

South Texas College
Board of Trustees
Finance, Audit, and Human Resources Committee
Ann Richards Administration Building Board Room
Pecan Campus, McAllen, Texas
Tuesday, October 13, 2020 @ 5:30 p.m.

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.”

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**Approval of September 8, 2020 Finance, Audit, and Human Resources Committee
Minutes**

The Minutes for the Finance, Audit, and Human Resources Committee Meeting of September 8, 2020 are presented for Committee approval.

**South Texas College
Board of Trustees
Finance, Audit, and Human Resources Committee
Ann Richards Administration Building Board Room
Pecan Campus, McAllen, Texas
Tuesday, September 8, 2020 @ 5:30 p.m.**

Minutes

The Finance, Audit, and Human Resources Committee Meeting was held on Tuesday, September 8, 2020 in the Ann Richards Administration Building Board Room at the Pecan Campus in McAllen, Texas. The meeting commenced at 5:51 p.m. with Mr. Roy de León presiding.

Members present: Mr. Roy de León, Ms. Rose Benavidez, Mr. Paul R. Rodriguez, and Mr. Rene Guajardo

Other Trustees Present: Dr. Alejo Salinas, Jr. and Mr. Gary Gurwitz

Members absent: None

Also present: Dr. Shirley A. Reed, Mr. Jesus Ramirez, Mrs. Mary Elizondo, Dr. David Plummer, Mr. Matthew Hebbard, Mr. George McCaleb, Mrs. Becky Cavazos, Lt. Ruben Suarez, Mr. Khalil Abdullah, and Mr. Andrew Fish.

**Approval of August 11, 2020 Finance, Audit, and Human Resources
Committee Minutes**

Upon a motion by Mr. Paul R. Rodriguez and a second by Ms. Rose Benavidez, the Minutes for the Finance, Audit, and Human Resources Committee Meeting of August 11, 2020 were approved as written. The motion carried.

The Finance, Audit, and Human Resources Committee took the following item out of the posted agenda order:

**Review and Action as Necessary on Disposal of Surplus Property and to Write-off
Obsolete Fixed Assets/Capital Assets Valued at \$5,000 and Over**

Approval on disposal of surplus property valued at \$5,000 through a live auction and to write-off obsolete fixed assets/capital assets valued at \$5,000 and over will be requested at the September 22, 2020 Board of Trustees meeting.

Purpose – The Fixed Asset/Inventory Department requested the disposal of surplus property through a live auction and to write-off obsolete fixed assets/capital assets.

These assets were part of the College's inventory; therefore, approval was also requested for these assets be removed from inventory and the general ledger.

Justification – The request for action on these two items was necessary as follows:

A. Disposal of Surplus Property

The disposal of surplus property included obsolete, damaged, and not functioning items that needed to be disposed of for safety purposes and due to the lack of storage area for surplus property.

The items valued over \$5,000 were included in the College's inventory through the Banner system and need to be disposed through live auction as per Policy 5135: Disposal of Surplus Property.

The surplus property goes through an evaluation process by the departments to determine if the items are damaged beyond repair and unable to be utilized throughout the College district. After this evaluation process, the department submits a request to have the property removed from their department and relocated to the Shipping and Receiving Warehouse surplus area.

The auction items were located at the South Texas College Receiving Department, 3700 W. Military Hwy., McAllen, TX. The auction would be scheduled in the Fall at the auctioneers' site due lack of space at the Central Receiving Warehouse.

B. Write-off Obsolete Fixed Assets/Capital Assets

The assets proposed to be written-off included software license, duplicate assets, and not found assets.

As per Policy #5130: Fixed Assets, the capital assets value and associated accumulated depreciation would be written-off from the College's capital asset ledger and the reduction would be reflected on the Comprehensive Annual Financial Report as of August 31, 2020.

The Fixed Asset/Inventory Department requested approval to write-off obsolete fixed assets/capital assets valued at \$5,000 and over, for obsolete and no longer in use software programs. These assets totaling \$1,981,468.47 would be removed, as applicable, from the College's inventory system and general ledger.

Reviewers – The list for the disposal of surplus property items was reviewed by Director of Purchasing and Distribution Manager. The write-off obsolete fixed assets/capital assets were items that have not been located and the software is no longer in use.

Enclosed Documents - The three (3) lists of the items to be auctioned and the listing of the fixed assets/capital assets valued at \$5,000 were provided in the packet for the Committee's review and information.

Upon a motion by Mr. Paul R. Rodriguez and a second by Mr. Rene Guajardo, the Finance, Audit, and Human Resources Committee recommended Board approval of the disposal of surplus property valued at \$5,000 and over through a live auction and for these capital assets to be removed from the College's fixed assets ledger, as well as approval to write-off obsolete fixed assets/capital assets valued at \$5,000 and over totaling \$1,981,468.47 and to remove them from the College's inventory system and general ledger as presented. The motion carried.

The Finance, Audit, and Human Resources Committee returned to the posted agenda order:

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

Approval of the following award of proposals, purchases, and renewals will be requested at the September 22, 2020 Board meeting.

The Director of Purchasing reviewed each item, including the procurement procedures and evaluation of all responses, and recommends approval as follows.

Upon a motion by Mr. Rene Guajardo and a second by Mr. Paul R. Rodriguez, the Finance, Audit, and Human Resources Committee recommend for Board approval at the September 22, 2020 Board meeting the award of proposals, purchases, and renewals as listed below:

A. Award of Proposals

- 1) Beverage Products (Award):** award the proposal for beverage products to **PepsiCo** (Hidalgo, TX), for the period beginning October 13, 2020 through October 12, 2021 with two one-year options to renew, at an estimated amount of \$50,000.00. The vendor has included an annual sponsorship of \$7,500.00 and product donation of 100 cases;
- 2) Fire Training Vehicle Prop with Trailer (Award):** award the proposal for a fire training vehicle prop with trailer to **Fireblast Global, Inc.** (Corona, CA) (New), at a total amount of \$79,633.00;
- 3) Mobile Air Trailer (Award):** award the proposal for a mobile air trailer to **Sub-Aquatics, Inc./ dba Breathing Air Systems** (Reynoldsburg, OH) (New), at a total amount of \$111,512.00;

B. Purchases and Renewals (B-a. Instructional Item)

4) Industrial Supplies, Materials, and Accessories (Renewal): renew the industrial supplies, materials, and accessories contracts for the period beginning November 25, 2020 through November 24, 2021, at an estimated amount of \$70,000.00, which is based on prior year expenditures. The vendors are as follows:

- **Burton Companies** (Weslaco, TX)
- **Industrial Supplier Larey, Inc./ dba International Industrial Supply Company** (Brownsville, TX)
- **MSC Industrial Supply Company** (Harlingen, TX)
- **Rex Supply Company** (Pharr, TX)

B. Purchases and Renewals (B-b. Non-Instructional Items)

5) Audio Visual Equipment and Supplies (Purchase): purchase audio visual equipment and supplies for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$205,000.00, which is based on prior year expenditures, with the following purchasing cooperative approved vendors:

Vendor/Purchasing Cooperative	Amount
Audio Visual Aids (San Antonio, TX) – Purchasing Cooperative of America (PCA), Texas Association of School Boards (TASB) – Buyboard, and The Interlocal Purchasing System (TIPS)	\$70,000.00
B&H Foto & Electronics, Corp./ dba B&H Photo Video (New York, NY) – E&I Cooperative Services, Omnia Partners, Purchasing Cooperative of American (PCA), Texas Association of School Boards (TASB) – Buyboard, and The Interlocal Purchasing System (TIPS)	\$75,000.00
Howard Technology Solutions (Ellisville, MS) – National Cooperative Purchasing Alliance (NCPA) and Texas Association of School Boards (TASB) - Buyboard	\$40,000.00
SKC Communications Products, LLC. (Shawnee Mission, KS) – E&I Cooperative Services and The Interlocal Purchasing System (TIPS)	\$20,000.00

6) Chiller Maintenance Agreement (Purchase): purchase a chiller maintenance agreement with **Johnson Controls, Inc.** (Milwaukee, WI/Corpus Christi, TX), a The Interlocal Purchasing System (TIPS) purchasing cooperative approved vendor, for the period beginning November 21, 2020 through November 20, 2021, at an estimated annual amount of \$51,900.00 for scheduled services and an estimated annual amount of \$80,000.00 for as needed repair services. The total annual amount is \$131,900.00;

7) Computer Components, Peripherals, Software, and Supplies (Purchase): purchase computer components, peripherals, software, and supplies for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$350,000.00, which is based on prior year expenditures, with the following purchasing cooperative approved vendors:

Vendor/Purchasing Cooperative	Amount
CDW Government, LLC. (Vernon Hill, IL) – Choice Partners, Texas Department of Information Resources (DIR), E&I Cooperative Services, Omnia Partners, Sourcewell, and The Interlocal Purchasing System (TIPS)	\$100,000.00
Dell Marketing, LP. (Dallas, TX) – Texas Department of Information Resources (DIR)	\$50,000.00
Reyna Enterprise, Inc./ dba Computer Repair Center (CRC) (McAllen, TX) – Texas Department of Information Resources (DIR)	\$80,000.00
SHI Government Solutions (Austin, TX) – Choice Partners, National Cooperative Purchasing Alliance (NCPA), Omnia Partners, Purchasing Association of Cooperative Entities (PACE), Texas Association of School Boards (TASB) – Buyboard, Texas Department of Information Resources (DIR), and The Interlocal Purchasing System (TIPS)	\$80,000.00
SKC Communications Products, LLC. (Shawnee Mission, KS) – E&I Cooperative Services and The Interlocal Purchasing System (TIPS)	\$40,000.00

- 8) Maintenance Equipment, Parts, and Supplies (Purchase):** purchase maintenance equipment, parts, and supplies through the Texas Association of School Boards (TASB) – Buyboard approved vendors, for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$100,000.00, which is based on prior year expenditures. The vendors are as follows:
- a. **Carrier Enterprise, LLC.** (Houston, TX/Pharr, TX)
 - b. **Crawford Electric Supply** (San Antonio, TX/Mission, TX)
 - c. **McCoy's Building Supply** (San Marcos, TX/Pharr, TX)
- 9) Fire Suppression Systems Service (Renewal):** renew the fire suppression systems service contracts for the period beginning November 29, 2020 through November 28, 2021, at an estimated amount of \$211,587.00, which is based on prior year expenditures. The vendors are as follows:

#	Services	Vendor	Amount
1	Fire Alarm Panels	Strongline Security & Fire (San Juan, TX)	\$20,300.00
2	Fire Alarm Repairs	Strongline Security & Fire (San Juan, TX)	\$60,000.00
3	Kitchen Hoods	1st FP McAllen, LLC. (McAllen, TX)	\$1,202.00
4	Kitchen Hoods Repairs	1st FP McAllen, LLC. (McAllen, TX)	\$10,000.00
5	Fire Sprinklers Inspections	1st FP McAllen, LLC. (McAllen, TX)	\$16,125.00
6	Fire Sprinklers Repairs	1st FP McAllen, LLC. (McAllen, TX)	\$70,000.00

7	Clean Agent Fire Suppression System Inspection	1st FP McAllen, LLC. (McAllen, TX)	\$3,960.00
8	Fire Extinguishers / Inspection Rates	El Fire & Safety, Inc. (Mission, TX)	\$10,000.00
9	Hydro Test Rates	El Fire & Safety, Inc. (Mission, TX)	\$10,000.00
10	Recharge Rates	El Fire & Safety, Inc. (Mission, TX)	\$10,000.00

10)In-Store Purchase of Materials and Supplies (Renewal): renew the in-store purchase of materials and supplies contracts for the period beginning November 27, 2020 through November 26, 2021, at an estimated amount of \$150,000.00, which is based on prior year expenditures. The vendors are as follows:

- a. **HEB Grocery, Co.** (McAllen, TX)
- b. **Hobby Lobby Store** (McAllen, TX)
- c. **Sam's Club** (McAllen, TX)
- d. **Walmart** (Mission, TX)

11)Institutional Membership – TACC (Renewal): renew the institutional membership with the **Texas Association of Community Colleges** (TACC) (Austin, TX), a sole source vendor, for the period beginning September 1, 2020 through August 31, 2021, at a total amount of \$79,155.00;

B. Purchases and Renewals (B-c. Technology Items)

12)Communication Software Agreement (Renewal): renew the communication software agreement with Hit Labs, Inc. (Lehi, UT), a sole source vendor, for the period beginning October 1, 2020 through September 30, 2021, at an estimated amount of \$74,250.00;

13)Student Enrollment Management System Agreement (Renewal): renew the student enrollment management system agreement with **Admissions US, LLC., a wholly owned subsidiary of Anthology, Inc. (fka Campus Management, Corp.)** (Boca Raton, FL), a sole source vendor, for the period beginning September 27, 2020 through September 26, 2021, at a total amount of \$50,727.50.

Recommend Action - The total for all award of proposals, purchases, and renewals was \$1,663,764.50.

The motion carried.

Review and Update on Clery Act and Violence Against Women Act (VAWA) Compliance

Ruben Suarez, Acting Chief of Police for the Department of Public Safety presented an update on the College's compliance with the Jeanne Clery (Clery Act) Disclosure of Campus Security Policy and Campus Crime Statistics Act and Violence Against Women Act (VAWA).

Purpose – The presentation provided a brief overview of the Clery Act and VAWA.

Justification – The U.S. Department of Education, through its Office of Civil Rights, enforces compliance with Clery Act and VAWA to ensure that institutions that receive federal financial assistance from the U.S. Department of Education comply with the law.

The Higher Education Act (HEA) of 1965, now generally known and referred to as the "Clery Act" requires all postsecondary institutions participating in Title IV student financial assistance programs to disclose campus crime statistics and security information.

The Violence Against Women Act (VAWA) is a federal law enacted in 1994 and requires procedures addressing complaint of domestic violence, dating violence, sexual assault, and stalking.

The Violence Against Women Act Reauthorization Act of 2013 amended the Jeanne Clery Act and requires institutions to disclose statistics, policies and procedures, educational programs and resources to address domestic violence, dating violence, sexual assault, and stalking. The VAWA was amended in 2013 to include disclosure of the new category of hate crimes.

Enclosed Documents – The Clery Act and VAWA PowerPoint Presentation was provided in the packet for the Committee's information and review.

No action was required from the Committee. This item was presented for information and feedback to staff.

Review and Recommend Acceptance of Internal Audit Report in the Area of Clery Act and Violence Against Women Act (VAWA)

Acceptance of the Internal Audit Report in the Area of Clery Act and Violence Against Women Act (VAWA) will be requested at the September 22, 2020 Board of Trustees meeting.

Purpose – To discuss the procedures, findings, and recommendations of the internal audit report in the area of Clery Act and Violence Against Women Act (VAWA) conducted by Mr. Khalil Abdullah, Internal Auditor.

Justification – Policy #5460: Internal Audit Function, states that it is the policy of the College to maintain an internal audit function to review and appraise business activities, integrity of records, and effectiveness of operations of the College in accordance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

Background – The Clery Act and Violence Against Women Act (VAWA) Audit was included on the Finance, Audit, and Human Resources Committee's approved FY 2019 – 2020 audit plan. The Higher Education Act of 1965 required all postsecondary institutions participating in Title IV student financial assistance program to disclose campus crime statistics and security information. It is generally referred to as the Clery Act. In 2013, VAWA was signed into federal law by the President, which includes amendments to the Clery Act. These requirements required institutions to disclose statistics, policies, and programs related to dating violence, domestic violence, stalking, and sexual assault.

Enclosed Documents – The Internal Audit Report was provided in the packet for the Committee's review and discussion.

In addition to the Internal Auditor's findings, included in the Audit Report, were management responses that encompass the experience, knowledge, and training of the South Texas College Department of Public Safety management team on the Clery Act and the Violence Against Women Act (VAWA). The former Chief Administrator of the Department of Public Safety, the current Acting Chief of Police, and six (6) staff members have attended the D. Stafford & Associates Clery Act Training Academy. Guidance regarding the Clery Act requirements is also obtained from the National Center for Higher Education Risk Management Group, LLC (TNG), a group of attorneys who specialize in the realm of Title IX, Clery Act, and VAWA requirements.

Dr. Shirley A. Reed, President, Mary Elizondo, Vice President for Finance and Administrative Services, and Khalil Abdullah, Internal Auditor, attended the Committee meeting to address any questions by the Committee.

At the Committee meeting, the Committee Chair asked whether the Internal Auditor would plan a follow-up audit in this same area in the near future.

The Internal Auditor noted that he would follow up on management's responses under the currently reported audit as is normal with any audit, but did not anticipate that any subsequent audit would be necessary in this area before it would normally be scheduled as part of a regular annual Audit Plan.

Upon a motion by Mr. Paul R. Rodriguez and a second by Mr. Rene Guajardo, the Finance, Audit, and Human Resources Committee recommended Board approval of acceptance of the Internal Audit Report in the Area of Clery Act and Violence Against Women Act (VAWA) as presented. The motion carried.

Review and Recommend Acceptance of Internal Audit Annual Report for FY 2020

Acceptance of the Internal Audit Annual Report will be requested at the September 22, 2020 Board meeting.

Purpose – “Texas Government Code Section 2102.015 *Publication of Audit Plan and Annual Report on Internet* requires state agencies and institutions of higher education to post certain information on their website. To comply with Texas Government Code 2102.015, an Internal Audit Annual Report has been completed.”

Justification – The Internal Audit Annual Report provides the Finance, Audit, and Human Resources Committee with information related to the Internal Audit Function’s activities over the past fiscal year. Specifically, the annual report includes the prior year’s approved projects and audit plan; a summary of findings; management’s plan for corrective action; implementation status of corrective action; and next fiscal year’s approved projects and audit plan.

Enclosed Documents - A copy of the Internal Audit Annual Report was provided in the packet for the Committee’s information and review.

Presenters – Mr. Khalil Abdullah, Internal Auditor, attended the September 8, 2020 Finance, Audit, and Human Resources committee meeting to discuss and address any questions by the committee.

The Internal Audit Annual Report includes a summary of findings along with management’s planned corrective actions for the following completed audits: Financial Aid and the Clery & Violence Against Women’s Reauthorization Act.

Upon a motion by Mr. Paul R. Rodriguez and a second by Mr. Rene Guajardo, the Finance, Audit, and Human Resources Committee recommended Board approval of the acceptance of the Internal Audit Annual Report as presented. The motion carried.

Review and Discussion of the Texas Higher Education Coordinating Board Report on the Fiscal Year 2018 - 2019 Financial Condition Analysis of Texas Public Community College Districts

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, reviewed the Texas Higher Education Coordinating Board Report on the Fiscal Year 2018 - 2019 Financial Condition Analysis of Texas Public Community College Districts.

Purpose – South Texas College’s financial information and ratios presented in the Financial Condition Analysis of Texas Public Community College Districts, were reviewed with the Finance Committee.

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), 86th Texas Legislature, Section 12 (page III-213). 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 GASB 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, any GASB 68 and GASB 75 related long-term liabilities, deferred outflow of resources and deferred inflow of resources have been removed from the calculation of these metrics for FY 2018 - 2019, based on the updated KPMG report¹. However, any expenses related to GASB 68 and GASB 75 are included in the calculation, due to that they are included in operating expenses, and not broken out separately in the Comprehensive Annual Financial Report submitted to the Texas Higher Education Coordinating Board and do have an impact on the net position.

Justification - The objective of this report was 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 were provided in the packet for the Committee's review and discussion.

No action was required from the Committee. This item as presented for information and feedback to staff.

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

Adjournment

There being no further business to discuss, the Finance, Audit, and Human Resources Committee Meeting of the South Texas College Board of Trustees adjourned at 7:02 p.m.

I certify that the foregoing are the true and correct Minutes of the September 8, 2020 Finance, Audit, and Human Resources Committee Meeting of the South Texas College Board of Trustees.

Mr. Roy de León

Review and Action as Necessary on Award of Proposal, Rescind of Award, Purchases, and Renewals

Approval of the following award of proposal, rescind of award, purchases, and renewals will be requested at the October 27, 2020 Board meeting.

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 Proposal

B. Rescind of Award

C. Purchases and Renewals

a. Instructional Item

b. Non-Instructional Items

c. Technology Items

A. Award of Proposal

1) Graduation Caps and Gowns (Award)

Award the proposal for graduation caps and gowns to **Jostens, Inc.** (Minneapolis, MN), for the period beginning January 1, 2021 through December 31, 2021 with two one-year options to renew, at an estimated annual amount of \$50,000.00, which is based on prior year expenditures. The graduation caps and gowns are for the May 2021 and December 2021 ceremonies.

Purpose – The Office of Admission and Records is requesting to purchase graduation caps and gowns, as needed, and which will be used to distribute to South Texas College graduates.

Justification and Benefit – The graduation caps and gowns will be used for all South Texas College graduates participating in the May 2021 and December 2021 ceremonies.
EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.

Background – Proposal documents were advertised on August 19, 2020 and August 26, 2020 and issued to nine (9) vendors. Six (6) responses were received on September 3, 2020 and reviewed by the Office of Admission and Records and Purchasing Department.

Funds for this expenditure are budgeted in the Graduation budget for FY 2020 – 2021.

B. Rescind of Award

2) Truck Driver/Bus Driver Training (Rescind)

Rescind the award to **STVT-AAI Education, Inc./ dba Anacora Corporate Training** (Hurst, TX), for the truck driver/bus driver training. The awarded vendor informed the College staff of

a conflict of interest. The vendor provided the information after being notified of the contract award.

C. Purchases and Renewals (C-a. Instructional Item)

3) Admission Assessment Exams (Purchase)

Purchase admission assessment exams from **Elsevier** (New York NY), a sole source vendor, for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$79,200.00.

Purpose – The Student Assessment Center is requesting to purchase eighteen hundred (1,800) Registered Nurse Admission Assessment Exams, which will be used through the Fall 2020, Spring 2021, and Summer 2021 semesters.

Justification and Benefit – These assessments and preparation products improve student performance, promote clinical judgement, and help students achieve greater levels of success. **EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.**

Funds for this expenditure are budgeted in the Testing Center budget for FY 2020 – 2021.

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

4) 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 Sourcwell Cooperative approved vendor, for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$50,000.00.

Purpose – Facilities Operations and Maintenance is requesting building automation control equipment, parts, and equipment maintenance, which will include replacement parts and services for all the buildings through the College.

Justification and Benefit – It will include ordering and replacing parts for the air conditioning building control systems as needed. **EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.**

Funds for this expenditure are budgeted in the Facilities Maintenance budget for FY 2020 – 2021.

5) Furniture (Purchase)

Purchase furniture from National Cooperative Purchasing Alliance (NCPA), OMNIA Partner formerly National Intergovernmental Purchasing Alliance (NIPA), Sourcwell, and The Interlocal Purchasing System (TIPS), at a total amount of \$128,794.47. The vendors are as follows:

#	Vendor	Amount
A	Computer Comforts, Inc. (Kemah, TX)	\$49,528.71
B	The Hon Company / Gateway Printing and Office Supply, Inc. (Muscatine, IA/Edinburg, TX)	\$329.38
C	Krueger International, Inc. / Gateway Printing and Office Supply, Inc. (Green Bay, WI/Edinburg, TX)	\$52,948.88
D	Versteel / Gateway Printing and Office Supply, Inc. (Jasper, IN/Edinburg, TX)	\$25,987.50
Furniture Total		\$128,794.47

The purchases can be summarized as follows:

- Computer Comforts, Inc. (Kemah, TX)
 - ⇒ Nursing and Allied Health Campus
 - 16 Motorized Podiums for the Division and Nursing and Allied Health
- The Hon Company / Gateway Printing and Office Supply, Inc. (Edinburg, TX)
 - ⇒ Pecan Campus
 - 2 Bookcases for the Business Office
- Krueger International, Inc. / Gateway Printing and Office Supply, Inc. (Edinburg, TX)
 - ⇒ Pecan Campus
 - 2 Tables for Library Information Commons
 - 8 Tables and 144 Chairs for the Centers for Learning Excellence
 - ⇒ Technology Campus
 - 1 Faculty/Staff Desk for the Division of Business, Public Safety, and Technology
- Versteel / Gateway Printing and Office Supply, Inc. (Edinburg, TX)
 - ⇒ Pecan Campus
 - 46 Tables for the Centers for Learning Excellence

Fund for these expenditures are budgeted in the requesting department budgets for FY 2020 – 2021 as follows: Business Office, Centers for Learning Excellence, Educational Technology Maintenance and Replacement, Library Information Commons, and Technology Campus.

6) Vehicle Fuel Program (Renewal)

Renew the vehicle fuel program with **U.S. Bank/Voyager Fleet Systems** (Kansas City, MO), a State of Texas Procurement and Support Services (TPASS) approved vendor, acting by and through the State of Texas Council of Competitive Government (CCG), for the period beginning January 1, 2021 through December 31, 2021, at an estimated amount of \$130,000.00, which is based on prior year expenditures.

Purpose – The vehicle program is used for College owned vehicles used by Mail Services, Central Receiving, Operations and Maintenance, Nursing and Allied Health Emergency

Medical Technician Program, Police Academy, Fire Science Program, Educational Technologies, Student Activities, and the South Texas College Department of Public Safety for the day-to-day operations of the College.

Justification and Benefit – Use of the fuel cards is controlled by the Business Office and Purchasing Department in coordination with supervisors, financial managers, and program chairs using the cards. The Business Office has the ability to monitor online all fuel purchase transactions. **EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.**

The advantages of using the vehicle fuel program are as follows:

- Each card is set up with a dollar amount limit
- Each employee using the card has a personal identification number, transaction limit, and dollar amount limit
- Odometer readings are required at the pump
- Business Office staff monitors transaction online
- Rebates/Discounts are paid quarterly
- 40,000 approved locations, which include locations less than a mile from the College's campuses
- The gas station with the best price is selected
- Net 30 days from monthly payment with no additional charge
- Various reports are available online for reference

The College is billed for the actual fuel charges on a monthly basis with no other type of fees assessed. As per the Agreement, a quarterly Rebate will be sent to the College.

Voyager's rebate is calculated by using their sales volume average for Texas, which can range from 1.150% to 1.760% per gallon, as stated in the agreement.

The rebate amounts vary based on the state average volume and usage. The College has received \$2,175.31 for fiscal year 2020, \$2,459.42 for fiscal year 2019, \$2,584.80 for fiscal year 2018, \$1,610.82 for fiscal year 2017, and \$1,435.84 for fiscal year 2016, which brings the overall amount paid per gallon to be reduced by \$.02 to \$.052.

Funds for this expenditure are budgeted in various programs and department budgets for FY 2020 – 2021.

C. Purchases and Renewals (C-c. Technology Items)

7) Computers and Laptops (Purchase)

Purchase of computers and laptops 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 \$78,162.77.

All purchase requests for computers and laptops have been evaluated by the Information Technology and the Chief Information Officer. Information Technology does not have refurbished systems available for new hires. Instructional and/or business need must be clearly identified/justified for any equipment that is outside standard configuration or does not replace existing office systems. (Ex. mobile devices)

An itemized list with justification is included for your review and information. Information Technology used the following criteria when recommending the purchase of technology:

- Systems being requested meet the South Texas College standard configuration
- The new systems will replace an older model (5+ years and out of warranty)
- Software requirements exceed the system capacity

The purchases can be summarized as follows:

- Staff Computers
 - ⇒ 1 Computer for Music Program
 - ⇒ 21 Computers for Mid Valley Campus Student Union Bldg F Renovation
- Faculty Computer
 - ⇒ 1 Computer for Music Program
- Student Computers
 - ⇒ 1 Computer for Chemistry Program
 - ⇒ 6 Computers for Student Services Veterans Department
- Staff Laptops
 - ⇒ 6 Laptops for Curriculum Department
 - ⇒ 12 Laptops for Advising Department
 - ⇒ 2 Laptops for Welding Program
 - ⇒ 2 Laptops for Office of Enrollment
- Faculty Laptops
 - ⇒ 1 Laptop for World Languages Program
 - ⇒ 4 Laptops for Music Program
 - ⇒ 3 Laptops for Architectural and Engineering Design Program
 - ⇒ 3 Laptops for Computer Science Program
 - ⇒ 3 Laptops for Developmental English

Funds for these expenditures are budgeted in the requesting department budgets for FY 2020 - 2021 as follows: Music, Mid Valley Student Union Bldg. F Renovation, Chemistry, Admin-Allowance Veterans, Curriculum Department, Advising Department, Welding, Office of Enrollment Department, World Languages, Architectural and Engineering Design, Computer Science, and Developmental English.

8) Microsoft Campus License Agreement (Renewal)

Renew the Microsoft campus license agreement with **Software House International (SHI) Government Solution, Inc.** (Austin, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning November 1, 2020, through October 31, 2021, at a total amount of \$194,128.80.

Purpose - Information Technology is requesting to purchase a non-perpetual license from Microsoft software that includes a one-year price assurance a non-perpetual license that includes upgrades for currently used software products and to ensure that all of the College-owned computers have copyright complaint software installed. These software licenses are used by faculty, staff, and students for instructional and operational purposes.

Justification and Benefit – The Microsoft Campus License agreement includes the following software: Microsoft Enterprise Client Access License (CAL) Suite, CAL for: Office 365 A3 for faculty and staff, and Office 365 A3 for students, Microsoft Exchange Online advanced Thread Protection for faculty, staff, and students, one hundred seventy (170) Microsoft Windows Server Datacenter Licenses & software assurance, twenty (20) Microsoft Visual Studio Professional with MSDN licenses, four hundred (400) Windows Server Standard Licenses & software assurance, three hundred fifty (350) Microsoft Windows Virtual Desktop Access, fifty (50) Microsoft Windows Remote Desktop Services License and Software assurance, six (6) Microsoft Project Online Premium Subscription license, and five (5) Power BI Pro Subscription license. **EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.**

Funds for this expenditure are budgeted in the Information Technology Client Services budget for FY 2020 - 2021.

9) On-Demand Subscription Library Services (Renewal)

Renew the on-demand subscription library services with **Ellucian Company, LP.** (Fairfax, VA) through Texas A & M University – Corpus Christi (Corpus Christi, TX) acting by and through the State of Texas Department of Information Resources (DIR) for Texas Connection Consortium (TCC), for the period beginning February 1, 2021 through January 31, 2022, at an estimated amount of \$26,372.00.

Purpose – Information Technology is requesting to renew computer based, on-demand training for Banner applications and existing third-party applications that work with the Banner system, which also include Luminis and DegreeWorks.

Justification and Benefit – The computer-based training library is a set of over four thousand 4,000 lessons that can be accessed at any time by the College's Banner users. Lessons cover different Banner modules and provide a better understanding of the functionality of each module. Features include a frequently asked questions section, that provides answers to questions from Banner users at other institutions, exercises, and short quizzes to help users better understand what they have learned. **EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.**

Funds for this expenditure are budgeted in the Information Technology Project Manager Risk and Security budget for FY 2020 – 2021.

10)Support Services Agreement (Renewal)

Renew support services agreement with **Ellucian Company, LP.** (Fairfax, VA) through Texas A & M University – Corpus Christi (Corpus Christi, TX) acting by and through the State of Texas Department of Information Resources (DIR) for Texas Connection Consortium (TCC), for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$29,396.00.

Purpose – Information Technology is requesting to renew advantage plus extended support services for the Banner applications and existing third-party applications that work with the Banner system.

Justification – The extended support services add another level of service to the existing maintenance program the college has from Ellucian. Extended support services provide 24 x 7 support to cover weekends and after normal business hours Monday through Friday. This will allow for faster response times and priority case escalation to any Banner related issues that may occur during non-working hours. **EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.**

Funds for this expenditure are in the Applications Development budget for FY 2020 - 2021.

11)Telephone Services (Renewal)

Renew the telephone services contract with **Smartcom Telephone, LLC.** (McAllen, TX), for the period beginning June 21, 2020 through June 20, 2021, at an estimated monthly amount of \$13,650.00 and an estimated annual amount of \$163,800.00.

Purpose – Information Technology is requesting to renew the telephone services for all South Texas College campuses for a one-year period. At the May 26, 2020 meeting, the Board of Trustees approved to renew the contract for an additional year, in the amount of \$68,400.00. This amount did not include service to the new bond buildings and upgraded services.

Justification and Benefit – The services are needed for local and long distance, 1-800, and POTS lines for fire and elevator alarms, fax lines, and emergency response locations. **EVALUATED AS HIGH PRIORITY AND SHOULD NOT BE POSTPONED.**

Funds for this expenditure are budgeted in the Systems and Networking budget for FY 2020 – 2021.

Recommendation:

It is requested that the Finance, Audit, and Human Resources Committee recommend for Board approval at the October 27, 2020 Board meeting the award of proposal, rescind of award, purchases, and renewals as listed below:

A. Award of Proposal

B. Rescind of Award

C. Purchases and Renewals

a. Instructional Item

b. Non-Instructional Items

c. Technology Items

A. Award of Proposal

- 1) Graduation Caps and Gowns (Award):** award the proposal for graduation caps and gowns to **Jostens, Inc.** (Minneapolis, MN), for the period beginning January 1, 2021 through December 31, 2021 with two one-year options to renew, at an estimated amount of \$50,000.00, which is based on prior year expenditures;

B. Rescind of Award

- 2) Truck Driver/Bus Driver Training (Rescind):** rescind the award to **STVT-AAI Education, Inc./ dba Anacora Corporate Training** (Hurst, TX), for the truck driver/bus driver training. The awarded vendor informed the College staff of a conflict of interest. The information was provided after the vendor had been awarded the contract;

C. Purchases and Renewals (C-a. Instructional Item)

- 3) Admission Assessment Exams (Purchase):** purchase admission assessment exams from **Elsevier** (New York, NY), a sole source vendor, for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$79,200.00;

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

- 4) Building Automation 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 Sourcewell Cooperative approved vendor, for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$50,000.00, which is based on prior year expenditure;
- 5) Furniture (Purchase):** purchase furniture from National Cooperative Purchasing Alliance (NCPA), OMNIA Partner formerly National Intergovernmental Purchasing Alliance (NIPA), Sourcewell, and The Interlocal Purchasing System (TIPS), at a total amount of \$128,794.47. The vendors are as follows:

#	Vendor	Amount
A	Computer Comforts, Inc. (Kemah, TX)	\$49,528.71
B	The Hon Company / Gateway Printing and Office Supply, Inc. (Muscatine, IA/Edinburg, TX)	\$329.38
C	Krueger International, Inc. / Gateway Printing and Office Supply, Inc. (Green Bay, WI/Edinburg, TX)	\$52,948.88

D	Versteel / Gateway Printing and Office Supply, Inc. (Jasper, IN/Edinburg, TX)	\$25,987.50
Furniture Total		\$128,794.47

- 6) **Vehicle Fuel Program (Renewal):** renew the vehicle fuel program with **U.S. Bank/Voyager Fleet Systems** (Kansas City, MO), a State of Texas Procurement and Support Services (TPASS) approved vendor, acting by and through the State of Texas Council of Competitive Government (CCG), for the period beginning January 1, 2021 through December 31, 2021, at an estimated amount of \$130,000.00, which is based on prior year expenditures;

C. Purchases and Renewals (C-c. Technology Items)

- 7) **Computers and Laptops (Purchase):** purchase of computers and laptops 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 \$78,162.77;
- 8) **Microsoft Campus License Agreement (Renewal):** renew the Microsoft campus license agreement with **Software House International (SHI) Government Solutions, Inc.** (Austin, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning November 1, 2020 through October 31, 2021, at a total amount of \$194,128.80;
- 9) **On-Demand Subscription Library Services (Renewal):** renew the on-demand subscription library services with **Ellucian Company, LP.** (Fairfax, VA) through Texas A & M University – Corpus Christi (Corpus Christi, TX) acting by and through the State of Texas Department of Information Resources (DIR) for Texas Connection Consortium (TCC), for the period beginning February 1, 2021 through January 31, 2022, at an estimated amount of \$26,372.00;
- 10) **Support Services Agreement (Renewal):** renew the support services agreement with **Ellucian Company, LP.** (Fairfax, VA) through Texas A & M University – Corpus Christi (Corpus Christi, TX) acting by and through the State of Texas Department of Information Resources (DIR) for Texas Connection Consortium (TCC), for the period beginning September 1, 2020 through August 31, 2021, at an estimated amount of \$29,396.00;
- 11) **Telephone Services (Renewal):** Renew the telephone services contract with **Smartcom Telephone, LLC.** (McAllen, TX), for the period beginning June 21, 2020 through June 20, 2021, at an estimated monthly amount of \$13,650.00 and an estimated annual amount of \$163,800.00.

Recommend Action - The total for all award of proposal, rescind of award, purchases, and renewals is \$929,854.04.

SOUTH TEXAS COLLEGE
1. GRADUATION CAPS AND GOWNS
PROJECT NO. 20-21-1016

VENDOR			Commemorative Brands, Inc./ dba Balfour		Graduate Affairs		Graduation Solutions, LLC./ dba GraduationSource		Herff Jones		Jostens, Inc.		Oak Hall Cap and Gown	
ADDRESS			1550 W Mockingbird Ln		1305 S Calle Palo Fierro		200 Pemberwick Rd		2401 N 10th St Ste A		7760 France Ave S Ste 400		840 Union St	
CITY/STATE/ZIP			Dallas, TX 75235		Palm Springs, CA 92264		Greenwich, CT 06831		McAllen, TX 78501		Minneapolis, MN 55435		Salem, VA 24153	
PHONE			512-431-2296		972-839-4588		914-934-5991		956-971-0064		405-517-1873		540-387-0047	
FAX					972-546-3636		914-934-5992		956-971-9602				540-387-2034	
CONTACT			Scott T. Blevins		Timothy P. Giuliani		Terry Quaranta		Luis J. Garza		Chris Poitras		Lee Beekman	
#	QTY	Description	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	4,000	Student Caps, Tassels, and Gowns	\$ 11.50	\$ 46,000.00	\$ 10.95	\$ 43,800.00	\$ 16.45	\$ 65,800.00	\$ 16.95	\$ 67,800.00	\$ 11.60	\$ 46,400.00	\$ 12.50	\$ 50,000.00
2	1	Shipping and Handling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	4,000	Student Caps, Tassels, and Gowns - Option 2											\$ 11.75	\$ 47,000.00
4	1	Shipping and Handling											\$ -	\$ -
5	1	Order Filled Within	10 Days		14 Days		3-5 Days		14 Days		15 Days		21-30 Days	
6	1	Sample Provided	Yes		Yes		Yes		Yes		Yes		Yes	
ESCALATION														
2nd Year			0%		0%		0%		0%		0%		0%	
3rd Year			0%		0%		0%		0%		0%		0%	
TOTAL PROPOSAL AMOUNT			\$ 46,000.00		\$ 43,800.00		\$ 65,800.00		\$ 67,800.00		\$ 46,400.00		\$ 50,000.00	
TOTAL RANKING POINTS			89.82		83.65		69.27		76.39		93.8		Option 1 - 86.07 Option 2 - 88.91	
RANKING			2		5		7		6		1		Option 1 - 4 Option 2 - 3	

The Director of Purchasing has reviewed all the responses and evaluations completed.

SOUTH TEXAS COLLEGE
1. GRADUATION CAPS AND GOWNS
PROJECT NO. 20-21-1016
EVALUATION SUMMARY

												Option 1		Option 2	
VENDOR		Commemorative Brands, Inc./ dba Balfour		Graduate Affairs		Graduation Solutions, LLC./ dba GraduationSource		Herff Jones		Jostens, Inc.		Oak Hall Cap and Gown		Oak Hall Cap and Gown	
ADDRESS		1550 W Mockingbird Ln		1305 S Calle Palo Fierro		200 Pemberwick Rd		2401 N 10th St Ste A		7760 France Ave S Ste 400		840 Union St		840 Union St	
CITY/STATE/ZIP		Dallas, TX 75235		Palm Springs, CA 92264		Greenwich, CT 06831		McAllen, TX 78501		Minneapolis, MN 55435		Salem, VA 24153		Salem, VA 24153	
PHONE		512-431-2296		972-839-4588		914-934-5991		956-971-0064		405-517-1873		540-387-2034		540-387-2034	
FAX				972-546-3636		914-934-5992		956-971-9602				540-387-2034		540-387-2034	
CONTACT		Scott T. Blevins		Timothy P. Giuliani		Terry Quaranta		Luis J. Garza		Chris Poitras		Lee Beekman		Lee Beekman	
1	The purchase price. (up to 45 points)	42.84	42.84	45	45	29.95	29.95	29.07	29.07	42.47	42.47	39.42	39.42	41.93	41.93
		42.84		45		29.95		29.07		42.47		39.42		41.93	
		42.84		45		29.95		29.07		42.47		39.42		41.93	
2	The reputation of the vendor's goods or services. (up to 10 points)	10	8.66	7	6.33	8	7	9	8.33	10	9.33	10	8.66	10	8.66
		8		6		6		8		9		8		8	
		8		6		7		8		9		8		8	
3	The quality of the vendor's goods or services. (up to 18 points)	17	15.66	14	12.66	14	12.66	17	15.66	17	17	17	15.66	17	15.66
		14		12		12		15		17		15		15	
		16		12		12		15		17		15		15	
4	The extent to which the vendor's goods or services meet the District's needs (up to 18 points)	17	15.66	14	12.66	14	12.66	17	15.33	17	17	17	15.33	17	15.66
		14		12		12		15		17		15		15	
		16		12		12		14		17		14		15	
5	The vendor's past relationship with the District. (up to 3 points)	2	2	2	2	2	2	3	3	3	3	2	2	2	2
		2		2		2		3		3		2		2	
		2		2		2		3		3		2		2	
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	0	0
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
7	The total long-term cost to the college to acquire the vendor's goods or services. (up to 5 points)	5	5	5	5	5	5	5	5	5	5	5	5	5	5
		5		5		5		5		5		5		5	
		5		5		5		5		5		5		5	
TOTAL EVALUATION POINTS		89.82		83.65		69.27		76.39		93.8		86.07		88.91	
RANKING		2		5		7		6		1		4		3	

The Director of Purchasing has reviewed all the responses and evaluations completed.

*The proposal criteria follows in the packet for further explanation of each criteria.

SOUTH TEXAS COLLEGE
1. PROPOSAL CRITERIA - PRODUCT ONLY

	Product Only		
	Points	Score Key	
1 Criterion 1: The purchase price a. The low bidder gets the maximum points b. Divide the lowest proposal by each of the other proposal(s)	50		
2 Criterion 2: The reputation of the vendor and of the vendor's goods or services a. Number of Years in Business b. References (similar projects)	10	8-10 5-7 2-4 0-1	Excellent Acceptable Marginal Poor/No Response
3 Criterion 3: The quality of the vendor's goods or service a. Warranty b. Service Support/Response Time c. Goods/Product (manufacturer life) d. Product Performance	18	14-18 9-13 4-8 0-3	Excellent Acceptable Marginal Poor/No Response
4 Criterion 4: The extent to which the goods or services meet the district's needs a. Delivery Time Frame of product(s) b. Meet or exceed the specifications	18	14-18 9-13 4-8 0-3	Excellent Acceptable Marginal Poor/No Response
5 Criterion 5: The vendor's past relationship with the district a. Quality of Past Performances with STC ****New Vendors will receive two points	3	3 2 1 0	Excellent Acceptable/New Vendor Marginal Poor/No Response
6 Criterion 6: The impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses a. Provided the Certification	1	1 0	Yes No
7 Criterion 7: The total long-term cost to the district to acquire the vendor's goods or services a. Annual Maintenance Cost b. Annual Escalation Increase			Up to 5 points will be used from the purchase price if applicable
8 Criterion 8: Any other relevant factor specifically listed in the request for bids or proposals, e.g.: a. Financial Standing b. Potential or Pending Sale of Business c. Trade-In of outdated equipment			Up to 5 points will be used from the purchase price if applicable

Total Points

100

Definitions of evaluation terms:

Excellent - respondent provided information which fully addressed or exceeded the requirements

Acceptable - respondent provided information which addressed most but not all of the requirements

Marginal - respondent provided minimal information on requirements

Poor/No response - respondent provided inadequate responses to requirements or did not respond

NO BACKUP FOR

2. Truck Driver/Bus Driver Training (Rescind)

SOUTH TEXAS COLLEGE
3. ADMISSION ASSESSMENT EXAMS

VENDOR			Elsevier, Inc.	
ADDRESS			P O Box 9555	
CITY/STATE/ZIP			New York, NY 10087	
PHONE			314-447-8581	
CONTACT			Jizelle Conopio	
#	Qty	Description	Unit Price	Extension
1	1,800	Registered Nurse Admission Assessment Exams Period: 9/1/20 - 8/31/21	\$ 44.00	\$ 79,200.00
TOTAL AMOUNT			\$ 79,200.00	

SOUTH TEXAS COLLEGE
4. BUILDING AUTOMATION CONTROL EQUIPMENT, PARTS, AND
EQUIPMENT MAINTENANCE

VENDOR			Siemens Industry, Inc.	
ADDRESS			1000 Deerfield Parkway	
CITY/STATE/ZIP			Buffalo Grove, IL 60089	
LOCAL ADDRESS			2805 W Expway 83 La Feria, TX	
PHONE			956-797-5075	
CONTACT			Samuel Davis	
#	Qty	Description	Unit Price	Extension
1	1	Building Automation Control Equipment, Parts, and Equipment Maintenance Period: 9/1/20 - 8/31/21	\$ 50,000.00	\$ 50,000.00
TOTAL AMOUNT			\$ 50,000.00	

SOUTH TEXAS COLLEGE
5. DISTRICT WIDE FURNITURE REQUEST
OCTOBER 27, 2020

#	Qty	Description	Unit Price	Extension	Requesting Department
Computer Comforts, Inc. (TIPS)					
1	16	PL3-4830-EB Power-lift electric table with 3-stage leg 48w x 30d table	\$1,658.50	\$26,536.00	Educ Tech Maintenance & Replacement - Marie Evans
	16	Cable cut-out in wood with grommet (2"). Left corner location	\$18.41	\$294.56	Motorized podiums needed for the Nursing and Allied Health Bldg A
	16	Cable cut-out in wood with grommet (2"). Rear corner location	\$18.41	\$294.56	analog equipment with newer digital signal classroom
	16	Cable cut-out in wood with grommet (2"). Right corner location	\$18.41	\$294.56	instruction and student presentations
	16	Cable cut-out in wood with grommet (2"). Located half of half	\$18.41	\$294.56	
	16	Factory assembly	\$25.00	\$400.00	
	16	RB-243030-L 14U Rack Box (freestanding) with 24W x 30D x 30-1/8H	\$403.00	\$6,448.00	
	16	Factory assembly	\$10.00	\$160.00	
	4	PL3-4032-AV Power-lift electric table with 3-stage leg 40W x 32D table top	\$1,971.60	\$7,886.40	
	4	Cable cut-out in wood with grommet (2"). Left corner location	\$18.41	\$73.64	
	4	Cable cut-out in wood with grommet (2"). Rear corner location	\$18.41	\$73.64	
	4	Cable cut-out in wood with grommet (2"). Right corner location.	\$18.41	\$73.64	
	8	Custom cutout in table top	\$40.50	\$324.00	
	4	Factory assembly	\$25.00	\$100.00	
	1	PL3-6030-EB Power-lift electric table with 3-stage leg 60W x 30D table top	\$1,708.10	\$1,708.10	
	1	Cable cut-out in wood with grommet (2"). Left corner location	\$18.41	\$18.41	
	1	Cable cut-out in wood with grommet (2"). Rear corner location	\$18.41	\$18.41	
	1	Cable cut-out in wood with grommet (2"). Right corner location.	\$18.41	\$18.41	
	2	Custom cutout in table top	\$18.41	\$36.82	
	1	Factory assembly	\$25.00	\$25.00	
	1	Shipping estimate for factory assembled tables	\$4,450.00	\$4,450.00	
		Computer Comforts, Inc. Total		\$49,528.71	
The Hon Company / Gateway Printing and Office Supply, Inc. (OMNIA Partners)					
1	2	HS42ABC Brigade Bookcase 3-Shelf 12 5/8 D, 34 1/2 W x 41"H	\$134.69	\$269.38	Business Office - Myriam Lopez
					Bookcase shelves to sort the daily inter campus
					mail that comes into the Business Office
2	1	Labor to receive, inspect, deliver, install, and remove debris	\$60.00	\$60.00	
		The Hon Company Total		\$329.38	
Krueger International, Inc. / Gateway Printing and Office Supply, Inc. (Sourcewell)					
1	1	7D/D3066-74P-F 700 Series Desk, Full Modesty Panel,74P Edge, 30 x 66"W	\$726.74	\$726.74	Technology Campus - Sara Lozano
	1	7D/D2472-74P-F 700 Series Desk, Full Modesty Panel,74P Edge, 24 x 72"W	\$633.94	\$633.94	Office Desk is needed for the new Dean for the
	1	7D/B2442-74P-F 700 Series Desk,Bridge,Full Modesty Panel,74P Edge, 24x42"W	\$483.14	\$483.14	Division of Business, Public Safety, and Technology
	1	S7P/1530WBBF 700 Series Files Supporting Ped-Box/Box/File-30" Nominal Depth	\$530.70	\$530.70	
	1	S7P/1524WFF 700 Series Files Supporting Ped-File/File-24" Nominal Depth	\$460.52	\$460.52	

SOUTH TEXAS COLLEGE
5. DISTRICT WIDE FURNITURE REQUEST
OCTOBER 27, 2020

#	Qty	Description	Unit Price	Extension	Requesting Department
2	2	S19233130 Rectangular Table, Electric, 74P 23 1/2 x 46 1/2	\$1,419.84	\$2,839.68	Library Information Commons - Jesus Campos
	1	Charge for Setup Fee	\$50.00	\$50.00	The electric height adjustable table will be used
					for a multi-function library scanner
3	8	PINR1860T-74P Piroutte, Nesting, Training, Rectangular, 18 x 60 Table	\$578.26	\$4,626.08	Centers for Learning Excellence - Lynell R. Williams
					Tables for the Center for Learning Excellence to be used by students
4	144	1052FT3.US Rio, Light Task Chair, Upholstered Seat	\$243.32	\$35,038.08	Centers for Learning Excellence - Lynell R. Williams
					Replacement of chairs of a suitable material that can be cleaned after
					each use, for the safety of our students and staff
5	1	Labor to receive, inspect, deliver, install, and remove debris	\$7,560.00	\$7,560.00	
		Krueger International, Inc. Total		\$52,948.88	
Versteel / Gateway Printing and Office Supply, Inc. (NCPA)					
1	22	WAW22448COFX Wavelink W2, 24 x 48 Crossover Fixed Table	\$ 429.00	\$ 9,438.00	Centers for Learning Excellence - Lynell R. Williams
	28	WAW23060VIFX Wavelink W@2 30 x 60 Vibe Fixed Table	\$ 485.32	\$ 13,588.96	Tables to be used at Pecan Campus for Centers of
					Learning Excellence
2	1	Labor to receive, inspect, deliver, install, and remove debris	\$ 2,960.54	\$ 2,960.54	
		Versteel Total		\$ 25,987.50	
		Furniture Total		\$128,794.47	

SOUTH TEXAS COLLEGE
6. VEHICLE FUEL PROGRAM

VENDOR			U. S. Bank / Voyager Fleet Systems	
ADDRESS			P O Box 412535	
CITY/STATE/ZIP			Kansas City, MO 64141	
PHONE			800-987-6591	
CONTACT			Pam Pradhan	
#	Qty	Description	Unit Price	Extension
1	1	Vehicle Fuel Program Period: 1/1/21 - 12/31/21	\$ 130,000.00	\$ 130,000.00
TOTAL AMOUNT			\$ 130,000.00	

SOUTH TEXAS COLLEGE
7. DISTRICT WIDE TECHNOLOGY REQUEST
OCTOBER 27, 2020

#	Qty	Description	Unit Price	Extension	Requesting Department
COMPUTERS					
1	1	27 inch iMac w/Retina 5K Display, 3.8 GHZ 8-Core, 10-Generation, Intel Core i7, 64GB Memory, 1TB SSD Storage, 3-Year AppleCare+Schools iMac	\$ 3,338.00	\$ 3,338.00	Music Program - William Buhidar Replacement of non-working system for dept staff
2	1	Computer 3070 MT BTX, i5-9500 Processor, 500GB Hard Drive, 8GB Memory Intel Integrated Graphics, 20" Monitors, Warranty	\$698.00	\$ 698.00	Music Program - William Buhidar Replacement of non-working system for dept faculty
3	4	Computer 3070 MT BTX, i5-9500 Processor, 500GB Hard Drive, 8GB Memory Intel Integrated Graphics, 20" Monitors, Warranty	\$ 623.85	\$ 2,495.40	MV Student Union Bldg F Renovation Tech - Dr. Shirley Reed New systems for dept staff
4	17	Computer 3070 MT BTX, i5-9500 Processor, 500GB Hard Drive, 8GB Memory Intel Integrated Graphics, 20" Monitors, Warranty	\$ 694.00	\$ 11,798.00	MV Student Union Bldg F Renovation Tech - Dr. Shirley Reed New systems for dept staff
5	1	Computer 3070 MT BTX, i5-9500 Processor, 500GB Hard Drive, 8GB Memory Intel Integrated Graphics, 22" Monitors, Warranty	\$ 716.03	\$ 716.03	Chemistry Program - Enriqueta Cortez New systems for students
6	6	Computer 3070 MT BTX, i5-9500 Processor, 500GB Hard Drive, 8GB Memory Intel Integrated Graphics, 20" Monitors, Warranty	\$ 698.00	\$ 4,188.00	Admin Allowance-Veterans - Juan Galva New systems for students at Mid Valley Campus VA area
COMPUTER TOTAL				\$ 23,233.43	
LAPTOPS					
7	1	Laptop Latitude 5410 BTX Base, Intel Core i5-10210U, 256GB Hard Drive Battery, 8GB Memory, Intel UHD 620 Graphics, 20" Monitor, Warranty	\$ 1,040.00	\$ 1,040.00	World Languages Program - Delia Magdaleno New system for dept faculty
8	4	16 inch MacBook Pro with Touch Bar Space Gray, Magic Mouse 2, Magic Keyboard with Numeric Pad, 3 Year Apple Care	\$ 3,026.00	\$ 12,104.00	Music Program - William Buhidar New systems for dept faculty
9	1	Laptop Latitude 5410 BTX Base, Intel Core i5-10210U, 256GB Hard Drive Battery, 8GB Memory, Intel UHD 620 Graphics, Warranty	\$ 920.00	\$ 920.00	Curriculum - Christina Cavazos New system for dept staff
10	12	Laptop Latitude 5410 BTX Base, Intel Core i5-10210U, 256GB Hard Drive Battery, 8GB Memory, Intel UHD 620 Graphics, (9) Docks, Warranty	\$ 1,074.50	\$ 12,894.00	Advising Office - Nancy Garcia New systems for dept staff
11	2	Laptop Latitude 5310 2-in-1 BTX, Intel Core i5-10310U, 256GB Hard Drive, 8GB Memory, Intel UHD 620 Graphics, Pen, Power Bank, Warranty	\$ 1,336.59	\$ 2,673.18	Welding Program - Hector Cavazos New systems for dept staff
12	5	Laptop Latitude 5410 BTX Base, Intel Core i5-10210U, 256GB Hard Drive Battery, 8GB Memory, Intel UHD 620 Graphics, (9) Docks, Warranty	\$ 920.00	\$ 4,600.00	Curriculum - Christina Cavazos New systems for dept staff

SOUTH TEXAS COLLEGE
7. DISTRICT WIDE TECHNOLOGY REQUEST
OCTOBER 27, 2020

#	Qty	Description	Unit Price	Extension	Requesting Department
13	3	Gaming Laptop G7 17-7790, 9th Generation IntelCore i7-9750H	\$ 1,667.24	\$ 5,001.72	Architectural & Engineering Design Tech Program - Laura Salas
		256GB Hard Drive, 16GB Memory, NVIDIA GeForce, Warranty			New systems for dept faculty
14	2	Laptop Latitude 5410 BTX Base, Intel Core i5-10210U, 256GB Hard Drive	\$ 920.00	\$ 1,840.00	Office of Enrollment Services - Miguel Carranza
		Battery, 8GB Memory, Intel UHD 620 Graphics, (9) Docks, Warranty			New systems for dept staff
15	3	Laptop Precision 5550, Intel Xeon W-10855M, 512GB Hard Drive,	\$ 3,085.48	\$ 9,256.44	Computer Science Program - Saeed Molki
		16GB Memory, Intel XEON, Warranty			New systems for dept faculty
16	3	Laptop Latitude 5410 BTX Base, Intel Core i5-10210U, 256GB Hard Drive	\$ 920.00	\$ 2,760.00	Developmental English - Florinda Rodriguez
		Battery, 8GB Memory, Intel UHD 620 Graphics, (9) Docks, Warranty			New systems for dept faculty
17	2	Laptop Latitude 5410 BTX Base, Intel Core i5-10210U, 256GB Hard Drive	\$ 920.00	\$ 1,840.00	Developmental English - Florinda Rodriguez
		Battery, 8GB Memory, Intel UHD 620 Graphics, (9) Docks, Warranty			New systems for dept faculty
		LAPTOP TOTAL		\$ 54,929.34	
		COMPUTER/LAPTOP TOTAL		\$ 78,162.77	

SOUTH TEXAS COLLEGE
8. MICROSOFT CAMPUS LICENSE AGREEMENT

VENDOR			Software House International (SHI) Government Solutions, Inc.	
ADDRESS			3828 Pecana Trail	
CITY/STATE/ZIP			Austin, TX 78749	
PHONE			512-914-3884	
CONTACT			Valerie Soja	
#	Qty	Description	Unit Price	Extension
1	2,400	Microsoft 365 A3 - Subscription License - 1 User - Hosted - Academic EES All Languages	\$ 56.22	\$ 134,928.00
2	170	Microsoft Windows Server Datacente Edition - License and Software Assurance - 2 Cores - Enterprise - All Languages	\$ 44.03	\$ 7,485.10
3	20	Microsoft Visual Studio Professional with MSDN - License and Software Assurance - 1 User - Select ESS - Win - All Languages	\$ 62.21	\$ 1,244.20
4	18,405	Microsoft 365 A3 - Subscription License - 1 User - Hosted - Academic Student - EES - All Languages	\$ -	\$ -
5	400	Microsoft Windows Server Standard Edition - License and Software Assurance - 2 Cores - Enterprise - All Languages	\$ 6.70	\$ 2,680.00
6	350	Microsoft Windows Virtual Desktop Access - Subscription License - 1 Device Select, Select Plus EES - Win - All Languages	\$ 35.83	\$ 12,540.50
7	2,123	Microsoft Exchange Online Advanced Threat Protection - Subscription License - 1 User - Hosted - Academic Faculty - Campus School EES - All Languages	\$ 16.00	\$ 33,968.00
8	18,405	Microsoft Exchange Online Advanced Threat Protection - Subscription License - 1 User - Hosted - Academic Student	\$ -	\$ -
9	50	Microsoft Windows Remote Desktop Services - License and Software Assurance - 1 Device CAL - Academic - Campus School Enterprise Select, Select Plus, EES - Win - All Languages	\$ 9.00	\$ 450.00
10	6	Microsoft Project Online Premium - Subscription License - 1 User - Hosted - Academic, Faculty - Campus School EES - All Languages	\$ 113.00	\$ 678.00
11	5	Power BI Pro - Subscription License - 1 User - Hosted - Academic - Campus School EES - All Languages	\$ 31.00	\$ 155.00
TOTAL AMOUNT			\$ 194,128.80	

SOUTH TEXAS COLLEGE
9. ON-DEMAND SUBSCRIPTION LIBRARY SERVICES

VENDOR			Ellucian Company, LP. through Texas A&M University - Corpus Christi acting by and through the State of Texas Department of Information Resources (DIR) for Texas Connection Consortium (TCC)	
ADDRESS			4375 Fair Lakes Ct	
CITY/STATE/ZIP			Fairfax, VA 22033	
PHONE			610-578-7358	
CONTACT			Barry Beasley	
#	Qty	Description	Unit Price	Extension
1	1	On-Demand Subscription Library Services - Renewal Period: 2/1/21 - 1/31/22	\$ 26,372.00	\$ 26,372.00
TOTAL AMOUNT			\$ 26,372.00	

SOUTH TEXAS COLLEGE
10. SUPPORT SERVICES AGREEMENT

VENDOR			Ellucian Company, LP. through Texas A&M University - Corpus Christi acting by and through the State of Texas Department of Information Resources (DIR) for Texas Connection Consortium (TCC)	
ADDRESS			4375 Fair Lakes Ct	
CITY/STATE/ZIP			Fairfax, VA 22033	
PHONE			610-578-5135	
CONTACT			Tony Yanni	
#	Qty	Description	Unit Price	Extension
1	1	Advantage Plus Support Upgrade Period: 9/1/20 - 8/31/21	\$ 29,396.00	\$ 29,396.00
TOTAL AMOUNT			\$ 29,396.00	

SOUTH TEXAS COLLEGE
11. TELEPHONE SERVICES

VENDOR			Smartcom Telephone, LLC.	
ADDRESS			600 Ash Ave	
CITY/STATE/ZIP			McAllen, TX 78501	
PHONE			956-687-7070	
FAX			956-213-1203	
CONTACT			Alan Yoder	
#	Qty	Description	Unit Price	Extension
1	12	Telephone Services Period: 6/21/20 - 6/20/21	\$ 13,650.00	\$ 163,800.00
TOTAL AMOUNT			\$ 163,800.00	

Review and Recommend Action on Resolution 2021-002 for Adoption of Rules Relating to Electronic Bids or Proposals

Approval on resolution 2021-002 for adoption of rules relating to electronic bids or proposals will be requested at the October 27, 2020 Board of Trustees meeting.

Purpose – For approximately a year, the Purchasing Department has been researching for an electronic solution to receive bids and proposals electronically. The solution identified also provides the capability of storing contracts electronically. Prior to implementation, the Board of Trustees must adopt the rules related to electronic bids or proposals. The rules ensure the identification, security, and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proposed time.

The Purchasing Department, the Information Technology Department, and the Information Security Department held several demonstrations of electronic bid and proposal systems, which were all hosted services. After a solution was identified, Information Security provided the vendor with a questionnaire related to the security of the service and its platform. Information Technology confirmed that the system meets the South Texas College standards for a hosted solution.

Justification and Benefit - The selected hosted service for electronic bids and proposals is Bonfire, a State of Texas Department of Information Resources (DIR) approved vendor, which is user-accessible, prepares proposal tabulations, and allows for committee evaluations to be completed online. During the College's closure, there were several proposals that required the due date to be extended until the College's re-opening. With this system, vendors will have the ability of submitting bids and proposals electronically and will eliminate the need College's need to extend the solicitation due date in case of a College closure.

The timeline related to the implementation process is as follows:

Dates	Actions
1/15/19 - 1/16/19	Conference Calls
1/15/2020 – 2/19/20	Vendor Demonstrations
6/11/20	The Information Technology and Information Security Departments approved the selected vendor's system.
6/18/20	The purchase order in the amount of \$16,450.00 was completed.
7/7/20	1 st Webinar: Bonfire Project Creation Training
7/9/20	2 nd Webinar: Bonfire Vendor Communication and Evaluation Training
7/14/20	3 rd Webinar: Bonfire Bid Table Training

Dates	Actions
7/16/20	4 th Webinar: Bonfire Questionnaire Training
7/21/20	5 th Webinar: Bid Table Training
7/22/20	6 th Webinar: One on One Project Creation Training
Pending	Adoption of the Rules

The Purchasing Department staff have completed all the testing, training, and are ready to go live with the Bonfire system.

Some of the Colleges and School Districts using the Bonfire hosted service are as follows:

El Paso Community College	Donna ISD
Ivy Tech Community College	San Antonio ISD
The University of Texas – Dallas	The University of Texas – RGV
Western University	

The Bid Module includes the following: creation of the request for proposal (RFP) or request for qualification (RFQ), creation of bid or proposal tabulations, and online committee evaluations. Bonfire can clearly communicate RFP/RFQ requirements and timelines to vendors. This platform allows Purchasing to distribute updates, publish addendums, and answer vendor questions online. The Purchasing staff can easily customize the platform to ensure compliance with any new laws or procedures. Vendors are able to register with a personal login and are notified via email of new solicitations, addendums, and will receive due date reminder notifications. The vendors that do not wish to submit an electronic proposal will be allowed to submit in paper form.

The Purchasing Department staff will only be able to view the name of the vendor(s) that have submitted a proposal but will not be able to view any of the proposal information until after the due date and time. This system will lock all the vendor proposal information from everyone including the Purchasing Administrator until it is time.

The contract management hosted service was also been purchased. It enables in-office and remote access to active contracts. This system allows staff to view, filter, and export contract information such as vendor documentation, contract details, vendor contract information, and contract documentation – all within its platform. Bonfire is able to create contracts fast by automatically carrying over relevant information from the awarded proposal. It will also set auto reminders and provide lead times and end dates for all contracts.

The contract owner will be granted access to view their own contract(s) and will receive notifications prior to the expiration of their contract. This will allow enough time to notify the vendor of a contract renewal or non-renewal.

The final step before using this system is to have the Board of Trustees approve a resolution for adoption of rules which are required as per the Texas Education Code Section 44.0313: Procedures for Electronic Bids or Proposals

- (a) A school district may receive bids or proposals under this chapter through electronic transmission if the board of trustees of the school district adopts rules to ensure the identification, security, and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proper time.

Reviewers - The adoption of rules relating to electronic bids or proposals was reviewed by Purchasing Department and President's Cabinet.

Funding Source - The funds for this expenditure were budgeted in the Purchasing Department budget for FY 2019 – 2020.

Enclosed Documents – A resolution for adoption of rules relating to electronic bids or proposals follows in the packet for the Committee's information and review.

Mary Elizondo, Vice President for Finance and Administrative Services, and Becky Cavazos, Director of Purchasing, will be present at the Committee meeting to address any questions by the committee.

It is requested that the Finance, Audit, and Human Resources Committee recommend for Board approval at the October 27, 2020 Board meeting on resolution 2021-002 for adoption of rules relating to electronic bids or proposals as presented.

Resolution No. 2021-002

Adoption of Rules Relating to Electronic Bids or Proposals

WHEREAS, in connection with its purchasing activities, South Texas College (the “College”) finds it necessary and desirable from time to time to require vendors, or offer vendors the option, to submit bids or proposals in electronic format;

WHEREAS, the College has entered into a licensing agreement with Bonfire Interactive, Ltd. (“Bonfire”) to use Bonfire’s electronic purchasing and contract management system, which provides the College with, among other things, the ability to publicize solicitations and receive and evaluate proposals and bids electronically;

WHEREAS, in accordance with Texas Education Code §44.0313: “A school district may receive bids or proposals under this chapter through electronic transmission if the board of trustees of the school district adopts rules to ensure the identification, security, and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proper time;”

WHEREAS, the term “school district” as used in Texas Education Code §44.0313 includes junior college districts;

WHEREAS, the College is a junior college district; and,

WHEREAS, the College has created rules, which are attached hereto as Exhibit “A” (the “Rules”), to ensure the identification, security, and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proper time;

THEREFORE, BE IT HEREBY RESOLVED THAT:

As required by Texas Education Code §44.0313, the College’s Board of Trustees adopts the Rules, which shall be implemented and followed in connection with all electronic bids or proposals accepted by the College.

Adopted the _____ of _____, 2020

Chairman

Mr. Paul R. Rodriguez, Chairman
Board of Trustees
South Texas College

Exhibit A

1. All electronic bids and proposals may be processed exclusively through the platform provided pursuant to the College's agreement with Bonfire. (the "System").
2. College personnel and vendors must access the System exclusively through the use of a unique user account and password.
3. The System will send an email notification of a solicitation to all vendors who are registered in the System's vendor list. The email notification will include a link to the solicitation.
4. Vendors can view a solicitation advertisement only without being registered in the System. However, vendors must be registered and provide all required information in order to submit a bid or proposal electronically.
5. Individual user passwords will be stored in a manner that cannot be accessed by any other user. The Bonfire Administrator will be able to reset the password only through a System-generated program based on a user request to reset a password.
6. All data transmitted between the College and vendors will be encrypted using standard security technology.
7. The System will limit inactivity by causing a session to expire based on a preset time period.
8. All actions taken by any user within the System shall be subject to audit.
9. The System will not accept any bids or proposals after the published closing date and time.
10. The System will allow for bids or proposals to be electronically unsealed only by authorized, password-enabled College personnel. No College personnel will have the ability to unseal any bid or proposal prior to the published date and time for opening the bid or proposal. The System shall be locked and cannot be unsealed until the date and time indicated. The date and time can be extended, if necessary.
11. The System will automatically populate a bid tabulation which will not be available for public disclosure after being unsealed by authorized College personnel. Vendors are not able to view the bid tabulation in the System from any web browser without having the Purchasing Administrator making it public. Subject to public disclosure under Texas law, the content shall remain confidential until after award of the contract.
12. Authorized College personnel shall make the award of the contract through the System, which shall send an email notification to the awarded and non-awarded vendors. The award information will not be accessible to the vendors; therefore, vendors would need to follow the public information request process.
13. The System will retain electronic copies of the vendors' proposals for the minimum time period required pursuant to the state of Texas records retention schedule or for an extended period of time if required by the College.

Review and Recommend Action on Financial Advisor and Continuing Disclosure Services

Approval to award the proposal for financial advisor and continuing disclosure services to Hilltop Securities, Inc. (San Antonio, TX), for the period beginning November 1, 2020 through October 31, 2021, with two one-year option to renew will be requested at the October 27, 2020 Board of Trustees meeting.

Purpose – The Business Office is requesting to contract financial advisor and continuing disclosure services with a firm that will provide independent and professional advice regarding the authorization and issuance of indebtedness in various amounts and forms, and in connection with the authorization, sale, issuance, and delivery of such indebtedness, continuing disclosures and other financial matters, such as, credit rating advisability, assist in the negotiation of Paying Agent/Registrar, provide copies of the changes in law, and provide advice and assistance with regard to exercising any call and/or refunding of any outstanding debt instruments. In addition, they will provide assistance in the investment of certain funds of the Issuer. Continuing Disclosure consists of important information about municipal bonds that arises after the initiative issuance. This information generally reflects the financial health or operating condition of the state or local government as it changes over time, or the occurrence of specific events that can have an impact on key features of the bonds. These disclosures are made available to investors and the public on the Municipal Securities Rulemaking Board.

Justification and Benefit – Independent and professional services for financial advisory and continuing disclosure from Hilltop Securities, Inc. to the College are proposed. The financial advisor is registered with the Securities Exchange Commission and Municipal Securities Rulemaking Board, as required by the Dodd-Frank Act.

Background – On August 25, 2020, the Board of Trustees recommended the solicitation of proposals for the Financial Advisor Services and Continuing Disclosure Services. Furthermore, a two-month extension for the financial advisor service agreement with Hilltop Securities, Inc. for the period beginning September 1, 2020 and ending October 31, 2020 was approved by the Board of Trustees, after the non-renewal of the financial advisor services agreement with Hilltop Securities, Inc. (San Antonio TX), on July 28, 2020, for the period beginning September 1, 2020 through August 31, 2021. The Continuing Disclosure Service agreement was approved by the Board of Trustees on June 27, 2017 for five (5) years with automatic annual renewals and a thirty (30) day cancellation option.

Proposal documents were advertised on August 12, 2020 and August 19, 2020 and issued to six (6) firms. Three (3) responses were received on September 3, 2020 and reviewed by the Business Office and Purchasing Department.

Funding Sources - The cost for the financial advisor services will be netted against the bond proceeds received at time of bond issuance and will be expensed under the Bond Series, Unexpended Plant Fund. The funds for the continuing disclosure services expenditures are budgeted in the Unrestricted Fund budget for FY 2020 – 2021.

Mary Elizondo, Vice President for Finance and Administrative Services, Myriam Lopez, Comptroller, and Becky Cavazos, Director of Purchasing, will be present at the October 13, 2020 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

Enclosed Documents – A Summary of the Proposals, the Evaluation Results, and the Proposal Criteria follow in the packet for the Committee's information and review.

It is requested that the Finance, Audit, and Human Resources Committee recommend for Board approval at the October 27, 2020 Board meeting, to award the proposal for financial advisor and continuing disclosure services to Hilltop Securities, Inc. (San Antonio, TX), for the period beginning November 1, 2020 through October 31, 2021, with two one-year option to renew as presented.

**SOUTH TEXAS COLLEGE
FINANCIAL ADVISOR AND CONTINUING DISCLOSURE SERVICES
PROJECT NO. 20-21-1015**

VENDOR	Estrada Hinojosa & Company, Inc.	Hilltop Securities, Inc.	RBC Capital Markets, LLC.
ADDRESS	1508 S Lone Star Way Unit 1	1201 El St Ste 3500	609 Main St 36th Fl
CITY/STATE/ZIP	Edinburg, TX 78539	Dallas, TX 75270	Houston, TX 77002
PHONE	210-223-4888	210-308-2200	713-651-3338
FAX	210-941-0501	210-349-7858	713-651-3347
CONTACT	Miguel De los Santos	Anne Burger Entrekin	Chris Allen
7.1 Company Profile			
A. Provide a brief history of the firm and its operations.	The Firm was founded in January of 1992 and has been in business for 28 years. The Firm, which is structured as a corporation and domiciled in Dallas, Texas, specializes in public finance with particular strength in finance advisory and municipal underwriting services, and has grown considerably over the last several years. The Firm has become one of the most successful investment banks in the nation, with a concentrated focus on municipal clients. Local Rep: Dr. Miguel De Los Santos Serve eight (8) Texas Higher Institutions	First Southwest Company, LLC which was formed in 1946 and Southwest Securities, Inc., first organized as a corporation in 1972, merged in 2016 to create Hilltop Securities Inc., a registered securities dealer under the Securities and Exchange Act of 1934 and functions as a member of the Depository Trust Company and the National Clearing Corporation. Local Rep: Chris Vela Serve twenty-four (24) Texas Higher Ed Institutions Have supported the Valley Scholars since the beginning.	The parent company, the Royal Bank of Canada (RBC) is one of the world's largest bank, with nearly \$1,334 billion of assets and a market capitalization of nearly \$102 billion. Founded in 1869, RBC and its subsidiaries serve over 16 million governmental, corporate and individual clients with approximately 80,000 employees in 38 countries. Serve seven (7) Texas Higher Ed Institutions
B. Respondent Name	Estrada Hinojosa & Company, Inc. 1717 Main St Ste 4700 Dallas, TX 75201 Year established: 1992 Number of Years in Business: 28	Hilltop Securities, Inc. 1201 Elm St Ste 3500 Dallas, TX 75270 Year established: 1991 Number of Years in Business: 4	RBC Capital Markets, LLC. 200 Vesey St 8th Fl New York NY 10281 Year established: 1981 Number of Years in Business: 20
C. Provide any other names under which Respondent has operated within the last 10 years and length of time under for each.	N/A	Southwest Securities, Inc. (1991 - 2015) First Southwest Company, Inc. (1946-2016) Hilltop Securities, Inc. (2016- Present)	N/A
D. Provide at least five (5) recent references/clients that you have worked with in the last five (5) years.	Laredo College Del Mar College Brazosport College Alvin Community College Texas Southmost College	City of McAllen City of Weslaco Victoria Independent School District Texas Water Development Board Alamo Community College	McLennan Community College Weatherford College Austin Independent School District The University of Texas System Texas Public Finance Authority
E. Explain Changes that have occurred over the last six (6) months regarding staffing, capital, organizational structure, as well as future changes you may expect to occur.	No changes have occurred over the last six (6) months regarding staffing, capital, or organizational structure. No future changes are expected to occur.	Hilltop Securities has not experienced any changes the last six (6) months regarding staffing, capital, organizational structure, and no future changes are expected to occur.	In the past (6) months we had a change in the Municipal Finance Department Heads, with one of our department heads Jim Tricolli, leaving RBC Capital Markets. The other department head, Bob Spangler, continues to manage Municipal Finance and will be the only Municipal Finance department head going forward. We currently do not expect any future changes to occur.
F. Does respondent anticipate any mergers, transfers of organization ownership, management reorganization, or departure of key personnel within the next twelve (12) months?	No	Hilltop Securities does not expect any mergers, transfers of organization ownership, management reorganization, or departure of key personnel within the next twelve (12) months.	No
G. Provide a brief description of Respondent's capital structure to include: a. Total Capital b. Total Equity c. Net Capital d. Total Excess Capital e. Leverage Ration	Information Provided	Information Provided	Information Provided

**SOUTH TEXAS COLLEGE
FINANCIAL ADVISOR AND CONTINUING DISCLOSURE SERVICES
PROJECT NO. 20-21-1015**

VENDOR	Estrada Hinojosa & Company, Inc.	Hilltop Securities, Inc.	RBC Capital Markets, LLC.
H. Describe any actions taken against Respondent's directors, officers, or employees currently, or within the past three (3) years by any governmental regulatory body including State or Federal agencies relating to services provided.	No actions have been taken within the past three (3) years by any governmental regulatory body, including State or Federal agencies relating to services provided by our firm.	There have been no actions taken against Respondent's directors, officers, or employees currently, or within the past three (3) years by any governmental regulatory body including State or Federal agencies relating to the firm's provision of financial advisory or continuing disclosure services.	From time to time, certain of RBCCM's regulators may conduct investigations, initiate enforcement proceedings and/or enter into settlements with RBCCM with respect to issues raised in various investigations. More information can be found at www.rbc.com/investorrelations/
I. Has the Respondent or any of its principals been debarred or suspended from contracting with any public entity?	No	No	No
J. Has the Respondent ever received any disciplinary action, or any pending disciplinary action, from any regulatory bodies or professional organization(s)?	With regard to any litigation or regulatory action filed against the Proposer (or the "Firm"), please be advised that neither the Firm or any individual shareholders or employees are currently the subjects of any ongoing municipal securities investigations, litigation, arbitration or are subject to any subpoena in connection with such investigation, litigation or arbitration. Previous regulatory action which have been resolved within the last five years are provided, and it is significant to note that in no case has the Proposer's ability to serve as a financial advisor or bond underwriter been restricted.	To the best of our knowledge, information and belief based upon the facts available at the time, there is no threatened or pending inquiry investigation, or regulatory proceeding that we believe would have a material adverse impact on the ability to perform public finance Financial Advisory services.	No
7.2 Financial Advisor Experience and Availability			
A. Identify the Financial Advisor who would serve in potential engagements with STC and provide contact information:	Name: Noe Hinojosa, Jr. Address: 1717 Main Street, Suite 4700 City: Dallas State: Texas Zip Code: 75201 Telephone Number: 214-658-1670 Fax Number: 214-292-8849 Cellphone Number: 214-914-4222 Email Address: nhinojosa@ehmuni.com	Name: Anne Burger Entrekin, Regional Managing Director Address: 70 Northeast Loop 410 Ste 710 City: San Antonio State: Texas Zip Code: 78216 Telephone Number: 210-308-2200 Fax Number: 210-349-7585 Cellphone Number: 210-870-7685 Email Address: anne.burgerentrekin@hilltopsecurities.com	Name: Chris Allen Address: 609 Main Street, 36th Floor City: Houston State: Texas Zip Code: 77002 Telephone Number: 713-651-3338 Fax Number: 713-651-3347 Cellphone Number: 512-750-1492 Email Address: chris.allen@rbccm.com
B. Provide a brief biography to include background, experience, expertise and capabilities specific to providing the services as described in the Scope of Services.	Estrada Hinojosa, will provide services to the college via teams of Financial Advisor and Technical and Quantitative Experts. Also, a support team of registered financial advisors will address Continuing Disclosure and other pertinent matters to support the college. The financial advisory team members are Mr. N Hinojosa, Acct Supervisor, Mr. D Gordon and Dr. M De Los Santos Co-Lead Bankers. The Technical and Quantitative function will be provided by Mr. C Buentello, Ms. M Hinojosa Kelly, and Mr. T Jaso. Ms. M Hinojosa Kelly and Mr. B Villarreal will form the Continuing Disclosure and other support team.	Ms. Burger Entrekin has expertise in structures and debt issuances related to multiple types of issuers and financing structures. Over the past 10 years she's served as lead financial advisor on more than \$13.9 billion in bond issuance for entities in Texas and throughout the nation. Assisted in the development of new structures that incorporate credit and programmatic evolutions to specifically meet the goals and objectives of clients while providing optimal flexibility. We have reviewed the Scope of Services requested and find these to be customary for the clients she has assisted in her 34 year tenure with Hilltop Securities, and First Southwest before.	Worked in the industry over 25 years, 10 with Hilltop Securities and 13 years as financial advisor. Primary focus is financial advisory and underwriting services for state agencies, school districts, utility districts, special districts, higher education, cities, and counties.

**SOUTH TEXAS COLLEGE
FINANCIAL ADVISOR AND CONTINUING DISCLOSURE SERVICES
PROJECT NO. 20-21-1015**

VENDOR	Estrada Hinojosa & Company, Inc.	Hilltop Securities, Inc.	RBC Capital Markets, LLC.
C. Provide a brief summary describing a complex transaction or combination of transactions in which the Financial Advisor provided expertise which could be utilized and applied to STC's potential future transactions.	<p>Case Study: South Texas College \$41.195 Million Limited Tax Refunding Bonds, Taxable Series 2020</p> <p>Estrada Hinojosa served as a Senior Underwriter on this transaction, which produced \$3.6 million in saving for South Texas College.</p> <p>Case Study: Sharyland ISD</p> <p>In Preparation for a Bond Election On November 3, 2020, Sharyland ISD will conduct a Bond Election for \$40,000,000.</p>	<p>Texas Water Development Board: An innovative Plan of Finance that has resulted in program successes that exceed original expectations. The TWDB undertook an extensive investor outreach as part of this process which Hilltop Securities participated in throughout the process. This success of the pricing translated into significant savings to the program participants. This transaction was also recognized as the Bond Buyer's 2016 Southwest Region Deal of the Year.</p>	<p>Provided two examples: Texas Public Finance Authority/Texas Facilities Commission: Commercial program reached capacity which resulted in the issuance of \$249,135,000 in long term bonds. Brushy Creek Regional Utility Authority Inc./City of Leander Texas Contract Revenue: Ultimately the refunding bonds received an upgrade to "AA-" which allowed the city to eliminate the need for a reverse fund which freed up a significant amount of cash to use towards the financing.</p>
D. Provide a statement of availability to South Texas College.	<p>As Account Supervisor, Mr. Hinojosa is fully available and committed to help the College meet its financing objectives and complete and contemplated transaction. As President & CEO, he pledges the full resources of the Firm to the College.</p>	<p>Anne commits to serve as the overall Project Manager for the College's engagement. Senior members of our engagement team will attend all requested meetings with staff, manage all work products, and ensure that all the firm's commitments are fulfilled to the complete satisfaction of the College.</p>	<p>Mr. Allen will be available daily via email and makes himself available by cell phone when not in the office.</p>
E. Include transactions in the past three (3) years in which this individual served as Financial Advisor. Specify if the experience was not with the current firm.	<p>The vendor submitted a total of twenty (20) transactions.</p> <p>--For 2017 a total of seven (7) transactions were completed.</p> <p>--For 2018 a total of six (6) transactions were completed.</p> <p>The following seven (7) transactions have been completed in 2020:</p> <p>--Roma ISD Unlimited Tax Refunding Bond, Series 2020</p> <p>--Rio Grande City CISD Unlimited Tax Refunding Bonds, Series 2020</p> <p>--Harlingen CISD Unlimited Tax Refunding Bonds, Series 2020</p> <p>--Laredo College Maintenance Tax Ref. Bonds, Tax. Ser. 2020</p> <p>--Del Mar CD Limited Tax Bonds, Series 2020B</p> <p>--Brazosport College Limited Tax Ref Bonds, Series 2020</p> <p>--Del Mar College Limited Tax Bonds, Series 2020A-B</p>	<p>The vendor submitted a total of seventy-three (73) transactions.</p> <p>--For 2018 a total of twenty-three (23) transactions were completed.</p> <p>--For 2019 a total of thirty-nine (39) transactions were completed.</p> <p>The following eleven (11) transactions have been completed in 2020:</p> <p>--Port Arthur, City Combination Tax and Revenue Certificates of Obligation, Series 2020A</p> <p>--Port Arthur, City Combination Tax and Revenue Certificates of Obligation, Series 2020B</p> <p>--San Antonio, City of Public Property Finance Corporation Obligations, Series 2020</p> <p>--Michigan Finance Authority State Revolving Fund Revenue Bond Anticipation Notes, Series 2020A</p> <p>--San Antonio, City of General Improvement Refunding Bonds</p> <p>--San Antonio Housing Trust Finance Corporation, Multifamily Housing Mortgage Revenue Bonds, Series 2019 (Pan American Projects)</p> <p>--Texas Water Development Board State Revolving Fund Revenue Bonds, New Series 2020</p> <p>--Nueces River Authority General Improvement Revenue Bonds, Series 2020</p> <p>--San Antonio, City General Improvement Bonds, Series 2020</p> <p>--Shiner, City of Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020</p> <p>--South Texas College Limited Tax Refunding Bonds, Taxable Series 2020</p>	<p>The vendor submitted a total of eight (8) transactions.</p> <p>--For 2016 a total of two (2) transaction was completed.</p> <p>--For 2019 a total of two (2) transactions were completed.</p> <p>The following four (4) transactions have been completed in 2020:</p> <p>--Austin ISD Unlimited Tax School Building Bonds, Series 2020</p> <p>--City of Leander Special Assessment Revenue Refunding Bonds, Series 2020</p> <p>--City of Kyle Combination Tax & Revenue Certificate of Obligation, Series 2020</p> <p>--City of Leander General Obligation Refunding Bonds, Series 2020</p>
7.3 Technical and Quantitative Expertise and Availability			
A. Identify the Quantitative Analyst who would serve in potential engagements with STC and provide contact information:	<p>Name: David G. Gordon</p> <p>Address: 1717 Main St Ste 4700</p> <p>City: Dallas</p> <p>State: Texas</p> <p>Zip Code: 75201</p> <p>Telephone Number: 214-658-1670</p> <p>Fax Number: 214-292-8849</p> <p>Cellphone Number: 214-564-3035</p> <p>Email Address: dgordon@ehmuni.com</p>	<p>Name: Michelle Aragon, Director</p> <p>Address: 70 Northeast Loop 410 Ste 710</p> <p>City: San Antonio</p> <p>State: Texas</p> <p>Zip Code: 78216</p> <p>Telephone Number: 210-308-2221</p> <p>Fax Number: 210-349-7585</p> <p>Cellphone Number: 210-319-8031</p> <p>Email Address: michelle.aragon@hilltopsecurities.com</p>	<p>Name: Gabriella Briceno</p> <p>Address: 609 Main St 36th Fl</p> <p>City: Houston State: Texas</p> <p>Zip Code: 77002</p> <p>Telephone Number: 713-853-0808</p> <p>Fax Number: 713-651-3347</p> <p>Cellphone Number: 480-208-4939</p> <p>Email Address: gabriella.briceno@rbccm.com</p>

**SOUTH TEXAS COLLEGE
FINANCIAL ADVISOR AND CONTINUING DISCLOSURE SERVICES
PROJECT NO. 20-21-1015**

VENDOR	Estrada Hinojosa & Company, Inc.	Hilltop Securities, Inc.	RBC Capital Markets, LLC.
B. Provide a brief biography to include background, experience, expertise and capabilities specific to providing the services as described in the Scope of Services.	Estrada Hinojosa, will provide services to the college via teams of Financial Advisor and Technical and Quantitative Experts. Also, a support team of registered financial advisors will address Continuing Disclosure and other pertinent matters to support the college. The financial advisory team members are Mr. N Hinojosa, Acct Supervisor, Mr. D Gordon and Dr. M De Los Santos Co-Lead Bankers. The Technical and Quantitative function will be provided by Mr. C Buentello, Ms. M Hinojosa Kelly, and Mr. T Jaso. Ms. M Hinojosa Kelly and Mr. B Villarreal will form the Continuing Disclosure and other support team.	Senior Quantitative Banking Support with over 17 years of public finance experience. Represents numerous school districts, college districts, cities, economic development corporations, counties and utility systems.	Began career in public finance in 2013. Provides financial advisory and underwriting services to the firm's client, particularly providing technical, analytical and quantitative analyst for various municipal issuers including public schools, higher ed issuers throughout the state.
C. Provide a statement of availability to South Texas College.	Working with other team members, Mr. Gordon is fully available and committed to help the college meet its financial objectives and complete any contemplated transaction.	The financing team assigned to serve the College consists of senior, experienced professionals who offer the College significant Texas and higher education financial advisory and quantitative expertise. Our primary engagement team is based in our San Antonio location.	Ms. Briceno will be available daily via email, and phone when not in the office. Ms. Briceno is also able to meet in person with appropriate given notice.
D. List Financial Advisor transactions in the past three (3) years in which this individual served as Quantitative Analyst (primary numbers runner on transaction). Specify if the experience was not with the current firm.	The vendor submitted a total of eight (8) transactions. --For 2018 a total of one (1) transaction was completed. --For 2019 a total of two (2) transactions were completed.	The vendor submitted a total of twenty-eight (28) transactions. --For 2018 a total of one (3) transactions were completed. --For 2019 a total of twenty (20) transactions were completed.	The vendor submitted a total of eight (8) transactions. --For 2016 a total of one (1) transaction was completed. --For 2019 a total of three (3) transactions were completed.
	The following five (5) transactions were completed in 2020: --City of Arlington G.O. Pension Bonds, Taxable Series 2020 --City of McKinney WW&SS Ref. Bonds, Series 2020 --City of Allen G.O. Improve. & Ref. Bonds, Series 2020 --Allen EDC Sales Tax Revenue Bonds, Taxable Series 2020 --Cameron Co. Rev. & Tax Ref. Bonds, Taxable Series 2020	The following five (5) transactions were completed in 2020: --Alamo Community College District, Cash Defeasance of a Portion of the 2033 Mat of the S07 and 2032 May of the S07A --Alamo Community College District, Unlimited Tax School Building Bonus, Series 2020 --Kerrville Independent School District --Port Authority of San Antonio --Fort Bend Independent School District	The following four (4) transactions have been completed in 2020: --Austin ISD Unlimited Tax School Building Bonds, Series 2020 --City of Leander Special Assessment Revenue Refunding Bonds, Series 2020 --City of Kyle Combination Tax & Revenue Certificate of Obligation, Series 2020 --City of Leander General Obligation Refunding Bonds, Series 2020
E. Include a description of any quantitative capabilities, including type of financial software utilized and other technical tools utilized.	In addition to his serving as financial advisor for many clients, Mr. Gordon routinely serves as quantitative lead on his transactions as well as for other bankers within the firm. In this capacity, he prepares financial models in Excel including tax rate impact statements, revenue bond coverage calculations, feasibility analysis, and many other modeling exercises. He also uses DBC, the industry-standard bond sizing software package, to complete numbers of bond sales. For refunding, he also analyzes escrow requirements and facilitates the purchase of appropriate securities.	Hilltop Securities has the technical capability and experience required to assess virtually every type of financial structure contemplated by a government issuer or conduit borrower, and we offer a distinctly different approach to providing technical services through the utilization of a senior level quantitative group. The software packages Hilltop Securities utilizes include DBC Finance, MUNEX Advanced Decision Support Software for Public Finance and Financial Management Systems, Micro-Muni Debt Refund and Sizing, Microsoft Access and Microsoft Excel.	RBCCM has a dedicated team of professional bankers in its Municipal Quantitative Group with the experience to handle the most complex issues in structuring and pricing municipal bond, derivative and credit transactions. Continually developing and implementing sophisticated computer programs, in addition to DBC Finance, to analyze and determine the most efficient financing plans for clients. RBCCM strives to be an active participant on all financing and underwriter pools in which we serve. Some value added services include: financial modeling, capabilities, debt capacity analysis, insurance breakeven analysis, refunded bond optimization, synthetic fixed rate refunding analysis, call option analysis, etc.

**SOUTH TEXAS COLLEGE
FINANCIAL ADVISOR AND CONTINUING DISCLOSURE SERVICES
PROJECT NO. 20-21-1015**

VENDOR	Estrada Hinojosa & Company, Inc.	Hilltop Securities, Inc.	RBC Capital Markets, LLC.
7.4 Other Financial Advisory and Continuing Disclosure Services and Availability			
A. Identify the individual who will coordinate official statement, continuing disclosure, and rating agency presentation preparation, in addition to providing research and support to STC as necessary. Provide contact information in the following format:	Included information for the following: Tony Jaso, Executive Vice President Estrada Hinojosa & Company, Inc. Mary Hinojosa Kelly, Senior Vice President Estrada Hinojosa & Company, Inc. Bobby Villarreal, Vice President Estrada Hinojosa & Company, Inc.	Included information for the following: Cris Vela, Director. Local Senior Banking Support Mario Hernandez, Analyst. Quantitative Support Lou Ann Heath, Director. Continuing Disclosure	Included information for the following: Austin Spence, Associate
B. Underwriter or Other Comparable Services:	Mr. Thomas B. Nolan III, Senior Managing Director Mr. Randle Clontz, Senior Vice President Mr. Carlos Buentello, Senior Vice President	Pete Stare, Managing Director in our Houston office will provide pricing and underwriting support. All other information provided	Mr. Jamie Durando, Managing Director and Head of Municipal Syndicate for RBCCM Mr. Glenn McGowan, Director Mr. Marc Greer, Senior Underwriter
C. Provide any other information that you may deem applicable to the Financial Advisor and Continuing Disclosure Services that STC may utilize but has not been directly requested in the RFP.	We at Estrada Hinojosa understand the importance of selecting the right financial advisor that will meet your needs. Our goal is to serve the needs of our clients through personal and professional experience that's helps them achieve their financial goals.	Hilltop Securities possesses the experience, expertise and resources to provide Arbitrage Rebate services, Continuing Disclosure services, Asset Management services and Structured Finance services in-house. No other firm able to provide all of these services in house. Types of services provided.	RBCCM scope of services ensures that we are your partner from bond election, to credit rating strategy development, to bringing a transaction to market, to managing the financing team and to handling post issuance compliance.
7.5 Vendor's Qualification Statement			
A. How many years has your organization been in business under its present business name?	28 years	Hilltop Securities has been operating under it's present business name since October 2015.	20 years
B. If a corporation, answer the following:	Date of Incorporation: January 09, 1987 State of Incorporation: Texas President: Noe Hinojosa, Jr. Vice President: N/A Secretary: Thomas B. Nolan, III Treasurer: Donald J. Gonzales	Date of Incorporation: December 1991 State of Incorporation: Delaware President: M. Bradley Wings Vice-President(s): N/A Secretary: Brian Witneben Treasurer: Laura Levanthal	Date of Incorporation: December 29, 1981 State of Incorporation: Minnesota President: John Thurlow, Chair and COO Vice-President(s): Lidia Podyma, Controller Secretary: Esther Hellwig Louis
C. If a Partnership, answer the following:	N/A	N/A	
D. If other than a corporation or partnership, describe organization and name principals:	N/A	N/A	
TOTAL EVALUATION POINTS	85.66	95.66	87.99
RANKING	3	1	2

The Director of Purchasing has reviewed all the responses and evaluations completed.

**SOUTH TEXAS COLLEGE
FINANCIAL ADVISOR AND CONTINUING DISCLOSURE SERVICES
PROJECT NO. 20-21-1015
EVALUATION SUMMARY**

VENDOR		Estrada Hinojosa & Company, Inc.		Hilltop Securities, Inc.		RBC Capital Markets, LLC.	
ADDRESS		1508 S Lone Star Way Unit 1		1201 El St Ste 3500		609 Main St 36th Fl	
CITY/STATE		Edinburg, TX 78539		Dallas, TX 75270		Houston, TX 77002	
PHONE		210-223-4888		210-308-2200		713-651-3338	
FAX		210-941-0501		210-349-7858		713-651-3347	
CONTACT		Miguel De los Santos		Anne Burger Entrekin		Chris Allen	
1	The price proposal. (up to 35 points)	30	30	35	35	33	33
		30		35		33	
		30		35		33	
2	The reputation of the vendor and the vendor's goods or services. (up to 18 points)	14	14.33	16	16.33	14	14.66
		15		17		16	
		14		16		14	
3	The quality of the vendor's goods or services. (up to 18 points)	17	17	17	17	17	16.33
		17		17		16	
		17		17		16	
4	The extent to which the vendor's goods or services meet the College's needs. (up to 15 points)	14	13.33	15	15	13	13
		13		15		13	
		13		15		13	
5	The vendor's past relationship with the College. (up to 3 points)	2	2	3	3	2	2
		2		3		2	
		2		3		2	
6	The impact on the ability of the College to comply with laws and rules relating to Historically Underutilized Businesses. (up to 1 point)	0	0	0	0	0	0
		0		0		0	
		0		0		0	
7	The total long-term cost to the College to comply to acquire the vendor's goods or services. (up to 5 points)	4	4	5	5	4	4
		4		5		4	
		4		5		4	
8	The experience of the firm in the area of financial advisor and continuing disclosure services. (up to 5 points)	5	5	5	4.33	5	5
		5		4		5	
		5		4		5	
TOTAL EVALUATION POINTS		85.66		95.66		87.99	
RANKING		3		1		2	

The Director of Purchasing has reviewed all the responses and evaluations completed.

*The Proposal Criteria follows in the packet for further explanation of each criteria.

**SOUTH TEXAS COLLEGE
PROPOSAL CRITERIA - SERVICE ONLY**

		Service Only	
		Points	Score Key
1	Criterion 1: The purchase price a. The low bidder gets the maximum points b. Divide the lowest proposal by each of the other proposal(s)	40	
2	Criterion 2: The reputation of the vendor and of the vendor's goods or services a. Number of Years in Business b. References (similar projects) c. Services/Installation d. Professional Licenses/Certifications	18	15-18 10-14 5-9 0-4 Excellent Acceptable Marginal Poor/No Response
3	Criterion 3: The quality of the vendor's goods or service a. Warranty b. Service Support/Response Time c. Goods/Product (manufacturer life) d. Product Performance	18	15-18 10-14 5-9 0-4 Excellent Acceptable Marginal Poor/No Response
4	Criterion 4: The extent to which the goods or services meet the district's needs a. Time Frame to complete the project b. Delivery Time Frame of product(s) c. Number of staff d. Meet or exceed the specifications	15	12-15 7-11 3-6 0-2 Excellent Acceptable Marginal Poor/No Response
5	Criterion 5: The vendor's past relationship with the district a. Quality of Past Performances with STC ****New Vendors will receive two points	3	3 2 1 0 Excellent Acceptable/New Vendor Marginal Poor/No Response
6	Criterion 6: The impact on the ability of the district to comply with laws and rules relating to Historically Underutilized Businesses a. Provided the Certification	1	1 0 Yes No
7	Criterion 7: The total long-term cost to the district to acquire the vendor's goods or services; and a. Annual Escalation Increase	5	5 3-4 1-2 0 Excellent Acceptable Marginal Poor/No Response
8	Criterion 8: Any other relevant factor specifically listed in the request for bids or proposals, e.g.: a. Financial Standing b. Potential or Pending Sale of Business		Up to 5 points will be used from the purchase price if applicable

Total Points

100

Definitions of evaluation terms:

Excellent - respondent provided information which fully addressed or exceeded the requirements

Acceptable - respondent provided information which addressed most but not all of the requirements

Marginal - respondent provided minimal information on requirements

Poor/No response - respondent provided inadequate responses to requirements or did not respond

Discussion and Action as Necessary on Primary Bank Depository Services

Approval to award the proposal for primary bank depository services to BBVA (McAllen, TX), for the period beginning February 1, 2021 through January 31, 2023, with an option to renew for three additional two (2) year periods will be requested at the October 27, 2020 Board of Trustees meeting.

Purpose – The current bank depository services will expire on January 31, 2021. Approval to award a financial institution contract for bank depository services is needed in order to provide banking services to the College. These services include safekeeping of College funds, a system consisting of checks and electronic payments to students, employees, and vendors, and funds received by the College.

Justification – Depository banks offer the College banking services which includes, but is not limited to, account maintenance, account reconciliation, stop payment, online banking, balance reporting, wire transfers, book transfers, ACH transactions, and positive pay.

Background – The current contract for Bank Depository Services was awarded to BBVA Compass at the July 29, 2014, Board meeting for the period ending August 31, 2016, with two (2) two-year renewal options. A six (6) month contract extension was approved at the August 25, 2020 Board of Trustees meeting.

Award	Board Meeting Date	Original Term	Renewal Term
Original	7/29/14	9/1/14 – 8/31/16	2 – two-year options
1 st Renewal	4/28/16		9/1/16 – 8/31/18
2 nd Renewal	5/29/18		9/1/18 – 8/31/20
Extension	8/25/2020		9/1/20-1/31/2021

The College advertised a Request for Proposal (RFP) for the period of September 1, 2020 to August 31, 2022 with three, two-year renewal options, on January 19, 2020 and January 26, 2020. During the Board of Trustees meeting held on May 26, 2020, the Board rejected all proposals that were received and requested a new RFP be issued with revised criteria.

Proposal documents were revised and advertised on July 1, 2020 and July 8, 2020, and issued to eighteen (18) institutions. Four (4) responses were received on July 17, 2020.

On Friday, July 17, 2020, the College received responses from BBVA, Lone Star National Bank, PlainsCapital Bank, and Texas Regional Bank.

The committee evaluated the proposals based on the revised criteria approved by the Board of Trustees on June 23, 2020, as listed below:

- 1) The interest rate bid or proposed on time deposits
- 2) Charges for keeping district accounts, records, and reports and furnishing checks
- 3) The Respondent's ability to perform and provide the required and requested services

- 4) The accessibility and locations of the Bank's branches for employees and students in Hidalgo and Starr counties

In compliance with Texas Education Code, Chapter 44 Fiscal Management, Subchapter B: Purchases; Contracts, Section 44.031: Purchasing Contracts, the evaluation committee evaluated based on the established criteria with the information available. The Evaluation Committee presented PlainsCapital Bank as the top ranked to the Finance, Audit, and Human Resources Committee on August 11, 2020.

The Finance, Audit, and Human Resources Committee went into executive session to discuss the request for proposal and evaluation process. The Committee recommended to the Board:

- A) Develop criteria clarification for two criteria listed below to be developed for the Board of Trustees consideration:
Criteria 1) The interest rate bid or proposed on time deposits
Criteria 2) Charges for keeping district accounts, records, and reports and furnishing Checks
- B) Revise the methodology for point distribution for criteria:
Criteria 4) The accessibility and locations of the Bank's branches for employees and students in Hidalgo and Starr counties

Legal Counsel reviewed the information presented and asked that the following statement be included in the August 25, 2020 Board packet: "Modification and clarification of some provisions of the Request for Proposals have been required in consultation with the Board of Trustees, legal counsel and financial advisor. The selection criteria, however, remains the same".

The Board approved the revisions to the RFP and evaluation process on August 25, 2020 and additional information was requested from the four institutions.

The Request for Clarification was sent on August 28, 2002 to four (4) institutions. On Friday September 2, 2020 the College received responses from BBVA, PlainsCapital Bank, and Texas Regional Bank on or before the designated time.

The evaluation committee evaluated the proposals based on the revised criteria approved by the Board on August 25, 2020 and the clarification responses received. The top ranked bank is BBVA.

BBVA offers the following:

- Waived banking services fees
- Highest net income
- Has experience with higher education clients and operate as the primary depository bank for several community colleges across Texas
- Has branch locations near all campuses in both Hidalgo and Starr counties

In accordance with the Public Funds Collateral Act, all College deposits are guaranteed by the Federal Deposit Insurance Corporation up to the current insured amount of \$250,000 a letter of credit issued by a Federal Home Loan Bank, and/or by a pledge of eligible securities. The market value of the principal portion of the collateral pledged must at all times be equal to or greater than 102% of the par value of the time and demand deposits plus accrued interest, less the applicable level of FDIC insurance, as determined under the Public Funds Collateral Act.

Mary Elizondo, Vice President for Finance and Administrative Services, Becky Cavazos, Director of Purchasing and Myriam Lopez, Comptroller, will be present at the October 13, 2020 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

Enclosed Documents - A Summary of the Proposals with Clarifications and the Evaluation Results follow in the packet for Committee's information and review.

It is requested that the Finance, Audit, and Human Resources Committee recommend for Board approval at the October 27, 2020 Board meeting the award of the proposal for primary bank depository services to BBVA (McAllen, TX), for the period beginning February 1, 2021 through January 31, 2023, with an option to renew for three additional two (2) year periods as presented.

SOUTH TEXAS COLLEGE
PRIMARY DEPOSITORY BANK SERVICES SUMMARY WITH CLARIFICATION
PROJECT NO. 20-21-1007

NAME	BBVA	Lone Star National Bank	PlainsCapital Bank	Texas Regional Bank
ADDRESS	3900 N 10th St 2nd Fl	520 E Nolana	7201 N 10th St	1801 S McColi Rd
CITY/STATE/ZIP	McAllen, TX 78501	McAllen, TX 78504	McAllen, TX 78504	McAllen, TX 78501
PHONE	956-971-5901	956-984-2825	956-664-4785	956-661-7814
CONTACT	Gina Lobato	Vipul Patel	Robert C. Norman	Alex Meade
1 Interest Rate Proposed on Time Deposits				
A Interest Earnings on				
Investment Option	Interest Checking - Bank Managed Rate (One time option to convert to Index of 100% of 91 Day T-Bill). No rate floor offered.	Interest Checking - Indexed to 40% of 91 Day T-Bill average high rate of each week from previous month. Rate floor of 0.05% and Cap of 2.00%.	Interest Checking - ICS Sweep indexed to Lower End of FED Funds Target Rate. Rate floor of 0.40%.	Interest Checking - Indexed to 91 Day T-Bill 0.16% on June 30, 2020 plus 0.25% with rate variable set based on last day of prior month. No rate floor offered.
Interest Rate	0.400%	0.060%	0.400%	0.349%
Investment Balance Earning Interest Income	\$ 31,000,000	\$ 31,000,000	\$ 31,000,000	\$ 21,646,570
Monthly Investment Income	\$ 10,333	\$ 1,550	\$ 10,333	\$ 6,296
Two Year Investment Income	\$ 248,000	\$ 37,200	\$ 248,000	\$ 151,093
Eight Year Investment Income	\$ 992,000	\$ 148,800	\$ 992,000	\$ 604,372
2 The Charges for Keeping District Accounts, Records, and Reports and Furnishing Checks				
A Cost of Services (Monthly Charge)	\$ -	\$ (7,524)	\$ (5,129)	\$ (5,846)
Initial Two Year (Cost) of Services	\$ -	\$ (180,570.48)	\$ (123,095)	\$ (140,302)
Total Eight Year (Cost) of Services	\$ -	\$ (722,282)	\$ (492,378.24)	\$ (561,206)
B Earnings Credit Calculation on Compensating Balance				
Earnings Credit Based on Index or Bank Managed	N/A	N/A	Indexed to Lower End of Fed Funds Target Rate. Rate floor of 0.40%.	Bank Managed - No floor offered
Earnings Credit Rate Offered	N/A	N/A	0.40%	0.75%
Target DDA Compensating Balance	\$ -	\$ -	\$ -	\$ 9,353,430
Monthly Earnings Credit less Reserve	\$ -	\$ -	\$ -	\$ (5,846)
Earnings Credit for Two Year Term	\$ -	\$ -	\$ -	\$ 140,302
Earnings Credit for Eight Year Term	\$ -	\$ -	\$ -	\$ 561,206
Balance Assessment - Deposit Recoupment Fee	Waived	Yes	Waived	Waived
Reserve Requirement	Waived	Yes	Waived	Waived
Net Income/(Cost) for Two Year Term	\$ 248,000	\$ (143,370)	\$ 124,905	\$ 151,093
Net Income/(Cost) for Eight Year Term	\$ 992,000	\$ (573,482)	\$ 499,622	\$ 604,372
C Transition Cost (Estimated)	\$ -	\$ (10,000)	\$ (10,000)	\$ (10,000)

**SOUTH TEXAS COLLEGE
PRIMARY DEPOSITORY BANK SERVICES SUMMARY WITH CLARIFICATION
PROJECT NO. 20-21-1007**

NAME	BBVA	Lone Star National Bank	PlainsCapital Bank	Texas Regional Bank
ADDRESS	3900 N 10th St 2nd Fl	520 E Nolana	7201 N 10th St	1801 S McColl Rd
CITY/STATE/ZIP	McAllen, TX 78501	McAllen, TX 78504	McAllen, TX 78504	McAllen, TX 78501
PHONE	956-971-5901	956-984-2825	956-664-4785	956-661-7814
D Retention and Transition Offers and Incentives				
Estimated Waived Fees	\$ -	\$ -	\$ 61,547	\$ -
Retention / Transition Allowance	\$ 5,000	\$ -	\$ -	\$ 4,000
Scanners	\$ 1,500	\$ -	\$ 7,500	\$ -
Tamperproof Bags & Supplies	\$ -	\$ -	\$ 1,000	\$ -
Two Year Total Income/(Cost) with Contract Incentives and Estimated Transition Cost	\$ 254,500	\$ (153,370)	\$ 184,952	\$ 145,093
Eight Year Total Income/(Cost) with Contract Incentives and Estimated Transition Cost	\$ 998,500	\$ (583,482)	\$ 559,669	\$ 598,372
E Compensating Balance Requirement	None	None Maximum deposit is \$50,000,000	None	None
Terms Fixed for Initial Contract and Future Renewals	Yes - 2 years initial terms	No	Yes	Yes
Collateral Limit	None	Excess of \$50,000,000 will be subject to acceptance.	\$6,000,000 then ICS Account	None
3 The Respondent's ability to perform and provide the required and requested services. (TEC Chapter 45 Section 45.207 Award of Contract)				
A Provide firm's overall ability in providing the services required in this solicitation.	Net Cash online and mobile banking system with administrative access . 11 Financial Literacy Programs including BBVA OpenMind. Will not settle quarterly, but monthly. Remote deposit scanners and provide 2 scanners. DeposCash (smart safe). Payroll card at cost. No implementation period . Education opportunities through webinars and publications. Will cash employee and student checks.	Only capacity for up to \$50,000,000 for collateral purpose. Will cash employee and students checks. Quarterly account settlement. Offers Remote deposit capture . Does not offer smart safe. Limit mobile app to balance inquires and internal transfers.	Safe point titan safes with cash deposits. Quarterly account settlements. Offers Remote deposit capture - provide 10 scanners. Mobile app, approve wires, positive pay, admin users changes etc. Will cash employee and students checks. Must use Insured Cash Sweep investment option to earn interest.	Mobile banking, but no soft token. Can approve wires, ach etc. Offers remote deposit capture. Does not offer smart safe. Will cash employee and students checks. Quarterly account settlement.
B System reporting capabilities.	Several file format. Customized reports. Can't schedule reports/automatic generated. No graphs capabilities. Allows College to modify access.	Account reconciliation reports, transaction activity may be downloaded. Download/Export to several file format. Allows College to modify user access. No graphs capabilities.	Offers a variety of reporting options that can be customized to client needs with their programmers. Export to several file format. Allows College to modify access. No graphs capabilities.	Download/Export to several file format. Does not allow College to modify access to users. No graphs capabilities.

**SOUTH TEXAS COLLEGE
PRIMARY DEPOSITORY BANK SERVICES SUMMARY WITH CLARIFICATION
PROJECT NO. 20-21-1007**

NAME	BBVA	Lone Star National Bank	PlainsCapital Bank	Texas Regional Bank
ADDRESS	3900 N 10th St 2nd Fl	520 E Nolana	7201 N 10th St	1801 S McColl Rd
CITY/STATE/ZIP	McAllen, TX 78501	McAllen, TX 78504	McAllen, TX 78504	McAllen, TX 78501
PHONE	956-971-5901	956-984-2825	956-664-4785	956-661-7814
C Positive Pay fraud protection services (based on date, check number, amount, and payee name and default)	Approve by 6 PM. Default can be set up as to return. Email confirmation. Can't remove voided checks already submitted. Offers reverse positive pay. Meet requirement of payee positive pay.	Approve by 11 AM, displays error message. Default can be set up as to return. Meet requirement of Payee positive pay. Does not have reverse positive pay capability. Can remove voided checks already submitted	Approve by 2 PM, email confirmation. Default can be set up to return if no response. Meet requirement of payee positive pay. Offers reverse positive pay. Can remove voided checks already submitted	Approve by 11 AM, onscreen confirmation. Default is to pay, and College will be liable for damages caused by the payment. Meet requirement of payee positive pay. Offers reverse positive pay. Can remove voided checks already submitted
D Same day funds availability.	Same day credit for all transactions submitted before 4:00 PM.	Same day credit for all transactions submitted before 4:00 PM.	Same day credit for all transactions submitted before 4:00 PM, except for high volume, late deposit drops. Recommends morning delivery.	Same day credit for all transactions submitted before 4:00 PM.
E Provided firm's principal(s) and staff commitment in providing the services.	Provided names and titles of Relationship Manager and Treasury Management Officer with short bios. The team has extensive experience in banking.	Provided names and titles of Relationship officer, public funds representative and fixed income analyst, but no additional information or bios as requested in the RFP.	Provided names and short bios for SVP Senior Loan Officer, and VP Treasury Management Sales Officer. In addition, also provided short bios for Region Chairman for the RGV, VP Public Funds Officer, and Senior Vice President, Central and South Texas Treasury Management Sales Manager. Overall, the team has extensive experience in banking.	Provided names and title of Relationship officer, but no additional information or bios as requested in the RFP.
F Provided examples of your firm civic activities and awards and recognitions that institution has received.	- Net Cash Mobile app received 2019 Best User Experience Award - BBVA foundation (support scientific research and cultural creation, dissemination of knowledge and culture, and recognition of talent and innovation)	None Noted	- Personal Finance and Budgeting Tools - Netspend's award-winning online tools - Netspend Scholarship Program	None Noted
G Compliance with all applicable state and federal regulations for the services proposed.	Will notify the College of changes made to the agreements governing the provision of banking services to the College by BBVA, incl changes made to address changes in applicable law.	Can comply with regulations and provide Collateral up to \$50,000,000. Excess balance of \$50M, will be subject to acceptance of LSNB. College and bank share responsibility to monitor balance.	Can comply with regulations, but only provide letter of credits up to \$6M, and the rest will be covered under FDIC insured cash sweep option.	Can comply with regulations and provide proper Collateral as requested in RFP.
H Relevant experience managing similar account relationships with other higher education institutions.	40 Years in education section Currently serving as Depository Bank for STC. 10+ Higher education clients	One Texas higher education client, served 1+ year.	One Texas higher education client . Served 7 + years	No Higher education clients listed. Has years of experience advocating for higher educational and workforce needs.

**SOUTH TEXAS COLLEGE
PRIMARY DEPOSITORY BANK SERVICES SUMMARY WITH CLARIFICATION
PROJECT NO. 20-21-1007**

NAME		BBVA	Lone Star National Bank	PlainsCapital Bank	Texas Regional Bank
ADDRESS		3900 N 10th St 2nd Fl	520 E Nolana	7201 N 10th St	1801 S McColl Rd
CITY/STATE/ZIP		McAllen, TX 78501	McAllen, TX 78504	McAllen, TX 78504	McAllen, TX 78501
PHONE		956-971-5901	956-984-2825	956-664-4785	956-661-7814
I	Verification of References.	Higher education clients listed, but did not respond. Several years experience with bank.	Higher education client listed, but only one year experience with bank.	One Higher education reference.	No Higher Education client listed.
4 The accessibility and locations of the Bank's branches for employees and students in Hidalgo and Starr counties. (TEC Chapter 45 Section 45.207 Award of Contract)					
A	Number of branches and locations of branches in Hidalgo and Starr Counties.	Several locations near all campuses and in both counties	Several locations near all campuses and in both counties	Does not have locations in Starr county	Only provided names of two cities.
B	Cash deposit capabilities where no branch location is convenient.				
TOTAL EVALUATION POINTS		93.66	44.32	76.33	66.66
RANKING		1	4	2	3

**SOUTH TEXAS COLLEGE
PRIMARY BANK DEPOSITORY SERVICES
PROJECT NO. 20-21-1007
EVALUATION SUMMARY**

NAME		BBVA		Lone Star National Bank		PlainsCapital Bank		Texas Regional Bank	
ADDRESS		3900 N 10th St 2nd Fl		520 E Nolana Ave		7201 N 10th St		1801 S McColl Rd	
CITY/STATE/ZIP		McAllen, TX 78501		McAllen, TX 78504		McAllen, TX 78504		McAllen, TX 78501	
PHONE		956-971-5901		956-984-2825		956-664-4785		956-661-7814	
CONTACT		Gina Lobato		Vipul Patel		Robert C. Norman		Alex Meade	
1	The interest rate bid or proposed on time deposits. (TEC Chapter 45 Section 45.207 Award of Contract) (up to 30 points) A. Interest earnings on interest bearing accounts.	28	28	5	5	28	28	18	20.33
		28		5		28		22	
		28		5		28		21	
2	The charges for keeping district accounts, records, and reports and furnishing checks; (TEC Chapter 45 Section 45.207 Award of Contract) (up to 30 points) A. Cost of services. B. Earnings credit calculation on compensating balance. C. Transition cost. D. Retention and transition offers and incentives. E. Compensation balance requirement.	29	28.66	17	13.66	23	22	27	27
		28		12		21		27	
		29		12		22		27	
3	The Respondent's ability to perform and provide the required and requested services. (TEC Chapter 45 Section 45.207 Award of Contract) (up to 30 points) A. Provide firm's overall ability in providing the services required in this solicitation. B. System reporting capabilities. C. Positive Pay fraud protection services (based on date, check number, amount, and payee name and default) D. Same day funds availability. E. Provided firm's principal(s) and staff commitment in providing the services. F. Provided examples of your firm civic activities and awards and recognitions that institution has received. G. Compliance with all applicable state and federal regulations for the services proposed. H. Relevant experience managing similar account relationships with other higher education institutions. I. Verification of References	27	27	16	15.66	21	21.33	15	14.33
		27		16		21		14	
		27		15		22		14	
4	The accessibility and locations of the Bank’s branches for employees and students in Hidalgo and Starr counties. (TEC Chapter 45 Section 45.207 Award of Contract) (up to 10 points) A. Number of branch locations the vendor have in Hidalgo and Starr Counties. B. Cash deposit capabilities where no branch location in convenient.	10	10	10	10	5	5	5	5
		10		10		5		5	
		10		10		5		5	
TOTAL EVALUATION POINTS		93.66		44.32		76.33		66.66	
RANKING		1		4		2		3	

The Director of Purchasing has reviewed all the responses and evaluations completed.

Review and Recommend Action on Resolution 2021-001 Authorizing Investment Brokers, Dealers, Banks, and Investment Pools

Approval on Resolution 2021-001 Authorizing Investment Brokers, Dealers, Banks, and Investment Pools will be requested at the October 27, 2020 Board meeting.

Purpose – Additions or deletions to the approved Investment Brokers, Dealers, Banks and Investment Pools list are proposed.

The Texas Public Funds Investment Act (PFIA) requires that the Board of Trustees approve any broker and dealer firms that will be used to transact investment business with the College. In addition, the College's Investment Policy requires that the Board of Trustees approve any banks and investment pools that will be used to transact investment business with the College. As per Policy #5120: *Investment Policy* and Investment Strategy Statement and in accordance with the PFIA, the Board of Trustees shall at least annually, review, revise, and adopt a list of qualified Investment Providers.

Justification – The Resolution Authorizing Investment Brokers, Dealers, Banks, and Investment Pools was approved and authorized on May 26, 2020, as amended. A revised list of brokers, dealers, banks, and investment pools, which includes one additional broker/dealer, SAMCO, and one additional bank, Texas Capital Bank, that operate in the Texas public fund arena and have extensive knowledge of the requirements and constraints of the PFIA, are included on Exhibit "A".

All the changes that are recommended to be added to the investment brokers, dealers, and banks list are as follows:

#	Section	From	To
1	List of Authorized Broker/Dealers:	FTN Securities	FHN Securities
2	List of Authorized Broker/Dealers:		remove "Raymond James"
3	List of Authorized Broker/Dealers:		add "SAMCO"
4	List of Authorized Banks:	BBVA Compass	BBVA
5	List of Authorized Banks:	Independent Bank Financial	Independent Financial
6	List of Authorized Banks:		remove "Legacy Texas Bank"
7	List of Authorized Banks:		add "Texas Capital Bank"

Background – The Board adopted specific limitations on banks that could be used for College deposits with the adoption of Resolution Authorizing Investment Brokers, Dealers, Banks, and Investment Pools on May 26, 2020, as amended. Valley View Consulting, LLC,

the investment advisor under contract with the College, has identified SAMCO and Texas Capital Bank and their offerings to be favorable to the College.

Reviewers – The Resolution was reviewed by Valley View Consulting, LLC (Investment Advisor) and was previously reviewed by South Texas College's legal counsel. No changes are being presented except the additions of a broker/dealer and a bank to Exhibit "A".

Enclosed Documents – The revised Resolution 2021-001 Authorizing Investment Brokers, Dealers, Banks, and Investment Pools follows in the packet for the Committee's information and review.

Dr. Shirley A. Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, will be present at the October 27, 2020 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

It is requested that the Finance, Audit, and Human Resources Committee recommend for Board approval at the October 27, 2020 Board meeting, Resolution 2021-001 Authorizing Investment Brokers, Dealers, Banks, and Investment Pools as presented, and which supersedes any previously adopted Board Resolution.

Resolution No. 2021-001

A RESOLUTION BY THE SOUTH TEXAS COLLEGE RELATING TO THE COLLEGE'S ADOPTION AND ANNUAL REVIEW OF ITS LIST OF AUTHORIZED BROKERS/DEALERS/BANKS/INVESTMENT POOLS AND AMENDING SUCH BROKERS/DEALER/BANK/INVESTMENT POOL LIST AS REQUIRED BY BOARD POLICY AND STATE LAW; AND AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO.

WHEREAS, the Board of Trustees (the "Board") of the South Texas College (the "College") has adopted a written Investment Policy which primarily emphasizes safety of principal and liquidity and addresses investment diversification, yield, and maturity and the quality and capability of investment management provisions in accordance with the Public Funds Investment Act, Texas Government Code Chapter 2256, Subchapter A, as amended, (the *Act*); and

WHEREAS, the Board must annually review the list of authorized brokers/dealers/banks/investment pools that are authorized to engage in investment transactions with the College and adopt a written instrument stating that it has reviewed such list of authorized brokers/dealers/banks/investment pools; and

WHEREAS, a written copy of the College's Investment Policy must be presented to any person offering to engage in an investment transaction with an investment entity or to an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio; and

WHEREAS, the authorized representatives of a business organization offering to engage in an investment transaction with the College must provide a written acknowledgement that the business organization has received the College's Investment Policy; now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SOUTH TEXAS COLLEGE THAT:

SECTION 1: The Board has reviewed list of authorized brokers/dealers/banks/investment pools authorized to engage in investment transactions with the College (Exhibit "A" attached hereto), and the Board further wishes to memorialize this review by the adoption of this Resolution.

SECTION 2: Prospective authorized brokers/dealers/banks/investment pools will be provided with written copies of the College's Investment Policy and such authorized representatives will provide written acknowledgments of receipt of the College's Investment Policy.

SECTION 3: This Resolution may be relied upon by all appropriate government officials and others interested in this Resolution and establishes the College's compliance with the requirements of the Act and the College's Investment Policy.

SECTION 4: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 5: All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 6: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 8: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

PASSED AND APPROVED this the ____ day of _____, 2020.

SOUTH TEXAS COLLEGE

Mr. Paul R. Rodriguez, Chairman
Board of Trustees

ATTEST:

Mr. Roy de León, Secretary
Board of Trustees

(COLLEGE SEAL)

Exhibit “A”

List of Authorized Brokers/Dealers:

~~FTN~~ FHN Securities
Duncan Williams
Multi-Bank Securities
~~Raymond James~~
Rice Financial
SAMCO
Wells Fargo Securities

List of Authorized Banks:

Allegiance Bank
BBVA ~~Compass~~
Bank of Texas
Bank OZK
Bank of South Texas
BTH Bank
BOK Financial
Capital One Bank
Comerica Bank
East West Bank
Falcon Bank
First Community Bank
Frost Bank
Greater South Texas Bank
Veritex Bank
Independent ~~Bank~~ Financial
International Bank of Commerce
Vantage Bank
JPMorgan Chase
~~Legacy Texas Bank~~
Lone Star National Bank
NexBank
PlainsCapital Bank
Prosperity Bank
Rio Bank
Southwest Bank
Southside Bank
Texas Capital Bank
Texas Regional Bank
Wallis Bank
Wells Fargo Bank

List of Authorized Investment Pools:

TexPool
TexStar

Review and Recommend Action to Revise Policy #5120: Investment Policy and Investment Strategy Statement

Approval of Policy #5120: *Investment Policy* and Investment Strategy Statement will be requested at the October 27, 2020 Board meeting.

Purpose – The Public Funds Investment Act (PFIA), Chapter 2256.005 (e) and the College's Policy requires the governing body of an investing entity to review its Investment Policy and Investment Strategy Statement not less than annually. The governing body must adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the Investment Policy and Investment Strategy Statement and that the written instrument so adopted shall record any changes made to either the Investment Policy or Investment Strategy Statement.

Justification – Revisions to Policy #5120: *Investment Policy* and Investment Strategy Statement were last approved and authorized on October 29, 2019. The administration brings the Investment Policy and Investment Strategy Statement to the Board of Trustees annually, as required.

Background – The College's Investment Policy and Investment Strategy Statement was submitted and reviewed by the Government Treasurers' Organization of Texas (GTOT). In September 2020, the College was awarded the Certificate of Distinction by GTOT for the Investment Policy. This Certificate is for a two-year period ending August 31, 2022 and this is the seventh consecutive award. The College has received the Certification of Distinction beginning August, 2009.

The current Investment Policy complies with the Public Funds Investment Act.

The revisions recommended are minor changes to wording in an effort to provide clarification.

The minor revisions included in the Investment Policy are as follows:

	Section	From	To
1	On page 1, Preface		added "investment"
2	On page 1, Preface	be designed and managed in a manner responsive to the public trust and consistent with	Conform to the strict requirements of the Act and
3	On page 2, Section I A		added (hereinafter "South Texas College" or the "College")
4	On page 2, Section I B		removed "All investments made with South Texas College (hereinafter "South Texas College" or the

	Section	From	To
			“College) funds prior to the adoption of this Investment Policy shall be held or liquidated as determined by the Investment Committee (defined hereinafter in Section III.G.1 of the Policy) to be in the best interest of the financial well-being of South Texas College.”
5	On page 2, Section II A	are	result
6	On page 2, Section II A		added “investments”
7	On page 2, Section II A, On page 3, Section II C, On page 5, Section III E	securities	investments
8	On page 2, Section II A	investing in securities	utilizing investments
9	On page 3, Section II C		added “market”
10	On page 3, Section III A		removed “Investments described below are authorized by the Public Funds Investment Act as eligible securities,”
11	On page 3. Section III A		added “eligible securities”
12	On page 3, Section III A, On page 4, Section III A 7, On page 4, Section III D, On page 9, Section III G 1, On page 10, Section III G 3 & 4, On page 1, Investment Strategy Statement, Preface		removed “Public Funds Investment”
13	On page 3, Section III A 4		removed “The College will take all prudent measures that are consistent with its Investment Policy to liquidate an investment that does not have the minimum rating.”
14	On page 4, Section III A 5 e		Added “Section”
15	On page 4, Section III A 5 e	Of this section	herein
16	On page 4, Section III A 7		removed “The College will maintain procedures to monitor rating changes in investments acquired with public funds and to address the liquidation of investments that fall below the

	Section	From	To
			required rating consistent with the provisions of Section III.D.”
17	On page 5, Section III E	investing	utilizing
18	On page 5, Section III E	controlled	limited
19	On page 5, Section III E	in safest	least-risk
20	On page 5, Section III E		added “Act and the”, “on”, “terms”
21	On page 8, Section III E 5 a		added “an account in”
22	On page 8, Section III E 6		removed “(Section III.A)”
23	On page 9, Section III G 1		removed “deposits”, “session”
24	On page 9, Section III G 1	receive	accumulate
25	On page 9, Section III G 1	attend an	receive
26	On page 10, Section III G 1		added “ <i>Texas Association of Community College Business Officers</i> ”
27	On page 10, Section III G 3	then prevailing	prevailing
28	On page 10, Section III G 4		removed “Chapter 2256.005(i)”
29	On page 11, Section III G 5		removed “South Texas College, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to South Texas College’s Investment Policy and Investment Strategy Statement. The annual compliance audit performed by the College’s independent auditor shall include a review of all quarterly reports. The results of the audit shall be reported to the College’s Board of Trustees by the auditor.”
30	On page 11, Section III G 9		removed “The annual compliance audit performed by the College’s independent auditor shall include a review of all quarterly reports. The results of the audit shall be reported to the College’s Board of Trustees by the auditor.”

	Section	From	To
31	On page 2, Investment Strategy Statement	a quarter of a percentage	ten basis
32	On page 2, Investment Strategy Statement		removed “the greatest”, “of any of the fund types.”

Reviewers – The Investment Policy and the Investment Strategy Statement have been reviewed by staff and also by South Texas College’s legal counsel, Valley View Consulting, LLC (Investment Advisor) and Carr, Riggs & Ingram, LLC (external auditors).

Enclosed Documents – The Investment Policy and Investment Strategy Statement and the Certification of Investment Policy follow in the packet for the Committee’s information and review.

Dr. Shirley A. Reed, President, and Mary Elizondo, Vice President for Finance and Administrative Services, will be present at the October 13, 2020 Finance, Audit, and Human Resources Committee meeting to address any questions by the committee.

It is requested that the Finance, Audit, and Human Resources Committee recommend for Board approval at the October 27, 2020 Board meeting, the revisions to Policy #5120: Investment Policy and Investment Strategy Statement as presented, and which supersedes any previously adopted Board Policy.

MANUAL OF POLICY

Title	Investment Policy	5120
Legal Authority	Approval of the Board of Trustees	Page 1 of 12
Date Approved by Board	<i>As Amended by Board Minute Order Dated October 27, 2020</i>	

PREFACE

It is the policy of South Texas College that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with State and Federal Regulations, applicable Tax Exempt Bond Issue requirements, adopted Investment Policy and adopted Investment Strategy Statement.

Effective cash management is recognized as essential to good fiscal management. Aggressive cash management and effective investment strategy development will be pursued to take advantage of interest earnings as viable and material revenue to all South Texas College funds. The South Texas College *investment* portfolio shall *conform to the strict requirements of the Act and* ~~be designed and managed in a manner responsive to the public trust and consistent with~~ this Policy.

Investments shall be made with the primary objectives of:

- Preservation of capital and safety of South Texas College funds,
- Maintenance of sufficient liquidity,
- Maximization of return within acceptable risk constraints, and
- Diversification of investments.

I. PURPOSE

A. Formal Adoption

This Investment Policy (hereinafter “Investment Policy” or “Policy”) is adopted by South Texas College (*hereinafter “South Texas College” or the “College”*) in accordance with Chapter 2256, Texas Government Code, the Public Funds Investment Act (hereinafter the “Act,” “Public Funds Investment Act,” or “PFIA”) and shall be interpreted at all times to comply with the Act.

B. Scope

This Investment Policy applies to all financial assets of South Texas College and includes the following funds or fund types: Unrestricted, Auxiliary, Restricted, Loan, Endowment, Agency, Funds for Renewal and Replacement, Unexpended Plant Funds, Funds for Retirement of Indebtedness, and any other funds which have been contractually delegated to South Texas College for management purposes.

This Policy establishes guidelines for:

- 1) Designation of Investment Officers and Investment Committee to invest South Texas College funds,
- 2) Authorized investments, and
- 3) Review and oversight of investments.

In addition to this Policy, bond funds (as defined by the Internal Revenue Service) shall be managed in accordance with their issuing documentation and all applicable State and Federal Laws.

~~All investments made with South Texas College (hereinafter “South Texas College” or the “College”) funds prior to the adoption of this Investment Policy shall be held or liquidated as determined by the Investment~~

Italics denote addition

~~Strikethrough denotes deletion~~

MANUAL OF POLICY

Title	Investment Policy	5120
Legal Authority	Approval of the Board of Trustees	Page 2 of 12

~~Committee (defined hereinafter in Section III.G.1 of the Policy) to be in the best interest of the financial well-being of South Texas College.~~

C. Review and Amendment

This Policy shall be reviewed annually by the Board of Trustees. Amendments must be adopted by the Board of Trustees.

D. Investment Strategy

In conjunction with the annual Policy review, the Board of Trustees shall review the separate written investment strategy for each of South Texas College's funds. The investment strategy must describe the investment objectives for each fund according to the following priorities:

- 1) understanding of the suitability of the investment to the financial requirements of South Texas College,
- 2) preservation and safety of principal,
- 3) liquidity,
- 4) marketability of the investment if the need arises to liquidate the investment prior to maturity,
- 5) diversification of the investment portfolio, and
- 6) yield.

II. INVESTMENT OBJECTIVES

A. Safety of Principal

The primary objective of all investment activity is the preservation of capital and the safety of principal in the overall portfolio. Each investment transaction shall seek to ensure first that capital losses are minimized, whether they ~~result~~ *are* from securities *investments* defaults or erosion of market value.

The objective will be to mitigate credit and interest rate risk.

- Credit Risk: In accordance with State law and the College's Investment Policy, the College limits its exposure to credit risk (the risk that the issuer of a debt security will not pay its ~~pay~~ value upon maturity) by limiting its investments to only those authorized in Section III.A in accordance with the PFIA. In Section III.E.1, the College's Investment Policy seeks to further minimize its concentration of credit risk by establishing maximum investment percentages of classes of ~~securities~~ *investments* and a diversification strategy for the total College portfolio.
- Interest Rate Risk: In accordance with its Investment Policy, the College limits its exposure to interest rate risk by ~~investing in securities~~ *utilizing investments* whose maturities will not exceed the anticipated cash flow requirements for the funds. College policy states that investments of all fund types, except for Unexpended Plant Funds and Funds for Retirement of Indebtedness, are limited to a weighted average maturity of 365 days for all investments, with a maximum allowable maturity of two years for any investment type. The investment maturities of Unexpended Plant Funds and of Funds for Retirement of Indebtedness are generally limited to the anticipated cash flow requirements of the funds.

Italics denote addition

~~Strikethrough denotes deletion~~

MANUAL OF POLICY

Title

Investment Policy

5120

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Page 3 of 12

B. Maintenance of Adequate Liquidity

The investment portfolio will remain sufficiently liquid to meet the cash flow requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturity with forecasted cash flow requirements; investing in securities with active secondary markets; and maintaining appropriate portfolio diversification.

C. Market Rate of Return (Yield)

The College's investment portfolio shall be designed with the objective of attaining a **market** rate of return throughout budgetary and economic cycles, consistent with the College's investment risk constraints and the cash flow needs projected. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk **securities investments** in anticipation of earning a fair return relative to the risk being assumed. Weighted Average Yield to Maturity shall be the standard for calculating portfolio rate of return.

III. INVESTMENT POLICIES

A. Authorized Investments

~~Investments described below are authorized by the Public Funds Investment Act as eligible securities.~~ South Texas College restricts its investments to the following **eligible securities**, as authorized by the ~~Public Funds Investment~~ Act.

- 1) Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks.
- 2) Direct obligations of the State of Texas, or its agencies and instrumentalities.
- 3) Other obligations, the principal and interest ~~on~~ which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
- 4) Obligations of states, agencies, counties, cities, and other political subdivisions of any State rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent. ~~The College will take all prudent measures that are consistent with its Investment Policy to liquidate an investment that does not have the minimum rating.~~
- 5) Financial institution deposits issued by a depository institution that has its main office or branch in Texas and is:
 - a) guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successors or the National Credit Union Share Insurance Fund or its successor;
 - b) secured by obligations that are described by the Public Funds Collateral Act (Chapter 2257, Texas Government Code), including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than 102% of the principal amount plus accrued interest of the deposit less the applicable level of FDIC insurance, or by Letters of Credit issued by the Federal Home Loan Bank with a value of 100% of the principal amount plus accrued interest of the deposit less the applicable level of FDIC insurance; or
 - c) secured in any other manner and amount provided by law for deposits of the College.
 - d) ~~i~~ssued in a manner consistent with the Act that distributes the deposit among multiple financial institutions to effectively provide FDIC insurance for the entire deposit;

Italics denote addition

~~Strikethrough denotes deletion~~

MANUAL OF POLICY

Title	Investment Policy	5120
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- e) governed by a Depository Agreement, as described in **Section** E.4 **herein** ~~of this section~~, that complies with Federal and State Regulation; and
- f) solicited for bid orally, in writing, electronically, or any combination of those methods, unless acquired exclusively from the South Texas College depository.
- 6) No-load government money market mutual funds registered with and regulated by the Securities and Exchange Commission whose investment objectives seek to maintain a stable \$1.0000 net asset value and that comply with the requirements of State law.
- 7) Eligible investment pools organized and operating in compliance with the ~~Public Funds Investment~~ Act that have been authorized by the Board of Trustees by rule, order, ordinance, or resolution and whose investment philosophy and strategy is consistent with this Policy and South Texas College's ongoing investment strategy. A public funds investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

To the extent the bonds or other obligations of the College or a municipal bond insurance policy further limits the types of investments the College makes with funds pledged to the payment of those bonds or obligations, the provisions thereof shall govern.

~~The College will maintain procedures to monitor rating changes in investments acquired with public funds and to address the liquidation of investments that fall below the required rating consistent with the provisions of Section III.D.~~

B. Existing Investments

The College is not required to liquidate investments that were authorized investments at the time of the purchase.

C. Prohibited Investment

In accordance with Texas state law, the following are not authorized investments:

- 1) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- 2) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- 3) Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- 4) Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

D. Credit Rating Review and Effect of Loss of Required Rating

The College will seek to control the risk of loss due to failure of an investment issuer by monitoring the ratings of portfolio positions to ensure compliance with the rating requirements imposed by the ~~Public Funds Investment~~ Act. Not less than quarterly, the Investment Officers will obtain, from a reliable source, the current credit rating for each held investment that has a PFIA-required minimum rating. Any authorized investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

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E. Protection of Principal

South Texas College shall seek to control the risk of loss due to the failure of an ~~an~~ **security investment** issuer or grantor. Such risk shall be **limited** ~~controlled~~ by ~~investing~~ **utilizing** only ~~in~~ the **safest least-risk** types of ~~securities investments~~ as defined in the ~~Act and the~~ Policy; by qualifying the broker, dealer, and financial institution with whom the College will transact; by collateralization as required by law; and through portfolio diversification by maturity and type.

The purchase of individual securities shall be executed **on** “delivery versus payment” (DVP) **terms** through the South Texas College Safekeeping Agent. By so doing, South Texas College’s funds are not released until South Texas College has received, through the Safekeeping Agent, the securities purchased.

1. Diversification by Investment Type

Diversification by investment type shall be maintained by ensuring an active and efficient secondary market in portfolio securities and by opportunity risks associated with specific security types.

Diversification by investment type shall be established by the following maximum percentages of investment type to the total South Texas College investment portfolio at the time of each investment transaction:

- a. U.S. Treasury Bills/Notes/Bonds 100%
- b. U.S. Agencies and Instrumentalities 100%
- c. States, Counties, Cities, and Other 25%
- d. Financial Institution Deposits 100%
- e. Government Money Market Mutual Funds 25%
- f. Eligible Investment Pools 50%

Bond proceeds may be invested in a single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record-keeping and calculations.

2. Diversification by Investment Maturity

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Maturity guidelines by fund are as follows: (Investment transactions made prior to the adoption of this Policy are not subject to these guidelines).

a) **Unrestricted, Auxiliary, Restricted, Loan, Endowment, Agency and Plant Renewal and Replacement Funds**

The weighted average days to maturity for the portfolio of these funds shall be less than 365 days and the maximum allowable maturity shall be two years for any investment type.

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b) Unexpended Plant Funds

The investment maturity of Unexpended Plant Funds, allocable to a bond issue, shall generally be limited to the anticipated cash flow requirements or the “Temporary Period,” as defined by the U.S. Tax Code and the regulations thereunder. During the Temporary Period, bond proceeds may be invested at an unrestricted yield. After the expiration of the Temporary Period, bond proceeds subject to yield restriction shall be invested consistent with the yield restrictions under the U.S. Tax Code and the regulations thereunder.

The weighted average days to maturity for the Unexpended Plant Funds not allocable to a bond issue shall be less than 365 days and the maximum allowable maturity shall be two years for any investment type.

c) Funds for Retirement of Indebtedness

Funds, along with other available monies, shall be invested to ensure adequate funding for debt service payment. The Investment Officers shall ensure that the investments mature on dates such that the available monies and the anticipated receipts from investments will be sufficient to pay, when due, the principal, interest and call premiums, if any, of the outstanding obligations.

South Texas College’s funds that are considered “bond proceeds” for arbitrage purposes will be invested using a more conservative approach than the standard investment strategy when arbitrage rebate rules require rebate of excess earnings. All earnings in excess of the allowable arbitrage earnings (“rebate liability”) will be segregated and made available for any necessary payments to the U.S. Treasury.

3. South Texas College Liquidity

Liquidity shall be achieved by investing in securities with active secondary markets and by maintaining minimum balances in financial institution deposits, eligible money market mutual funds and eligible investment pools.

A security may be liquidated to meet unanticipated cash requirements, to redeploy cash into other investments expected to outperform current holdings, or to otherwise adjust the portfolio.

4. Depository Agreements

Consistent with the requirements of State law, South Texas College requires all bank deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as South Texas College’s Depositories will be required to sign a Depository Agreement (hereinafter “Agreement”) with South Texas College and South Texas College’s safekeeping agent.

The safekeeping portion of the Agreement shall define South Texas College’s rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- the Agreement must be in writing;
- the Agreement has to be executed by the Depository and South Texas College contemporaneously with the acquisition of the asset;
- the Agreement must be executed in compliance with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) and approved by the Board of Directors or the loan

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committee of the Depository and a copy of the meeting minutes must be delivered to South Texas College;

- the Agreement must be part of the Depository's "official record" continuously since its execution; and
- the Agreement states the securities and collateral will be held in South Texas College's name as evidenced by safekeeping receipts of the institution with which the securities are deposited.

a) Allowable Collateral

Eligible securities for collateralization of deposits are defined by the Public Funds Collateral Act, Chapter 2257, Texas Government Code, as amended, and those that meet the constraints of this Policy.

b) Collateral Levels

The market value of the principal portion of securities that are pledged as collateral must at all times be equal to or greater than 102%, or 100% for Letters of Credit issued by a Federal Home Loan Bank, of par value of the time and demand deposits plus accrued interest, less the applicable level of FDIC insurance.

c) Monitoring Collateral Adequacy

South Texas College shall require monthly reports with market values of pledged securities from all financial institutions with which South Texas College has collateralized deposits. The bank shall be responsible and liable for monitoring and maintaining the collateral and collateral margins on a daily basis and for reporting these activities monthly. The Investment Officers will monitor adequacy of collateralization levels to verify market values and total collateral positions.

d) Additional Collateral

If the market value of the securities pledged as collateral for a deposit falls below 102%, or 100% for Letters of Credit issued by a Federal Home Loan Bank, of par value of time and demand deposits plus accrued interest, less the applicable level of FDIC insurance, the institution holding the deposit will be notified by the Investment Officers and will be required to pledge additional allowable collateral as defined above no later than the end of the next succeeding business day.

e) Security Substitution

Collateralized deposits often require substitution of securities. Any financial institution requesting substitution must contact the Investment Officers for approval and settlement. The substituted security's value will be calculated and substitution approved if the substitution maintains a pledged value equal to or greater than the required security level. An Investment Officer must provide written notification of the decision to the bank or the safekeeping agent holding the security prior to any security release. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense. The Investment Officers may limit substitution and assess appropriate fees if substitution becomes excessive or abusive.

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5. Safekeeping

a) Safekeeping Agreement

South Texas College shall contract with a bank or banks for the safekeeping and custody of securities either owned by South Texas College as a part of its investment portfolio or as part of its depository agreements or held as collateral to secure time and demand deposits. Securities and collateral will be held in *an account in* South Texas College's name as evidenced by safekeeping receipts of the institution with which the securities are deposited.

b) Safekeeping of Deposit Collateral

All collateral securing bank and savings and loan deposits must be held by a third-party banking institution acceptable to and under contract with South Texas College or by the Federal Reserve Bank.

6. Competitive Bidding

The College will require at least three competitive offers or bids for all individual security purchases and sales (excluding those transactions with financial institution deposits, eligible money market mutual funds, and eligible investment pools ~~(Section III.A)~~ and require any investment advisor to do the same. Rather than relying solely on yield, investments in financial institution deposits, eligible money market mutual funds, and eligible investment pools shall be based on criteria determined by the Investment Officers.

F. Investment Advisors and Investment Providers

Investment Advisors shall adhere to the spirit, philosophy, and terms of this Policy and shall invest within the same "Standard of Care." Investment Providers shall adhere to the spirit and philosophy of this Policy and shall avoid recommending or suggesting transactions outside that "Standard of Care."

Selection of Investment Advisors and Investment Providers will be performed by the Board of Trustees. The Board of Trustees may contract with an investment management firm registered under the Investment Advisers Act of 1940 or with the State Securities Board to provide for the investment and management of public funds under its control. The contract period will be for a maximum of two years, and a renewal or extension of the contract must be made by the Board of Trustees by order, ordinance, or resolution. The criteria to evaluate Investment Advisors and Investor Providers include the following:

- a) Adherence to South Texas College's policies and strategies,
- b) Investment performance and transaction pricing within accepted risk constraints,
- c) Responsiveness to South Texas College's requests for services, information and open communication,
- d) Understanding of the inherent fiduciary responsibility of investing public funds, and
- e) Similarity in philosophy and strategy with South Texas College's objectives.

Selected Investment Advisors and Investment Providers shall provide timely transaction confirmations and monthly activity reports.

Business organizations eligible to transact investment business with South Texas College shall be presented a written copy of this Investment Policy. Local Government Investment Pools and discretionary investment

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management firms seeking to transact investment business shall execute a written instrument substantially to the effect that the qualified representative has:

- 1) received and thoroughly reviewed this Investment Policy, and
- 2) acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between South Texas College and the organization that are not authorized by the College's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the College's entire portfolio or requires an interpretation of subjective investment standards, or relates to investment transactions that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority .

South Texas College shall not enter into an investment transaction with a Local Government Investment Pool or discretionary investment advisor prior to receiving the written instrument described above.

The Board of Trustees of South Texas College shall, at least annually, review, revise, and adopt a list of qualified Investment Providers (brokers/dealers/banks/pools) that are authorized to engage in investment transactions with the College.

G. Responsibility and Controls

1. Authority to Invest

South Texas College's "Investment Officers" are the Vice President for Finance and Administrative Services, the Comptroller, and one of South Texas College's elected officials (selected by the Board of Trustees). The Investment Officers are authorized to deposit, withdraw, invest, transfer, execute documentation, and otherwise manage South Texas College's funds according to this Policy. The Investment Officers may authorize one Investment Officer to deposit, withdraw, or transfer funds out of or into financial institutions ~~deposits~~, an investment pool or money market mutual fund in order to meet daily operating needs of South Texas College.

The Board of Trustees' Finance and Human Resources Committee shall be the Investment Committee. The Investment Committee shall review the investment portfolio's status and performance, determine and implement appropriate portfolio adjustments, review brokers/dealers/banks/pools and independent training sources, oversee South Texas College's Investment Advisor, monitor compliance with the Investment Policy and Investment Strategy Statement, and perform other duties as necessary to manage South Texas College's funds.

Each member of the Board of Trustees and the Investment Officers shall attend at least one training session, relating to the person's responsibilities under the Act within six months after taking office or assuming duties. The Texas Higher Education Coordinating Board shall provide the training.

The Investment Officers shall ~~receive~~ *accumulate* not less than 10 hours of instruction within the first twelve months after taking office or assuming duties. The Investment Officer shall prepare a report on any changes in the ~~Public Funds Investment~~ Act and deliver the report to the Board of Trustees not later than the 180th day after the last day of each regular session of the legislature.

To ensure qualified and capable investment management, the Investment Officers shall ~~attend~~ *receive* an investment training ~~session~~ not less than once each state fiscal biennium, and ~~receive~~ *accumulate* not less

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than 10 hours of instruction relating to investment responsibilities that addresses investment controls, security risks, strategy risks, market risks, diversification of investment portfolio and compliance with the ~~Public Funds Investment~~ Act. The investment training ~~session~~ shall be provided by the following approved training sources: the Texas Higher Education Coordinating Board, the Government Finance Officers Association of Texas, the Government Treasurers' Organization of Texas, the Texas Municipal League, *Texas Association of Community College Business Officers* or the University of North Texas Center for Public Management.

2. Prudent Investment Management

The Investment Officers shall perform their duties in accordance with the adopted Investment Policy and internal procedures. In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the investment of all funds over which the Investment Officer had responsibility, rather than the prudence of a single investment, shall be considered. Investment Officers acting in good faith and in accordance with these policies and procedures shall be relieved of personal liability.

3. Standard of Care

The standard of care used by the College shall be the "prudent person rule" and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The ~~Public Funds Investment~~ Act states:

"Investments shall be made with judgment and care, under *prevailing* circumstances ~~then-prevailing~~, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived."

4. Standard of Ethics and Conflicts of Interest

The Investment Officers shall act as custodians of the public trust avoiding any transaction which might involve a conflict of interest, the appearance of a conflict of interest, or any activity which might otherwise discourage public confidence. Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. If the Investment Officer has a personal business relationship with a business organization offering to engage in an investment transaction with South Texas College, the Investment Officer shall file a statement disclosing that personal business interest. If the Investment Officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to sell an investment to South Texas College, the Investment Officer shall file a statement disclosing that relationship as stated in the ~~Public Funds Investment Act Chapter 2256.005-(i)~~. This disclosure statement must be filed with the Texas Ethics Commission and the Board of Trustees. An Investment Officer has a personal business relationship with a business organization if:

- a) the Investment Officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- b) funds received by the Investment Officer from the business organization exceed 10 percent of the Investment Officer's gross income for the previous year; or

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- c) the Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

5. Establishment of Internal Controls

South Texas College's Investment Officers will maintain a system of internal controls over the investment activities of South Texas College.

~~South Texas College, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to South Texas College's Investment Policy and Investment Strategy Statement. The annual compliance audit performed by the College's independent auditor shall include a review of all quarterly reports.~~

6. Reporting

Investment performance will be monitored and evaluated by the Investment Officers. The Investment Officers shall submit an investment report to the Board of Trustees and the President quarterly. This investment report shall:

- 1) describe in detail the investment position of South Texas College;
- 2) be prepared jointly by all Investment Officers of the College;
- 3) be signed by each Investment Officer of the College;
- 4) contain a summary statement of each pooled fund group that states the:
 - a. beginning market value for the reporting period;
 - b. ending market value for the period; and
 - c. fully accrued interest for the reporting period;
- 5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- 6) state the maturity date of each separately invested asset that has a maturity date;
- 7) state the account or fund or pooled group fund in the College for which each individual investment was acquired;
- 8) provide the credit rating for each separately invested asset that has a required minimum rating; and
- 9) state the compliance of the investment portfolio of the College as it relates to:
 - a) the investment strategy expressed in the College's Investment Policy; and
 - b) relevant provisions of the Act.

7. Methods used to Monitor the Market Price of Acquired Investments

The methods/sources to be used to monitor the market price of investments that have been acquired with public funds shall be from sources deemed reliable by an Investment Advisor, including safekeeping agent, brokers/dealers, the Wall Street Journal, Bloomberg, or other market pricing services.

8. Investment Transactions must be Settled on a Delivery Versus Payment Basis

Investment transactions will be settled on a delivery versus payment (DVP) basis with the exception of financial institution deposits, investment pool funds and mutual funds.

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9. Review by Independent Auditor

In conjunction with its annual financial audit, the auditor shall perform a compliance audit of management controls on investments and adherence to the College's established Investment Policy. ~~The annual compliance audit performed by the College's independent auditor shall include a review of all quarterly reports. The results of the audit shall be reported to the College's Board of Trustees by the auditor.~~

If the College invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the Investment Officers must be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the Board of Trustees by the auditor.

10. Investment Policy Adoption

The Investment Policy and Investment Strategy Statement shall be reviewed annually by the Investment Committee and any modifications made thereto must be approved by the Board of Trustees. The Board of Trustees shall review the Investment Policy and Investment Strategy Statement not less than annually. The Board shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the Investment Policy and Investment Strategy Statement and that the written instrument so adopted shall record any changes made to either the Investment Policy or Investment Strategy Statement.

IV. HISTORY

Origination Date Approved by Board	October 12, 1995
Date Amended and Approved by Board	August 8, 1996 December 11, 1997 October 15, 1998 October 17, 2002 October 16, 2003 October 21, 2004 November 17, 2005 October 19, 2006 February 15, 2007 October 18, 2007 October 13, 2008 June 25, 2009 November 23, 2009 October 25, 2010 October 27, 2011 October 30, 2012 October 28, 2013 October 28, 2014 October 27, 2015 October 25, 2016 October 24, 2017 October 30, 2018 October 29, 2019 October 27, 2020

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INVESTMENT STRATEGY STATEMENT

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PREFACE

It is the policy of South Texas College that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with State and Federal Regulations, applicable Bond Resolution requirements, adopted Investment Policy and adopted Investment Strategy Statement.

In accordance with the ~~Public Funds Investment~~ Act, South Texas College's investment strategies shall address the following priorities (in order of importance):

- * Understanding of the suitability of the investment to the financial requirements of South Texas College,
- * Preservation and safety of principal,
- * Liquidity,
- * Marketability of the investment if the need arises to liquidate the investment prior to maturity,
- * Diversification of the investment portfolio, and
- * Yield

Effective investment strategy development coordinates the primary objectives of South Texas College's Investment Policy and cash management procedures to enhance interest earnings and reduce investment risk. Aggressive cash management will increase the available "investment period" and subsequently interest earnings. Maturity selections shall be based on cash flow and market conditions to take advantage of various interest rate cycles. South Texas College's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with the Investment Policy.

Each major fund type has varying cash flow requirements and liquidity needs. Therefore, specific strategies shall be implemented considering the fund's unique requirements. South Texas College's funds shall be analyzed and invested according to the following fund types:

- a) Unrestricted,
- b) Auxiliary,
- c) Restricted,
- d) Loan,
- e) Endowment,
- f) Agency,
- g) Funds for Renewal and Replacement,
- h) Unexpended Plant Funds, and
- i) Funds for Retirement of Indebtedness

INVESTMENT STRATEGY

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the fund. Investment guidelines for all fund-types are as follows:

A. Funds

South Texas College's funds include:

Unrestricted Fund
Auxiliary Fund
Restricted Fund
Loan Fund
Endowment Fund

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INVESTMENT STRATEGY STATEMENT

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Agency Fund
Funds for Renewal and Replacement
Unexpended Plant Funds
Funds for Retirement of Indebtedness

Suitability: Any investment eligible in the Investment Policy is suitable for all fund types.

Safety of Principal: All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur, however by managing the weighted average days to maturity for all fund types, except for Unexpended Plant Funds and Funds for Retirement of Indebtedness, to less than 365 days for all investments and restricting the maximum allowable maturity to two years for any investment type, the price volatility of the overall portfolio will be minimized. Unexpended Plant Funds investments should be as per Section III.E.2.b and Funds for Retirement of Indebtedness investments should be as per Section III.E.2.c.

Marketability: Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash requirement. Historical market “spreads” between the bid and offer prices of a particular security-type of less than ~~a quarter of a percentage~~ *ten basis* points shall define an efficient secondary market. Unexpended Plant Funds investment should be as per Section III.E.2.b and Funds for Retirement of Indebtedness investment should be as per Section III.E.2.c.

Liquidity: All fund types, except for Unexpended Plant Funds and Funds for Retirement of Indebtedness require ~~the greatest~~ short-term liquidity ~~of any of the fund types~~. Short-term investment pools, bank deposits, and eligible money market mutual funds shall provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Diversification: Investment maturities shall be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of South Texas College. Market cycle risk will be reduced by diversifying the appropriate maturity structure out over two years.

Yield: Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of a ~~rolling three months~~ Treasury bill portfolio shall be the minimum yield objective.

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Discussion and Action as Necessary on Waiver of Electronic Distance Learning/VCT Course Fee for Traditional and Dual Credit Students Enrolled in Distance Education Online Courses for Spring 2021

Approval of waiver of the Electronic Distance Learning / VCT Course Fee for traditional and dual credit students enrolled in Distance Education online courses (“S” sections and non-“S” sections) for Spring 2021 will be requested at the October 27, 2020 Board meeting.

Purpose – To waive the Electronic Distance Learning / VCT Course Fee for traditional and dual credit students enrolled in Distance Education online courses (“S” sections and non-“S” sections) for Spring 2021.

Background - The College’s Student Tuition and Fee Schedule assesses a \$10.00 per credit hour Electronic Distance Learning / VCT Course Fee for online courses. This fee was imposed to offset expenses related to providing online courses. The fee was decreased to the current rate of \$10.00 per credit hour in FY 2019. Prior to FY 2019, the fee was \$15.00 per credit hour. The College’s students or the Sponsored School Districts are responsible to pay the fee for online courses, unless is it waived by the Board of Trustees.

The Electronic Distance Learning / VCT Course Fee was waived for the Summer 2020 semester and for the Fall 2020 semester for traditional and dual credit students due to the COVID-19 pandemic.

Previously Approved Waiver for Fall 2020

On May 26, 2020, the Board authorized the waiver of the Electronic Distance Learning / VCT Course Fee for students enrolling in Fall 2020 traditional (non-“S” section) courses. The Electronic Distance Learning / VCT Course Fee was waived to help alleviate some of the financial burden and uncertainty about a return to campus that may students were facing due the COVID-19 pandemic and to help drive enrollment increases during the remainder of the COVID-19 pandemic.

On June 23, 2020, the Board authorized waiving the Electronic Distance Learning / VCT Course Fee for dual credit “S” section courses for Fall 2020 for Dual Credit Students Sponsored by Partnering School Districts. College Administration recommended the waiver since many of the College’s school district partners moved away from face-to-face courses to a more online course delivery for the Fall semester and the school district partners did not budget additional funding for online course fees. Additionally, College Administration recognized that dual credit enrollment and dual credit contact hours could decrease significantly since the College’s school district partners could not fund the additional costs for online courses. The decrease in dual credit contact hours would significantly impact reporting for the base year funding, and consequently state appropriations for the next biennium.

Proposed Waiver for Spring 2021

Administration has considered and recommends a waiver for traditional and dual credit students enrolled in Distance Education online courses (“S” sections and non-“S” sections) for Spring 2021. Administration anticipates that this waiver is necessary to ease the financial burden on students and Partnering School Districts since the College has transitioned from face-to-face courses to online courses due to the COVID-19 pandemic.

Projection of Electronic Distance Learning / VCT Course Fee Revenue Loss

The estimated uncollected revenue impact on the FY 2020-2021 budget from waiving the Electronic Distance Learning / VCT Course Fee for traditional and dual credit students enrolled in Distance Education courses (“S” sections and non-“S” sections) for the Fall 2020 semester is \$328,007 and \$387,800 for the Spring 2021 semester.

Mrs. Mary Elizondo, Vice President for Finance and Administrative Service will be present at the Committee meeting to address any questions by the committee.

It is recommended that the Finance, Audit, and Human Resources Committee recommend for Board approval at the October 27, 2020 Board Meeting, on the waiver of the Electronic Distance Learning / VCT Course Fee for traditional and dual credit students enrolled in Distance Education online courses (“S” sections and non-“S” sections) for Spring 2021 as presented.

Update on Transportation Services Operation Plan for Fiscal Year 2020 – 2021

Update on Transportation Services Operation Plan for Fiscal Year 2020 – 2021 will be presented.

Purpose – Transportation Services resumed operations at the start of the Fall 2020 semester to serve students from Hidalgo and Starr Counties.

Justification - An update on the Transportation Services Operation Plan is provided to review with the Committee the Fall Semester's developments of operation.

Background – On August 25, 2020, the Board of Trustees approved and authorized the Interlocal Agreement for the Jag Express Intercampus Transportation Services between South Texas College and the Lower Rio Grande Valley Development Council (LRGVDC) for Fall 2020 Semester, a four-month period from September 1, 2020 through December 31, 2020.

The agreement included the following:

1. The LRGVDC to fund all the costs for routes to the Starr County Campus (Green Lines) and Mid Valley Campus (Purple Line).
2. CARES Act Funds carried over from FY2020 and federal/state grant contributions received for the LRGVDC to be used to cover the cost of the Yellow Line routes operated by the College connecting the Pecan Campus, Technology Campus and Nursing and Allied Health Campus.

The total costs for LRGVDC and South Texas College for the Fall 2020 semester are as follows:

Transportation Routes	LRGVDC	South Texas College		
	Operating Cost for System	Operating Cost for System	CARES Act & Grant Contribution	Net Cost
Starr (Green)	\$195,121	\$ -	\$ -	\$ -
Mid Valley (Purple)	63,019	-	-	-
Circulator (Yellow)	-	99,547	76,244	23,303
Total	\$258,140	\$99,547	\$76,244	\$23,304

Fall 2020 Activity

The College's Transportation Services resumed operations on August 24, 2020, the first day of the Fall 2020 semester, offering reduced routes for the Yellow line with four (4) bus drivers returning from furloughed status.

As a result of the pandemic, face-to-face classes on campus were significantly reduced and employee's presence on campus was also reduced due to rotational work schedule to reduce the density on campus.

Ridership

The ridership from LRGVDC for the Purple Line and Green Lines and the College's ridership for the Yellow Line for the month of September 2020 is as follows:

Transportation Routes	LRGVDC	South Texas College	Total
Starr (Green Line 1)	45	-	45
Starr (Green Line 2)	42	-	32
Starr (Route 60/Roma)	17	-	17
Mid Valley (Purple)	22	-	22
Circulator (Yellow)	-	97	97
Total	126	97	223

The ridership numbers represent each trip taken between locations. As an example, a trip from the Pecan Campus to the Technology campus and returning to the Pecan Campus would be recorded as two (2) in the ridership report.

The table below compares the ridership of September 2020 with September 2019 and reflects a 96% reduction in ridership.

Routes	September 2019	September 2020	% Reduction
Yellow Line	2,638	97	-96%
Green Line	1,361	87	-94%
Green Line (Route 60-Roma)	880	17	-98%
Purple Line	896	22	-98%
Total	5,775	223	-96%

LRGVDC Spring 2021 Agreement

College staff is working with the LRGVDC on determining whether the current agreement may be extended for the Spring and Summer 2021 semesters whereby the LRGVDC will continue to fund all the costs of the Purple and Green Lines routes and provide the CARES Act and grant contribution to the College for the Yellow line. An update regarding the LRGVDC transportation service costs and contribution and a recommendation for the operation plan for the Spring and Summer 2021 semesters will be presented to the Finance, Audit, and Human Resources Committee in November.

Funding Source - Funds for this expenditure are budgeted in the Student Transportation Services budget for FY 2020 - 2021.

Reviewers – Vice President for Finance and Administrative Services, Acting Chief of Police for Department of Public Safety, and Comptroller have reviewed the information being presented.

The Vice President of Finance and Administrative Services, Mary Elizondo, Acting Chief of Police for the Department of Public Safety, Ruben Suarez and Public Safety and Transportation Services Manager, Alina Cantu, will be present at the Committee Meeting to address any questions by the committee.

Enclosed Documents – The Transportation Services Operation Plan PowerPoint presentation follows in the packet for the Committee's review.

This information is provided to the Finance, Audit, and Human Resources Committee for review and discussion, and feedback to staff, and no action is requested at this



**SOUTH TEXAS
COLLEGE**



Update of the Transportation Services Operation Plan for FY 2020 – 2021

October 13, 2020 - Finance, Audit, & Human Resources Committee Meeting

Presented By:

Mary G. Elizondo

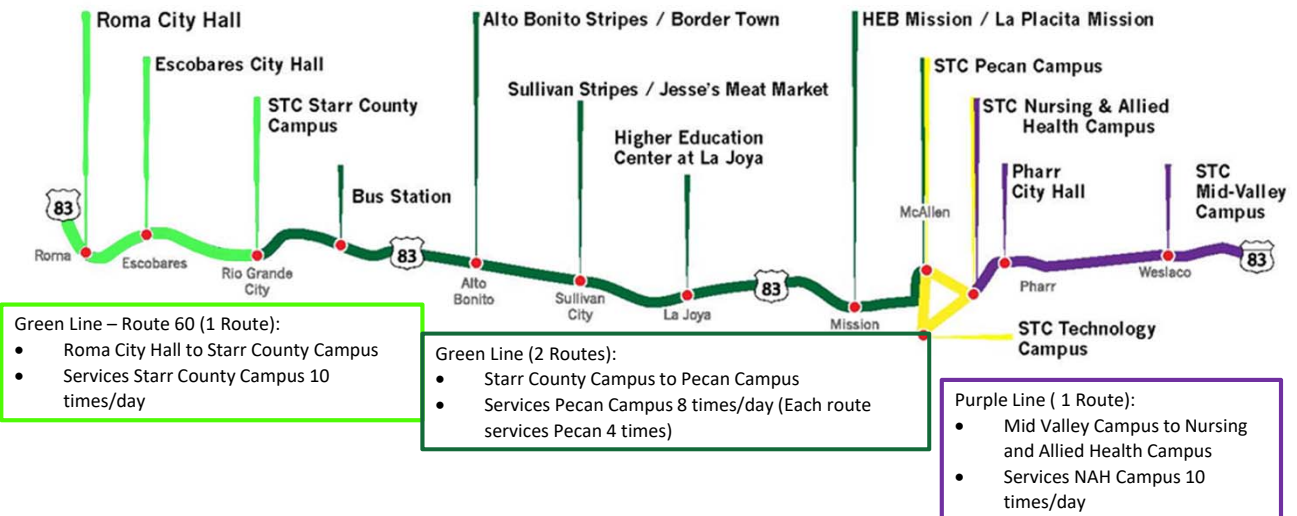
Vice President For Finance And Administrative Services, MBA, CPA, CFE, CGMA

Shuttle Bus Lines Updated Service Map

2

Yellow Line (2 Routes):

- Pecan Campus to Tech Campus to NAH Campus
- Services Pecan Campus 19 times/day



3

Lower Rio Grande Valley Development Council (LRGVDC) Agreement



LRGVDC operates the following lines:

- Green Line - Roma
- Green Line 1 & Line 2
- Purple Line



South Texas College operates the following lines:

- Yellow Line
- Park & Ride Line (closed)

4

Background – Board Approved Plan

- On August 25, 2020, the Board approved an Interlocal Agreement between STC and LRGVDC for the Fall 2020 Semester
 - Effective September 1, 2020 through December 31, 2020 – a four (4) month period
 - The LRGVDC to fund all the costs to the following routes:
 - Starr County Campus (Green Lines) and Mid Valley Campus (Purple Line)
 - CARES Act Funds carried over from FY2020 and federal/state grant contributions received for the LRGVDC to be used to cover the cost of the Yellow Line routes operated by the College connecting the Pecan Campus, Technology Campus and Nursing and Allied Health Campus.



5

Fall 2020 Cost

- The LRGVDC to fund all the costs for routes to the Starr County Campus (Green Lines) and Mid Valley Campus (Purple Line).
- CARES Act Funds carried over from FY2020 and federal/state grant contributions received for the LRGVDC to be used to cover the cost of the Yellow Line routes operated by the College connecting the Pecan Campus, Technology Campus and Nursing and Allied Health Campus.

Transportation Routes	LRGVDC	South Texas College		
	Operating Cost for System	Operating Cost for System	CARES Act & Grant Contribution	Net Cost
Starr (Green)	\$195,121	\$ -	\$ -	\$ -
Mid Valley (Purple)	63,019	-	-	-
Circulator (Yellow)	-	99,547	76,244	23,303
Total	\$258,140	\$99,547	\$76,244	\$23,304

6

Current Operations As of September 30, 2020

- Operations for the Transportation Services resumed on August 24, 2020 the first day of the Fall 2020 semester with the following adjustments:
 - Reduced routes for the Yellow Line
 - Closed Park & Ride
 - Reduced staffing – Only four (4) bus drivers returned from furloughed status.
 - One (1) bus driver retired and only three (3) bus drivers remain



7

Ridership Report

The ridership from LRGVDC for the Purple Line and Green Lines and the College's ridership for the Yellow Line for the month of September 2020 are as follows:

Transportation Routes	LRGVDC Sept. 1-30, 2020	South Texas College Sept. 1 – 30, 2020	Total
Starr (Green Line 1)	45	-	45
Starr (Green Line 2)	42	-	42
Starr (Route 60/Roma)	17	-	17
Mid Valley (Purple Line)	22	-	22
Circulator (Yellow Line)	-	97	97
Total	126	97	223

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Ridership Report

The table below compares the ridership of September 2020 with September 2019 and reflects a 96% reduction in ridership.

Routes	September 2019	September 2020	%
Yellow Line	2,638	97	-96%
Green Line	1,361	87	-94%
Green Line (Route 60-Roma)	880	17	-98%
Purple Line	896	22	-98%
Total	5,775	223	-96%



Questions?



Update on Food Services Operation Plan for Fiscal Year 2020 - 2021

Update on Food Services Operation Plan for Fiscal Year 2020 – 2021 will be presented.

Purpose – Food Services resumed operations at the start of the Fall 2020 semester to serve the students and employees on all campuses. An update is provided to review with the Committee the Fall Semester's developments of operation.

Justification – Food Services are needed to serve the students and employees on the College's campuses in a cost-effective manner.

Background – On July 28, 2020, the Board approved the Food Services Operation Plan, which consisted of the following recommended factors:

- Resume Food Services operations at the Pecan Campus, Nursing and Allied Health Campus, Technology Campus, and Mid Valley Campus.
- A reduction in hours and days of operation and limited menu options.
- A reduction in staffing and reduced flexible workweek schedule.
- The return of the selected furloughed employees.
- The College's commitment to monitor the situation and adjust the operation plan as necessary.

Fall 2020 Activity

On August 24, 2020, the cafeterias resumed operation for the Fall 2020 semester with higher standards of safety protocols implemented to keep students and employees safe.

As a result of the pandemic, face-to-face classes on campus were significantly reduced beyond expectation and employee's presence on campus was also reduced due to rotational work schedule to reduce the density on campus. The anticipated number of customers including students and staff has not been realized.

For September 2020, the total expenditures exceeded revenue by \$8,861.35.

The table below reflects the number of customers for all campuses for the month of September in comparison with the previous year. The number of customers decreased by 20,725, a ninety-four percent (94%) reduction in customers.

# of Customers	September 2019	September 2020	Difference	% Reduction
	22,051	1,326	(20,725)	-94%

The following table reflects the number of customers in September 2020 by campus in comparison with September 2019.

Month/Year	Pecan	Tech	Mid Valley	NAH	Total
September 2019	11,686	1,388	4,473	4,504	22,051
September 2020	597	239	180	310	1,326
% Reduction	-95%	-83%	-96%	-93%	-94%

The College has postponed plans to hire staff and re-open the cafeteria at Starr County Campus because of the significant reduction levels of activity experienced at the existing locations.

Although a net loss in the operations was anticipated, the level of drastic reduction in customers was not, and a net loss of approximately \$55,000 is expected for the period of September through December, which is not expected to be recovered in the remaining months of the fiscal year. The number of customers per day at the different location ranges from 3 to 23. The customers are mainly staff since students are opting to not visit the cafeteria prior to their classes or to remain on campus after their classes.

As a result of the minimal number of customers, consideration is being made on whether to continue or discontinue the Food Service operation for the Spring and Summer 2021 semester. Administration will continue to monitor the Food Service operations and a recommendation for the operation plan for the Spring and Summer 2021 semesters will be presented to the Finance, Audit, and Human Resources Committee in November.

Reviewers - The Vice President for Finance and Administrative Services has reviewed the information being presented.

The Vice President for Finance and Administrative Services, Mary Elizondo, will be present at the Committee Meeting to address any questions by the committee.

This information is provided to the Finance, Audit, and Human Resources Committee for review and discussion, and feedback to staff, and no action is requested at this time.



Update of the Food Services Operation Plan for FY 2020 - 2021

October 13, 2020 Finance, Audit, & Human Resources Committee Meeting

PRESENTED BY:

MARY G. ELIZONDO

Vice President for Finance And Administrative Services, MBA, CPA, CFE, CGMA

Background – Board Approved Plan



- On July 28, 2020, the Board approved to resume operations for Food Services at the following campuses:
 - Pecan Campus
 - Nursing and Allied Health Campus
 - Technology Campus
 - Mid Valley Campus
- Operations were adjusted to the following:
 - A reduction in hours and days of operation
 - Limited menu options
 - A reduction in staffing and reduced flexible workweek schedule
 - The return of the selected furloughed employees



Background - Operations



- 1st day of operation began on the first day of the Fall 2020 Semester, August 24, 2020.
- **Breakfast** - Breakfast Tacos To-Go and Coffee
- **Lunch** - Salad Combos & Sandwich Combos To-Go
- Hours of Operations vary per cafeteria

CAFETERIA

REOPENING SCHEDULE

FALL 2020 | AUGUST 24, 2020

BREAKFAST + LUNCH TO-GO

HOURS OF OPERATION

Pecan, Technology, & Mid-Valley Campuses:
MONDAY - THURSDAY
7:30am - 1:00pm

Nursing & Allied Health Campus:
MONDAY, TUESDAY,
THURSDAY, FRIDAY
7:30am - 1:00pm

Starr County Campus:
COMING SOON

SAFETY PROTOCOLS

FACE MASKS REQUIRED

6 FT SOCIAL DISTANCING AT ALL TIMES

DINING AREA

REDUCED CAPACITY

LIMITED MENU ONLY

NO DELIVERIES

NO SPECIAL REQUESTS

MENU

COFFEE WILL BE AVAILABLE

BREAKFAST

7:30AM - 10:00AM

BREAKFAST TACOS TO-GO

Already wrapped in insulated foil paper

- Potato and Egg
- Bacon and Egg
- Chorizo and Egg
- Q Tacos (Potato, Egg, American Cheese, and Beans)

LUNCH

11:00AM - 1:00PM

SANDWICH/SALAD BOXES TO-GO

- Sandwiches: Ready To-Go Boxes
- Turkey Bacon Swirls
- Ham & Cheddar Cheese

- Chicken Salad
- Tuna Salad

Salads: Ready To-Go Boxes

- Caesar Salad
- Side Caesar Salad
- Club Salad
- Side Salad

3

Customer Activity



The number of customers for all campuses for September 2020 in comparison with the previous year shows a decrease of 20,725, a 94% reduction in customers.

# of Customers	September 2019	September 2020	Difference	% Reduction
	22,051	1,326	(20,725)	-94%

4

Daily Transactions



The following table reflects the number of customers in September 2020 by campuses in comparison with September 2019.

Month/Year	Pecan	Tech	Mid Valley	NAH	Total
September 2019	11,686	1,388	4,473	4,504	22,051
September 2020	597	239	180	310	1,326
Reduction %	-95%	-83%	-96%	-93%	-94%

5



SOUTH TEXAS
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Questions?

Review and Recommend Action to Reject the Faculty Cost and Productivity Study Proposals

Review and recommend action to reject the faculty costs and productivity study proposals will be requested at the October 27, 2020 Board meeting.

Purpose – The purpose of the request for proposals was to secure a vendor to analyze the College's faculty costs and productivity, identify benchmark data, obtain peer group comparisons, and identify best practices, standards, and targets. The results of the study will be incorporated into future operations.

Justification – Traditional headcount enrollment at South Texas College has leveled off and, in some years, decreased for both traditional and dual credit programs; however, faculty costs have increased. Flat traditional headcount enrollment and increasing faculty costs greatly impact the availability of funding for operations of the College. It is critical that the College align its resources to meet changing enrollment patterns, which would safeguard the future financial sustainability of the College.

Background – An initial request for proposal, specific to faculty, was advertised as authorized at the February 25, 2020 board meeting. An update on the faculty costs and productivity study was presented at the September 8, 2020 Education and Workforce Development Committee. During the meeting, committee members requested for staff, in addition to faculty, to be included in the cost and productivity study and instructed college staff to request information from vendors regarding said service and pricing. College staff requested information from vendors on analysis of staff costs and pricing. During the September 22, 2020, board meeting, the Board of Trustees recommended for a study to focus on faculty and administrators costs and productivity, excluding non-administrator staff.

After careful deliberation and consideration of the factors regarding the performance of study by an external vendor, especially the delayed completion timeframe, Dr. David Plummer and Dr. Anahid Petrosian, propose that the faculty cost and productivity study to be conducted internally. The study will include data collection, analysis, formulation of metrics and benchmarks, production of results, and a presentation of the recommendations to the Board. The results of the study are expected to be incorporated into the Fall 2021 operations.

Various elements were considered leading to the consensus among executive management to perform the study internally. The current state of the COVID-19 virus has skewed the data due to change in instruction format (face2face to virtual instruction platform) and a reduction in student enrollment, which has impacted the operations of the instructional programs.

As a result of the above factors, management is requesting to reject the faculty cost and productivity study proposals at this time.

Information requested by Education and Workforce Development Committee and the Board of Trustees follows below. The results of the evaluation of the request for proposals responses are also included below.

Timeline – The timeline below illustrates the progress and changes to the scope of work regarding the cost and productivity study.

Dates	Description
February 25, 2020 - Board Meeting	<ul style="list-style-type: none"> • Issuance of RFP for Faculty Costs and Productivity Study Approved
May 11 and 18, 2020	<ul style="list-style-type: none"> • Request for Proposal (RFP) advertised • RFP issued to seventeen vendors
June 9, 2020	<ul style="list-style-type: none"> • Received proposals from seven vendors
August 31, 2020	<ul style="list-style-type: none"> • Evaluations were completed by faculty and staff
September 8, 2020 - Education and Workforce Development Committee	<ul style="list-style-type: none"> • Presentation of Faculty Cost and Productivity Study • Committee Members requested information from vendors regarding services, costs, and timeframe for including staff to the cost and productivity study • Requested the above-mentioned information be presented at the October 13, 2020 Finance, Audit, and Human Resources Committee Meeting
September 22, 2020 - Board Meeting	<ul style="list-style-type: none"> • Reviewed presentation of Faculty Cost and Productivity Study presented to the Education and Workforce Development Committee • Board of Trustees requested that the study include Faculty and Administrators • Requested the above-mentioned information be presented at the October 13, 2020 Finance, Audit, Human Resources Committee Meeting.

Scope of Work Scenarios – At the request of the Finance, Audit, and Human Resources, the Education and Workforce Development Committee, and the Board of Trustees, the scope of work scenarios of the study are as follows:

1. Faculty Only

- Proposal documents were advertised on May 11, 2020 and May 18, 2020 and issued to seventeen (17) vendors. Seven (7) responses were received on June 9, 2020 and reviewed by Academic Affairs, Finance and Administrative Services, and the Purchasing Department.
- The scope of work and deliverables requested are attached. (Exhibit A)
- College staff has evaluated the responses and results follow in the packet.

2. Faculty and Staff (Including Administrators)

- Information requested from vendors on costs and services regarding the inclusion of staff in the study. Information is included in the table below.

3. Faculty and Administrators (Excluding Non-Administrator Staff)

- Information is included in the table below.

Scope of Work Scenarios			
Factors	1. Faculty	2. Faculty and Staff	3. Faculty and Administrators
Approximate Start date	November 2020	May 2021	April 2021
Completion date	May 2021	November 2021	October 2021
Estimated implementation of results	Fall 2021/Spring 2022	Spring 2022/Fall 2022	Spring 2022/Fall 2022
Vendor capabilities of conducting a staff study	N/A	5 out of 7 vendors have performed staff study	N/A
Cost of study	Vendor proposals range from \$73,000 - \$389,270	6 out of 7 vendors did not provide an estimated price. 1 out of 7 vendors provided pricing of \$130,000-\$190,000 for faculty study and \$275,000 - \$650,000 for staff study. 2 out of 7 vendors responded indicating approximately 5%-25% cost savings in total. 3 out of 7 vendors responded indicating cost savings without providing specific estimates.	N/A
Time needed to complete study concurrently or independently	Independently: 5-12 weeks	Independently: 5-12 weeks each Concurrently: 7-18 weeks	N/A

Scope of Work Scenarios			
Factors	1. Faculty	2. Faculty and Staff	3. Faculty and Administrators
Internal resources	Available resources to assist in providing requested information to vendors.	Extensive additional demand on staff resources.	Additional demand on staff resources.
Next steps	Accept proposals and awarded bid to vendor.	<ul style="list-style-type: none"> • Reject proposals, • Develop new scope of work, • Obtain board approval for scope of work • Advertise proposals, • Evaluate proposals, • Obtain board approval to award vendor. 	<ul style="list-style-type: none"> • Reject proposals, • Develop new scope of work, • Obtain board approval for scope of work • Advertise proposals, • Evaluate proposals, • Obtain board approval to award vendor.

Funds for this expenditure are budgeted in the Academic Affairs budget for FY 2020 – 2021.

Reviewers – The faculty cost and productivity study has been reviewed by Dr. Shirley A. Reed, President, Mary Elizondo, Vice President for Finance and Administrative Services, Dr. David Plummer, Executive Vice President for Educational Programing and Student Achievement and Vice President for Information Services, Planning, Performance and Strategic Initiatives, and Dr. Anahid Petrosian, Interim Vice President for Academic Affairs.

Enclosed Documents – Exhibit A (Scope of Work and Deliverables), Summary, Evaluations, Proposal Criteria, and Power Point Presentation follows in the packet for the Committee's information and review.

Dr. Shirley A. Reed, President, Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, Dr. David Plummer, Executive Vice President for Educational Programing and Student Achievement and Vice President for Information Services, Planning, Performance and Strategic Initiatives, and Dr. Anahid Petrosian, Interim Vice President for Academic Affairs, will attend the Finance, Audit, and Human Resources Committee meeting to address any questions by the Committee.

It is requested that the Finance, Audit, and Human Resources Committee recommend for board approval, at the October 27, 2020 board meeting, to reject the faculty cost and productivity study proposals.

Exhibit A

Scope of Work (At a Minimum)

Faculty Costs (excluding Continuing, Professional, and Workforce Education)

- Analysis of Costs – Faculty
 - ⇒ Analyze and compare the number of faculty and faculty costs between full-time faculty and part-time/adjunct faculty.
 - ⇒ Analyze faculty cost per class/student/student credit hours (SCH)/contact hours(C/H).
 - Analyze costs per student taught by part-time/adjunct.
 - Analyze costs per student taught by full-time faculty.
 - ⇒ Analyze faculty release time and cost.
 - ⇒ Review existing benchmarks and recommend new benchmarks as appropriate, including faculty to staff ratios among peer institutions.
 - ⇒ Analyze number and cost of faculty overload assignments.
 - ⇒ Analyze number and cost of faculty stipend assignments, underloads, and special assignments.
 - ⇒ Identify measures for cost control.
 - ⇒ Produce a cost efficiency model.
 - ⇒ Analyze and recommend allocation of resources to areas in need of improvement and potential impact on student graduation and persistence.

Productivity

- Student to Faculty Ratio Analysis
 - ⇒ Analyze and measure student credit hour (SCH) and contact hours (CH) production per faculty for optimal capacity level, controlling for discipline.
 - ⇒ Analyze and recommend alignment of workload and schedules with student demand.
- Teaching Loads Analysis
 - ⇒ Analyze and compare faculty teaching workloads by full-time faculty/overloads/part-time/adjunct assignments.
 - ⇒ analyze and compare number of classes, student enrollment, and student credit hour (SCH) between full-time faculty and part-time faculty.
 - ⇒ Analyze and recommend credit hour production targets per full-time and part-time/adjunct faculty.
 - ⇒ Analyze existing standards for teaching loads with other community college's standards.
 - ⇒ Analyze the total number of underutilized sections/courses (course enrollment) including review of course inventory.
 - ⇒ Analyze faculty workload expectations including teaching and other service assignments.
 - ⇒ Analyze number and cost of faculty stipend assignments, underloads, and special assignments.
 - ⇒ Analyze and recommend benchmark for classroom size and fill rates for optimal instructional capacity.

- Release Time Analysis
 - ⇒ Analyze course release time.
 - ⇒ Analyze faculty with approved course release and teaching courses including overloads.
- Compliance to Board Policies and Procedures
 - ⇒ Review policies and procedures related to faculty assignments and make recommendations as appropriate.
 - ⇒ Analyze policies and procedures for faculty workloads and compare to peer institutions.

Other Deliverables

- Review and provide recommendations of the College's methodology of program cost analysis.
- Analyze faculty costs and productivity trends by including at least three (3) years of data.
- Collection and analysis of qualitative data used to triangulate/support the study's quantitative-based recommendations.
- Review data and benchmarks with peer community colleges that have been reviewed with South Texas College.
- Review data and calculate elasticities of demand for traditional enrollment, online enrollment, and dual credit enrollment for south Texas.
- Recommend strategies for maximizing efficiencies, effectiveness, and allocation of instructional resources.
- Recommend benchmarks, metrics, targets, policies, and procedures derived from the analysis of the data.
- Recommend other strategies and key performance indicators to manage costs and increase productivity.

Utilization of Findings

The College will utilize the findings of the study to:

- Strengthen allocation of faculty resources, improve processes, identify benchmarks, reduce costs, and increase productivity.

**SOUTH TEXAS COLLEGE
FACULTY COST AND PRODUCTIVITY STUDY
PROJECT NO. 19-20-1056**

NAME		Berkeley Research Group	Campus Labs, Inc.	EAB Global, Inc.	Gray Associates, Inc.	Huron Consulting Services, LLC.	Kennedy & Company	MGT of America Consulting, LLC.
ADDRESS		99 High St	298 Main St Ste 600	2445 M St NW	355 Sudbury Rd	550 W Van Buren St	405 E Luray Ave	4320 W Kennedy Blvd Ste 200
CITY/STATE/ZIP		Boston, MA 02110	Buffalo, NY 14202	Washington, DC 20037	Concord, MA 01742	Chicago IL 60607	Alexandria, VA 22301	Tampa, FL 33609
PHONE		412-478-1218	716-652-9400	202-266-6588	617-366-2836	312-880-3628	703-623-5713	850-212-6458
CONTACT		Stefano Falconi	Eric Reich	Rachel Alderton	Robert G. Atkins	Andrew Laws	Benjamin Kennedy	Fred Seamon
1	Proposed Cost of Services	\$389,270.00	\$83,500.00	\$99,000 This is based on a three year commitment. There are annual fees of 74,000. So this requires a commitment of an additional \$148,000.	\$73,000 states that access to the model is good for one year. STC Note: It is possible that there would be an annual subscription fee but amount was not provided.	\$199,600.00	\$92,500.00	\$139,915.00
2	Executive Summary	Analyze the College's faculty cost and productivity, identify benchmark data, obtain peer group comparisons, and identify best practices, standards, and targets. Specifically mention that unlike other consultants, they do not try to customize a standard tool box. Study, data collection, peer group comparison, etc. is designed for the client.	Address the fulfillment of the "Five Principles of Academic Leadership" - institutional mission, service, demand, quality, and financial stewardship. This program will give the institution the data needed to work on organizational efficiencies, best practices, and innovative initiatives. The methodology is the firm's proprietary intelligence tool referred to as "Academic Economics."	EAB has developed a body of research and technology solutions that help institutions effectively allocate scarce faculty and financial resources without compromising the quality of education offered. Their proprietary model or tool is called Academic Performance Solutions (APS).	STC seeks a quantitative and qualitative analysis of faculty costs increases. This study may include the College's faculty costs and productivity, provide benchmark data and peer group comparisons, and identify best practices, standards and targets so the College can align resources to meet changing enrollment patterns while maintaining its commitment to its students and safeguarding the financial future of the institution.	Huron proposes a comprehensive engagement to study the College's faculty cost and productivity using an academic resource optimization approach. These projects require a collaborative effort to integrate required data and establish academic protocols. They use a process called the Academic Portfolio Analysis which they claim is customized for each client.	Will work with STC to craft and deliver recommendations that can be implemented to realize benefits quickly. Final deliverable will be a framework model that will enable STC to do this type of analysis itself in order to make modifications and updates. This model is housed in either Excel or Tableau and will be supported by training and ongoing support. Their model is called the Faculty Productivity Planning tool.	This study will analyze faculty costs and productivity, identify benchmark data, obtain peer group comparisons and identify best practices, standards, and targets. This study will also provide an opportunity to evaluate and strengthen existing metrics and measures utilized to manage faculty costs and increase productivity. A product grounded in data to make better informed cost containment strategies with clearer understanding of costs, spending, and pricing.
3	Higher Ed Experience	Drawing on the experience of a group of experts, the Higher Education practice engages in diverse assignments from giving new life to distressed institutions to developing strategic plans for universities. Education is one of six divisions. Over 1400 employees in 45 offices. Healthcare appears to be its strong point.	Higher Learning Commission selected the Campus Labs platform as the sole technology provider for their Pathways Assurance System. Selected by Accreditation Council for Business School & Programs to launch its on line reporting platform for self-studies and quality assurance reports using Campus Labs accreditation management functionality. Higher Ed. is the firm's sole focus.	EAB has followed trends for 10+ years. The research and experience working with 1700+ educational institutions demands for effective academic resource allocations. EAB has developed products to support the mission and vitality of colleges and universities in three strategic areas: Institutional Success, Student Success and Enrollment Success. Does only higher education work.	Gray's sole focus is higher education. Help schools make data-informed academic program plans and institutional strategies that maximize outcomes for students, institutions and their constituencies. In the last 5 years have worked with over 200 institutions. Currently have 120+ active subscriptions to our higher education database and software services.	Huron has been working with institutions if higher education since 2002 and have helped more than 100 institutions. Huron has evolved through the successful implementation of more than 30 academic resource optimization engagements across a diverse array of two- and four- year institutions.	Decades of experience in higher education and consulting, have helped more than 80 institutions refine models for faculty productivity, financial sustainability, new academic offerings, enrollment strategies, and strategic plans.	Currently working with University of Texas El Paso-Strategic Planning Services, Dallas Community College District - Needs Assessment, Texas A&M University Corpus Christi- Strategic Planning Services
4	Similar Project	Stevens Institute of Technology and Massachusetts Institute of Technology. A faculty review was designed with attention to specific areas to evaluate the feasibility and execution of a dramatic revision to the curriculum that led to cost savings.	University of Baltimore implemented the AE model including recommendations for budget targets, program reviews and comparison with benchmark data to help analyze results.	St. Ambrose University reallocating \$400,000 in faculty expenses, Standardized faculty hiring process at Eastern Washington University, and improved data quality at Salisbury University.	Worked with Cape Cod Community College to develop the Program Economics Platform to calculate revenue, instructional cost, contribution margin and overhead by program, course, instructor and student segment. This model allowed the college to optimize course scheduling and understand the economic drivers of their programs.	Arkansas State University - System level academic resource optimization University of Wisconsin-Green Bay - Two year college restructure Simmons University - Academic portfolio and data governance.	Developed a comprehensive faculty cost and productivity model for Catholic University for use as they considered a wide array of changes to the size and composition of its faculty.	Assisted the State College of Florida in conducting a total compensation study for its full time faculty and staff employees. Key study components included position benchmarking, conducting a compensation survey, and researching best practices for pay.

**SOUTH TEXAS COLLEGE
FACULTY COST AND PRODUCTIVITY STUDY
PROJECT NO. 19-20-1056**

NAME		Berkeley Research Group	Campus Labs, Inc.	EAB Global, Inc.	Gray Associates, Inc.	Huron Consulting Services, LLC.	Kennedy & Company	MGT of America Consulting, LLC.
ADDRESS		99 High St	298 Main St Ste 600	2445 M St NW	355 Sudbury Rd	550 W Van Buren St	405 E Luray Ave	4320 W Kennedy Blvd Ste 200
CITY/STATE/ZIP		Boston, MA 02110	Buffalo, NY 14202	Washington, DC 20037	Concord, MA 01742	Chicago IL 60607	Alexandria, VA 22301	Tampa, FL 33609
PHONE		412-478-1218	716-652-9400	202-266-6588	617-366-2836	312-880-3628	703-623-5713	850-212-6458
CONTACT		Stefano Falconi	Eric Reich	Rachel Alderton	Robert G. Atkins	Andrew Laws	Benjamin Kennedy	Fred Seamon
5	High Level Project Execution Plan	Identify project sponsors to provide context for the learning outcomes and faculty productivity metrics. Organize available data from financial, human resources, enrollment, graduation, and learning outcomes into a structured coherent query-able database.	Analyze and compare the number of faculty and faculty costs between full-time and part-time/adjunct faculty. Basically gather data to be input into the Academic Economics tool and provide training on how to use it. The AE Model is a full cost model that allocates all of the revenues and expenses. For faculty allocation the AE model allocates faculty costs by utilizing faculty course data, faculty pay files, faculty info files, faculty overload, and faculty effort files. Analyze faculty costs per class/student/student credit hours/contact hours.	EAB will need access to Banner, EAB team will work with STC to extract the appropriate data. Through regular virtual meetings will validate and configure the data. EAB team will conduct virtual sessions to better understand processes. The final study will delivered online and presentation of findings. In effect, they pull data from STC and then create the report. Benchmark data comes from their existing clients. And then provide training on using the APS platform.	Addressing STC's questions requires: A deep understanding of instructional economics, faculty productivity and cost drivers. They use their own data as well as data that is publicly available. It appears that they avoid the cost of performing lengthy surveys. A method and tool for capturing, validating, and analyzing instructional costs. Gray's Program Economics Platform was built specifically for this purpose. Multiple levels of benchmark information. Gray is proposing three levels of benchmark analysis: public data from IPEDS, data from the National Higher Education Benchmarking Institute and Gray's internal benchmark data. The tool Gray uses is the Program Economics Platform (PEP).	Collaborate for data entry, maintenance and reporting to assure data modifications are documented and understood. This will provide the opportunity to modify the data structure in Banner. This approach to academic resource optimization will enable STC to leverage the resulting academic cost efficiency model to measure progress year-over-year using current information systems and reporting tools.	Recommendations will include proposed implementation steps for STC to follow. Kennedy will provide themes and messages that STC should use to communicate the faculty productivity standards.	Work plan designed to identify strengths and highlight them to enhance efficiency. Will identify and document existing strong practices, as well as deficiencies that need to be corrected. The identification of both strengths and needed improvements will be used to determine the most efficient means of resource utilization.
6	Individual or Organization Information	Stefano Falconi and Vanessa Charlot will be primary contact assisted by BRG staff and analysts. Experts, Erica Muhi, and Ty Buckman will be responsible for Faculty Productivity and Faculty Costs.	Privately held C-Corporation Eric Reich, President and CEO will execute the proposed agreement.	EAB Global is a private Delaware Corporation. Rachel Alderton, Senior Director, Partner Development is authorized to execute the proposed agreement.	Gray is a sole proprietorship founded in Massachusetts in 2002. with 18 employees. Steve Probst, Senior Partner will have overall responsibility. Pete Starrett, Partner will be managing data gathering, validation, and analysis.	Huron Consulting Services, LLC. is member managed with elected officers which officers are the same as the officers of Huron Consulting Group, Inc. A publicly held company. Traded on NASDAQ since October 2004. Managing directors are authorized to execute agreements. Twenty (24) locations across the globe, more than 3000 employees, and 180 client serving managing directors.	Kennedy & Company is an S-Corporation in Virginia founded in 2013. Agreements will be authorized by Benjamin Kennedy, Managing Principal	Private employee-owned LLC functioning as a partnership Fred Seamon, PhD Executive Vice President, Melanie Hicks, PhD. Vice President , Education Solutions Group MGT has been conducting qualitative and quantitative surveys throughout 45 years of operations.
7	Project Plan and Methodology	The engagement will be based on a full understanding of the existing teaching loads and students enrolled. 1. Analyze the faculty current cost and trend, identify its drivers, extrapolate short and medium term projections, and compare the resulting data with benchmark institutions. 2. Assess the Faculty productivity	Deliver the training and consultation for the services requested with a combination of phone, web-based, and face-to-face meetings; Propose two (2) onsite visits to complete tasks. Initial meetings will begin the customization and configuration process. Campus Labs will also be working with IT to establish technical integrations and data exchange. Once these elements are in place training sessions will begin.	The plan shall include: A milestone chart, including tasks and staff members designated. Following our standard technical implementation plan. Approach is partnership-focused, need access to Banner. EAB's research begins with surveys followed by extensive investigations.	The work can be conducted virtually through video conference calls and email. Meeting to confirm the project objectives, tasks, timeline, and responsibilities. Collect internal STC data, validate and refine internal data, collect benchmark data, perform analysis, conduct reviews, communicate findings, and train STC team for future PEP use.	Data collection and project initiation task. Academic cost efficiency model development. Detailed faculty cost analysis will further leverage the academic cost efficiency model. Detailed faculty productivity analysis. Huron will prepare a report highlighting the most significant findings and recommend strategies for maximizing efficiencies, effectiveness and allocations of instructional resources.	Fact and Data Gathering Insight generation and deep data analysis the outlines faculty productivity on various metrics sub-divided by relevant populations. Faculty productivity planning models help illustrate different options and scenarios for institutional strategies, faculty teaching loads, and costs. Make recommendations regarding the ideal teaching, research, service and release standards.	MGT will submit a data request list. All phases of the project will involve input from key identified College stakeholders. MGT has estimated on-site days. Data collection and analyses will primarily be conducted online, with interviews and focus groups utilized as necessary. The implementation of the new system will be dependent on the College's fiscal considerations and other factors for be identified.

**SOUTH TEXAS COLLEGE
FACULTY COST AND PRODUCTIVITY STUDY
PROJECT NO. 19-20-1056**

NAME		Berkeley Research Group	Campus Labs, Inc.	EAB Global, Inc.	Gray Associates, Inc.	Huron Consulting Services, LLC.	Kennedy & Company	MGT of America Consulting, LLC.
ADDRESS		99 High St	298 Main St Ste 600	2445 M St NW	355 Sudbury Rd	550 W Van Buren St	405 E Luray Ave	4320 W Kennedy Blvd Ste 200
CITY/STATE/ZIP		Boston, MA 02110	Buffalo, NY 14202	Washington, DC 20037	Concord, MA 01742	Chicago IL 60607	Alexandria, VA 22301	Tampa, FL 33609
PHONE		412-478-1218	716-652-9400	202-266-6588	617-366-2836	312-880-3628	703-623-5713	850-212-6458
CONTACT		Stefano Falconi	Eric Reich	Rachel Alderton	Robert G. Atkins	Andrew Laws	Benjamin Kennedy	Fred Seamon
8	Work Product/Tools and Techniques	The assessment of the quality and range of the existing financial metrics. A list of up to six (6) benchmark institutions. A comprehensive assessment of the College's metrics currently used to monitor and assess faculty productivity: Teaching load, standardization of both in person and on line delivery, assess productivity metrics and crosswalk, assess and categorize the subjects and courses.	Intelligence tool Academic Economics provides an understanding of what it takes to operate programs and educate students. It supplies the framework to address the challenge of understanding operations. Academic Economics toll can help visualize, interpret and make decisions on the financial sustainability of the campus. This program coupled with on-boarding and strategic consulting will give you the data you need to work on organizational efficiencies, best practices and innovative initiatives.	EAB team uses the online platform to derive insights based on goals. By marrying insights with analytics platform, partners get specific actionable findings and the expertise and means to find additional opportunities or increase productivity and/or contain costs.	Gray uses their Program Economics Platform to create a detailed analysis. Data from Gray's PEP used to understand difference in faculty costs across programs and departments. Gray also identified benchmark data for comparison, for efficiency metrics and ultimately identify opportunities for cost cutting.	Huron will work in unison with STC to ensure all final work will allow for data-driven, objective comparisons of academic offerings, focusing on mission alignment, cost, productivity and academic portfolio sustainability. Huron will provide a complete academic cost efficiency model and final report summarizing methodology, analyses and recommendations.	Will help STC understand the differences in relative productivity amongst academic units and departments via multiple productivity metrics. Kennedy builds faculty productivity planning models to help illustrate different options and scenarios for institutional strategies, faculty teaching loads, and costs. As the final step develop a predictive model to modify various inputs and assumptions.	MGT has developed key quality control measures for all forms of survey research. Qualtrics is an online software tool used to program, create and distribute custom web-based surveys. Poll everywhere is a remote audience engagement toll that provides facilitators with capability to integrate live polling into virtual meetings, live sessions and events. MGT has two proprietary surveys, Job Content Questionnaire and Management Issues Paper.
9	Experience and Qualifications	Founded in 2010 1,400+ Professionals 45 Offices in 6 Continents Multidisciplinary services to deliver innovative, independent, and data driven solution	In operation more than 19 years Serving more than 1,400 campuses Selected to work with Higher Learning Commission, Accredited Council for Business Schools & Programs, National Association of Student Personnel Administrators, National Association for Campus Activities, and Council for the Advancement of Standards in Higher Education	EAB is exclusively focused on education founded in 2007. EAB harnesses the collective power of 1,700 partner institutions worldwide and is composed of 1400+ professionals EAB will assign a dedicated support team consisting of a consultant, business analyst and a data integrations services team	Gray is a data analytics, software and strategy consulting firm focused solely on higher education. Gray offers SaaS software tools for evaluating market demand for academic programs, analyzing program and course economics, and program portfolio assessment and management. Offer facilitated workshops. Provide custom analytical and research services. Since founding Gray Associates, Bob has worked with institutions across all sectors of higher education to develop institutional and programmatic growth strategies, identify new markets, and model program and course economics.	University of Wisconsin Green Bay completed a university wide program portfolio model that evaluated the university's investment in selected course components. Huron identified faculty load anomalies, general education program expansion, and integration of the branch campus curricula. Arkansas State University System - Huron provided four broad System level opportunities to include improved collaboration, resource alignment, faculty effort protocols, and curricular support. Simmons University has a clear understanding of the drivers of academic portfolio costs and performance and has established a framework for informed decisions regarding the future composition and management of the portfolio.	Kennedy worked with the University of South Carolina School of Lay to identify the faculty needs to support future growth. Additionally focused on rationalizing costs in each academic unit with an emphasis on identifying any unnecessary expenses. The project with University of the District of Columbia was to understand net revenue. The final output included a report about the current state of academic and administrative efficiency by academic unit. Additionally developed a financial model for streamlining costs.	Staff members are thoroughly familiar with human resources practices and have a detailed understanding of and expertise in conduction compensation and classification studies. All proposed personnel for this engagement are experienced, responsible, and capable in the performance of compensation/classification data reviews and will perform all work in a manner consistent with the highest industry standards, all within the deadlines determined by the College.
10	References	Waynesburg University Bard College Bethany College Stevens Institute of Technology	University of Baltimore Xavier University Neumann University	Community College of Rhode Island University of Alaska Anchorage Dixie State University	Northern New Mexico College Cape Cod Community College Tiffin University	University of Wisconsin Green Bay Arkansas State University System Simmons University	University of South Carolina School of Law The Catholic University of America University of the District of Columbia	Florida Atlantic University University of Nevada University of North Carolina System Florida State University Florida A&M University
11	Additional Notes	*Cost assumes support of 1 to 1.5 STC employees ++++ Basically, they will assess faculty costs using existing data and benchmarks, assess faculty productivity, and provide a number of other deliverables that includes reports and recommendations.	They are selling this AE tool which they claim can do almost everything STC is asking for in the RFP. It doesn't do comparisons to peer groups. For those requirements, the firm says basically if STC gives us the peer data we will make the comparison. They are selling a proprietary tool which is why this is the cheapest option. The question is how effective the tool is.	Their tool is called APS. The process seems to be the same. Gather data from STC and then plug it into the existing model, make some modifications and produce results.	Gray created the PEP model. Same basic process as the others.	They have a model and the process is somewhat similar in terms of plugging data into the model. As described, however, there seems to be more customization and more time spent. Also, there is no on-going subscription.	They have their model. The process is similar. The price seems to be fixed but there is at least the implication that it would be desirable to continue to work with them for another two years at a cost of 15,000 per year.	They do not seem to offer some kind of model or tool. It is a straight consulting process leading to a unique report. They do use a lot of web based survey tools. There is no subscription.
TOTAL EVALUATION POINTS		43.38	77.06	70.93	79.31	57.498	74.66	56.52
RANKING		7	2	4	1	5	3	6

The Director of Purchasing has reviewed all the responses and evaluations completed.

SOUTH TEXAS COLLEGE
FACULTY COST AND PRODUCTIVITY STUDY
PROJECT NO. 19-20-1056
EVALUATION SUMMARY

VENDOR		Berkeley Research Group		Campus Labs, Inc.		EAB Global, Inc.		Gray Associates, Inc.		Huron Consulting Services, LLC.		Kennedy & Company		MGT of America Consulting, LLC.	
ADDRESS		99 High St		298 Main St Ste 600		2445 M St NW		355 Sudbury Rd		550 W Van Buren St		405 E Luray Ave		4320 W Kennedy Blvd Ste 200	
CITY/STATE/ZIP		Boston, MA 02110		Buffalo, NY 14202		Washington, DC 20037		Concord, MA 01742		Chicago IL 60607		Alexandria, VA 22301		Tampa, FL 33609	
PHONE		412-478-1218		716-652-9400		202-266-6588		617-366-2836		312-880-3628		703-623-5713		850-212-6458	
CONTACT		Stefano Falconi		Eric Reich		Rachel Alderton		Robert G. Atkins		Andrew Laws		Benjamin Kennedy		Fred Seamon	
1	The purchase price. (up to 40 points)	7.5	7.5	35	34.97	19.8	28.41	40	40	14.62	14.628	31.57	31.57	20.87	20.87
		7.5		34.97		29.49		40		14.63		31.57		20.87	
		7.5		34.97		29.49		40		14.63		31.57		20.87	
		7.5		34.97		29.49		40		14.63		31.57		20.87	
		7.5		34.97		29.49		40		14.63		31.57		20.87	
		7.5		34.97		29.49		40		14.63		31.57		20.87	
		7.5		34.97		29.49		40		14.63		31.57		20.87	
		7.5		34.97		29.49		40		14.63		31.57		20.87	
		7.5		34.97		29.49		40		14.63		31.57		20.87	
2	The reputation of the vendor and the vendor's goods or services. (up to 18 points)	10	10.77	18	13.33	17	13.77	15	12.66	15	13.55	17	13.88	17	11.33
		14		9		14		14		14		10		14	
		9		16		16		10		16		16		11	
		6		10		8		11		11		9		11	
		14		14		14		11		15		15		5	
		13		11		15		13		16		16		15	
		7		13		12		12		7		12		8	
		10		14		12		12		12		15		16	
		14		15		16		16		16		15		5	
3	The quality of the vendor's goods and/or services. (up to 18 points)	9	11	17	13.22	16	13.44	16	12.11	15	13.33	15	13.66	16	11.44
		12		10		13		13		14		10		14	
		14		16		17		11		16		16		12	
		8		10		9		11		11		11		13	
		11		13		14		12		14		16		5	
		15		15		15		15		15		16		16	
		5		9		7		6		6		10		8	
		10		14		14		10		14		14		14	
		15		15		16		15		15		15		5	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 15 points)	11	9.66	14	10.77	16	11.88	16	10.22	12	11.22	12	11	6	8.33
		11		7		11		11		11		7		12	
		11		10		14		9		13		14		12	
		9		11		10		11		12		12		11	
		10		11		11		10		12		11		4	
		7		13		10		6		11		12		7	
		7		11		9		7		7		7		8	
		10		8		11		12		11		12		12	
		11		12		15		10		12		12		3	
5	The vendor's past relationship with the College. (up to 3 points)	2	1.55	2	1.55	2	1.55	2	1.55	2	1.55	2	1.55	2	1.55
		2		2		2		2		2		2		2	
		0		0		0		0		0		0		2	
		2		2		2		2		2		2		2	
		2		2		2		2		2		2		0	
		2		2		2		2		2		2		0	
		0		0		0		0		0		0		2	
		2		2		2		2		2		2		2	
		2		2		2		2		2		2		2	
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	0	0
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
		0		0		0		0		0		0		0	
7	The total long-term cost to the College to acquire the vendor's goods or services. (up to 5 points)	2	2.88	5	3.22	3	1.88	4	2.77	4	3.22	3	3	3	3
		3		3		3		3		3		3		4	
		0		0		0		0		0		0		3	
		3		3		1		3		3		3		5	
		3		3		1		3		3		3		3	
		5		5		1		2		5		4		0	
		3		3		1		3		3		3		3	
		3		3		3		3		3		3		3	
		4		4		4		4		5		5		3	
TOTAL EVALUATION POINTS		43.36		77.06		70.93		79.31		57.498		74.66		56.52	
RANKING		7		2		4		1		5		3		6	

The Director of Purchasing has reviewed all the responses and evaluations completed.
*The Proposal Criteria follows in the packet for further explanation of each criteria.

**SOUTH TEXAS COLLEGE
PROPOSAL CRITERIA - SERVICE ONLY**

		Service Only	
		Points	Score Key
1	Criterion 1: The purchase price a. The low bidder gets the maximum points b. Divide the lowest proposal by each of the other proposal(s)	40	
2	Criterion 2: The reputation of the vendor and of the vendor's goods or services a. Number of Years in Business b. References (similar projects) c. Services/Installation d. Professional Licenses/Certifications	18	15-18 10-14 5-9 0-4 Excellent Acceptable Marginal Poor/No Response
3	Criterion 3: The quality of the vendor's goods or service a. Warranty b. Service Support/Response Time c. Goods/Product (manufacturer life) d. Product Performance	18	15-18 10-14 5-9 0-4 Excellent Acceptable Marginal Poor/No Response
4	Criterion 4: The extent to which the goods or services meet the district's needs a. Time Frame to complete the project b. Delivery Time Frame of product(s) c. Number of staff d. Meet or exceed the specifications	15	12-15 7-11 3-6 0-2 Excellent Acceptable Marginal Poor/No Response
5	Criterion 5: The vendor's past relationship with the district a. Quality of Past Performances with STC ****New Vendors will receive two points	3	3 2 1 0 Excellent Acceptable/New Vendor Marginal Poor/No Response
6	Criterion 6: The impact on the ability of the district to comply with laws and rules relating to Historically Underutilized Businesses a. Provided the Certification	1	1 0 Yes No
7	Criterion 7: The total long-term cost to the district to acquire the vendor's goods or services; and a. Annual Escalation Increase	5	5 3-4 1-2 0 Excellent Acceptable Marginal Poor/No Response
8	Criterion 8: Any other relevant factor specifically listed in the request for bids or proposals, e.g.: a. Financial Standing b. Potential or Pending Sale of Business		Up to 5 points will be used from the purchase price if applicable
Total Points		100	

Definitions of evaluation terms:

Excellent - respondent provided information which fully addressed or exceeded the requirements

Acceptable - respondent provided information which addressed most but not all of the requirements

Marginal - respondent provided minimal information on requirements

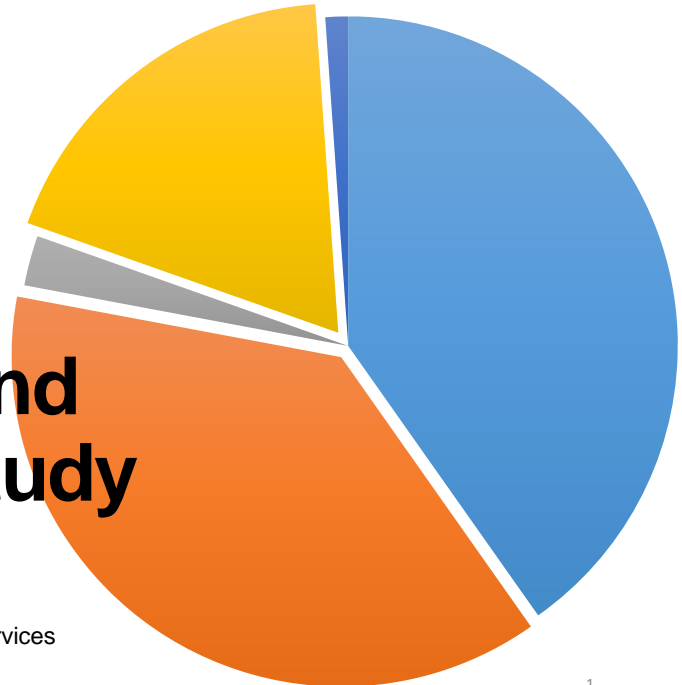
Poor/No response - respondent provided inadequate responses to requirements or did not respond



Faculty Cost and Productivity Study

October 13, 2020

Mary Elizondo, MBA, CPA, CFE, CGMA
Vice President for Finance and Administrative Services



1

Timeline

- **February 25, 2020 – Board Meeting**
 - Issuance of RFP for Faculty Costs and Productivity Study Approved
- **May 11-18, 2020**
 - Request for Proposal (RFP) advertised
 - RFP issued to seventeen vendors
- **June 9, 2020**
 - Received proposals from seven vendors
- **August 31, 2020**
 - Evaluations were completed by staff
- **September 8, 2020 – Education and Workforce Development Committee**
 - Presentation of Faculty Cost and Productivity Study
 - Committee Members requested information from vendors regarding services, costs, and timeframe for including staff to the cost and productivity study
 - Requested the above-mentioned information be presented at the October 13, 2020 Finance, Audit, and Human Resources Committee Meeting
- **September 22, 2020 – Board Meeting**
 - Reviewed presentation of Faculty Cost and Productivity Study presented to the Education and Workforce Development Committee
 - Board of Trustees requested that the study include Faculty and Administrators
 - Requested the above-mentioned information be presented at the October 13, 2020 Finance, Audit, and Human Resources Committee Meeting

Scope of Work Scenarios

1. Faculty Only

- a. Proposal documents were advertised on May 11, 2020 and May 18, 2020 and issued to seventeen (17) vendors. Seven (7) responses were received on June 9, 2020 and reviewed by Academic Affairs, Finance and Administrative Services, and the Purchasing Department.
- b. The scope of work and deliverables requested are attached. (Exhibit A)
- c. College staff has evaluated the responses and results follow in the packet.

Scope of Work Scenarios

2. Faculty and Staff (Including Administrators)

- a. Information requested from vendors on costs and services regarding the inclusion of staff in the study. Information is included in the agenda write-up.

3. Faculty and Administrators (Excluding Non-Administrator Staff)

- a. Information is included in the agenda write-up.

Scope of Work Factors

Factors	1. Faculty Only	2. Faculty and Staff	3. Faculty and Administrators
Approximate - Start date	November 2020	May 2021	April 2021
- Completion date	May 2021	November 2021	October 2021
Estimated implementation of results	Fall 2021/Spring 2022	Spring 2022/Fall 2022	Spring 2022/Fall 2022
Vendor capabilities of conducting a staff study	N/A	5 out of 7 vendors have performed a staff study	N/A

Scope of Work Factors

Factors	1. Faculty Only	2. Faculty and Staff	3. Faculty and Administrators
Cost of study	\$73,000 - \$389,270*	<p>6 out of 7 vendors did not provide an estimated price.</p> <p>1 out of 7 vendors provided pricing of \$130,000-\$190,000 for faculty study and \$275,000 - \$650,000 for staff study.</p> <p>2 out of 7 vendors responded indicating approximately 5%-25% cost savings in total.</p> <p>3 out of 7 vendors responded indicating cost savings without providing specific estimates.</p>	N/A

Scope of Work Factors

Factors	1. Faculty Only	2. Faculty and Staff	3. Faculty and Administrators
Time needed to complete study concurrently or independently	Independently: 5-12 weeks	Independently: 5-12 weeks each Concurrently: 7-18 weeks	N/A
Internal resources	Available resources to assist in providing requested information to vendors.	Extensive demand on staff resources.	Additional demand on staff resources.

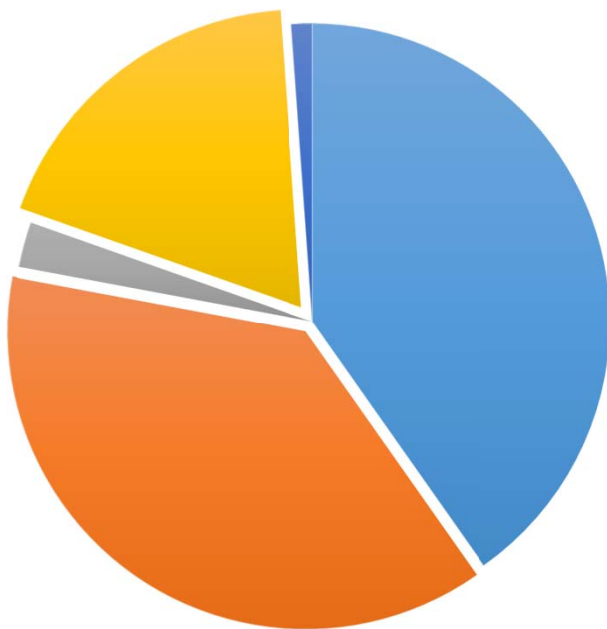
Scope of Work Factors

Factors	1. Faculty Only	2. Faculty and Staff	3. Faculty and Administrators
Next steps	Accept proposals and awarded bid to vendor.	<ul style="list-style-type: none"> reject proposals, develop new scope of work, obtain board approval for scope of work advertise proposals, evaluate proposals, obtain board approval to award vendor. 	<ul style="list-style-type: none"> reject proposals, develop new scope of work, obtain board approval for scope of work, advertise proposals, evaluate proposals, obtain board approval to award vendor.

Recommendations for Internal Study

Executive Management recommends to reject the faculty cost and productivity study proposals and to perform the study internally due to the following:

- Delayed completion and implementation timeframe
- COVID-19 impact:
 - Skewed various data points.
 - Decreased student enrollment.
 - Changed operations of instructional programs.



Thank You.