

SOUTH TEXAS COLLEGE  
BOARD OF TRUSTEES SPECIAL MEETING AND  
PUBLIC HEARING ON FY 2014-2015 BUDGET  
Tuesday, August 26, 2014 @ 5:00 p.m.  
Ann Richards Administration Building Board Room, Pecan Campus  
McAllen, Texas

**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.”

- I. Call Meeting to Order
- II. Determination of Quorum
- III. Public Hearing on FY 2014-2015 Budget:..... 1 - 8
  - Presentation of Overview of FY 2014-2015 Budget
  - Public Comments
  - Close of Public Hearing on FY 2014-2015 Budget
- IV. Consideration and Action on Agenda Items:
  - A. Consideration and Approval of the Resolution Adopting the Budget for FY 2014-2015..... 9 - 11
- V. Informational Items
  - Regular Meeting of Board of Trustees, August 26, 2014 at 5:30 p.m., Ann Richards Administration Building Board Room, McAllen, Texas
- VI. Adjournment

## **The Public Hearing on FY 2014 - 2015 Budget**

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, will present the FY 2014 - 2015 Budget to the public and Board of Trustees during the public hearing and prior to the formal adoption of the Budget by the Board.

The Public Hearing on the FY 2014 - 2015 Budget will consist of:

- Presentation of Overview of FY 2014 - 2015 Budget
- Public Comments
- Closing of the Public Hearing on FY 2014 - 2015 Budget

The Budget is included under separate cover in the Board packet.



**Budget Summary FY 2014 – 2015**  
**Current and Plant Funds**

Fund	Revenues	Expenditures
Unrestricted Fund	\$151,285,133	\$151,285,133
Auxiliary Fund	1,999,026	1,999,026
Restricted Fund	73,797,316	73,797,316
Plant Fund-Unexpended-Construction	44,101,542	44,101,542
Plant Fund-Renewals & Replacements	4,607,595	4,607,595
Plant Fund-Retirement of Indebtedness	14,972,234	14,972,234

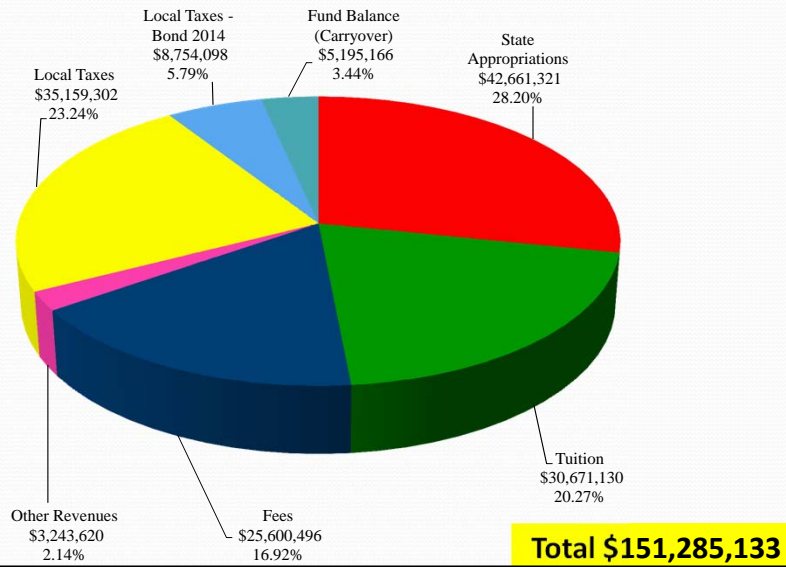
## Unrestricted Fund Revenues

Summary of Revenues	FY 2014 Amended Budget	FY 2015 Proposed Budget	%	Difference FY 2014 to FY 2015
State Contact Revenue	\$ 35,896,669	\$ 35,896,669		\$ -
<i>Other State Revenue-ORP</i>	466,005	462,776		(3,229)
<i>Other State Revenue-TRS</i>	1,623,331	1,813,018		189,687
<i>Other State Revenue-HEGI</i>	4,182,296	4,488,858		306,562
Other State Revenue Subtotal	6,271,632	6,764,652		493,020
<b>Total State Revenues</b>	<b>42,168,301</b>	<b>42,661,321</b>	28.20%	<b>493,020</b>
<b>Total Tuition</b>	<b>30,983,297</b>	<b>30,671,130</b>	20.27%	<b>(312,167)</b>
<b>Total Fees</b>	<b>25,469,210</b>	<b>25,600,496</b>	16.92%	<b>131,286</b>
<b>Total Other Revenues</b>	<b>2,785,934</b>	<b>3,243,620</b>	2.14%	<b>457,686</b>
<b>Total Local Taxes</b>	<b>33,604,358</b>	<b>35,159,302</b>	23.24%	<b>1,554,944</b>
<b>Total Local Taxes - Bond 2014</b>	<b>-</b>	<b>8,754,098</b>	5.79%	<b>8,754,098</b>
<b>Total Carryover Allocations</b>	<b>8,724,100</b>	<b>5,195,166</b>	3.44%	<b>(3,528,934)</b>
<b>Total Revenues</b>	<b>\$ 143,735,200</b>	<b>\$ 151,285,133</b>	100.00%	<b>\$ 7,549,933</b>

## Unrestricted Fund Expenditures, Transfers, and Reserves

Summary of Expenditures	FY 2014 Amended Budget	FY 2015 Proposed Budget	%	Difference FY 2014 to FY 2015
<b>Total Salaries</b>	<b>\$ 78,251,987</b>	<b>\$ 82,256,576</b>	54.37%	<b>\$ 4,004,589</b>
<b>Total Benefits</b>	<b>22,589,271</b>	<b>24,110,566</b>	15.94%	<b>1,521,295</b>
<b>Total Operating</b>	<b>27,966,291</b>	<b>27,669,177</b>	18.29%	<b>(297,114)</b>
<b>Total Travel</b>	<b>1,592,432</b>	<b>1,729,252</b>	1.14%	<b>136,820</b>
<b>Total Capital Outlay</b>	<b>1,402,186</b>	<b>1,244,212</b>	0.82%	<b>(157,974)</b>
<b>Total Expenditures</b>	<b>\$ 131,802,167</b>	<b>\$ 137,009,783</b>		<b>\$ 5,207,616</b>
<b>Transfers &amp; Contingencies</b>				
Debt Service	392,800	395,400		2,600
Transfer to Plant Funds	8,500,000	2,500,000		(6,000,000)
Transfer to NAAMRE/IAM	840,233	625,852		(214,381)
Contingency Fund	2,200,000	2,000,000		(200,000)
LT, Bond Series 2014 Reserve	-	8,754,098		8,754,098
<b>Total Transfers &amp; Contingencies</b>	<b>11,933,033</b>	<b>14,275,350</b>	9.44%	<b>2,342,317</b>
<b>Total Expenditures, Transfers and Contingencies</b>	<b>\$ 143,735,200</b>	<b>\$ 151,285,133</b>	100.00%	<b>\$ 7,549,933</b>

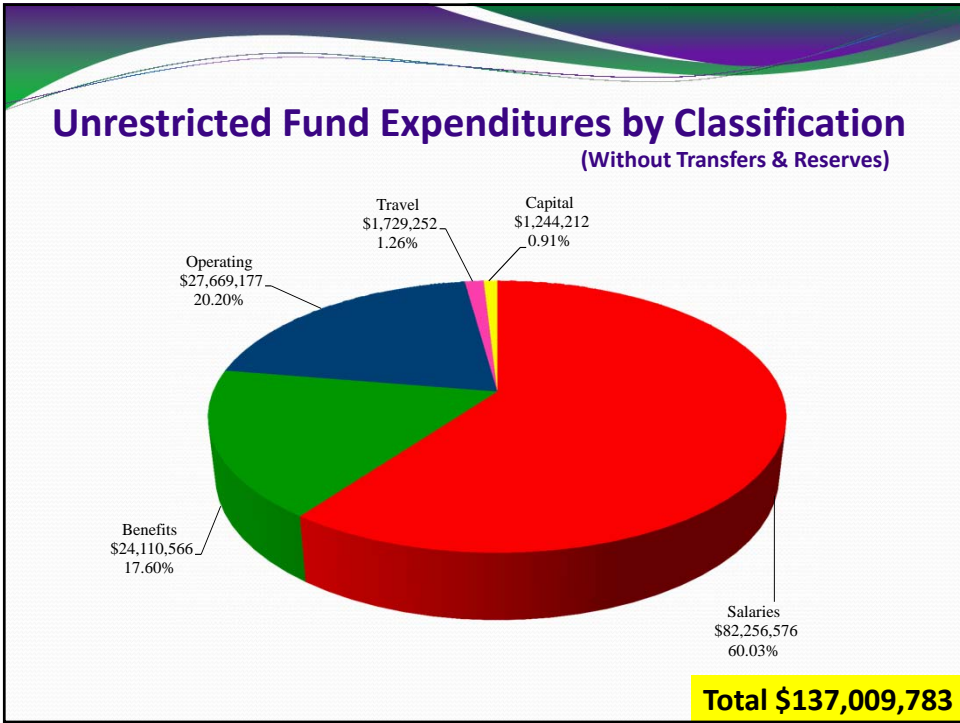
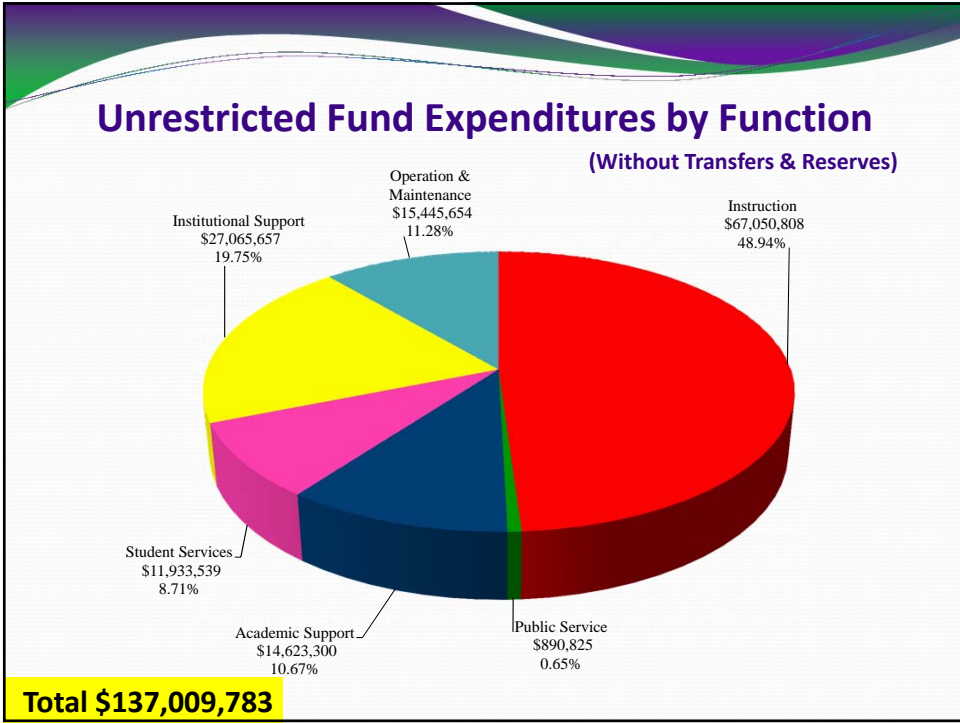
## Unrestricted Fund Revenues by Source



## FY 2014 - 2015

### Unrestricted Expenditures, Transfers, and Reserves

Total Unrestricted Expenditures, Transfers, and Reserves		\$151,285,133
Less Transfers and Reserves:		
Transfer – Construction Fund	2,500,000	
Transfer – MTR Bond Series 2007	395,400	
Transfer – NAAMREI/IAM	625,852	
Contingency	2,000,000	
LT, Bond Series 2014	8,754,098	
Total Transfers and Reserves		14,275,350
Total Unrestricted Expenditures Without Transfers & Reserves		\$137,009,783



**Budget Summary  
FY 2014 - 2015  
Auxiliary Fund**

Fund	Revenues	Expenditures, Transfers and Reserves
Total	\$1,999,026	\$1,999,026

**SOURCES:**

- Bookstore
- Interest
- Food Service
- Vending Machines
- Conferences
- Mid Valley Childcare & Development
- Student Copier

**Budget Summary  
FY 2014 – 2015  
Restricted Fund**

Fund	Revenues	Expenditures, Transfers and Reserves
Total	\$73,797,316	\$73,797,316

- |                                 |               |
|---------------------------------|---------------|
| • Federal Pell Grants           | \$ 53,000,000 |
| • Federal College Workstudy     | 545,497       |
| • Federal SEOG                  | 567,002       |
| • Carl Perkins Grant            | 1,352,354     |
| • Texas Grants                  | 3,107,106     |
| • TWC Skills Development Grants | 329,035       |
| • Other Grants / Scholarships   | 14,896,322    |

**Budget Summary  
FY 2014 - 2015  
Plant Funds**

Fund		Revenues	Expenditures, Transfers and Reserves
Unexpended-Construction Fund Non-Bond		\$9,087,965	\$9,087,965
Unexpended-Construction Fund Bond		\$35,013,577	\$35,013,577
Projected Draws	\$44,101,542		
Ending Fund Cash Balance Non-Bond	\$9,936,729		
Ending Fund Cash Balance Bond	\$24,811,895		

**Budget Summary  
FY 2014 - 2015  
Plant Funds**

Fund		Revenues	Expenditures, Transfers and Reserves
Unexpended-Renewals & Replacements		\$4,607,595	\$4,607,595
Projected Draws	\$4,607,595		
Ending Fund Cash Balance	\$15,305,573		
Unexpended-Retirement of Indebtedness		\$14,972,234	\$14,972,234
Ending Fund Cash Balance	\$13,057,926		





Questions?



## **Consideration and Approval of the Resolution Adopting the Budget for FY 2014 - 2015**

It is recommended that the Board of Trustees approve the budget for FY 2014 - 2015 and adopt the resolution approving the Budget for FY 2014 - 2015 as presented.

A Notice of the Public Hearing on South Texas College's proposed budget for FY 2014 - 2015 was advertised on August 6, 2014 in the *Starr County Town Crier*, the *Rio Grande Herald*, and *The Monitor*. The Hearing gives the general public the opportunity to make comments and have input with regard to the adoption of the budget. A copy of the budget is included under separate cover.

The Resolution to Adopt the Budget follows in the packet for your information and review.

A copy of the proposed budget was made available for viewing at the Office of the Vice President for Finance and Administrative Services located in the Administration Building in Room 230 at the Pecan Campus prior to the Public Hearing. Copies of the budget were made available at the Public Hearing.

The Finance and Human Resources Committee reviewed the FY 2014 - 2015 Proposed Budget which included all Funds at their August 14, 2014 meeting and recommended approval.

### **Recommendation:**

It is recommended that the Board of Trustees of South Texas College approve the Resolution adopting the Budget for FY 2014 - 2015 as presented.

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

The Board of Trustees of South Texas College approves the Resolution adopting the Budget for FY 2014 - 2015 as recommended.

### **Approval Recommended:**

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

**A RESOLUTION ADOPTING THE BUDGET OF SOUTH TEXAS COLLEGE FOR THE FISCAL YEAR BEGINNING SEPTEMBER 1, 2014 AND ENDING AUGUST 31, 2015 IN ACCORDANCE WITH THE PROVISIONS OF THE TEXAS EDUCATION CODE AND ORDERING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.**

**BE IT ORDERED BY THE BOARD OF TRUSTEES OF SOUTH TEXAS COLLEGE, THAT:**

**SECTION I:** The Budget Estimate of revenues for South Texas College District (the “College District”) and the expenses of conducting the affairs thereof for the ensuing fiscal year beginning September 1, 2014, and ending August 31, 2015, as submitted by the President of the College, be, and the same is in all things, adopted and approved as the budget of all of the current revenues and expenses for the fiscal year beginning the 1st day of September, 2014, and ending the 31st day of August, 2015.

**SECTION II:** The amount of ad valorem taxes and revenue from other sources, as estimated by the President, is hereby appropriated out of the various Funds for the payment of operating expenses and capital outlay of the College District. A copy of the Budget Summary indicating such revenues and appropriating their expenditures is attached hereto and made a part hereof for all purposes as Exhibit “A” and shall remain on file in the Office of the President.

**SECTION III:** The sums indicated in Exhibit “A” are hereby appropriated in the Unrestricted Fund and College’s Debt Service Fund out of the current year ad valorem taxes as collected for the purposes of maintenance and operation of the College District, as applicable, and applying the interest due on the general obligation bonds, redeeming the bonds as they mature, and creating sinking funds as required by such bonds.

**SECTION IV:** All Resolutions or parts of Resolutions in conflict herewith are hereby repealed.

**SECTION V:** This Resolution shall be and remain in full force and effect as of September 1, 2014.

**SECTION VI:** If any part, or parts, of this Resolution are found to be invalid or unconstitutional by a court having competent jurisdiction, then such invalidity or unconstitutionality shall not affect the remaining parts hereof and such remaining parts shall remain in full force and effect, and to the extent this Resolution is considered severable.

**CONSIDERED, PASSED and APPROVED** this \_\_\_\_\_ day of August, 2014 at a meeting of the Board of Trustees of South Texas College District at which a quorum was present and which was held in accordance with the Texas Government Code Chapter 551.

SIGNED this \_\_\_\_\_ day of August, 2014.

**SOUTH TEXAS COLLEGE DISTRICT**

By: \_\_\_\_\_  
Roy de León, Chairman

ATTEST:

By: \_\_\_\_\_  
Paul R. Rodriguez, Secretary