaint, and Board Policy #4216 Harassment, Discrimination, and Sexual Misconduct](#). A student may report a grievance or complaint at <https://www.southtexascollege.edu/report/index.html>.

- i) Student Conduct
All students, including dual credit students, are subject to discipline and appropriate sanctions, ranging from verbal or written warning to suspension and expulsion from the College and all related programming, under the College's Student Handbook and Code of Student Conduct. The Code of Student Conduct is an articulation of the College's commitment to maintaining an environment that

recognizes and supports the rights of its students, while providing a guide for defining behaviors the College considers inappropriate. Procedures, including a list of violations, potential sanctions, and a list of individual rights for each student, are listed in the College's Student Handbook, Chapter 2, Code of Student Conduct. Dual credit students who receive a sanction of suspension or expulsion from the institution must be removed from the college course and placed in a high school credit course or a traditional high school setting by the School District. Further, the College reserves the right to refer cases to the Behavioral Intervention Team for review and threat assessment.

j) Transcription of Credit

The College and the School District will transcript dual credit courses for both college credit and high school credit immediately upon student completion of the performance required in each course.

k) Commencement Ceremonies

To become eligible to participate in the College Commencement Ceremonies held in May, December, or at such time determined by the Board of Trustees, dual credit students must be enrolled in all final coursework for their declared program and all coursework must be completed at the end of the semester of graduation. Dual Credit students who are eligible to participate cannot defer participation to a later Commencement Ceremony date. The College Registrar is the Graduation Determination Official and has the final authority to determine dual credit eligibility for graduation and ceremony participation. Dual credit students must meet all graduation requirements as outlined in College Policy to be eligible for graduation and participation in the Commencement Ceremonies.

5) **FINANCE SUPPORT SERVICES**

a) Faculty Stipend

School District instructors approved by the College to be Dual Credit Faculty and approved to teach college level courses will be paid a stipend by the College per class, per semester, as outlined in the College *Dual Credit Programs Instructional and Quality Standards Manual*.

b) Tuition & Fees

The School District will be charged tuition and fees as outlined in *Exhibit A: Board Approved Tuition & Fees for Dual Credit Students Sponsored by Partnering School Districts for FY 2019-2020*.

c) Invoicing

The College will invoice the School District that sponsors the student for the applicable charges, in accordance with the *Board Approved Tuition & Fees for Dual Credit Students Sponsored by Partnering School Districts for FY 2019-2020*, as approved by the College Board of Trustees (see Exhibit A).

d) Faculty Charges

When the College provides the faculty, including via interactive distance learning, the School District is responsible for the mileage and faculty cost as stipulated in the Dual Credit Course Agreement (DCCA). This agreement is outlined in the *Dual Credit Programs Instructional and Quality Standards Manual*. An electronic copy of this document may be accessed on the Dual Credit Programs webpage at the following link: <https://www.southtexascollege.edu/dual/index.html>.

6) **DATA SHARING**

FERPA allows protected student data to be exchanged between the College and School District for students that are dually enrolled without the consent of either the parents or the student under § 99.34. If the student is under 18, the parents still retain the right under FERPA to inspect and review any education records maintained by the School District, including records that the College disclosed. The

College and the School District are expected to meet FERPA requirements to maintain the privacy of student data.

The College will provide data reports to the School District via standard reports as per identified timelines. These reports have been developed in an effort to provide required data in a timely manner to our partners with a signed MOU.

The School District shall provide a primary and secondary contact, at the District and at each high school, to receive data via a secure process from the College. These contacts will be responsible for distributing data securely within their assigned area and within FERPA guidelines. Any data received from the College shall not be shared outside the District without prior authorization from the College.

The School District may request data outside of the scheduled report distribution schedule provided:

- An MOU has been executed and is active between the School District and the College
- The data request is submitted, at minimum, three (3) business days prior to the requested delivery date

PLEASE NOTE: Requests are **NOT** guaranteed to be delivered by the requested delivery date and may be delayed depending on the data team's existing request volume. Requests will be prioritized depending on identified need.

The School District may submit an e-mail request for reports to: dcdatarequest@southtexascollege.edu.

7) **HUMAN RESOURCES DEPARTMENT. DATA PRIVACY & SHARING AGREEMENT**

The School District will collaborate with the College to ensure that all School District faculty applying to teach in the Dual Credit Programs meet the credential requirements as stated in the College's [Board Policy #4151 Academic and Professional Credentials for Faculty](#), and submit all required documents for the hiring process to the Human Resources Department as well as agree to full information sharing in the event of an investigation of a personnel matter regarding Dual Credit Faculty.

- a) Any non-academic incidents or complaints against Dual Credit Faculty teaching a College course are required to be reported to the College's Office of Human Resources to the attention of the Director and/or Employee Relations Officers for investigation.
- b) The School District will comply with Title IX of the Education Amendments 1972 (20 U.S.C. § 1681 et seq.) regulations as stated in the College's [Board Policy #4216 Harassment, Discrimination, and Sexual Misconduct](#), and the School District Title IX policy in resolving incidents and complaints. An electronic copy of the College's policy may be accessed on following link:
<https://admin.southtexascollege.edu/president/policies/pdf/4000/4216.pdf>.

Title IX Statement:

Title IX of the Education Amendments of 1972 (20 U.S.C. §1681 et seq) and it's implementing regulations, 34 C.F.R. Part 107 (Title IX) state: "No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance."

Title IX resources, policies, and procedures, including the names and contact information of the Title IX Coordinator and the Title IX Deputy Coordinators for the College are located at the following link: <https://www.southtexascollege.edu/about/notices/title-ix.html>.

- c) The College and School District will work collaboratively and timely to share any and all information necessary in the event of an investigation of a personnel matter.

8) **MEMORANDUM OF UNDERSTANDING (MOU)**

This MOU may be amended by mutual written agreement of both parties.

The College and the School District reserve the right to terminate this MOU, by notice from either party in accordance with this MOU or by operation of law. The College or the School District may terminate the MOU no fewer than ninety (90) days prior to the intended date of termination. To be effective, notice must be submitted in writing, signed by the College President or the School District Superintendent and personally delivered to the other party to this MOU.

9) **NOTIFICATION OF NON—COMPLIANCE AND TERMINATION OF AGREEMENT**

Failure to act in accordance with any provision in this MOU will result in a Notification of Non-Compliance (Notice), which may be initiated by either party. The Notice shall be in writing and shall state in particular the alleged non-compliance. The Notice will be provided to the College President and School District Superintendent for review and action. Failure to correct non-compliance may result in termination of this agreement.

EXECUTED IN TWO (2) Original counterparts on this _____ day of _____ 20_____.

Shirley A. Reed, M.B.A, Ed.D.
President
South Texas College

Superintendent
School District

Chairman, Board of Trustees
South Texas College

President, Board of Trustees
School District

EXHIBIT A
TUITION AND FEES FOR DUAL CREDIT STUDENTS
SPONSORED BY PARTNERING SCHOOL DISTRICTS

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
DUAL CREDIT TUITION:			
Per credit hour tuition for in-district dual credit students sponsored by partnering school districts	0.00	0.00	0.00
DIFFERENTIAL TUITION PER CREDIT HOUR FOR COURSES OFFERED ON A SOUTH TEXAS COLLEGE CAMPUS OR FACILITY:			
Associate Degree Nursing	50.00	55.00	75.00
Emergency Medical Technology	40.00	45.00	55.00
Occupational Therapy Assistant	40.00	45.00	55.00
Patient Care Assistant	20.00	25.00	35.00
Pharmacy Tech	40.00	45.00	55.00
Physical Therapist Assistant	40.00	45.00	55.00
Radiologic Technology/Sonography	40.00	45.00	65.00
Respiratory Therapy	40.00	45.00	65.00
Vocational Nursing	50.00	55.00	75.00
COURSE FEES:			
Electronic Distance Learning/VCT Course Fee per credit hour	15.00	10.00	10.00
Hybrid Course Fee per credit hour	10.00	0.00	0.00
NAH and Other Course Fees: <i>Liability Insurance/Exams/Booklets/ Badges/ Special Program ID/Certificates/Pinning Ceremony/Other Activities</i>	Recovery of costs and processing fees	Recovery of costs and Processing fees	Recovery of costs and processing fees
INCIDENTAL FEES			
Fee per credit hour for dual credit students attempting a course three or more times	125.00	125.00	125.00
Dual Credit Late Processing Fee per course per student after Census Day	200.00	200.00	200.00
DUAL CREDIT ACADEMIES PARTICIPATION FEES:			
Dual Credit Academies Participation Fee – Fall and Spring, per student per semester (charged to School District)			600.00 Recovery of costs and processing fees
Dual Credit Academies Participation Fee – Summer, per student per credit hour (charged to School District)			50.00 Recovery of costs and processing fees

Including students enrolled in “s” sections and “non-s” section approved per Policy #3232 Dual Credit Student Eligibility Requirements.

Exhibit B

Sample Recognition

Vanguard Academy
A Charter School For Fine Arts

We THANK STC
Our Partner in Education

Seven Seniors Earn Associates Degree From South Texas College

Class of 2019

South Texas College

Congratulations today and best wishes for all of your tomorrows!

EDCOUCH-ELSA INDEPENDENT SCHOOL DISTRICT

Salutes & Honors

2019

EEISD - SOUTH TEXAS COLLEGE ASSOCIATE GRADUATES

HIDALGO EARLY COLLEGE HIGH SCHOOL

PIRATES Graduating Class of 2019

We Thank Our Partner in Education South Texas College

PHARR-SAN JUAN-ALAMO INDEPENDENT SCHOOL DISTRICT

Congratulations

PSJA ISD-South Texas College Graduates!

Message from Superintendent of Schools Dr. Daniel P. King:

On behalf of the PSJA Board of Trustees and Administration, I congratulate our graduates from the Class of 2019!

We are extremely proud of your accomplishments. You have earned many accolades in your years at Pharr-San Juan-Alamo ISD and you have represented your school, your district and community with pride.

More than 600 of you participated in the South Texas College Commencement Ceremony as Associate Degree or College Certificate candidates, prior to receiving your high school diploma. We are excited to see this number increase every year. At PSJA ISD, we are truly working to ensure "College for All". We know it is not an easy task, but look at yourself now. Your hard work and perseverance does not go unnoticed.

Our PSJA ISD Early College Program offers more than just two years of college credit. It truly sets you ahead of your peers and accelerates your ability to pursue graduate and professional schools. You exemplify our PSJA motto: Start College Now! Complete Early! Go Far!

Your participation in our many academic and extracurricular programs has also gained our district even more accolades and recognition. You are the best example of what our youth can accomplish if given the opportunity. Among you are regional, state and even national winners. These achievements are only the beginning of your potential as you embark on this new journey and complete your post-secondary education. You have the knowledge, skills and power to excel at the university level and continue on to post-graduate degrees and the career of your choice.

We thank your parents, teachers, staff and numerous community and business partners for supporting an "to and through" college. You are just as committed to our goal of graduating students: College Ready, College Connected and College Complete. Thank you for making our PSJA ISD vision a reality.

Your PSJA family wishes you the best of luck in all your future endeavors. Don't forget to let us know of your accomplishments as proud PSJA alumni. As you find a career you enjoy and are passionate about, may you pay it forward and continue to positively impact our community.

Congratulations graduates!

LA VILLA
EARLY COLLEGE HIGH SCHOOL

ASSOCIATE DEGREE GRADUATES
SOUTH TEXAS COLLEGE

Review and Action as Necessary on Quarterly Investment Report for the Quarter Ended May 31, 2019

A report on the College's Quarterly Investment Report for the Quarter Ended May 31, 2019, is being presented. The Board is asked to approve the Investment Report as presented.

Purpose – Ms. Susan Anderson from Valley View Consulting, L.L.C. will present on the status of the College's Quarterly Investment Report for the Quarter Ended May 31, 2019 and provide a further update at the meeting. Ms. Anderson will present an overview of the investments, the annual interest earnings, the quarterly interest earnings, and economic overview.

Justification – The report being presented will provide a brief review and update of the College's Quarterly Investment Report for the Quarter Ended May 31, 2019 to the College's Board of Trustees.

Background – The Texas Public Funds Information Act (PFIA) and the College's Policy #5120: *Investment Policy and Investment Strategy Statement*, requires an Investment Report to be prepared and submitted to the Board of Trustees and the President quarterly.

Reviewers - The Vice President for Finance and Administrative Services, Business Office staff, and Valley View Consulting, L.L.C. (Investment Advisor) have reviewed the information being presented.

Enclosed Documents – A copy of the Quarterly Investment Report for the Quarter Ended May 31, 2019 follows in the packet for the Board's information and review.

Dr. Shirley A. Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, will be present at the Board Meeting to address any questions.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the Quarterly Investment Report for the Quarter Ended May 31, 2019, as presented.

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

The Board of Trustees approves and authorizes the Quarterly Investment Report for the Quarter Ended May 31, 2019, as presented.

Approval Recommended:

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



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

May 31, 2019

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the South Texas College is in compliance with the Public Funds Investment Act and the South Texas College Investment Policy.

Maria G. Elizondo, Vice President for Finance & Administrative Services	Date
Myriam Lopez, Comptroller	Date
Paul R. Rodriguez, Board of Trustees, Designated Investment Officer	Date

Disclaimer: These reports were compiled using information provided by the South Texas College. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment adviser fees.

Summary

Quarter End Results by Investment Category:

Asset Type	February 28, 2019			May 31, 2019		
	Book Value	Market Value	Ave. Yield	Book Value	Market Value	Ave. Yield
DDA/MMA/NOW Pools	\$ 92,123,198.34	\$ 92,123,198.34	1.71%	\$ 73,166,171.69	\$ 73,166,171.69	1.71%
CD/Security	12,098,084.91	12,098,084.91	2.40%	11,921,823.92	11,921,823.92	2.40%
	174,929,502.92	174,929,502.92	2.55%	183,385,416.90	183,385,416.90	2.55%
Totals	\$ 279,150,786.17	\$ 279,150,786.17		\$ 268,473,412.51	\$ 268,473,412.51	

Quarterly Portfolio Performance

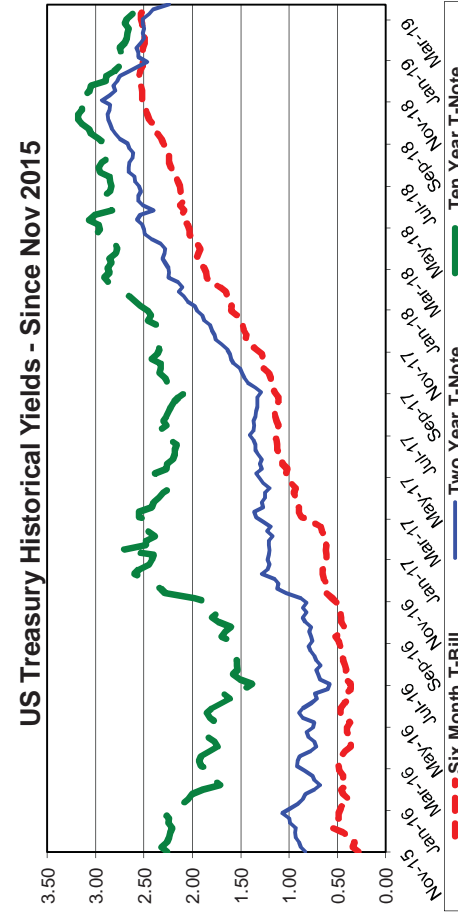
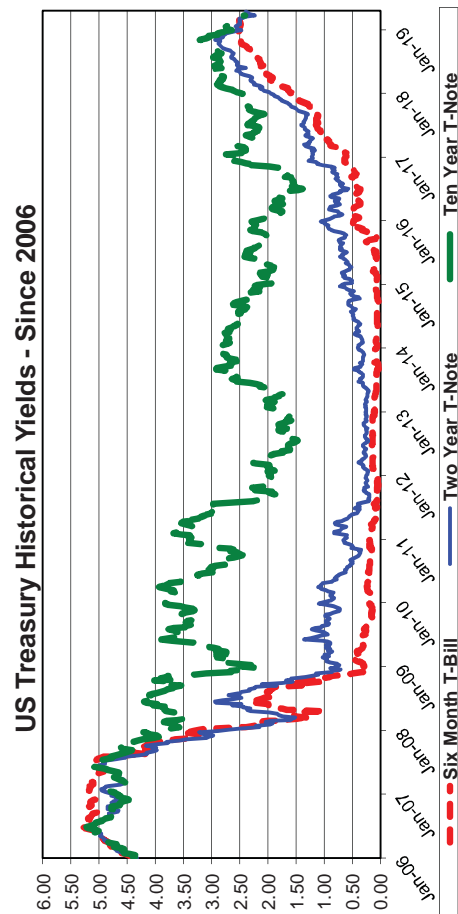
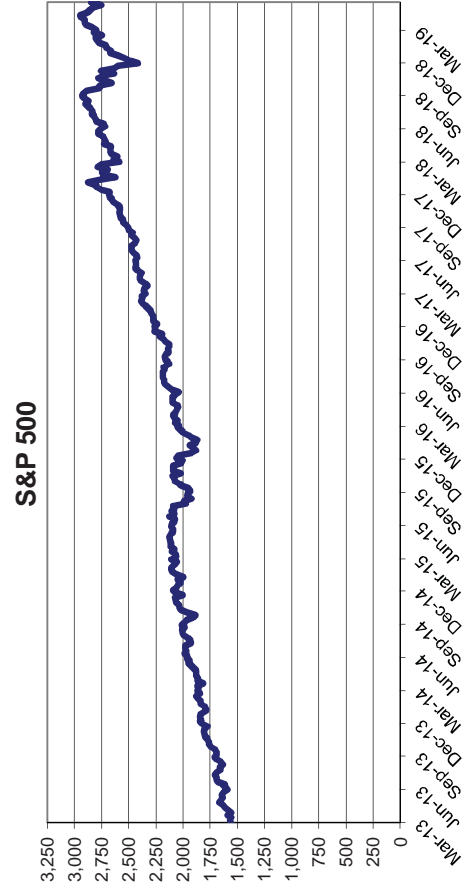
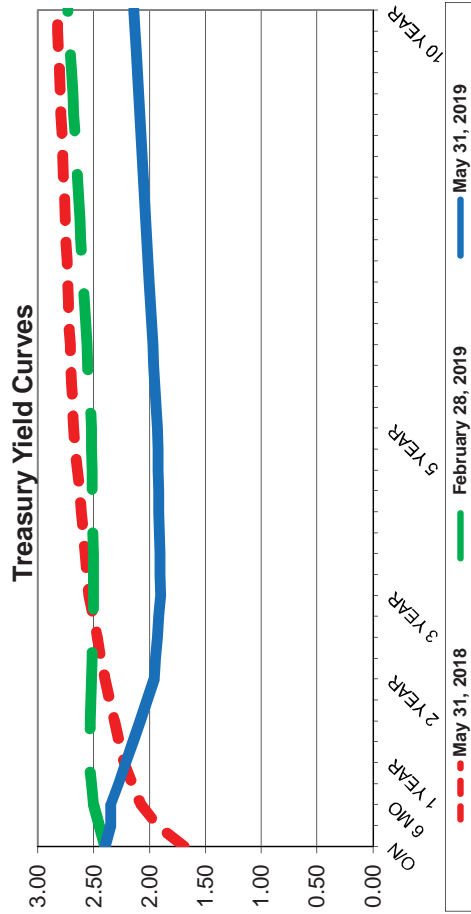
	Year-to-Date Portfolio Performance
Average Quarterly Yield	2.31%
Rolling Three Month Treasury	2.43%
Rolling Six Month Treasury	2.49%
	Average Quarter End Yield
	2.18%
	Rolling Three Month Treasury
	2.38%
	Rolling Six Month Treasury
	2.43%
	TexPool
	2.33%

INTEREST EARNINGS

	PRIOR YEAR	CURRENT YEAR
Quarterly Interest Received	\$982,839.60 (Unaudited)	\$1,371,302.39 (Unaudited)
Accrued Interest-End of Quarter	\$149,311.05 (Unaudited)	\$211,902.27 (Unaudited)
Fiscal YTD Interest Received	\$2,628,755.60 (Unaudited)	\$4,013,389.41 (Unaudited)

Note: Average yields calculated using quarter end report average yield and adjusted book value, but do not include adviser fees and realized and unrealized gains or losses.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 2.25% - 2.50% (Effective Fed Funds are trading +/-2.40%). Market probabilities strongly project decreases later this summer or early fall. Gradual FRB portfolio reduction continues by limiting reinvestment of maturing holdings, but that strategy will end this summer. May Non Farm Payroll only generated 75,000 new jobs, lowering the three month rolling average to 151k. Crude oil bounced up and down this spring around +/- \$60. The Stock Markets reached new highs, but retreated slightly. Overall economic activity, including housing, remains mostly mixed. The Three Month to Ten Year yield curve is fully inverted with a slight sway-back at Three Years.



**Investment Holdings
May 31, 2019**

Description	Coupon/ Rating	Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
BBVA - Operating	1.41%		06/01/19	05/31/19	\$ 8,088,745.03	\$ 8,088,745.03	1.00	\$ 8,088,745.03	1	1.41%
BBVA - Payroll	1.41%		06/01/19	05/31/19	569,831.28	569,831.28	1.00	569,831.28	1	1.41%
BBVA - Student	1.41%		06/01/19	05/31/19	633,025.74	633,025.74	1.00	633,025.74	1	1.41%
BBVA - Operating Reserve (3)	0.00%		06/01/19	05/31/19	20,000,000.00	20,000,000.00	1.00	20,000,000.00	1	0.00%
BBVA - I&S Bond 96,02,03,04,07,10,14,15	1.41%		06/01/19	05/31/19	1,835,290.01	1,835,290.01	1.00	1,835,290.01	1	1.41%
BBVA - I&S Bond 99 & 07	1.41%		06/01/19	05/31/19	682.50	682.50	1.00	682.50	1	1.41%
BBVA - Construction E&G Transfer	1.41%		06/01/19	05/31/19	207,225.20	207,225.20	1.00	207,225.20	1	1.41%
BBVA - Construction LT Bonds Series 2015	1.41%		06/01/19	05/31/19	44,229.58	44,229.58	1.00	44,229.58	1	1.41%
Green Bank MMA	2.60%		06/01/19	05/31/19	10,330,756.65	10,330,756.65	1.00	10,330,756.65	1	2.60%
NexBank MMA	2.64%		06/01/19	05/31/19	30,769,900.95	30,769,900.95	1.00	30,769,900.95	1	2.64%
TexPool LGIP	2.40%	AAAm	06/01/19	05/31/19	11,921,823.92	11,921,823.92	1.00	11,921,823.92	1	2.40%
LegacyTexas Bank CD	1.63%		06/03/19	07/31/17	5,144,406.93	5,144,406.93	100.00	5,144,406.93	3	1.63%
East West Bank CD	2.74%		06/03/19	11/07/18	5,066,115.79	5,066,115.79	100.00	5,066,115.79	3	2.74%
LegacyTexas Bank CD	1.65%		07/01/19	07/31/17	5,153,414.95	5,153,414.95	100.00	5,153,414.95	31	1.65%
East West Bank CD	2.78%		07/01/19	11/07/18	5,079,064.95	5,079,064.95	100.00	5,079,064.95	31	2.78%
LegacyTexas Bank CD	2.38%		07/31/19	03/28/18	6,682,900.97	6,682,900.97	100.00	6,682,900.97	61	2.38%
East West Bank CD	2.65%		07/31/19	02/07/19	9,578,952.14	9,578,952.14	100.00	9,578,952.14	61	2.65%
BBVA Compass Bank CD	2.56%		07/31/19	03/08/19	4,000,000.00	4,000,000.00	100.00	4,000,000.00	61	2.56%
LegacyTexas Bank CD	2.12%		08/01/19	01/30/18	10,285,448.96	10,285,448.96	100.00	10,285,448.96	62	2.12%
BBVA Compass Bank CD	2.72%		08/31/19	08/31/18	15,410.33	15,410.33	100.00	15,410.33	92	2.72%
BBVA Compass Bank CD	2.72%		08/31/19	08/31/18	204,168.12	204,168.12	100.00	204,168.12	92	2.72%
BBVA Compass Bank CD	2.72%		08/31/19	08/31/18	119,072.29	119,072.29	100.00	119,072.29	92	2.72%
LegacyTexas Bank CD	2.42%		09/03/19	03/28/18	5,143,088.75	5,143,088.75	100.00	5,143,088.75	95	2.42%
Southside Bank CD	1.50%		09/06/19	09/18/17	5,113,245.66	5,113,245.66	100.00	5,113,245.66	98	1.50%
LegacyTexas Bank CD	2.16%		10/01/19	01/30/18	10,290,907.49	10,290,907.49	100.00	10,290,907.49	123	2.16%
East West Bank CD	2.87%		11/01/19	11/07/18	5,081,645.24	5,081,645.24	100.00	5,081,645.24	154	2.87%
LegacyTexas Bank CD	2.21%		11/01/19	01/30/18	3,089,320.34	3,089,320.34	100.00	3,089,320.34	154	2.21%
LegacyTexas Bank CD	2.35%		11/01/19	03/06/18	3,083,338.18	3,083,338.18	100.00	3,083,338.18	154	2.35%
LegacyTexas Bank CD	2.67%		01/07/20	09/11/18	508,920.08	508,920.08	100.00	508,920.08	221	2.67%
BBVA Compass Bank CD	2.67%		01/07/20	05/09/19	1,535,600.00	1,535,600.00	100.00	1,535,600.00	221	2.67%
East West Bank CD	2.91%		01/07/20	10/23/18	1,017,774.87	1,017,774.87	100.00	1,017,774.87	221	2.91%
LegacyTexas Bank CD	2.55%		03/20/20	03/28/18	5,150,881.91	5,150,881.91	100.00	5,150,881.91	294	2.55%
LegacyTexas Bank CD	2.68%		04/01/20	05/04/18	5,135,658.16	5,135,658.16	100.00	5,135,658.16	306	2.68%
LegacyTexas Bank CD	2.70%		05/01/20	05/04/18	5,136,683.09	5,136,683.09	100.00	5,136,683.09	336	2.70%
East West Bank CD	2.71%		06/02/20	02/07/19	7,059,498.02	7,059,498.02	100.00	7,059,498.02	368	2.71%
East West Bank CD	2.99%		07/01/20	10/23/18	5,091,339.73	5,091,339.73	100.00	5,091,339.73	397	2.99%
East West Bank CD	2.72%		07/02/20	02/07/19	10,085,312.06	10,085,312.06	100.00	10,085,312.06	398	2.72%
LegacyTexas Bank CD	2.94%		08/03/20	09/11/18	5,098,298.12	5,098,298.12	100.00	5,098,298.12	430	2.94%
LegacyTexas Bank CD	2.66%		08/03/20	03/08/19	4,017,801.67	4,017,801.67	100.00	4,017,801.67	430	2.66%

**Investment Holdings
May 31, 2019**

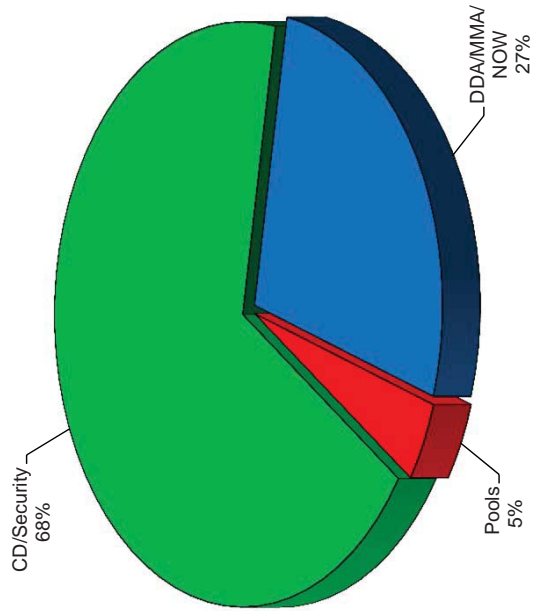
Description	Coupon/ Rating	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
LegacyTexas Bank CD	2.96%	09/01/20	09/11/18	5,098,972.56	5,098,972.56	100.00	5,098,972.56	459	2.96%
BTH Bank CD	2.72%	09/02/20	03/08/19	3,013,652.75	3,013,652.75	100.00	3,013,652.75	460	2.72%
LegacyTexas Bank CD	2.68%	09/02/20	03/08/19	2,008,967.84	2,008,967.84	100.00	2,008,967.84	460	2.68%
East West Bank CD	3.06%	10/01/20	10/23/18	10,186,995.79	10,186,995.79	100.00	10,186,995.79	489	3.06%
East West Bank CD	2.73%	11/02/20	02/07/19	10,085,469.56	10,085,469.56	100.00	10,085,469.56	521	2.73%
BBVA Compass Bank CD	2.66%	03/02/21	05/09/19	5,000,000.00	5,000,000.00	100.00	5,000,000.00	641	2.66%
BTH Bank CD	2.76%	03/02/21	03/08/19	5,023,089.60	5,023,089.60	100.00	5,023,089.60	641	2.76%
BBVA Compass Bank CD	2.65%	04/02/21	05/09/19	5,000,000.00	5,000,000.00	100.00	5,000,000.00	672	2.65%
BBVA Compass Bank CD	2.64%	05/03/21	05/09/19	5,000,000.00	5,000,000.00	100.00	5,000,000.00	703	2.64%
				\$ 268,473,412.51	\$ 268,473,412.51		\$ 268,473,412.51	196	2.31%
								(1)	(2)

(1) **Weighted average life** - Pools, Money Market Funds, and Bank Deposits are assumed to have a one day maturity.

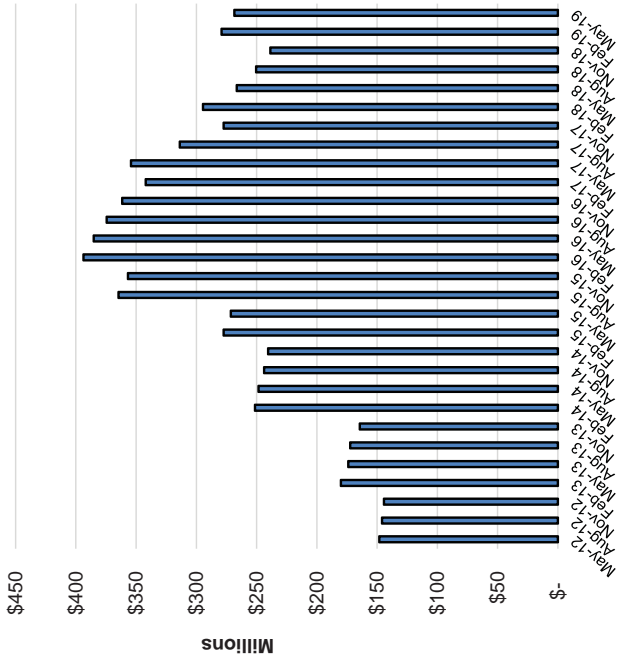
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on Adjusted Book Value, adviser fees and realized and unrealized gains/losses are not considered. The pool and mutual fund yields are the average for the last month of the quarter. Bank deposit yields are estimated from the monthly allocated earnings.

(3) **Compensating Balances** - although shown as a 0% coupon/discount, the account generates an earnings credit to offset depository bank fees.

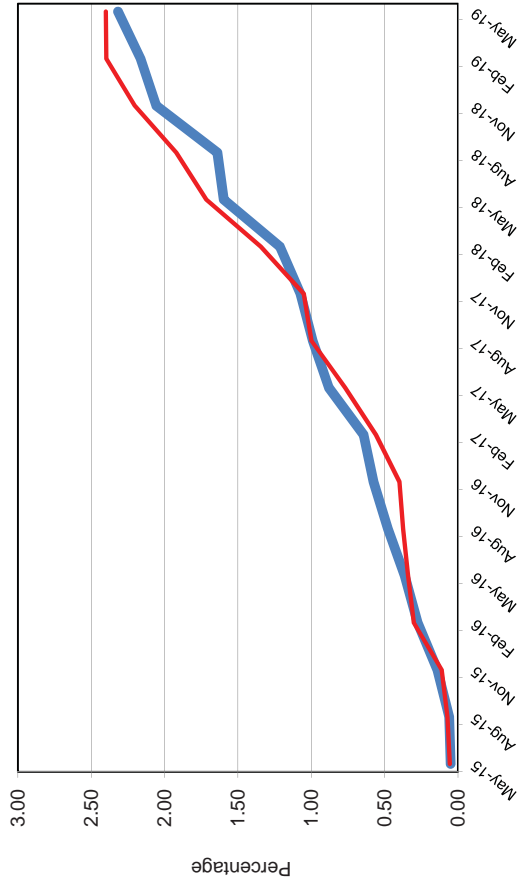
Portfolio Composition



Quarter-End Book Value



Total Portfolio Performance



Book and Market Value Comparison

Description	Coupon/ Discount	Maturity Date	February 28, 2019		Original Face/ Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	May 31, 2019	
			Original Face/ Par Value	Book Value					Original Face/ Par Value	Book Value
BBVA - Operating	1.41%	06/01/19	\$ 20,595,337.43	\$ 20,595,337.43	\$ 20,595,337.43	\$ -	\$(12,506,592.40)	\$ 8,088,745.03	\$ 8,088,745.03	
BBVA - Payroll	1.41%	06/01/19	311,697.31	311,697.31	311,697.31	258,133.97		569,831.28	569,831.28	
BBVA - Student	1.41%	06/01/19	626,901.19	626,901.19	626,901.19	6,124.55		633,025.74	633,025.74	
BBVA - Operating Reserve (3)	0.00%	06/01/19	20,000,000.00	20,000,000.00	20,000,000.00			20,000,000.00	20,000,000.00	
BBVA - Federal Draw Down	1.41%	06/01/19	-	-	-	686,484.75	(2,397,883.43)	686,484.75	686,484.75	
BBVA - I&S Bond 96,02,03,04,07,10,14,15	1.41%	06/01/19	4,233,173.44	4,233,173.44	4,233,173.44			1,835,290.01	1,835,290.01	
BBVA - I&S Bond 99 & 07	1.41%	06/01/19	680.18	680.18	680.18	2.32		682.50	682.50	
BBVA - Construction E&G Transfer	1.41%	06/01/19	5,358,183.34	5,358,183.34	5,358,183.34		(5,150,958.14)	207,225.20	207,225.20	
BBVA - Construction LT Bonds Series 2015	1.41%	06/01/19	146,092.30	146,092.30	146,092.30		(101,862.72)	44,229.58	44,229.58	
Green Bank MMA	2.60%	06/01/19	10,286,615.05	10,286,615.05	10,286,615.05	44,141.60		10,330,756.65	10,330,756.65	
NexBank MMA	2.64%	06/01/19	30,564,518.10	30,564,518.10	30,564,518.10	205,382.85		30,769,900.95	30,769,900.95	
TexPool LGIP	2.40%	06/01/19	12,098,084.91	12,098,084.91	12,098,084.91		(176,260.99)	11,921,823.92	11,921,823.92	
BBVA Compass Bank CD	1.42%	03/01/19	5,126,252.90	5,126,252.90	5,126,252.90		(5,126,252.90)	-	-	
BBVA Compass Bank CD	2.20%	03/01/19	5,102,597.02	5,102,597.02	5,102,597.02		(5,102,597.02)	-	-	
BBVA Compass Bank CD	1.43%	04/01/19	5,127,153.18	5,127,153.18	5,127,153.18		(5,127,153.18)	-	-	
LegacyTexas Bank CD	1.48%	05/01/19	5,131,576.93	5,131,576.93	5,131,576.93		(5,131,576.93)	-	-	
East West Bank CD	2.69%	05/01/19	5,042,183.61	5,042,183.61	5,042,183.61		(5,042,183.61)	-	-	
BBVA Compass Bank CD	2.35%	05/04/19	1,526,892.14	1,526,892.14	1,526,892.14		(1,526,892.14)	-	-	
LegacyTexas Bank CD	1.63%	06/03/19	5,130,421.59	5,130,421.59	5,130,421.59	13,985.34		5,144,406.93	5,144,406.93	
East West Bank CD	2.74%	06/03/19	5,042,971.04	5,042,971.04	5,042,971.04	23,144.75		5,066,115.79	5,066,115.79	
LegacyTexas Bank CD	1.65%	07/01/19	5,132,041.69	5,132,041.69	5,132,041.69	21,373.26		5,153,414.95	5,153,414.95	
East West Bank CD	2.78%	07/01/19	5,043,601.06	5,043,601.06	5,043,601.06	35,463.89		5,079,064.95	5,079,064.95	
LegacyTexas Bank CD	2.38%	07/31/19	6,644,267.80	6,644,267.80	6,644,267.80	38,633.17		6,682,900.97	6,682,900.97	
East West Bank CD	2.65%	07/31/19	9,515,185.54	9,515,185.54	9,515,185.54	63,766.60		9,578,952.14	9,578,952.14	
BBVA Compass Bank CD	2.56%	07/31/19	-	-	-	4,000,000.00		4,000,000.00	4,000,000.00	
LegacyTexas Bank CD	2.12%	08/01/19	10,231,276.44	10,231,276.44	10,231,276.44	54,172.52		10,285,448.96	10,285,448.96	
BBVA Compass Bank CD	2.72%	08/31/19	15,305.04	15,305.04	15,305.04	105.29		15,410.33	15,410.33	
BBVA Compass Bank CD	2.72%	08/31/19	202,818.55	202,818.55	202,818.55	1,349.57		204,168.12	204,168.12	
BBVA Compass Bank CD	2.72%	08/31/19	118,285.20	118,285.20	118,285.20	787.09		119,072.29	119,072.29	
LegacyTexas Bank CD	2.42%	09/03/19	5,112,859.34	5,112,859.34	5,112,859.34	30,229.41		5,143,088.75	5,143,088.75	
Southside Bank CD	1.50%	09/06/19	5,094,403.35	5,094,403.35	5,094,403.35	18,842.31		5,113,245.66	5,113,245.66	
LegacyTexas Bank CD	2.16%	10/01/19	10,235,687.22	10,235,687.22	10,235,687.22	55,220.27		10,290,907.49	10,290,907.49	
East West Bank CD	2.87%	11/01/19	5,045,018.86	5,045,018.86	5,045,018.86	36,626.38		5,081,645.24	5,081,645.24	
LegacyTexas Bank CD	2.21%	11/01/19	3,072,360.95	3,072,360.95	3,072,360.95	16,959.39		3,089,320.34	3,089,320.34	
LegacyTexas Bank CD	2.35%	11/01/19	3,065,737.54	3,065,737.54	3,065,737.54	17,600.64		3,083,338.18	3,083,338.18	
LegacyTexas Bank CD	2.67%	01/07/20	505,621.13	505,621.13	505,621.13	3,298.95		508,920.08	508,920.08	
BBVA Compass Bank CD	2.67%	01/07/20	-	-	-	1,535,600.00		1,535,600.00	1,535,600.00	
East West Bank CD	2.91%	01/07/20	1,010,337.31	1,010,337.31	1,010,337.31	7,437.56		1,017,774.87	1,017,774.87	
LegacyTexas Bank CD	2.55%	03/20/20	5,118,987.07	5,118,987.07	5,118,987.07	31,894.84		5,150,881.91	5,150,881.91	
LegacyTexas Bank CD	2.68%	04/01/20	5,102,243.43	5,102,243.43	5,102,243.43	33,414.73		5,135,658.16	5,135,658.16	
LegacyTexas Bank CD	2.70%	05/01/20	5,103,013.37	5,103,013.37	5,103,013.37	33,669.72		5,136,683.09	5,136,683.09	

Book and Market Value Comparison

Description	Coupon/ Discount	Maturity Date	February 28, 2019			May 31, 2019		
			Original Face/ Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Maturities	Original Face/ Par Value	Book Value
East West Bank CD	2.71%	06/02/20	7,011,442.89	7,011,442.89	48,055.13		7,059,498.02	7,059,498.02
East West Bank CD	2.99%	07/01/20	5,053,114.95	5,053,114.95	38,224.78		5,091,339.73	5,091,339.73
East West Bank CD	2.72%	07/02/20	10,016,407.34	10,016,407.34	68,904.72		10,085,312.06	10,085,312.06
LegacyTexas Bank CD	2.94%	08/03/20	5,061,923.66	5,061,923.66	36,374.46		5,098,298.12	5,098,298.12
LegacyTexas Bank CD	2.66%	08/03/20	-	-	4,017,801.67		4,017,801.67	4,017,801.67
LegacyTexas Bank CD	2.96%	09/01/20	5,062,347.00	5,062,347.00	36,625.56		5,098,972.56	5,098,972.56
BTH Bank CD	2.72%	09/02/20	-	-	3,013,652.75		3,013,652.75	3,013,652.75
LegacyTexas Bank CD	2.68%	09/02/20	-	-	2,008,967.84		2,008,967.84	2,008,967.84
East West Bank CD	3.06%	10/01/20	10,108,730.25	10,108,730.25	78,265.54		10,186,995.79	10,186,995.79
East West Bank CD	2.73%	11/02/20	10,016,437.53	10,016,437.53	69,032.03		10,085,469.56	10,085,469.56
BBVA Compass Bank CD	2.66%	03/02/21	-	-	5,000,000.00		5,000,000.00	5,000,000.00
BTH Bank CD	2.76%	03/02/21	-	-	5,023,089.60		5,023,089.60	5,023,089.60
BBVA Compass Bank CD	2.65%	04/02/21	-	-	5,000,000.00		5,000,000.00	5,000,000.00
BBVA Compass Bank CD	2.64%	05/03/21	-	-	5,000,000.00		5,000,000.00	5,000,000.00
TOTAL			\$ 279,150,786.17	\$ 279,150,786.17	\$ 36,712,839.80	\$ (47,390,213.46)	\$ 268,473,412.51	\$ 268,473,412.51

**Allocation
May 31, 2019
Book & Market Value**

	Total	Operating	Operating Construction	Endowment	Interest & Sinking	Bonds GO 2015
BBVA - Operating	\$ 8,088,745.03	\$ 8,088,745.03	\$ -	\$ -	\$ -	\$ -
BBVA - Payroll	569,831.28	569,831.28	-	-	-	-
BBVA - Student	633,025.74	633,025.74	-	-	-	-
BBVA - Operating Reserve	20,000,000.00	20,000,000.00	-	-	-	-
BBVA - Federal Draw Down	686,484.75	686,484.75	-	-	-	-
BBVA - I&S Bond 96,02,03,04,07,10,14,15	1,835,290.01	-	-	-	1,835,290.01	-
BBVA - I&S Bond 99 & 07	682.50	-	-	-	682.50	-
BBVA - Construction E&G Transfer	207,225.20	-	207,225.20	-	-	-
BBVA - Construction LT Bonds Series 2015	44,229.58	-	-	-	-	44,229.58
Green Bank MMA	10,330,756.65	-	10,330,756.65	-	-	-
NexBank MMA	30,769,900.95	29,664,549.04	-	-	1,105,351.91	-
TexPool LGIP	11,921,823.92	-	11,299,750.36	-	622,073.56	-
06/03/19-LegacyTexas Bank CD	5,144,406.93	5,144,406.93	-	-	-	-
06/03/19-East West Bank CD	5,066,115.79	5,066,115.79	-	-	-	-
07/01/19-LegacyTexas Bank CD	5,153,414.95	5,153,414.95	-	-	-	-
07/01/19-East West Bank CD	5,079,064.95	5,079,064.95	-	-	-	-
07/31/19-LegacyTexas Bank CD	6,682,900.97	-	-	-	6,682,900.97	-
07/31/19-East West Bank CD	9,578,952.14	-	-	-	9,578,952.14	-
07/31/19-BBVA Compass Bank CD	4,000,000.00	-	-	-	4,000,000.00	-
08/01/19-LegacyTexas Bank CD	10,285,448.96	10,285,448.96	-	-	-	-
08/31/19-BBVA Compass Bank CD	15,410.33	-	-	15,410.33	-	-
08/31/19-BBVA Compass Bank CD	204,168.12	-	-	204,168.12	-	-
08/31/19-BBVA Compass Bank CD	119,072.29	-	-	119,072.29	-	-
09/03/19-LegacyTexas Bank CD	5,143,088.75	5,143,088.75	-	-	-	-
09/06/19-Southside Bank CD	5,113,245.66	5,113,245.66	-	-	-	-
10/01/19-LegacyTexas Bank CD	10,290,907.49	10,290,907.49	-	-	-	-
11/01/19-East West Bank CD	5,081,645.24	5,081,645.24	-	-	-	-
11/01/19-LegacyTexas Bank CD	3,089,320.34	3,089,320.34	-	-	-	-
11/01/19-LegacyTexas Bank CD	3,083,338.18	-	3,083,338.18	-	-	-
01/07/20-LegacyTexas Bank CD	508,920.08	-	508,920.08	-	-	-
01/07/20-BBVA Compass Bank CD	1,535,600.00	-	1,535,600.00	-	-	-
01/07/20-East West Bank CD	1,017,774.87	-	1,017,774.87	-	-	-
03/20/20-LegacyTexas Bank CD	5,150,881.91	5,150,881.91	-	-	-	-
04/01/20-LegacyTexas Bank CD	5,135,658.16	5,135,658.16	-	-	-	-
05/01/20-LegacyTexas Bank CD	5,136,683.09	5,136,683.09	-	-	-	-
06/02/20-East West Bank CD	7,059,498.02	7,059,498.02	-	-	-	-
07/01/20-East West Bank CD	5,091,339.73	-	5,091,339.73	-	-	-
07/02/20-East West Bank CD	10,085,312.06	10,085,312.06	-	-	-	-

**Allocation
May 31, 2019
Book & Market Value**

	Total	Operating	Operating Construction	Endowment	Interest & Sinking	Bonds GO 2015
08/03/20–LegacyTexas Bank CD	5,098,298.12	5,098,298.12	–	–	–	–
08/03/20–LegacyTexas Bank CD	4,017,801.67	4,017,801.67	–	–	–	–
09/01/20–LegacyTexas Bank CD	5,098,972.56	5,098,972.56	–	–	–	–
09/02/20–BTH Bank CD	3,013,652.75	3,013,652.75	–	–	–	–
09/02/20–LegacyTexas Bank CD	2,008,967.84	2,008,967.84	–	–	–	–
10/01/20–East West Bank CD	10,186,995.79	10,186,995.79	–	–	–	–
11/02/20–East West Bank CD	10,085,469.56	10,085,469.56	–	–	–	–
03/02/21–BBVA Compass Bank CD	5,000,000.00	5,000,000.00	–	–	–	–
03/02/21–BTH Bank CD	5,023,089.60	–	5,023,089.60	–	–	–
04/02/21–BBVA Compass Bank CD	5,000,000.00	5,000,000.00	–	–	–	–
05/03/21–BBVA Compass Bank CD	5,000,000.00	5,000,000.00	–	–	–	–
Totals \$	268,473,412.51	\$ 206,167,486.43	\$ 38,097,794.67	\$ 338,650.74	\$ 23,825,251.09	\$ 44,229.58

**Allocation
February 28, 2019
Book & Market Value**

	Total	Operating	Operating Construction	Endowment	Interest & Sinking	Bonds GO 2015
BBVA - Operating	\$ 20,595,337.43	\$ 20,595,337.43	\$ -	\$ -	\$ -	\$ -
BBVA - Payroll	311,697.31	311,697.31	-	-	-	-
BBVA - Student	626,901.19	626,901.19	-	-	-	-
BBVA - Operating Reserve	20,000,000.00	20,000,000.00	-	-	-	-
BBVA - I&S Bond 96,02,03,04,07,10,14,15	4,233,173.44	-	-	-	4,233,173.44	-
BBVA - I&S Bond 99 & 07	680.18	-	-	-	680.18	-
BBVA - Construction E&G Transfer	5,358,183.34	-	5,358,183.34	-	-	-
BBVA - Construction LT Bonds Series 2015	146,092.30	-	-	-	-	146,092.30
Green Bank MMA	10,286,615.05	-	10,286,615.05	-	-	-
NexBank MMA	30,564,518.10	29,466,543.98	-	-	1,097,974.12	-
TexPool LGIP	12,098,084.91	-	11,479,785.66	-	618,299.25	-
03/01/19-BBVA Compass Bank CD	5,126,252.90	5,126,252.90	-	-	-	-
03/01/19-BBVA Compass Bank CD	5,102,597.02	5,102,597.02	-	-	-	-
04/01/19-BBVA Compass Bank CD	5,127,153.18	5,127,153.18	-	-	-	-
05/01/19-LegacyTexas Bank CD	5,131,576.93	5,131,576.93	-	-	-	-
05/01/19-East West Bank CD	5,042,183.61	5,042,183.61	-	-	-	-
05/04/19-BBVA Compass Bank CD	1,526,892.14	-	1,526,892.14	-	-	-
06/03/19-LegacyTexas Bank CD	5,130,421.59	5,130,421.59	-	-	-	-
06/03/19-East West Bank CD	5,042,971.04	5,042,971.04	-	-	-	-
07/01/19-LegacyTexas Bank CD	5,132,041.69	5,132,041.69	-	-	-	-
07/01/19-East West Bank CD	5,043,601.06	5,043,601.06	-	-	-	-
07/31/19-LegacyTexas Bank CD	6,644,267.80	-	-	-	6,644,267.80	-
07/31/19-East West Bank CD	9,515,185.54	-	-	-	9,515,185.54	-
08/01/19-LegacyTexas Bank CD	10,231,276.44	10,231,276.44	-	-	-	-
08/31/19-BBVA Compass Bank CD	15,305.04	-	-	15,305.04	-	-
08/31/19-BBVA Compass Bank CD	202,818.55	-	-	202,818.55	-	-
08/31/19-BBVA Compass Bank CD	118,285.20	-	-	118,285.20	-	-
09/03/19-LegacyTexas Bank CD	5,112,859.34	5,112,859.34	-	-	-	-
09/06/19-Southside Bank CD	5,094,403.35	5,094,403.35	-	-	-	-
10/01/19-LegacyTexas Bank CD	10,235,687.22	10,235,687.22	-	-	-	-
11/01/19-East West Bank CD	5,045,018.86	5,045,018.86	-	-	-	-
11/01/19-LegacyTexas Bank CD	3,072,360.95	3,072,360.95	-	-	-	-
11/01/19-LegacyTexas Bank CD	3,065,737.54	-	3,065,737.54	-	-	-
01/07/20-LegacyTexas Bank CD	505,621.13	-	505,621.13	-	-	-
01/07/20-East West Bank CD	1,010,337.31	-	1,010,337.31	-	-	-
03/20/20-LegacyTexas Bank CD	5,118,987.07	5,118,987.07	-	-	-	-
04/01/20-LegacyTexas Bank CD	5,102,243.43	5,102,243.43	-	-	-	-
05/01/20-LegacyTexas Bank CD	5,103,013.37	5,103,013.37	-	-	-	-

**Allocation
February 28, 2019
Book & Market Value**

	Total	Operating	Operating Construction	Endowment	Interest & Sinking	Bonds GO 2015
06/02/20–East West Bank CD	7,011,442.89	7,011,442.89	–	–	–	–
07/01/20–East West Bank CD	5,053,114.95	–	5,053,114.95	–	–	–
07/02/20–East West Bank CD	10,016,407.34	10,016,407.34	–	–	–	–
08/03/20–Legacy Texas Bank CD	5,061,923.66	5,061,923.66	–	–	–	–
09/01/20–Legacy Texas Bank CD	5,062,347.00	5,062,347.00	–	–	–	–
10/01/20–East West Bank CD	10,108,730.25	10,108,730.25	–	–	–	–
11/02/20–East West Bank CD	10,016,437.53	10,016,437.53	–	–	–	–
Totals \$	279,150,786.17	\$ 218,272,417.63	\$ 38,286,287.12	\$ 336,408.79	\$ 22,109,580.33	\$ 146,092.30

Review and Action as Necessary on Proposal for Voluntary Student Accident Insurance and Workforce Training Programs Student Accident Insurance

Approval to award the student insurance proposals for Voluntary Student Accident Insurance and Workforce Training Programs Student Accident Insurance is requested.

Purpose - The basic purpose of the student insurances are as follows:

- Voluntary Student Accident Insurance - provides students with a low cost option for accident insurance
- Workforce Training Programs Student Accident Insurance - provides coverage for those students enrolled in the Continuing Education Training Programs

Justification - Every year, the College requests proposals for an insurance program that provides the broadest coverage at the most competitive price available in accordance with approved or acceptable insurance practices in the State of Texas.

The College's Risk Management Consultant, Mr. Raul Cabaza III, attended the July 9, 2019 Finance, Audit, and Human Resources Committee meeting to address questions from the Board. Mr. Cabaza recommends the following awards:

- **Voluntary Student Accident Insurance:**
Student Assurance Services, Inc. / Ameritas Life Insurance Corporation for the period beginning August 26, 2019 through August 26, 2020. The student accident insurance limit is \$25,000. **This is a voluntary product, so there is no cost to the College.**
- **Workforce Training Programs Student Accident Insurance:**
Student Assurance Services / Ameritas Life Insurance Corporation for the period beginning August 26, 2019 through August 26, 2020. The student accident insurance coverage limit is \$25,000. The annual premium is \$2,700 and includes all participants. The Workforce Training premium is based on 589 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 premium is paid by the students.**

Background - The request for proposals was advertised on April 29, 2019 and issued to five (5) vendors. One (1) response was received and was reviewed by Mr. Raul Cabaza, III, Risk Management Consultant.

Reviewers – This item was evaluated and recommendations prepared 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 reviewed the recommendations furnished by the Risk Management Consultant.

Enclosed Documents - The recommendation and spreadsheets provided by Mr. Raul Cabaza, III, follow in the packet for the Board's information and review.

The Finance, Audit, and Human Resources Committee recommended Board approval to award the proposals for Voluntary Student Accident 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 awarding the proposals for Voluntary Student Accident 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 awarding the proposals for Voluntary Student Accident Insurance and Workforce Training Programs Student Accident Insurance as presented.

Approval Recommended:

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

**South Texas College
Insurance Premium Summary
2019 RFP #18-19-1065**

Description	Recommended Carrier	Basis	Premium	Basis	Coverage Limit
Voluntary Student Accident Insurance	Ameritas Life Insurance Corp.	Primary	\$75 school time / \$160 24 Hour Basis		
Workforce Training Programs Student Accident	Ameritas Life Insurance Corp.	Excess	\$ 2,700	589 student	\$ 25,000

SOUTH TEXAS COLLEGE
Voluntary Student Accident Only Insurance - RFP #18-19-1065

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

**SOUTH TEXAS COLLEGE
RFP 18-19-1065**

Workforce Training Programs - Student Accident Insurance		
	<i>Current Program</i>	Renewal Program
Proposer:	<i>Student Assurance Services</i>	Student Assurance Services
Carrier:	<i>Ameritas Life Insurance Corp.</i>	Ameritas Life Insurance Corp.
A.M. Best Rating	<i>A XIV</i>	A XIV
WTS - Trade Students - Group Premium:	<i>\$2,700</i>	\$2,700
Basis:	<i>689</i>	589
Schedule of Benefits - Accidental Medical		
<i>See Attached Form GA-2200Ed. 11-16 (TX)</i>		

2019-2020 STUDENT ACCIDENT INSURANCE COVERAGE
SOUTH TEXAS COLLEGE
 Policy GA-2200Ed.11-16(TX)

SUMMARY OF COVERAGE

All registered students are eligible to enroll in this plan. Students must be participating in a workforce training program which is sponsored and supervised by the College and under the direct supervision of the College or an employee of the College. Coverage includes traveling to and from such activity in a vehicle provided by the College and under the direct supervision of the College or an employee of the College. Students must be physically and actively attending workforce program on campus for at least the first 31 days after the student's effective date of coverage. Coverage does not include the practice or play of intercollegiate, intramural or club sports, including the travel to and from such practice or play. The Plan Administrator reserves the right to determine if the student has met the eligibility requirements. If the Plan Administrator later determines the eligibility requirements have not been met, its only obligation is to refund premium.

The Medical Benefits and Exclusions below apply to the Summary of Coverage options above.

MEDICAL BENEFITS

When injury covered by the Policy results in treatment by a licensed physician within 180 days from the date of injury, the Company will pay the usual and customary expenses (U&C) incurred for covered services as listed below, for expenses actually incurred within one year from the date of injury up to a Maximum Medical Benefit of **\$25,000 per covered injury**. This insurance plan is secondary to all other valid coverage. A claim must be filed with other valid coverage first. Unless otherwise stated, all amounts below are per injury.

- 1. INPATIENT BENEFITS**
 - a. Hospital Room and Board..... U&C, up to Semi-private Room rate
 - b. Intensive Care (in lieu of Hospital Room and Board)..... U&C
 - c. Hospital Miscellaneous Services (includes all other hospital charges except Room & Board)..... U&C
 - d. Physician's Non-Surgical Visits (1 visit per day, not paid same day as surgery) U&C
 - e. Physiotherapy (1 visit per day, includes whirlpool, diathermy, EMS, massage, manipulation or adjustments in any form, and/or office visits)..... U&C
 - f. X-ray and Radiology Services U&C
 - g. Registered Nurse (private duty nurse, when order by a physician) U&C
- 2. OUTPATIENT SURGERY BENEFITS**
 - a. Day Surgery (facility charge, includes room supplies and all other expenses U&C
for outpatient surgery)
- 3. OTHER OUTPATIENT BENEFITS**
 - a. Hospital Emergency Room Charges (include urgent care)..... U&C
 - b. X-ray Services U&C
 - c. Diagnostic Imaging (includes CT scans, MRI and bone scans)..... U&C
 - d. Physician's Non-Surgical Visits (1 visit per day, not paid same day as surgery) U&C
 - e. Physiotherapy (1 visit per day, includes whirlpool, diathermy, EMS, massage, manipulation or adjustments in any form, and/or office visits, and chiropractic care) U&C
 - f. Orthopedic Appliances U&C
 - g. Durable Medical Equipment U&C
 - h. Prescription Drugs..... U&C, up to \$50
 - i. Ambulance Service (ground)..... U&C
 - j. Laboratory Services U&C
 - k. Shots and Injections (outpatient, when administered in physician's office) U&C
- 4. OTHER PHYSICIAN SERVICES**
 - a. Dental Treatment (in lieu of all other medical benefits, including x-rays of sound and natural teeth) U&C, up to \$250
 - b. Physician's Surgical Care (inpatient or outpatient)..... U&C
 - c. Assistant Surgeon Services (inpatient or outpatient) 25% Surgeon's Allowance
 - d. Anesthesia Services (inpatient or outpatient)..... 25% Surgeon's Allowance
 - e. Consultant Physician (1 visit per day, when referred by attending physician) U&C
- 5. MISCELLANEOUS SERVICES**
 - a. Motor Vehicle Injury Same as any Injury
 - b. Rehabilitation Services (1 visit per day, includes home healthcare and inpatient skilled nursing care) U&C

EFFECTIVE DATES AND ENROLLMENT

EFFECTIVE DATE – is the Master Policy effective date 08-26-2019.

TO FILE A CLAIM – notify the College officials immediately if the accident has occurred at the College. Obtain a claim form from the College. Submit the completed claim form with the student's itemized bills to Student Assurance Services, Inc. P.O. Box 196, Stillwater, MN 55082.

EXPIRATION DATE – is the Master Policy expiration date 08-25-2020.

TO ENROLL – All students are automatically enrolled for this accident-only coverage purchased by the College.

Underwritten by:



Administered by:



EXCLUSIONS

The Policy does not provide benefits for:

1. Any sickness, disease, infection (unless caused by an open cut or wound), including but not limited to: aggravation of a congenital condition, blisters, headaches, hernia of any kind, mental or physical infirmity, Osgood-Schlatter disease, osteochondritis, osteochondritis dissecans, osteomyelitis, spondylolysis, slipped femoral capital epiphysis, orthodontics, injuries involving bone cysts or dental implants.
2. Injuries for which benefits are payable under Workers' Compensation or Employer's Liability Laws.
3. Any Injury involving a two or three-wheeled motor vehicle or snowmobile or any motorized or engine driven vehicle not designed primarily for use on public streets and highways, unless the insured is participating in an activity sponsored by the Policyholder.
4. Air travel or the use of any device or equipment for aerial navigation, except as a fare-paying passenger on a regularly scheduled commercial airline.
5. Intentionally self-inflicted Injuries; Injuries sustained while fighting or brawling, or violating or attempting to violate any existing city, state, or federal law.
6. Treatment received from any person employed or retained by the Policyholder.
7. Replacement of eyeglasses, contact lenses, hearing aids or prescription or examinations thereof.
8. The practice or play of interscholastic or intercollegiate sports including travel to or from such practice or play.

IT IS NOT THE INTENT OF THE POLICY TO PROVIDE BENEFITS FOR AN EXISTING MEDICAL PROBLEM. A re-injury will not be covered if the insured has received treatment within a period of 180 days prior to the Effective Date of the policy.

DEFINITIONS

Accident means an unexpected, external and sudden event that is independent of any other cause.

Covered Services - Supplies means the services and supplies which are: (1) Medically Necessary, (2) prescribed or performed by a Physician or Hospital, (3) not excluded by the Policy, and (4) listed or named in the Policy's Medical Benefits Schedule.

Company means Ameritas Life Insurance Corp.

Durable Medical Equipment means medical equipment or device which can be rented, leased or purchased and which 1) is prescribed by a Physician; 2) is primarily and customarily used to serve a medical purpose; 3) can withstand repeated use; 4) generally is not useful to a person in the absence of Injury; and 5) is used exclusively by the Insured. Replacement equipment and devices are not covered. No benefits will be paid for rental charges in excess of purchase price. Durable Medical Equipment does not include non-prescription therapy devices or medical supplies; comfort and convenience items; corrective shoes; exercise and sports equipment. A written prescription must accompany the claim when submitted.

Injury means an accidental bodily injury or injuries directly caused by specific accidental contact with another body or object while the Insured is covered under the Policy. It is unrelated to any pathological, functional, or structural disorder. The Accident must result in an Injury which begins while the Insured is covered under the Policy.

The term Injury also means a re-Injury sustained while the Insured is covered under the Policy, for which the Insured has remained treatment free for a period of 180 days prior to the Policy Effective Date.

If benefits have been paid under the Policy for an Injury, a re-Injury will be considered new if:

- a) the re-Injury occurs while the Insured is covered under the Policy; and
- b) the Insured remains treatment free for a period of 180 days between the date of last treatment for the original Injury and the date of the re-Injury.

A re-Injury that is incurred within 180 days of the original Injury, will be considered a continuation of the original Injury.

Medically Necessary means a Covered Service – Supply which is: 1) consistent with symptoms and diagnosis or treatment of an Injury; 2) in accordance with standards of generally accepted medical practice; 3) not primarily for the convenience of the patient or Physician; and 4) most appropriate supply or level of service which can be safely provided.

Physician means a doctor of medicine or osteopathy, or any other licensed health care provider that state law requires to be recognized as a Physician, other than an Insured or an Insured's relative by blood or marriage, who is acting within the scope of such license.

Sponsored and Supervised Activity means any activity which is exclusively sponsored by the Policyholder and which is under the direct and immediate supervision of an employee of the Policyholder.

Usual and Customary Charges (U&C) means charges for medical services or supplies for which the Insured is legally liable and which do not exceed the average rate charged for the same or similar services or supplies in the geographic region where the services or supplies are received. Usual and Customary Charges for Covered Services are determined by referencing the 80th percentile of the most current survey published by FAIR Health, Inc. for such Covered Service.

This provides a very brief description of some of the important features of the insurance policy. It is not the insurance policy and does not represent it. A full explanation of benefits, exceptions and limitations is contained in the Group Accident Insurance Policy Form GA-2200Ed.11-16 (and any state specific) and any applicable endorsements. This policy is considered term accident insurance and is non-renewable. This product may not be available in all states and is subject to individual state regulations. The Master Policy is issued to the School. A copy of the Privacy Notice may be obtained on the website www.sas-mn.com.

Review and Action as Necessary on Proposals for Property / Inland Marine / Boiler & Machinery, Crime, General Liability, Law Enforcement, School Leaders E&O, Automobile, Workers Compensation, Foreign Liability, and Cyber Liability Insurance

Approval to award the proposals for Property / Inland Marine / Boiler & Machinery, Crime, General Liability, Law Enforcement, School Leaders E&O, Automobile, Workers Compensation, Foreign Liability, and Cyber Liability Insurance for the period beginning September 1, 2019 through August 31, 2020 at a total cost of **\$1,153,391** is requested.

Purpose - The purpose of insurance is to anticipate catastrophic losses that could financially impair South Texas College. Insurance allows the College to minimize risk of loss from circumstances beyond its control.

Justification - Every year, prior to fiscal year end, the College requests proposals for an insurance program that provides the broadest coverage at the most competitive price available in accordance with approved or acceptable insurance practices in the State of Texas.

The College's Risk Management Consultant, Mr. Raul Cabaza III, attended the July 9, 2019 Finance, Audit, and Human Resources Committee meeting to address questions from the Committee.

The Finance, Audit, and Human Resources Committee requested that the Risk Management Consultant seek higher coverage limits for both Crime Insurance and Cyber Liability Insurance. As such, Mr. Cabaza has obtained new quotes with higher limits and will be recommending the following for Board Approval.

The premiums for Crime and Cyber Liability have increased as a result of the increase in coverage being recommended.

- The coverage for Social Engineering under the Crime Insurance increased from \$100,000 to \$500,000 resulting in an increase in premium of \$351, from \$7,137 to \$7,488.
- Additionally, options for Cyber Liability Insurance were requested to increase the policy aggregate from \$1,000,000 to \$2,000,000 and increase the legal, forensic, and public relations/crisis management limit from \$1,000,000 to \$2,000,000 (outside of policy aggregate limit) resulting in an increase in premium of \$3,990, from \$15,980 to \$19,970.
- An option for an increased fraudulent instruction (social engineering) limit of \$250,000, increased from \$100,000, under Cyber Liability Insurance ~~is pending~~ was received, which resulted in no additional cost.

Mr. Cabaza recommends the following awards:

- **Property / Inland Marine / Boiler & Machinery**

- ⇒ Request award of Property / Inland Marine / Boiler & Machinery Insurance coverage to The Hartford Fire Insurance Co. (Montalvo) at a total cost of **\$723,000**. The policy offers a 2% named storm deductible and 1% all other wind/hail deductible applied separately to each building that sustains loss and a \$100,000 deductible for all other perils.
- ⇒ Flood insurance is included with a deductible of \$50,000 or \$500,000 ~~per occurrence~~ depending on zone and location.

- **Crime Insurance**

- ⇒ Request award of Crime Insurance coverage to Traveler's Casualty & Surety Company of America (Montalvo) at a cost of **\$7,488**.

- **General Liability, Law Enforcement, School Leaders E&O and Automobile**

- ⇒ General Liability, Law Enforcement, School Leaders E&O, and Automobile Insurance to Texas Association of School Boards (TASB) at a cost of **\$196,434**. The program offers a \$1,000,000 limit for School Leaders E&O, General Liability and Law Enforcement with deductibles of \$50,000 for School Leaders E&O, \$0 for General Liability, \$0 for Employee Benefits Liability and \$0 for Law Enforcement Liability. The Automobile Liability limit is \$300,000 with a \$1,000 deductible applicable to both the liability and physical damage.
- ⇒ Per legal counsel, the College's exposure is shown in the table below:

Liability Exposure	
State	Sovereign immunity except for injuries arising out of operation of motor vehicles. Limits: \$100,000/\$300,000.
Federal	Claims arising under US Constitution and federal statutes (covered under trustee coverage) No limits.

- ⇒ Per legal counsel, under state law, the College is immune from liability except for injuries arising from a motor vehicle accident (\$100,000 per person / \$300,000 per accident). Under Federal Law, the College has exposure under Section 1983 Clauses of Action (Civil Rights Statute); there is theoretically no limit of liability. Legal counsel advises that though there is no ceiling under civil rights cases, the Board may, based on history, develop a risk policy. Given the College's comprehensive practices and procedures to avoid liability and the experience of the College with these cases, the primary purpose is first to ensure the College has competent legal defense and coverage is within limits. Based on the College's claim history, a \$250,000 limit policy would be reasonable and sufficient coverage.

- **Workers Compensation Insurance**

⇒ Workers Compensation Insurance to Texas Association of School Boards (TASB) at a total cost of **\$198,298**.

- **Foreign Liability Insurance**

⇒ Foreign Liability Insurance to Ace American Insurance Co. (Montalvo) at a total cost of **\$8,201**.

⇒ Due to employee travel to Mexico and to other countries such as Spain, to accompany students in study abroad programs, and territory restrictions under the domestic policies, the purchase of an international insurance policy is recommended.

⇒ Foreign Liability Insurance provides General Liability, Auto, Accidental Death & Dismemberment, and Property coverage in specific countries for employees during the normal scope of business, College-owned vehicles, vehicles leased by South Texas College, and equipment. General Liability is a standard insurance policy issued to business organizations to protect them against liability claims for bodily injury (BI) and property damage (PD) arising out of premises, operations, products, and completed operations; and advertising and personal injury (PI) liability.

- **Cyber Liability Insurance**

⇒ Cyber Liability Insurance to Beazley Insurance Company (Montalvo) at a total cost of **\$19,970**.

⇒ Cyber insurance covers network and information security liability, communications and media liability, regulatory defense expenses, crisis management expenses, computer program and electronic data restoration expenses, e-commerce extortion, and business interruption expenses.

The total recommended award to Montalvo is **\$758,659**. The total recommended award to TASB is **\$394,732**.

Background - The request for proposals for these insurances was advertised on May 23, 2019 and issued to seven (7) vendors. Three (3) responses were received on June 18, 2019 and were reviewed by Mr. Raul Cabaza, III, Risk Management Consultant. In addition, responses were evaluated by Frank Jason Gutierrez, Director of Accountability, Risk & Compliance, Ken Lyons, Risk Manager, and Fernando Lamas, Associate Director of Purchasing.

Funding Source - Funds for this expenditure are budgeted in the Insurance and Benefits budgets for FY 2019 - 2020, pending Board approval of the budget.

Reviewers – This item was evaluated and recommendations prepared 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 South Texas College legal counsel reviewed the recommendations furnished by the Risk Management Consultant.

Enclosed Documents – The recommendations and spreadsheets provided by Mr. Raul Cabaza, III, follow in the packet for the Committee’s information and review.

The Finance, Audit, and Human Resources Committee recommended Board approval to award the proposals for Property / Inland Marine / Boiler & Machinery (\$723,000), Crime (\$7,137), General Liability, Law Enforcement, School Leaders E&O, and Automobile (\$196,434), Workers Compensation (\$198,298), Foreign Liability (\$8,201) and Cyber Liability (\$15,980) Insurance for the period September 1, 2019 through August 31, 2020 at a total cost of \$1,149,050.

The Finance, Audit, and Human Resources Committee also recommended that the Risk Management Consultant request details regarding higher coverage limits for both Crime Insurance and Cyber Liability Insurance. As such, Mr. Cabaza has obtained new quotes with higher limits and has updated his recommendations for the aforementioned coverages.

The premiums for Crime and Cyber Liability have increased as a result of the increase in coverage being recommended.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize awarding the proposals for Property / Inland Marine / Boiler & Machinery (\$723,000), Crime (\$7,488), General Liability, Law Enforcement, School Leaders E&O, and Automobile (\$196,434), Workers Compensation (\$198,298), Foreign Liability (\$8,201) and Cyber Liability (\$19,970) Insurance for the period September 1, 2019 through August 31, 2020 at a total cost of \$1,153,391.

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

The Board of Trustees approves and authorizes awarding the proposals for Property / Inland Marine / Boiler & Machinery (\$723,000), Crime (\$7,488), General Liability, Law Enforcement, School Leaders E&O, and Automobile (\$196,434), Workers Compensation (\$198,298), Foreign Liability (\$8,201) and Cyber Liability (\$19,970) Insurance for the period September 1, 2019 through August 31, 2020 at a total cost of \$1,153,391.

Approval Recommended:

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

**SOUTH TEXAS COLLEGE
INSURANCE PREMIUM SUMMARY
RFP #19-20-1004**

Risk Management Consultant Evaluation

COVERAGE PREMIUMS	1	2	3
	<u>Bid Proposal</u> Texas Association of School Boards	<u>Bid Proposal</u> Montalvo Insurance Agency	<u>Bid Proposal</u> Carlisle Insurance Agency, Inc.
Address of Proposer:	P.O. Box 301	208 S. Texas Boulevard	500 North Water St., Ste. 900
	Austin, Texas 78767	Weslaco, TX 78596	Corpus Christi, TX 78401
	800-482-7276	956-968-5521	361-884-2775
	Adrian Pena	Ramon Montalvo	Chase Carlisle

PROPERTY/INLAND MARINE AND BOILER & MACHINERY

Property	No quote	\$ 714,000.00	\$ 549,033.45
Inland Marine	No quote	\$ 9,000.00	Included
Terrorism	No quote	Included	\$ 24,033.45
Property including Inland Marine	\$ -	\$ 723,000.00	\$ 573,066.90
Property Policy Limit (subject to sub-limits)		\$ 516,741,252	\$ 250,000,000
Alternate Inland Marine Quote (EDP & Contractors Equip)		\$ 17,787.00	No Quote

CASUALTY

School Leaders E&O	\$ 148,791	\$ 150,000	No Quote
General Liability	Included in School Leaders E&O	\$ 44,065	No Quote
Law Enforcement	Included in School Leaders E&O	Included in General Liab.	No Quote
Automobile	\$ 47,643	\$ 66,148	No Quote
Casualty Sub-Total	\$ 196,434.00	\$ 260,213.00	

CYBER LIABILITY

Cyber Liability - \$1M (Beazley)	No Quote	\$ 15,980.00	No Quote
Cyber Liability - \$2M (Beazley) with \$1M Legal, Forensic & Public Relations/Crisis Management	No Quote	\$ 18,640.00	No Quote
Cyber Liability - \$2M (Beazley) with \$2M Legal, Forensic & Public Relations/Crisis Management	No Quote	\$ 19,970.00	No Quote
Cyber Liability - \$1M (Nat'l Union Fire)	No Quote	\$ 14,926.00	No Quote
Cyber Liability - \$2M (National Union Fire)	No Quote	\$ 24,615.00	No Quote

CRIME

Crime w/\$100,000. Social Engineering Limit	No Quote	\$ 7,137.00	No Quote
Crime w/\$500,000. Social Engineering Limit		\$ 7,488.00	

WORKERS COMPENSATION

Workers' Compensation - Out of Network	\$ 198,298.00	\$ 297,998.00	\$ 262,230.00
Workers' Compensation - In Network	N/A	N/A	\$ 230,781.00
Dividend Eligible	No	No	Yes (2018 Dividend \$18,045.89)

FOREIGN LIABILITY

Foreign Liability	No Quote	\$ 8,201.00	No Quote
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TOTAL AWARD AMOUNT BY VENDOR	\$ 394,732.00	\$ 758,659.00	\$ -
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SHEPARD WALTON KING
INSURANCE GROUP

July 1, 2019

Ms. Maria G. Elizondo
Vice President for Finance and Administrative Services
South Texas College
P. O. Box 9701
McAllen, TX 78502-9500

Re: **Property/Inland Marine and Boiler & Machinery Insurance**
Effective September 1, 2019

Dear Ms. Elizondo:

Two proposals for the Property/Inland Marine/Boiler & Machinery Insurance were received, one from Montalvo Insurance through Hartford Fire Insurance Company at premium of \$723,000 including inland marine and one from Carlisle Insurance Agency through Chronos Underwriters at premium of \$549,033.45 including inland marine. The policy limit is \$250 million which does not meet specifications.

An alternate inland marine quote was provided by Montalvo Insurance through Markel Insurance at premium of \$17,787. Last year the Markel quote was contingent upon purchase of their general liability. Since the casualty insurance will not be placed with Markel this year, we recommend coverage be maintained with the property insurance.

The application of deductibles varies between the two quotes. The Hartford quote has a Named Storm deductible of 2% which is applied per building with a \$100,000 minimum deductible per building. The Chronos Underwriters quote has a Hurricane Deductible of 2% per location subject to \$100,000 minimum per occurrence and maximum \$10,350,081 per occurrence/annual aggregate. The Carlisle property proposal includes alternate Hurricane deductible options of 1%, 3% and 5%.

The all other wind/hail deductible under Hartford is 1% which is applied per building with a \$50,000 minimum deductible per building. The Chronos Underwriter quote has a flat \$100,000. deductible per occurrence.

Clarification on how the flood deductibles applies under the Hartford Fire Insurance quote is pending.

It is the position of STC to purchase admitted vs surplus insurance when an admitted carrier presents a quote; therefore, the admitted Hartford Fire Insurance Company quote is being recommended in lieu of the lower non-admitted quote through Chronos Underwriters.

We recommend purchase of the Hartford Fire Insurance Company property insurance quote including inland marine of \$723,000. through Montalvo Insurance for the period of September 1, 2019 through August 31, 2020.

Submitted by:

A handwritten signature in black ink that reads "Raul Cabaza, III". The signature is written in a cursive style with a large, stylized initial "R".

Raul Cabaza, III, CIC
Licensed Risk Manager

Enclosures

SOUTH TEXAS COLLEGE
Property / Inland Marine and Boiler & Machinery
RFP #19-20-1004

Proposer	Current Program Montalvo Ins. Agency	Bid Proposal Montalvo Ins. Agency	Bid Proposal Carlisle Insurance
PROPERTY			
Insurance Company	Hartford Fire Insurance Co.	Hartford Fire Insurance Co.	Chronos Underwriters (See list of Participating Carriers with AM Best rating on quote)
A.M. Best Rating	A+ XV	A+ XV	
Admitted/Non-Admitted	Admitted	Admitted	Non-Admitted
Blanket / Scheduled	Blanket	Blanket	Scheduled
Total Insured Values			
Building Limit:	\$ 415,687,537	\$ 415,529,308	\$ 413,208,048
Business Personal Property	\$ 29,061,225	\$ 64,657,477	\$ 28,034,122
EDP	Separate Policy	Included in BPP	\$ 39,707,432
			Limit shown as Other - includes EDP and Contractors Equipment
Business Income	\$ 34,780,355	\$ 36,554,470	\$ 36,554,470
Sub-Total	\$ 479,529,117	\$ 516,741,255	\$ 517,504,072
Contractors Equipment	Separate Policy	\$ 762,816	Included with EDP Limit Above
Fine Arts of Others (Max. \$10K item)	Separate Policy	SPICE endorsement includes \$50,000 coverage	Pending Clarification
Total Insured Values	\$ 479,529,117	\$ 517,504,071	\$ 517,504,072
Co-Insurance			
Property Damage		No Co-Insurance	Not Applicable
Time Element		No Co-Insurance	1/12th Monthly
Policy Limit		\$516,741,252	\$250,000,000
Sub-Limits			
Equipment Breakdown	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000
Earthquake/Earth Movement - Annual Aggregate	\$ 50,000,000	\$ 50,000,000	\$ 10,000,000
Flood Annual Aggregate (Excl Zones A & V)			\$ 10,000,000
-Zone B Annual Aggregate	\$ 5,000,000	\$ 5,000,000	See Above
-Zone C Annual Aggregate	\$ 25,000,000	\$ 25,000,000	See Above
-Zone A *	Excluded	Excluded	Excluded
		*603 N. Coyote Dr, La Joya, TX 78560-4141	

SOUTH TEXAS COLLEGE
Property / Inland Marine and Boiler & Machinery
RFP #19-20-1004

Proposer	Current Program Montalvo Ins. Agency	Bid Proposal Montalvo Ins. Agency	Bid Proposal Carlisle Insurance
Deductibles:			
Named Storm*(See Below)	2% per building min. \$100,000 per occurrence	2% per building min. \$100,000 to apply per building	2% minimum per occurrence, per location; subject to \$100,000 minimum per occurrence; maximum \$10,350,081 per Occurrence and Annual Aggregate, with trailing deductible of \$100,000 per occurrence. Subject to adjustment based on increase or decrease of TIV, subject to underwriter review.
Type Deductible	Named Storm	Named Storm	Hurricane
All Other Wind/Hail	1% per building min. \$50,000 per occurrence	1% per building min. \$50,000 to apply per building	\$ 100,000
All Other Perils	\$ 100,000	\$ 100,000	\$ 100,000
Equipment Breakdown		\$ 100,000	\$ 100,000
Earth Movement	\$ 100,000	\$ 100,000	\$ 100,000
Fine Arts / Contractor's Equipment	\$ 2,500	\$ 2,500	\$ 1,000
Flood Deductibles		Pending Clarification	Applies per Occurrence
-Zone C	\$ 50,000	\$ 50,000	\$ 100,000
-Zone B	\$ 500,000	\$ 500,000	Maximum NFIP whether purchased or not, for locations in Zones B, X500 or X- Shaded, plus \$100,000.
Property	\$ 570,557.00	\$ 714,000	\$ 525,000
Inland Marine	See IM Section Below	\$ 9,000	Included
Terrorism		Included	\$ 24,033.45
TOTAL PROPERTY / INLAND MARINE	\$ 570,557	\$ 723,000	\$ 549,033.45
Optional Quotes			
1% Named Storm Deductible			\$ 742,352.10
3% Named Storm Deductible			\$ 501,933.60
5% Named Storm Deductible			\$ 513,466.80
INLAND MARINE (Alternate)			
Insurance Company	Markel Insurance Company	Markel Insurance Company	
A.M. Best Rating	A XV	A XV	
Admitted/Non-Admitted	Admitted	Admitted	
Limit of Insurance			
Contractor's Equipment	\$ 418,159	\$ 762,816	
EDP Equipment (Incl. Software)	\$ 35,751,150	\$ 35,751,150	
Fine Arts	\$ 25,000	Pending Clarification	
Deductible	\$ 1,000	Pending Clarification	
Premium:	\$ 24,140	\$ 17,787	

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SHEPARD WALTON KING
INSURANCE GROUP

July 18, 2019

Ms. Maria G. Elizondo
Finance and Administrative Services
South Texas College
P. O. Box 9701
McAllen, TX 78501

Re: Crime Insurance Effective September 1, 2019

Dear Ms. Elizondo:

Only one proposal for crime insurance was received. It was from Montalvo Insurance Agency through Travelers Casualty & Surety Company of America at premium of \$7,137. Markel Insurance is not offering renewal of the crime insurance.

The expiring policy had a \$1,000,000 limit for Fraudulent Impersonation coverage but had a Verification requirement for all "transfer instructions". The Travelers quote has a social engineering limit of \$100,000. with lower retention of \$10,000 and does not include the verification language. In this light, options for higher social engineering limits were requested. Travelers provided revised quotes of \$7,240. for a Social Engineering sub-limit of \$250,000 (\$15,000 retention) and quote of \$7,488. for sub-limit of \$500,000 (\$20,000 retention).

We recommend purchase of Travelers Casualty & Surety Company of America proposal through Montalvo Insurance Agency for the period September 1, 2019 through August 31, 2020 at an annual premium of \$7,488. with \$500,000 sub-limit for Social Engineering.

Submitted by:



Raul Cabaza, III, CIC
Licensed Risk Manager

Enclosures

AO

**SOUTH TEXAS COLLEGE
Crime Insurance
RFP #19-20-1004**

Proposer	<u>Current Program</u> Montalvo Insurance Agency	<u>Bid Proposal</u> Montalvo Insurance Agency
Insurance Company	Markel Insurance	Travelers Casualty & Surety Company of America
A.M. Best Rating	A+ XV	A++ XV
Admitted/Non-Admitted	Admitted	Admitted
Employee Theft (Dishonesty)	\$ 1,000,000	\$ 1,000,000
Forgery or Alteration	\$ 1,000,000	\$ 1,000,000
Theft, Disappearance & Destruction (Inside & Outside Premises)	\$ 1,000,000	\$ 1,000,000
Money Order & Counterfeit Currency	\$ 1,000,000	\$ 1,000,000
Computer Fraud	\$ 1,000,000	\$ 1,000,000
Funds Transfer Fraud	\$ 1,000,000	\$ 1,000,000
Claims Expense (\$0 Ded.)		\$ 5,000
Retention	\$ 50,000	\$ 50,000
Social Engineering Endorsement (Fraudulently Induced Transfers / Fraud Impersonation)	\$ 1,000,000	\$100,000. Limit / \$10,000. Retention
Premium	\$ 2,852	\$ 7,137
Option with \$250,000 Social Engineering with a \$15,000 Retention		\$ 7,240
Option with \$500,000 Social Engineering with a \$20,000 Retention		\$ 7,488

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SHEPARD WALTON KING
INSURANCE GROUP

July 1, 2019

Ms. Maria G. Elizondo
Finance and Administrative Services
South Texas College
P. O. Box 9701
McAllen, TX 78501

RE: School Leaders E&O, General Liability, Law Enforcement Liability, Automobile Insurance Effective September 1, 2019

Dear Ms. Elizondo:

In response to the RFP, two proposals were received for these coverages.

Montalvo Insurance Agency offered renewal terms through Markel Insurance Company for School Leaders E&O at a premium of \$150,000, General Liability including Law Enforcement at \$44,065 and Automobile coverage at \$66,148, for combined casualty premium of \$260,213.

Texas Association of School Boards offered terms for School Leaders E&O including General Liability and Law Enforcement at premium of \$148,791 and Automobile at premium of \$47,643 for combined casualty premium of \$196,434. The proposal is contingent upon concurrent participation in Auto, Liability and Workers' Compensation programs through TASB.

Please note differences in the retention under the School Leaders Errors & Omissions. During the 18-19 term, Markel provided a \$25,000. retention but increased it on the renewal quote to \$75,000. The TASB quoted retention is \$50,000.

The TASB Schools Leaders E&O (Professional Liability) quote does not include coverage for Administrative Hearings but may provide coverage when a claim proceeds to court level.

We recommend purchase of School Leaders E&O, General Liability, Law Enforcement Liability, Automobile from TASB Risk Management Fund for the policy period September 1, 2019 through August 31, 2020 at an annual premium of \$196,434.

Submitted by:



Raul Cabaza, III, CIC
Licensed Risk Manager

Enclosures
AO

SOUTH TEXAS COLLEGE
School Leaders E&O, General Liability and Law Enforcement, Automobile Insurance
RFP #19-20-1004

Proposer	Current Program Montalvo Insurance	Proposal Montalvo Insurance	Proposal Texas Association of School Boards
Insurance Company	Markel Insurance Co.	Markel Insurance Co.	TASB Risk Management Fund
A. M. Best Rating (A VIII or better)	A XV	A XV	Not Applicable
Admitted/Non-Admitted	Admitted	Admitted	Not Applicable
SCHOOL LEADERS E&O			
Policy Form	Claims Made	Claims Made	Claims Made
Retroactive Date	9/1/2018	Full Prior Acts	Not Applicable
	Full prior acts available at no additional charge with evidence of prior carrier declaration pages		
Limit (Annual Aggregate)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
-Defense Outside Limit	Outside Limit	Outside Limit	Outside Limit
Retentions:	\$ 25,000	\$ 75,000	\$ 50,000
Duty to Defend or Indemnity Form	Duty to Defend	Duty to Defend	Duty to Defend
Defense Coverage Breach of Employment Contract	Defense & Damages	Yes	Yes
Coverage Sexual Misconduct - Employment Practice Claims Only	Defense & Damages	See GL Coverage	Defense & Damages
Coverage Sexual Misconduct - Other than Employment	Defense Only	See GL Coverage	Defense & Damages
Defense for Individuals w/Disabilities suits	Yes	Yes	Yes
Coverage Discrimination of race or national origin	Yes	Yes	Yes
Adm. Hearings - ADR, Spec. Ed., EEOC	Yes	Yes	Not Covered. Coverage may be provided when a claim proceeds to court level.
PREMIUM:	\$ 56,831	\$ 150,000	\$ 148,791
			See proposal clarification re: coverage for breach of employment claims
GENERAL LIABILITY			
Limits:			
- General Aggregate	\$ 2,000,000	\$ 2,000,000	Not Applicable
- Products/Completed Ops Agg	\$ 1,000,000	\$ 1,000,000	Property Damage to products or work is excluded
- Personal & Advertising Injury	\$ 1,000,000	\$ 1,000,000	Included
- Each Occurrence	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
- Damage to Premises Rented to You	\$ 500,000	\$ 500,000	Not Covered
- Medical Expense	\$ 5,000	\$ 5,000	Excluded
Deductible:	\$ -	\$ -	\$ -
Sexual Misconduct Coverage Agg.	\$ 1,000,000	\$ 1,000,000	See School Leaders E&O
-Innocent Insured Defense Only-Agg.		\$ 300,000	
Employee Benefits Liability	\$ 1,000,000	\$ 1,000,000	\$ 100,000
-Policy Form	Claims Made	Claims Made	Occurrence
-Retro Date	09-01-18	09-01-18	N/A
	Full prior acts available at no additional charge with evidence of prior carrier declaration pages		
-Deductible	\$ 1,000	\$ 1,000	\$ -
Premium	\$ 44,065	\$ 44,065	Included School Leaders E&O

SOUTH TEXAS COLLEGE
School Leaders E&O, General Liability and Law Enforcement, Automobile Insurance
RFP #19-20-1004

Proposer	Current Program Montalvo Insurance	Proposal Montalvo Insurance	Proposal Texas Association of School Boards
Insurance Company	Markel Insurance Co.	Markel Insurance Co.	TASB Risk Management Fund
A. M. Best Rating (A VIII or better)	A XV	A XV	Not Applicable
Admitted/Non-Admitted	Admitted	Admitted	Not Applicable
LAW ENFORCEMENT			
Limit of Liability	\$ 1,000,000	\$ 1,000,000	Included under GL or Professional Legal Liability depending on allegations
Policy Form	Claims Made	Claims Made	
Retro Date	09-01-18	09-01-18	
	Full prior acts available at no additional charge with evidence of prior carrier declaration pages		
Deductible	\$ 1,000	\$ 1,000	\$ -
Premium	Included in General Liability	Included in General Liability	Included School Leaders E&O
AUTOMOBILE			
# Units	78	96	96
Liability Limits:	\$ 300,000	\$ 300,000	\$100,000./\$300,000./\$100,000.
Liability Deductible	\$ 1,000	\$ 1,000	\$ 1,000
Physical Damage:	ACV	ACV	ACV
- Comprehensive Deductible	\$ 1,000	\$ 1,000	\$ 1,000
- Collision Deductible	\$ 1,000	\$ 1,000	\$ 1,000
- Hired Car Physical Damage Limit	\$ 50,000	\$ 50,000	\$ 50,000
Premium	\$ 47,135	\$ 66,148	\$ 47,643
TOTAL PREMIUMS:	\$ 148,031	\$ 260,213	\$ 196,434
Subject to:			Coverage contingent upon concurrent participation in funds Auto, Liability and Worker's Compensation Programs

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SHEPARD WALTON KING
INSURANCE GROUP

July 1, 2019

Ms. Maria G. Elizondo
Finance and Administrative Services
South Texas College
P. O. Box 9701
McAllen, TX 78501

RE: Workers Compensation Effective September 1, 2019

Dear Ms. Elizondo:

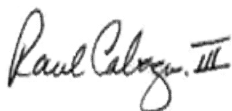
Three proposals were received for Workers Compensation, one from TASB Risk Management Fund at premium of \$198,298, one from Montalvo Insurance through StarStone National Insurance Co. at premium of \$297,998, and one from Carlisle Insurance through Texas Mutual Insurance at in-network premium of \$230,781.

TASB does not offer employers' liability coverage nor coverage for volunteers, which is offered under the remaining quotes. The TASB quote is contingent upon participation in the Auto, Liability and Workers Compensation programs.

The Texas Mutual in-network quote requires notification of employees of your participation in the network and requires they use in-network physicians. The Texas Mutual quotes are eligible for dividends and the 2019 dividend earned is \$18,045.89.

We recommend purchase of the Workers' Compensation Coverage from TASB Risk Management Fund for the period September 1, 2019 to August 31, 2020 for an annual deposit premium of \$198,298.

Submitted by:



Raul Cabaza, III, CIC
Licensed Risk Manager

Enclosures
AO

SOUTH TEXAS COLLEGE
Workers Compensation Insurance
RFP #19-20-1004

	<u>Current Program</u> Carlisle Insurance	<u>Proposal</u> Texas Association of School Boards	<u>Proposal</u> Montalvo Insurance	<u>Proposal</u> Carlisle Insurance
Proposer:				
Insurance Company	Texas Mutual Insurance	TASB Risk Management Fund	StarStone National Ins. Co.	Texas Mutual Insurance
A.M.Best Rating	A XV	Not Applicable	A XI	A XV
Admitted/Non-Admitted	Admitted	Not Applicable		Admitted
Employers Liability	\$1M/\$1M/\$1M	Not Offered	\$1M/\$1M/\$1M	\$1M/\$1M/\$1M
Payroll Classifications				
- 8810 Clerical	\$ 12,004,884	\$ 17,392,823	\$ 17,392,823	\$ 17,392,823
- 8868 Professionals	\$ 83,344,197	\$ 85,191,208	\$ 85,191,208	\$ 85,191,208
- 9101 All Other	\$ 8,575,907	\$ 4,497,936	\$ 4,497,936	\$ 4,497,936
Total Gross Payroll:	\$ 103,924,988	\$ 107,081,967	\$ 107,081,967	\$ 107,081,967
- 8868 Volunteer Instructors ⁽¹⁾	Included	Not Covered	Included	Included
Estimated Premium - In-Network	\$ 235,036	No Quote	No quote	\$ 230,781
Estimated Premium - Out-of-Network	In-Network purchased	\$ 198,298	\$ 297,998	\$ 262,230
		Coverage contingent upon concurrent participation in funds Auto, Liability and Worker's Compensation Programs	Includes \$31,928 fee for Risk Management Services	

⁽¹⁾ Note: Accurate records of Volunteers' hours and days worked should be kept in order to verify a claim when it occurs.

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SHEPARD WALTON KING
INSURANCE GROUP

July 1, 2019

Ms. Maria G. Elizondo
Finance and Administrative Services
South Texas College
P. O. Box 9701
McAllen, TX 78501

Re: Foreign Liability Coverage Effective September 1, 2019

Dear Ms. Elizondo:

Only one proposal for foreign liability insurance was received. It was from Montalvo Insurance Agency through Ace American Insurance Company at premium of \$8,201.

Due to employee foreign travel and territory restrictions under the domestic policies, we recommend the purchase of a Foreign Liability Insurance Policy.

We recommend purchase of the Foreign Liability Insurance Coverage from Ace American Insurance through Montalvo Insurance Agency for the period from September 1, 2019 to August 31, 2020 for an annual premium of \$8,201.

Submitted by:



Raul Cabaza, III, CIC
Licensed Risk Manager
Enclosures
AO

**SOUTH TEXAS COLLEGE
Foreign Liability Insurance
RFP #19-20-1004**

	Current Program	Proposal
	Montalvo Insurance Agency	Montalvo Insurance Agency
Proposer:		
Insurance Company	Ace American Ins. Co.	Ace American Ins. Co.
A.M. Best	A++ XV	A+ XV
Admitted/Non-Admitted	Admitted	Admitted
General Liability		
Each Occurrence	\$ 1,000,000	\$ 1,000,000
General Aggregate	\$ 2,000,000	\$ 2,000,000
Products/Co. Ops Aggregate	\$ 2,000,000	\$ 2,000,000
Damage to Premises Rented to You Limit (any one premises)	\$ 1,000,000	\$ 1,000,000
Personal & Advertising Injury	\$ 1,000,000	\$ 1,000,000
Medical Expense Limit	\$ 25,000	\$ 25,000
Employee Benefits Liability (\$1,000 Ded.)	\$ 1,000,000	\$ 1,000,000
Automobile Liability - Contingent	\$ 1,000,000	\$ 1,000,000
Total Premium	\$ 8,201	\$ 8,201

The information on this page is a summary of coverage. It does not reflect complete policy conditions, terms, exclusions or limitations. The policy supercedes and should be reviewed for complete details.

SHEPARD WALTON KING
INSURANCE GROUP

July 23, 2019

Ms. Maria G. Elizondo
Finance and Administrative Services
South Texas College
P. O. Box 9701
McAllen, TX 78501

RE: Cyber Liability Effective September 1, 2019

Dear Ms. Elizondo:

Two proposals were received for the Cyber Coverage. Both proposals were from Montalvo Insurance with options for \$1,000,000 and \$2,000,000 limits. One proposal was through Beazley Insurance Company at premiums of \$15,980 and \$18,640 and the other through National Union Fire Insurance Company of Pittsburgh at premiums of \$14,926 and \$24,615.

Additional options were subsequently requested and received from Beazley to amend the \$2,000,000 policy aggregate option to also increase the legal, forensic & public relations/crisis management limit to \$2,000,000. at premium of \$19,970. Optional Beazley quotes for \$3M and \$5M policy aggregates were also received along with options for both 1 million and 2 million notified individuals. Under the Beazley proposal, both notifications and the limit for legal, forensic & public relations/crisis management are outside the policy aggregate limit. Additionally, the Beazley quote offers additional sub-limits for crime coverage (including \$250,000 for fraudulent instruction) which are not included under the National Union Fire Insurance Quote. Given these differences, we recommend placement of coverage through Beazley Insurance.

We recommend purchase of Cyber coverage through Montalvo Insurance with Beazley Insurance Company for the policy period September 1, 2019 through August 31, 2020 at an annual premium of \$19,970. at \$2,000,000. Policy aggregate with 1,000,000 notified individuals and \$2,000,000. Legal, Forensic & Public Relations/Crisis Management limit.

Submitted by:



Raul Cabaza, III, CIC
Licensed Risk Manager

Enclosures
AO

**SOUTH TEXAS COLLEGE
Cyber Liability
RFP #19-20-1004**

See Optional
Beazley quotes

Proposer	Current Program	Bid Proposal	Bid Proposal
	Montalvo Insurance	Montalvo Insurance	Montalvo Insurance
Insurance Company	Illinois National Ins. Company	Beazley Insurance Company	National Union Fire Ins. Co of Pittsburgh
A.M. Best Rating	A XV	A XIII	A XV
Admitted/Non-Admitted	Admitted	Admitted	
Policy Aggregate Limit	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Notification Expenses Limit	Inside	1,000,000. Notified Individuals	Part of Event Management Sublimit
-Within or In Addition to Policy Aggregate		In Addition to	
First Party Forensic Expenses Limit		\$1,000,000	Part of Event Management Sublimit
-Within or In Addition to Policy Aggregate		In Addition to	
Coverage			
Network and Information Security (incl Notification)	Included	Included	Included
Communications and Media Liability	Included	Included	Included
Regulatory Defense Expenses	Included	Included	Pending Clarification
Crisis Management Event Expenses	Included	Included	Included
Computer Program and Electronic Data Rest. Exp.	Included	Included	Part of Event Management Sublimit
E-Commerce Extortion	Included	Included	Included
Business Interruption & Extra Expense	Included	Included	Included
Deductibles:	\$ 10,000	\$ 10,000	\$ 10,000
Legal Deductible		\$ 5,000	
Notified Individuals Threshold		100	
Waiting Period (Network Interruption Ins.)	12 Hours	10 Hours	12 Hours
Retroactive Date			
-Media Content, Security & Privacy, Regulatory Action	Full Prior Acts	Full Prior Acts	Full Prior Acts
-Network Interruption, Event Management, Cyber Extortion,	Not Applicable	Not Applicable	Not Applicable
Continuity Date	09-01-17	Policy Inception	09-01-17
Endorsements:	Reputation Guard - \$50,000.	Consequential Reputational Loss- \$1,000,000	Reputation Guard - \$50,000.
		Computer Hardware Replacement Costs- \$500,000.	First Response Sub-limit: \$500,000.
		Cytojacking Endorsement - \$250,000.	Reputation Based Income Loss Coverage Endorsement- \$250,000. Limit / 14 Days
Premium:	\$ 18,513	\$ 15,980	\$ 14,926
\$2M Policy Aggregate (estimated)		\$ 18,640	\$ 24,615
\$2M Policy Aggregate with \$2M Legal, Forensic (See Beazley tab)		\$ 19,970	
\$3M Policy Aggregate with \$15,000 deductible (estimated)			\$ 32,637
Additional Coverages Included			
Fraudulent Instruction		\$ 250,000	
Funds Transfer Fraud		\$ 250,000	
Telephone Fraud		\$ 250,000	
Criminal Reward		\$ 50,000	

Note: Cyber policy documents all use varying coverage terms and definitions. Above terms taken from expiring policy. Please refer to tab for Beazley Cyber quotes for their coverage descriptions, limits and terms.

For Alternate Policy Aggregates, please refer to quotes themselves for varying sub-limits applicable.

The information on this page is a summary of coverage. It does not reflect complete policy conditions, terms, exclusions or limitations. The policy supercedes and should be reviewed for complete details.

SOUTH TEXAS COLLEGE
Cyber Liability
(Beazley Options)
RFP #19-20-1004

Proposer	Option 1		Option 2a		Option 2b		Option 3		Option 4	
	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company
Insurance Company										
A.M. Best Rating		A XIII		A XIII		A XIII		A XIII		A XIII
Admitted/Non-Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted
Breach Response	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability
Notified Individuals - # of individuals	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Legal, Forensic & Public Relations/Crisis Management	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Policy Aggregate Limit of Liability	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Additional Breach Response Limit	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
First Party Loss										
Business Interruption Loss (resulting from Security Breach / System Failure)	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Dependent Business Loss (resulting from dependent Security Breach/System Failure)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Cyber Extortion Loss	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Data Recovery Costs	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Liability Coverages:										
Data & Network Liability	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Regulatory Defense & Penalties	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Payment Card Liabilities & Costs	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Media Liability	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
eCrime Coverages:										
Fraudulent Instruction	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 100,000	\$ 100,000
Funds Transfer Fraud	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Telephone Fraud	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Criminal Reward	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Retentions:										
Legal, Forensic & Public Relations/Crisis Management	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Legal	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Each Incident, Claim or Loss	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 15,000	\$ 15,000	\$ 25,000	\$ 25,000
Notified Individuals Threshold	100	100	100	100	100	100	100	100	100	100
Waiting Period	10 Hours	10 Hours	10 Hours	10 Hours	8 Hours	8 Hours	8 Hours	8 Hours	8 Hours	8 Hours
Retroactive Date	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts
Continuity Date	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception
Endorsements:										
Reputational Loss	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Computer Hardware Replacement Costs	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Cyberjacking Endorsement	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Invoice Manipulation Coverage	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Premium:	\$ 15,980	\$ 18,640	\$ 15,980	\$ 18,640	\$ 19,970	\$ 19,970	\$ 22,770	\$ 22,770	\$ 27,710	\$ 27,710
-Increase # of Notified Individuals to 2,000,000.	\$ 17,400	\$ 17,400	\$ 17,400	\$ 17,400	\$ 21,760	\$ 21,760	\$ 24,800	\$ 24,800	\$ 30,180	\$ 30,180

The information on this page is a summary of coverage. It does not reflect complete policy conditions, terms, exclusions or limitations. The policy supercedes and should be reviewed for complete details.

Cyber Liability Insurance

The Cyber policy includes coverage and comprehensive solutions to protect the College against a broad range of threats. Coverage includes:

- ❖ **Breach response**
 - legal services
 - computer forensic services
 - notification services
 - call center services
 - credit monitoring
 - identity monitoring or other personal fraud or loss prevention solutions
 - public relations and crisis management expenses
- ❖ **eCrime**
 - fraudulent instruction
 - funds transfer
 - telephone fraud
- ❖ **Criminal reward**
- ❖ **First party**
 - business interruption loss from security breach or system failure
 - dependent business interruption loss from security breach or system failure
 - cyber extortion loss
 - data recovery loss
 - data and network liability
- ❖ **Third party**
 - third-party information security and privacy coverage
 - full media liability
 - regulatory defense & penalties
 - payment card liability & costs

Source: Beazley specimen policy

Limits and Coverages

\$2,000,000	Policy Aggregate Limit <i>Breach Response</i>
1,000,000	Notified Individuals - # of individuals (in addition to policy aggregate limit of liability)
\$2,000,000	Legal, Forensic & Public Relations/Crisis Management (in addition to policy aggregate limit of liability)
\$2,000,000	Additional Breach Response Limit <i>eCrime</i>
\$250,000	Fraudulent Instruction
\$250,000	Funds Transfer Fraud
\$250,000	Telephone Fraud
\$50,000	<i>Criminal Reward</i>
	<i>First Party</i>
\$2,000,000	Business Interruption Loss (resulting from Security Breach / System Failure)
\$1,000,000	Dependent Business Loss (resulting from dependent Security Breach/System Failure)
\$2,000,000	Cyber Extortion Loss
\$2,000,000	Data Recovery Costs
\$2,000,000	Data & Network Liability
	<i>Third Party</i>
\$2,000,000	Regulatory Defense & Penalties
\$2,000,000	Payment Card Liabilities & Costs
\$2,000,000	Media Liability
	<i>Endorsements</i>
\$1,000,000	Reputational Loss endorsement
\$500,000	Computer Hardware Replacement Costs endorsement
\$250,000	Cryptojacking endorsement
\$100,000	Invoice Manipulation Coverage endorsement

Source: quote submitted by agent/carrier 142 revised

Crime Insurance (Computer Fraud, Fund Transfer Fraud, Social Engineering)

Crime policies cover the direct loss of funds, whether through maliciousness, employee dishonesty or social engineering. Covers losses that the College incurs.

- ❖ **Employee Theft** - Direct loss of, or direct loss from damage to, money, securities and other property directly caused by theft or forgery committed by an employee, whether identified or not, acting alone or in collusion with other persons.
- ❖ **Forgery or Alteration** - The signing of the name of another person or organization with a handwritten signature physically affixed directly to a Covered Instrument or Covered Personal Instrument, without authority and with the intent to deceive; it does not mean a signature that consists in whole or in part of one's own name signed with or without authority in any capacity, for any purpose.
- ❖ **Theft, Disappearance & Destruction – on premises** the insured's direct loss of money or securities located inside the premises or financial institution premises directly caused by theft [committed by a person present inside such premises or financial institution premises], by disappearance, damage, or destruction. **In transit** – the company will pay the insured for the direct loss of money or securities directly caused by theft, disappearance, damage or destruction while in transit outside the premises and in the care and custody of a messenger, or armored motor vehicle company.
- ❖ **Money Order & Counterfeit Currency** – Loss directly caused by the insured's good faith acceptance of counterfeit money orders, and currency.
- ❖ **Computer Fraud** - The use of any computer to fraudulently cause a transfer of Money, Securities or Other Property from inside the Premises or Financial Institution Premises:
 - To a person (other than a Messenger) outside the Premises or Financial Institution Premises; or
 - To a place outside the Premises or Financial Institution Premises
- ❖ **Funds Transfer Fraud** – An electronic, telegraphic, cable, teletype, instruction fraudulently transmitted to a financial institution directing such institution to debit a transfer account and to transfer, pay, or deliver money or securities from the transfer account which instruction purports to have been transmitted by the insured, but was in fact fraudulently transmitted by someone other than the insured without the insured consent or knowledge.
- ❖ **Claims Expense** - Reasonable fees, costs and expenses of outside accountants, attorneys, consultants or experts retained by the Insured to determine the amount and extent of loss covered under this Crime Policy.
- ❖ **Social Engineering** – means the intentional misleading of an employee by a person purporting to be a vendor, client, employee, or authorized person through the use of a communication.

Source: Travelers specimen policy

Limits and Coverages

\$1,000,000	Employee Theft (Dishonesty)
\$1,000,000	Forgery or Alteration
\$1,000,000	Theft, Disappearance & Destruction (Inside & Outside Premises)
\$1,000,000	Money Order & Counterfeit Currency
\$1,000,000	Computer Fraud
\$1,000,000	Funds Transfer Fraud
\$5,000	Claims Expense
\$500,000	Social Engineering

Source: quote submitted by agent/carrier

The information on this worksheet is a summary of coverage. It does not reflect complete policy conditions, terms, exclusions, or limitations. The policy supersedes and should be reviewed for complete details.

**SOUTH TEXAS COLLEGE
PROPERTY/INLAND MARINE AND BOILER AND MACHINERY INSURANCE
PROJECT NO. 19-20-1004
EVALUATION SUMMARY**

VENDOR		Acrisure, LLC./dba Carlisle Insurance		Montalvo Insurance Agency	
ADDRESS		500 N Water St Ste 900		208 S Texas Blvd	
CITY/STATE/ZIP		Corpus Christi, TX 78401		Weslaco, TX 78596	
PHONE		361-884-2775		956-968-5521	
FAX		361-884-3470		956-969-9198	
CONTACT		Chase Carlisle		Ramon Montalvo, III	
1	The purchase price. (up to 60 points)	60	60	48	48
		60		48	
		60		48	
2	The reputation of the vendor and the vendor's goods or services . (up to 8 points)	8	7.33	7	7
		7		7	
		7		7	
3	The quality of the vendor's goods and/or services. (up to 14 points)	7	4.66	12	12.33
		4		13	
		3		12	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 14 points)	0	2.66	14	13
		5		13	
		3		12	
5	The vendor's past relationship with the College. (up to 3 points)	3	3	2	2.66
		3		3	
		3		3	
6	The impact on the ability of the College to comply with laws relating to Historically Underutilized Businesses. (up to 1 point)	0	0	0	0
		0		0	
		0		0	
TOTAL EVALUATION POINTS		77.65		82.99	
RANKING		2		1	

**SOUTH TEXAS COLLEGE
CRIME INSURANCE
PROJECT NO. 19-20-1004
EVALUATION SUMMARY**

VENDOR		Montalvo Insurance Agency	
ADDRESS		208 S Texas Blvd	
CITY/STATE/ZIP		Weslaco, TX 78596	
PHONE		956-968-5521	
FAX		956-969-9198	
CONTACT		Ramon Montalvo, III	
1	The purchase price. (up to 60 points)	60	60
		60	
		60	
2	The reputation of the vendor and the vendor's goods or services. (up to 8 points)	7	7
		7	
		7	
3	The quality of the vendor's goods and/or services. (up to 14 points)	13	12
		11	
		12	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 14 points)	13	12.33
		11	
		13	
5	The vendor's past relationship with the College. (up to 3 points)	3	2.66
		2	
		3	
6	The impact on the ability of the College to comply with laws relating to Historically Underutilized Businesses. (up to 1 point)	0	0
		0	
		0	
TOTAL EVALUATION POINTS		93.99	
RANKING		1	

**SOUTH TEXAS COLLEGE
CASUALTY INSURANCE
PROJECT NO. 19-20-1004
EVALUATION SUMMARY**

VENDOR		Montalvo Insurance Agency		TASB Risk Management Fund	
ADDRESS		208 S Texas Blvd		12007 Research Blvd	
CITY/STATE/ZIP		Weslaco, TX 78596		Austin, TX 78759	
PHONE		956-968-5521		800-482-7276	
FAX		956-969-9198		512-467-3645	
CONTACT		Ramon Montalvo, III		Dubravka H. Romano	
1	The purchase price. (up to 60 points)	45	45	60	60
		45		60	
		45		60	
2	The reputation of the vendor and the vendor's goods or services. (up to 8 points)	6	6.66	8	7.33
		7		7	
		7		7	
3	The quality of the vendor's goods and/or services. (up to 14 points)	12	12.33	14	13
		13		13	
		12		12	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 14 points)	11	12.33	14	13.33
		13		13	
		13		13	
5	The vendor's past relationship with the College. (up to 3 points)	2	2.66	3	3
		3		3	
		3		3	
6	The impact on the ability of the College to comply with laws relating to Historically Underutilized Businesses. (up to 1 point)	0	0	0	0
		0		0	
		0		0	
TOTAL EVALUATION POINTS		78.98		96.66	
RANKING		2		1	

**SOUTH TEXAS COLLEGE
WORKERS COMPENSATION INSURANCE
PROJECT NO. 19-20-1004
EVALUATION SUMMARY**

VENDOR		Acrisure, LLC./dba Carlisle Insurance		Montalvo Insurance Agency		TASB Risk Management Fund	
ADDRESS		500 N Water St Ste 900		208 S Texas Blvd		12007 Research Blvd	
CITY/STATE/ZIP		Corpus Christi, TX 78401		Weslaco, TX 78596		Austin, TX 78759	
PHONE		361-884-2775		956-968-5521		800-482-7276	
FAX		361-884-3470		956-969-9198		512-467-3645	
CONTACT		Chase Carlisle		Ramon Montalvo, III		Dubravka H. Romano	
1	The purchase price. (up to 60 points)	45	45	40	40	60	60
		45		40		60	
		45		40		60	
2	The reputation of the vendor and the vendor's goods or services. (up to 8 points)	7	7	6	6.66	8	7.33
		7		7		7	
		7		7		7	
3	The quality of the vendor's goods and/or services. (up to 14 points)	13	12.66	11	12	14	13
		13		13		13	
		12		12		12	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 14 points)	14	13.33	13	13	14	13.33
		13		13		13	
		13		13		13	
5	The vendor's past relationship with the College. (up to 3 points)	3	3	2	2.66	3	3
		3		3		3	
		3		3		3	
6	The impact on the ability of the College to comply with laws relating to Historically Underutilized Businesses. (up to 1 point)	0	0	0	0	0	0
		0		0		0	
		0		0		0	
TOTAL EVALUATION POINTS		80.99		74.32		96.66	
RANKING		2		3		1	

**SOUTH TEXAS COLLEGE
FOREIGN LIABILITY INSURANCE
PROJECT NO. 19-20-1004
EVALUATION SUMMARY**

VENDOR		Montalvo Insurance Agency	
ADDRESS		208 S Texas Blvd	
CITY/STATE/ZIP		Weslaco, TX 78596	
PHONE		956-968-5521	
FAX		956-969-9198	
CONTACT		Ramon Montalvo, III	
1	The purchase price. (up to 60 points)	60	60
		60	
		60	
2	The reputation of the vendor and the vendor's goods or services. (up to 8 points)	7	7
		7	
		7	
3	The quality of the vendor's goods and/or services. (up to 14 points)	11	12
		12	
		13	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 14 points)	11	12.33
		13	
		13	
5	The vendor's past relationship with the College. (up to 3 points)	2	2.66
		3	
		3	
6	The impact on the ability of the College to comply with laws relating to Historically Underutilized Businesses. (up to 1 point)	0	0
		0	
		0	
TOTAL EVALUATION POINTS		93.99	
RANKING		1	

**SOUTH TEXAS COLLEGE
CYBER LIABILITY INSURANCE
PROJECT NO. 19-20-1004
EVALUATION SUMMARY**

VENDOR		Montalvo Insurance Agency	
ADDRESS		208 S Texas Blvd	
CITY/STATE/ZIP		Weslaco, TX 78596	
PHONE		956-968-5521	
FAX		956-969-9198	
CONTACT		Ramon Montalvo, III	
1	The purchase price. (up to 60 points)	60	60
		60	
		60	
2	The reputation of the vendor and the vendor's goods or services. (up to 8 points)	7	7
		7	
		7	
3	The quality of the vendor's goods and/or services. (up to 14 points)	12	12
		11	
		13	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 14 points)	13	12.33
		11	
		13	
5	The vendor's past relationship with the College. (up to 3 points)	3	2.66
		2	
		3	
6	The impact on the ability of the College to comply with laws relating to Historically Underutilized Businesses. (up to 1 point)	0	0
		0	
		0	
TOTAL EVALUATION POINTS		93.99	
RANKING		1	

Review and Action as Necessary on Award of Proposals, Purchases, Renewals, and Interlocal Agreements

Approval of the following award of proposals, purchases, renewals, and interlocal agreements is requested.

These items are being purchased to finish the current year and some items are to prepare for the upcoming Fall semester, pending Board approval of the FY 2019 – 2020 Budget.

The Director of Purchasing has reviewed each item, including the procurement procedures and evaluation of all responses, and recommends approval as follows:

A. Award of Proposals

B. Purchases and Renewals

a. Instructional Items

b. Non-Instructional Items

c. Technology Items

C. Interlocal Agreements

A. Award of Proposals

1) Audio Visual Installation Projects (Award)

Award the proposal for audio visual installation projects to **Audio Visual Aids** (San Antonio, TX), at a total amount of \$29,018.00.

Purpose – Educational Technologies is requesting the purchase and installation of audio visual equipment for three (3) projects. The projects are located at the Pecan Campus, Technology Campus, and Regional Center for Public Safety.

Justification and Benefit – The projects consist of two (2) construction/remodel conference rooms, one at Pecan Campus Building D and the other at the Technology Campus Central Receiving Conference Room. The last project is for a Library Services interactive display in a portable building that will be installed at the Regional Center for Public Safety Excellence Center.

Background – Proposal documents were advertised on June 7, 2019 and June 14, 2019 and issued to ten (10) vendors. Two (2) responses were received on June 21, 2019 and reviewed by Educational Technologies, Facilities Planning and Construction, and the Purchasing Department.

Funds for this expenditure are budgeted in the various Construction budgets for FY 2018 - 2019 and FY 2019 - 2020 pending Board approval of the budget.

2) Childcare Services (Award)

Award the proposal for childcare services for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$152,850.00 with the following fifty (50) qualifying vendors:

Vendors (City, State)		
Blessings Learning Academy (Alamo, TX)	iKids Academy (Alamo, TX)	Little Explorers Dev & Learning Center II (Alamo, TX)
New Generation Child Care Center (Alamo, TX)	Super Kids Academy, LLC. (Alamo, TX)	Alpha Learning Center (Alton, TX)
Kid'z First Child Care Center, Inc. #2 (Alton, TX)	Garza's Childcare and Development Center (Donna, TX)	Stepping Stones Day Care II (Donna, TX)
Monte Cristo Learning Center (Edcouch, TX)	Alma's Daycare Center (Edinburg, TX)	Amando, Inc. /dba Genesis Learning Center (Edinburg, TX)
Brighter Future Learning Center (Edinburg, TX)	Little U Learning Center (Edinburg, TX)	Learning Path Day School (Edinburg, TX)
The Children's College Learning Center (Edinburg, TX)	The Learning Journey Day School (Edinburg, TX)	VIP Learning Center (Edinburg, TX)
Play, Learn, Construct & Conserve Child Care (La Joya, TX)	Brackenridge Children's Center, LLC. (McAllen, TX)	Bright Beginnings (McAllen, TX)
Easter Seals Child Development Center (McAllen, TX)	Kids Cloud Academy (McAllen, TX)	Little Loves Educare (McAllen, TX)
Little Shining Stars Daycare, Inc. (McAllen, TX)	Loving Angels Child Development Center, LLC. (McAllen, TX)	Michelle's Playhouse (McAllen, TX)
Mommyland Bilingual Academy (McAllen, TX)	Star Kids Learning Center (McAllen, TX)	Tony's Playhouse (McAllen, TX)
Bright Beginnings Learning Center (Mission, TX)	Honey's Little Bee's Learning Center (Mission, TX)	Kidz Crusade Academy, LLC. (Mission, TX)
Kinder Academy Daycare (Mission, TX)	Martha Alicia Garcia / Precious Moments (Mission, TX)	Stepping Stones (Mission, TX)
Fisher Kids Academy (Palmview, TX)	Lily's Little Kids Daycare Center (Palmview, TX)	Building Minds Learning Academy (Pharr, TX)
Campanitas Day Care (Pharr, TX)	Kids Academy Daycare (Pharr, TX)	Little Explorers Development & Learning Center (Pharr, TX)
Kami's Cuddling Center (Rio Grande City, TX)	Learning Central, LLC. (Rio Grande City, TX)	Learning Zone (Rio Grande City, TX)
Learning Zone II (Rio Grande City, TX)	Little Stars Learning Center, LLC. (Rio Grande City, TX)	Miss Becky's School House (Rio Grande City, TX)

Vendors (City, State)		
EI Shaddai International Christian Day Care Ctr (Weslaco, TX)	Mid-Valley Childhood Center (Weslaco, TX)	Early Education

Purpose – The Providing Academic Support to Students (PASS) Program is requesting childcare centers for students participating in the PASS Program majoring in a career and technical education programs that qualify for assistance with their childcare expenses based on available funding through the Carl Perkins grant.

Justification and Benefit – The career and technical education program students that meet the grant requirements qualify for childcare assistance under the Carl Perkins Grant. Some of the requirements are as follows: a cumulative 2.7 GPA or higher and full-time status is required for Fall, Spring, and Summer semesters (no internet classes). The vendors that submitted all documents required with appropriate signatures and also provided their current and active center license met the vendor qualifications.

Background – Proposal documents were advertised on May 1, 2019 and May 8, 2019 and issued to four hundred forty-one (441) vendors. Fifty (50) responses were received on June 19, 2019 and reviewed by the PASS Program and Purchasing Department.

Funds for this expenditure are budgeted in the Carl Perkins grant budget for FY 2019-2020 pending Board approval of the grant.

3) Library Serials (Award)

Award the proposal for library serials to **EBSCO Information Services** (Birmingham, AL), for the period beginning September 1, 2019 through August 31, 2020 with two one-year options to renew, at an estimated amount of \$42,341.18.

Purpose – Library Services is requesting library serials for all libraries district wide.

Justification and Benefit – The approximate one hundred forty-one (141) serials that include magazines, journals, and newspapers will be used by the libraries district-wide to support the instructional programs and other needs of South Texas College students, faculty, staff, and patrons.

Background – Proposal documents were advertised on June 10, 2019 and June 17, 2019 and issued to five (5) vendors. Two (2) responses were received on June 25, 2019 and reviewed by Library Services and the Purchasing Department.

Funds for this expenditure are budgeted in the Library Acquisitions budget for FY 2019 – 2020 pending Board approval of the budget.

4) Purchase of Audio Visual Equipment (Award)

Award the proposal for purchase of audio visual equipment, at a total amount of \$112,994.35 as follows:

- **AMSYS Innovative Solutions** (Houston, TX) \$63,998.35
- **Audio Visual Aids** (San Antonio, TX) \$22,492.00
- **Howard Technology Solutions** (Ellisville, MS) \$26,504.00

Purpose – Educational Technologies and several departments are requesting the purchase of audio visual equipment for eight (8) projects at multiple locations. It will include the replacement and relocation of interactive displays throughout the district, replacement/upgrade in the cyber lounges at the Mid Valley and Technology campuses, and the installation of new equipment at the Office of Human Resources, Mid Valley Campus Center for Learning Excellence study rooms, Pecan Campus Library Study Rooms, and the Information Technology Program.

Justification and Benefit – Educational Technologies is requesting items for four (4) projects, which are listed below:

- Interactive displays for all campuses sites and training staff members to familiarize staff with new presentation technology that is being introduced across the district
- Accessories for a digital signage display relocation at the Pecan Campus Building Y General Academic
- Digital signage display and accessories for the Nursing and Allied Health Campus Building A 2nd Floor in order complete signage on all floors of the building
- Equipment to upgrade the Cyber Lounge spaces at the Mid Valley and Technology campuses which is used by faculty and staff for Faculty Senate meetings, trainings, and webinars

Additional department projects that Educational Technologies is overseeing are as follows:

- Information Technology Program is requesting a large format display and accessories for mobile presentations
- Office of Human Resources is requesting an interactive display with accessories for a conference room within their area
- Center for Learning Excellence is requesting displays and accessories to install in four (4) student study rooms at the Mid Valley Campus Building A Center for Learning Excellence. These study rooms will be directly available for students to access for tutoring and collaborative work
- Library Public Services is requesting interactive displays and accessories to install in seven (7) study rooms at the Pecan Campus Building F Library. These study rooms will be directly available for student use for single person and collaborative group work and study

Background – Proposal documents were advertised on May 27, 2019 and June 3, 2019 and issued to fourteen (14) vendors. Six (6) responses were received on June 11, 2019 and reviewed by Educational Technologies and the Purchasing Department.

Funds for this expenditure are budgeted in the Educational Technologies, Information Technology Program, Human Resources, Center for Learning Excellence, and Library Public Services budgets for FY 2018 - 2019.

5) Purchase of Audio Visual Equipment II (Award)

Award the proposal for purchase of audio visual equipment II to **Pro Sound, Inc./ dba Pro Sound & Video** (Pensacola, FL), at a total amount of \$86,989.05.

Purpose – Educational Technologies and Center for Learning Excellence are requesting the purchase of audio visual equipment for various projects at multiple locations. It will include the following locations: Pecan Campus – Center for Learning Excellence, Pecan Campus Building T Classroom, Pecan Campus – Board Room, and District Wide – Special Events Equipment.

Justification and Benefit – Pecan Campus – Center for Learning Excellence Building C, Room 111 will be a multipurpose orientation and training space for programs hosted by Centers for Learning Excellence (CLE) and Supplemental Instruction (SI) areas. Pecan Campus Building T, Room 2.502 will be a proof of concept classroom to gauge the feasibility of using multiple large displays in a classroom to improve student access and views of presentation content as well as replace projector technology. Pecan Campus Annex Boardroom will be receiving an upgrade to the core audiovisual presentation/streaming/recording system allowing for greater stability and redundancy to keep in compliance with state law. Educational Technologies is requesting items to support special events district-wide as well as end-of-fiscal equipment for all campus locations for daily support of classroom reservation requests and meeting events.

Background – Proposal documents were advertised on June 7, 2019 and June 14, 2019 and issued to thirteen (13) vendors. Four (4) responses were received on June 21, 2019 and reviewed by Educational Technologies and the Purchasing Department.

Funds for this expenditure are budgeted in the Educational Technologies and Center for Learning Excellence budgets for FY 2018 – 2019.

B. Purchases and Renewals (B-a. Instructional Items)

6) Instructional Equipment (Purchase)

Purchase instructional equipment from **Technical Laboratory Systems, Inc.** (Houston, TX), a Choice Partner Purchasing Cooperative approved vendor, at a total amount of \$24,058.00.

Purpose – The Office of Industrial Training and Economic Development is requesting the purchase of instructional equipment for student instruction at the Mid Valley Campus.

Justification and Benefit – The equipment required is an Amatrol Skills Boss, which is a tool used to assess manufacturing skills in the fields of safety, quality, production processes, and maintenance awareness. The equipment will be utilized by participants of the grant, and will be available and accessible to college students in similar or same field of study, when not in use by grant participants.

Funds for this expenditure are budgeted in the High Demand Job Training (HDJT) Weslaco grant budget for FY 2018 – 2019.

7) Library Materials (Renewal)

Renew the library materials contracts for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$249,267.00 with the following vendors:

Vendors (City, State)			
ABDO Publishing Company (Edina, MN)	Apple Books (Mankato, MN)	Bearport Publishing (New York, NY)	
Bound to Stay Bound Books, Inc. (Jacksonville, IL)	Capstone (North Mankato, MN)	Cavendish Square Publishing, LLC. (New York, NY)	
CBM, LLC/ dba Cherry Lake Publishing /dba Sleeping Bear Press (North Mankato, MN)	Complete Book and Media Supply, LLC. (Cedar Park, TX)	Enslow Publishing (New York, NY)	
Lektro, Inc./ dba Escue & Associates (Robstown, TX)	Gareth Stevens Publishing, LLP. (New York, NY)	GOBI Library Solutions from EBSCO (Contoocook, NH)	
Greenhaven Publishing, LLC. (New York, NY)	Central Programs, Inc. /dba Gumdrop Books (Bethany, MO)	Ingram Library Services, Inc. (La Vergne, TN)	
J. Appleseed (Mankato, MN)	KAMICO Instructional Media, Inc. (Salado, TX)	Midwest Library Service (Bridgeton, MO)	
Perma Bound Books (Jacksonville, IL)	Scholastic Library Publishing, Inc. (Danbury, CT)	The Rosen Publishing Group, Inc. (New York, NY)	

Purpose: Library Services is requesting to renew the contracts for the purchase of library materials to support instructional programs and other needs of South Texas College students, faculty, staff, and patrons district wide.

Justification – The library materials will include books, reference materials, and other materials for all the College’s academic programs. A list of vendors is needed to fulfill the large variety of requests needed district wide.

Background – The Board awarded the contracts for library materials at the July 24, 2018 Board of Trustees meeting for one year with two one-year annual renewals. The first renewal period begins September 1, 2019 and ends August 31, 2020.

Award	Board Meeting Date	Original Term	Renewal Term
Original	7/24/18	9/1/18 – 8/31/19	2 – one year options
1 st Renewal	7/23/19		9/1/19 – 8/31/20

The vendors have complied with all the terms and conditions of the contract and services have been satisfactory.

Funds for this expenditure are budgeted in the Library Acquisitions and BAT & Support materials budgets for FY 2019 - 2020 pending board approval of the budget.

8) Science Laboratory Supplies (Renewal)

Renew the contracts for science laboratory supplies for the period beginning September 1, 2019 through August 31, 2020 at an estimated cost of \$200,000.00, based on prior year expenditures. The vendors are as follows:

Vendors (City, State)	
Bio Corporation (Alexandria, MN)	Carolina Biological Supply, Company (Burlington, NC)
Chemglass Life Sciences (Vineland, NJ)	Cynmar, LLC. (Yulee, CO)
Flinn Scientific, Inc. (Batavia, IL)	Jameco Electronics (Belmont, CA)
Midsci (Valley Park, MO)	Nebraska Scientific (Omaha, NE)
PASCO Scientific (Roseville, CA)	VWR International, LLC. (Radner, PA)

Purpose – The Science programs are requesting lab supplies for the instructional labs, which are required for various science courses.

Justification and Benefit – The science laboratory supplies are used for student instruction in the Division of Math and Science by the following programs: Biology, Chemistry, Physics, Geology, and Geography. The programs require labs for students to conduct experiments and testing.

Background – The Board awarded the contracts for science laboratory supplies at the July 24, 2018 Board of Trustees meeting for one year with two one-year annual renewals. The first renewal period begins August 1, 2019 and ends July 31, 2020.

Award	Board Meeting Date	Original Term	Renewal Term
Original	7/24/18	8/1/18 – 7/31/19	2 – one year options
1 st Renewal	7/23/19		8/1/19 – 7/31/20

The vendors have complied with all the terms and conditions of the contract and services have been satisfactory.

Funds for this expenditure are budgeted in the Biology, Chemistry, Physics, Geology, and Geography budgets for FY 2018 - 2019 and FY 2019 – 2020 pending Board approval of the budget.

B. Purchases and Renewal (B-b. Non – Instructional Items)

9) Mail Services (Renewal)

Renew the mail services contract with **Upper Valley Mail Services, LLP** (McAllen, TX), for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$73,000.00, which is based on prior year expenditures.

Purpose – Mail Services is requesting to renew the contract for the following services: barcoding all envelopes/packages, postage on all envelopes/packages, pre-sorting of mail, pick up of mail and delivery of mail to the McAllen post office.

Justification and Benefits – With these services, the College will receive lower postage rates for all outgoing mail. Since the service provider is able to group mail with the same zip code and bundle it with other entities, the College saves on postage.

Background – The Board awarded the contract for mail services at the July 24, 2018 Board of Trustees meeting for one year with two one-year annual renewals. The first renewal period begins September 1, 2019 and ends August 31, 2020.

Award	Board Meeting Date	Original Term	Renewal Term
Original	7/24/18	9/1/18 – 8/31/19	2 – one year options
1 st Renewal	7/23/19		9/1/19 – 8/31/20

The vendor has complied with all the terms and conditions of the contract and services have been satisfactory.

Funds for this expenditure are budgeted in the Postage budget for FY 2019 - 2020 pending Board approval of the budget.

10) Rental of Storage Facilities (Renewal)

Renew the rental of storage facilities contracts for the period beginning August 1, 2019 through July 31, 2020, at an estimated cost of \$28,000.00 with the following vendors:

- **Affordable Attic III LP** (McAllen, TX/Harlingen, TX)
- **Affordable Attic V LP** (Mission, TX/Harlingen, TX)
- **Affordable Attic IX LP** (McAllen, TX/Harlingen, TX)
- **McAllen Foreign Trade Zone** (McAllen, TX)
- **Move It Management** (Mission, TX/Dallas, TX)

Purpose – The rental of storage facilities is requested by various departments for the storage of student catalogs, tabloids, documents, event tables, equipment, and graduation items.

Justification and Benefit – The rental of storage facilities is used by various College departments with the following requirements: temperature control, storage size, and location. Due to the College’s growth over the years, the need for storage facilities has increased. The College currently has twelve (12) storage units under contract.

Background – The Board awarded the contracts for rental of storage facilities at the July 24, 2018 Board of Trustees meeting for one year with two one-year annual renewals. The first renewal period begins August 1, 2019 and ends July 31, 2020.

Award	Board Meeting Date	Original Term	Renewal Term
Original	7/24/18	8/1/18 – 7/31/19	2 – one year options
1 st Renewal	7/23/19		8/1/19 – 7/31/20

The vendors have complied with all the terms and conditions of the contract and services have been satisfactory.

Funds for this expenditure are budgeted in the various department budgets for FY 2018 - 2019 and FY 2019 - 2020 pending Board approval of the Budget

B. Purchases and Renewals (B-c. Technology Items)

11) Student Enrollment Management System Agreement (Renewal)

Renew the student enrollment management system agreement with **Admissions US, LLC., a wholly owned subsidiary of Campus Management, Corp.** (Boca Raton, FL), a sole source vendor, for the period beginning September 27, 2019 through September 26, 2020, at total amount of \$50,727.50.

Purpose – The Division of Student Services and Enrollment Management is requesting to renew the Radius Constituent Relationship Management (CRM) agreement along with chat services.

Justification and Benefit – The College currently utilizes a Constituent Relationship Management system. The CRM system provides the tools needed to support students at all stages of their student lifecycle from recruitment, enrollment, and admissions through graduation.

Funds for this expenditure are budgeted in the Division of Student Affairs and Enrollment Management budget for FY 2019 – 2020 pending Board approval of the budget.

C. Interlocal Agreements

12) Clinical Education Facilities Agreement (Interlocal Agreement)

Interlocal Agreement for clinical education facilities agreement with the **County of Hidalgo, Texas** (Edinburg, TX), for the period beginning May 7, 2019 through May 6, 2022 with two one-year options to renew, at no cost to the College.

Purpose – The Division of Nursing and Allied Health is requesting the interlocal agreement for student clinical education and training at various county clinical facilities.

Justification and Benefit - It will provide students in patient care training programs the opportunity to participate in on-site educational activities, clinical services, trainings, exercises, and drills which are conducive to the educational competency areas.

13) Training Services Agreement (Interlocal Agreement)

Interlocal agreement for training services with **Hidalgo County Drainage District No. 1** (Edinburg, TX), in July or August 2019, at no cost to the College. Hidalgo County will pay the College a services fee of \$154.56.

Purpose: Through an interlocal agreement, Continuing, Professional and Workforce Education will be providing training services to Hidalgo County Drainage District No. 1 employees.

Justification and Benefit: The two (2) hour training was requested by the Hidalgo County Drainage District No. 1 to be able to provide twenty-one (21) employees with state

mandated training in the area of Health Insurance Portability Accountability Act (HIPAA) / House Bill (HB) 300.

Recommendation:

The Finance, Audit, and Human Resources Committee recommended Board approval of the award of proposals, purchases, renewals, and interlocal agreements as listed below:

A. Award of Proposals

- 1) **Audio Visual Installation Projects (Award):** award the proposal for audio visual installation projects to **Audio Visual Aids** (San Antonio, TX), at a total amount of \$29,018.00;
- 2) **Childcare Services (Award):** award the proposal for childcare services for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$152,850.00 with the following fifty (50) qualifying vendors:

Vendors (City, State)		
Blessings Learning Academy (Alamo, TX)	iKids Academy (Alamo, TX)	Little Explorers Dev & Learning Center II (Alamo, TX)
New Generation Child Care Center (Alamo, TX)	Super Kids Academy, LLC. (Alamo, TX)	Alpha Learning Center (Alton, TX)
Kid'z First Child Care Center, Inc. #2 (Alton, TX)	Garza's Childcare and Development Center (Donna, TX)	Stepping Stones Day Care II (Donna, TX)
Monte Cristo Learning Center (Edcouch, TX)	Alma's Daycare Center (Edinburg, TX)	Amando, Inc. /dba Genesis Learning Center (Edinburg, TX)
Brighter Future Learning Center (Edinburg, TX)	Little U Learning Center (Edinburg, TX)	Learning Path Day School (Edinburg, TX)
The Children's College Learning Center (Edinburg, TX)	The Learning Journey Day School (Edinburg, TX)	VIP Learning Center (Edinburg, TX)
Play, Learn, Construct & Conserve Child Care (La Joya, TX)	Brackenridge Children's Center, LLC. (McAllen, TX)	Bright Beginnings (McAllen, TX)
Easter Seals Child Development Center (McAllen, TX)	Kids Cloud Academy (McAllen, TX)	Little Loves Educare (McAllen, TX)
Little Shining Stars Daycare, Inc. (McAllen, TX)	Loving Angels Child Development Center, LLC. (McAllen, TX)	Michelle's Playhouse (McAllen, TX)
Mommyland Bilingual Academy (McAllen, TX)	Star Kids Learning Center (McAllen, TX)	Tony's Playhouse (McAllen, TX)
Bright Beginnings Learning Center (Mission, TX)	Honey's Little Bee's Learning Center (Mission, TX)	Kidz Crusade Academy, LLC. (Mission, TX)

Vendors (City, State)			
Kinder Academy Daycare (Mission, TX)	Martha Alicia Garcia / Precious Moments (Mission, TX)	Stepping Stones (Mission, TX)	
Fisher Kids Academy (Palmview, TX)	Lily's Little Kids Daycare Center (Palmview, TX)	Building Minds Learning Academy (Pharr, TX)	
Campanitas Day Care (Pharr, TX)	Kids Academy Daycare (Pharr, TX)	Little Explorers Development & Learning Center (Pharr, TX)	
Kami's Cuddling Center (Rio Grande City, TX)	Learning Central, LLC. (Rio Grande City, TX)	Learning Zone (Rio Grande City, TX)	
Learning Zone II (Rio Grande City, TX)	Little Stars Learning Center, LLC. (Rio Grande City, TX)	Miss Becky's School House (Rio Grande City, TX)	
EI Shaddai International Christian Day Care Ctr (Weslaco, TX)	Mid-Valley Early Childhood Education Center (Weslaco, TX)		

- 3) **Library Serials (Award):** award the library serials to **EBSCO Information Services** (Birmingham, AL), for the period beginning September 1, 2019 through August 31, 2020, with two one-year options to renew, at an estimated amount of \$42,341.18;
- 4) **Purchase of Audio Visual Equipment (Award):** award the proposal for purchase of audio visual equipment, at a total amount of \$112,994.35 as follows:
 - a. **AMSYS Innovative Solutions** (Houston, TX) \$63,998.35
 - b. **Audio Visual Aids** (San Antonio, TX) \$22,492.00
 - c. **Howard Technology Solutions** (Ellisville, MS) \$26,504.00
- 5) **Purchase of Audio Visual Equipment II (Award):** award the proposal for the purchase of audio visual equipment II to **Pro Sound, Inc./ dba Pro Sound & Video** (Pensacola, FL), at a total amount of \$86,989.05;

B. Purchases and Renewals (B-a. Instructional Items)

- 6) **Instructional Equipment (Purchase):** purchase instructional equipment from **Technical Laboratory System, Inc.** (Houston, TX), a Choice Partners Purchasing Cooperative approved vendor, at a total amount of \$24,058.00;
- 7) **Library Materials (Renewal):** renew the library materials contracts for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$249,267.00, with the following vendors:

Vendors (City, State)			
ABDO Publishing Company (Edina, MN)	Apple Books (Mankato, MN)	Bearport Publishing (New York, NY)	

Vendors (City, State)		
Bound to Stay Bound Books, Inc. (Jacksonville, IL)	Capstone (North Mankato, MN)	Cavendish Square Publishing, LLC. (New York, NY)
CBM, LLC./ dba Cherry Lake Publishing /dba Sleeping Bear Press (North Mankato, MN)	Complete Book and Media Supply, LLC. (Cedar Park, TX)	Enslow Publishing (New York, NY)
Lektro, Inc./ dba Escue & Associates (Robstown, TX)	Gareth Stevens Publishing, LLP. (New York, NY)	GOBI Library Solutions from EBSCO (Contoocook, NH)
Greenhaven Publishing, LLC. (New York, NY)	Central Programs, Inc. /dba Gumdrop Books (Bethany, MO)	Ingram Library Services, Inc. (La Vergne, TN)
J. Appleseed (Mankato, MN)	KAMICO Instructional Media, Inc. (Salado, TX)	Midwest Library Service (Bridgeton, MO)
Perma Bound Books (Jacksonville, IL)	Scholastic Library Publishing, Inc. (Danbury, CT)	The Rosen Publishing Group, Inc. (New York, NY)

- 8) **Science Laboratory Supplies (Renewal):** renew the science laboratory supplies contracts, for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$200,000.00, with the following vendors:

Vendors (City, State)	
Bio Corporation (Alexandria, MN)	Carolina Biological Supply, Company (Burlington, NC)
Chemglass Life Sciences (Vineland, NJ)	Cynmar, LLC. (Yulee, CO)
Flinn Scientific, Inc. (Batavia, IL)	Jameco Electronics (Belmont, CA)
Midsci (Valley Park, MO)	Nebraska Scientific (Omaha, NE)
PASCO Scientific (Roseville, CA)	VWR International, LLC. (Radner, PA)

B. Purchases and Renewals (B-b. Non-Instructional Items)

- 9) **Mail Services (Renewal):** renew the mail services contract with **Upper Valley Mail Services, LLP** (McAllen, TX), for the period beginning September 1, 2019 through August 31, 2020, at an estimated amount of \$73,000.00, which is based on prior year expenditures;
- 10) **Rental of Storage Facilities (Renewal):** renew the rental of storage facilities contracts for the period beginning August 1, 2019 through July 31, 2020, at an estimated amount of \$28,000.00 with the following vendors:
- **Affordable Attic III LP** (McAllen, TX/Harlingen, TX)
 - **Affordable Attic V LP** (Mission, TX/ Harlingen, TX)
 - **Affordable Attic IX LP** (McAllen, TX/ Harlingen, TX)
 - **McAllen Foreign Trade Zone** (McAllen, TX)

- **Move It Management, LLP** (Mission, TX/Dallas, TX)

B. Purchases and Renewals (B-c. Technology)

11) Student Enrollment Management System Agreement (Renewal): renew the student enrollment management system agreement with **Admissions US, LLC., a wholly owned subsidiary of Campus Management, Corp.** (Boca Raton, FL), a sole source vendor, for the period beginning September 27, 2019 through September 26, 2020, at a total amount of \$50,727.50;

C. Interlocal Agreements

12) Clinical Education Facilities Agreement (Interlocal Agreement): interlocal agreement for clinical education facilities agreement with the **County of Hidalgo, Texas** (Edinburg, TX), for the period beginning May 7, 2019 through May 6, 2022 with two one-year options to renew, at no cost of the College;

13) Training Services Agreement (Interlocal Agreement): interlocal agreement for training services with **Hidalgo County Drainage District No. 1** (Edinburg, TX), in July or August of 2019, at no cost to the College. Hidalgo County will pay the College a services fee of \$154.56.

Recommend Action - The total for all award of proposals, purchases, renewals, and interlocal agreement is \$1,049,245.08.

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

The Board of Trustees approves and authorizes the award of proposals, purchases, renewals, and interlocal agreement in the amount of \$1,049,245.08, as presented.

Approval Recommended:

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

Review and Action as Necessary on Revisions to the Student Tuition and Fees Schedule for FY 2019 – 2020

Approval of revisions to the Student Tuition and Fees Schedule for FY 2019 - 2020 is requested.

Purpose – To revise the Student Tuition and Fees Schedule for FY 2019 – 2020 with proposed changes.

Justification – The revisions to the Schedule are needed as follows:

- Increase the tuition for all Competency-Based courses (Certificate, Associate, Bachelor) and eliminate inconsistencies in tuition between the Bachelor of Applied Science in Organizational Leadership and other competency-based programs.
- Add a Competency-Based courses Tuition Rate for out-of district students.
- Add a Competency-Based courses Tuition Rate for out-of state students.
- Clarify the assessment of the Registration Fee, which is by semester/session.
- Clarify the assessment of the Child Development Registration Fee and Supply Fee, which is by semester/session.
- Reclassify fees to proper categories in the schedule.

The adjustments to the Bachelor of Applied Science in Organizational Leadership (BASOL) tuition are needed to cover operating costs, as these programs require a larger percentage of faculty with terminal degrees, which increases salary costs.

The new Competency-Based courses (Certificate, Associate, Bachelor) tuition is necessary to mirror the Bachelor of Applied Science in Organizational Leadership, as other Bachelor degrees have been converted to Competency-Based with THECB grant funding. Additionally, Certificate and Associate degree courses feed into all these Bachelor degrees. Competency-Based education is an individualized approach to education that awards credit on the basis of a student's demonstrated mastery of competencies, regardless of how long the learning takes. This type of educational method allows for students with previous personal and professional experience to accelerate their progress to completion. Competency-Based courses are one of the College's initiatives that align with the state of the Texas 60x30TX completion goal.

By charging the same tuition for all competency-based courses, there will be less confusion by students. In addition, treating them all similarly will ease the transition of new course offerings into competency-based curricula, when necessary.

The Registration Fee is assessed per semester/session for the Fall Semester, Spring Semester, and Summer Minimesters based on start dates.

The Child Development Center Registration Fee and Supply Fee is assessed when students enroll their children in the program and the wording needs to specify which semester it covers.

On March 26, 2019, the Board of Trustees approved the Tuition and Fees Schedule for Student Tuition and Fees for FY 2019 – 2020. The proposed changes for FY 2019 – 2020 are as follows:

	Board Approved FY 2018-2019	Proposed FY 2019-2020
BACHELOR OF APPLIED SCIENCE IN ORGANIZATIONAL LEADERSHIP TUITION:		
Bachelor of Applied Science in Organizational Leadership Competency-Based Format For Seven Week Term	750.00	Deleted
Bachelor of Applied Science in Organizational Leadership Competency-Based Format For Seven Week Term (Fall 2019 Semester) (Texas Residents)	0.00	750.00
COMPETENCY-BASED COURSES (CERTIFICATE, ASSOCIATE, BACHELOR) – FLAT TUITION:		
Competency-Based Format Courses Offered during Seven-Week Accelerated Terms* (per Term) (In-District) (Effective Spring 2020)	0.00	850.00
Competency-Based Format Courses Offered during Seven-Week Accelerated Terms* (per Term) (Out-of District) (Effective Spring 2020)	0.00	910.00
Competency-Based Format Courses Offered during Seven-Week Accelerated Terms* (per Term) (Out-of-State) (Effective Spring 2020)	0.00	1,500.00
*All fees will be assessed, except for mandatory and course fees.		
MANDATORY FEES:		
Registration Fee: Fall and Spring: <ul style="list-style-type: none"> • Registration Fee per student per semester 	0.00	150.00
Summer Minimesters: <ul style="list-style-type: none"> • Registration Fee (one-time fee) per student for Summer Minimesters with start dates of May 15th through June 30th 	0.00	150.00
<ul style="list-style-type: none"> • Registration Fee (one-time fee) per student for Summer Minimesters with start dates of July 1st through August 10th 	0.00	150.00
CHILD DEVELOPMENT CENTER FEES:		

	Board Approved FY 2018-2019	Proposed FY 2019-2020
Registration Fee: (per semester/session)		
• Fall and Spring Semesters	40.00	40.00
• Spring Semester	40.00	40.00
• Summer Session	20.00	20.00
Supply Fee: (per semester/session)		
• Fall and Spring Semesters	30.00	30.00
• Spring Semester	30.00	30.00
• Summer Session	10.00	10.00

On June 13, 2019, the Finance, Audit, and Human Resources Committee reviewed and recommended Board approval of administration’s proposal to revise the Student Tuition and Fees Schedule for FY 2019 – 2020. Upon further review of the proposed tuition structure for the competency-based courses, administration requested that the Board delay formal action on the proposal and present again to the Finance, Audit, and Human Resources Committee.

Reviewers - The revised Tuition and Fees Schedule for Student Tuition and Fees for FY 2019 – 2020 have been reviewed by staff, President’s Cabinet, and Planning and Development Council (PDC) staff.

Enclosed Documents – The Tuition and Fees Schedule for Student Tuition and Fees for FY 2019 – 2020 follows in the packet for the Board’s information and review.

The Finance, Audit, and Human Resources Committee recommended Board approval to revise the Student Tuition and Fees Schedule for FY 2019 - 2020 as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the revised Student Tuition and Fees Schedule for FY 2019 - 2020 as presented.

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

The Board of Trustees approves and authorizes the revised Student Tuition and Fees Schedule for FY 2019 - 2020 as presented.

Approval Recommended:

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

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
RESIDENT TUITION - IN-DISTRICT HIDALGO & STARR COUNTIES PER CREDIT HOUR:			
• In-District per credit hour	70.00	70.00	77.00
RESIDENT TUITION - OUT OF DISTRICT-OTHER TEXAS COUNTIES PER CREDIT HOUR:			
• Out-of-District per credit hour	80.00	80.00	87.00
NON-RESIDENT TUITION - OUT OF STATE/INTERNATIONAL PER CREDIT HOUR:			
• Out-of-State/ International per credit hour	200.00	200.00	200.00
DIFFERENTIAL TUITION PER CREDIT HOUR:			
Biology	15.00	15.00	15.00
Chemistry	15.00	15.00	20.00
Physics	10.00	10.00	20.00
Astronomy	10.00	10.00	10.00
3000/4000 level courses	30.00	30.00	30.00
Associate Degree Nursing	50.00	55.00	75.00
Emergency Medical Technology	35.00	45.00	55.00
Occupational Therapy Assistant	40.00	45.00	55.00
Patient Care Assistant	20.00	25.00	35.00
Pharmacy Tech	40.00	45.00	55.00
Physical Therapist Assistant	40.00	45.00	55.00
Radiologic Technology/Sonography	40.00	45.00	65.00
Respiratory Therapy	40.00	45.00	65.00
Vocational Nursing	50.00	55.00	75.00
Physical Science		15.00	20.00
Geology		15.00	20.00
Engineering		10.00	20.00
Architectural & Engineering Design Technology		20.00	30.00
Automotive & Diesel Technology		10.00	20.00
Culinary Arts		15.00	15.00
Electronic Equipment & Computer		15.00	15.00
Electrician Assistant		10.00	10.00
Fire Science		5.00	5.00
Heating, Ventilation & Air Conditioning		10.00	20.00
Legal Assisting			10.00
Manufacturing Technology			10.00
Child Care and Development			20.00
Drama			10.00
BACHELOR OF APPLIED SCIENCE IN ORGANIZATIONAL LEADERSHIP TUITION:			
Bachelor of Applied Science in Organizational Leadership Competency-Based Format For Seven Week Term	750.00	750.00	Deleted
Bachelor of Applied Science in Organizational Leadership Competency-Based Format For Seven Week Term (Fall 2019 Semester) (Texas Residents)		0.00	750.00

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
COMPETENCY-BASED COURSES (CERTIFICATE, ASSOCIATE, BACHELOR) – FLAT TUITION			
Competency-Based Format Courses Offered during Seven-Week Accelerated Terms* (per Term) (In-District) (Effective Spring 2020)	0.00	0.00	850.00
Competency-Based Format Courses Offered during Seven-Week Accelerated Terms* (per Term) (Out-of District) (Effective Spring 2020)	0.00	0.00	910.00
Competency-Based Format Courses Offered during Seven-Week Accelerated Terms* (per Term) (Out-of-State) (Effective Spring 2020)	0.00	0.00	1,500.00
*All fees will be assessed, except mandatory and course fees	-	-	-
WORKFORCE/CONTINUING EDUCATION TUITION AND FEES:			
Workforce/Continuing Education Non-Credit Tuition per contact hour or variable tuition including zero tuition	6.00 or variable tuition including zero tuition	6.00 or variable tuition including zero tuition	6.00 or variable tuition including zero tuition
Workforce/Continuing Education Non-Credit Late Registration Fee	10.00	10.00	10.00
Continuing Education Installment Plan Fee	5.00	5.00	5.00
Continuing Education Non-Credit Installment Plan Late Payment Fee	10.00	10.00	10.00
Workforce/Continuing Education, Conferences/Seminars/ Summer Camps /Workshops/Customized Training/ Other Training Activities and Events	Negotiated recovery of costs and processing fees including exemption of both.	Negotiated recovery of costs and processing fees including exemption of both.	Negotiated recovery of costs and processing fees including exemption of both.
INDEPENDENT DUAL CREDIT TUITION PER CREDIT HOUR:			
In-district dual credit students who are enrolled in a school district with a Memorandum of Understanding or an Interlocal Agreement with South Texas College <u>who do not receive approval</u> to enroll in a regular (non-S) section(s). (EFFECTIVE SUMMER 2019)		50.00 Plus applicable differential tuition	50.00 Plus applicable differential tuition
In-district home schooled or dual credit students who are not enrolled in a school district with a Memorandum of Understanding or an Interlocal Agreement with South Texas College	50.00 Plus applicable differential tuition	50.00 Plus applicable differential tuition	50.00 Plus applicable differential tuition
Out-of-district home schooled or dual credit students who are not enrolled in a school district with a Memorandum of Understanding or an Interlocal Agreement with South Texas College	80.00 Plus applicable differential tuition	80.00 Plus applicable differential tuition	80.00 Plus applicable differential tuition

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
INDEPENDENT DUAL CREDIT FEES:			
In-district dual credit students who are enrolled in a school district with a Memorandum of Understanding or an Interlocal Agreement with South Texas College <u>who do not receive approval</u> to enroll in a regular (non-S) section(s). (EFFECTIVE SUMMER 2019)		All fees, including course and incidental fees are applicable and will not be waived.	All fees, including course and incidental fees are applicable and will not be waived.
In-district home schooled or dual credit students who are not enrolled in a school district with a Memorandum of Understanding or an Interlocal Agreement with South Texas College	All fees are applicable and will not be waived.	All fees, including course and incidental fees are applicable and will not be waived	All fees, including course and incidental fees are applicable and will not be waived
Out-of-district home schooled or dual credit students who are not enrolled in a school district with a Memorandum of Understanding or an Interlocal Agreement with South Texas College	All fees are applicable and will not be waived.	All fees, including course and incidental fees are applicable and will not be waived	All fees, including course and incidental fees are applicable and will not be waived
DUAL CREDIT ACADEMIES PARTICIPATION FEES:			
Dual Credit Academies Participation Fee – Fall and Spring, per student per semester (charged to School District)	\$600 for recovery of costs and processing fees	\$600 for recovery of costs and processing fees	\$600 for recovery of costs and processing fees
Dual Credit Academies Participation Fee – Summer, per student per credit hour (charged to School District)	\$50 for recovery of costs and processing fees	\$50 for recovery of costs and processing fees	\$50 for recovery of costs and processing fees
DUAL CREDIT REIMBURSEMENT OF COSTS:			
School Districts Requesting South Texas College Faculty to Teach Dual Credit Courses, per course per semester	Recovery of faculty salaries, fringe benefits, mileage, and other associated costs and processing fees	Recovery of faculty salaries, fringe benefits, mileage, and other associated costs and processing fees	Recovery of faculty salaries, fringe benefits, mileage, and other associated costs and processing fees
MANDATORY FEES:			
Registration Fee: • If registered and paid or registered and financial aid processed <u>BEFORE</u> August 1 st , January 1 st , May 15 th and June 15 th	100.00	Deleted	Deleted

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
Registration Fee: • If registered and paid or registered and financial aid processed <u>BEFORE</u> July 1 st , December 1 st , May 15 th and June 15 th	0.00	100.00	Deleted
Registration Fee After Deadline: • If registered and paid or financial aid processed <u>ON</u> or <u>AFTER</u> August 1 st , January 1 st , May 15 th and June 15 th	160.00	Deleted	Deleted
Registration Fee: • If registered and paid or financial aid processed <u>ON</u> or <u>AFTER</u> July 1 st , December 1 st , May 15 th and June 15 th	0.00	160.00	Deleted
Registration Fee: Fall and Spring: • Registration Fee per student per semester	0.00	0.00	150.00
Summer Minimesters: • Registration Fee (one-time fee) per student for Summer Minimesters with start dates of May 15 th through June 30 th	0.00	0.00	150.00
• Registration Fee (one-time fee) per student for Summer Minimesters with start dates of July 1 st through August 10 th	0.00	0.00	150.00
Information Technology Fee per credit hour	24.00	30.00	30.00
Learning Support Fee per credit hour	16.00	12.00	12.00
Student Activity Fee per credit hour	4.00	4.00	4.00
COURSE FEES:			
Lab Fee per lab credit hour for applicable courses with labs	24.00	24.00	24.00
Electronic Distance Learning/VCT Course Fee per credit hour	15.00	10.00	10.00
Hybrid Course Fee per credit hour	5.00	0.00	0.00
Physical Education Special Activity Fee per course	55.00	55.00	55.00
LIBRARY FEES:			
Lost or Damaged Library Item	Cost of item plus processing fee	Cost of item plus processing fee	Cost of item plus processing fee
Lost or Damaged Library Item Processing Fee per item	30.00	30.00	30.00
Overdue Library Book/Media Fee per day	0.00	0.00	0.00
Overdue Library Reserve Item per hour	0.00	0.00	0.00
Overdue Library Equipment per day	0.00	0.00	0.00
Overdue Inter-Library Loan or TexShare Item per day	Fine as assessed and charged by lending library	Fine as assessed and charged by lending library	Fine as assessed and charged by lending library
Lost or Damaged Inter-Library Loan or TexShare Item per day	Fine and/or replacement cost as assessed and charged by lending library	Fine and/or replacement cost as assessed and charged by lending library	Fine and/or replacement cost as assessed and charged by lending library
INSTALLMENT PLAN/EMERGENCY LOAN FEES:			
Installment Plan Fee	35.00	35.00	35.00

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
Installment Plan Late Payment Fee	35.00	35.00	35.00
Emergency Loan Late Payment Fee	35.00	35.00	35.00
PARKING/MOVING TRAFFIC VIOLATIONS FEES:			
Parking Permit Fee (except when parking at Pecan Campus Park and Ride location during scheduled operating hours)	25.00	25.00	25.00
Parking Permit Replacement Fee	25.00	25.00	25.00
Parking Permit Violations:			
<i>First</i>	30.00	30.00	30.00
<i>Second</i>	50.00	50.00	50.00
<i>Third</i>	80.00	80.00	80.00
<i>Fourth</i>	100.00	100.00	100.00
<i>Fifth</i>	120.00	120.00	120.00
Handicap Parking Violations	150.00	150.00	150.00
Moving Traffic Violations:			
<i>First</i>	30.00	30.00	30.00
<i>Second</i>	50.00	50.00	50.00
<i>Third</i>	90.00	90.00	90.00
Vehicle Boot Removal Fee	100.00	100.00	100.00
Proposed Skateboard and Other Appliance Violation:			
<i>First</i>	Warning	Warning	Warning
<i>Second</i>	30.00	30.00	30.00
<i>Third</i>	50.00	50.00	50.00
<i>Fourth</i>	70.00	70.00	70.00
<i>Fifth</i>	90.00	90.00	90.00
TESTING FEES:			
Health Education Services Inc. (HESI) Exam Fee	45.00 Students will register and pay fees to Elsevier Inc. for each attempt when signing up for the exam through the Market Place website. Fees will be subject to change.	45.00 Students will register and pay fees for each attempt when signing up for the exam through the Market Place website. The College purchases the units through Elsevier Inc. Fees will be subject to change.	45.00 Students will register and pay fees for each attempt when signing up for the exam through the Market Place website. The College purchases the units through Elsevier Inc. Fees will be subject to change.
Collegiate Assessment of Academic Proficiency (CAAP) Exam Fee	0.00	0.00	0.00
Sign Language Certification Exam Fee	95.00	0.00	0.00
Proctoring/Professional Testing Services Fee	Recovery of costs and processing fees to be negotiated	Recovery of costs and processing fees to be negotiated	Recovery of costs and processing fees to be negotiated

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
Credit By Examination	Tuition	Tuition	Tuition
GED Exam Fee – 1st and 4th Attempts <ul style="list-style-type: none"> GED Retest Exam Fee – \$36.25 Writing only GED Retest Exam Fee – \$36.25 Reading only GED Retest Exam Fee – \$36.25 Mathematics only GED Retest Exam Fee – \$36.25 Science only GED Retest Exam Fee – \$36.25 Social Studies only Beginning Fall 2018: GED Exam Fee – 1st and 4th Attempts <ul style="list-style-type: none"> GED Exam Fee – \$36.25 English Language Arts GED Exam Fee – \$36.25 Mathematics only GED Exam Fee – \$36.25 Science only GED Exam Fee – \$36.25 Social Studies only 	Students will register and pay fees to Pearson VUE for GED on-line testing services and subject to change.	Students will register and pay fees to Pearson VUE for GED on-line testing services and subject to change.	Students will register and pay fees to Pearson VUE for GED on-line testing services and subject to change.
GED Retest Exam Fee – 2nd, 3rd, 5th, and 6th Attempts <ul style="list-style-type: none"> GED Retest Exam Fee – \$16.25 Writing only GED Retest Exam Fee – \$16.25 Reading only GED Retest Exam Fee – \$16.25 Mathematics only GED Retest Exam Fee – \$16.25 Science only GED Retest Exam Fee – \$16.25 Social Studies only Beginning Fall 2018: GED Retest Exam Fee – 2nd, 3rd, 5th, and 6th Attempts <ul style="list-style-type: none"> GED Retest Exam Fee – \$16.25 English Language Arts GED Retest Exam Fee – \$16.25 Mathematics only GED Retest Exam Fee – \$16.25 Science only GED Retest Exam Fee – \$16.25 Social Studies only 	Students will register and pay fees to Pearson VUE for GED on-line testing services and subject to change.	Students will register and pay fees to Pearson VUE for GED on-line testing services and subject to change.	Students will register and pay fees to Pearson VUE for GED on-line testing services and subject to change.
HiSET Exam Fee (All Five Exams – 1st and 4th Attempts) <ul style="list-style-type: none"> HiSET Exam Fee – Reading only \$25.00 HiSET Exam Fee – Writing only \$25.00 HiSET Exam Fee – Math only \$25.00 HiSET Exam Fee – Science only \$25.00 HiSET Exam Fee – Social Studies only \$25.00 	125.00 Students will register through the ETC website and pay all applicable fees online, including Test Center Fees. Fees subject to change.	Students will register through the ETC website and pay all applicable fees online, including Test Center Fees. Fees subject to change.	Students will register through the ETC website and pay all applicable fees online, including Test Center Fees. Fees subject to change.

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
HiSET Exam Fee (All Five Exams – 2nd, 3rd, 5th and 6th Attempts) <ul style="list-style-type: none"> HiSET Exam Fee – Reading only \$15.00 HiSET Exam Fee – Writing only \$15.00 HiSET Exam Fee – Math only \$15.00 HiSET Exam Fee – Science only \$15.00 HiSET Exam Fee – Social Studies only \$15.00 	Students will register through the ETS website and pay all applicable fees online, including Test Center Fees. Fees will be subject to change.	Students will register through the ETS website and pay all applicable fees online, including Test Center Fees. Fees will be subject to change.	Students will register through the ETS website and pay all applicable fees online, including Test Center Fees. Fees will be subject to change.
TSI Assessment Reservation Fee	25.00	25.00	25.00
TSI Assessment Exam – All Three Exams	29.00	29.00	29.00
<ul style="list-style-type: none"> TSI Assessment Exam Fee – Reading only 	10.00	10.00	10.00
<ul style="list-style-type: none"> TSI Assessment Exam Fee – Writing only 	10.00	10.00	10.00
<ul style="list-style-type: none"> TSI Assessment Exam Fee – Math only 	10.00	10.00	10.00
TSI Assessment Exam Retesting Fee – All Three Exams	29.00	29.00	29.00
<ul style="list-style-type: none"> TSI Assessment Exam Fee – Retesting Reading only 	10.00	10.00	10.00
<ul style="list-style-type: none"> TSI Assessment Exam Fee – Retesting Writing only 	10.00	10.00	10.00
<ul style="list-style-type: none"> TSI Assessment Exam Fee – Retesting Math only 	10.00	10.00	10.00
CHILD DEVELOPMENT CENTER FEES:			
Tuition fee per week	120.00	120.00	120.00
Registration Fee: (per semester/session)			
<ul style="list-style-type: none"> Fall and Spring Semesters 	40.00	40.00	40.00
<ul style="list-style-type: none"> Spring Semester 	40.00	40.00	40.00
<ul style="list-style-type: none"> Summer Session 	20.00	20.00	20.00
Late Pick-up Fee	\$5/first 5 minutes and \$1/ea. Add'l. minute	\$5/first 5 minutes and \$1/ea. Add'l. minute	\$5/first 5 minutes and \$1/ea. Add'l. minute
Supply Fee: (per semester/session)			
<ul style="list-style-type: none"> Fall and Spring Semesters 	30.00	30.00	30.00
<ul style="list-style-type: none"> Spring Semester 	30.00	30.00	30.00
<ul style="list-style-type: none"> Summer Session 	10.00	10.00	10.00
Reservation Fee for Fall/Spring semester Breaks	65.00	65.00	65.00
<ul style="list-style-type: none"> Summer 	20.00	20.00	20.00
INCIDENTAL FEES:			
Audit Fee	Tuition and Lab Fees	Tuition and Lab Fees	Tuition and Lab Fees
Drop Fee (one-time fee) – 1 st class day through Census date	25.00	25.00	25.00

**STUDENT TUITION AND FEES
FOR FY 2019-2020
PROPOSED CHANGES**

	Board Approved FY 2017-2018	Board Approved FY 2018-2019	Board Approved FY 2019-2020
Course Repeat Fee per credit hour			
• Third or more repeats (Includes Developmental) Fall 2016	0.00	0.00	0.00
• Third or more attempts (Excludes Developmental) Effective Spring 2017	125.00	125.00	125.00
• Enrollment in Developmental Studies Courses (>27 credit hours) Effective Spring 2017	125.00	0.00	0.00
• Enrollment in Developmental Studies Courses (>18 credit hours) Effective Spring 2018	125.00	125.00	125.00
Developmental Studies Fee: One-time fee per semester	29.00	29.00	29.00
Fee per credit hour for dual credit students attempting a course three or more times	125.00	125.00	125.00
Dual Credit Late Processing Fee per course per student after Census Day	200.00	200.00	200.00
Reinstatement Fee (after Census date)	200.00	200.00	200.00
Returned Check	30.00	30.00	30.00
Student ID Replacement Fee	15.00	15.00	15.00
Withdrawal Fee (from all courses - one-time fee) – after Census date	50.00	50.00	50.00
Student Insurance Fee (voluntary)	Fee is paid to approved insurance carrier. Subject to change.	Fee is paid to approved insurance carrier. Subject to change.	Fee is paid to approved insurance carrier. Subject to change.
PROGRAM SPECIFIC FEES:			
Fire Academy Fees:			
• Gear Rental	\$280/4 weeks	\$280/4 weeks	\$280/4 weeks
• Self-Contained Breathing Apparatus	\$360/Semester	\$360/Semester	\$360/Semester
• Testing	85.00	85.00	85.00
NAH and Other Course Fees: <i>Liability Insurance/Exams/Booklets/Badges/ Special Program ID/Certificates/Pinning Ceremony/Other Activities</i>	Recovery of costs and processing fees	Recovery of costs and processing fees	Recovery of costs and processing fees

Review and Update of Proposed Preliminary FY 2019 - 2020 Budget

Enclosed is the Proposed Preliminary FY 2019 – 2020 (Next Year) Budget Summary of Projected Revenues and Expenditures with comparison to the FY 2018 - 2019 (Current Year) approved budget for your information and review. Also included is the Preliminary FY 2019 – 2020 (Next Year) Budget Summary with comparison to the Preliminary FY 2019 – 2020 (Next Year) Budget Summary presented at the June 13, 2019 Finance, Audit, and Human Resources Committee meeting.

At the July 9, 2019 Finance, Audit, and Human Resources Committee meeting, the Committee requested to see the updated Preliminary FY 2019 – 2020 (Next Year) Budget Summary with Comparison to the Preliminary FY 2019 – 2020 (Next Year) Budget Summary presented at the June 13, 2019 Finance, Audit, and Human Resources Committee meeting.

The information regarding the FY 2019 – 2020 Budget is presented as follows:

- A. Preliminary FY 2019 – 2020 (Next Year) Budget Summary with Comparison to FY 2018 – 2019 (Current Year)
- B. Updated Preliminary FY 2019 – 2020 (Next Year) Budget Summary with Comparison to the Preliminary FY 2019 – 2020 (Next Year) Budget Summary presented at the June 13, 2019 Finance, Audit, and Human Resources Committee meeting
 - Reduction of HEGI State Revenue Appropriation and Offsetting Increases to Revenues and Decreases to Expenditures
 - Other Budget Projection Updates

A. Preliminary FY 2019 – 2020 (Next Year) Budget Summary with Comparison to FY 2018 – 2019 (Current Year)

Exhibit A

The preliminary FY 2019 – 2020 budget includes the following assumptions:

Revenues:

- State appropriation revenue is projected to increase from the FY 2018 – 2019 level by \$1,946,048. An increase is projected in other state revenues consisting of Optional Retirement Plan (ORP) and Teacher Retirement System (TRS) for FY 2020, in the amounts of \$19,651 and \$80,816, respectively, totaling \$100,467. The state appropriation for the Higher Education Employees Group Insurance (HEGI) was reduced by \$2,152,224. The state appropriation and the HEGI appropriation amounts are based on the state allocation schedules and other state revenues are based on projected funding for eligible employees. In total, state appropriation revenue is projected to decrease approximately \$105,709 in FY 2020.
- In total, tuition is projected to increase approximately \$3,348,041 in FY 2020. Tuition for FY 2020 is based on projected enrollment of 19,115 traditional students, a 1% decrease from Fall 2018, and 13,304 dual enrollment tuition free students for Fall 2019. The projections include the Board approved increases of \$7 per semester credit hour for In-District and Out-of-District tuition rates. The FY 2020

tuition increase also includes increases and additions to differential tuition rates. The FY 2020 tuition also includes the increase of \$100 for the Bachelor of Applied Science in Organizational Leadership tuition.

- The projections indicate an increase in fees of approximately \$954,132 in FY 2020. Fees for FY 2020 are based on projected enrollment of 19,115 traditional students, a 1% decrease from Fall 2018, and 13,304 dual enrollment tuition free students for Fall 2019. The projections include the Board approved removal of the Registration Fee Before Deadline and Registration Fee After Deadline, and the implementation of the Registration Fee per student per semester in the amount of \$150.
- Other revenues are expected to increase \$515,749 in FY 2020. The projected increase is mainly due to the increases in interest revenue, the Dual Credit Academy Participation Fee, and Administrative Costs and Shuttle System Contribution offsetting decreased revenues for Dual Enrollment Cost Reimbursements, Book Royalties, and Testing Commissions.
- Tax revenue for FY 2020 is expected to increase \$1,191,214, due to an increase in tax appraised values and tax collections.
- Carryover Allocations is projected to decrease \$8,154,676 in FY 2020. The decrease resulted from the decrease of \$6,019,404 in the Prior Year M&O Tax Bond Program carryover funded from FY 2015, FY 2016, and FY 2017 M&O tax revenue, the decrease of \$1,793,628 in the Capital Purchases carryover, the decrease of \$186,217 in the Contingency Fund carryover, the decrease of \$150,000 in the Continuing Education carryover, and the decrease of \$5,427 in Instructional Book Royalties.

Expenditures:

- The Salary expenditures budget is proposed to increase by \$3,585,276 in FY 2020 due to the 3% annual salary increases for faculty and non-faculty personnel approved by the Board on April 23, 2019, new non-faculty staff positions, non-faculty salary adjustments and reclassifications, a new student direct wage pool for student employees, a salary pool increase related to increasing the direct wage hourly rate by \$1, an increase to the instructional pools, and changes in salaries due to vacancies and new hires.

Additional modifications to salary expenditures including reductions may be necessary prior to final approval of the Staffing Plan by the Board and based on revised revenue projections and subject to the availability of funding and Board approval of the final budget.

- The Benefits expenditures budget for FY 2020 is proposed to increase by \$181,553.
- The Operating expenditures budget for FY 2020 is proposed to decrease by \$6,433,235.

- ⇒ The operating budget is proposed to decrease by \$380,433 based on the needs of the College's departments.
- ⇒ The operating budget is proposed to decrease by \$6,052,802 for furniture and equipment for the new bond buildings funded from bond M&O tax revenue.
- The Travel expenditures budget for FY 2020 is proposed to increase by \$61,834.
- The Capital Outlay expenditures budget for FY 2020 is proposed to increase by \$983,804.
 - ⇒ The capital budget is proposed to decrease by \$202,196 based on the needs of the College's departments.
 - ⇒ The capital budget is proposed to increase by \$1,186,000 for equipment for the new bond buildings funded from bond M&O tax revenue.
- The Transfers and Contingencies budget for FY 2020 is proposed to decrease by \$630,481. The decrease is primarily due to the projected decrease in the MTR Bond Series 2007 debt service of \$395,200 and the decrease in the Transfer to the Office of Industry Training and Economic Development (ITED) of \$235,281.

B. Updated Preliminary FY 2019 – 2020 (Next Year) Budget Summary with Comparison to the Preliminary FY 2019 – 2020 (Next Year) Budget Summary Presented at the June 13, 2019 Finance, Audit, and Human Resources Committee Meeting

Exhibit B

A comparison of the updated Preliminary FY 2019 – 2020 (Next Year) Budget Summary to the Preliminary FY 2019 – 2020 (Next Year) Budget Summary presented at the June 13, 2019 Finance, Audit, and Human Resources Committee meeting is discussed below.

Higher Education Group Insurance (HEGI) Appropriation Reduction

Total adjustments to the Revenues and Expenditures that offset the HEGI appropriation reduction are as follows:

Revenues	Amount	Expenditures	Amount
State Appropriations (HEGI)	\$(2,152,224)	Benefits	\$(646,906)
Other Revenues (Interest)	525,000	Operating	(480,318)
Tax Revenues	500,000		
Total Revenues	\$(1,127,224)	Total Expenditures	\$(1,127,224)

Updates to the Preliminary FY 2019 – 2020 Budget Summary related to the HEGI appropriation reduction in detail are as follows.

Revenues:

- The state appropriation revenue decreased \$2,152,224 due to the decrease in HEGI funding, as provided in the final appropriation allocation schedule.
- Other revenues increased \$525,000 due to updated budget projections for interest revenue.
- Tax revenues increased \$500,000 due to updated budget projections.

Expenditures:

- Benefits expenditures decreased \$646,906 due to the reduction in projected benefits expenditures.
- Operating expenditures decreased \$480,318 due to the reduction in the projected expenditures.

Other Budget Projection Updates

In addition to the updates to the Preliminary FY 2019 – 2020 Budget Summary mentioned above, other budget projection updates are as follows:

Revenues	Other Budget Projection Updates	Expenditures	Other Budget Projection Updates
State Appropriations	\$(77)	Salary	\$(2,735)
Tuition	(181,679)	Benefit	(728)
Other Revenues	(7,271)	Operating	(372,470)
Carryover Allocations	(155,427)	Travel	(2,543)
		Capital	269,303
		Transfers & Reserves	(235,281)
Total Revenues	\$(344,454)	Total Expenditures	\$(344,454)

Other budget projection updates made to the Preliminary FY 2019 – 2020 Budget Summary in detail are as follows.

Revenues:

- State appropriation revenue decreased \$77 due to updated budget projections for eligible ORP and TRS employees.
- Tuition revenue decreased \$181,679 due to updated budget projections for Continuing Education, Alternative Teacher Certification, and the Office of Industry Training and Economic Development.

- Other revenues decreased \$7,271 due to updated budget projections for Dual Credit Enrollment Cost Reimbursement, the Dual Credit Academy Participation Fee, Book Royalties, Administrative Costs, and testing commissions.
- Carryover Allocations decreased \$155,427 due to updated revenue projections for the Book Royalties carryover and the Continuing Education carryover.

Expenditures:

- Salary expenditures decreased \$2,735 due to updates made to the staffing plan related to vacancies and new hires.
- Benefit expenditures decreased \$728 due to the updates made to the staffing plan.
- Operating expenditures decreased \$372,470 due to changes in expenditures requested by financial managers.
- Travel expenditures decreased \$2,543 due to changes in expenditures requested by financial managers.
- Capital expenditures increased \$269,303 due to changes in expenditures requested by financial managers.
- Transfers and Reserves decreased \$235,281 due to changes in expenditures based on updated budget projections for the Office of Industry Training and Economic Development.

The Preliminary FY 2019 – 2020 (Next Year) Budget Summary of Projected Revenues and Expenditures with Comparison to the FY 2018 – 2019 (Current Year) approved budget, the Preliminary FY 2019 – 2020 (Next Year) Budget Summary with comparison to the Preliminary FY 2019 – 2020 (Next Year) Budget Summary presented at the June 13, 2019 Finance, Audit, and Human Resources Committee meeting, and the Proposed Budget PowerPoint presentation follow in the packet for the Board's review and information.

Additional changes may be required to the budget revenue and expenditure projections, prior to final presentation to the Board based on revised revenue and expenditures projections.

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, will present the Proposed Preliminary FY 2019 – 2020 Budget Summary of Projected Revenues and Expenditures.

This item is included for review by the Board, and no action is necessary.

Unrestricted Fund

Preliminary FY 2019 - 2020 (Next Year) Budget Summary with Comparison to the Preliminary FY 2019 - 2020 (Next Year) Budget Summary

Presented at the June 13, 2019 Finance, Audit, Human Resources Committee Meeting

As of July 23, 2019

	FY 2020 Budget (Proposed-June)	Budget Projection Updates			FY 2020 Budget (Proposed-July)
		1 HEGI Funding	2 Other Budget Projection Updates	3 Total Projection Changes from June to July	
Summary of Revenues					
State Contact Hour Appropriation	\$ 42,172,061	\$ -	\$ -	\$ -	\$ 42,172,061
<i>Other State Appropriation-ORP</i>	575,800	-	(15)	(15)	575,785
<i>Other State Appropriation-TRS</i>	2,368,039	-	(62)	(62)	2,367,977
<i>Other State Appropriation-HEGI</i>	5,481,778	(2,152,224)	-	(2,152,224)	3,329,554
Other State Appropriations Subtotal	8,425,617	(2,152,224)	(77)	(2,152,301)	6,273,316
Total State Appropriations	50,597,678	(2,152,224)	(77)	(2,152,301)	48,445,377
Total Tuition	37,877,284	-	(181,679)	(181,679)	37,695,605
Total Fees	28,870,091	-	-	-	28,870,091
Total Other Revenues	7,868,256	525,000	(7,271)	517,729	8,385,985
Total M&O Property Taxes	51,207,955	500,000	-	500,000	51,707,955
Total Carryover Allocations	6,610,665	-	(155,427)	(155,427)	6,455,238
Total Revenues	\$ 183,031,929	\$ (1,127,224)	\$ (344,454)	\$ (1,471,678)	\$ 181,560,251
Summary of Expenditures					
Total Salaries	\$ 105,053,791	\$ -	\$ (2,735)	\$ (2,735)	\$ 105,051,056
Total Benefits	29,903,487	(646,906)	(728)	(647,634)	29,255,853
Total Operating	36,938,322	(480,318)	(372,470)	(852,788)	36,085,534
Total Travel	2,443,215	-	(2,543)	(2,543)	2,440,672
Total Capital Outlay	2,508,129	-	269,303	269,303	2,777,432
Total Expenditures	\$ 176,846,944	\$ (1,127,224)	\$ (109,173)	\$ (1,236,397)	\$ 175,610,547
Transfers & Reserves					
Debt Service	-	-	-	-	-
Transfer to Unexpended Plant Fund	3,000,000	-	-	-	3,000,000
Transfer to Renewals & Replacements Plant Fund	-	-	-	-	-
Transfer to Office of ITED	1,184,985	-	(235,281)	(235,281)	949,704
Contingency Fund	2,000,000	-	-	-	2,000,000
Total Transfers & Reserves	6,184,985	-	(235,281)	(235,281)	5,949,704
Total Expenditures, Transfers and Reserves	\$ 183,031,929	\$ (1,127,224)	\$ (344,454)	\$ (1,471,678)	\$ 181,560,251
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

* Reductions in Total Carryover Allocations and Operating expenditures are due to the Bond related M&O taxes revenue and expenditures occurring in FY 2019 and not FY

Proposed Budget subject to change based on new

Unrestricted Fund

Preliminary FY 2019 - 2020 (Next Year) Budget Summary with Comparison to FY 2018 - 2019 (Current Year)

As of July 23, 2019

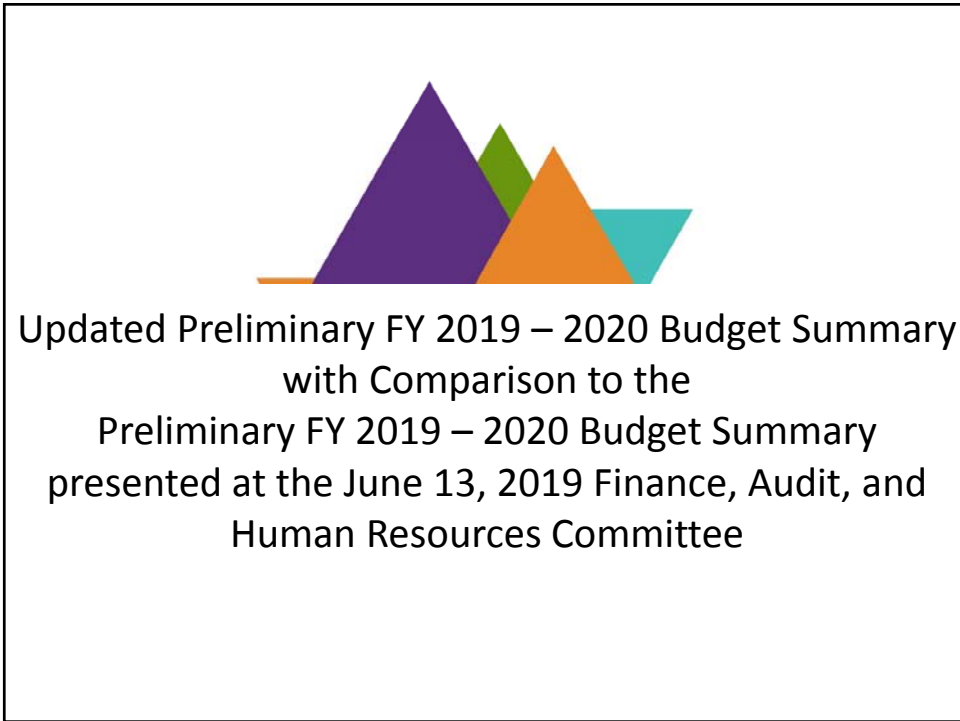
Summary of Revenues	FY 2019 Budget (Approved)	FY 2020 Budget (Proposed)	% of Total Revenues	Difference FY 2019 Approved to FY 2020 Proposed
State Contact Hour Appropriation	\$ 40,226,013	\$ 42,172,061	23.23%	\$ 1,946,048
<i>Other State Appropriation-ORP</i>	556,134	575,785	0.32%	19,651
<i>Other State Appropriation-TRS</i>	2,287,161	2,367,977	1.30%	80,816
<i>Other State Appropriation-HEGI</i>	5,481,778	3,329,554	1.83%	(2,152,224)
Other State Appropriations Subtotal	8,325,073	6,273,316	3.45%	(2,051,757)
Total State Appropriations	48,551,086	48,445,377	26.68%	(105,709)
Total Tuition	34,347,564	37,695,605	20.76%	3,348,041
Total Fees	27,915,959	28,870,091	15.90%	954,132
Total Other Revenues	7,870,236	8,385,985	4.62%	515,749
Total M&O Property Taxes	50,516,741	51,707,955	28.48%	1,191,214
Total Carryover Allocations	14,609,914	6,455,238	3.56%	(8,154,676) *
Total Revenues	\$ 183,811,500	\$ 181,560,251	100.00%	\$ (2,251,249)

Summary of Expenditures	FY 2019 Budget (Approved)	FY 2020 Budget (Proposed)	% of Total Expenditures	Difference FY 2019 Approved to FY 2020 Proposed
Total Salaries	\$ 101,465,780	\$ 105,051,056	57.86%	\$ 3,585,276
Total Benefits	29,074,300	29,255,853	16.12%	181,553
Total Operating	42,518,769	36,085,534	19.88%	(6,433,235) *
Total Travel	2,378,838	2,440,672	1.34%	61,834
Total Capital Outlay	1,793,628	2,777,432	1.53%	983,804
Total Expenditures	\$ 177,231,315	\$ 175,610,547	96.73%	\$ (1,620,768)
Transfers & Reserves				
Debt Service	395,200	-	0.00%	(395,200)
Transfer to Unexpended Plant Fund	3,000,000	3,000,000	1.65%	-
Transfer to Renewals & Replacements Plant Fund	-	-	0.00%	-
Transfer to Office of ITED	1,184,985	949,704	0.52%	(235,281)
Contingency Fund	2,000,000	2,000,000	1.10%	-
Total Transfers & Reserves	6,580,185	5,949,704	3.27%	(630,481)
Total Expenditures, Transfers and Reserves	\$ 183,811,500	\$ 181,560,251	100.00%	\$ (2,251,249)

Revenues over Expenditures	\$ -	\$ -		\$ -
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* Reductions in Total Carryover Allocations and Operating expenditures are due to the Bond related M&O taxes revenue and expenditures occurring in FY 2019 and not FY 2020.

Proposed Budget subject to change based on new





1. Higher Education Group Insurance (HEGI) Appropriation Reduction

Total Adjustments to Revenues and Expenditures That Offset the HEGI Appropriation Reduction FY 2019 - 2020

Revenues	Amount	Expenditures	Amount
State Appropriations (HEGI)	\$(2,152,224)	Benefits	\$(646,906)
Other Revenues (Interest)	525,000	Operating	(480,318)
Tax Revenues	500,000		
Total Revenues	\$(1,127,224)	Total Expenditures	\$(1,127,224)



2. Other Budget Projection Updates

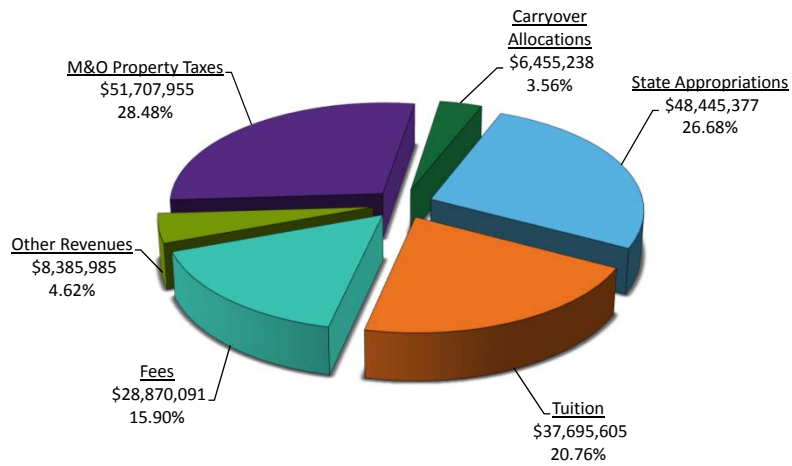
Total Other Budget Projection Updates FY 2019 -2020

Revenues	Other Budget Projection Updates	Expenditures	Other Budget Projection Updates
State Appropriations	\$(77)	Salary	\$(2,735)
Tuition	(181,679)	Benefit	(728)
Other Revenues	(7,271)	Operating	(372,470)
Carryover Allocations	(155,427)	Travel	(2,543)
		Capital	269,303
		Transfers & Reserves	(235,281)
Total Revenues	\$(344,454)	Total Expenditures	\$(344,454)



Preliminary FY 2019 – 2020 Budget Summary with Comparison to FY 2018 - 2019

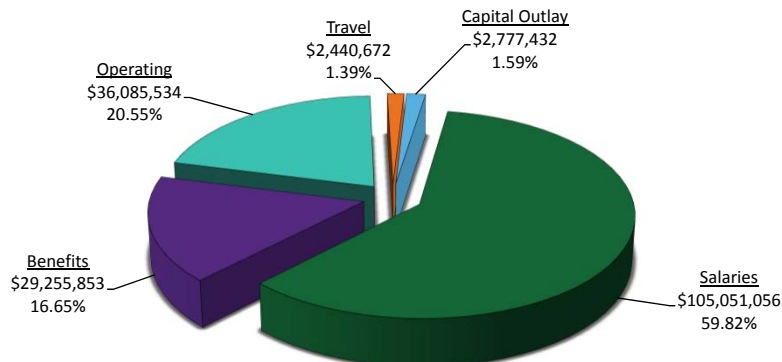
Proposed Unrestricted Fund Revenues FY 2019 - 2020



Proposed Unrestricted Fund Revenues

Summary of Revenues	FY 2018 - 2019 Budget (Approved)	FY 2019 – 2020 Budget (Proposed)	Increase/ (Decrease)
State Contact Hour Appropriation	\$40,226,013	\$42,172,061	\$1,946,048
<i>Other State Appropriations:</i>			
<i>Optional Retirement Plan</i>	556,134	575,785	19,651
<i>Teacher Retirement System</i>	2,287,161	2,367,977	80,816
<i>Higher Education Group Insurance</i>	5,481,778	3,329,554	(2,152,224)
Other State Appropriations Subtotal	8,325,073	6,273,316	(2,051,757)
Total State Appropriations	48,551,086	48,445,377	(105,709)
Total Tuition	34,347,564	37,695,605	3,348,041
Total Fees	27,915,959	28,870,091	954,132
Total Other Revenues	7,870,236	8,385,985	515,749
Total M&O Property Taxes	50,516,741	51,707,955	1,191,214
Total Carryover Allocations	14,609,914	6,455,238	(8,154,676)
Total Revenues	\$183,811,500	\$181,560,251	\$(2,251,249)

Proposed Unrestricted Fund Expenditures by Classification Without Transfers and Reserves FY 2019 - 2020



Proposed Unrestricted Fund Expenditures

Summary of Expenditures	FY 2018 - 2019 Budget (Approved)	FY 2019 - 2020 Budget (Proposed)	Increase/ (Decrease)
Total Salaries	\$101,465,780	\$105,051,056	\$3,585,276
Total Benefits	29,074,300	29,255,853	181,553
Total Operating	42,518,769	36,085,534	(6,433,235)
Total Travel	2,378,838	2,440,672	61,834
Total Capital Outlay	1,793,628	2,777,432	983,804
Total Expenditures	\$177,231,315	\$175,610,547	\$(1,620,768)
Transfers and Reserves			
Debt Service (MTR Bond Series 2007)	395,200	-	(395,200)
Transfer to Plant Funds	3,000,000	3,000,000	-
Transfer to Office of ITED	1,184,985	949,704	(235,281)
Contingency Fund	2,000,000	2,000,000	-
Total Transfers and Reserves	6,580,185	5,949,704	(630,481)
Total Expenditures, Transfers & Reserves	\$183,811,500	\$181,560,251	\$(2,251,249)

Proposed Unrestricted Fund Revenues and Expenditures

Revenues and Expenditures	FY 2018 - 2019 Budget (Approved)	FY 2019 - 2020 Budget (Proposed)	Increase/ (Decrease)
Total Revenues	\$ 183,811,500	\$ 181,560,251	\$ (2,251,249)
Total Expenditures	\$ 183,811,500	\$ 181,560,251	\$ (2,251,249)



**Discussion and Action as Necessary on Proposed Budget
 Amendment for FY 2018 - 2019**

Approval of a proposed budget amendment for FY 2018 – 2019 is requested.

The proposed budget amendment is necessary to fund and process transfers from the Unrestricted Fund to the Plant Funds for the purpose of funding capital improvement projects and deferred maintenance.

Since FY 1997, the Board of Trustees have approved budget transfers from the Unrestricted Fund to the Unexpended Plant Fund – Construction and to the Renewals and Replacement Plant Fund, totaling \$122,710,860 and \$34,713,236, respectively. These transfers have been processed through the annual budget or through budget amendments.

The budget amendment is proposed as follows:

1. Budget Amendment – Increase Unrestricted Fund Balance Carryover and Increase Unrestricted Fund Balance Transfer to Plant Funds

A budget amendment is proposed to increase the Unrestricted Fund Balance Carryover Allocations by \$3,000,000 for the purpose of transferring funds from the Unrestricted Fund Balance to the Unexpended Plant Fund - Construction and to the Renewals and Replacements Plant Fund, as follows:

**Fiscal Year 2018 - 2019
 Unrestricted Fund Balance Carryover Allocations**

Fund	Original Budget	Proposed Amendment	Amended Budget
Unrestricted Fund Balance Carryover Allocations	\$14,609,914	\$ 3,000,000	\$ 17,609,914

The budget amendment is proposed to increase the transfer out from the Unrestricted Fund to the Unexpended Plant Fund –Construction and to the Renewal and Replacement Plant Fund in the amounts of \$2,000,000 and \$1,000,000, respectively.

**Fiscal Year 2018 - 2019
 Unrestricted Fund Transfers & Reserves**

Transfers	Original Budget	Proposed Amendment	Amended Budget
Transfer to Unexpended Plant Fund	\$ 3,000,000	\$ 2,000,000	\$ 5,000,000
Transfer to Renewals & Replacements Plant Fund	\$ -	\$ 1,000,000	\$ 1,000,000
Total Transfers & Reserves	\$ 3,000,000	\$ 3,000,000	\$ 6,000,000

2. Budget Amendment – Transfer Fund Balance from the Unrestricted Fund to the Plant Funds

A budget amendment is proposed to transfer fund balance from the Unrestricted Fund to the Plant Funds for the purpose of funding capital improvement projects and deferred maintenance, as follows:

- Transfer to the Unexpended Plant Fund - Construction from the Unrestricted Fund in the amount of \$2,000,000.
- Transfer to the Renewal and Replacement Plant Fund from the Unrestricted Fund in the amount of \$1,000,000.

3. Summary of Proposed Transfers from Unrestricted Fund to Plant Funds

**Fiscal Year 2018 - 2019
 Summary of Proposed Transfers to Plant Funds**

Fund	Original Budget Transfer In/(Out)	Amendment Transfer In/(Out)	Amended Budget Total Transfer In/(Out)
Unrestricted Fund	\$ (3,000,000)	\$ (3,000,000)	\$ (6,000,000)
Unexpended Plant Fund - Construction	\$ 3,000,000	\$ 2,000,000	\$ 5,000,000
Renewal and Replacement Plant Fund	\$ --	\$ 1,000,000	\$ 1,000,000

4. Summary of Proposed Budget Amendment - Revenues and Expenditures/Fund Balance

As a result of the proposed budget amendment, the total budgeted revenues and expenditures/fund balance for fiscal year 2018 - 2019 will increase as follows:

**Fiscal Year 2018 - 2019
 Budgeted Revenues and Expenditures/Fund Balance**

Fund	Exh.	Original Budget	Proposed Amendment	Amended Budget
Unrestricted Fund	A	\$183,811,500	\$ 3,000,000	\$186,811,500
Unexpended Plant Fund - Construction	B	\$ 18,672,848	\$ 2,000,000	\$ 20,672,848
Renewals and Replacements Plant Fund	C	\$ 7,121,600	\$ 1,000,000	\$ 8,121,600

The budget amendment details and presentation follow in the packet for your information and review.

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, will present the Proposed Budget Amendment for FY 2018 – 2019.

The Finance, Audit, and Human Resources Committee recommended Board approval of the proposed budget amendment for FY 2018 - 2019, as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the proposed budget amendment for FY 2018 - 2019, as presented.

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

The Board of Trustees approves and authorizes the proposed budget amendment for FY 2018 - 2019, as presented.

Approval Recommended:

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

South Texas College Unrestricted Fund

Fiscal Year Ending August 31, 2019
AMENDED

Revenue Summary

Revenue Source	Original Budget	Transfer to Plant Fund Amendment	Amended Budget
State Contact Hour Appropriation	\$ 40,226,013	\$ -	\$ 40,226,013
<i>Other State Appropriation-ORP</i>	556,134	-	556,134
<i>Other State Appropriation-TRS</i>	2,287,161	-	2,287,161
<i>Other State Appropriation-HEGI</i>	5,481,778	-	5,481,778
Other State Appropriations Subtotal	8,325,073	-	8,325,073
Total State Appropriations	48,551,086	-	48,551,086
Total Tuition	34,347,564	-	34,347,564
Total Fees	27,915,959	-	27,915,959
Total Other Revenues	7,870,236	-	7,870,236
Total M&O Property Taxes	50,516,741	-	50,516,741
Total Carryover Allocations	14,609,914	3,000,000	17,609,914
Total Revenues	\$ 183,811,500	\$ 3,000,000	\$ 186,811,500

Expenditures Summary

Expenditures/Transfers/Reserves	Original Budget	Transfer to Plant Fund Amendment	Amended Budget
Total Salaries	\$ 101,465,780	\$ -	\$ 101,465,780
Total Benefits	29,074,300	-	29,074,300
Total Operating	42,518,769	-	42,518,769
Total Travel	2,378,838	-	2,378,838
Total Capital Outlay	1,793,628	-	1,793,628
Total Expenditures	\$ 177,231,315	\$ -	\$ 177,231,315
Transfers & Reserves			
Debt Service	395,200	-	395,200
Transfer to Unexpended Plant Fund	3,000,000	2,000,000	5,000,000
Transfer to Renewals & Replacements Plant Fund	-	1,000,000	1,000,000
Transfer to Office of ITED	1,184,985	-	1,184,985
Contingency Fund	2,000,000	-	2,000,000
Total Transfers & Reserves	6,580,185	3,000,000	9,580,185
Total Expenditures/Transfers/Reserves	\$ 183,811,500	\$ 3,000,000	\$ 186,811,500

South Texas College
Unexpended Plant Fund - Construction

Fiscal Year Ending August 31, 2019
 AMENDED

Revenue Summary

Revenue Source	Original Budget	Increase / (Decrease)	Amended Budget
Interest	\$ 282,688	\$ -	\$ 282,688
Interest Limited Tax Bonds, Series 2014	-	-	-
Interest Limited Tax Bonds, Series 2015	-	-	-
Transfer In from Unrestricted Fund	3,000,000	2,000,000	5,000,000
Regional Ctr for Public Safety Excellence Pharr ISD	290,000	-	290,000
La Joya ISD	-	-	-
Fund Balance Deduction	12,460,740	-	12,460,740
Fund Balance Deduction Bond Series 2014 and 2015	2,639,420	-	2,639,420
Total Revenues	\$ 18,672,848	\$ 2,000,000	\$ 20,672,848

Expenditure/Fund Balance Summary

Expenditures/Reserve	Original Budget	Increase / (Decrease)	Amended Budget
Projected Draws for Approved Projects	\$ 16,033,428	\$ -	\$ 16,033,428
Projected Draws for Approved Projects Bond Series 2014 and 2015	2,639,420	-	2,639,420
Fund Balance Addition	-	2,000,000	2,000,000
Total Expenditures/Reserve	\$ 18,672,848	\$ 2,000,000	\$ 20,672,848

South Texas College
Renewals and Replacements Plant Fund

Fiscal Year Ending August 31, 2019
 AMENDED

Revenue Summary

Revenue Source	Original Budget	Increase / (Decrease)	Amended Budget
Fund Balance Deduction	\$ 7,121,600	\$ -	\$ 7,121,600
Transfers In from Unrestricted Fund	-	1,000,000	1,000,000
Total Revenues	\$ 7,121,600	\$ 1,000,000	\$ 8,121,600

Expenditure/Fund Balance Summary

Expenditures/Reserve	Original Budget	Increase / (Decrease)	Amended Budget
Renewals and Replacements Expenditures	\$ 7,121,600	\$ -	\$ 7,121,600
Fund Balance Addition	-	1,000,000	1,000,000
Total Expenditures/Reserve	\$ 7,121,600	\$ 1,000,000	\$ 8,121,600

South Texas College

Proposed Budget Amendment for FY 2018 - 2019



Budget Summary Unrestricted Fund Revenues

Summary of Revenues	FY 2019 Budget (Original)	Budget Amendment	FY 2019 Budget (Amended)
State Contact Hour Appropriation	\$ 40,226,013	\$ -	\$ 40,226,013
<i>Other State Appropriation-ORP</i>	556,134	-	556,134
<i>Other State Appropriation-TRS</i>	2,287,161	-	2,287,161
<i>Other State Appropriation-HEGI</i>	5,481,778	-	5,481,778
Other State Appropriations Subtotal	8,325,073	-	8,325,073
Total State Appropriations	48,551,086	-	48,551,086
Total Tuition	34,347,564	-	34,347,564
Total Fees	27,915,959	-	27,915,959
Total Other Revenues	7,870,236	-	7,870,236
Total M&O Property Taxes	50,516,741	-	50,516,741
Total Carryover Allocations	14,609,914	3,000,000	17,609,914
Total Revenues	\$ 183,811,500	\$ 3,000,000	\$ 186,811,500

South Texas College

Budget Summary Unrestricted Fund Expenditures

Summary of Expenditures	FY 2019 Budget (Original)	Budget Amendment	FY 2019 Budget (Amended)
Total Salaries	\$ 101,465,780	\$ -	\$ 101,465,780
Total Benefits	29,074,300	-	29,074,300
Total Operating	42,518,769	-	42,518,769
Total Travel	2,378,838	-	2,378,838
Total Capital Outlay	1,793,628	-	1,793,628
Total Expenditures	\$ 177,231,315	\$ -	\$ 177,231,315
Transfers & Reserves			
Debt Service	395,200	-	395,200
Transfer to Unexpended Plant Fund	3,000,000	2,000,000	5,000,000
Transfer to Renewals & Replacements Plant Fund	-	1,000,000	1,000,000
Transfer to Office of ITED	1,184,985	-	1,184,985
Contingency Fund	2,000,000	-	2,000,000
Total Transfers & Reserves	6,580,185	3,000,000	9,580,185
Total Expenditures, Transfers and Reserves	\$ 183,811,500	\$ 3,000,000	\$ 186,811,500

South Texas College

Unrestricted Fund Balance Carryover Allocations

Carryover Allocations	Original Budget	Proposed Amendment	Amended Budget
Contingency Fund	\$ 2,000,000	\$ -	\$ 2,000,000
Developmental Studies Book Royalties	10,882	-	10,882
Unexpended Construction Plant Fund	3,000,000	3,000,000	6,000,000
Continuing Education	600,000	-	600,000
Capital Purchases	1,793,628	-	1,793,628
Prior Year M&O Tax Bond Program 2013- Supplies and Equipment	7,205,404	-	7,205,404
Total Carryover Allocations	\$ 14,609,914	\$ 3,000,000	\$ 17,609,914

South Texas College

Transfer Fund Balance from the Unrestricted Fund to the Plant Funds

Fund	Original Budget Transfer In/(Out)	Amendment Transfer In/(Out)	Amended Budget Total Transfer In/(Out)
Unrestricted Fund	\$ (3,000,000)	\$ (3,000,000)	\$ (6,000,000)
Unexpended Plant Fund – Construction	\$ 3,000,000	\$ 2,000,000	\$ 5,000,000
Renewal and Replacement Plant Fund	\$ -	\$ 1,000,000	\$ 1,000,000

South Texas College

Summary of Proposed Budget Amendment Revenues and Expenditures/Fund Balance

Fund	Exh.	Original Budget	Proposed Amendment	Amended Budget
Unrestricted Fund	A	\$ 183,811,500	\$ 3,000,000	\$ 186,811,500
Unexpended Plant Fund – Construction	B	\$ 18,672,848	\$ 2,000,000	\$ 20,672,848
Renewal and Replacement Plant Fund	C	\$ 7,121,600	\$ 1,000,000	\$ 8,121,600

South Texas College

Thank You

Questions?



Review and Action as Necessary on Proposed Employee Pay Plan for FY 2019 – 2020

Approval of the Proposed Employee Pay Plan for FY 2019 - 2020 is requested.

Purpose - The Proposed Employee Pay Plan for FY 2019 - 2020 for all employee groups is presented for the Board's review and consideration. The Employee Pay Plan includes the proposed pay grade ranges for Classified, Professional Technical (exempt and non-exempt), Administrative, Executive, and Faculty and other compensation information.

Justification - The Employee Pay Plan information was prepared by the Office of Human Resources to reflect the College's proposed compensation structure for FY 2019 - 2020.

Background – The Proposed Salary Pay Plan for FY 2019 – 2020 is approved on an annual basis and includes information to comply with State and Federal compensation regulations, ensure compensation consistency, enhance the ability to attract and retain qualified faculty and staff and to provide a clear and concise reference for compensation decisions as follows:

- Guidelines for Recruiting, Screening, and Hiring Support Staff
- Educational Supplements
- Pay Grades for Classified, Professional/Technical, Administrative, and Executive employees
- Direct Wage Employees Salary Plan
- Centers for Learning Excellence (CLE) Salary Plan
- Faculty Roles, Compensation Rates, and Faculty Salary Plan

Reviewers - The President and all the Vice Presidents reviewed the Plan and approved the proposed revisions. New positions included within the Plan were reviewed and approved by the Board of Trustees in June 2019.

Enclosed Documents - A copy of the Proposed Employee Pay Plan for FY 2019 - 2020 is included under separate cover for the Board's review and information.

Dr. Shirley A. Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, attended the July 9, 2019 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

The Finance, Audit, and Human Resources Committee recommended Board approval of the Proposed Employee Pay Plan for FY 2019 - 2020, as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the Proposed Employee Pay Plan for FY 2019 - 2020, as presented.

The Following Minute Order is proposed for consideration by the Board of Trustees:
The Board of Trustees approves and authorizes the Proposed Employee Pay Plan for FY 2019 - 2020, as presented.

Approval Recommended:

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

Review and Action as Necessary on Proposed Staffing Plan for FY 2019 – 2020

Approval of the Proposed Staffing Plan for FY 2019 - 2020 is requested.

Purpose - The Proposed Staffing Plan for FY 2019 – 2020 for all employee groups is presented for the Board's review and consideration. The Staffing Plan includes all positions, titles, classifications, salaries, and salary pools under each Division and Organization of the College.

Justification - The Staffing Plan information was prepared by the Office of Human Resources, in collaboration with Business Office and all other organizational divisions of the College, to reflect the College's comprehensive proposed staffing and salary structure for FY 2019 - 2020.

Background – As indicated in Policy 4100, College Staffing Plan, the Staffing Plan is the official document listing position titles, classifications, employees, and salaries for each fiscal year. The Staffing Plan is not a contract between the College and any person listed on it, and neither the Staffing Plan nor any action taken by the Board of Trustees concerning it should be considered creating contract rights, expectations of continued employment, or a property interest for any person listed in the Staffing Plan.

New positions, Faculty Salary Adjustments, and Non-Faculty Salary Adjustments, Reclassifications and Title Changes are included within the Plan and were reviewed and approved by the Board of Trustees in June 2019.

Funding Source – The budget to fund each position is reflected in the appropriate department and listed on the Staffing Plan and is subject to Board approval of the FY 2019 – 2020 Budget.

Reviewers - The President and all the Vice Presidents reviewed the Plan and approved the proposed revisions.

Enclosed Documents - A copy of the Staffing Plan for FY 2019 - 2020 is included under separate cover for the Board's review and information.

Dr. Shirley A. Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, attended the July 9, 2019 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

The Finance, Audit, and Human Resources Committee recommended Board approval of the Proposed Staffing Plan for FY 2019 - 2020, as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the Proposed Staffing Plan for FY 2019 - 2020, as presented.

The Following Minute Order is proposed for consideration by the Board of Trustees:
The Board of Trustees approves and authorizes the Proposed Staffing Plan for FY 2019
- 2020, as presented.

Approval Recommended:

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

Review and Action as Necessary to Accept Internal Auditor's Annual Statement of Organizational Independence

Mr. Khalil Abdullah, Internal Auditor, has confirmed the organizational independence of the internal audit activity to the Finance, Audit, and Human Resources Committee as required by applicable IIA *Standard* 1110 as listed below.

The Board is asked to formally accept this confirmation of organizational independence as submitted.

The audit organization and the individual auditor should be free in both fact and appearance from personal, external, and organizational impairments to independence. Internal auditors are independent when they can carry out their work freely and objectively. Independence permits internal auditors to render the impartial and unbiased judgments essential to the proper conduct of audits. It is achieved through organizational structure and objectivity.

South Texas College's Office of Internal Audits expects our auditors to comply with professional standards and internal policies and procedures; maintain independence of mental attitude in the conduct of all assigned work; to be objective, fair, and impartial; and to conduct themselves so that auditees and third parties will see our office in this way. Each staff member must promptly notify the Chief Audit Executive (CAE), in writing, concerning any situation that would impair the staff member's or the office's independence on an audit, or that might lead others to question it. The Chief Audit Executive (CAE) describes the person responsible for effectively managing the internal audit activity. At South Texas College, those responsibilities reside with the Internal Auditor.

IIA *Standard* 1110 *Organizational Independence* – The CAE must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities. The CAE must confirm to the board, at least annually, the organizational independence of the internal audit activity.

IIA *Standard* 1100 *Independence and Objectivity* – The internal audit activity must be independent, and internal auditors must be objective in performing their work.

Interpretation of *Standard* 1100 – "Independence is the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the chief audit executive has direct and unrestricted access to senior management and the board. This can be achieved through a dual-reporting relationship. Threats to independence must be managed at the individual auditor, engagement, functional, and organizational levels. Objectivity is an unbiased mental attitude that allows internal auditors to perform engagements in such a manner that they believe in their work product and that no quality compromises are made. Objectivity requires that internal auditors do not subordinate their judgment on audit matters to others. Threats to objectivity must be managed at the individual auditor, engagement, functional, and organizational levels."

The Finance, Audit, and Human Resources Committee recommended acceptance of the Internal Auditor's Statement of Organizational Independence as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College accept of the Internal Auditor's Statement of Organizational Independence as presented.

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

The Board of Trustees accepts of the Internal Auditor's Statement of Organizational Independence as presented.

Approval Recommended:

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



Internal Auditor’s Annual Statement of Organizational Independence

As required by the Institute of Internal Auditor’s (IIA) *International Standards for the Professional Practice of internal Auditing (Standards)*, The chief audit executive (CAE)¹ “must confirm to the board, at least annually, the organizational independence of the internal audit activity” (Attribute Standard 1110); and “must communicate and interact directly with the board” (Attribute Standard 1111); and “should discuss the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework with senior management and the board” (Attribute Standard 1010);

In conjunction with the Internal Auditor’s responsibilities for coordinating the effective auditing and reporting audit activities to South Texas College’s Finance, Audit, and Human Resources Committee, the Internal Auditor will report annually to the Finance, Audit, and Human Resources Committee on the following statements to fulfill adherence with IIA *Standards*.

Internal Auditor: Khalil M. Abdullah

Institution: South Texas College

I confirm that an annual departmental process is in place to certify that South Texas College’s internal auditors, including myself, will comply with the IIA *Standards* and Code of Ethics, which contains guidance on confidentiality. This process includes a discussion with Finance, Audit, and Human Resources Committee as appropriate.

I confirm the organizational independence of the internal audit activity at the institution. In addition, I confirm that an annual departmental process is in place to certify that South Texas College’s internal auditors, including myself, have reviewed personal situations with respect to the institution and are not aware of any circumstances that might impair our ability to be independent and objective on any audit or that might lead others to question it.

I understand that I am responsible to make timely written notification to the Finance, Audit, and Human Resources Committee in the event any circumstances arises during the course of the year that might impair or appear to impair independence.

I am receiving support for audit activities from the President, Vice Presidents, and other employees of South Texas College to provide the necessary audit services, with the following exception(s):

Signature: Khalil M. Abdullah

Date: 6/27/2019

¹ The Chief Audit Executive (CAE) describes the person responsible for effectively managing the internal audit activity. At South Texas College, those responsibilities reside with the Internal Auditor.

Institute of Internal Auditor's (IIA)

Mission of Internal Audit:

To enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

Definition of Internal Auditing:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Code of Ethics:

The purpose of The Institute's Code of Ethics is to promote an ethical culture in the profession of internal auditing.

Principles

Internal auditors are expected to apply and uphold the following principles:

1. Integrity – The integrity of internal auditors establishes trust and thus provides the basis for reliance on their judgment.
2. Objectivity – Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments.
3. Confidentiality – Internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.
4. Competency – Internal auditors apply the knowledge, skills, and experience needed in the performance of internal audit services.

Rules of Conduct

Integrity:

Internal auditors...

- 1.1 Shall perform their work with honesty, diligence, and responsibility.
- 1.2 Shall observe the law and make disclosures expected by the law and the profession.
- 1.3 Shall not knowingly be a part to any illegal activity or engage in acts that are discreditable to the profession of internal auditing or to the organization.
- 1.4 Shall respect and contribute to the legitimate and ethical objectives of the organization

Objectivity:

Internal auditors...

- 2.1 Shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization.
- 2.2 Shall not accept anything that may impair or be presumed to impair their professional judgment.
- 2.3 Shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

Confidentiality:

Internal auditors...

- 3.1 Shall be prudent in the use and protection of information acquired in the course of their duties.
- 3.2 Shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organization.

Competency:

Internal auditors...

- 4.1 Shall engage only in those services for which they have the necessary knowledge, skills, and experience.
- 4.2 Shall perform internal audit services in accordance with the *International Standards for the Professional Practice of Internal Auditing*.
- 4.3 Shall continually improve their proficiency and the effectiveness and quality of their services.

Review and Action as Necessary on Internal Audit Charter

Approval of the Internal Audit Charter for the period of September 1, 2019 through August 31, 2020 is requested.

Purpose – An Internal Audit Charter is required by the Institute of Internal Auditors (IIA) *Standards*. Specifically IIA Attribute Standard 1000 states that “The purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *Standards*, and the Definition of Internal Auditing). The chief audit executive must periodically review the Internal Audit Charter and present it to senior management and the board for approval.”

Justification – Approval of the Internal Audit Charter aligns South Texas College’s internal audit function with the IIA *Standards* as prescribed in Manual of Policy 5460.

Background – The Internal Audit Charter is a formal document that defines the internal audit activity’s purpose, authority, and responsibility. The charter establishes the internal audit activity’s position within the organization, including the nature of the internal auditor’s functional reporting relationship with the board; authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities. Final approval of the Internal Audit Charter resides with the Board.

Enclosed Documents – The Internal Audit Charter follows in the packet for the Board’s review and discussion.

Dr. Shirley A. Reed, President, Mary Elizondo, Vice President for Finance and Administrative Services, and Khalil Abdullah, Internal Auditor, attended the July 9, 2019 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

The Finance, Audit, and Human Resources Committee recommended Board approval of the Internal Audit Charter for the period of September 1, 2019 through August 31, 2020 as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the the Internal Audit Charter for the period of September 1, 2019 through August 31, 2020 as presented.

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

The Board of Trustees approves and authorizes the Internal Audit Charter for the period of September 1, 2019 through August 31, 2020 as presented.

Approval Recommended:

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

SOUTH TEXAS COLLEGE
INTERNAL AUDIT CHARTER
EFFECTIVE JULY 23, 2019

INTRODUCTION

Internal Auditing is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of the College. It assists the College in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, governance, and internal controls.

ROLE

The internal audit function is established by the College Board of Trustees, Finance, Audit, and Human Resources Committee (hereafter referred to as the Board). The internal audit function's responsibilities are defined by the Board as part of their oversight role.

AUTHORITY

The internal audit function, with strict accountability for confidentiality and safeguarding records and information, is authorized full, free, and unrestricted access to any and all of the College's property, records (manual or electronic), and personnel pertinent to carrying out authorized engagements. All employees are requested to assist the internal audit function in fulfilling its roles and responsibilities. The internal audit function will also have free and unrestricted access to executive management and the Board, ~~of Trustees' Finance, Audit, and Human Resources Committee.~~

INDEPENDENCE & OBJECTIVITY

The internal audit function will remain free from interference by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of a necessary independent and objective mental attitude. Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair the internal auditor's independence or objectivity. Internal auditors are not authorized to perform any operational duties, initiate or approve accounting transactions external to the internal audit function, or direct the activities of any employee not employed by the internal audit function, except to the extent such employees have been appropriately assigned to auditing teams or otherwise assist the internal audit function. Internal auditors must exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors must make a balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

The Internal Auditor will confirm to the Board, at least annually, the organizational independence of the internal audit activity.

INTERNAL AUDIT PLAN

At least annually, the Internal Auditor will submit to senior management and the Board an internal audit plan for review and approval. The internal audit plan will consist of a work schedule as well as budget and resource requirements for the next fiscal year. The Internal Auditor will communicate the impact of resource limitations and significant interim changes to senior management and the Board. The internal audit plan will be developed based on a prioritization of the audit universe using a risk-based methodology, including input of senior management and the Board. The Internal Auditor will review and adjust the plan, as necessary, in response to changes in the College's risks, operations, programs, systems, and internal controls. Any significant deviation from the approved internal audit plan will be communicated to senior management and the Board.

ORGANIZATION

The Internal Auditor will report functionally to the President and the Board ~~of Trustees' Finance, Audit, and Human Resources Committee~~ and administratively (i.e. day to day operations) to the Vice President of Finance and Administrative Services. ~~Examples of functional reporting involves:~~

The Board will

- Approve the internal audit charter;
- Approve the risk-based annual audit plan;
- *Complete an annual performance appraisal of the Internal Auditor;*
- Approve the internal audit budget and resource plan;
- Receive communications from the Internal Auditor on the internal audit activity's performance relative to its plan and other matters; and
- Make appropriate inquiries of management and the Internal Auditor to determine whether there are inappropriate scope or resource limitations.

The Internal Auditor will communicate and interact directly with the Board, including in executive sessions and between Board meetings as appropriate.

SCOPE OF ACTIVITIES

Assurance Services are objective examinations of evidence for the purpose of providing an independent assessment. The scope of work for assurance services is to determine whether the College's risk management, governance, and control processes as designed and represented by management, is adequate and functioning in a manner to help ensure:

- Risks are appropriately identified and managed;
- Significant financial, managerial, and operating information is accurate, reliable, and timely;
- Employees' actions are in compliance with policies, standard, procedures, and applicable laws and regulations;

- Resources are acquired economically, used efficiently, and adequately protected;
- Established objectives and goals are met and whether operations or activities are being conducted as planned;
- Quality and continuous improvement are fostered in the institution's control process.

Consulting Services are advisory and include other service activities such as counsel, advice, facilitation, training, and participation on standing or temporary management committees or project teams. The objective of consulting services is to add value in the development or modification of organization processes, procedures, and controls to minimize risk and achieve department objectives. *Accepted consulting engagements will be included in the audit plan.*

STANDARDS OF AUDIT PRACTICE

The internal audit function will govern itself by adherence to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (Standards). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance. The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers will also be adhered to as applicable to guide operations. In addition, the internal audit activity will adhere to the College's relevant policies and procedures and the internal audit activity's audit manual.

~~The Institute of Internal Auditors (IIA's) International Standards for the Professional Practice of Internal Auditing, the IIA's Code of Ethics, and Generally Accepted Government Auditing Standards (GAGAS) shall serve as guidelines for internal auditing activities. The International Standards for the Professional Practice of Internal Auditing are principles focused, mandatory requirements consisting of Attribute and Performance Standards. Attribute Standards address the attributes of organizations and individuals performing internal auditing. The Performance Standards describe the nature of internal auditing and provide quality criteria against which the performance of these services can be measured.~~

RESPONSIBILITIES

The Internal Auditor has a responsibility to:

- Develop a flexible, annual work plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the President, and the Board of Trustees' Finance, Audit, and Human Resources Committee for review and approval as well as periodic updates;
- Implement the annual work plan, as approved by the Finance, Audit, and Human Resources Committee;
- Issue periodic reports to the President and the Finance, Audit, and Human Resources Committee summarizing results of audit activities, annual work plans, sufficiency of office resources, and emerging trends and successful practices in internal auditing;
- Review systems to verify compliance with established policy, procedures, and applicable regulations;

RESPONSIBILITIES (Cont.)

- Review compliance with guidelines for ethical professional conduct.
- Maintain a follow-up process to monitor management actions on reported engagement observations and whether recommendations have been effectively implemented;
- Identify indicators of fraud and facilitate the investigation of suspected fraudulent activities within the organization;
- Act as liaison between the College and external auditors, including the review of their findings and the follow-up on necessary corrective action;
- Identify necessary training to improve the knowledge, skills, and competencies necessary for the internal auditors to have sufficient proficiency for auditing with the organization and maintaining professional certifications;
- Obtain competent advice and assistance necessary for the engagement when needed or decline the engagement;
- Ensure that an external review of the internal audit function in accordance with the Standards is conducted at least once every five years.
- Evaluate specific operations at the request of the Finance, Audit, and Human Resources Committee or the President, as appropriate.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

The internal audit function will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of the internal audit function's conformance with the Definition of Internal Auditing and the IIA Standards and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit function and identifies opportunities for improvement. The Internal Auditor will communicate to senior management and the **Board Finance, Audit, and Human Resources Committee** on the internal audit activity's quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every five (5) years.

The results of internal audit reviews as well as a report on Internal Audit's activities shall be presented to the President, and the Board of Trustees' Finance, Audit, and Human Resources Committee. A summary of the report shall be submitted to all other Board members. The report shall include:

- 1) Internal audit finding(s);
- 2) Internal audit recommendation(s);
- 3) Management response(s);
- 4) Date of implementation of audit recommendation(s).

The Internal Auditor verifies corrective action has been taken by management and reports on the corrective action to the Board of Trustees' Finance, Audit, and Human Resources Committee.

Khalil M. Abdullah CPA, CIA, CGAP, MAcc
Internal Auditor

Date

Maria G. Elizondo, MBA, CFE, CGMA, CPA
Vice President for Finance and Administrative Services

Date

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

Date

Roy de León
Chairman, Finance, Audit, and Human Resources Committee

Date

Paul R. Rodriguez
Chairman, Board of Trustees

Date

Review and Action as Necessary on Proposed Projects for Internal Auditor for FY 2019 – 2020

Approval of proposed projects for the Internal Auditor for FY 2019 - 2020 is requested.

Purpose – Staff is recommending projects for the Board's consideration for the Internal Auditor's review for Fiscal Year 2019 - 2020. The projects listed below are proposed as the assignments for the Internal Auditor.

- FY 2019 - 2020 (Scheduled)
 1. Fraud Survey
 2. Financial Aid – Third Party Programs (Carry forward)
 3. Banner Computer System Security and Access (Carry forward)
 4. Clery Act, Title IX, and Violence Against Women Act (VAWA) (Carry forward)
 5. Travel
 6. Memorandum of Understanding (MOU's) for Early College High Schools and Dual Credit;
 7. Blueprint Expectations for Early College High Schools;
 8. Science Lab Safety and Storage Compliance
 9. Human Resources Processes – Faculty Credentials
 10. Contractor Adherence to Prevailing Wage Rate Determination
 11. Faculty Overloads & Stipends
 12. Office of Internal Audit – Quality Assurance and Improvement Program – Internal Assessment

Enclosed Documents - The list of Internal Audits conducted for FY 2005 - 2006 through FY 2019 - 2020 follows in the packet for the Board's information and review.

Dr. Shirley A. Reed, President, Mary Elizondo, Vice President for Finance and Administrative Services, and Khalil Abdullah, Internal Auditor, attended the July 9, 2019 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

The Finance, Audit, and Human Resources Committee recommended Board approval of the proposed projects for the Internal Auditor for FY 2019 - 2020 as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the proposed projects for the Internal Auditor for FY 2019 - 2020 as presented.

The Following Minute Order is proposed for consideration by the Board of Trustees:
The Board of Trustees approves and authorizes the proposed projects for the Internal Auditor for FY 2019 - 2020 as presented.

Approval Recommended:

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

**South Texas College
Internal Auditing Services for the Period of FY 2006 through FY 2020**

	Audit Area	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
1	Fraud Survey	09/22/05	02/19/07	11/22/07	11/03/08	11/18/09	11/12/10	11/08/11	10/18/12	11/08/13	Complete	Complete	12/07/16	10/18/17	10/22/18	Proposed
2	Cash -Fraud Hotline Calls/Investigations									10/29/13						
3	-Controls and safeguards -Bank Reconciliation -Check and deposit preparation			02/06/08												
4	Cash -Bank Reconciliation						06/15/11									
5	Surprise Cash Counts and Cash Handling Controls over Student Tuition and Fees Collection						10/20/10 06/16/11			Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	11/04/16			
6	Food Services Department Cash Handling Procedures										Requested - Not Performed	Requested - Not Performed	11/04/16			
7	Student Receivables/ Third Party -Billing -Collections -Reconciliation					05/25/10										
8	Scholarship Funds -Valley Scholars -Pledges -Awards -Other Scholarships					05/25/10			08/22/13							
9	Grants- Title V		01/08/07													
10	Grants- Wired				05/19/09 06/19/09											
11	Grants - Federal Workstudy, Federal Pell Grant, Carl Perkins, and Workforce Investment Act	10/27/05			01/19/09						Requested - Not Performed					
12	Property Taxes - Rec. & Rollback Taxes						10/14/10									
13	Property Taxes - Internal Controls of Hidalgo and Starr County Tax Assessor- Collector's Offices											Requested - Not Performed	06/20/17			
14	AP - Operations		07/24/07													
15	AP - Commercial Card Use						06/30/11							Requested - In Progress	01/29/19	
16	Fuel Card Use			08/15/08										Requested - In Progress	10/23/18	
17	Travel	06/27/06													Requested - Not Performed	Proposed
18	Mileage Reimbursement Procedures															
19	Purchasing					02/19/10							02/17/17			
20	Contracts -Solicitation/Renewal Process -Record keeping			06/25/08				06/28/12								
21	Construction Contracts						10/14/10									
22	2013 Bond Construction Program - Payment Applications															Closed
23	2013 Bond Construction Program - Change Orders															Closed
24	2013 Bond Construction Program - Broadus & Associates Reconciliation of Budget and Actual Expenditures Reports at August 31, 2017															01/19/18
25	2013 Bond Construction Program - Billings of Selected 2013 Bond Program Related Additional Services Consultants															Closed

**South Texas College
Internal Auditing Services for the Period of FY 2006 through FY 2020**

	Audit Area	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
26	Financial Aid -Accounting -Awards -Reporting -Third Party Programs		03/01/07		01/19/09				05/07/13					Requested - Not Performed	In Process	In Process
27	Investments -Compliance -Collateral Documentation -Transfers for Debt Service -System for Monitoring Maturities	08/28/06				02/19/10										
28	Debt Service -Bond Payments -Continuing Disclosure Requirements -Arbitrage -Bond Restrictions	03/01/06					10/14/10									
29	Human Resources and Payroll -Compliance & Controls	01/31/06						10/21/11								
30	HR - Human Resources- Employment Eligibility Verification Form I-9 (U.S. Citizenship and Immigration Services)									Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	02/17/17		Requested - Not Performed	Proposed
31	HR - Human Resources Processes									Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	Requested - In Progress	10/04/18	
32	TimeClock Plus [Time Keeping System Compliance] -Departmental Timeforce Procedures									Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	Requested - In Progress		
33	TimeClock Plus [Time Keeping System Compliance] -Internal Control Procedures						5/5/2011 In Progress- Not completed									
34	Fixed Assets									Requested- Not Performed	Requested- Not Performed	Requested- Not Performed	Requested - Not Performed	Requested - In Progress		
35	Fixed Assets -Capital Assets				02/19/10		07/01/11			Requested- Not Performed	Requested- Not Performed	Requested- Not Performed	Requested - Not Performed	11/08/17		
36	Continuing Professional and Workforce Education Department							01/05/12								
37	Facilities, Operation & Maintenance- Workorders and Purchase Orders								07/18/13							
38	Custodial Services- Work Orders, Purchase Orders and Inventory									Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	06/06/19	
39	Enrollment Audit (Traditional and Continuing Education)													Requested - In Progress	07/26/18	
40	Student Activities & Wellness										Requested - Not Performed	Requested - Not Performed		12/01/17		
41	Memorandum of Understanding [MOU] -Early College High Schools -Dual Credit														Requested - Not Performed	Proposed
42	Blueprint Expectations for Early College High Schools														Requested - Not Performed	Proposed
43	Science Lab Safety and Storage Compliance														Requested - Not Performed	Proposed
44	Red Flag Rules							01/06/12							Requested - Not Performed	Proposed
45	IT Security and Procedures Banner Computer System Security and Access															
46	Instructional Technologies Inventory										Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	Requested - Not Performed	In Process	In Process
47	Copiers				10/17/08											
48	Cell Phones				10/01/08											
49	Clery Act, Title IX, and VAWA														In Process	In Process
50	Office of Internal Audit - QAR - Internal Assessment (QAIP)														In Process	Proposed



South Texas College
Internal Auditing Services for the Period of FY 2006 through FY 2020

Audit Area	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Contractors Adherence to Prevailing Wage Rate Determination															
Total Number of Audits Completed	6	4	4	7	6	9	5	4	3	1	0	6	4	6	Proposed

Other Activities

- Annual Financial Report (CAFR)
- Risk Assessment
- Annual Audit Plan
- Internal Audit Annual Report

Review and Action as Necessary on Contracting Architectural Services for the Master Planning of Renovations at the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B and the Design of Phase I Construction of the Building B Cafeteria and Atrium Areas

Approval to contract architectural design services to master-plan the renovations at the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B and to design and prepare plans for Phase I construction of the Building B Cafeteria and Atrium Areas is requested.

Purpose

Architectural design services are necessary for:

- Master-planning of Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B, and
- The design and construction administration services for the Technology Campus Advanced Technical Careers Building B Renovation of the Cafeteria and Atrium Areas for Phase I of the project.
 - The design scope of work includes, but is not limited to: design, analysis, preparation of plans and specifications, permit applications, construction administration, and inspection of the project for Technology Campus Advanced Technical Careers Building B Renovation of Cafeteria and Atrium Areas – Phase I.

Background

The Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B Renovation of the Cafeteria and Atrium Areas – Phase I project was discussed during meetings with Administration and the Coordinated Operations Council, and it was recommended that a master plan be developed to include the two facilities and to meet the current and future needs of the campus.

The project as advertised will consist of two parts. The first part will be for the architect to perform services to master-plan the renovation of Emerging Technologies Building A and Advanced Technical Careers Building B. The second part of the project will be to provide full architectural services for renovating the Cafeteria/Kitchen area and the Atrium area in Advanced Technical Careers Building B. Phase I of this project will not include any plans or specifications for construction work in Emerging Technologies Building A.

On May 27, 2019, South Texas College began soliciting for architectural design services for the purpose of selecting a firm to master-plan the renovations at the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B and to prepare the necessary plans and specifications for Phase I construction of the Building B Cafeteria and Atrium Areas. A total of fifteen (15) firms received a copy of the RFQ and a total of ten (10) firms submitted their responses on June 11, 2019.

Funding Source

Funds are budgeted in the Unexpended Construction Plant Fund budget for fiscal year 2018-2019.

Reviewers

The proposals have been reviewed by College staff from the Facilities Planning & Construction, Maintenance & Operations, and Purchasing departments.

Enclosed Documents

Site plans indicating the location of the proposed Technology Campus Emerging Technologies Building A & Advanced Technical Careers Building B Renovation of the Cafeteria and Atrium Areas – Phase I project are enclosed. The evaluation team members completed evaluations for the firms and prepared the enclosed scoring and ranking summary.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval to contract architectural design services with EGV Architects, Inc. to master-plan the renovations at the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B and to design and prepare plans for Phase I construction of the Building B Cafeteria and Atrium Areas as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize contracting architectural design services with EGV Architects, Inc. to master-plan the renovations at the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B and to design and prepare plans for Phase I construction of the Building B Cafeteria and Atrium Areas as presented.

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

The Board of Trustees approves and authorizes contracting architectural design services with EGV Architects, Inc. to master-plan the renovations at the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B and to design and prepare plans for Phase I construction of the Building B Cafeteria and Atrium Areas as presented.

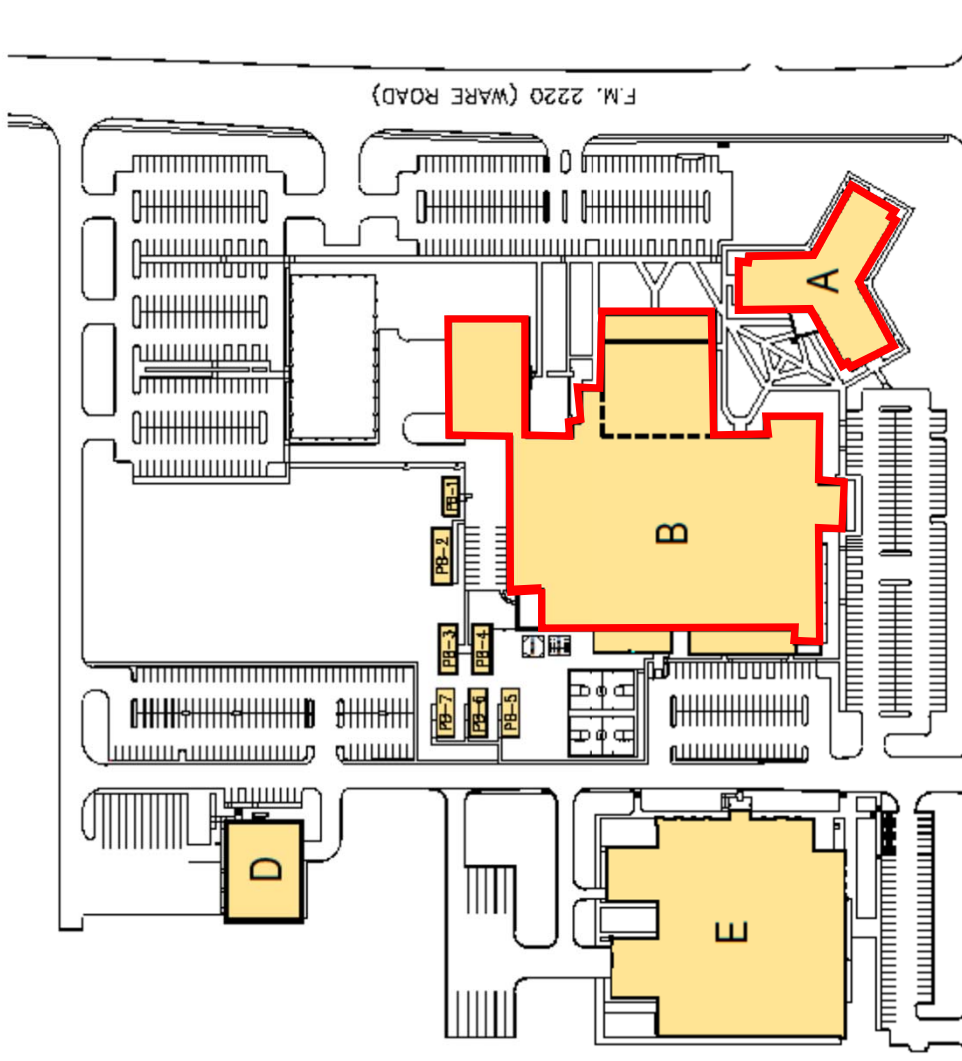
Approval Recommended:

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

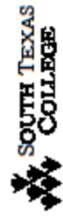
Technology Campus Building A and B Renovation Phase I



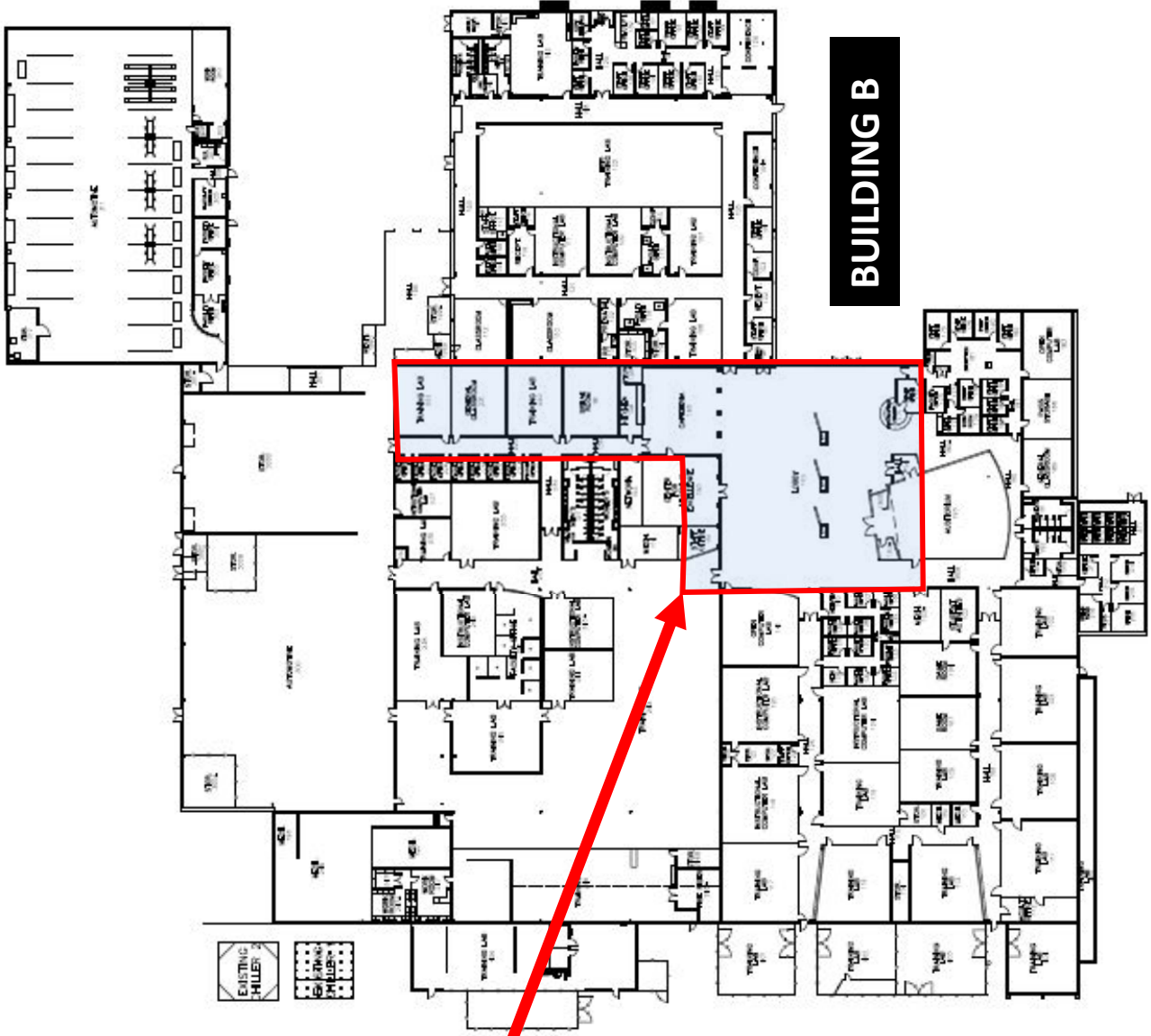
Exterior Photo



F.M. ROAD 1016 (W. MILITARY HIGHWAY)



TECHNOLOGY CAMPUS

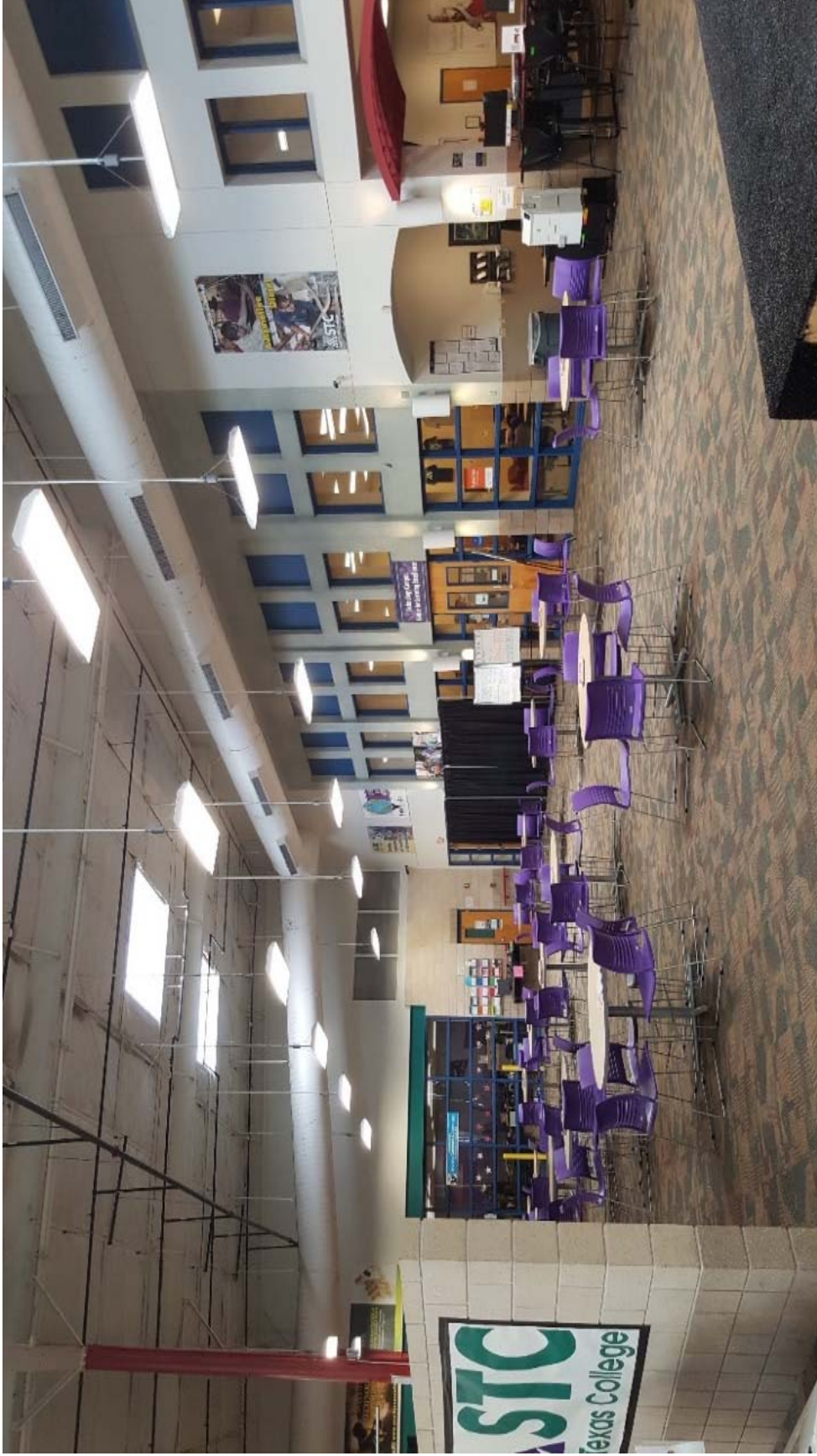


**PHASE I
KITCHEN / ATRIUM
RENOVATION**

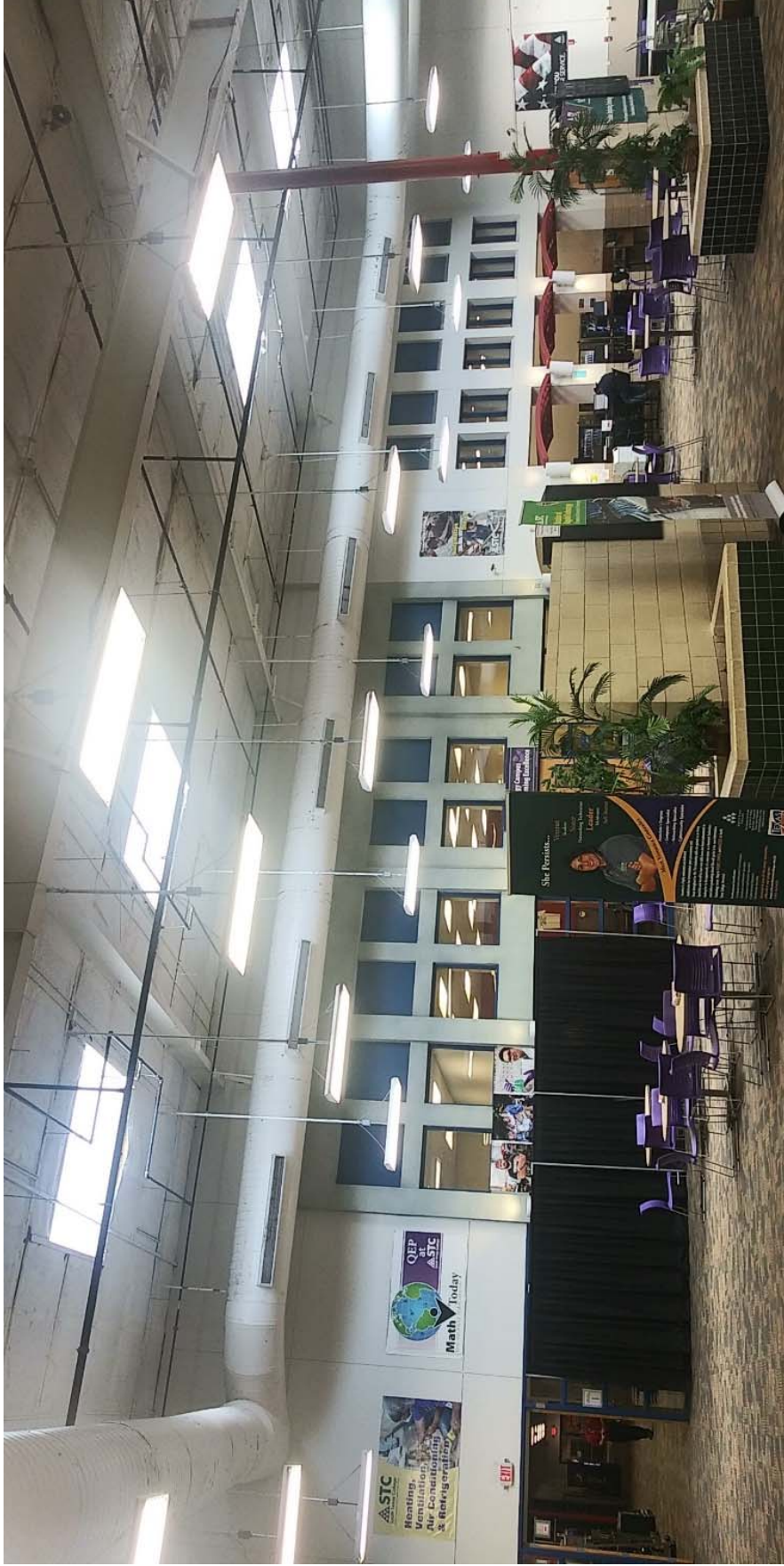
BUILDING B



FLOOR PLAN



Building B Interior Photo – Atrium



Building B Interior Photo - Atrium



Building B Phase I Interior Photo – Cafeteria/Dining Area



Building B Phase I Interior Photos – Existing Kitchen



Building B Interior View - Southwest Exit Corridor



Building B Exterior View Facing East

**SOUTH TEXAS COLLEGE
ARCHITECTURAL SERVICES - TECHNOLOGY BUILDING A AND B RENOVATION - PHASE I
PROJECT NO. 18-19-1070**

VENDOR	Alvarado Architects & Associates, Inc.	Amtech Solutions, Inc.	Boultinghouse Simpson Gates Architects	EGV Architects, Inc.	goERO International, LLC./ dba ERO Architects	Gignac & Associates, LLP.	Hector Rene Garcia / Mata+Garcia Architects, LLP.	Negrete & Kolar Architects, LLP.	Rike Ogden Figueroa Allex Architects, Inc.	The Warren Group Architects, Inc.
ADDRESS	307 S Main St	6512 N Jackson Rd Ste 03	3301 N McColl Rd	220 S Bridge St	300 S 8th St	3700 N 10th St	1314 Ivy Ave	204 E Stubbs St	1007 Walnut Ave	1801 S 2nd St Ste 330
CITY/STATE/ZIP	Donna, TX 78537	Pharr, TX 78577	McAllen, TX 78501	Hidalgo, TX 78557	McAllen, TX 78501	McAllen, TX 78504	McAllen, TX 78501	Edinburg, TX 78539	McAllen, TX 78501	McAllen, TX 78503
PHONE	956-464-8258	956-686-3095	956-630-9494	956-843-2987	956-655-6455	956-686-0100	956-631-1945	512-461-8810	956-686-7771	956-994-1900
FAX	956-274-7046		956-630-2058	956-843-9726		956-622-7313	956-631-1968	956-386-0613	956-687-3433	956-994-1962
CONTACT	Erasmio Eli Alvarado III	Allen Hibbs	Danny Boultinghouse	Eduardo G. Vela	Eli R. Ochoa	Raymond Gignac	Hector R. Garcia	David Negrete	Luis A. Figueroa	Laura N. Warren

3.1 Statement of Interest										
3.1.1 Statement of Interest for Project	Pointed out that their team members have prior experience working in South Texas and that the selection of the consultants was based on their relevant experience and working relationship with South Texas College.	Stated they are a full service architectural, engineering, and building envelope consulting firm with a long history of client satisfaction.	Made a statement of the firm's work on numerous renovation services on the STC Pecan Campus for over 18 years and therefore the familiarity of STC's requirements and expectations.	Pointed out their work for different projects at the Technology Campus. The firm emphasized their quality control program in their projects. They indicated that they are immediately available to perform design needs for the college.	Indicated they have the perfect set of skills, from professional services through construction administration, to service STC's construction needs. Pointed out their familiarity with STC processes based on previous work on several projects.	Pointed out their expertise with state-of-the-art educational spaces. Indicated that they are uniquely qualified for this project because of their extensive experience in designing educational facilities and expansions and renovations projects, coupled with Texas Architecture, and numerous kitchen and cafeteria projects.	Indicated that they are organized in what they call a "flexible studio system". As they start a new project a studio team is created. Stated that their on-time completion rate is 98% and their on-budget rate is 92%.	Indicated that their qualifications demonstrate a long resume of conversion, repurpose and renovation of facilities.	Pointed to the recent work the firm provided to STC. Stated they are committed to providing professional services and with direct responsibility and project implementation.	Pointed to the recent work the firm provided to STC and welcomes the opportunity to continue providing services.
3.1.2 History and Statistics of Firm	- Firm founded in 1991 - Pointed out 25+ years of experience	- Established in 1982 under the name Amtech Roofing Consultants, Inc. - In 2007 Amtech Roofing Consultants, Inc. became Amtech Building Sciences, Inc. - In 2016, Amtech Building Sciences merged with Amtech Solutions, Inc.	- Firm established in 1990 - 600+ successful projects and 85% repeat client rate - Three registered architects	- Established in 1994 - Specializes in educational facilities	- Created in 2001 - Headquartered in McAllen, TX - Professional staff of 27 has completed more than 265 educational projects since 2001.	- Offices in Corpus Christi, Harlingen and McAllen - Established in 1988 - over 400 successful educational projects	- Firm originally established in 1981 - Identify themselves as medium-sized firm with two principals	- Offices in Austin and Edinburg - Principal has 30+ years experience - Established in 2003	- Established in 1949 - Office located in McAllen	- Established in 2004 - Offices in McAllen and Austin
3.1.3 Narrative describing the design team's unique qualifications and specialized design experience as it relates to the project	Stated that firm offers multiple services within a single source, which allows increased flexibility to react quickly to a variety of options and considerations.	Stated they are a proficient and vastly experienced in a variety of building and facility types including public and private educational facilities, airports, shopping malls, mid and high rise office and residential structures, stadiums, parking garages, federal facilities, and everything in-between.	Stated the firm's philosophy of being "client" oriented as much as "project" oriented.	Pointed out the following four items that sets firm apart: 1) local firm which always makes itself available; 2) personalized attention at every phase of project; 3) collaboration between all members of design team; and 4) emphasis on design of construction documents to minimize changes.	Presented their holistic approach to projects in which clients are considered strategic partners. They state that they specialize in the education sector.	Pointed out the firm's experience with educational facilities. Cited the firm's design of facilities in the Rio Grande Valley and their familiarity with geotechnical and civil engineering firms and their understanding of local codes and ordinances.	Indicate that as a medium size firm with two principals, STC is assured of senior level involvement in the project. They also state that they are especially sensitive to the complexities of remodeling facilities.	Pointed out the 18+ year collaboration with one of the engineering firms in office conversion projects and how this has resulted in delivery of design and construction document excellence.	Stated that firm was involved in the development and design of the STC Center for Applied and Advanced Technologies (which eventually became the Technology Campus). The are therefore very familiar with the facility.	Indicated that the firm is known state-wide for educational and research facility design.
3.1.4 Statement of Availability and Commitment	Indicated their team is ready to begin work on the project immediately and ready to provide the proposed staff and any other resources necessary to perform architectural services for this project.	Stated they are currently available to provide Architectural and Engineering services immediately.	Indicated their availability and commitment to the project. Stated that project architect and project manager would be involved with the project until completed.	Stated that they are available for any planning and design work for South Texas College.	Indicated all assigned principals and professionals are available and commits to engaging staff as necessary.	Stated that they will commit the work force necessary to complete project within the designated schedule.	Indicated their entire professional staff can make themselves available to STC at a moment's notice and undertake the commitment required to complete the proposed projects based on the timeline(s) set by the college.	Indicated that the firm will commit to having the staff available according to the schedules determined.	Stated they are available to immediately implement design and construction document procedures.	Indicated their commitment to allocate the best members of the staff to STC projects.

SOUTH TEXAS COLLEGE
ARCHITECTURAL SERVICES - TECHNOLOGY BUILDING A AND B RENOVATION - PHASE I
PROJECT NO. 18-19-1070

VENDOR	Alvarado Architects & Associates, Inc.	Amtech Solutions, Inc.	Boultinghouse Simpson Gates Architects	EGV Architects, Inc.	goERO International, LLC./ dba ERO Architects	Gignac & Associates, LLP.	Hector Rene Garcia / Mata+Garcia Architects, LLP.	Negrete & Kolar Architects, LLP.	Rike Ogden Figueroa Allex Architects, Inc.	The Warren Group Architects, Inc.
3.2 Prime Firm										
3.2.1 Resumes of Principals and Key Members	Included resumes for the following: - Erasmo D. Alvarado, Jr - President/Architect - Erasmo Eli Alvarado, III - Vice-President - Pedro G. Ayala - Associate - Mario Garza, Jr - Project Manager	Included resumes for the following: - Ron Erdman - President - Steven Grant - Director of Operations - Allen Hibbs - Senior Architect - Christopher Garza - Senior Project Manager - Alfred Levy - Senior Architect - Robert Piane - Senior Architect - Amelia Potee - Project Manager - David Vinson - Design Project Manager - Selina Evans - Production Manager - Pesla C. Garcia - Contract Administrator/Admin Services	Included resumes for the following: - Robert S. Simpson, Principal Architect - John Gates, Architect	Included resumes for the following: - Eduardo G. Vela, Principal/Registered Architect - Alejandra Mina, Senior Project Manager - Rebecca Acuña, Project Manager/Administrative Assistant - Ramiro E. Ramos, Project Manager - Yahaira N. Davila, Project Manager	Included resumes for the following staff: - Eli R. Ochoa, Principal-In-Charge and Planning Architect - Ismael Adame, Project Manager/ Associate Architect - Robert Sands - Director of Planning and Programming - Roberto Pruneda, Director of 3D Design and Visualization - Brian A. Godinez, Principal and Director of Community Engagement - Gerardo "Jerry" Garcia, Principal and Chief Facilities Officer	Included resumes for the following staff: - Raymond Gignac, Principal-In-Charge/Project Director - Rolando Garza, Architectural Design Manager - Carolyn James, Interior Designer - Nicholas Gignac, Associate AIA - Juan Mujica, Project Manager - Ana Salas-Luksa, Architectural Associate - Hector Guevara - Production/Architectural Intern	Included resumes for the following staff: - Hector R. Garcia, Coordinating Architect - Fernando Mata, Partner/Director of Administration - Rey Zamora, Architect, Project Manager	Included resumes for the following staff: - David N. Negrete, Principal Partner - Andres L. Mata, Jr., Project Manager - Esteban Zamora, Project Designer - Bruce W. Menke, Project Manager - Jason T. George, Architect Project Manager	Included resumes for the following staff: - Luis Figueroa, Principal/Owner - Manuel Hinojosa, Principal/Owner - Humberto Rodriguez, Principal/Owner - Miguel Martinez, Intern Architect	Included resumes for the following staff: - Laura Nassri Warren - President/Principal - Andrina De Anda - Associate Architect Director - Natanael Perez - Senior Project Manager - Maritza Cardenas - Senior Project Manager - Crystal Chavez - Project Manager - Nicole Reyman - Architectural Intern
3.2.2 Project Assignments and Lines of Authority	Duties and time assignments for each staff member were included, with 100% commitment from three of the named staff and 50% for the fourth named staff member.	Project roles and time assignments for eleven staff members are shown in a table.	Lines of authority and assignments within firm are shown in an organization chart that includes eleven staff members.	Listed key personnel for projects in order of authority and their titles. Indicated that they adjust staff to different lines of duty depending on specific project needs.	Duties and time assignments for six team members were included.	Lines of authority and assignments within firm are shown in an organization chart that includes seven staff members.	Lines of authority and project assignments were shown in organization chart.	Lines of authority are indicated in an organization chart. Indicate that all team members will, at some point, dedicate 100% of time to project.	Lines of authority and project assignments were shown in organization chart.	Duties and time assignments for firm staff and staff from consultant firms are summarized in a table. Time assignments for most of the staff range from 40% to 80%.
3.2.3 Prime Firm proximity and meeting availability	Firm is located in Donna, TX which is only 20 minutes away from the STC Pecan Campus.	Indicated they are located in Pharr, TX a 20 minute drive to the project site.	Located in McAllen. Indicated that their local presence give them the opportunity to respond in a timely many to any planned or unexpected meetings with STC.	Firm is local located in Hidalgo, Texas. Indicated that their proximity has allowed them to immediately meet to resolve any unforeseen circumstances.	Indicated they are 2.6 miles away from STC Planning and Construction office. STC will have direct access to any of our principals and the team at a moment's notice.	Indicated they are located in McAllen, TX, a 10 minute drive from STC campus and will be very accessible for meeting throughout the entire project.	Located 17 minutes from the project site, Hector Rene Garcia will be able to respond efficiently for planned meetings with STC and within the hour for unexpected meetings.	Firm is located within 16 miles of the work site.	Firm is located within 2 miles away from the STC Pecan Campus.	Firm is located in McAllen and is about 9 minutes from work site.
3.2.4 Describe any litigation the prime firm is currently involved in which could affect the firm's ability to provide professional services to STC	Indicated that the firm is not involved in any litigation that would affect performance under a contract with STC.	Indicated that the firm is not involved in any litigation.	Firm did not address this item.	Indicated that firm has never been involved in litigation disputes.	Indicated that the firm is not involved in any litigation.	Indicated they are not currently involved in any litigation that will affect ability to provide services.	Indicated that the firm is not involved in any litigation.	Indicated that the firm is not involved in any litigation.	Indicated that the firm is not involved in any litigation.	Indicated that firm has not been involved in litigation disputes.
3.3 Project Team										
3.3.1 Organization chart with Role of Prime Firm and each consultants firm	Included organization chart which showed the following consultants: - M Garcia Engineering - Civil - Chanin Engineering - Structural - J DBR, Alt. VME Engineering - MEP Technology - Cosper & Associates - Kitchen Consultants	Included organization chart which showed the following consultants: - Gomez Mendez Saenz, Inc.	Included organization chart which showed the following consultants: - Halff Associates - MEP - Chanin Engineering - Structural	Included organizational chart showing prime firm and the following consultants: - Chanin Engineering - Structural - Halff Associates, Inc. Engineering - MEP - FCA Design Inc. - Food Service	Included organizational chart showing prime firm and the following consultants: - Halff Associates - MEPF - Cosper & Associates, Inc. - Kitchen/Cafeteria Design	Included organization chart showing prime firm and the following consultants: - Chanin Engineering - Structural - Trinity Engineering - MEP - Melden & Hunt - Civil - Food Service Design Pros - Food Service Design	Included organization chart showing prime firm and the following consultant: - DBR Engineers - MEP Engineer - Chanin Engineering LLC - Structural Engineer - M. Garcia Engineering LLC - Civil Engineer - WJHW, Inc. - Visual/Audio/Acoustical	Included organizational chart showing prime firm and the following consultant: - HALFF Associates - MEP & Structural Engineering - Chanin Engineering - Civil Engineering - FDP Food Service - Food Service Design	Included organizational chart showing prime firm and the following consultants: - Chanin Engineering - Structural Engineering - Trinity Engineering- MEP Engineering - M. Garcia Engineering - Civil Engineering	Included organizational chart showing prime firm and the following consultants: - Chanin Engineering - Structural - Perez Consulting Engineers - Civil - Halff - BS/Mechanical Engineers - Cosper & Associates, Inc. - Food Service - WJHW, Inc. - Visual/Audio/Acoustical

**SOUTH TEXAS COLLEGE
ARCHITECTURAL SERVICES - TECHNOLOGY BUILDING A AND B RENOVATION - PHASE I
PROJECT NO. 18-19-1070**

VENDOR	Alvarado Architects & Associates, Inc.	Amtech Solutions, Inc.	Boultinghouse Simpson Gates Architects	EGV Architects, Inc.	goERO International, LLC./ dba ERO Architects	Gignac & Associates, LLP.	Hector Rene Garcia / Mata+Garcia Architects, LLP.	Negrete & Kolar Architects, LLP.	Rike Ogden Figueroa Allex Architects, Inc.	The Warren Group Architects, Inc.
3.4 Representative Projects										
3.4.1 Minimum of 5 projects firm has worked on	- Mission CISD - CNP Kitchen and Warehouse Addition (\$1,736,500) - UTB Texas Southmost College - Oliveira Library Interior Renovations (\$1,700,000) - Edinburg CISD - Elias Longoria Middle School (w/new cafeteria) (\$19,000,000) - Edinburg CISD - Harwell Middle School (\$18,000,000) - Mission CISD - Mission High School (\$24,000,000)	- Texas Baptist Student Ministry - Texas Baptist Longhorn BSM (\$1,900,000) - Hurricane Harvey Interior and Exterior Renovations of Port Royal Condominiums & Conference Center (\$8,000,000) - University of Texas Brownsville - Incubator (\$2,948,375) - UTB/TSC Prax Drive - Technical Training Center (\$4,147,714) - University of Pan American Towers - Renovated Administration Building (\$3,160,952)	- City of McAllen - McAllen Public Library and Dewey Park Trails (\$14,300,000) - South Texas College - Building K Renovations Admissions Welcome Center and Entrance (\$411,633) - UTRGV - Haggar Building Renovation (\$2,200,000) - STC - Building D Auditorium Remodel (\$565,802) - STC - 2501 Pecan Plaza Renovation (\$2,026,926) - UTRGV - Annex Building Renovation (\$2,727,000)	- Mission CISD - Mission Collegiate High School (\$13,626,000) - Roma ISD - Veterans Memorial Elementary School (\$14,495,610) - PSJA ISD - New Garza-Peña Elementary School (\$12,446,800) - PSJA ISD - LBJ Middle School Remodeling Additions & Site Improvements (\$18,249,900) - South Texas College - Technology Campus Expansion \$12,000,000	- South Texas College - Nursing and Allied Health Professions Expansion (\$16,000,000) - County of Hidalgo - Hidalgo County Courthouse (\$149,000,000) - Seguin ISD - Seguin HS Modernization/Replacement (\$82,374,706) - Houston ISD - Stephen F. Austin HS Bond Modernization/Replacement (\$57,364,381) - City of McAllen - McAllen Performing Arts Center (\$44,823,533)	- Del Mar College - Emerging Technology Expansion Atrium (\$8 million) - Corpus Christi ISD - Veterans Memorial High School Atrium, Kitchen & Cafeteria (\$93,204,494) - La Joya ISD Juarez - Lincoln High School Kitchen & Cafeteria (\$57.3 million) - Corpus Christi ISD - Dorothy Adkins Middle School Library (\$30,727,438) - Corpus Christi ISD - Cunningham & South Park Middle Schools (\$30 million)	- City of Mercedes - Fire Department (\$2,616,015) - Weslaco ISD - Weslaco High School Music Halls (\$3,832,000) - Hidalgo County Precinct No. 4 - Hidalgo County Community Resource Center & Linn San Manuel Fire Station (\$2,500,000) - Hidalgo County Precinct No.4 - Hidalgo County Community Resource Center & Linn San Manuel Fire Station (\$2,500,000) - South Texas College - Starr County Campus (\$11,500,000)	- UTRGV - Dietetics Lab Renovation (\$280,000) - UTRGV - EL Comedor Food Service - Brownsville (\$534,000) - City of McAllen - McAllen Transnational Intelligence / Anti-Gang Center (\$2,500,000) - Edinburg CISD - Central Administration Building and Network Operating & IT Training Center (\$10,200,000) - McAllen ISD James " Nikki" Rowe High School Cafeteria Renovation Masterplan (\$1,100,000)	- Valley View ISD - Valley View Early College (\$15,608,800) - Valley View ISD- Valley View High School Cafeteria Expansion (\$1,653,000) - PSJA ISD - Carmen Anaya Elementary School (\$9,218,000) - UTRGV - HCEBL- Additional Office for SOM and Health Affairs (\$1,201,949.62) - Harlingen ISD - Harlingen ISD School of Health Professions (\$15,319,400) - PSJA ISD - PSJA High School Stadium Renovations Phase I, II, III (\$9,828,955)	- South Texas College - Student Activities and Cafeteria Building (\$6,897,227) - UTRGV-DHR - Multi-Disciplinary Medical Research Facility (\$36,000,000) - Sacred Oak Medical Center State of the Art Behavioral Center (\$443,630) - Mission EDC - CEED Mission Economic Development Corporation (\$3,602,638) - City of McAllen - McAllen Miller International Airport Renovations and Additions (\$27,000,000)
3.5 References										
3.5.1 References for five (5) projects	- Taft ISD - Edinburg CISD - Mission CISD - Texas State Technical College - Texas Southmost College	- Texas Southmost College - Port Royal by the Sea Resort - Brooks County ISD - Corpus Christi ISD - City of Edinburg	- University of Texas Pan American - City of McAllen	- PSJA ISD - Mission CISD - Roma ISD - Hidalgo County Urban County Program - City of Hidalgo	- PSJA ISD - Texas State Technical College - Seguin - Hidalgo County - Harlingen CISD	- Del Mar College - City of Corpus Christi - PSJA ISD - Corpus Christi ISD - Idea Public Schools	- Edcouch-Elsa ISD - Mercedes Housing Authority - Alice Housing Authority - Brownsville ISD - Hidalgo County Housing Authority	- UT-Rio Grande Valley - McAllen ISD - Edinburg CISD - City of McAllen	- Edinburg CISD - Harlingen ISD - La Villa ISD - PSJA ISD - Roma ISD	- Cantu Construction & Development Company - Mission Center for Education and Economic Development - Hidalgo County Courthouse - McAllen Miller International Airport Renovations and Additions - North Side Library Development Research Center Master Plan
3.6 Project Execution										
3.6.1 Summary of approach to project that addresses interaction with STC staff, management of different phases of the project, how you maintain quality control, and final project close-out.	Stated that they have implemented step-by-step procedures to ensure a project stays on schedule. Will work closely with Owner to ensure project timelines are met.	Listed the detailed phases/steps that will be followed for the project. Provided a statement on their quality control.	Firm did not address this item.	Stated their process of "architecture-by-team" approach in which client, architect and consultants to exchange ideas and all work together to establish goals for the project.	Indicated they follow an established management plan that has mutually agreed on milestones throughout the schedule. Formal meetings and reviews occur at those milestones. Informally for the Owner, the Design Team meets weekly to discuss issues, advance concepts, test adherence to the plan and seek and solve problems. Provided details on their project delivery process.	Provided very detailed project approach process and part of it addresses timely completion of project.	Provided a project timeline that covers key events of entire project.	Provided a detailed statement on their project approach.	Firm did not directly address this item, but did provide information that addresses this item as part of their response to 3.6.2. They addressed the contract document phase, construction documents, and construction administration.	Stated they provide all of their clients a different and successful approach that is unique to each of our projects while staying with-in budget and full code compliance. Presented the three phases of their project execution.
3.6.2 Willingness and ability to expedite services. Ability to supplement production.	Indicated they will supplement production capability to meet schedule demands, if and when necessary.	Stated that the firm is staffed several architects and is therefore fully capable of completing project in a demanding time frame. It has also teamed up with another architectural firm.	Reiterated the availability of the firm's staff and agree to add staff if required by project demands.	Stated that current workload is minimal so can work immediately on project and will acquire additional help as necessary to ensure on time delivery of project.	Stated their ability and willingness to expedite the design and construction administration.	Indicated they are able to adjust schedules and fast-track projects to meet owner deadlines.	Indicated they have the experience and resources on-staff to execute any project within the program constraints.	Indicated that they will assign staff as needed to meet STC's goals. Stated that firm is currently underutilized and fully capable of undertaking the services to meet the College's needs.	Stated a project schedule will be conceptualized to include target dated for each phase, review time and approval meetings for expedition of the design phase.	Stated that staff can be assigned to the project immediately. Are able and committed to begin work on your project the moment we receive notice of award. Indicated that team has no need to supplement production capability as they are able to provide services through all phases of the project.
TOTAL EVALUATION POINTS	548.67	529.00	549.83	558.17	557.00	554.17	549.67	544.83	544.50	544.67
RANKING	6	10	4	1	2	3	5	7	9	8

The Director of Purchasing has reviewed all the responses and evaluations completed.

**SOUTH TEXAS COLLEGE
ARCHITECTURAL SERVICES - TECHNOLOGY BUILDING A AND B RENOVATION - PHASE I
PROJECT NO. 18-19-1070
EVALUATION SUMMARY**

VENDOR	Alvarado Architects & Associates, Inc.	Amtech Solutions, Inc.	Boultinghouse Simpson Gates Architects	EGV Architects, Inc.	goERO International, LLC./ dba ERO Architects	Gignac & Associates, LLP.	Hector Rene Garcia / Mata+Garcia Architects, LLP.	Negrete & Kolar Architects, LLP.	Rike Ogden Figueroa Alex Architects, Inc.	The Warren Group Architects, Inc.										
ADDRESS	307 S Main St	6512 N Jackson Rd Ste 03	3301 N McColl Rd	220 S Bridge St	300 S 8th St	3700 N 10th St	1314 Ivy Ave	204 E Stubbs St	1007 Walnut Ave	1801 S 2nd St Ste 330										
CITY/STATE/ZIP	Donna, TX 78537	Pharr, TX 78577	McAllen, TX 78501	Hidalgo, TX 78557	McAllen, TX 78501	McAllen, TX 78504	McAllen, TX 78501	Edinburg, TX 78539	McAllen, TX 78501	McAllen, TX 78503										
PHONE	956-464-8258	956-686-3095	956-630-9494	956-843-2987	956-655-6455	956-686-0100	956-631-1945	512-461-8810	956-686-7771	956-994-1900										
FAX	956-274-7046		956-630-2058	956-843-9726		956-622-7313	956-631-1968	956-386-0613	956-687-3433	956-994-1962										
CONTACT	Erasmio Eli Alvarado III	Allen Hibbs	Danny Boultinghouse	Eduardo G. Vela	Eli R. Ochoa	Raymond Gignac	Hector R. Garcia	David Negrete	Luis A. Figueroa	Laura N. Warren										
3.1 Statement of Interest (up to 100 points)																				
3.1.1 Statement of interest on projects including a narrative describing the prime firm's unique qualifications 3.1.2 Firm History including credentials 3.1.3 Narrative describing the design team's unique qualifications and specialized design experience as it relates to the project 3.1.4 Availability and commitment of firm and its principal(s) and key professionals	88	91.00	86	87.83	91	92.67	92	93.50	91	93.00	93	93.17	90	92.50	85	90.50	85	91.17	90	90.33
	90		92		94		94		94		94		94		94		94		94	
	94		85		95		95		95		97		95		95		96		96	
	94		91		95		96		96		94		95		93		93		93	
	90		85		89		92		90		90		91		88		90		90	
	90		88		92		92		92		91		90		88		89		88	
3.2 Prime Firm (up to 100 points)																				
3.2.1 Resumes giving the experience and expertise principles and key members for the prime firm that will be involved in the project(s), including their experience with similar projects and the number of years with the prime firm 3.2.2 Proposed project assignments, lines of authority, and communication for principals and key professional members of the prime firm that will be involved in the project(s). Indicate the estimated percent of time these individuals will be involved in the project(s). 3.2.3 Prime Firm proximity and meeting availability 3.2.4 Describe any litigation the prime firm is currently involved in which could affect the firm's ability to provide professional services to STC.	94	92.00	88	87.83	93	92.33	94	92.83	94	93.33	89	91.83	91	91.83	89	90.17	90	91.33	88	90.00
	91		92		94		93		93		94		92		92		94		92	
	93		85		93		95		95		95		93		90		92		90	
	95		92		94		95		97		96		93		95		93		94	
	91		85		90		90		90		88		92		90		90		90	
	88		85		90		90		91		89		90		85		89		86	

**SOUTH TEXAS COLLEGE
ARCHITECTURAL SERVICES - TECHNOLOGY BUILDING A AND B RENOVATION - PHASE I
PROJECT NO. 18-19-1070
EVALUATION SUMMARY**

VENDOR	Alvarado Architects & Associates, Inc.	Amtech Solutions, Inc.	Boultinghouse Simpson Gates Architects	EGV Architects, Inc.	goERO International, LLC./ dba ERO Architects	Gignac & Associates, LLP.	Hector Rene Garcia / Mata+Garcia Architects, LLP.	Negrete & Kolar Architects, LLP.	Rike Ogden Figueroa Allex Architects, Inc.	The Warren Group Architects, Inc.
3.3 Project Team (up to 100 points)										
3.3.1 Organizational chart showing, the roles of the prime firm and each consultant firm or individual included. --Identify the consultant and provide a brief history about the consultant	95	85	90	95	95	95	90	95	90	95
--Describe the consultant's proposed role in the project and its related project experience	92	92	90	94	93	90	90	93	93	94
--List a project(s) that the prime firm and the consultant have worked together on during the last five years	94	85	95	96	95	94	94	90	94	92
--Provide a statement of the consultant's availability for the project(s)	97	94	96	96	96	96	95	94	95	94
--Provide resumes giving the experience and expertise of principals and key professional members for the consultant who will be assigned to the project(s)	90	85	89	92	90	90	87	90	85	93
3.3.2 provide an organizational chart showing the roles of the prime firm and each specialized consultant firm(s) or individual(s) to be included if any.	87	85	90	90	90	89	90	88	88	85
--Identify the consultant and provide a brief history about the consultant and their area of design expertise										
--Describe the consultant's proposed role in the project										
--List (3) projects the consultant has worked on during the last 5 years which best describe the firm's design expertise										
--List a project(s) that the prime firm and the specialized consultant have worked together on during the last 5 years										
--Provide a statement of the consultant's availability for the project										
--Provide resumes giving the experience and expertise of principals and key professionals members for the consultant who will be assigned to the project										
	92.50	87.67	91.67	93.83	93.17	92.33	91.00	91.67	90.83	92.17
3.4 Representative Projects (up to 100 points)										
3.4.1 Specific data on 5 projects the prime firm provided or is providing professional services in an educational setting	89	80	88	92	90	88	88	90	88	90
--Project name and location; Project Owner and contact information; Project construction cost; Project size in gross square feet; Date project was started and completed; Professional services prime firm provided for the project; Project manager; Project architect; Project designer; Names of consultant firms and their expertise.	94	90	92	90	88	90	88	92	88	90
	92	85	95	96	94	96	96	92	94	90
	96	94	95	97	96	97	96	95	97	95
	90	80	85	88	89	89	89	91	88	90
	86	85	89	89	89	88	87	85	88	87
	91.17	85.67	90.67	92.00	91.00	91.33	90.67	90.83	90.50	90.33

**SOUTH TEXAS COLLEGE
ARCHITECTURAL SERVICES - TECHNOLOGY BUILDING A AND B RENOVATION - PHASE I
PROJECT NO. 18-19-1070
EVALUATION SUMMARY**

VENDOR	Alvarado Architects & Associates, Inc.	Amtech Solutions, Inc.	Boultinghouse Simpson Gates Architects	EGV Architects, Inc.	goERO International, LLC./ dba ERO Architects	Gignac & Associates, LLP.	Hector Rene Garcia / Mata+Garcia Architects, LLP.	Negrete & Kolar Architects, LLP.	Rike Ogden Figueroa Alex Architects, Inc.	The Warren Group Architects, Inc.										
3.5 Five References (up to 100 points)																				
3.5.1 Provide references for 5 projects, other than STC, listed in response to Part four, 3.4.1. The references shall include: --Owner's name, Owner's representative who served as the day-to-day liaison during planning, design, and construction of the project, and the Owner representative's telephone number and email address	85	90.67	85	90.83	89	92.67	89	93.17	89	92.67	89	92.83	89	92.50	85	90.00	83	90.17	85	90.33
	90		90		94		94		94		92		93		90		91			
	92		95		93		93		94		95		92		93		90			
	97		96		95		97		97		97		95		95		94			
	90		89		95		92		90		93		90		90		92			
	90		90		90		90		91		93		89		85		90		90	
3.6 Project Execution (up to 100 points)																				
3.6.1 Provide information as part of submission response to assure that Architectural firm is willing and able to expedite design services and construction administration for the project. Please provide insight if Architect is intending to supplement production capability in order to meet schedule demands.	90	91.33	89	89.17	86	89.83	94	92.83	93	93.83	88	92.67	86	91.17	91	91.67	88	90.50	92	91.50
	90		94		85		92		95		94		90		91		88		93	
	92		90		95		94		95		94		94		90		90		90	
	97		92		96		97		98		98		97		97		97		96	
	89		80		87		90		92		92		90		91		90		88	
	90		90		90		90		90		90		90		90		90		90	
TOTAL EVALUATION POINTS	548.67	529.00	549.83	558.17	557.00	554.17	549.67	544.83	544.50	544.67										
RANKING	6	10	4	1	2	3	5	7	9	8										

The Director of Purchasing has reviewed all the responses and evaluations completed.

Technology Campus Building A and B Renovation

Fact Sheet

As of July 18, 2019

Project Name: Technology Campus - Emerging Technologies Building A & Technical Careers Building B Renovation							
Funding Source(s): Unexpended Plant Fund	Budget		Phase I	Actuals	Variance		
	Construction:	\$ 2,850,000	\$ 750,000	\$ -	\$ -		
	Design:	285,000	75,000	-	-		
	Miscellaneous:	71,250	22,500	-	-		
	FFE:	174,250	350,000	-	-		
	Technology:	223,750	123,750	-	-		
Proposed Architect: EGV Architects Inc. - 7/23/19	Total: \$ 3,604,250		Total: \$ 1,321,250	\$ -	\$ -		
Contractor: TBD							
		Board Approval					
		Design Proposal	TBD	TBD			
		Construction Proposal	TBD	TBD			
		Total:	\$ -				
STC FPC Project Manager: Sam Saldaña		Substantial Completion		TBD			
		Final Completion		TBD			

Project Description

Phase I includes master-planning renovations for the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B, and designing plans and specifications for construction of the renovation of the cafeteria and atrium areas in Building B.

Project Scope

Phase I includes the master plan for Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B. Consists of providing a schematic master plan layout of both buildings indicating the spatial and site locations of the different classrooms, labs, offices, cafeteria, library, CLE, Cashiers, conference rooms, student services areas, etc. Atrium will be designed for better sound control, organized flow of traffic, and to define the spaces more clearly.

Projected Timeline

Board Approval of Architect	Board Approval of Schematic Design	Board Approval of Contractor	Construction Start Date	Substantial Completion Date	Final Completion Date	FFE Completion of Move In
7/23/2019	2/25/2020	7/28/2020	8/15/2020	9/1/2021	10/1/2021	11/1/2021

Project Calendar of Expenditures by Fiscal Year

Fiscal Year	Construction	Design	Misc.	FFE	Tech	Project Total
2018-19			1,800			1,800
2019-20						-
Project Total	\$ -	\$ -	\$ 1,800	\$ -	\$ -	1,800

Current Agenda Item

7/23/19 Board Meeting: Review and Recommend Action on Contracting Architectural Services for the Master Planning of Renovations at the Technology Campus Emerging Technologies Building A and Advanced Technical Careers Building B and the Design of Phase I Construction of the Building B Cafeteria and Atrium Areas



Review and Action as Necessary on Solicitation of Request for Qualifications (RFQ) for Mechanical, Electrical, and Plumbing (MEP) Engineering Services for the Technology Campus Automotive Lab Exhaust System

Approval to solicit Mechanical, Electrical, and Plumbing (MEP) engineering design services for the Technology Campus Automotive Lab Exhaust System project is requested.

Purpose

Authorization is being requested to solicit MEP engineering services for the Technology Campus Automotive Lab Exhaust System project.

Justification

Solicitation of Request for Qualifications (RFQ) for MEP engineering services is necessary to procure a design team to prepare all necessary design development drawings and specifications in preparation for construction. Once the RFQ's are received, an evaluation team will evaluate the RFQ's using the currently approved procurement process and will recommend a design team to the Facilities Committee at a later date.

Background

The proposed Technology Campus Automotive Lab Exhaust System project is an approved Capital Improvement Project (CIP) and has been budgeted for Fiscal Year 2018-2019.

This project is needed to improve the existing Automotive Ford Lab at the Advanced Technical Careers Building B. The new exhaust system will assist exhausting carbon monoxide from the current automotive lab to the outside. Currently, the lab is not equipped with any exhaust system and this will benefit the students and staff during class training.

Staff from the Facilities Planning & Construction (FPC) department are requesting for the Facilities Committee to recommend for approval soliciting for MEP engineering services to select a firm to design and issue the necessary plans and specifications for the solicitation of competitive sealed proposals for this project.

Funding Source

Funds for these expenditures are available in the Unexpended Construction Plant Fund for FY 2018 - 2019.

Enclosed Documents

Site plans indicating the location of the proposed Technology Campus Advanced Technical Careers Building B for Automotive Lab Exhaust System project are enclosed.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval of the solicitation of MEP engineering services for the Technology Campus Automotive Lab Exhaust System project as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the solicitation of MEP engineering services for the Technology Campus Automotive Lab Exhaust System project as presented.

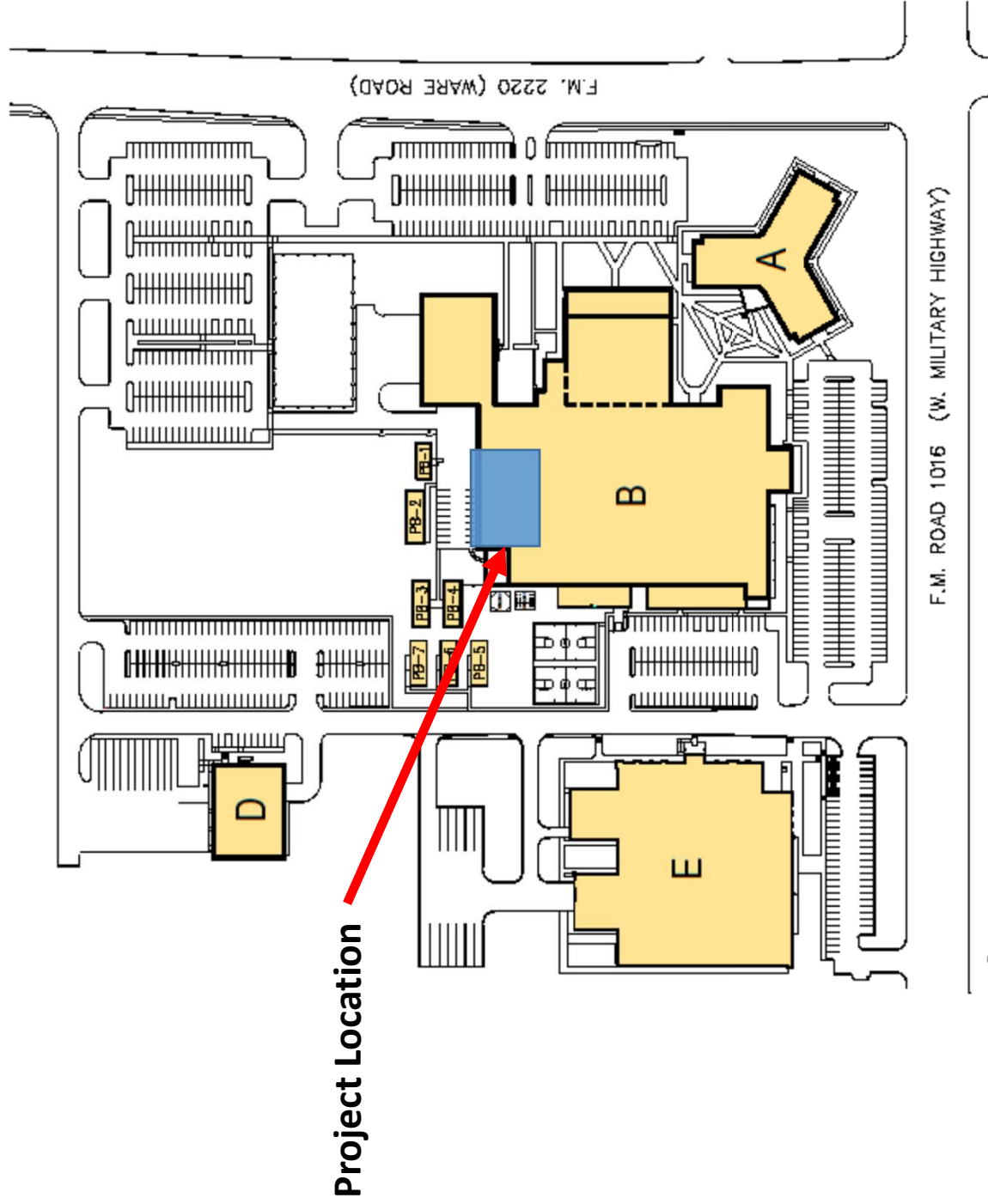
The Following Minute Order is proposed for consideration by the Board of Trustees:

The Board of Trustees approves and authorizes the solicitation of MEP engineering services for the Technology Campus Automotive Lab Exhaust System project as presented.

Approval Recommended:

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

Technology Campus Automotive Lab Exhaust System



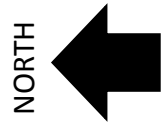
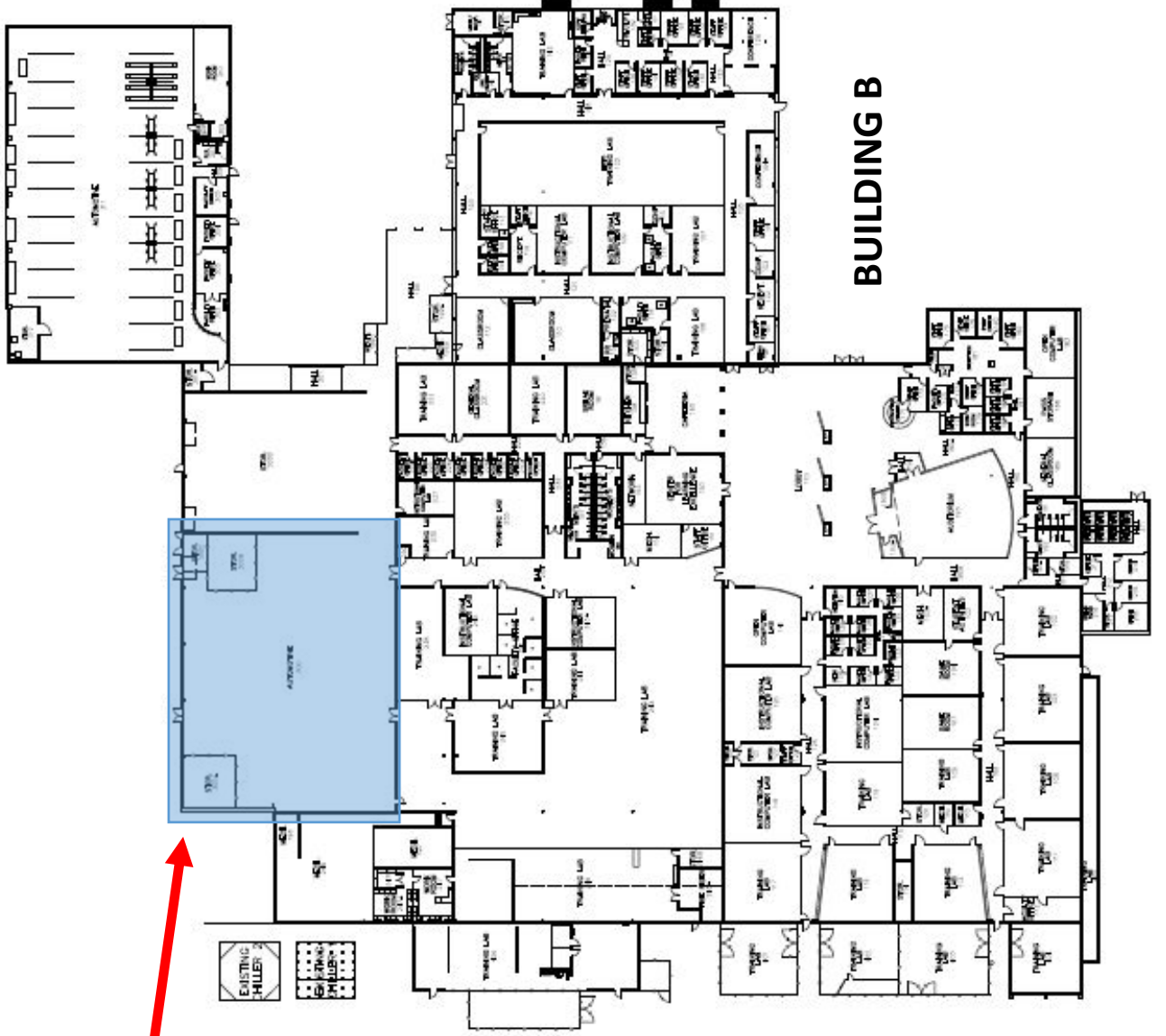
Project Location



TECHNOLOGY CAMPUS 

Technology Campus Automotive Lab Exhaust System

Project Location



FLOOR PLAN

Technology Campus Automotive Lab Exhaust System



Technology Campus Automotive Lab Exhaust System

Fact Sheet

As of July 18, 2019

Project Name: Technology Campus Bldg B. Automotive Lab Exhaust System			
Funding Source(s): Unexpended Plant Fund	Budget		Actuals
	Construction: \$ 100,000		Variance
		Design: 10,000	
		Miscellaneous: 1,600	
		Total: \$ 111,600	\$ - \$ -
Engineer: TBD	Board Approval		
Contractor: TBD	Design Proposal	TBD	TBD
	Construction Proposal	TBD	TBD
	Total:	\$ -	
STC FPC Project Manager: Robert Cuellar		Substantial Completion TBD	
		Final Completion TBD	

Project Description

Addition of an exhaust system to assist exhausting automotive fumes from the automotive lab to the outside.

Project Scope

Exhaust systems for the Ford Automotive Lab area in Advanced Technical Careers Building B consists of exhaust fans, exhaust ductwork, flexible hoses to exhaust vehicle fumes, and associated electrical work. The automotive area is 11,615 square feet.

Estimated Project Timeline

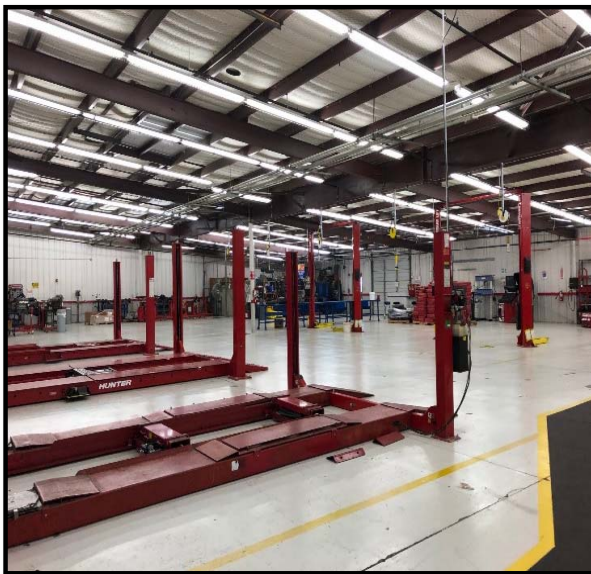
Board Approval of Engineer	Board Approval of Schematic Design	Board Approval of Contractor	Construction Start Date	Substantial Completion Date	Final Completion Date	FFE Completion of Move In
10/22/2019	12/10/2019	3/31/2020	5/15/2020	8/15/2020	9/15/2020	9/16/2020

Current Agenda Item

7/23/19 Board Meeting: Review and Recommend Action on Solicitation of Request for Qualifications (RFQ) for Mechanical, Electrical, and Plumbing (MEP) Engineering Services for the Technology Campus Automotive Lab Exhaust System

Project Calendar of Expenditures by Fiscal Year

Fiscal Year	Construction	Design	Misc.	FFE	Tech	Project Total
2018-19						-
2019-20						-
Project Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Review and Action as Necessary on Contracting Construction Services for Portable Buildings Civil Infrastructure at the Regional Center for Public Safety Excellence

Approval to contract construction services for portable buildings civil infrastructure at the Regional Center for Public Safety Excellence (RCPSE) is requested.

Purpose

The procurement of a contractor will provide for construction services necessary for the portable buildings civil infrastructure at the RCPSE.

Background

On March 26, 2019, the Board of Trustees approved the expansion plan to provide five (5) portable buildings at the RCPSE and the engagement of engineering firms to provide engineering design for the infrastructure necessary for the portable buildings. On May 30, 2019, the Board approved the recommendation from College staff to purchase six (6) portable buildings in lieu of the originally planned five (5) portable buildings. Dannenbaum Engineering Company-McAllen, LLC. was contracted to provide the civil engineering design for the infrastructure needed for the portable buildings as required by the City of Pharr. The civil infrastructure scope includes:

- New Fire Line
- New Fire Hydrant
- New Temporary Caliche Fire Access Drive
- New Sidewalk
- Sanitary Sewer Line Service

Dannenbaum Engineering Company-McAllen, LLC. prepared and issued the necessary plans and specifications for the solicitation of competitive sealed proposals for this phase.

Solicitation of competitive sealed proposals for this project began on June 15, 2019. A total of four (4) sets of construction documents were issued to plan rooms and one (1) to a general contractor. A total of one (1) proposal was received on July 1, 2019.

Timeline for Solicitation of Competitive Sealed Proposals	
June 15, 2019	Solicitation of competitive sealed proposals began.
July 1, 2019	One (1) proposal was received.

College staff reviewed and evaluated the competitive sealed proposal and recommend Roth Excavating, Inc. as the highest ranked in the amount of \$50,000.

Funding Source

Source of Funding	Estimated Budget	Highest Ranked Proposal Roth Excavating, Inc.	Estimated Budget Variance
Unexpended Construction Plant Fund	\$73,000	\$50,000	\$23,000
Total Amount	\$73,000	\$50,000	\$23,000

Funds are budgeted and available in the Unexpended Construction Plant Fund budget for fiscal year 2018-2019.

Reviewers

The proposals have been reviewed by College staff from the Facilities Planning & Construction, Maintenance & Operations, and Purchasing departments.

Enclosed Documents

Staff evaluated the proposal and prepared the enclosed proposal summary. It is recommended that the top ranked contractor be recommended for Board approval.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval to contract construction services with Roth Excavating, Inc. in the amount of \$50,000 for the portable buildings civil infrastructure at the RCPSE as presented

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize contracting construction services with Roth Excavating, Inc. in the amount of \$50,000 for the portable buildings civil infrastructure at the RCPSE as presented

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

The Board of Trustees approves and authorizes contracting construction services with Roth Excavating, Inc. in the amount of \$50,000 for the portable buildings civil infrastructure at the RCPSE as presented

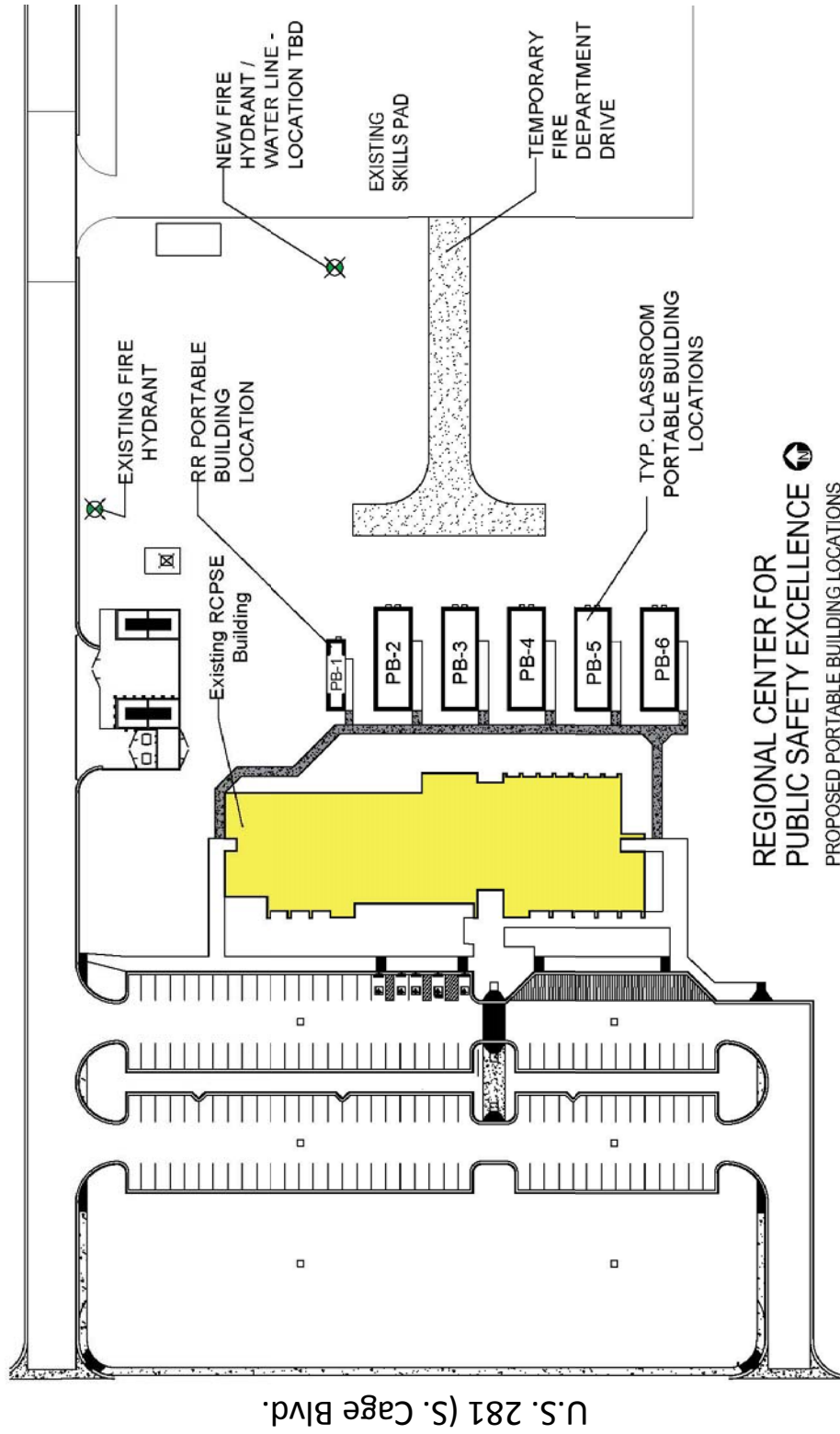
Approval Recommended:

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

Regional Center for Public Safety Excellence (RCPSE) Portable Buildings Location



RCPSE Portable Buildings Civil Infrastructure Plan



**SOUTH TEXAS COLLEGE
REGIONAL CENTER FOR PUBLIC SAFETY EXCELLENCE -
PORTABLE BUILDINGS - SITE INFRASTRUCTURE
PROJECT NO. 18-19-1076**

NAME		Roth Excavating, Inc.
ADDRESS		5820 N Cage Blvd Ste 1
CITY/STATE/ZIP		Pharr, TX 78577
PHONE		956-787-2742
FAX		956-787-5152
CONTACT		Tyler Wulf
#	Description	Proposed
1	Base Bid: Regional Center for Public Safety Excellence Portable Buildings - Site Infrastructure	\$ 50,000.00
2	Bid Bond	Yes
3	Begin Work Within	10 Working Days
4	Completion of Work Within	21 Calendar Days
TOTAL AMOUNT PROPOSED		\$ 50,000.00
TOTAL EVALUATION POINTS		95.49
RANKING		1

The Director of Purchasing has reviewed the response and evaluation completed.

**SOUTH TEXAS COLLEGE
REGIONAL CENTER FOR PUBLIC SAFETY EXCELLENCE - PORTABLE
BUILDINGS - SITE INFRASTRUCTURE
PROJECT NO. RFP 18-19-1076
EVALUATION SUMMARY**

VENDOR		Roth Excavating, Inc.	
ADDRESS		5820 N Cage Blvd Ste 1	
CITY/STATE/ZIP		Pharr, TX 78577	
PHONE		956-787-2742	
FAX		956-787-5152	
CONTACT		Tyler Wulf	
1	The Respondent's price proposal. (up to 45 points)	45	45
		45	
		45	
2	The Respondent's experience and reputation. (up to 10 points)	9	9
		9	
		9	
3	The quality of the Respondent's goods or services. (up to 10 points)	9	9
		9	
		9	
4	The Respondent's safety record (up to 5 points)	5	4.5
		4	
		4.5	
5	The Respondent's proposed personnel. (up to 8 points)	8	7.33
		7	
		7	
6	The Respondent's financial capability in relation to the size and scope of the project. (up to 9 points)	8	8.33
		9	
		8	
7	The Respondent's organization and approach to the project. (up to 6 points)	5	5.33
		6	
		5	
8	The Respondent's time frame for completing the project. (up to 7 points)	7	7
		7	
		7	
TOTAL EVALUATION POINTS		95.49	
RANKING		1	

The Director of Purchasing has reviewed the response and evaluation completed.

Regional Center for Public Safety Excellence Portable Buildings

Fact Sheet

As of July 18, 2019

Project Name: Regional Center for Public Safety Excellence - Portable Building Expansion			
Funding Source(s): Unexpended Plant Fund		Original Budget	
		Construction	\$ 350,000
Civil Engineer(s): Dannebaum Engineering - 5/30/19		Design	35,000
		Miscellaneous	10,000
MEP Engineer(s): DBR Engineering - 5/30/19		FFE	12,000
Landscape Architect: SSP Design, LLC		Technology	275,000
Proposed Contractors: MEP Infrastructure - Metro Electric, Inc - 7/23/19 Civil Infrastructure - Roth Excavating, Inc - 7/23/19		Contingency	0
		Total:	\$ 682,000
		Estimated Cost	Variance
		630,932	\$ (280,932)
		14,166	20,834
		9,500	500
		48,200	(36,200)
		175,250	99,750
		23,458	(23,458)
		Total:	\$ (219,506)
		Board Approval	
		Civil Engineering Proposal	\$ 4,728 3/26/2019
		Additional Civil Engineering Proposal	2,106 6/25/2019
		MEP Engineering Proposal	4,860 3/26/2019
		Landscaping & Irrigation Proposal	2,650 6/25/2019
		Total:	\$ 14,344
		Substantial Completion TBD	
		Final Completion TBD	

Project Description

Six portable buildings will be purchased & installed, and the necessary infrastructure for the portable buildings will be set up at the Region Center for Public Safety Excellence (RCPSE).

Project Scope

Six portables with ramps and skirting, to include one restroom, two classroom portables, one virtual target lab/breakroom portable, one student support services/library services/ open lab portable, and an office portable. The portables will be refurbished used units from Mobile Modular Management and will be painted to match the gray metal siding of the existing RCPSE building. Project to include infrastructure for civil, Mechanical, Electrical, and Plumbing (MEP), landscape & irrigation, and a fire alarm system. Furniture, Fixtures, and Equipment (FFE) and technology equipment will be included.

Projected Timeline

Board Approval of Engineers	Board Approval of Portable Buildings Expansion Plan	Board Approval of Contractors	Construction Start Date	Substantial Completion Date	Final Completion Date	FFE Completion of Move In
5/30/2019	3/26/2019	7/23/2019	8/15/2019	11/15/2019	12/15/2019	12/15/2019

Current Agenda Item

7/23/19 Board Meeting: Review and Recommend Action on Contracting Construction Services for Portable Buildings Civil Infrastructure at the Regional Center for Public Safety Excellence
7/23/19 Board Meeting: Review and Recommend Action on Contracting Construction Services for Portable Buildings Mechanical, Electrical, and Plumbing (MEP) Infrastructure at the Regional Center for Public Safety Excellence

Project Calendar of Expenditures by Fiscal Year

Fiscal Year	Construction	Design	Misc.	FFE	Tech	Project Total
2018-19						-
2019-20						-
Project Total	\$ -	\$ -	\$ -	\$ -	\$ -	-



Review and Action as Necessary on Contracting Construction Services for Portable Buildings Mechanical, Electrical, and Plumbing (MEP) Infrastructure at the Regional Center for Public Safety Excellence

Approval to contract construction services for portable buildings mechanical, electrical, and plumbing (MEP) infrastructure at the Regional Center for Public Safety Excellence (RCPSE) is requested.

Purpose

The procurement of a contractor will provide for construction services necessary for the portable buildings MEP infrastructure at the RCPSE.

Background

On March 26, 2019, the Board of Trustees approved the expansion plan to provide five (5) portable buildings at the RCPSE and the engagement of engineering firms to provide engineering design for the infrastructure necessary for the portable buildings. On May 30, 2019, the Board approved the recommendation from College staff to purchase six (6) portable buildings in lieu of the originally planned five (5) portable buildings. DBR Engineering Consultants, Inc. was contracted to provide the MEP engineering design for the infrastructure needed for the portable buildings as required by the City of Pharr.

DBR Engineering Consultants, Inc. prepared and issued the necessary plans and specifications for the solicitation of competitive sealed proposals for this phase.

Solicitation of competitive sealed proposals for this project began on June 15, 2019. A total of four (4) sets of construction documents were issued to plan rooms and one (1) to a general contractor. A total of two (2) proposals were received on July 1, 2019.

Timeline for Solicitation of Competitive Sealed Proposals	
June 15, 2019	Solicitation of competitive sealed proposals began.
July 1, 2019	Two (2) proposals were received.

College staff reviewed and evaluated the competitive sealed proposal and recommend Metro Electric, Inc. as the highest ranked in the amount of \$123,291.37.

Funding Source

Source of Funding	Estimated Budget	Highest Ranked Proposal Metro Electric, Inc.	Budget Variance
Unexpended Construction Plant Fund	\$110,000	\$123,291.37	(\$13,291.37)
Total Amount	\$110,000	\$123,291.37	(\$13,291.37)

Funds are budgeted and available in the Unexpended Construction Plant Fund budget for fiscal year 2018-2019.

Reviewers

The proposals have been reviewed by College staff from the Facilities Planning & Construction, Maintenance & Operations, and Purchasing departments.

Enclosed Documents

Staff evaluated the proposal and prepared the enclosed proposal summary. It is recommended that the top ranked contractor be recommended for Board approval.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval to construction services with Metro Electric, Inc. in the amount of \$123,291.37 for the portable buildings MEP infrastructure at the RCPSE as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize contracting construction services with Metro Electric, Inc. in the amount of \$123,291.37 for the portable buildings MEP infrastructure at the RCPSE as presented.

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

The Board of Trustees approves and authorizes contracting construction services with Metro Electric, Inc. in the amount of \$123,291.37 for the portable buildings MEP infrastructure at the RCPSE as presented.

Approval Recommended:

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

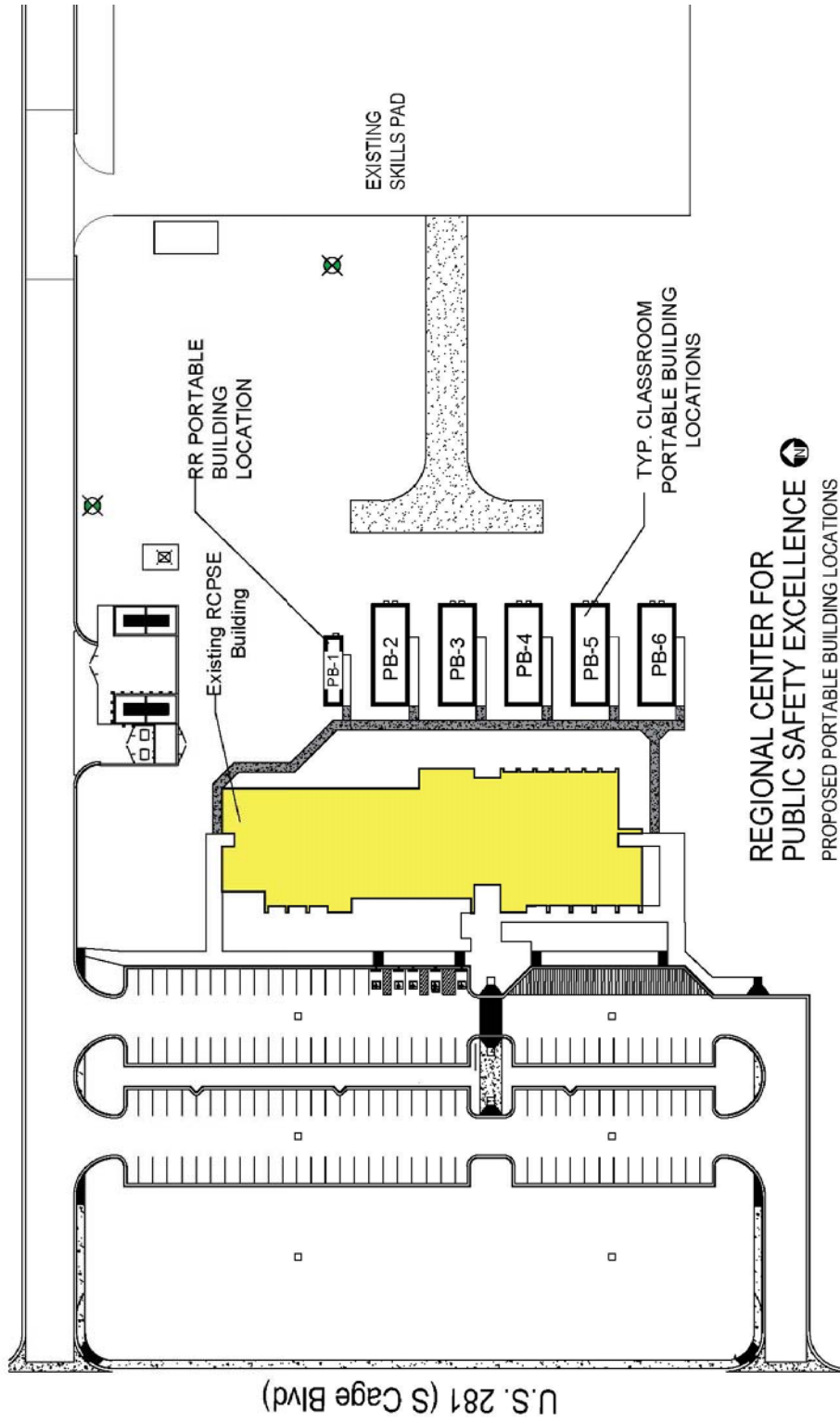
Regional Center for Public Safety Excellence (RCPSE) Portable Buildings Location



1. 21K+ Education Building
2. JAG Express Drop Off
3. 160+ Parking Spaces
4. Future Phase Campus Boulevard
5. Future 50,000sf Educational Buildings
6. Future 25,000sf Student Services Buildings
7. Future 15,000sf Student Services Buildings
8. Future 15,000sf Physical Plant
9. Skills/Skid Pad Driving Area
10. E/OC Driving Track
11. Cityscape with Simulation Building
12. Multi Story Fire Training Structure
13. Two Story Residential Fire Training Structure
14. Confined Space/ Trench Rescue Training
15. Flashover Training
16. Flammable Liquid and Gas (F.L.A.G) Training Pad
17. Firearm Training Classroom
18. Covered Shooting Range

Project Site

RCPSE Portable Buildings MEP Infrastructure Plan



Electrical Service, Water Service, and Mechanical Drains

**SOUTH TEXAS COLLEGE
REGIONAL CENTER FOR PUBLIC SAFETY EXCELLENCE - PORTABLE
BUILDINGS
- ELECTRICAL INFRASTRUCTURE
PROJECT NO. 18-19-1077**

	NAME	Metro Electric, Inc.	R. E. Friedrichs Company
	ADDRESS	1901 Industrial Dr	3409 S Jackson Rd
	CITY/STATE/ZIP	McAllen, TX 78504	Pharr, TX 78577
	PHONE	956-686-2323	956-687-8261
	FAX	956-686-4559	956-687-6164
	CONTACT	Michael A. Gerdes	Austin C. Friedrichs
#	Description	Proposed	Proposed
1	Base Bid: Regional Center for Public Safety Excellence Portable Buildings - Portable Buildings - Electrical Infrastructure	\$ 123,291.37	\$ 115,000.00
2	Bid Bond	Yes	Yes
3	Begin Work Within	7	15
4	Completion of Work Within	90 Calendar Days	75 Calendar Days
TOTAL AMOUNT PROPOSED		\$ 123,291.37	\$ 115,000.00
TOTAL EVALUATION POINTS		93.32	****
RANKING		1	****

****Vendor failed to complete a required form therefore not evaluated.

The Director of Purchasing has reviewed all the responses and evaluation completed.

**SOUTH TEXAS COLLEGE
REGIONAL CENTER FOR PUBLIC SAFETY EXCELLENCE - PORTABLE
BUILDINGS - ELECTRICAL INFRASTRUCTURE
PROJECT NO. 18-19-1077
EVALUATION SUMMARY**

VENDOR		Metro Electric, Inc.	
ADDRESS		1901 Industrial Dr	
CITY/STATE/ZIP		McAllen, TX 78504	
PHONE		956-686-2323	
FAX		956-686-4559	
CONTACT		Michael A. Gerdes	
1	The Respondent's price proposal. (up to 45 points)	45	45
		45	
		45	
2	The Respondent's experience and reputation. (up to 10 points)	9	9
		9	
		9	
3	The quality of the Respondent's goods or services. (up to 10 points)	9	9
		9	
		9	
4	The Respondent's safety record (up to 5 points)	4	4
		4	
		4	
5	The Respondent's proposed personnel. (up to 8 points)	7	7.33
		8	
		7	
6	The Respondent's financial capability in relation to the size and scope of the project. (up to 9 points)	8	8.66
		9	
		9	
7	The Respondent's organization and approach to the project. (up to 6 points)	5	5.33
		6	
		5	
8	The Respondent's time frame for completing the project. (up to 7 points)	5	5
		5	
		5	
TOTAL EVALUATION POINTS		93.32	
RANKING		1	

The Director of Purchasing has reviewed all the responses and evaluation completed.

Regional Center for Public Safety Excellence Portable Buildings

Fact Sheet

As of July 18, 2019

Project Name: Regional Center for Public Safety Excellence - Portable Building Expansion			
Funding Source(s): Unexpended Plant Fund	Original Budget		Estimated Cost Variance
	Construction	\$ 350,000	630,932 \$ (280,932)
Civil Engineer(s): Dannebaum Engineering - 5/30/19 MEP Engineer(s): DBR Engineering - 5/30/19 Landscape Architect: SSP Design, LLC Proposed Contractors: MEP Infrastructure - Metro Electric, Inc - 7/23/19 Civil Infrastructure - Roth Excavating, Inc - 7/23/19	Design	35,000	14,166 20,834
	Miscellaneous	10,000	9,500 500
	FFE	12,000	48,200 (36,200)
	Technology	275,000	175,250 99,750
	Contingency	0	23,458 (23,458)
	Total:	\$ 682,000	\$ 901,506 \$ (219,506)
	Board Approval		
Civil Engineering Proposal		\$ 4,728	3/26/2019
Additional Civil Engineering Proposal		2,106	6/25/2019
MEP Engineering Proposal		4,860	3/26/2019
Landscaping & Irrigation Proposal		2,650	6/25/2019
Total:		\$ 14,344	
STC FPC Project Manager: Sam Saldaña	Substantial Completion		TBD
	Final Completion		TBD

Project Description

Six portable buildings will be purchased & installed, and the necessary infrastructure for the portable buildings will be set up at the Region Center for Public Safety Excellence (RCPSE).

Project Scope

Six portables with ramps and skirting, to include one restroom, two classroom portables, one virtual target lab/breakroom portable, one student support services/library services/ open lab portable, and an office portable. The portables will be refurbished used units from Mobile Modular Management and will be painted to match the gray metal siding of the existing RCPSE building. Project to include infrastructure for civil, Mechanical, Electrical, and Plumbing (MEP), landscape & irrigation, and a fire alarm system. Furniture, Fixtures, and Equipment (FFE) and technology equipment will be included.

Projected Timeline

Board Approval of Engineers	Board Approval of Portable Buildings Expansion Plan	Board Approval of Contractors	Construction Start Date	Substantial Completion Date	Final Completion Date	FFE Completion of Move In
5/30/2019	3/26/2019	7/23/2019	8/15/2019	11/15/2019	12/15/2019	12/15/2019

Current Agenda Item

7/23/19 Board Meeting: Review and Recommend Action on Contracting Construction Services for Portable Buildings Civil Infrastructure at the Regional Center for Public Safety Excellence
7/23/19 Board Meeting: Review and Recommend Action on Contracting Construction Services for Portable Buildings Mechanical, Electrical, and Plumbing (MEP) Infrastructure at the Regional Center for Public Safety Excellence

Project Calendar of Expenditures by Fiscal Year

Fiscal Year	Construction	Design	Misc.	FFE	Tech	Project Total
2018-19						-
2019-20						-
Project Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Review and Action as Necessary on Substantial Completion for the Pecan Campus Ann Richards Administration Building D Renovation of East Side Office Space

Approval of substantial completion for the Pecan Campus Ann Richards Administration Building D Renovation of East Side Office Space project is requested.

Project		Completion Recommended	Date Received
1.	Pecan Campus Ann Richards Administration Building D Renovation of East Side Office Space Architect: EGV Architects Contractor: Noble Texas Builders	Substantial Completion Recommended	June 20, 2019

EGV Architects and College staff visited the site and developed a construction punch list on June 20, 2019. A Certificate of Substantial Completion has been issued. Substantial Completion was accomplished within the time allowed in the Owner/Contractor agreement for this project by Noble Texas Builders.

Enclosed Documents

A copy of the Substantial Completion Certificate and a photo are enclosed for the Board's review and information.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval of substantial completion of the Pecan Campus Ann Richards Administration Building D Renovation of East Side Office Space project as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the substantial completion of the Pecan Campus Ann Richards Administration Building D Renovation of East Side Office Space project as presented.

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

The Board of Trustees approves and authorizes the substantial completion of the Pecan Campus Ann Richards Administration Building D Renovation of East Side Office Space project as presented.

Approval Recommended:

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



AIA[®]

Document G704™ – 2017




Certificate of Substantial Completion

PROJECT: <i>(name and address)</i> South Texas College Pecan Campus Building D Renovation 3201 W. Pecan Blvd. McAllen, TX 78501	CONTRACT INFORMATION: Contract For: General Construction Date: March 21, 2019	CERTIFICATE INFORMATION: Certificate Number: 001 Date: June 20, 2019
OWNER: <i>(name and address)</i> South Texas College 3201 W. Pecan Ave. McAllen, TX 78501	ARCHITECT: <i>(name and address)</i> EGV Architects, Inc. P O Box 8627 Hidalgo, TX 78557	CONTRACTOR: <i>(name and address)</i> Noble Texas Builders 108 South Main Street La Feria, TX 78559

The Work identified below has been reviewed and found, to the Architect's best knowledge, information, and belief, to be substantially complete. Substantial Completion is the stage in the progress of the Work when the Work or designated portion is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use. The date of Substantial Completion of the Project or portion designated below is the date established by this Certificate.

(Identify the Work, or portion thereof, that is substantially complete.)

Entire project with the exception of the items listed on the punch list.

EGV Architects, Inc.		Eduardo G. Vela, Architect / President	June 20, 2019
ARCHITECT <i>(Firm Name)</i>	SIGNATURE	PRINTED NAME AND TITLE	DATE OF SUBSTANTIAL COMPLETION

WARRANTIES

The date of Substantial Completion of the Project or portion designated above is also the date of commencement of applicable warranties required by the Contract Documents, except as stated below:

(Identify warranties that do not commence on the date of Substantial Completion, if any, and indicate their date of commencement.)

As per date of substantial completion above.

WORK TO BE COMPLETED OR CORRECTED

A list of items to be completed or corrected is attached hereto, or transmitted as agreed upon by the parties, and identified as follows:

(Identify the list of Work to be completed or corrected.)

Refer to punch list items submitted under separate cover.

The failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents. Unless otherwise agreed to in writing, the date of commencement of warranties for items on the attached list will be the date of issuance of the final Certificate of Payment or the date of final payment, whichever occurs first. The Contractor will complete or correct the Work on the list of items attached hereto within Thirty (30) days from the above date of Substantial Completion.

Cost estimate of Work to be completed or corrected: \$15,000.00

The responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work, insurance, and other items identified below shall be as follows:

(Note: Owner's and Contractor's legal and insurance counsel should review insurance requirements and coverage.)

Owner assumes responsibility for security, maintenance, heat, utilities, damage to the work and insurance as of substantial completion date.

The Owner and Contractor hereby accept the responsibilities assigned to them in this Certificate of Substantial Completion:

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User Notes: (3B9ADA4E)

Noble Texas Builders
CONTRACTOR (*Firm Name*)

SIGNATURE

Alfredo Garcia, Jr., Vice-
President

PRINTED NAME AND TITLE

DATE

South Texas College
OWNER (*Firm Name*)

SIGNATURE

Dr. Shirley A. Reed,
President

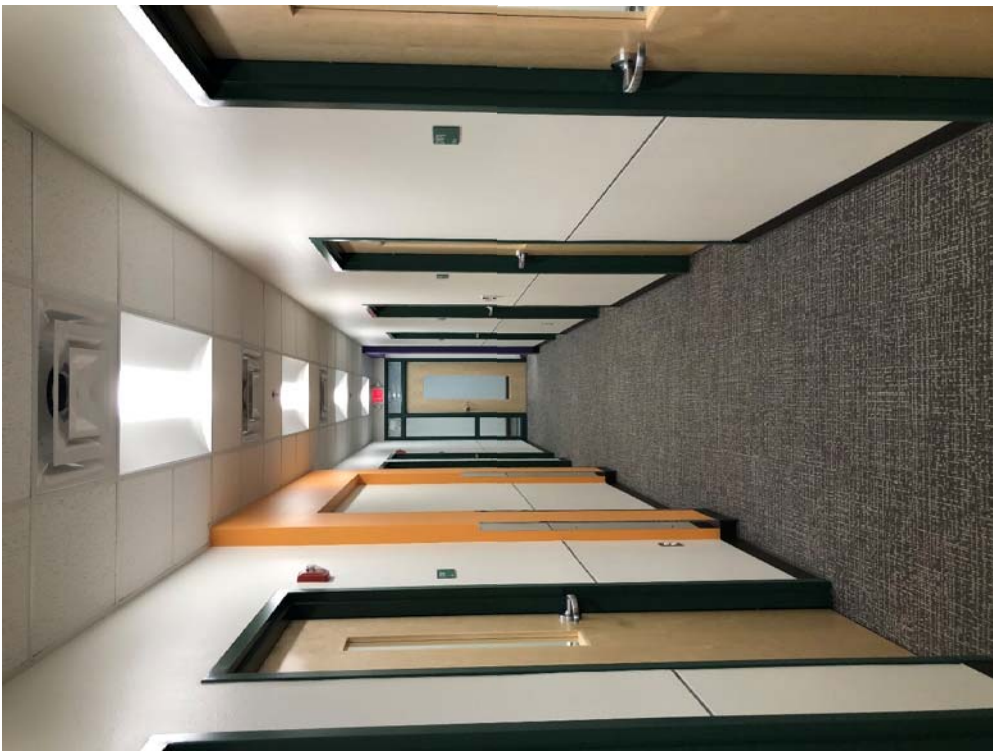
PRINTED NAME AND TITLE

DATE

Pecan Campus Ann Richards Administration Building D
Renovation of East Side Office Space



Pecan Campus Ann Richards Administration Building D
Renovation of East Side Office Space



Review and Action as Necessary on Substantial Completion for the Pecan Campus Sand Volleyball Courts

Approval of substantial and final completion for the Pecan Campus Sand Volleyball Courts project is requested.

	Project	Completion Recommended	Date Received
1.	Pecan Campus Sand Volleyball Courts Architect: Alvarado Architects & Associates Inc. Contractor: NM Contracting, LLC	Substantial Completion Recommended	June 27, 2019

Alvarado Architects & Associates and College staff have visited the site and developed a construction punch list on June 27, 2019. A Certificate of Substantial Completion has been issued. Substantial Completion was accomplished within the time allowed in the Owner/Contractor agreement for this project.

Enclosed Documents

A copy of the Substantial Completion Certificate and a photo are enclosed for the Board's review and information.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval of substantial completion of the Pecan Campus Sand Volleyball Courts project as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the substantial completion of the Pecan Campus Sand Volleyball Courts project as presented.

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

The Board of Trustees approves and authorizes the substantial completion of the Pecan Campus Sand Volleyball Courts project as presented.

Approval Recommended:

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

 **AIA® Document G704™ – 2017**

Certificate of Substantial Completion

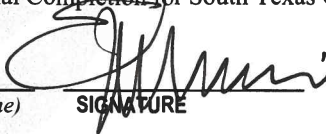
PROJECT: <i>(name and address)</i> South Texas College - Pecan Campus Sand Volleyball Courts McAllen, Texas	CONTRACT INFORMATION: Contract For: General Construction Date: February 21, 2019	CERTIFICATE INFORMATION: Certificate Number: 001 Date: June 27, 2019
OWNER: <i>(name and address)</i> South Texas College (STC) 3201 West Pecan Boulevard McAllen, Texas 78501	ARCHITECT: <i>(name and address)</i> Alvarado Architects & Associates, Inc. 307 South Main Street Donna, Texas 78537	CONTRACTOR: <i>(name and address)</i> NM Contracting, LLC 2022 Orchid Avenue McAllen, Texas 78504

The Work identified below has been reviewed and found, to the Architect's best knowledge, information, and belief, to be substantially complete. Substantial Completion is the stage in the progress of the Work when the Work or designated portion is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use. The date of Substantial Completion of the Project or portion designated below is the date established by this Certificate.

(Identify the Work, or portion thereof, that is substantially complete.)

Establishing Substantial Completion for South Texas College (STC) Pecan Campus - Sand Volleyball Courts project.

Alvarado Architects & Associates, Inc.



Erasmo D. Alvarado, Jr.
AIA, President

June 27, 2019

ARCHITECT *(Firm Name)*

SIGNATURE

PRINTED NAME AND TITLE

DATE OF SUBSTANTIAL COMPLETION

WARRANTIES

The date of Substantial Completion of the Project or portion designated above is also the date of commencement of applicable warranties required by the Contract Documents, except as stated below:

(Identify warranties that do not commence on the date of Substantial Completion, if any, and indicate their date of commencement.)

Warranty shall continue for twelve (12) months from June 27, 2019 for the Project, and thirty-six (36) months from June 27, 2019 for the rubberized play surfacing material on the Project.

WORK TO BE COMPLETED OR CORRECTED

A list of items to be completed or corrected is attached hereto, or transmitted as agreed upon by the parties, and identified as follows:

(Identify the list of Work to be completed or corrected.)

Reference attached Alvarado Architects & Associates, Inc. Punchlist dated June 27, 2019 (3 pages)

Reference attached South Texas College Punchlist dated June 27, 2019 (2 pages)

Reference attached MGE Engineering Punchlist dated June 27, 2019 (3 pages)

Reference attached NM Contracting, LLC Punchlist (1 page)

The failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents. Unless otherwise agreed to in writing, the date of commencement of warranties for items on the attached list will be the date of issuance of the final Certificate of Payment or the date of final payment, whichever occurs first. The Contractor will complete or correct the Work on the list of items attached hereto within Thirty (30) days from the above date of Substantial Completion.

Cost estimate of Work to be completed or corrected: \$15,000.00

The responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work, insurance, and other items identified below shall be as follows:

(Note: Owner's and Contractor's legal and insurance counsel should review insurance requirements and coverage.)

The Owner and Contractor hereby accept the responsibilities assigned to them in this Certificate of Substantial Completion:

NM Contracting, LLC
CONTRACTOR (*Firm Name*)



SIGNATURE

Noel Munoz, President
PRINTED NAME AND TITLE

July 1, 2019
DATE

South Texas College (STC)
OWNER (*Firm Name*)

SIGNATURE

Dr. Shirley A. Reed,
M.B.A., Ed. D, President
PRINTED NAME AND TITLE

DATE

Pecan Campus Sand Volleyball Courts



Pecan Campus Sand Volleyball Courts



Review and Action as Necessary on Substantial and Final Completion for the Pecan Campus Demolition of Dr. Casso Property

Approval of substantial and final completion for the Pecan Campus Demolition of Dr. Casso Property project is requested.

	Project	Completion Recommended	Date Received
1.	Pecan Campus Demolition of Dr. Casso Property Engineer: Perez Consulting Engineers, LLC Contractor: RL Abatement, Inc.	Substantial and Final Completion Recommended	June 19, 2019

Final Completion, including punch list items, was accomplished as required in the Owner/Contractor agreement for this project. It is recommended that substantial and final completion and release of final payment for this project with RL Abatement, Inc. be approved. The original cost approved for this project was in the amount of \$47,775.

The following chart summarizes the above information:

Construction Budget	Approved Proposal Amount	Net Total Change Orders	Final Project Cost	Previous Amount Paid	Remaining Balance
\$60,000	\$47,775	\$0	\$47,775	\$45,386.25	\$2,388.75

On June 19, 2019, Perez Consulting Engineers, LLC. and College staff inspected the site to confirm that all punch list items were completed.

Enclosed Documents

Copies of the Certificate of Substantial Completion and Final Completion Letter are enclosed for the Board's review and information.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval of substantial and final completion of the Pecan Campus Demolition of Dr. Casso Property project and release of final payment of \$2,388.75 to RL Abatement, Inc. as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the substantial and final completion of the Pecan Campus Demolition of Dr. Casso Property project and release of final payment of \$2,388.75 to RL Abatement, Inc. as presented.

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

The Board of Trustees approves and authorizes the substantial and final completion of the Pecan Campus Demolition of Dr. Casso Property project and release of final payment of \$2,388.75 to RL Abatement, Inc. as presented.

Approval Recommended:

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



June 19, 2019

Ricardo De La Garza, Director
Facilities Planning and Construction
South Texas College
3200 W. Pecan Blvd.
McAllen, TX 78501

**Re: Demolition of Dr. Casso Property
Final Inspection Walk-thru
McAllen, Texas**

Dear Mr. De La Garza,

A Final Inspection for the above mentioned project was held on Wednesday, June 19, 2019 by David Perez, P.E. (PCE), Sam Saldana (STC) and Robert Valladares (R.L. Abatement).

The site was visually inspected and to the best of my knowledge all items found deficient during the substantial completion inspection have been completed and found satisfactory in accordance to the plans and specifications.

We appreciate the opportunity to provide our consulting services to you and look forward to working with you on future projects. If you should have any questions, please feel free to contact me at 956.631.4482 or email me at dp@perezce.com.

Respectfully submitted,
Perez Consulting Engineers, LLC

A handwritten signature in blue ink, appearing to read 'J. David Perez', with a stylized flourish at the end.

J. David Perez, P.E.
President

CC: Roberto Valladares, R.L. Abatement



June 6, 2019

Ricardo De La Garza, Director
Facilities Planning and Construction
South Texas College
3200 W. Pecan Blvd.
McAllen, TX 78501

**Re: Demolition of Dr. Casso Property
Substantial Completion Inspection Walk-thru
McAllen, Texas**

Dear Mr. De La Garza,

A Substantial Completion Inspection for the above mentioned project was held on Thursday, June 06, 2019 by David Perez, P.E. (PCE), Martin Villarreal (STC) and Robert Valladares (R.L. Abatement).

The following items were found to be deficient and need to be corrected prior to substantial completion portion of the contract. The Exhibits listed below are pictures taken at the time of inspection.

1. Remove old cable lines that were visible during walk thru. Please refer to attached photo exhibits for examples.
2. Remove concrete rubble and large rocks. Please refer to attached photo exhibits for examples.
3. Refer to attached list STC punch list items reflecting same items as stated above.

Please submit an acknowledgement that all items have been corrected as requested to schedule a final inspection.

We appreciate the opportunity to provide our consulting services to you and look forward to working with you on future projects. If you should have any questions, please feel free to contact me at 956.631.4482 or email me at dp@perezce.com.

Respectfully submitted,
Perez Consulting Engineers, LLC

A handwritten signature in blue ink, appearing to read 'J. David Perez', is written over the typed name.

J. David Perez, P.E.
President

Attachments: Photo Exhibits 1 – 4
STC Punch List

**Review and Action as Necessary on Renewal of Lease Agreement
 with Pharr-San Juan-Alamo Independent School District**

Approval of the renewal of the facility lease agreement with Pharr-San Juan-Alamo Independent School District (PSJA ISD) for use of space in the College, Career & Technology Academy (CCTA) building in Pharr by South Texas College is requested.

Purpose

Authorization is being requested to renew the current facility lease agreement for use by South Texas College as classroom facilities.

Justification

The renewal of the lease of this facility is needed to continue to accommodate classes being offered by South Texas College.

Background

At the July 24, 2018 Board meeting, the Board approved the initial facility lease agreement with PSJA ISD for the period of August 15, 2018 to August 14, 2019 with the option to renew for four (4) successive terms. Staff recommends approval of the first of four renewals of the facility lease agreement for use starting August 15, 2019 to August 14, 2020.

Facility	Initial Term	Optional Renewal Periods	Lease Cost
PSJA ISD – CCTA Building – Classrooms, Science Labs, Construction Labs, Electronic Lab, Welding Lab, and Staff Offices	8/15/18 – 8/14/19	8/15/19-8/14/20 8/15/20-8/14/21 8/15/21-8/14/22 8/15/22-8/14/23	\$1 annually plus prorated cost of security, custodial, and utilities

Funding Source

Funds for these expenditures are budgeted in the Facilities Lease budget for FY 2019-2020.

Mr. Gary Gurwitz was the sole Committee member in attendance at the July 9, 2019 Facilities Committee Meeting. As the Committee Chair and the sole member present, Mr. Gurwitz recommended Board approval of the renewal of the classroom lease agreement with PSJA ISD for use of the CCTA building by South Texas College for the period of August 15, 2019 to August 14, 2020 as presented.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the renewal of the classroom lease agreement with PSJA ISD for use of the CCTA building by South Texas College for the period of August 15, 2019 to August 14, 2020 as presented.

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

The Board of Trustees approves and authorizes the renewal of the classroom lease agreement with PSJA ISD for use of the CCTA building by South Texas College for the period of August 15, 2019 to August 14, 2020 as presented.

Approval Recommended:

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

Review and Action as Necessary on Proposed Exterior Signage for the Higher Education Center - La Joya

Board approval of the proposed exterior signage for the Higher Education Center - La Joya is requested.

Purpose

The College is proposing to provide South Texas College signage on an east wall of the Higher Education Center - La Joya. The sign will have the College's logo and will have electrical lighting built into it. The sign will signify the current name and logo of the College at the Higher Education Center - La Joya. The existing building does not have any branding of the College. The signage as proposed will be illuminated with the use of LED lighting for long term durability.

In addition, the College is proposing to install the College's standard directional wayfinding signs. These signs will include vehicular signage and parking lot signage. A monument sign was previously installed on Expressway 83 in April of 2018.

The College has provided renderings of the proposed signage to La Joya Administration and they are planning to present it to the La Joya Independent School District Facilities Committee later this month.

Enclosed Documents

A presentation of the proposed signage and their proposed locations is enclosed.

On July 9, 2019, the Facilities Committee reviewed the proposal and provided feedback on the locations of wayfinding signage.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the proposed signage and their proposed locations as presented.

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

The Board of Trustees approves and authorizes the proposed signage and their proposed locations as presented.

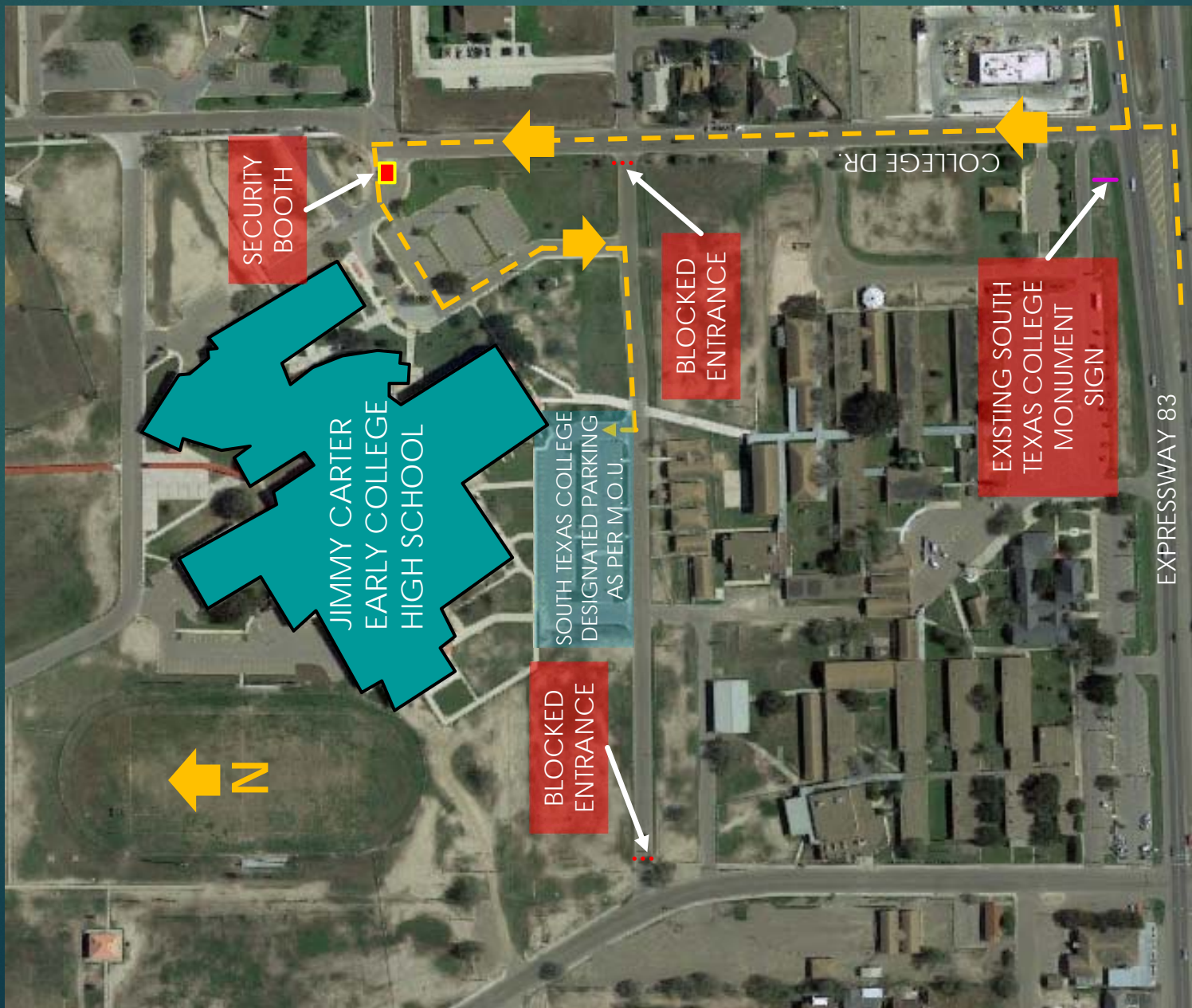
Approval Recommended:

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

SOUTH TEXAS COLLEGE
HIGHER EDUCATION CENTER -
LA JOYA

PROPOSED EXTERIOR
BUILDING AND VEHICULAR
SIGNAGE

CURRENT SITE ACCESS





PROPOSED PEDESTRIAN SIGNAGE LOCATION

PROPOSED VEHICULAR BUILDING SIGNAGE LOCATION

PROPOSED PARKING IDENTIFICATION SIGNAGE LOCATION

PROPOSED PARKING IDENTIFICATION SIGNAGE LOCATION

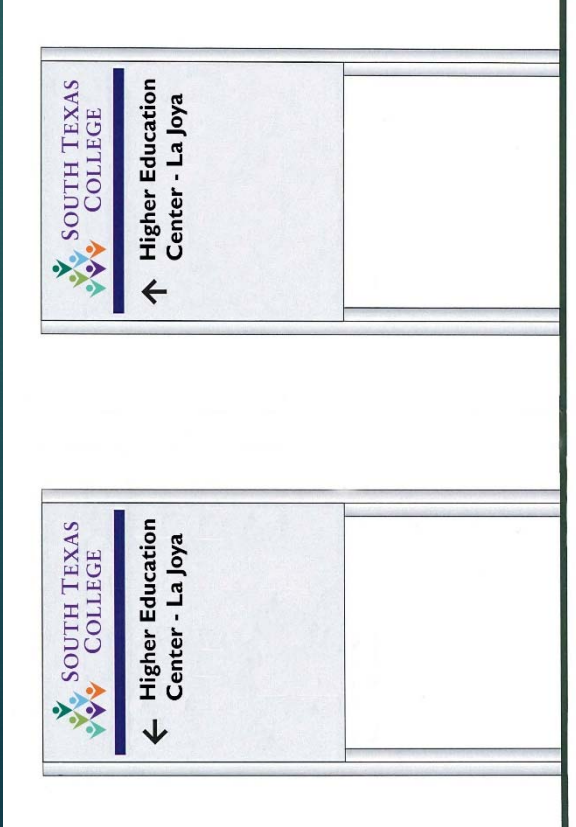
PROPOSED VEHICULAR WAYFINDING SIGNAGE LOCATIONS

COLLEGE DR.

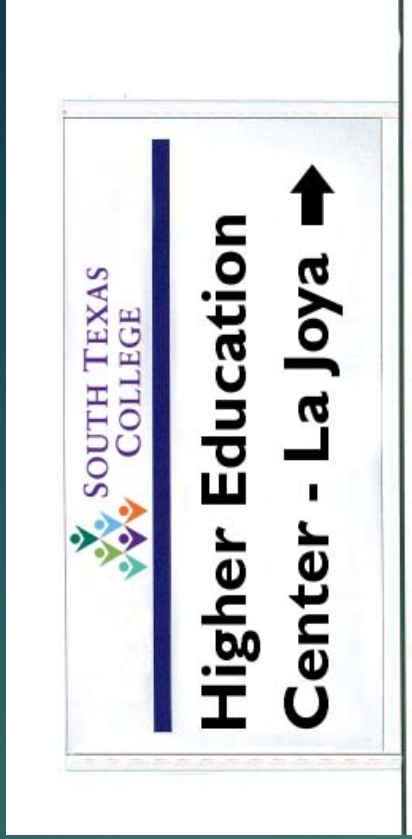
EXPRESSWAY 83



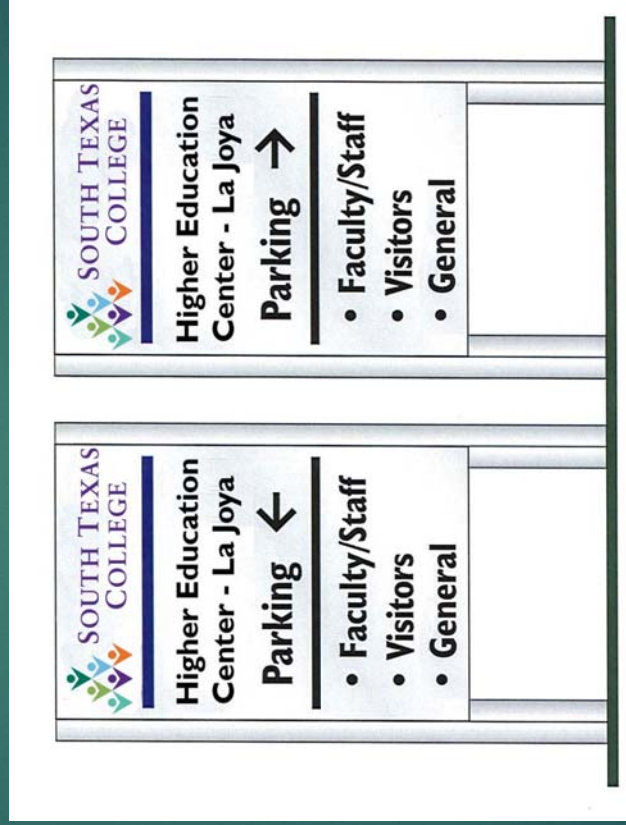
PROPOSED DIRECTIONAL WAYFINDING SIGNAGE



VEHICULAR WAYFINDING SIGNAGE EXAMPLE



VEHICULAR BUILDING SIGNAGE EXAMPLE



PARKING IDENTIFICATION SIGNAGE EXAMPLE

PROPOSED DIRECTIONAL WAYFINDING SIGNAGE

PROPOSED EXTERIOR BUILDING SIGNAGE LOCATION







EXTERIOR BUILDING SIGNAGE- NIGHT

Update on Status of Unexpended Plant Fund Construction Projects

The Facilities Planning and Construction staff prepared the attached design and construction update. This update summarizes the status of each capital improvement project currently in progress. Mary Elizondo and Rick de la Garza will be present to respond to questions and address concerns of the trustees.

CONSTRUCTION PROJECTS PROGRESS REPORT - July 2, 2019

Project number	PROJECT DESCRIPTION	Project Development				Design Phase				Construction Phase				Project Manager	Architect/Engineer/Designer	Contractor	
		Project Development	Board approval of A/E	Contract Negotiations	Concept Development	Schematic Approval	30%	60%	95%	100%	Solicit of Proposals	Approve Contractor	Construction Start				30%
Pecan Campus																	
15-1-R03	Pecan - Arbor Brick Columns Repair & Replacement (RR)	N/A	N/A		N/A										Martin	Solorio, Inc.	TBD
16-1-014	Pecan - Sand Volleyball Courts				N/A										David	Alvarado Architects	NM Contracting, LLC.
16-1-xx2	Pecan - Library (Renovation/Expansion)														Robert	TBD	TBD
	Pecan - Building A Renovation	N/A	N/A		N/A										Robert	FPC	M&O
	Pecan - Building M Office and Work Space Renovation														Robert	BSGA	TBD
	Pecan - Athletic Field Fence Enclosure	N/A	N/A		N/A										David	FPC/Chanlin Engineering	NM Contracting, LLC.
	Pecan - Building D Renovation				N/A										Robert	EGV Architects	Noble Texas Builders
	Pecan - Building H Cafeteria Renovations														Robert	EGV Architects	TBD
	Pecan - Demolition of Dr. Casso Property	N/A	N/A		N/A										Martin	PCE	RL Abatement
	Pecan - Virtual Teaching Environment Training Room				N/A	N/A	N/A								Robert	FPC	O&M
	Pecan - Park and Ride Portable Renovation and Fence Enclosure for College Vehicles														Martin		
	Pecan - Building X Data Cabling Infrastructure Replacement (RR)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						RdlG	IS&P	Bridgene/TelePro
	Pecan - Building J Data Cabling Infrastructure Replacement (RR)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						Robert	IS&P	Bridgene/TelePro
Pecan Plaza																	
15-1-003	Pecan Plaza - Emergency Generator and Wiring														Sam	DBR Engineering	McDonald Municipal and Industrial
18-1-008	Pecan Plaza - Building C 2601 Test Site Renovations	N/A	N/A		N/A										Robert	FPC	M&O
Mid Valley Campus																	
16-2-R08	MV - Childcare Canopy Replacement (RR)	N/A	N/A		N/A										Sam	FPC	Tri-Gen
16-2-(005) R09	MV - Resurfacing Parking Lot #3 (RR)														Sam	PCE	
	MV - Thermal Plant Renovation														Sam	ROFA	
	MV - Resurfacing Northwest Drive (RR)														Sam	PCE	
	MV - Covered Walkway for Bus Drop Off														Sam	FPC	Tri-Gen
	MV - Student Services Renovation														Sam	ROFA	
	MV - Roofing Replacement (RR)														Martin	TBD	

CONSTRUCTION PROJECTS PROGRESS REPORT - July 2, 2019

Project number	PROJECT DESCRIPTION	Project Development				Design Phase				Solicitation of Proposals			Construction Phase					Project Manager	Architect/Engineer/Designer	Contractor
		Project Development	Board approval of A/E	Contract Negotiations	Concept Development	Schematic Approval	30%	60%	95%	100%	Solicit of Proposals	Approve Contractor	Construction Start	30%	50%	75%	95% Substantial Comp			
Technology Campus																				
16-2-011	TC - Automotive Lab Exhaust System																	Sam	TBD	TBD
15-3-R03	TC - Building B Repair Concrete Floor Mechanical Room (RR)	N/A																David	CLH Engineering	5 Star Construction
15-3-R03	TC - Building B Concrete Floor Repairs (RR)	N/A																David	CLH Engineering	5 Star Construction
16-2-R13	TC - Building B Domestic/Fire Sprinkler Lines (RR)																	Sam	Half Associates	G&G Contractors
	TC - Technology Campus Building A & B Renovations																	Sam	TBD	TBD
	TC - Shipping and Receiving Building D Office Renovation	N/A	N/A	N/A	N/A													Robert	FPC	M&O
Nursing and Allied Health Campus																				
15-4-R02	NAH - West Side Window Waterproofing (RR)																	RdIG	M&O	
16-4-R17	NAH - Westside Elevators Refurbishment (RR)	N/A	N/A	N/A	N/A	N/A	N/A											RdIG	M&O	
16-xxx	NAH - Resurface Parking Lot #1 (RR)																	David	R. Gutierrez Engineering	
	NAH - Student Success Center Renovation																	Sam	BSGA	Tri-Gen
	NAH - Student Services Renovation																	Sam	Gignac & Associates	
	NAH - West Entry Campus Sign	N/A	N/A															David	FPC	
	NAH - Roofing Replacement (RR)																	Marlin	TBD	
Starr County Campus																				
15-5-xx5	Starr - Building E & J Crisis Mgt Center Generator																	Sam	DBR Engineering	McDonald Municipal and Industrial
	Starr - Student Services Renovation																	David	Gignac & Associates	
	Starr - Roofing Replacement (RR)																	Marlin	TBD	
Regional Center for Public Safety Excellence																				
	RCPSE - RCPSE Building (PSJA ISD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	RdIG	N/A-Receiving funds from PSJA only	
	RCPSE - Target Range																	Robert	PBK	
	RCPSE - Signage																	Robert	FPC	Monument Signs
	RCPSE - Portables																	Sam	DBR/Dannenbaum	
	RCPSE - Chiller Relocation	N/A	N/A	N/A	N/A													Robert	O&M	
Higher Education Center La Joya																				
	Exterior Building and Wayfinding Signage	N/A	N/A															David	FPC	

CONSTRUCTION PROJECTS PROGRESS REPORT - July 2, 2019

Project number	PROJECT DESCRIPTION	Project Development				Design Phase				Solicitation of Proposals			Construction Phase					Project Manager	Architect/Engineer/Designer	Contractor
		Project Development	Board approval of A/E	Contract Negotiations	Concept Development	Schematic Approval	30%	60%	95%	100%	Solicit of Proposals	Approve Contractor	Construction Start	30%	50%	75%	95% Substantial Comp			
District Wide Improvements																				
15-6-001	DW - Outdoor Furniture	N/A	N/A	N/A	N/A	N/A												Sam	N/A	NM Contracting, LLC.
15-6-002	DW - Directional Signage	N/A	N/A	N/A	N/A	N/A				N/A								David	FPC	Interface/Noble Tx
13-6-003	DW - Automatic Doors Phase III	N/A	N/A		N/A	N/A												Robert	Ethos Engineering	5 Star Construction
	DW - Bus Drop Off Areas	N/A	N/A	N/A	N/A	N/A												Martin	FPC	TBD
15-6-R01	DW - Fire Alarm Panel Replacement/Upgrades (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Sam	M&O	Strongline Security
14-6-R014	DW - Marker Boards Replacement (RR)	N/A	N/A	N/A	N/A	N/A												Sam	FPC	Noble Texas Bldrs
	DW - Interior LED Lighting Ph I (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	O&M	O&M
16-6-R19	DW - Walkway LED Lighting Upgrade Ph I (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	N/A	TBD
18-6-R12	DW - FOCUS on Active Learning (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Sam	FPC	O&M
	DW - Interior Controls Upgrade (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	N/A	TBD
	DW - Flooring Replacement (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	N/A	TBD
	DW - Restroom Fixtures Replacement & Upgrade (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	O&M	O&M
	DW - Water Heater Replacement & Upgrade (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	O&M	O&M
	DW - Door Access Controls Replacement (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	O&M	O&M
	DW - HVAC Upgrades (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	N/A	TBD
	DW - Water Pump Stations (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	N/A	TBD
	DW - Exterior Lighting Upgrade (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	O&M	Noble Texas Bldrs
	DW - Keyless Entry Access Upgrades (IT) (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	O&M	O&M
	DW - Camera Replacement (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	O&M	O&M
	DW - Basketball Court Repairing (RR)	N/A	N/A	N/A	N/A	N/A				N/A								Rick	Security	Security
		N/A	N/A	N/A	N/A	N/A				N/A								Martin	FPC	Tent-trak

For FY 2018-19, 50 non-bond projects are currently in progress, 14 project(s) completed and 16 pending start up - 80 Total

Status of Unexpended Plant Fund Construction Projects in Progress July 2019

Project	% Complete	Date to Complete	Current Activity	Total Project Budget	Amount Paid	Total Project Balance
Pecan Campus						
Sand Volleyball Courts	95%	July 2019	1. Construction Phase 2. Construction in Progress	\$ 60,500.00	\$ 32,643.00	\$ 27,857.00
Library	5%	July 2019	1. Project Development 2. A/E Services Contract Negotiation in Progress	\$ 497,000.00	\$ 703.20	\$ 496,296.80
Building A Renovation	100%	November 2018	1. Construction Complete	\$ 155,000.00	\$ 110,741.00	\$ 44,259.00
Building M Office and Work Space Renovation	75%	August 2019	1. Project Development 2. Design in Progress	\$ 433,800.00	\$ 1,510.30	\$ 432,289.70
Athletic Field Fence Enclosure	5%	August 2019	1. Construction Phase 2. Construction in Progress	\$ 111,500.00	\$ 3,129.06	\$ 108,370.94
Building D Renovations	95%	August 2019	1. Construction Phase 2. Substantial Completion	\$ 247,800.00	\$ 119,719.13	\$ 128,080.87
Building H Renovations	50%	August 2019	1. Design Phase 2. Design in Progress	\$ 833,000.00	\$ 27,913.28	\$ 805,086.72
Demolition of Dr. Casso Property	100%	June 2019	1. Construction Phase 2. Final Completion	\$ 74,000.00	\$ 61,398.30	\$ 12,601.70
Virtual Teaching Environment Training Room	95%	June 2019	1. Project Development 2. Design in Progress	\$ 130,000.00	\$ -	\$ 130,000.00
Park and Ride Portable Renovation and Fence Enclosure for College Vehicles	5%	August 2019	1. Project Development 2. Design in Progress	\$ 118,000.00	\$ -	\$ 118,000.00
Pecan Campus Total				\$ 2,660,600.00	\$ 296,358.97	\$ 2,042,241.03
Pecan Plaza						
Pecan Plaza Police Department Emergency Generator	100%	January 2019	1. Construction Complete	\$ 230,043.00	\$ 239,247.00	\$ (9,204.00)
Building C 2601 Test Site Renovation	100%	November 2018	1. Construction Complete	\$ 156,650.00	\$ 58,078.40	\$ 98,571.60
Pecan Plaza Total				\$ 386,693.00	\$ 297,325.40	\$ 89,367.60
Mid Valley Campus						
Covered Walkway for Bus Drop Off	100%	March 2019	1. Construction Complete	\$ 88,900.00	\$ 46,816.00	\$ 42,084.00
Thermal Plant Renovation	15%	July 2019	1. Design Phase 2. Design in Progress	\$ 95,200.00	\$ 1,011.60	\$ 94,188.40
Student Services Renovation	15%	June 2019	1. Design Phase 2. Design in Progress	\$ 355,000.00	\$ 1,251.60	\$ 353,748.40
Mid Valley Campus Total				\$ 617,100.00	\$ 122,951.20	\$ 490,020.80

Status of Unexpended Plant Fund Construction Projects in Progress July 2019

Project	% Complete	Date to Complete	Current Activity	Total Project Budget	Amount Paid	Total Project Balance
Technology Campus						
Ford Lab Exhaust System	5%	August 2019	1. Project Development 2. Request Solicitation for A/E	\$ 111,600.00	\$ -	TBD
Shipping and Receiving Building D Office Renovation	95%	July 2019	1. Construction Phase 2. Construction in Progress	\$ 82,000.00	\$ 21,248.37	\$ 60,751.63
Technology Campus Total				\$ 228,600.00	\$ 34,441.50	\$ 60,751.63
Nursing and Allied Health Campus						
Student Success Center Renovation	5%	Oct 2019	1. Construction Phase 2. Construction in Progress	\$ 197,066.00	\$ -	\$ 197,066.00
Student Services Renovation	5%	July 2019	1. Project Development 2. Contract Negotiations	\$ 427,500.00	\$ 1,988.37	\$ 425,511.63
West Entry Campus Sign	5%	July 2019	1. Project Development 2. Programming in Progress	\$ 26,000.00	\$ -	\$ 26,000.00
Nursing and Allied Health Campus Total				\$ 650,566.00	\$ 1,988.37	\$ 648,577.63
Starr County Campus						
Bldg E & J Crisis Management Center with Generator	100%	January 2019	1. Construction Complete	\$ 331,477.00	\$ 319,082.45	\$ 12,394.55
Student Services Renovation	5%	July 2019	1. Project Development 2. Contract Negotiations	\$ 225,000.00	\$ 395.55	\$ 224,604.45
Starr County Campus Total				\$ 606,477.00	\$ 342,278.00	\$ 260,849.00
Regional Center for Public Safety Excellence						
Target Range	5%	August 2019	1. Project Development 2. Contract Negotiations	\$ 349,625.00	\$ 761.80	\$ 348,863.20
Signage	100%	September 2018	1. Construction Complete	\$ 77,000.00	\$ 75,260.00	\$ 1,740.00
Portables	5%	September 2019	1. Construction Phase 2. Solicitation of Contractors	\$ 682,000.00	\$ -	\$ 682,000.00
Chiller Relocation	50%	August 2019	1. Construction Phase 2. Construction in Progress	\$ 170,000.00	\$ -	\$ 170,000.00
RCPSE Total				\$ 1,278,625.00	\$ 76,021.80	\$ 1,202,603.20
District Wide						
Automatic Doors Phase III	100%	June 2019	1. Construction Phase 2. Final completion	\$ 81,575.00	\$ 87,686.75	\$ (6,111.75)
Outdoor Furniture	100%	February 2019	1. Construction Complete	\$ 25,000.00	\$ -	\$ 25,000.00
Directional Signage Updates	0%	August 2019	1. Construction Phase 2. Construction in Progress	\$ 50,000.00	\$ -	\$ 50,000.00
Bus Drop Off Areas	50%	July 2019	1. Design Phase 2. Design in Progress	\$ 35,000.00	\$ -	\$ 35,000.00
District Wide Total				\$ 191,575.00	\$ 87,686.75	\$ 141,341.88
Unexpended Plant Fund Construction Project Total				\$ 6,620,236.00	\$ 1,259,051.99	\$ 4,935,752.77

Status of Renewals & Replacements Projects in Progress July 2019

Project	% Complete	Date to Complete	Current Activity	Total Project Budget	Amount Paid	Total Project Balance
Pecan Campus						
Arbor Brick Columns Repair and Replacement	5%	July 2019	1. Project Development 2. Design in Progress	\$ 47,000.00	\$ -	\$ 47,000.00
Building X Data Cabling Infrastructure Replacement	5%	December 2019	1. Design Phase 2. Design in Progress	\$ 90,000.00	\$ 11,966.73	\$ 78,033.27
Building J Data Cabling Infrastructure Replacement	65%	August 2019	1. Construction Phase 2. Construction in Progress	\$ 500,000.00	\$ -	\$ 500,000.00
Pecan Campus Total				\$ 137,000.00	\$ -	\$ 47,000.00
Mid Valley Campus						
Childcare Canopy Replacement (RR)	100%	March 2019	1. Construction Complete	\$ 66,000.00	\$ 45,973.77	\$ 20,026.23
Resurfacing Parking Lot #3 (RR)	95%	June 2019	1. Project Development 2. Contract Negotiations	\$ 59,308.00	\$ 307.65	\$ 59,000.35
Resurfacing Northwest Drive (RR)	95%	June 2019	1. Project Development 2. Contract Negotiations	\$ 194,308.00	\$ 1,128.05	\$ 193,179.95
Roofing Replacement (RR)	5%	July 2019	1. Project Development 2. Contract Negotiations	\$ 860,000.00	\$ -	\$ 860,000.00
Mid Valley Campus Total				\$ 1,192,616.00	\$ 47,409.47	\$ 1,132,206.53
Technology Campus						
Repair Concrete Floor Mechanical Room (RR)	100%	December 2018	1. Construction Complete	\$ 34,300.00	\$ 11,208.78	\$ 23,091.22
Building B Concrete Floor Repairs (RR)	75%	July 2019	1. Construction Phase 2. Construction in Progress	\$ 422,750.00	\$ 10,306.62	\$ 412,443.38
Building B Domestic/Fire Sprinkler Lines (RR)	100%	February 2019	1. Construction Complete	\$ 874,275.00	\$ 707,915.34	\$ 166,359.66
Technology Campus Total				\$ 1,376,325.00	\$ 742,623.87	\$ 601,894.26
Nursing and Allied Health Campus						
West Side Window Waterproofing	5%	July 2019	1. Design Phase 2. Design in Progress	\$ 5,000.00	\$ -	\$ 5,000.00
West Side Elevators Refurbishment	5%	July 2020	1. Construction Phase 2. Bidding in Progress	\$ 159,000.00	\$ -	\$ 159,000.00
Resurface Parking Lot #1 (RR)	25%	August 2019	1. Construction Phase 2. Construction in Progress	\$ 282,000.00	\$ 25,449.38	\$ 256,550.62
Roofing Replacement (RR)	5%	July 2019	1. Project Development 2. Contract Negotiations	\$ 250,000.00	\$ -	\$ 250,000.00
Nursing and Allied Health Campus Total				\$ 696,000.00	\$ 25,449.38	\$ 670,550.62

Status of Renewals & Replacements Projects in Progress July 2019

Project	% Complete	Date to Complete	Current Activity	Total Project Budget	Amount Paid	Total Project Balance
Starr County Campus						
Roofing Replacement (RR)	5%	July 2019	1. Project Development 2. Contract Negotiations	\$ 770,000.00	\$ -	\$ 770,000.00
Starr County Campus Total				\$ 770,000.00	\$ -	\$ 770,000.00
District Wide						
Marker Boards Replacement (RR)	75%	August 2019	1. Construction Phase 2. Construction in Progress	\$ 211,841.00	\$ 761.80	\$ 211,079.20
Fire Alarm Panel Replacement / Upgrades (RR)	30%	August 2019	1. Construction Phase 2. Bidding in Progress	\$ 200,000.00	\$ -	\$ 200,000.00
Interior LED Lighting	30%	August 2020	1. Construction Phase 2. Bidding and Construction in Progress	\$ 187,750.00	\$ -	\$ 187,750.00
Ext Walkway LED Lighting Upgrade	30%	August 2019	1. Construction Phase 2. Bidding and Construction in Progress	\$ 45,687.00	\$ 12,488.84	\$ 33,198.16
FOCUS on Active Learning (RR)	50%	August 2019	1. Construction Phase 2. Construction in Progress	\$ 30,977.00	\$ -	\$ 30,977.00
Interior Controls Upgrade (RR)	30%	August 2019	1. Construction Phase 2. Bidding and Construction in Progress	\$ 106,907.00	\$ 31,669.15	\$ 75,237.85
Flooring Replacement Phase I (RR)	100%	August 2019	1. Construction Phase 2. Final Completion for FY19	\$ 612,983.00	\$ 25,691.03	\$ 587,291.97
Restroom Fixtures Replacement & Upgrade	5%	August 2019	1. Construction Phase 2. Bidding and Construction in Progress	\$ 29,048.00	\$ 13,143.00	\$ 15,905.00
Water Heater Replacement & Upgrade	5%	August 2019	1. Construction Phase 2. Bidding and Construction in Progress	\$ 23,533.00	\$ 10,386.51	\$ 13,146.49
Door Access Controls Replacement (RR)	5%	August 2019	1. Construction Phase 2. Bidding and Construction in Progress	\$ 38,308.00	\$ 18,169.76	\$ 20,138.24
HVAC Upgrades (RR)	5%	August 2019	1. Construction Phase 2. Bidding and Construction in Progress	\$ 654,139.00	\$ 12,481.68	\$ 641,657.32
Water Pump Stations (RR)	5%	August 2019	1. Construction Phase 2. Bidding in Progress	\$ 15,000.00	\$ -	\$ 15,000.00
Exterior Lighting Upgrade (RR)	5%	August 2019	1. Construction Phase 2. Bidding in Progress	\$ 279,000.00	\$ 45,912.00	\$ 233,088.00
Keyless Entry Access Upgrades	30%	August 2020	1. Construction Phase 2. Bidding in Progress	\$ 50,000.00	\$ 19,314.79	\$ 30,685.21
Camera Replacement	100%	June 2019	1. Construction Complete	\$ 98,000.00	\$ 92,020.00	\$ 5,980.00
Basketball Court Repairing (RR)	100%	June 2019	1. Construction Phase 2. final Completion	\$ 55,000.00	\$ 53,828.20	\$ 1,171.80
District Wide Total				\$ 2,714,373.00	\$ 335,866.76	\$ 2,409,848.12
Renewal and Replacement Project Total				\$ 6,886,314.00	\$ 1,151,349.48	\$ 5,631,499.53

Consideration and Approval of Checks and Financial Reports

Board action is requested to approve the checks for release and the financial reports for the month of June 2019. The approval is for checks submitted for release in the amount greater than \$125,000.00 and checks in the amount greater than \$25,000.00 that were released as authorized by Board Policy No. 5610.

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, will provide a review of the Financial Report for the month of **June 2019**, and will respond to questions posed by the Board.

The checks and the financial reports submitted for approval are included in the Board packet under separate cover.

Recommendation:

It is recommended that the Board of Trustees approve and authorize the submitted checks for release in an amount over \$125,000.00, the checks that were released as authorized by Board Policy #5610, and the financial reports submitted for the month of June 2019.

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

The Board of Trustees of South Texas College approves and authorizes the submitted checks for release in an amount over \$125,000.00, the checks that were released as authorized by Board Policy #5610, and the financial reports submitted for the month of June 2019.

Approval Recommended:

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

Consideration and Approval of Checks and Financial Reports

The Checks and the Financial Reports presented for approval are included in the Board Packet under SEPARATE COVER:

- A. Release of Checks for \$25,000.00 to less than \$125,000.00 Released Prior to Board Approval for June 2019
- B. Release of Checks for \$125,000.00 and Above Board of Trustees Approval Required for June 2019
- C. Release of Checks for \$125,000.00 and Above Released Prior to Board Approval (Policy 5610) for June 2019
- D. Release of Construction Fund Checks for June 2019
- E. Quarterly Investment Report for June 2019
- F. Summary of Revenue for June 2019
- G. Summary of State Appropriations Income for June 2019
- H. Summary of Property Tax Income for June 2019
- I. Summary of Expenditures by Classification for June 2019
- J. Summary of Expenditures by Function for June 2019
- K. Summary of Auxiliary Fund Revenues and Expenditures for June 2019
- L. Summary of Grant Revenues and Expenditures, June 2019
- M. Summary of Bid Solicitations
- N. Check Register for June 2019

**Review and Action as Necessary Regarding Additional Paving and
Drainage Concerns at the South Texas College Regional Center for
Public Safety Excellence**

The Board will enter an Executive Session to discuss additional concerns raised about the paving and drainage infrastructure installed at the South Texas College Regional Center for Public Safety Excellence under the 2013 Bond Construction Program.

Legal Counsel will advise the Board of any action as necessary at this time.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize action as necessary.

The Following Minute Order is proposed for consideration by the Board of Trustees:
The Board of Trustees approves and authorizes action as necessary.

Approval Recommended:

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

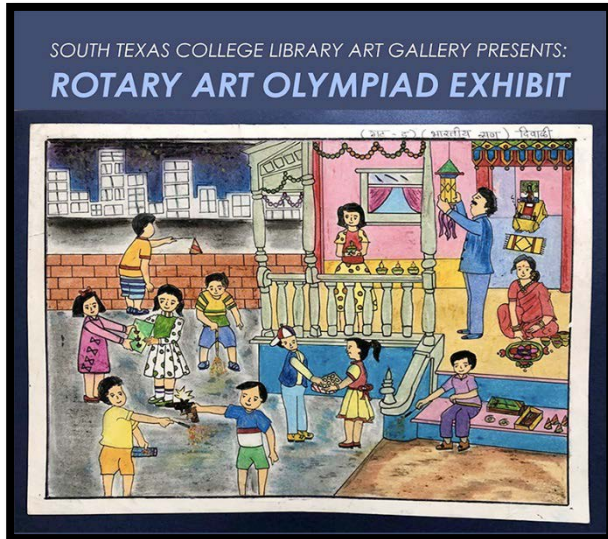


The President's Advisory Council for the Regional Center for Public Safety Excellence (RCPSE) met on June 27, 2019. Administrators and staff met with council members from local, state, and federal agencies to discuss and share information regarding completed and upcoming trainings, educational program opportunities, and key priorities for the Regional Center for Public Safety Excellence. Mr. Paul Varville, Chief Administrator for Department of Public Safety and Regional Center for Public Safety Excellence shared figures regarding officer training. A total of 902 officers and 11,223 training hours have been completed. Council members were also provided a review of the College's recruitment plan, marketing strategies, and new webpage providing information on educational opportunities available by Dr. Anahid Petrosian, Vice President for Academic Affairs and Maricruz Hinojosa, Coordinator for College Connections. Frank Salinas, Cybersecurity Program Chair presented an overview of the college's Cybersecurity Program, and results of the 86th Legislative Session were discussed by Ms. Wanda Garza, Executive Officer for External Affairs and myself. The President's Advisory Council is a crucial component for the development of RCPSE and serves as a platform to collaborate and address workforce needs with professionals in public safety and law enforcement.



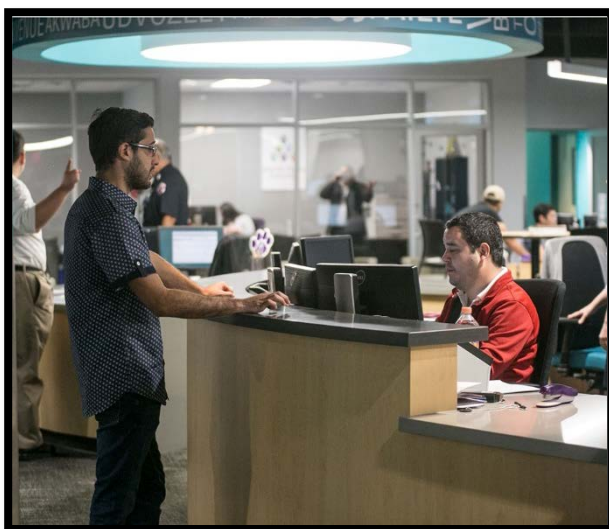
On July 12, 2019 The Star County Industrial Foundation, in partnership with South Texas College, hosted a daylong summit, **"Shaping the Future."** The Summit, as part of the federal grant funded project of the U.S. Economic Development Administration, provided an overview of the social and economic structure of Starr County and provided an update on the strategic plan. The Summit also highlighted the College's contributions and support for the development of the county and region. Key issues were discussed through multiple panel discussions that included topics such as infrastructure,

healthcare, workforce, education, economic development, and industry. The event was a huge success and was well attended.



In collaboration with Rotary District 5930, South Texas College hosted an exhibit titled **“Rotary Art Olympiad.”** This excellent exhibit will be on display at the Pecan Campus, Rainbow Room with a public reception to be held on Tuesday, July 16, 2019. The exhibit includes a collection of posters from Rotary International’s “Rotary Connects the World” program where students from Edinburg ISD displayed their poster pieces in India and student art from India was displayed locally. In addition, the exhibit will also include photovoice posters from students at the IDEA Quest College Preparatory in Edinburg. Photovoice is the collective use of art, photos and stories, to address social concerns. Students addressed a vital issue that effects our local region, hunger. These photographs have been displayed at both local and national events.

STC’s **2019 ArchiAdventure Summer Camp** was held on June 21, 2019. More than 30 Vanguard Academy students participated in the week long camp where faculty from the Architecture, Engineering, Design, Technology (AEDT) program introduced students to techniques used in the industry, such as AutoCAD, Revit, 3D printing, laser cutting, and virtual reality. An exhibit and reception were held afterward where students presented their completed projects and received a continuing education certificate for completion of the course.



FALL 2019 REGISTRATION IS CURRENTLY UNDERWAY

In an effort to provide students with assistance in advisement, financial aid, and payment options, Enrollment and Student Financial Services will be offering extended registration hours on Saturday and on selected weekdays at the Pecan Campus. Hours will be extended till 8:00 pm on selected weekdays and till 2:00 pm on Saturdays. In addition, online registration is always available to students 24 hours a day, 7 days a week.

In an effort to promote health and wellness for employees and students at the College, the Kinesiology Department Health and Wellness Center announced the following events:

- Summer 2019 Hours of Operation for the Pecan Plaza and Mid-Valley Campus and Group Fitness Class Schedule.
- Personal Trainer Certification Fall 2019 courses available.
- To encourage a healthy lifestyle, a Summer Slimdown Challenge contest for faculty and staff.



**KINESIOLOGY DEPARTMENT
HEALTH & WELLNESS CENTER**
www.southtexascollege.edu/health-wellness

SUMMER II 2019 HOURS OF OPERATION
Wednesday, July 10, 2019 – Friday, August 9, 2019

MID-VALLEY Monday – Thursday
PECAN PLAZA Monday – Thursday

SUMMER SLIMDOWN CHALLENGE 2019
Join the 2019 Summer Slimdown Challenge and reach your fitness goals this summer!

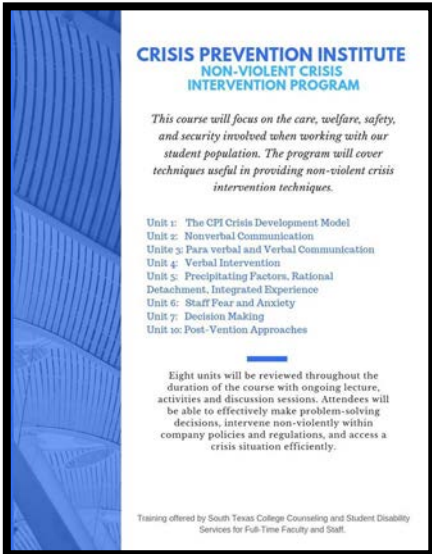
KINESIOLOGY, HEALTH & WELLNESS DEPARTMENT
PERSONAL TRAINER CERTIFICATION
FALL 2019
IMPORTANT REGISTER NOW

ENROLL NOW
Take advantage of this exciting new opportunity!
2019 FALL SEMESTER

CEW #	Course	Course Name	Day	Time
26828	HTT 1521.PFD	Personal Training	T/Th	7-8:20 am
26829	HTT 2205.PFD	Theory of Exercise, Program Design & Instruction	R/W	5:50-7:00 pm
26830	HTT 1401.PFD	Fitness and Exercise	T/Th	8-8:20 am

Program Chair approval required. Contact Sylvia Ferrin at (512) 672-2707. Pre-requisite: Must be a high school graduate or GED complete and 18 years or older.

All functions require presentation of a student or employee I.D.



**CRISIS PREVENTION INSTITUTE
NON-VIOLENT CRISIS
INTERVENTION PROGRAM**

This course will focus on the care, welfare, safety, and security involved when working with our student population. The program will cover techniques useful in providing non-violent crisis intervention techniques.

Unit 1: The CPI Crisis Development Model
Unit 2: Nonverbal Communication
Unit 3: Para verbal and Verbal Communication
Unit 4: Verbal Intervention
Unit 5: Precipitating Factors, Rational Detachment, Integrated Experience
Unit 6: Staff Fear and Anxiety
Unit 7: Decision Making
Unit 8: Post-Ventation Approaches

Eight units will be reviewed throughout the duration of the course with ongoing lecture, activities and discussion sessions. Attendees will be able to effectively make problem-solving decisions, intervene non-violently within company policies and regulations, and access a crisis situation efficiently.

Training offered by South Texas College Counseling and Student Disability Services for Full-Time Faculty and Staff.

The Counseling and Student Disability Services will offer a **Non-Violent Crisis Intervention Program** to faculty and staff. The program will focus on the care, welfare, safety, and security involved when working with the student population. This program will cover techniques useful in providing non-violent crisis intervention. The program will cover a total of 8 units which will be reviewed throughout the duration of the course with ongoing lecture, activities, and discussion sessions. Staff will be able to effectively make problem-solving decisions, intervene non-violently within the College policies and regulations, and access a crisis situation efficiently.

The Human Resources Benefits staff traveled to all five campuses during the week of July 8 – July 11 to assist with Annual Enrollment changes and answer any questions on health coverage, vision, and dental choice plans and premiums. The **ERS Annual Enrollment Presentation/Fair** was held on July 17, 2019 at the Pecan Campus Rainbow Room where plan administrators presented educational material on plans available to faculty and staff.





South Texas College Surplus Public Auction was held on Saturday, July 20, 2019 at Bond and Bond Auctioneers. Items in auction included furniture, equipment, and miscellaneous items.

After 11 years of devoted service to South Texas College, Mr. Paul Varville has announced his retirement. Mr. Varville is currently the Chief Administrator for the Department of Public Safety and Regional Center for Public Safety Excellence, but has undertaken various positions in the College which included, Director of Security, Director of Safety and Security, Chief of Police and Director of Safety, and Chief Administrator for the Department of Public Safety. Mr. Varville was instrumental and key to the establishment of the College's Police Department, given his vast knowledge and experience in law enforcement. A retirement celebration will be provided at a later date. We thank Mr. Varville for all his efforts and great success, and congratulate him on his retirement.



- Met with Gayle Runnel and Marilew Lary regarding the local Philanthropic Education Organization (P.E.O.) Chapter and their request to participate as a guest speaker at their chapter's annual event on January 18, 2020 at the McAllen Country Club. The P.E.O. is an organization whose primary purpose is to provide educational opportunities to women through scholarships, grants, awards, and loans. Mrs. Runnels and Mrs. Lary has expressed interest in their local chapter collaborating with the College.
- Met with Wanda Garza, Executive Officer for External Affairs and Mario Reyna, Dean for Business, Public Safety and Technology to discuss the Texas Commission on Law Enforcement Training Provider Pre-Screening Application.
- Participated in a conference call with Emily Myers, CEO and Jennifer Barnfield, Senior Vice President of Myers McRae Executive Search and Consulting Firm to discuss the Dean of Continuing Education, Workforce Training, and Economic Development Search.
- Met with Mary Elizondo, Vice President for Financial and Administrative Services to review health insurance and Facilities Committee and Finance, Audit, and Human Resources Committee packets.
- Met with Paul Rodriguez, STC Board Trustee President and Mary Elizondo, Vice President for Financial and Administrative Services to discuss budget preparation
- Met with Mrs. Wallace and Dr. Virginia Champion, Director of Grant Development, Management, and Compliance to visit a property in Edinburg, TX owned by Mrs. Wallace as a potential donation.

- Participated in a conference call with Emily Myers, CEO and Jennifer Barnfield, Senior Vice President of Myers McRae Executive Search and Consulting Firm and the Search Committee for the Dean of Continuing Education, Workforce Training, and Economic Development position to review process for review of candidates and hiring timeline.
- Attended the RGV Focus Leadership Team Retreat on July 17th and 18th. The retreat is the annual planning and priority setting gathering of leaders in the education and workforce sector who collaborate on assuring students are on a pathway to and through college.
- Met with Summer Leadership Institute Interns on July 19th. The Summer Leadership Institute (SLI) is a three-week internship provided by South Texas College (STC) in which educators from around the local community and school districts were invited to attend and learn all about the services and opportunities STC has available to students.
- Coordinated the agendas and back-up materials for the Facilities, Education and Workforce Development, and Finance, Audit, and Human Resources Committees, as well as the July 23, 2019 Regular Board meeting.
- Continue to meet with South Texas College's President's Cabinet to:
 - facilitate administrative planning on a weekly basis;
 - review and address issues of concern;
 - formulate strategic direction and problem solving; and
 - provide communication and feedback among the President and the Vice Presidents
- Continue to meet with South Texas College's President's Administrative Staff. The purpose of the President's Administrative Staff is to communicate information to all administrative staff and to provide the opportunity for discussion on areas of concern regarding the leadership and strategic direction for the College.
- Continue to meet with the College's Vice Presidents, Administrators, Planning and Development Council, Coordinated Operations Council, and other Councils to address immediate concerns and issues facing the College.
 - Update on Student Enrollment for Summer and Fall 2019
 - Presentation on Compliance Monitoring of Information Security Controls over Student Information as Required by Texas Higher Education Coordinating Board
 - Discussion of Strategies for Filling Administrative Vacancies
 - Review and Discussion of Search Committee Process for Classified and Professional Technical Employees
 - Update on 2019-2020 Dual Credit Program Memorandum of Understanding with Partnering Districts
 - Update on Superintendent's Leadership Meeting
 - Update on Recommendations Regarding Board Approved Tuition and Fees for FY 2019-2020
 - Bachelor of Applied Science in Organizational Leadership
 - Competency-Based Courses
 - Update on Regional Center for Public Service Safety Excellence
 - Continued Discussion of Non-Credit CTE Offerings in School Districts
 - Review and Discussion of Restructuring Division of Liberal Arts and Social Sciences
 - Discussion of Registration Fee for Summer II
 - Review of Bills from 86th Texas Legislative Relevant to Community Colleges
 - Discussion of Comprehensive Operational Plan
 - Status Report for FY 2018-2019
 - Update of FY 2019-2020 and FY 2020-2021
 - Review and Discussion of Board Committee Meetings
 - Discussion of SB 788: Direct Access to 911 from a Multi-Line Telephone System (MLTS) Phone
 - Discussion of Department of Education Rescinding Gainful Employment Requirements
 - Discussion and Review of Texas Southmost College Tuition and Fees Schedule

- Review and Discussion of Timelines for Submitting Materials for Board and Committee Meetings
- Discussion of Presentation on Enrollment Trends and Current Challenges by Dr. Cox-Otto, CEO of Interact Communications
- Discussion of the Impact of Enforcing Summer Dual Student Enrollment in “S” Sections
- Discussion of Need for Strategic Plan in Response to Opportunity to Participate in PSJA ISD College and University Center
- Discussion of New Interim Administrative Appointments
- Review and Discussion of Schematic Plan for MVC Student Services Building F Renovations
- Review and Discussion of Demolition of the MVC Thermal Plant
- Review and Update on RCPSE Portable Buildings
- Review and Discussion of the Master Schedule for Capital Improvements and Renewals & Replacements Projects
- Review and Discussion of Exterior and Wayfinding Signage for the La Joya Higher Education Center
- Review and Discussion of the Facilities Committee Meeting Agenda Items
- Updates:
 - Student Affairs and Enrollment Management
 - Finance and Administrative Services
 - Academic Affairs
 - Information Services, Planning, Performance and Strategic Initiatives

Announcements

A. Next Meetings:

- Tuesday, August 13, 2019
 - 3:30 p.m. – Education and Workforce Development Committee
 - 4:30 p.m. – Facilities Committee
 - 5:30 p.m. – Finance, Audit, and Human Resources Committee

- Tuesday, August 27, 2019
 - 5:30 p.m. – Regular Board Meeting

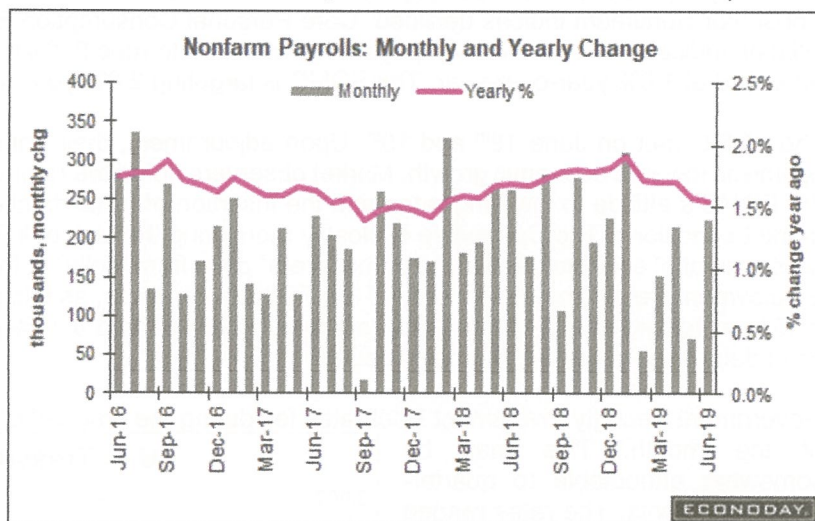
*The following documents
were provided as
handouts at the meeting.*

Market Outlook July 5, 2019

The market improved according to reports issued during June, but the yield curve has remained inverted (where short-term rates are higher than long-term rates) between overnight and twelve years. Housing, production, consumption, and employment posted mostly favorable results, but the deterioration of the global markets is still weighing on the market psyche. Although there were positives, the market continues to place a high probability of a rate cut by the Federal Open Market Committee (FOMC) as early as July 31. Following the release of the June Employment report this morning, yields improved but remained lower than where they were at the end of May.

The June Non-Farm Payroll report added a surprisingly robust 224,000 jobs (the market was expecting +165,000). The report decreased the previous two months' results by a net of 11,000 jobs. April was revised to +216,000 jobs from the previously reported +224,000 and May was revised to +72,000 from the previous

report of +75,000 jobs. The three-month average new jobs rose to +171,000 per month (the previous three-month average was +151,000 per month). The major sectors reported the following results: Health Care (+35,000), Professional/Business (+51,000), and Construction (+21,000). The Retail sector had another negative month and fell 6,000 which is the fifth consecutive month of declines. Government added 33,000 jobs. The private sector gained 191,000 jobs compared with +83,000 jobs in May. The current Labor Participation Rate, a



measure of the percentage of eligible workers that hold jobs, rose to 62.9% from 62.8%. The Unemployment Rate rose slightly to 3.7% from the May level of 3.6%. The U6 rate (or the under-employed rate – those that are either over-qualified for their job or working fewer hours than they desire) rose to 7.2% from May's 7.1%. Average Hourly Earnings (AHE) rose 0.2% in June after a rise of 0.2% in May. Year-over-year AHE remained at +3.1% and remains above the 3.0% level where inflationary forces generally begin to increase.

Reports from the Housing Sector were encouraging as buyers appear to be taking advantage of the lower mortgage rates. Existing Home Sales rose 2.5% in May after a flat April. Year-over-year, Existing Home Sales are down 1.1%. The number of units for sale rose to 4.3 months from 4.2 months' supply in April, still below the normal balance point of 6-months. The median home price for Existing Homes rose year-over-year by 4.8%. New Home Sales had a weak report and fell 0.8% in May after falling 6.9% in April. Median new home prices fell 8.1% during the month and are 2.7% higher than last year. It appears that builders are discounting prices to encourage sales. Supply of New Homes rose to 6.4 months from the April level of 5.9 months. Builders indicated that they were moderately less optimistic about future appetite. The S&P Case Shiller report of home prices in the 20 metropolitan areas reported a 0.8% increase in home values during April, and the Federal Housing Finance Agency (FHFA), the entity that analyzes all domestic home prices, reported a rise of 0.4%. Year-over-year the FHFA report was +2.5%. Housing Starts and Permits were mixed during May, with most of the strength in multi-family building rather than single family. Single family building has remained weak during 2019. Construction Spending fell 0.8% in May after rising 0.4% in April. Construction of both public and private projects has been weaker.

The Production reports were more positive this month. The final revision to the report for Gross Domestic Product (GDP) for the first quarter of 2019 showed an increase of 3.1% following the fourth quarter result

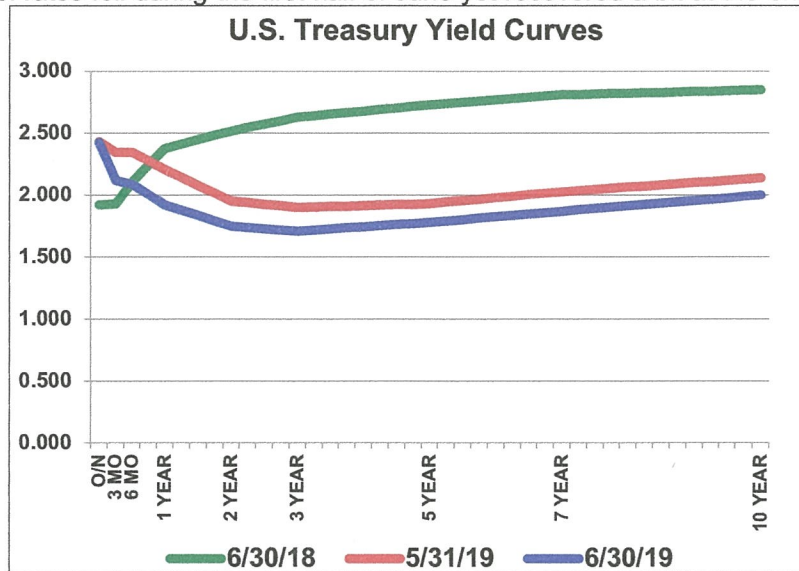
of +2.2%. This is seen as a very strong report considering that the first quarter of most years are generally weaker than fourth quarter results. Corporate profits for the first quarter rose 2.3% following a 1.6% increase during the fourth quarter. Business Inventories rose 0.5% in April after a flat March. Sales fell 0.2% raising the inventory-to-sales ratio to 1.39% from March's 1.38%. Durable Goods Orders fell 1.3% in May after a decline of 2.8% in April. Although the headline number was down, drops in automobiles and aircraft were offset by a healthy increase in orders for core capital goods. Factory Orders dropped 0.7% in May after falling 1.2% in April. Industrial Production rose 0.4% in May after falling 0.4% in April. Purchasing Managers' expectations were mixed. The Purchasing Managers Index (PMI) for manufacturing was slightly higher than in May but the Institute for Supply Management (ISM) was lower in May. Conversely, the PMI for the service sector was lower in May while the ISM for the services sector was higher in May. The Producer Price Index (PPI) rose 0.1% in May after a rise of 0.2% in April. Year-over-year, PPI net of food and energy remained at +2.4%. The Consumer Price Index (CPI) rose 0.1% in May after rising 0.3% in April. Year-over-year CPI net of food and energy remained at +2.0%.

On the consumption front, May Retail Sales rose 0.5% following a rise of 0.3% in April (revised from the previously reported decline of 0.2%). Consumers' attitudes as measured by the Consumer Confidence and Consumer Sentiment indices declined. Core Personal Consumption Expenditure Index (PCE), one of the inflation indicators that the FOMC pays close attention to rose 0.2% in May after a rising 0.2% in April and remained at 1.6% year-over-year. The FOMC is targeting 2.0% year-over-year for this indicator.

The FOMC met on June 18th and 19th. Upon adjournment, their announcement was deemed to be less optimistic towards economic growth. Market observers noted the removal of the word "patience" to describe the FOMC's attitude to lowering rates and the insertion of "uncertainties" when describing their outlook of market conditions. The Committee is closely monitoring the lack of inflation in the market and lowered the assessment of economic activity to a "moderate" pace from "solid" at their last meeting. Although the strong Employment Report may allay some of the FOMC's concerns, as this goes to print, the market is placing a 97.5% probability of a 25 basis-point decrease on July 31 and a 70% probability of an additional 25 basis-point decrease at their September meeting.

Government Security Investment Pool rates fell during the first half of June yet recovered a bit at the end

of the month. This may be somewhat attributable to quarter-end adjustments. The rates ranged between 2.35% and 2.42% during June (range was 2.37% to 2.47% in May) with month-end rates at 2.43%. After closing May at 2.21%, the 1-year Treasury closed much lower in June at 1.92% (at publication the rate is 1.98%). The 2-year Treasury closed June at 1.75%, 20 basis-points lower than May's close of 1.95% (the 2-year rate at publication is 1.87%). It is interesting to note the dramatic change in the slope of the yield curve between June 2018 and June 2019. CD rates have continued to slide during June with the 2-year +/- 1.90% at month-end (May rates were +/-2.40%). Some banks have been reluctant to offer for maturities longer than one year as their concerns about the interest rate environment are rising. We are assisting our clients to analyze all offers to determine how to allocate maturities given the uncertainties in the market.



Disclaimer: This material, based on data believed to be reliable, but not independently verified, is not intended to constitute an offer, solicitation or recommendation regarding any securities transaction or a guarantee of market conditions and is for informational purposes only. For use by the intended recipient only.

SHEPARD WALTON KING
INSURANCE GROUP

June 28, 2019

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

Re: Voluntary Student Accident Insurance RFP# 18-19-1065

Ms. Elizondo:

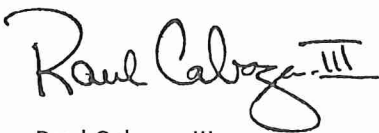
Proposals were advertised on April 29, 2019 and issued to five vendors. One response was received.

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 and \$160.00 for a 24-hour basis. The dental insurance coverage is \$8 additional premium. The premium is charged for the school year or by semester and the limit of insurance is \$25,000.

Recommendation:

We recommend Student Assurance Services, Inc. representing Ameritas Life Insurance Corp. for the year August 26, 2019 through August 26, 2020. This is a voluntary product purchased by the student and there is no cost to the college.

Submitted by



Raul Cabaza, III
Licensed Risk Manager

SHEPARD WALTON KING
INSURANCE GROUP

June 28, 2019

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

RE: Workforce Training Programs Student Accident Insurance RFP# 18-19-1065

Dear Ms. Elizondo:

One proposal was received for Workforce Training Program-Student Accident Insurance.

Student Assurance Services proposed placement through Ameritas Life Insurance Corp. with an Accident and Medical Limit of \$25,000. The premium is based on 589 students. The students are enrolled in Continuing Education Programs such as Phlebotomy, Welding, Emergency Care Assistant, and Building trades with the cost being covered by cash paying students.

Recommendation:

Student Assurance Services proposed Ameritas Life Insurance Corp for the year August 26, 2019 through August 26, 2020. The annual premium is \$2700.

Sincerely,


Raul Cabaza, III
Licensed Risk Manager

Review and Action as Necessary on Proposals for Property / Inland Marine / Boiler & Machinery, Crime, General Liability, Law Enforcement, School Leaders E&O, Automobile, Workers Compensation, Foreign Liability, and Cyber Liability Insurance

Approval to award the proposals for Property / Inland Marine / Boiler & Machinery, Crime, General Liability, Law Enforcement, School Leaders E&O, Automobile, Workers Compensation, Foreign Liability, and Cyber Liability Insurance for the period beginning September 1, 2019 through August 31, 2020 at a total cost of **\$1,153,391** is requested.

Purpose - The purpose of insurance is to anticipate catastrophic losses that could financially impair South Texas College. Insurance allows the College to minimize risk of loss from circumstances beyond its control.

Justification - Every year, prior to fiscal year end, the College requests proposals for an insurance program that provides the broadest coverage at the most competitive price available in accordance with approved or acceptable insurance practices in the State of Texas.

The College's Risk Management Consultant, Mr. Raul Cabaza III, attended the July 9, 2019 Finance, Audit, and Human Resources Committee meeting to address questions from the Committee.

The Finance, Audit, and Human Resources Committee requested that the Risk Management Consultant seek higher coverage limits for both Crime Insurance and Cyber Liability Insurance. As such, Mr. Cabaza has obtained new quotes with higher limits and will be recommending the following for Board Approval.

The premiums for Crime and Cyber Liability have increased as a result of the increase in coverage being recommended.

- The coverage for Social Engineering under the Crime Insurance increased from \$100,000 to \$500,000 resulting in an increase in premium of \$351, from \$7,137 to \$7,488.
- Additionally, options for Cyber Liability Insurance were requested to increase the policy aggregate from \$1,000,000 to \$2,000,000 and increase the legal, forensic, and public relations/crisis management limit from \$1,000,000 to \$2,000,000 (outside of policy aggregate limit) resulting in an increase in premium of \$3,990, from \$15,980 to \$19,970.
- An option for an increased fraudulent instruction (social engineering) limit of \$250,000, increased from \$100,000, under Cyber Liability Insurance ~~is pending~~ was received, which resulted in no additional cost.

Mr. Cabaza recommends the following awards:

- **Property / Inland Marine / Boiler & Machinery**

- ⇒ Request award of Property / Inland Marine / Boiler & Machinery Insurance coverage to The Hartford Fire Insurance Co. (Montalvo) at a total cost of **\$723,000**. The policy offers a 2% named storm deductible and 1% all other wind/hail deductible applied separately to each building that sustains loss and a \$100,000 deductible for all other perils.
- ⇒ Flood insurance is included with a deductible of \$50,000 or \$500,000 ~~per occurrence~~ depending on zone and location.

- **Crime Insurance**

- ⇒ Request award of Crime Insurance coverage to Traveler's Casualty & Surety Company of America (Montalvo) at a cost of **\$7,488**.

- **General Liability, Law Enforcement, School Leaders E&O and Automobile**

- ⇒ General Liability, Law Enforcement, School Leaders E&O, and Automobile Insurance to Texas Association of School Boards (TASB) at a cost of **\$196,434**. The program offers a \$1,000,000 limit for School Leaders E&O, General Liability and Law Enforcement with deductibles of \$50,000 for School Leaders E&O, \$0 for General Liability, \$0 for Employee Benefits Liability and \$0 for Law Enforcement Liability. The Automobile Liability limit is \$300,000 with a \$1,000 deductible applicable to both the liability and physical damage.
- ⇒ Per legal counsel, the College's exposure is shown in the table below:

Liability Exposure	
State	Sovereign immunity except for injuries arising out of operation of motor vehicles. Limits: \$100,000/\$300,000.
Federal	Claims arising under US Constitution and federal statutes (covered under trustee coverage) No limits.

- ⇒ Per legal counsel, under state law, the College is immune from liability except for injuries arising from a motor vehicle accident (\$100,000 per person / \$300,000 per accident). Under Federal Law, the College has exposure under Section 1983 Clauses of Action (Civil Rights Statute); there is theoretically no limit of liability. Legal counsel advises that though there is no ceiling under civil rights cases, the Board may, based on history, develop a risk policy. Given the College's comprehensive practices and procedures to avoid liability and the experience of the College with these cases, the primary purpose is first to ensure the College has competent legal defense and coverage is within limits. Based on the College's claim history, a \$250,000 limit policy would be reasonable and sufficient coverage.

- **Workers Compensation Insurance**

⇒ Workers Compensation Insurance to Texas Association of School Boards (TASB) at a total cost of **\$198,298**.

- **Foreign Liability Insurance**

⇒ Foreign Liability Insurance to Ace American Insurance Co. (Montalvo) at a total cost of **\$8,201**.

⇒ Due to employee travel to Mexico and to other countries such as Spain, to accompany students in study abroad programs, and territory restrictions under the domestic policies, the purchase of an international insurance policy is recommended.

⇒ Foreign Liability Insurance provides General Liability, Auto, Accidental Death & Dismemberment, and Property coverage in specific countries for employees during the normal scope of business, College-owned vehicles, vehicles leased by South Texas College, and equipment. General Liability is a standard insurance policy issued to business organizations to protect them against liability claims for bodily injury (BI) and property damage (PD) arising out of premises, operations, products, and completed operations; and advertising and personal injury (PI) liability.

- **Cyber Liability Insurance**

⇒ Cyber Liability Insurance to Beazley Insurance Company (Montalvo) at a total cost of **\$19,970**.

⇒ Cyber insurance covers network and information security liability, communications and media liability, regulatory defense expenses, crisis management expenses, computer program and electronic data restoration expenses, e-commerce extortion, and business interruption expenses.

The total recommended award to Montalvo is **\$758,659**. The total recommended award to TASB is **\$394,732**.

Background - The request for proposals for these insurances was advertised on May 23, 2019 and issued to seven (7) vendors. Three (3) responses were received on June 18, 2019 and were reviewed by Mr. Raul Cabaza, III, Risk Management Consultant. In addition, responses were evaluated by Frank Jason Gutierrez, Director of Accountability, Risk & Compliance, Ken Lyons, Risk Manager, and Fernando Lamas, Associate Director of Purchasing.

Funding Source - Funds for this expenditure are budgeted in the Insurance and Benefits budgets for FY 2019 - 2020, pending Board approval of the budget.

Reviewers – This item was evaluated and recommendations prepared 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 South Texas College legal counsel reviewed the recommendations furnished by the Risk Management Consultant.

Enclosed Documents – The recommendations and spreadsheets provided by Mr. Raul Cabaza, III, follow in the packet for the Committee's information and review.

The Finance, Audit, and Human Resources Committee recommended Board approval to award the proposals for Property / Inland Marine / Boiler & Machinery (\$723,000), Crime (\$7,137), General Liability, Law Enforcement, School Leaders E&O, and Automobile (\$196,434), Workers Compensation (\$198,298), Foreign Liability (\$8,201) and Cyber Liability (\$15,980) Insurance for the period September 1, 2019 through August 31, 2020 at a total cost of \$1,149,050.

The Finance, Audit, and Human Resources Committee also recommended that the Risk Management Consultant request details regarding higher coverage limits for both Crime Insurance and Cyber Liability Insurance. As such, Mr. Cabaza has obtained new quotes with higher limits and has updated his recommendations for the aforementioned coverages.

The premiums for Crime and Cyber Liability have increased as a result of the increase in coverage being recommended.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize awarding the proposals for Property / Inland Marine / Boiler & Machinery (\$723,000), Crime (\$7,488), General Liability, Law Enforcement, School Leaders E&O, and Automobile (\$196,434), Workers Compensation (\$198,298), Foreign Liability (\$8,201) and Cyber Liability (\$19,970) Insurance for the period September 1, 2019 through August 31, 2020 at a total cost of \$1,153,391.

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

The Board of Trustees approves and authorizes awarding the proposals for Property / Inland Marine / Boiler & Machinery (\$723,000), Crime (\$7,488), General Liability, Law Enforcement, School Leaders E&O, and Automobile (\$196,434), Workers Compensation (\$198,298), Foreign Liability (\$8,201) and Cyber Liability (\$19,970) Insurance for the period September 1, 2019 through August 31, 2020 at a total cost of \$1,153,391.

Approval Recommended:

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

SHEPARD WALTON KING
INSURANCE GROUP

July 23, 2019

Ms. Maria G. Elizondo
Finance and Administrative Services
South Texas College
P. O. Box 9701
McAllen, TX 78501

RE: Cyber Liability Effective September 1, 2019

Dear Ms. Elizondo:

Two proposals were received for the Cyber Coverage. Both proposals were from Montalvo Insurance with options for \$1,000,000 and \$2,000,000 limits. One proposal was through Beazley Insurance Company at premiums of \$15,980 and \$18,640 and the other through National Union Fire Insurance Company of Pittsburgh at premiums of \$14,926 and \$24,615.

Additional options were subsequently requested and received from Beazley to amend the \$2,000,000 policy aggregate option to also increase the legal, forensic & public relations/crisis management limit to \$2,000,000. at premium of \$19,970. Optional Beazley quotes for \$3M and \$5M policy aggregates were also received along with options for both 1 million and 2 million notified individuals. Under the Beazley proposal, both notifications and the limit for legal, forensic & public relations/crisis management are outside the policy aggregate limit. Additionally, the Beazley quote offers additional sub-limits for crime coverage (including \$250,000 for fraudulent instruction) which are not included under the National Union Fire Insurance Quote. Given these differences, we recommend placement of coverage through Beazley Insurance.

We recommend purchase of Cyber coverage through Montalvo Insurance with Beazley Insurance Company for the policy period September 1, 2019 through August 31, 2020 at an annual premium of \$19,970. at \$2,000,000. Policy aggregate with 1,000,000 notified individuals and \$2,000,000. Legal, Forensic & Public Relations/Crisis Management limit.

Submitted by:



Raul Cabaza, III, CIC
Licensed Risk Manager

Enclosures
AO

**SOUTH TEXAS COLLEGE
Cyber Liability
RFP #19-20-1004**

See Optional
Beazley quotes

Proposer	Current Program	Bid Proposal	Bid Proposal
	Montalvo Insurance	Montalvo Insurance	Montalvo Insurance
Insurance Company	Illinois National Ins. Company	Beazley Insurance Company	National Union Fire Ins. Co of Pittsburgh
A.M. Best Rating	A XV	A XIII	A XV
Admitted/Non-Admitted	Admitted	Admitted	
Policy Aggregate Limit	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Notification Expenses Limit	Inside	1,000,000. Notified Individuals	Part of Event Management Sublimit
-Within or In Addition to Policy Aggregate		In Addition to	
First Party Forensic Expenses Limit		\$1,000,000	Part of Event Management Sublimit
-Within or In Addition to Policy Aggregate		In Addition to	
Coverage			
Network and Information Security (incl Notification)	Included	Included	Included
Communications and Media Liability	Included	Included	Included
Regulatory Defense Expenses	Included	Included	Pending Clarification
Crisis Management Event Expenses	Included	Included	Included
Computer Program and Electronic Data Rest. Exp.	Included	Included	Part of Event Management Sublimit
E-Commerce Extortion	Included	Included	Included
Business Interruption & Extra Expense	Included	Included	Included
Deductibles:	\$ 10,000	\$ 10,000	\$ 10,000
Legal Deductible		\$ 5,000	
Notified Individuals Threshold		100	
Waiting Period (Network Interruption Ins.)	12 Hours	10 Hours	12 Hours
Retroactive Date			
-Media Content, Security & Privacy, Regulatory Action	Full Prior Acts	Full Prior Acts	Full Prior Acts
-Network Interruption, Event Management, Cyber Extortion,	Not Applicable	Not Applicable	Not Applicable
Continuity Date	09-01-17	Policy Inception	09-01-17
Endorsements:	Reputation Guard - \$50,000.	Consequential Reputational Loss- \$1,000,000	Reputation Guard - \$50,000.
		Computer Hardware Replacement Costs- \$500,000.	First Response Sub-limit: \$500,000.
		Cytojacking Endorsement - \$250,000.	Reputation Based Income Loss Coverage Endorsement- \$250,000. Limit / 14 Days
Premium:	\$ 18,513	\$ 15,980	\$ 14,926
\$2M Policy Aggregate (estimated)		\$ 18,640	\$ 24,615
\$2M Policy Aggregate with \$2M Legal, Forensic (See Beazley tab)		\$ 19,970	
\$3M Policy Aggregate with \$15,000 deductible (estimated)			\$ 32,637
Additional Coverages Included			
Fraudulent Instruction		\$ 250,000	
Funds Transfer Fraud		\$ 250,000	
Telephone Fraud		\$ 250,000	
Criminal Reward		\$ 50,000	

Note: Cyber policy documents all use varying coverage terms and definitions. Above terms taken from expiring policy. Please refer to tab for Beazley Cyber quotes for their coverage descriptions, limits and terms.

For Alternate Policy Aggregates, please refer to quotes themselves for varying sub-limits applicable.

The information on this page is a summary of coverage. It does not reflect complete policy conditions, terms, exclusions or limitations. The policy supercedes and should be reviewed for complete details.

SOUTH TEXAS COLLEGE
Cyber Liability
(Beazley Options)
RFP #19-20-1004

Proposer	Option 1		Option 2a		Option 2b		Option 3		Option 4	
	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company	Bid Proposal Montalvo Insurance	Beazley Insurance Company
Insurance Company										
A.M. Best Rating		A XIII		A XIII		A XIII		A XIII		A XIII
Admitted/Non-Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted	Admitted
Breach Response	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability	In addition to Policy Aggregate Limit of Liability
Notified Individuals - # of individuals	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Legal, Forensic & Public Relations/Crisis Management	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Policy Aggregate Limit of Liability	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Additional Breach Response Limit	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
First Party Loss										
Business Interruption Loss (resulting from Security Breach / System Failure)	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Dependent Business Loss (resulting from dependent Security Breach/System Failure)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Cyber Extortion Loss	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Data Recovery Costs	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Liability Coverages:										
Data & Network Liability	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Regulatory Defense & Penalties	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Payment Card Liabilities & Costs	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
Media Liability	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000
eCrime Coverages:										
Fraudulent Instruction	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 100,000	\$ 100,000	\$ 100,000
Funds Transfer Fraud	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Telephone Fraud	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Criminal Reward	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Retentions:										
Legal, Forensic & Public Relations/Crisis Management	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Legal	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Each Incident, Claim or Loss	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 15,000	\$ 15,000	\$ 25,000	\$ 25,000
Notified Individuals Threshold	100	100	100	100	100	100	100	100	100	100
Waiting Period	10 Hours	10 Hours	10 Hours	10 Hours	8 Hours	8 Hours	8 Hours	8 Hours	8 Hours	8 Hours
Retroactive Date	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts	Full Prior Acts
Continuity Date	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception	Policy Inception
Endorsements:										
Reputational Loss	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Computer Hardware Replacement Costs	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Cyberjacking Endorsement	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Invoice Manipulation Coverage	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Premium:	\$ 15,980	\$ 18,640	\$ 15,980	\$ 18,640	\$ 19,970	\$ 19,970	\$ 22,770	\$ 22,770	\$ 27,710	\$ 27,710
-Increase # of Notified Individuals to 2,000,000.	\$ 17,400	\$ 17,400	\$ 17,400	\$ 17,400	\$ 21,760	\$ 21,760	\$ 24,800	\$ 24,800	\$ 30,180	\$ 30,180

The information on this page is a summary of coverage. It does not reflect complete policy conditions, terms, exclusions or limitations. The policy supercedes and should be reviewed for complete details.

Cyber Liability Insurance

The Cyber policy includes coverage and comprehensive solutions to protect the College against a broad range of threats. Coverage includes:

- ❖ **Breach response**
 - legal services
 - computer forensic services
 - notification services
 - call center services
 - credit monitoring
 - identity monitoring or other personal fraud or loss prevention solutions
 - public relations and crisis management expenses
- ❖ **eCrime**
 - fraudulent instruction
 - funds transfer
 - telephone fraud
- ❖ **Criminal reward**
- ❖ **First party**
 - business interruption loss from security breach or system failure
 - dependent business interruption loss from security breach or system failure
 - cyber extortion loss
 - data recovery loss
 - data and network liability
- ❖ **Third party**
 - third-party information security and privacy coverage
 - full media liability
 - regulatory defense & penalties
 - payment card liability & costs

Source: Beazley specimen policy

Limits and Coverages

\$2,000,000	Policy Aggregate Limit <i>Breach Response</i>
1,000,000	Notified Individuals - # of individuals (in addition to policy aggregate limit of liability)
\$2,000,000	Legal, Forensic & Public Relations/Crisis Management (in addition to policy aggregate limit of liability)
\$2,000,000	Additional Breach Response Limit <i>eCrime</i>
\$250,000	Fraudulent Instruction
\$250,000	Funds Transfer Fraud
\$250,000	Telephone Fraud
\$50,000	<i>Criminal Reward</i>
	<i>First Party</i>
\$2,000,000	Business Interruption Loss (resulting from Security Breach / System Failure)
\$1,000,000	Dependent Business Loss (resulting from dependent Security Breach/System Failure)
\$2,000,000	Cyber Extortion Loss
\$2,000,000	Data Recovery Costs
\$2,000,000	Data & Network Liability
	<i>Third Party</i>
\$2,000,000	Regulatory Defense & Penalties
\$2,000,000	Payment Card Liabilities & Costs
\$2,000,000	Media Liability
	<i>Endorsements</i>
\$1,000,000	Reputational Loss endorsement
\$500,000	Computer Hardware Replacement Costs endorsement
\$250,000	Cryptojacking endorsement
\$100,000	Invoice Manipulation Coverage endorsement

Source: quote submitted by agent/carrier 142 revised

Crime Insurance (Computer Fraud, Fund Transfer Fraud, Social Engineering)

Crime policies cover the direct loss of funds, whether through maliciousness, employee dishonesty or social engineering. Covers losses that the College incurs.

- ❖ **Employee Theft** - Direct loss of, or direct loss from damage to, money, securities and other property directly caused by theft or forgery committed by an employee, whether identified or not, acting alone or in collusion with other persons.
- ❖ **Forgery or Alteration** - The signing of the name of another person or organization with a handwritten signature physically affixed directly to a Covered Instrument or Covered Personal Instrument, without authority and with the intent to deceive; it does not mean a signature that consists in whole or in part of one's own name signed with or without authority in any capacity, for any purpose.
- ❖ **Theft, Disappearance & Destruction – on premises** the insured's direct loss of money or securities located inside the premises or financial institution premises directly caused by theft [committed by a person present inside such premises or financial institution premises], by disappearance, damage, or destruction. **In transit** – the company will pay the insured for the direct loss of money or securities directly caused by theft, disappearance, damage or destruction while in transit outside the premises and in the care and custody of a messenger, or armored motor vehicle company.
- ❖ **Money Order & Counterfeit Currency** – Loss directly caused by the insured's good faith acceptance of counterfeit money orders, and currency.
- ❖ **Computer Fraud** - The use of any computer to fraudulently cause a transfer of Money, Securities or Other Property from inside the Premises or Financial Institution Premises:
 - To a person (other than a Messenger) outside the Premises or Financial Institution Premises; or
 - To a place outside the Premises or Financial Institution Premises
- ❖ **Funds Transfer Fraud** – An electronic, telegraphic, cable, teletype, instruction fraudulently transmitted to a financial institution directing such institution to debit a transfer account and to transfer, pay, or deliver money or securities from the transfer account which instruction purports to have been transmitted by the insured, but was in fact fraudulently transmitted by someone other than the insured without the insured consent or knowledge.
- ❖ **Claims Expense** - Reasonable fees, costs and expenses of outside accountants, attorneys, consultants or experts retained by the Insured to determine the amount and extent of loss covered under this Crime Policy.
- ❖ **Social Engineering** – means the intentional misleading of an employee by a person purporting to be a vendor, client, employee, or authorized person through the use of a communication.

Source: Travelers specimen policy

Limits and Coverages

\$1,000,000	Employee Theft (Dishonesty)
\$1,000,000	Forgery or Alteration
\$1,000,000	Theft, Disappearance & Destruction (Inside & Outside Premises)
\$1,000,000	Money Order & Counterfeit Currency
\$1,000,000	Computer Fraud
\$1,000,000	Funds Transfer Fraud
\$5,000	Claims Expense
\$500,000	Social Engineering

Source: quote submitted by agent/carrier

The information on this worksheet is a summary of coverage. It does not reflect complete policy conditions, terms, exclusions, or limitations. The policy supersedes and should be reviewed for complete details.