



**SOUTH TEXAS
COLLEGE**

Board of Trustees

Special Board Meeting

**Tuesday, June 08, 2021
5:30 p.m.**

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

Online Board Packet

SOUTH TEXAS COLLEGE
BOARD OF TRUSTEES SPECIAL BOARD MEETING
Tuesday, June 8, 2021 @ 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. Deliberation and Action as Necessary**
 - 1. Deliberation and Action as Necessary Regarding Legal Services 3 - 6
 - 2. Discussion and Action as Necessary on Proposed Budget Amendment for FY 2020 – 2021 7 - 31
- IV. Announcements**
- V. Next Meetings:**
 - Tuesday, June 22, 2021
 - 5:30 p.m. – Regular Board Meeting

Review and Action as Necessary on Legal Services

The Board is asked to take action as necessary on legal services.

At the January 26, 2021 Board of Trustees meeting, the Board authorized the solicitation of a request for qualifications for legal services to protect the College and provide advice and representation.

Proposal documents were advertised on February 3, 2021 and February 10, 2021 and issued to twenty-eight (28) attorneys/law firms. Seven (7) responses were received on February 24, 2021.

On March 5, 2021, administration provided procedures and best practices regarding the process used by College staff when reviewing and evaluating qualifications. All seven trustees were provided with hard copies of the forms used in the evaluation process, as well as copies of all seven (7) responsive Qualifications.

On May 17, 2021, the Board reviewed the trustees' independent evaluations of legal services qualifications. The most highly ranked firm was the Law Office of Javier Villalobos, P.C.

On May 17, 2021, the Board authorized the engagement of the Law Office of Javier Villalobos, P.C., contingent upon an interview with Mr. Villalobos and the negotiation of an agreement for legal services.

The Board interviewed Mr. Villalobos during a Special Board Meeting on June 3, 2021. At that meeting, Mr. Villalobos agreed to provide legal services under the same terms of engagement with current general counsel.

Administration has provided a proposed Legal Services Agreement for the Board's review and approval, for the engagement of the Law Office of Javier Villalobos, P.C., as provided in the following pages.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize execution of the Legal Services Agreement as presented.

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

The Board of Trustees of Trustees of South Texas College approves and authorizes execution of the Legal Services Agreement as presented.

Approval Recommended:

Ms. Rose Benavidez
Board Chair

LEGAL SERVICES AGREEMENT

This Agreement is made this ___ day of _____, 2021, by and between South Texas College (STC), a political subdivision of the State of Texas, hereafter referred to as “STC”, and the Law Office of Javier Villalobos, P.C., hereafter referred to as “Attorney”.

1. SCOPE OF SERVICES

STC hereby secures the services of Attorney to perform and render Legal Services to STC. The Attorney agrees to perform legal services but not limited to the following:

- a. Attending Board and Committee meetings and advising Board members, Committee members, and Administration.
- b. Providing legal counsel and guidance to Board of Trustees and administration staff on such matters as:
 - i. Development, review, and recommendation for updates of policies
 - ii. Procurement procedures and contracts (interpretation of procurement law and review of certain contracts, development of a standardized contract form for most services the College solicits to be included as part of the RFP or RFQ document) and contract compliance
 - iii. Elections
 - iv. Texas Open Meetings Act
 - v. Texas Public Information Act
 - vi. Construction Contracts
 - vii. Litigation representation
 - viii. Tax Abatement Agreements
 - ix. IRS examinations
 - x. Policy Drafting and Advising
 - xi. Legal Counsel Advising
 - xii. Public Information Responses
 - xiii. Real Estate
 - xiv. Intellectual Property
 - xv. Other U.S. State and International Matters and Engagements
 - xvi. Land Use, Environmental, Health, and Safety
 - xvii. General higher education matters including, but not limited to, tort and civil liabilities
- c. Additional legal services as requested and authorized by the Board

2. ATTORNEY'S DUTIES AND REPRESENTATIONS

- a. STC and Attorney agree and acknowledge that STC is entering into this Agreement in reliance on Attorney's special abilities. The Attorney accepts the relationship of trust and confidence established between it and STC by this Agreement. Attorney agrees to use its best efforts, skill, judgment and abilities, in accordance with the highest standards of Attorney's profession or business and in compliance with all applicable laws, regulations, codes, and ordinances.
- b. The Attorney warrants, represents, and agrees that all services to be performed by the Attorney under or pursuant to this Agreement shall be of the standard and quality which prevail among similar businesses and organizations engaged in providing similar services.

- c. The Attorney warrants, represents and agrees that all persons connected with the Attorney directly in charge of services are duly registered and/or licensed under the laws, rules and regulations of any authority having jurisdiction, if so required by such laws, rules and regulations.
- d. Attorney warrants, represents and agrees that all services shall be performed in a minimum of time consistent with the highest customs, standards and practices of Attorney's business or profession.

3. COMPENSATION

As compensation for services to be rendered by Attorney, STC shall pay according to the rate(s) below. Attorney shall submit monthly itemized billings to STC which billing shall reflect the services which attorney has rendered for STC and the time spent in rendering such services.

Attorney Fees	\$200.00 per hour
Litigation Fees	\$250.00 per hour
Paralegal Services Assistant – 1	\$50.00 per hour
Paralegal Services Assistant – 2	\$80.00 per hour
Reimbursements	Out-of-Pocket Expenses at Actual Cost
(Fractional hours will be billed in increments of .25 hours)	

STC agrees to reimburse to Attorney any and all costs and reasonable and necessary expenses which may be incurred and advanced by Attorney in the due course of providing services under this Agreement. Attorney is authorized, but not obligated, to advance such costs and expenses on behalf of STC.

The rates of compensation may be adjusted by mutual agreement of both parties. Such adjustment shall be subject to the approval of the STC Board of Trustees and shall require a written amendment to this Agreement.

4. TERM AND TERMINATION

This Agreement shall be in effect until terminated by either party. Either party may terminate this Agreement by giving thirty (30) days' advance written notice to the other party.

5. INSURANCE

Attorney shall furnish proof of professional liability insurance in an amount not less than \$1 Million per occurrence.

6. REPORTS AND INFORMATION

At such times in and such forms as STC may require, Attorney shall furnish to STC such statements, records, reports, data, and information, as STC may request pertaining to matters covered by this Agreement.

7. COMPLIANCE WITH LAW

In providing the scope of services outlined herein, Attorney shall comply with all applicable laws, ordinances, and codes of the federal, state, and local governments.

8. AMENDMENTS

STC may, from time to time, request changes in the scope of any services to be performed hereunder, or other changes to the terms and conditions of this Agreement. Such changes, which are mutually agreed upon by and between STC and Attorney shall be incorporated by written

amendment to this Agreement

9. INDEPENDENT CONTRACTOR

Attorney is an independent contractor in the performance of the services described in this Agreement. He/she further agrees that he/she is not entitled to any benefits granted to employees of STC.

10. ASSIGNMENT

Attorney shall not assign or transfer any interest in this Agreement, nor assign or transfer any of the services to be performed under this Agreement.

11. CONFLICTS OF INTEREST

In the event the Attorney is engaged to represent or advise any person, firm, or other entity which may conflict with the services provided to STC, Attorney shall disclose such a relationship to STC. In the event of the such a relationship, STC may retain other legal counsel to represent and advise STC.

12. CERTIFICATION

In accordance with Chapter 2270 of the Texas Government Code, by signature hereon, Attorney certifies that it does not boycott Israel and will not boycott Israel during the term of this Agreement.

IN WITNESS WHEREOF, STC and Attorney have executed this Agreement as of the date first above written.

SOUTH TEXAS COLLEGE:

ATTORNEY:

By: _____
Ms. Rose Benavidez
Board Chair

By: _____
Printed Name: _____

Discussion and Action as Necessary on Proposed Budget Amendment for FY 2020 – 2021

Approval of a proposed budget amendment for FY 2020 – 2021 is requested.

As a result of the proposed budget amendment, the total budgeted revenues and expenditures/fund balance for the Unrestricted, Plant, and Restricted Funds for fiscal year 2020 – 2021 will increase as follows:

Fiscal Year 2020 - 2021 Budgeted Revenues and Expenditures/Fund Balance

Fund	Exh.	Original Budget	Proposed Amendment	Amended Budget
Unrestricted Fund	A	\$168,394,087	\$18,502,728	\$186,896,815
Unexpended Plant Fund – Construction	B	10,982,474	1,000,000	11,982,474
Renewals and Replacements Plant Fund	C	4,883,890	1,000,000	5,883,890
Restricted Fund	D	84,404,264	32,178,403	116,582,667

The budget amendment details and presentation follow in the packet for the Board's information and review.

The budget amendment is proposed as follows:

1. Budget Amendment – Adjust Unrestricted Fund Revenues and Carryover Allocations

A budget amendment is proposed to increase the Unrestricted Fund Revenues and Carryover Allocations by \$18,502,728 as follows:

Fiscal Year 2020 - 2021 Summary of Unrestricted Fund Revenues and Carryover Allocations Adjustments

	Revenue Source	Proposed Amendment
A.	Total State Appropriations	\$4,227,453
B.	Total HEERF Lost Revenue	9,292,568
C.	Total M&O Property Taxes	9,810,714
D.	Total Carryover Allocations	(4,828,007)
	Total Adjustments	\$18,502,728

Fiscal Year 2020 - 2021 A. Unrestricted Fund State Contact Hour Appropriation

Revenue Source	Original Budget	Proposed Amendment	Amended Budget
State Contact Hour Appropriation	\$37,954,853	\$4,227,453	\$42,182,306

State Contact Hour Appropriation is proposed to increase by \$4,227,453 due to an increase in general appropriation revenue funding from the FY 2020 – 2021 budgeted amount. During the Budget Development phase for the FY 2020 – 2021 budget, the College expected the State of Texas to reduce general appropriation revenue by 10% and, as a result, reduced State Contact Hour Appropriation revenue to reflect that reduction. The 10% reduction in FY 2020 – 2021 general appropriation revenue did not occur which will result in the College receiving the full general appropriation revenue funding.

Fiscal Year 2020 - 2021
B. Unrestricted Fund HEERF Lost Revenue

Revenue Source	Original Budget	Proposed Amendment	Amended Budget
Total HEERF Lost Revenue	\$-	\$9,292,568	\$9,292,568

The Higher Education Emergency Relief Fund (HEERF) Lost Revenue will be added to the FY 2020 – 2021 budget in the amount of \$9,292,568 to reflect the funding the College will recognize as lost revenue due to the COVID-19 pandemic. The HEERF Lost Revenue represents the revenues expected by the College but were reduced or eliminated as a result of the COVID-19 pandemic. The HEERF Lost Revenue is funded from the HEERF II Institutional Portion allocated to the College.

Fiscal Year 2020 - 2021
C. Unrestricted Fund M&O Property Taxes

Revenue Source	Original Budget	Proposed Amendment	Amended Budget
Total M&O Property Taxes	\$49,306,802	\$9,810,714	\$59,117,516

M&O Property Taxes revenue is proposed to increase by \$9,810,714 due to an increase in assessed taxable valuation and projected tax collections. During the Budget Development phase for the FY 2020 – 2021 budget, the College expected a decrease in tax collections due to the COVID-19 pandemic. As of March 31, 2021, the College's tax collections has exceeded the budgeted amount by \$6,235,103 and the College is projecting an additional \$3,575,611 in tax revenue for the remainder of FY 2020 – 2021.

Fiscal Year 2020 - 2021
D. Unrestricted Fund Carryover Allocations

Revenue Source	Original Budget	Proposed Amendment	Amended Budget
Contingency Fund	\$2,000,000	\$-	\$2,000,000
Developmental Studies Book Royalties	4,813	-	4,813
Unexpended Plant Fund	2,000,000	-	2,000,000
Continuing, Professional, and Workforce Education	450,000	-	450,000
Capital Purchases	723,088	-	723,088
Waived Fee Allocation	328,007	(328,007)	-

Fiscal Year 2020 - 2021
D. Unrestricted Fund Carryover Allocations

Revenue Source	Original Budget	Proposed Amendment	Amended Budget
Filled Positions	2,000,000	(2,000,000)	-
In Person-Hybrid Class Faculty Pay	1,500,000	(1,500,000)	-
Lecturer Positions	1,000,000	(1,000,000)	-
Total Carryover Allocations	\$10,005,908	\$(4,828,007)	\$5,177,901

Carryover Allocations is proposed to decrease by \$4,828,007 due to the removal of the fund balance allocations that were designated to fund salaries and benefits. During the Budget Development phase for the FY 2020 – 2021 budget, the College's Board of Trustees approved the use of the fund balance to provide funding for the waived Electronic Distance Learning/VCT Course Fee for students enrolling in Fall 2020 courses, to mitigate the elimination of filled positions, and to provide funding for In Person-Hybrid Class Faculty Pay anticipated instructional pools in response to the projected negative impact of the COVID-19 pandemic on revenue sources.

As a result of the HEERF I and HEERF II allocations received by the College and additional revenues from State Appropriations and M&O Property Tax, the use of the fund balance is no longer needed for these categories and they will be removed from the FY 2020 – 2021 budget.

In total, the Unrestricted Fund Revenues and Carryover Allocations are proposed to increase by \$18,502,728.

2. Budget Amendment – Adjust Unrestricted Fund Expenditures, Transfers and Reserves

A budget amendment is proposed to increase the Unrestricted Fund Expenditures, Transfers and Reserves by \$18,502,728.

Fiscal Year 2020 - 2021
Summary of Unrestricted Fund Expenditures, Transfers and Reserves
Adjustments

	Expenditures, Transfers and Reserves	Proposed Amendment
A.	Total Salaries	\$2,644,650
B.	Total Benefits	202,316
C.	Total Operating	(1,696,562)
D.	Total Transfers and Reserves	17,352,324
	Total Adjustments	\$18,502,728

Fiscal Year 2020 - 2021
A. Unrestricted Fund Salaries and Benefits

Expenditures	Original Budget	Proposed Amendment	Amended Budget
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Fiscal Year 2020 - 2021

A. Unrestricted Fund Salaries and Benefits

Total Salaries	\$95,603,721	\$2,644,650	\$98,248,371
Total Benefits	27,466,307	202,316	27,668,623

The Salaries and Benefits expenditure budgets are proposed to increase by \$2,644,650 and \$202,316, respectively. The increase in the salaries and benefits expenditure budgets is due to the projected total cost of granting a one-time payment to eligible full-time and part-time employees in appreciation and acknowledgement for the extraordinary contribution made by faculty and staff under the challenging circumstances resulting from the COVID-19 pandemic.

Fiscal Year 2020 - 2021

B. Unrestricted Fund Operating

Expenditures	Original Budget	Proposed Amendment	Amended Budget
Total Operating	\$33,946,190	\$(1,696,562)	\$32,249,628

The Operating expenditure budget is proposed to decrease by \$1,696,562. The decrease is due to the removal of the Uncollectible Accounts expenditure budget, which represents the amount that the College expects to incur in student debt and unpaid balances. In a separate motion, the College is proposing to discharge the student debt and unpaid balances budgeted in the Uncollectible Accounts. Discharging the student debt and unpaid balances will require the College to remove the Uncollectible Accounts expenditure budget. The discharged student debt and unpaid balances will be funded by the HEERF II Institutional Portion allocated to the College.

Fiscal Year 2020 - 2021

C. Unrestricted Fund Transfers & Reserves

Transfers & Reserves	Original Budget	Proposed Amendment	Amended Budget
Transfer to Unexpended Plant Fund	\$2,000,000	\$1,000,000	\$3,000,000
Transfer to Renewals & Replacements Plant Fund	-	1,000,000	1,000,000
Transfer to Office of ITED	865,581	-	865,581
Contingency Fund	2,000,000	-	2,000,000
Fund Balance Reserve	-	6,059,756	6,059,756
HEERF Fund Balance Reserve	-	9,292,568	9,292,568
HEGI Reserve	2,830,159	-	2,830,159
Total Transfers & Reserves	\$7,695,740	\$17,352,324	\$25,048,064

The Transfer to Unexpended Plant Fund and the Transfer to Renewals and Replacements Plant Fund expenditure budgets are proposed to increase by \$1,000,000 each for a total of \$2,000,000. The increase in the Transfer to Unexpended Plant Fund and the Transfer to Renewals and Replacements Plant Fund expenditure budgets will be used to for funding capital improvement projects and facilities deferred maintenance.

The Fund Balance Reserve will be added to the FY 2020 – 2021 budget in the amount of \$6,059,756. This amount represents the additional revenue that will be received in FY 2020 – 2021 that will be added to the College’s fund balance.

The HEERF Fund Balance Reserve will be added to the FY 2020 – 2021 budget in the amount of \$9,292,568. The HEERF Fund Balance Reserve represents the HEERF Lost Revenue recognized by the College that will be added to the College’s fund balance at August 31, 2021.

In total, Expenditures, Transfers and Reserves are proposed to increase by \$18,502,728.

3. Budget Amendment – Increase the Restricted Fund Revenues and Expenditures

A budget amendment is proposed to increase the Restricted Fund Revenues and Expenditures by \$32,178,403 as follows:

Fiscal Year 2020 - 2021 Restricted Fund Revenues and Expenditures			
Classification	Original Budget	Proposed Amendment	Amended Budget
Revenues			
HEERF II Institutional CRRSAA	\$-	\$32,178,403	\$32,178,403
Expenditures			
Total Salaries	\$-	\$250,000	\$250,000
Total Benefits	-	75,000	75,000
Total Operating	-	31,853,403	31,853,406
Total Expenditures	\$-	\$32,178,403	\$32,178,403

A budget amendment is proposed to increase the Restricted Fund Revenues and Expenditures by \$32,178,403 due to the receipt of funds provided by the HEERF II Institutional Portion under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). The HEERF II allocation was ratified by the Board of Trustees on January 26, 2021.

4. 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:

**Fiscal Year 2020 - 2021
Plant Funds**

Classification	Original Budget	Proposed Amendment	Amended Budget
Revenues			
Unexpended Plant Fund – Construction Transfer In from Unrestricted Fund	\$2,000,000	\$1,000,000	\$3,000,000
Renewals and Replacements Plant Fund –Transfer In from Unrestricted Fund	-	1,000,000	1,000,000
Expenditures			
Unexpended Plant Fund – Fund Balance Addition	\$-	\$1,000,000	\$1,000,000
Renewals and Replacements Plant Fund – Fund Balance Addition	-	1,000,000	1,000,000

The budget amendment details and presentation follow in the packet for the Board's information and review.

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, will present the Proposed Budget Amendment for FY 2020 – 2021.

Recommendation:

It is recommended that the Board of Trustees of South Texas College approve and authorize the proposed budget amendment for FY 2020 – 2021 as presented.

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

The Board of Trustees of Trustees of South Texas College approves and authorizes the proposed budget amendment for FY 2020 – 2021 as presented.

Approval Recommended:

Dr. David Plummer
Interim President

South Texas College Unrestricted Fund

Fiscal Year Ending August 31, 2021
AMENDED

Revenue Summary

Revenue Source and Carryover Allocations	Original Budget	Budget Amendment	Amended Budget
Total State Appropriations	\$ 49,668,752	\$ 4,227,453	\$ 53,896,205
Total Tuition	29,701,300	-	29,701,300
Total Fees	23,345,146	-	23,345,146
Total Other Revenues	6,366,179	-	6,366,179
Total HEERF Lost Revenue	-	9,292,568	9,292,568
Total M&O Property Taxes	49,306,802	9,810,714	59,117,516
Total Carryover Allocations	10,005,908	(4,828,007)	5,177,901
Total Revenues and Carryover Allocations	\$ 168,394,087	\$ 18,502,728	\$ 186,896,815

Expenditures Summary

Expenditures/Transfers & Reserves	Original Budget	Budget Amendment	Amended Budget
Total Salaries	\$ 95,603,721	\$ 2,644,650	\$ 98,248,371
Total Benefits	27,466,307	202,316	27,668,623
Total Operating	33,946,190	(1,696,562)	32,249,628
Total Travel	2,235,954	-	2,235,954
Total Capital Outlay	1,446,175	-	1,446,175
Total Expenditures	\$ 160,698,347	\$ 1,150,404	\$ 161,848,751
Transfers & Reserves			
Transfer to Unexpended Plant Fund	2,000,000	1,000,000	3,000,000
Transfer to Renewals & Replacements Plant Fund	-	1,000,000	1,000,000
Transfer to Office of ITED	865,581	-	865,581
Contingency Fund	2,000,000	-	2,000,000
Fund Balance Reserve	-	6,059,756	6,059,756
HEERF Fund Balance Reserve	-	9,292,568	9,292,568
HEGI Reserve	2,830,159	-	2,830,159
Total Transfers & Reserves	7,695,740	17,352,324	25,048,064
Total Expenditures/Transfers & Reserves	\$ 168,394,087	\$ 18,502,728	\$ 186,896,815

South Texas College Unexpended Plant Fund - Construction

Fiscal Year Ending August 31, 2021
AMENDED

Revenue Summary

Revenue Source and Fund Balance Allocations	Original Budget	Increase / (Decrease)	Amended Budget
Interest	\$ 282,547	\$ -	\$ 282,547
Interest Limited Tax Bonds, Series 2014	-	-	-
Interest Limited Tax Bonds, Series 2015	-	-	-
Transfer In from Unrestricted Fund	2,000,000	1,000,000	3,000,000
Regional Ctr for Public Safety Excellence Pharr ISD	-	-	-
La Joya ISD	-	-	-
Fund Balance Deduction	8,699,927	-	8,699,927
Fund Balance Deduction Bond Series 2014 and 2015	-	-	-
Total Revenues	\$ 10,982,474	\$ 1,000,000	\$ 11,982,474

Expenditure Summary

Expenditures/Reserves	Original Budget	Increase / (Decrease)	Amended Budget
Projected Draws for Approved Projects	\$ 10,982,474	\$ -	\$ 10,982,474
Projected Draws for Approved Projects Bond Series 2014 and 2015	-	-	-
Fund Balance Addition	-	1,000,000	1,000,000
Total Expenditures	\$ 10,982,474	\$ 1,000,000	\$ 11,982,474

South Texas College Renewals and Replacements Plant Fund

Fiscal Year Ending August 31, 2021
AMENDED

Revenue Summary

Revenue Source	Original Budget	Increase / (Decrease)	Amended Budget
Fund Balance Deduction	\$ 4,883,890	\$ -	\$ 4,883,890
Transfers In from Unrestricted Fund	-	1,000,000	1,000,000
Total Revenues	\$ 4,883,890	\$ 1,000,000	\$ 5,883,890

Expenditure/Fund Balance Summary

Expenditures/Reserve	Original Budget	Increase / (Decrease)	Amended Budget
Renewals and Replacements Expenditures	\$ 4,883,890	\$ -	\$ 4,883,890
Fund Balance Addition	-	1,000,000	1,000,000
Total Expenditures/Reserve	\$ 4,883,890	\$ 1,000,000	\$ 5,883,890

South Texas College Restricted Fund

Fiscal Year Ending August 31, 2021
AMENDED

Revenue Summary

Revenue Source	Original Budget	Budget Amendment	Amended Budget
Total Restricted Revenue	\$ 84,404,264	\$ 32,178,403	\$ 116,582,667
Total Revenues	\$ 84,404,264	\$ 32,178,403	\$ 116,582,667

Expenditures Summary

Expenditures/Reserves	Original Budget	Budget Amendment	Amended Budget
Total Salaries	\$ 2,822,189	\$ 250,000	\$ 3,072,189
Total Benefits	778,840	75,000	853,840
Total Operating	1,625,548	31,853,403	33,478,951
Total Travel	124,236	-	124,236
Total Capital Outlay	512,900	-	512,900
Total Scholarships	78,540,552	-	78,540,552
Total Expenditures	\$ 84,404,264	\$ 32,178,403	\$ 116,582,667

South Texas College

Proposed Budget Amendment for FY 2020 - 2021 June 8, 2021

MARIA G. ELIZONDO, MBA, CPA, CFE, CGMA
VICE PRESIDENT FOR FINANCE AND ADMINISTRATIVE SERVICES

Summary of Proposed Budget Amendment

Budgeted Revenues and Expenditures/Fund Balance

Fund	Original Budget	Proposed Amendment	Amended Budget
Unrestricted Fund	\$168,394,087	\$18,502,728	\$186,896,815
Unexpended Plant Fund - Construction	10,982,474	1,000,000	11,982,474
Renewals and Replacements Plant Fund	4,883,890	1,000,000	5,883,890
Restricted Fund	84,404,265	32,178,403	116,582,668

Unrestricted Fund



Summary of Budget Changes

Unrestricted Fund – Revenues and Carryover Allocations

Revenue Source	Increase/ (Decrease)	Description
State Contact Hour Appropriation	\$4,227,453	10% Reduction in General Appropriation Revenue Did Not Occur
HEERF Lost Revenue	9,292,568	HEERF Lost Revenue Funded from HEERF II Institutional Portion Allocation
M&O Property Taxes	9,810,714	Projected Increase in Tax Collections
Carryover Allocations - Waived Fee Allocation	(328,007)	Remove-Funded from CARES Funding
Carryover Allocations - Filled Positions	(2,000,000)	Remove-Salaries and Benefits Funded from Excess State Appropriation Revenue, Property Taxes, and CARES Funding
Carryover Allocations - In Person-Hybrid Class Faculty Pay	(1,500,000)	Remove-Salaries and Benefits Funded from Excess State Appropriation Revenue, Property Taxes, and CARES Funding
Carryover Allocations -Lecturer Positions	(1,000,000)	Remove-Salaries and Benefits Funded from Excess State Appropriation Revenue, Property Taxes, and CARES Funding
Total Revenue and Carryover Allocations Increase	\$18,502,728	

Proposed Budget Amendment Summary

Unrestricted Fund

Revenue Summary

Revenue Source and Carryover Allocations	Original Budget	Budget Amendment	Amended Budget
Total State Appropriations	\$ 49,668,752	\$ 4,227,453	\$ 53,896,205
Total Tuition	29,701,300	-	29,701,300
Total Fees	23,345,146	-	23,345,146
Total Other Revenues	6,366,179	-	6,366,179
Total HEERF Lost Revenue	-	9,292,568	9,292,568
Total M&O Property Taxes	49,306,802	9,810,714	59,117,516
Total Carryover Allocations	10,005,908	(4,828,007)	5,177,901
Total Revenues and Carryover Allocations	\$ 168,394,087	\$ 18,502,728	\$ 186,896,815

Summary of Budget Changes

Unrestricted Fund – Expenditures, Transfers, & Reserves

Revenue Source	Increase/ (Decrease)	Description
Salaries	\$2,644,650	One-Time Payment to Eligible Full-Time and Part-Time Employees
Benefits	202,316	One-Time Payment to Eligible Full-Time and Part-Time Employees
Operating	(1,696,562)	Removal of Uncollectible Accounts expenditure budget
Transfer to Unexpended Plant Fund	1,000,000	Capital Improvement Projects
Transfer to Renewals & Replacements Plant Fund	1,000,000	Deferred Maintenance
Fund Balance Reserve	6,059,756	Additional Revenue Added to Fund Balance
HEERF Fund Balance Reserve	9,292,568	HEERF Lost Revenue Added to Fund Balance
Total Expenditures, Transfers, & Reserves Increase	\$18,502,728	

Proposed Budget Amendment Summary

Unrestricted Fund

Expenditures, Transfers & Reserves Summary

Expenditures/Transfers & Reserves	Original Budget	Budget Amendment	Amended Budget
Total Salaries	\$ 95,603,721	\$ 2,644,650	\$ 98,248,371
Total Benefits	27,466,307	202,316	27,668,623
Total Operating	33,946,190	(1,696,562)	32,249,628
Total Travel	2,235,954	-	2,235,954
Total Capital Outlay	1,446,175	-	1,446,175
Total Expenditures	\$ 160,698,347	\$ 1,150,404	\$ 161,848,751
Transfers & Reserves			
Transfer to Unexpended Plant Fund	2,000,000	1,000,000	3,000,000
Transfer to Renewals & Replacements Plant Fund	-	1,000,000	1,000,000
Transfer to Office of ITED	865,581	-	865,581
Contingency Fund	2,000,000	-	2,000,000
Fund Balance Reserve	-	6,059,756	6,059,756
HEERF Fund Balance Reserve	-	9,292,568	9,292,568
HEGI Reserve	2,830,159	-	2,830,159
Total Transfers & Reserves	7,695,740	17,352,324	25,048,064
Total Expenditures/Transfers & Reserves	\$ 168,394,087	\$ 18,502,728	\$ 186,896,815

Restricted Fund



Summary of Budget Changes Restricted Fund

Revenue Source	Increase/ (Decrease)	Description
HEERF II Institutional CRRSAA	\$32,178,403	HEERF II Institutional Portion Allocation
Total Revenues Increase	\$32,178,403	

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Expenditures	Increase/ (Decrease)	Description
Total Salaries	\$250,000	HEERF II Institutional Portion Allocation – In Person Hybrid and Other Staff
Total Benefits	75,000	HEERF II Institutional Portion Allocation – In Person Hybrid and Other Staff
Total Operating	31,853,403	HEERF II Institutional Portion Allocation
Total Expenditures Increase	\$32,178,403	

Proposed Budget Amendment Summary **Restricted Fund**

Revenue Summary

Revenue Source	Original Budget	Budget Amendment	Amended Budget
Total Restricted Revenue	\$ 84,404,264	\$ 32,178,403	\$ 116,582,667
Total Revenues	\$ 84,404,264	\$ 32,178,403	\$ 116,582,667

Expenditures Summary

Expenditures/Reserves	Original Budget	Budget Amendment	Amended Budget
Total Salaries	\$ 2,822,189	\$ 250,000	\$ 3,072,189
Total Benefits	778,840	75,000	853,840
Total Operating	1,625,548	31,853,403	33,478,951
Total Travel	124,236	-	124,236
Total Capital Outlay	512,900	-	512,900
Total Scholarships	78,540,552	-	78,540,552
Total Expenditures	\$ 84,404,264	\$ 32,178,403	\$ 116,582,667

Plant Fund

Summary of Budget Changes

Transfer Fund Balance to Plant Funds

Plant Fund	Increase/ (Decrease)	Description
Transfer to Unexpended Plant Fund – Construction	\$1,000,000	Transfer from Unrestricted Fund Balance to Plant Fund for Capital Improvement Projects
Transfer to Renewal and Replacement Plant Fund	1,000,000	Transfer from Unrestricted Fund Balance to Plant Fund for Deferred Maintenance
Total Transfer to Plant Funds	\$2,000,000	

Proposed Budget Amendment Summary

Unexpended Plant Fund

Revenue Summary

Revenue Source and Fund Balance Allocations	Original Budget	Increase / (Decrease)	Amended Budget
Interest	\$ 282,547	\$ -	\$ 282,547
Interest Limited Tax Bonds, Series 2014	-	-	-
Interest Limited Tax Bonds, Series 2015	-	-	-
Transfer In from Unrestricted Fund	2,000,000	1,000,000	3,000,000
Regional Ctr for Public Safety Excellence Pharr ISD	-	-	-
La Joya ISD	-	-	-
Fund Balance Deduction	8,699,927	-	8,699,927
Fund Balance Deduction Bond Series 2014 and 2015	-	-	-
Total Revenues	\$ 10,982,474	\$ 1,000,000	\$ 11,982,474

Expenditure Summary

Expenditures/Reserves	Original Budget	Increase / (Decrease)	Amended Budget
Projected Draws for Approved Projects	\$ 10,982,474	\$ -	\$ 10,982,474
Projected Draws for Approved Projects Bond Series 2014 and 2015	-	-	-
Fund Balance Addition	-	1,000,000	1,000,000
Total Expenditures	\$ 10,982,474	\$ 1,000,000	\$ 11,982,474

Proposed Budget Amendments Summary Renewals and Replacements Plant Fund

Revenue Summary

Revenue Source	Original Budget	Increase / (Decrease)	Amended Budget
Fund Balance Deduction	\$ 4,883,890	\$ -	\$ 4,883,890
Transfers In from Unrestricted Fund	-	1,000,000	1,000,000
Total Revenues	\$ 4,883,890	\$ 1,000,000	\$ 5,883,890

Expenditure/Fund Balance Summary

Expenditures/Reserve	Original Budget	Increase / (Decrease)	Amended Budget
Renewals and Replacements Expenditures	\$ 4,883,890	\$ -	\$ 4,883,890
Fund Balance Addition	-	1,000,000	1,000,000
Total Expenditures/Reserve	\$ 4,883,890	\$ 1,000,000	\$ 5,883,890

Thank You

Questions?

