

SOUTH TEXAS COLLEGE
BOARD OF TRUSTEES SPECIAL MEETING
Thursday, April 16, 2020 @ 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:”

COVID-19 Public Health / Attendance Measures

Due to COVID-19 and Social Distancing recommendations, members of the public are encouraged to watch the live broadcast of the meeting at: <https://admin.southtexascollege.edu/president/agendas/live.html>.

- Anyone wishing to make Public Comments as provided in the agenda is asked to sign up prior to the meeting, and they will be called into the Board Room individually when it is their turn to make comments.
- Anyone who wishes to be available to respond to questions that may arise on an agenda item will be asked to wait outside the Board Room until their agenda item is called upon by the Board of Trustees. Pecan Campus Room D-106 will be open and televising the live stream, and guests are invited to wait for their items there.
- Essential staff will be on standby in an adjacent area, and ready to be called into the meeting as needed.

I. Call Meeting to Order

II. Determination of Quorum

III. Invocation

IV. Public Comments

V. Presentation

1. Update on South Texas College Response to COVID-19..... 4

VI. Consideration and Action Items

A. Finance, Audit, and Human Resources Items

1. Review of Enrollment Projection Models for Summer 2020, Fall 2020, and Spring 2021 5
2. Review and Discussion of Preliminary Budget Summary for FY 2020 – 2021 6 - 8
3. Discussion and Action as Necessary on Employment and Fiscal Actions in Response to College Closure Due to COVID-19 9 - 14
4. Discussion and Action as Necessary on the Proposed Postponement of the May 2020 Commencement Ceremonies..... 15 - 16
5. Discussion and Action as Necessary Regarding the Waiving of Electronic Distance Learning/VCT Course Fees for Dual Credit Students Enrolled in Distance Education Online Courses for Summer 2020..... 17 - 18
6. Discussion and Action as Necessary Regarding the Waiving of Student Activity Fees for Students Enrolled in Courses for Summer 2020 19
7. Review and Action as Necessary on Engagement of Bond Counsel for Proposed Bond Refunding..... 20 - 23
8. Review and Action as Necessary on Purchase and Renewal..... 24 - 25
 - A. Purchase and Renewal
 - 1) Online Tutoring Services (Purchase and Renewal):

VII. Announcements 26

A. Next Meetings:

- Tuesday, April 28, 2020
 - 5:30 p.m. – Regular Board Meeting

- Tuesday, May 12, 2020
 - 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, May 26, 2020
 - 5:30 p.m. – Regular Board Meeting

Presentation

1. Update on South Texas College Response to COVID-19

Dr. David Plummer, Interim Executive Vice President for Educational Programming and Student Achievement and Vice-President for Information Services, Planning, Performance & Strategic Initiatives, will provide an update on South Texas College's ongoing institutional response to COVID-19.

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

Review of Traditional Student Enrollment Projection Models for Summer 2020, Fall 2020, and Spring 2021

Mr. Matthew Hebbard, Vice President for Student Affairs and Enrollment Management, will review traditional student enrollment projections for Summer 2020, Fall 2020, and Spring 2021.

These enrollment projections are based upon current information. Adjustments will be made as new information, guidelines and best practices become available.

Summer 2020 Assumptions:

- Estimated enrollment decrease of 35%
- Campus continues to be closed to students/public
- Minimal staff/faculty allowed on campus to provide essential services
- All courses converted to online format
- Limited services provided via phone, online and email
- Governor considering extending “shelter in place” to end of May

Fall 2020 Assumptions:

- Estimated enrollment decrease of 25%
- Limited access to campuses for students/public while keeping social distancing
- Staff/faculty allowed on campuses to provide services while keeping social distancing
- Majority of courses provided in a hybrid or online format
- Students have limited access to labs while keeping social distancing
- Limited services provided via phone, online and email
- Unknown impact of CARES student support federal funding.

Spring 2021 Assumptions:

- Estimated enrollment decrease of 10%
- Full access to all campuses by students/public
- Regular course schedules with face-to-face, hybrid and online courses offered
- Students have full access to services and labs
- All faculty and staff are on campus

These traditional student enrollment projections are presented for the Board’s information and to provide context for the following discussion of the preliminary budget summary for FY 2020 – 2021. No action is requested.

Review and Discussion of Preliminary Budget Summary for FY 2020 – 2021

Enclosed is the Summary of Preliminary Projected Revenues and Expenditures for Fiscal Year 2020 – 2021 with Comparison to Fiscal Year 2019 – 2020 for your information and review.

The College is closely monitoring the Summer 2020 and Fall 2020 student enrollment trends that currently indicate a decline for both dual and traditional students in comparison with prior year enrollment due to the COVID-19 emergency crisis.

Although the actual effect of the crisis is not known at this time, estimated projections are being developed to prepare a budget for FY 2021, which commences in September 2020 with the Fall Semester.

In addition to a reduction in student enrollment and associated tuition and fee revenue, other revenue sources are also projected to be negatively impacted, such as interest revenue and property taxes revenue.

The attached Summary of Preliminary Projected Revenues and Expenditures for Fiscal Year 2020 – 2021 with Comparison to Fiscal Year 2019– 2020 Budget reflects projected revenue and expenditures as of April 16, 2020.

The College will continue to monitor trends and update projections for all revenue sources and affected expenditures in the next months as new information becomes available. In order to balance the budget with a reduction in revenues, all classifications of expenditures, including salaries and benefits are being evaluated.

As of April 16, 2020, the Summary of Preliminary Projected Revenues and Expenditures for Fiscal Year 2020 – 2021 with Comparison to Fiscal Year 2019 – 2020 Budget reflects the revenues and expenditures in the table below. The FY 2021 revenue amount of \$166,440,160 includes a 25% decrease in traditional student enrollment. The FY 2021 expenditures amount of \$180,710,216, however, includes the requests from financial managers and does not include adjustments or reductions to offset the reduced revenues due the decrease in traditional student enrollment.

Comparison of FY 2020 and Preliminary FY 2021 Revenues and Expenditures			
Classification	FY 2020	FY 2021	Difference
Revenues	\$ 181,730,329	\$ 166,440,160	\$ (15,290,169)
Expenditures	181,730,329	180,710,216	(1,020,113)
Revenue Over Expenditures	\$ -	\$ (14,270,056)	\$ (14,270,056)

The Summary of Preliminary Projected Revenues and Expenditures for Fiscal Year 2020 – 2021 with Comparison to Fiscal Year 2019 – 2020 Budget follows in the packet for the

Board of Trustee's review and information. Additional changes may be required to the budget revenue and expenditure projections prior to final presentation to the Board.

Mary Elizondo, Vice President for Finance and Administrative Services, will present the proposed FY 2020 – 2021 Budget and will be available to discuss the impact of COVID-19 on the FY 2021 budget.

The Summary of Preliminary Projected Revenues and Expenditures for Fiscal Year 2020 – 2021 with comparison to Fiscal Year 2019 – 2020 is presented for information and review by the Board of Trustees. No action is required from the Board of Trustees.

Unrestricted Fund

Preliminary FY 2020 - 2021 (Next Year) Budget Summary with Comparison to FY 2019 - 2020 (Current Year)

As of April 16, 2020

Summary of Revenues	FY 2020 Budget (Approved)	FY '21 25% Enrollment Decrease	% of Total Revenues	Difference FY 2020 Approved to FY 2021 Preliminary
State Contact Hour Appropriation	\$ 42,172,061	\$ 42,172,059	25.34%	\$ (2)
<i>Other State Appropriation-ORP</i>	575,785	576,681	0.35%	896
<i>Other State Appropriation-TRS</i>	2,367,977	2,371,661	1.42%	3,684
<i>Other State Appropriation-HEGI</i>	3,329,554	6,159,713	3.70%	2,830,159
Other State Appropriations Subtotal	6,273,316	9,108,055	5.47%	2,834,739
Total State Appropriations	48,445,377	51,280,114	30.81%	2,834,737
<i>Academic & Differential Tuition-Net TPEG</i>	34,539,495	25,448,107	15.29%	(9,091,388)
<i>Continuing Ed/ATCP/ITED-Net TPEG</i>	3,196,530	3,089,568	1.86%	(106,962)
Total Tuition	37,736,025	28,537,675	17.15%	(9,198,350)
Total Fees	28,870,091	22,356,371	13.43%	(6,513,720)
Total Other Revenues	8,515,643	6,474,796	3.89%	(2,040,847)
Total M&O Property Taxes	51,707,955	51,707,955	31.07%	-
Total Carryover Allocations	6,455,238	6,083,249	3.65%	(371,989)
Total Revenues	\$ 181,730,329	\$ 166,440,160	100.00%	\$ (15,290,169)
Summary of Expenditures	FY 2020 Budget (Approved)	FY '21 25% Enrollment Decrease	% of Total Expenditures	Difference FY 2020 Approved to FY 2021 Preliminary
Total Salaries	\$ 105,051,056	\$ 105,214,503	58.22%	\$ 163,447
Total Benefits	29,255,853	29,303,279	16.20%	47,426
Total Operating	36,259,252	36,460,170	20.18%	200,918
Total Travel	2,440,672	2,526,972	1.40%	86,300
Total Capital Outlay	2,773,792	1,255,588	0.69%	(1,518,204)
Total Expenditures	\$ 175,780,625	\$ 174,760,512	96.69%	\$ (1,020,113)
Transfers & Reserves				
Transfer to Unexpended Plant Fund	3,000,000	3,000,000	1.66%	-
Transfer to Office of ITED	949,704	949,704	0.53%	-
Contingency Fund	2,000,000	2,000,000	1.12%	-
Total Transfers & Reserves	5,949,704	5,949,704	3.31%	-
Total Expenditures, Transfers and Reserves	\$ 181,730,329	\$ 180,710,216	100.00%	\$ (1,020,113)
Revenues over Expenditures	\$ -	\$ (14,270,056)		\$ (14,270,056)

Discussion and Action as Necessary on Employment and Fiscal Actions in Response to College Closure Due to COVID-19

The coronavirus pandemic has negatively impacted the College's anticipated student enrollment for Summer 2020 and Fall 2020 semesters. Although the actual student enrollment reduction and the associated tuition and fee revenue decrease are not known at the present time, necessary measures must be considered and taken now to balance the FY 19 - 20 and FY 20 - 21 budgets.

As a result of COVID-19, the College has converted temporarily to online-only instruction, and employees have been directed to work from home. This directive began on March 23, 2020, and has been extended through May 4. This is a 6-week period with all employees being paid full salary and benefits.

Many categories of employees are able to work from home with differing levels of efficiency; however, several employee classifications are not able to work from home, and the College has suspended or curtailed services because of the College's closure. This includes, but is not necessarily limited to:

- bus drivers;
- security guards;
- food services;
- central receiving and distribution;
- facility maintenance; and
- facility construction.

In keeping with the best interest of the safety and well-being of students and employees, the College has undertaken the following initiatives:

Students

- Waived fees for emergency loan and installment plan late payments for the Spring 2020 semester.
- Proposed waiving of distance learning fees for dual credit students for Summer 2020 sessions.
- Proposed waiving of student activity fees for Summer 2020 sessions.
- Provided library instruction through Blackboard and other virtual environments. (added by DP)
- Access to supplemental instruction and online tutoring services through use of virtual environments (added by DP)
- Continued research support through online databases and access to research librarians via telephone and chat (added by DP)
- Student outreach, including emails, telephone, and virtual meetings, have continued. (added by MH)

Employees

- Prepared and issued Working from Home Guidelines and Activity Reports
- Prepared and issued Employee Frequently Asked Questions (FAQs)
- Continued to compensate all employees available to work whether or not they are able to actually perform the position's responsibilities while working from home.
- Provided premium pay for employees coming onto campus to work from March 23, 2019 to March 31, 2020.
- Implemented the Family First Coronavirus Response Act benefits (notice attached)
- Identified essential staff working on critical business functions were issued laptops to work from home as required. (added by DP)

College Operations

- Purchased disinfecting equipment and supplies.
- Purchased additional capacity for distance learning instruction
- Transitioned instruction to on-line for Spring Semester and Summer Sessions
- Cancelled Summer Camps
- Postponed commencement ceremonies. (added by Dr. Reed)
- Provided VPN (Virtual Private Network) and VDI (Virtual Desktop Infrastructure) to essential faculty and staff so they can securely work from home. (added by DP)
- Admissions, Financial Aid, and Call Center operations have continued online and on-campus. (added by MH)

The financial viability of the College is contingent upon student enrollment that provides 63.3% of funding revenue from student tuition and fees and state appropriations for contact hour funding. Thus, there is a critical relationship between student enrollment and the funding availability for College operations and personnel.

In an effort to mitigate the anticipated budget shortfall in FY 2020 and the reduction in budget revenues in FY 2021 due to decline in student enrollment and other types of revenue sources, such as interest revenue, the College proposes implementing the measures outlined in the following *South Texas College Plan in Response to Coronavirus*.

Administration recommends the Board enter into executive session discussion for advice from legal counsel on appropriate procedures for employment and fiscal actions in response to the College's closure as a result of COVID-19.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize action as necessary on employment and fiscal actions as a result of COVID-19 as presented.

The Following Minute Order is proposed for consideration by the Board of Trustees:
The Board of Trustees approves and authorizes action as necessary on employment and fiscal actions as a result of COVID-19 as presented.

Approval Recommended:

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

South Texas College

Plan in Response to Coronavirus

The coronavirus pandemic has negatively impacted the College's anticipated student enrollment for the Summer 2020 and Fall 2020 Semesters. Although the actual student enrollment reduction and the associated tuition and fees revenue decrease are not known at the present time, necessary measures must be considered and taken to balance the FY 20 and FY 21 budgets.

In keeping with the best interest of the safety and well-being of students and employees, the College has undertaken the following initiatives:

Students

- Waived emergency loans and installment plan late payment fees for the Spring Semester.
- Proposed waiving of distance learning fees for dual credit students for Summer Sessions.
- Proposed waiving of student activity fees for Summer Sessions.
- Provided library instruction through Blackboard and other virtual environments.
- Access to supplemental instruction and online tutoring services through use of virtual environments.
- Continued research support through online databases and access to research librarians via telephone and chat.
- Student outreach, including emails, telephone, and virtual meetings, has continued.

Employees

- Prepared and issued Working from Home Guidelines and Activity Reports.
- Prepared and issued Employee Frequently Asked Questions (FAQs).
- Continued to compensate all employees available to work through May 1, whether or not they are able to actually perform the position's responsibilities while working from home.
- Provided premium pay for employees coming onto campus to work from March 23, 2019 to March 31, 2020.
- Implemented the Family First Coronavirus Response Act benefits.
- Identified essential staff working on critical business functions and issued laptops to them to work from home as required.

College Operations

- Purchased disinfecting equipment and supplies.
- Purchased additional capacity for distance learning instruction.
- Transitioned instruction to on-line for Spring Semester and Summer Sessions.
- Cancelled Summer Camps.
- Postponed commencement ceremonies.
- Provided VPN (Virtual Private Network) and VDI (Virtual Desktop Infrastructure) to essential faculty and staff, so they can securely work from home.
- Admissions, Financial Aid, and Call Center operations have continued online and on-campus.

South Texas College

Plan in Response to Coronavirus

Measures

In an effort to mitigate the anticipated budget shortfall in FY 2020 and the reduction in budget revenues in FY 2021 due to decline in student enrollment and for other types revenue sources, such as interest revenue, the College proposes implementing the following measures:

1. Immediate Measures – Effective Date of May 1, 2020

- Suspend recruiting and hiring to fill vacant positions until further notice. Exceptions must be justified in writing and approved by the Division Vice President and President.
- Re-evaluate hiring proposals in process.
- Re-evaluate continued employment of recent hires.
- Direct Wage Employees – Compensation for non-exempt direct wage employees not working (on-campus or from home) will be discontinued effective May 1, 2020.
- Lack of Work/Ceased Operations – Compensation for non-essential non-exempt employees with lack of work or ceased operations will be discontinued effective May 1, 2020, such as Shuttle Bus Transportation Services, Food Services, and Childcare Center.
- Lack of Work/Ceased Operations - Identify affected exempt staff and provide 60-day notice.
- FY 2020 Budget Amendment – The FY 2020 budget will be amended for Board consideration to account for decline of Summer Sessions student enrollment.

2. Short – Term Measures – Effective Date of July 1, 2020

- Performing work – Change the standard to compensate exempt and non-exempt employees from “available to work” to “actually performing work”.
- Lack of Work/Reduced Operations - Vice Presidents in consultation with their Division’s Deans and Directors will identify exempt and non-exempt positions with lack of work/reduced operations to be eliminated, consolidated, placed on rotating shifts, or placed on a reduced hour schedule.
- Lack of Work/Reduced Operations- Identify affected exempt staff and provide 60-day notice.
- Lack of Work/Reduced Operations- Identify affected non-exempt staff and provide at least 2-weeks’ notice.

South Texas College

Plan in Response to Coronavirus

3. Long - Term Measures - Effective Date of September 1, 2020

- Prepare and secure Board approval of the FY 2021 Budget.
- Prepare and secure Board approval of the FY 2021 Staffing Plan.
- Modify Instructional and Business Models – Identify and propose new positions and funding allocation to fulfill changes in instructional and business models, as necessary.
- Identify and implement administrative cost efficiencies.

Discussion and Action as Necessary on the Proposed Postponement of the May 2020 Commencement Ceremonies

Due to the ongoing public health crisis regarding COVID-19, College Administration has reviewed the feasibility of the May Commencement Ceremonies at the Payne Arena scheduled for Friday, May 15 and Saturday, May 16.

College personnel consulted directly with Arena staff on possible safety measures to protect students, staff and guests and were informed that the Arena staff were in the process of rescheduling all Spring events due to the crisis. The Arena staff informed personnel that they were willing to work with alternate dates in order to reschedule the May Commencement Ceremonies.

As the crisis progressed, the College received numerous requests from graduates regarding the status of the May Ceremonies as well as concerns about the safety of students and their guests at the Ceremonies. Administration was also in contact with UTRGV and learned that UT-System made the decision to postpone all UT-System May Ceremonies. In addition, Administration also learned that most Texas Public Colleges and Universities have made similar decisions.

The current orders from the Texas Governor's Office and local county emergency health orders have been extended through April 30, 2020. Given the emergency health orders, the College is unable to distribute regalia to graduates given the current campus closure and closure of school districts. Regalia distribution for all graduates, including dual credit graduates, was scheduled to begin on the College campuses on April 13, 2020.

Other items that would needed to be purchased for the ceremony have been placed on hold as the College would incur additional costs for items that would not be reusable should the ceremony be rescheduled.

Administration has also reviewed the Center for Disease Control guidelines for Institutions of Higher Education and guidelines for Mass Gatherings and Large Community Events. Given the current public health crisis and emergency orders, Administration recommends that the May Commencement Ceremonies be postponed to a later date when feasible to ensure the safety of students, guests, faculty and staff. Administration will present to the Board possible alternate dates for the May Ceremonies for consideration when feasible.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize action as necessary for the postponement and rescheduling of the Spring 2020 Commencement Ceremonies, originally scheduled for May 15 and 16, 2020, as presented.

The Following Minute Order is proposed for consideration by the Board of Trustees:
The Board of Trustees approves and authorizes action as necessary for the postponement and rescheduling of the Spring 2020 Commencement Ceremonies, originally scheduled for May 15 and 16, 2020, as presented.

Approval Recommended:

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

Discussion and Action as Necessary Regarding the Waiver of Electronic Distance Learning/VCT Course Fees for Dual Credit Students Enrolled in Distance Education Online Courses for Summer 2020

The Board is asked to take action as necessary regarding the waiver of Distance Education Fees for Dual Credit students enrolled in Distance Education online courses for Summer 2020.

Background

The College's Student Tuition and Fee schedule levies a \$10.00 per credit hour Electronic Distance Learning/VCT Course Fee for online courses, and it is not waived for dual credit students. This fee was imposed to offset expenses related to providing online courses, and the fee has not changed in the past several years.

Dual credit course sections are typically held in a traditional, face-to-face setting. Online sections are only used to meet dual credit program demand when there are no alternatives for a traditional setting. Prior to the COVID-19 crisis, school districts developed their budgets assuming Summer 2020 academic courses would be in a traditional format, and they did not budget additional funding for online course fees.

With the current COVID-19 crisis, local school district partners have moved their educational programming fully online. Since the Electronic Distance Learning/VCT Course Fee is not waived for dual credit students, the local school districts or students would have to pay the fee, unless it is waived by the Board of Trustees.

Administration recognizes the pressure faced by College's local school district partners, and further recognizes that a decrease in dual enrollment for Summer 2020 would significantly impact contact hour reporting for the base year funding and, consequently, state appropriations for the next biennium.

If our school district partners are not able to fund the additional costs for online courses, this could lead to a drastic reduction in contact hours generated by dual enrollment courses for Summer 2020.

Projection of Distance Learning Fee Revenue/Loss

In attempting to determine the Distance Learning Fee Revenue/Loss, two scenarios were developed:

- **Scenario 1:** 15% Drop in Enrollment, Assuming the Distance Learning Fee is waived:
 - State Appropriations Generated: \$877,468.00
 - Distance Learning Fee Revenue Waived: \$175,365.00

- **Scenario 2:** 50% Drop in Enrollment, Assuming the Distance Learning Fee is not waived, and districts reduce dual credit enrollment:
 - State Appropriations Generated: \$516,157.00
 - Distance Learning Fee Revenue: \$103,315.00

Analysis of Projected Distance Learning Fee Revenue/Loss

The additional revenue generated in state appropriations by waiving the distance learning fee is \$257,996 higher.

Administrative Recommendation

Administration recommends waiving the Electronic Distance Learning/VCT Course fee for “S” (dual enrollment) sections for the Summer 2020 sessions only.

- This would facilitate the development of online course sections for dual credit students only.
- Dual credit students who enroll in “non-S” sections, established for traditional students, would still be assessed the Board-approved fee of \$10 per credit hour.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize waiving the Electronic Distance Learning/VCT Course Fee for “S” (dual enrollment) sections for the Summer 2020 sessions only as presented.

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

The Board of Trustees approves and authorizes waiving the Electronic Distance Learning/VCT Course Fee for “S” (dual enrollment) sections for the Summer 2020 sessions only as presented.

Approval Recommended:

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

Discussion and Action as Necessary Regarding the Waiving of Student Activity Fees for Students Enrolled in Courses for Summer 2020

The Board is asked to take action as necessary regarding the waiver of Student Activity Fees for all students enrolled in courses for Summer 2020.

Background

The College's Student Tuition and Fee schedule levies a \$4.00 per credit hour Student Activity Fee for all courses. This fee was imposed to offset expenses related to providing student activities, and the fee has not changed in the past several years.

Due to COVID-19 and the College's transition to online-only course delivery for the Summer 2020 sessions, the College will not provide its normal student activity services. Administration therefore recommends the waiver of the Student Activity Fee for all students enrolled in courses for Summer 2020.

Administration does expect to resume offering student activities in Fall 2020, and therefore limits the recommended waiver to enrollment during the Summer 2020 sessions.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize waiving the Student Activity Fee for all enrollment during the Summer 2020 sessions only as presented.

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

The Board of Trustees approves and authorizes waiving the Student Activity Fee for all enrollment during the Summer 2020 sessions only as presented.

Approval Recommended:

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

Review and Action as Necessary on Engagement of Bond Counsel for Proposed Bond Refunding

On March 31, 2020, the Board of Trustees authorized Hilltop Securities, Inc, to develop bond refunding parameters for presentation to the Board at a later date. This would allow the Board to consider opportunities to refund current debt obligations in the event that market conditions favor such action.

Hilltop Securities, Inc. has subsequently asked the College to engage bond counsel to provide legal services for this process.

Any bond counsel would be engaged on a contingency fee basis. As required by Texas Government Code Section 2254.101, public notice of the engagement of legal services on a contingency fee basis was included with the posted agenda for this meeting, in the form following this narrative in the Board Packet.

The College does not currently have bond counsel engaged, and asks the Board to take action as necessary to appoint bond counsel.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize action as necessary to appoint bond counsel.

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

The Board of Trustees approves and authorizes action as necessary to appoint bond counsel.

Approval Recommended:

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

Date: 4.16.20

Re: South Texas College Bond Counsel

This summary notice is intended to comply with the notice requirements set out in HB 2826 and Section 2254.101, Government Code (the “Act”), as amended. The Government Code was amended during the last session of the Legislature in order to require local political subdivisions to give notice of their engagement of legal services on a contingency fee basis. Bond counsel services are included within the definition of contingency fee legal services.

This notice supplements any material which might have been attached to the board of trustees agenda relating to the engagement of bond counsel. The following is intended to satisfy the notice requirement and may be included in the board’s meeting packet as long as that packet is available to the public. Any additional notice which is available to the public will also satisfy the requirements of the law.

The Public Notice Requirements Under HB 2826 are the following:

On or before the time of giving written notice of the meeting at which contract is to be approved, also provide notice to the public as follows:

1. The reason for pursuing the matter that is the subject of bond counsel legal services for which the Attorney would be retained and the desired outcome of the matter:

--The College seeks to issue limited tax bonds and/or other debt obligations as authorized under the provisions of the Texas Education Code, Section 1207.01 *et. seq.* of the Government Code and provisions of other Texas laws which authorize issuance of debt obligations by the College. In that regard, the College needs to engage the services of bond counsel who has demonstrated competence, qualifications and experience in the requested services.

--The College will engage the legal services after determining that the negotiated fees are fair and reasonable.

At or before the posting of the agenda for the meeting at which bond counsel was initially engaged, the College has/is giving notice of the open meeting to be held under provisions of Section 551.041 of the Local Government Code.

--(A) The College gives notice that its engagement is only for “bond counsel services” as described in the bond counsel’s offer to the College which sets out those services requested by the College.

--(B) The firm selected by the College has demonstrated the competence, qualifications and experience to be selected as bond counsel;

--(C) The terms of the engagement agreement include bond counsel obligations, fees and the right of the College to terminate the relationship;

--(D) The bond counsel legal services sought by the College cannot be adequately performed by the general counsel, other counsel regularly engaged by the College and the supporting personnel of the College. The services require competences, experience and legal knowledge which are not normally had by general counsel and the College’s supporting personnel. The bond counsel’s proposed engagement agreement sets out these competences, experience and legal knowledge essential to the bond counsel services which the College seeks.

--(E) For the same reasons describe in (D) above, a contingent fee contract for legal services is in the best interest of the residents of the College. In HB 2826, the Texas Legislature expressly recognizes that the availability of bond counsel services is particularly limited given the competences, experience and legal knowledge that are required to be had in order for bond counsel to perform its services and issue the legal opinions required upon issuance of the bonds. The areas of legal practice which bond counsel typically is required to engage in in order to perform its services include: election laws, Texas constitutional, statutory and

common law as it relates to elections and bond elections; the legal authority of political subdivisions to enter legally enforceable obligations, and in particular debt obligations, and the levying of taxes in payment thereof; federal tax law and Internal Revenue Regulations, particularly as they relate to issuance of tax-exempt debt by political subdivisions; and U.S. Securities laws and their application and exemptions for political subdivisions.

--(F) the engagement of bond counsel on a contingency fee basis is in the best interest of the College and of its residents on the basis of the following: (1) the College has the benefit of receiving and relying on the legal advice of a qualified and experience legal counsel; (2) the College is able to rely on the legal advice of bond counsel throughout all preparatory actions relating to issuance of a bond without having to pay significant fees during the process; (3) College decisions to postpone an action, including an election and issuance or sale of the bonds does not result in paying additional legal fees; and (4) a contingency fee allows the College to pay for and capitalize fees for the bond counsel and all related fees out a debt fund rather than from the College's Maintenance and Operations Fund.

Review and Action as Necessary on Purchase and Renewal

Approval of the following purchase and renewal is requested.

The Director of Purchasing has reviewed this item, including the procurement procedure, and recommends approval as follows:

A. Purchase and Renewal

1) Online Tutoring Services (Purchase and Renewal)

Purchase additional online tutoring services from **NCS Pearson, Inc. /dba Smarthinking**, a sole source vendor, for the period beginning April 1, 2020 through August 31, 2020, at a total amount of \$28,600.00. The annual renewal for this service was processed on September 1, 2019 in the amount of \$49,400.00. The new annual amount will be \$78,000.00, which will now require Board approval.

Purpose – The Centers for Learning Excellence is requesting to purchase additional online tutoring service hours due to the College’s closure and the transition from traditional to online courses.

Justification and Benefit – All courses are now actively using the Blackboard interface, so we anticipate a significantly greater demand for online tutoring services both for writing review and for after-hours tutoring. The purchase of additional hours is required to adequately meet the support needs of students who are now functioning fully in the online instruction space. This academic support tool was integrated into the Blackboard Learning Management Systems (LMS) that we primarily market for asynchronous writing support, but also has real-time support capability twenty-four (24) hours a day.

Funds for this expenditure are budgeted in the Center for Learning Excellence budget for FY 2019 – 2020.

No Review by Finance, Audit, and Human Resources Committee

This item is required on short notice due to the College’s emergency response to COVID-19, and is presented without a Committee recommendation.

A. Purchase and Renewal

- 1) **Online Tutoring Services (Purchase and Renewal):** purchase additional online tutoring services from **NCS Pearson, Inc. /dba Smarthinking**, a sole source vendor, for the period beginning April 1, 2020 through August 31, 2020, at a total amount of \$28,600.00. The annual renewal for this service was processed on September 1, 2019 in the amount of \$49,400.00. The new annual amount will be \$78,000.00, which will now require Board approval.

Recommend Action - The total for the purchase and renewal is \$28,600.00, which increases the previous renewal of \$49,400.00 to a new total of \$78,000.00.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the purchase and renewal is \$28,600.00, which increases the previous renewal of \$49,400.00 to a new total of \$78,000.00, as presented.

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

The Board of Trustees approves and authorizes the purchase and renewal is \$28,600.00, which increases the previous renewal of \$49,400.00 to a new total of \$78,000.00, as presented.

Approval Recommended:

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

Announcements

A. Next Meetings:

- Tuesday, April 28, 2020
 - 5:30 p.m. – Regular Board Meeting

- Tuesday, May 12, 2020
 - 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, May 26, 2020
 - 5:30 p.m. – Regular Board Meeting