I. Call to Order

II. Pledge of Allegiance

III. Certification of the Posting of the Notice of the Meeting

IV. Introductions, Special Guests, Recognitions

V. Workshop

   Sabbaticals

VI. Closed Session

   The Board of Trustees, in accordance with Sections 551.001, et seq. of the Texas Government Code will move into Closed Session under one or more of the following provision(s) of the ACT:

   Section 551.071 – Consultation With Attorney
   Section 551.072 - Deliberation Regarding Real Property
   Section 551.073 - Deliberation Regarding Prospective Gift
   Section 551.074 - Personnel Matters
   Section 551.076 - Deliberation Regarding Security Devices
   Section 551.087 - Economic Development Negotiations

VII. Reconvene Regular Meeting

VIII. Approval of the Minutes of the January 27, 2011 Special Meeting and the February 3, 2011 Workshop and Regular Meeting

IX. Citizens Desiring to Address the Board

X. Special Reports and Announcements

   1. Chancellor

   2. College Presidents
3. Vice Chancellors

4. Faculty Senate Presidents

XI. Consideration of Consent Agenda

(The purpose of the consent agenda is to allow the Board to identify and approve action items which require no additional information or discussion and for which there is unanimous approval. Trustees receive agenda materials one week in advance of the meeting to prepare for the business to be conducted.)

XII. Policy Reports and Considerations

1. Consideration of Approval for Board of Trustees Travel (ACTION ITEM 1)

2. Consideration Of Approval of the Recommended Revision of the Lone Star College System Board Policy Sections I.B.2.03, III A.3.01 and III A.3.02 (SECOND READING) (ACTION ITEM 2)

3. Consideration of the Recommended Revisions to the LSCS Board Policy Section C.2 Investment Management (FIRST READING)

4. Consideration of Approval of the 2011-2012 and 2012-2013 Academic Calendar (ACTION ITEM 3)

XIII. Financial Reports and Considerations

1. Monthly Financial Statements

2. Consideration of Approval to Purchase Additional Pest Control Services for the System (ACTION ITEM 4)

3. Consideration of Approval to Purchase Human Patient Simulators, and Other Medical Equipment and Supplies for the Nursing and Medical Assistant Programs at the new LSC-Health Professions Building at Peakwood Drive (ACTION ITEM 5)

4. Consideration of Acceptance of Gifts (ACTION ITEM 6)

XIV. Building and Grounds Reports and Considerations

Construction Projects Update

XV. Personnel Reports and Considerations

1. Consideration of Ratification of Appointments (ACTION ITEM 7)

2. Consideration of Acceptance of Resignations (ACTION ITEM 8)
3. Board of Trustees’ Annual Performance Review of Chancellor and any Proposed Addenda to the Chancellor’s Contract (ACTION ITEM 9)

4. Consideration of Approval of Commissioning of Peace Officers (ACTION ITEM 10)

XVI. Suggested Future Agenda Items

XVII. Adjournment

The Board of Trustees, may at any time prior to adjournment, in accordance with Sections 551.001, et seq. of the Texas Government Code, move into Closed Session under the following provision(s) of the ACT:

Section 551.071 - Consultation With Attorney
Section 551.072 - Deliberation Regarding Real Property
Section 551.073 - Deliberation Regarding Prospective Gift
Section 551.074 - Personnel Matters
Section 551.076 - Deliberation Regarding Security Devices
Section 551.087 - Economic Development Negotiations
Certification of Posting of Notice to the March 3, 2011
Workshop and Regular Meeting of the
Lone Star College System’s
Board of Trustees

I, Richard Carpenter, Chancellor of the Lone Star College System, do hereby certify that a notice of this meeting was posted on Monday the 28th day of February, 2011 in a place convenient to the public in the Administration Office of the Central Services and Training Center, on all college campuses and on the system website, as required by Section 551.002 et seq., Texas Government Code. Special notice of the meeting was provided to the news media as required by Section 551.001 et seq., Texas Government Code.

Given under my hand this the 28th day of February, 2011.

Richard Carpenter
Chancellor
MINUTES OF THE OF THE
SPECIAL MEETING OF THE BOARD OF TRUSTESS
LONE STAR COLLEGE SYSTEM
CENTRAL SERVICES AND TRAINING CENTER
TRAINING AND DEVELOPMENT CENTER BOARD ROOM
5000 RESEARCH FOREST DRIVE
THE WOODLANDS, TEXAS 77381
January 27, 2011
5:00 p.m.

PRESENT: Mr. Randy Bates, Chair
Dr. David Holsey, Vice Chair
Ms. Priscilla Kelly, Secretary
Mr. David Vogt, Assistant Secretary
Mr. Robert Adam
Mr. Chris Daniel
Ms. Linda Good
Ms. Stephanie Marquard
Mr. Robert Wolfe

I. CALL TO ORDER: After confirming that a quorum of the committee was present, Mr. Bates called the special meeting to order at 5:08 p.m. Ms. Kelly joined the meeting at 5:12 p.m.

II. PLEDGE OF ALLEGIANCE: Mr. Wolfe led the Board and guests in reciting the Pledge of Allegiance.

III. CERTIFICATION OF THE POSTING OF THE NOTICE OF THE MEETING: Chancellor Carpenter confirmed that the Notice for the meeting had been properly posted. No action was required. A copy is attached as Exhibit “A”.

IV. Mr. Bates recessed the meeting at 5:09 p.m.

V. Mr. Bates reconvened the open meeting at 5:44 p.m. Mr. Bates thanked the nominating committee for their work. Ms. Kelly thanked Stephanie Marquard and Linda Good for their work on the nominating committee.

VI. INTERVIEW TRUSTEE FINALISTS: Dr. Aspiazu, Dr. Clark and Mr. Forestier presented an overview of why they wanted to be on the Board and answered questions from the Board.

VII. CLOSED SESSION: At 5:31 p.m. Mr. Bates convened the Board in closed session, in accordance with Section 551.001 et. Seq. of the Texas Government Code under the following provision(s) of the Act:

Section 551.074 – Personnel Matters
VIII. **RECONVENE IN OPEN MEETING:** Mr. Bates reconvened the open meeting at 7:34 p.m.

IX. **SPECIAL CONSIDERATION:**

Consideration of Appointment to the Unexpired Term of Position 2 on the Board of Trustees (**ACTION ITEM 1**): upon a motion by Ms. Kelly and a second to the motion by Ms. Marquard the Board unanimously approved the appointment of Tom Forestier to the unexpired term of Position 2 on the Board of Trustees. Mr. Forestier will be administered the Oath of Office at the February 3, 2011 Board meeting. A copy is attached as Exhibit “B.”

X. **ADJOURNMENT:** There being no further business, the meeting was adjourned at 7:35 p.m.

**ATTEST:**

_________________________________________  _______________________________________
Randy Bates, Chair                        Priscilla Kelly, Secretary
MINUTES OF THE
WORKSHOP AND REGULAR MEETING OF THE BOARD OF TRUSTEES
LONE STAR COLLEGE SYSTEM
CENTRAL SERVICES AND TRAINING CENTER
TRAINING AND DEVELOPMENT CENTER BOARD ROOM
5000 RESEARCH FOREST DRIVE
THE WOODLANDS, TEXAS 77381
February 3, 2011
5:00 p.m.

PRESENT: Mr. Randy Bates, Chair
Dr. David Holsey, Vice Chair
Mr. David Vogt, Assistant Secretary
Mr. Robert Adam
Mr. Tom Forestier
Ms. Linda Good
Ms. Stephanie Marquard
Mr. Robert Wolfe

ABSENT: Ms. Priscilla Kelly, Secretary

I. CALL TO ORDER: Mr. Bates called the workshop and regular meeting of the Board of Trustees to order at 5:04 p.m. after determining a quorum was present.

II. PLEDGE OF ALLEGIANCE: Ms. Good led the Board and guests in reciting the Pledge of Allegiance.

III. CERTIFICATION OF THE POSTING OF THE NOTICE OF THE MEETING: Chancellor Carpenter confirmed that the Notice for the meeting had been properly posted. No action was required. A copy is attached as Exhibit “A.”

IV. ADMINISTRATION OF THE OATH OF OFFICE FOR TRUSTEE POSITION 2: the oath of office was administered by Ms. Marilyn Fisher, Notary Public, to Mr. Thomas Forestier, Position 2 of the Board of Trustees. Mr. Forestier introduced his wife Susan, his sons Mark and Andrew, who were present, and Jack who is attending Lehigh University in Bethlehem, Pennsylvania.

V. INTRODUCTIONS, SPECIAL GUESTS, RECOGNITIONS: Chancellor Carpenter welcomed Charles Bier, Editor of The Woodlands Villager.

VI. WORKSHOP: None

VII. CLOSED SESSION: At 5:10 p.m. Mr. Bates convened the Board in closed session, in accordance with Section 551.001 et. Seq. of the Texas Government Code under one or more of the following provision(s) of the Act:

Section 551.071 – Consultation With Attorney
Section 551.072 – Deliberation Regarding Real Property
Section 551.073 – Deliberation Regarding Prospective Gift
Dr. Holsey arrived at 5:12 p.m.

VIII. **RECONVENE REGULAR MEETING:** Mr. Bates reconvened the open meeting at 5:59 p.m.

IX. **APPROVAL OF THE MINUTES OF THE DECEMBER 2, 2010 WORKSHOP AND REGULAR MEETING:** upon a motion by Ms. Marquard and a second to the motion by Mr. Adam, the Board approved the minutes of the December 2, 2010 Workshop and Regular Meeting. Mr. Forestier abstained from the vote.

X. **CITIZENS DESIRING TO ADDRESS THE BOARD:** None

XI. **SPECIAL REPORTS AND ANNOUNCEMENTS:**

1. **Chancellor:** The Chancellor reported the ribbon cutting for the Music Hall, the Health Science Building and the Academic Center at LSC-Montgomery was held on Tuesday, February 1, 2011. In January the Conroe Center was dedicated.

   Official day enrollment for the spring semester is 69,245, an 11% increase over spring of last year when enrollment was 62,406.

   In January LSCS hosted a site visit from the Bill and Melinda Gates Foundation as a finalists in the Completion by Design project. LSCS is the lead of a five college consortium that includes Dallas County Community College, Alamo Colleges, El Paso Community College and South Texas College, representing a third of all community college students in Texas.

   LSCS has been selected as one of only four sites throughout the country to host a Regional White House Summit on Community Colleges. The summit will take place on Wednesday, March 9 at University Park.

   Dr. Carpenter presented an update on Legislative Budget process and Budget Committee.

2. **College Presidents:** None

3. **Vice Chancellors:** None

4. **Faculty Senate President:** None

XII. **CONSIDERATION OF CONSENT AGENDA:** Mr. Bates proceeded with the Consent Agenda. Action Items 6 and 7 were recommended to be considered separately. Ms. Marquard made a motion to approve Action Items 1, 2, 3, 4, 5, 8, 9, 10 and 11. Dr.
Holsey seconded the motion and the Board unanimously passed the Consent Agenda. A copy is attached as Exhibit “B.”

XIII. POLICY CONSIDERATION

1. Consideration of Approval for Board of Trustees Travel (ACTION ITEM 1): the Board unanimously authorized Randy Bates and Linda Good to attend the Community College National Legislative Summit in Washington, D.C., February 13-16, 2011. This item was passed in the Consent Agenda. A copy is attached as Exhibit “C.”

2. Consideration of the Recommended Revision of the Lone Star College System Board Policy Sections I.B.2.03, III A.3.01 and III A.3.02 (FIRST READING): the Board unanimously considered the recommended revisions of the Lone Star College System Board Policy Sections I.B.2.03, III A.3.01 and III A.3.02. This constitutes a first consideration with a request for approval during the March Board meeting. A copy is attached as Exhibit “D.”

XIV. FINANCIAL REPORTS AND CONSIDERATIONS

1. Monthly Financial Statements: the Board reviewed the report as presented. A copy is attached as Exhibit “E.”

2. Quarterly Investment Report: the Board reviewed the report as presented. A copy is attached as Exhibit “F.”

3. Consideration of Approval to Purchase Insurance Brokerage Services for the System (ACTION ITEM 2): the Board unanimously approved the purchase of insurance brokerage services for the System from the lowest bidder, McGriff, Seibels & Williams of Texas, Inc., 811 Town & Country Lane., Suite 500, Houston, TX 77024, in the amount of $45,000 per year or $225,000 over the five-year contract period. This item was passed in the Consent Agenda. A copy is attached as Exhibit “G.”

4. Consideration of Approval to Amend the Contract for Garage Cleaning Services (ACTION ITEM 3): the Board unanimously approved amending the contract for garage cleaning services from Easley Enterprises, LLC, 9834 Golden Eagle St, Conroe, TX 77385, and Royal Sweeping and Paving, 8815 Emmott Rd. Ste 800, Houston, TX 77040, for an additional amount of $43,000, bringing the total estimated annual amount to $78,000 and the total five-year contract cost to $390,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “H.”

5. Consideration of Approval to Purchase Human Patient Simulators and Equipment for the Nursing Programs at LSC-Tomball, LSC-Cy Fair, LSC-Montgomery and LSC-Kingwood (ACTION ITEM 4): the Board unanimously approved the purchase of human patient simulators and equipment for the Nursing programs at LSCS for the total amount of $295,000 from the following vendors: Laerdal Medical Corporation in the amount of $92,000; PocketNurse in the amount of $118,000; Medical Education Technologies in the amount of $47,000 and Gaumard in the amount of
$38,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “I.”

6. Consideration of Approval to Purchase Additional Curricula Testing and Nursing Remediation Packages for the System (ACTION ITEM 5): the Board unanimously approved the purchase of additional curricula testing and National Council Licensure Examination (NCLEX-RN) remediation packages for the System for an estimated amount of $425,000 during the two additional one-year terms from the following suppliers: Elsevier in the amount of $136,000 and Kaplan Medical in the amount of $289,000. This additional purchase brings the total cost for the five-year period to $800,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “J.”

7. Consideration of Acceptance of Gifts (ACTION ITEM 6): upon a motion by Ms. Marquard and a second to the motion by Dr. Holsey, the Board accepted and acknowledged the gifts donated to the Lone Star College System in accordance with the donor’s wishes. Ms. Good cast a dissenting vote. A copy is attached as Exhibit “K.”

8. Consideration of Authorization for the Chancellor or Designee to Establish Consulting Practice Plans within LSCS Administrative Units (ACTION ITEM 7): upon a motion by Ms. Marquard and a second to the motion by Dr. Holsey, the Board authorized the Chancellor or Designee to establish consulting practice plans within selected LSCS Administrative Units so that greater value and outreach may be accomplished. Ms. Good cast a dissenting vote. A copy is attached as Exhibit “L.”

9. Consideration of Approval to Reimburse National Oilwell Varco (NOV) for Training Under the Texas Workforce Commission Skills Development Fund (TWC-SDF) Grant (ACTION ITEM 8): the Board unanimously approved reimbursements to NOV, 5200 N. Sam Houston Parkway West, Houston, TX, 77086, for training provided under the TWC-SDF grant for an estimated amount of $200,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “M.”

10. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contract to Purchase Student Course Feedback Tool for the System (ACTION ITEM 9): the Board unanimously authorized the Chancellor or designee to negotiate and execute a contract to purchase a student course feedback tool from CollegeNet, Inc., 805 SW Broadway, Suite 1600, Portland, OR 97205, for an initial amount of $73,750 and subsequent annual maintenance for years two through five in the amount of $23,800 for a total five year contract amount of $168,950. This item was passed in the Consent Agenda. A copy is attached as Exhibit “N.”

XV. BUILDING AND GROUNDS REPORT:

Construction Projects Update: the Board reviewed the report as presented. A copy is attached as Exhibit “O.”
XVI. PERSONNEL REPORTS AND CONSIDERATIONS:

1. Consideration of Ratification of Appointments (ACTION ITEM 10): the Board unanimously ratified the appointments as presented. This item was passed in the Consent Agenda. A copy is attached as Exhibit “P.”

2. Consideration of Acceptance of Resignations (ACTION ITEM 11): the Board unanimously accepted the resignations as presented. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Q.”

XVII. SUGGESTED FUTURE AGENDA ITEMS: None

XVIII. ADJOURNMENT: There being no further business, the meeting was adjourned at 6:10 p.m.

ATTEST:

_________________________________  __________________________________
Board of Trustees, Chair            Board of Trustees, Secretary
Consideration of Consent Agenda

Board Meeting 3-3-11

Consent Agenda:

A roll call of individual action items will determine the consent agenda. If a trustee has a question or plans to cast a negative vote regarding a specific recommendation, then the trustee/trustees need to acknowledge their intention to the Chair by show of hand during the roll call: this action item will be considered in the regular order of business as an individual action item.

Those action items that the trustees plan to approve without further question or discussion will be placed on the consent agenda during roll call of individual action items. Upon the creation of the consent agenda, a motion, a second to the motion, and unanimous approval of the Board of Trustees is needed to approve the action items. Upon approval of the consent agenda, the Board of Trustees will proceed with the remainder of the agenda.

Rationale:
The consent agenda format is an organization process for meetings that allows the governing board to focus their time and attention on action items that require more elaboration, information, and/or discussion. The intent of the consent agenda is to support efficiency and effectiveness of the meeting.

Tally of Action Items:

<table>
<thead>
<tr>
<th>#</th>
<th>Action Item</th>
<th>Consent Agenda</th>
<th>Chancellor Recommended Separate Action</th>
<th>Board Separate Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Approve Board of Trustee Travel</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Approve Policy LB.2.03, IIIA3.01,A3.02</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Approve 2011-2012 and 2012-2013 Academic Calendar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Approve Purchase Additional Pest Control Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Approve Purchase Medical Equipment/Supplies/HPB</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Accept Gifts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Ratify Appointments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Accept Resignations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Annual Performance Review of Chancellor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Approve Commissioning of Peace Officers</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Request: Consideration of Approval for Board of Trustees Travel

Chancellor’s Recommendation: That the Board of Trustees authorize Priscilla Kelly and Linda Good to attend the Board of Trustee Achieving the Dream in Santa Fe, New Mexico from March 24 - 26, 2011.

Rationale: Attendance at this meeting by two Lone Star College System Board of Trustees is a requirement of the grant from the Houston Endowment for the Achieving the Dream initiative

Fiscal Impact: None. Expenses for the delegates will be covered by the grant.

Resource: Richard Carpenter 832-813-6515
Request: Consideration Of Approval of the Recommended Revision of the Lone Star College System Board Policy Sections I.B.2.03, III A.3.01 and III A.3.02 (SECOND READING)

Chancellor’s Recommendation: That the Board of Trustees approve the recommended revisions of the Lone Star College System Board Policy Sections I.B.2.03, III A.3.01 and III A.3.02.

Rationale: The recommended policy considerations will allow a more efficient process in accepting and receiving gifts between LSCS and the Lone Star College Foundation (LSC Foundation). Current policy requires Board action before gifts are accepted or received. It is recommended that the gifts be accepted and received by the LSC Foundation, for the benefit of LSCS, with the Chancellor or designee providing quarterly updates to the Board regarding specifics of such gifts received and accepted.

Staff Resource: Brian Nelson 832-813-6655
Ray Laughter 832-813-6621
The Board shall have specific powers and duties imposed by statutes of the State. The Board has the legal power and duty to:

a. **Govern** – Be governed in the establishment, management, and control of the System by the general laws governing the establishment, management and control of public community colleges insofar as the general law is applicable. Have the exclusive power and duty to govern and oversee the management of the System.

b. **Set and collect tuition and fees** – Set and collect any amount of tuition, rentals, rates, charges, or fees the Board considers necessary for the efficient operation of the System, within the requirements of Section 54.051(n) of the Education Code. The Board may set a different tuition rate for each program, course, or course level offered by the System, including a program, course, or course level to which a provision of Section 54.051 applies, as the Board considers appropriate to reflect course costs or to promote efficiency or another rational purpose.

c. **Provide Direction** - Provide policy direction for the System and adopt such rules, regulations and bylaws as the Board deems advisable.

d. **Establish Goals** - Establish goals consistent with the System’s role and mission.

e. **Levy Taxes** - Levy and collect taxes and issue bonds.

f. **Assess and Collect Taxes** - Provide for assessing and collecting of taxes.

g. **Adopt Annual Budget** - The Board shall approve an itemized current operating budget on or before September 1 of each year.

h. **Conduct Annual Audit** - Have the accounts audited in accordance with the approved financial reporting system.

i. **Submit Annual Reports** - Submit the required annual reports to the Governor, Comptroller, State Treasurer, State Auditor, and Legislative Budget Board.

j. **Receive Bequests and Gifts** – All bequests and gifts shall be received and accepted by the Lone Star College System Foundation for and in behalf of the Board and/or System. The Chancellor, or designee, shall report to the Board on a quarterly basis as to all requests and gifts received.

k. **Establish Endowment Fund** - Establish an endowment fund outside the state treasury in a depository selected by the Board.
l. **Select Depository** - Select a depository for the System Funds.

m. **Order Elections** - Order elections as required by law.

n. **Exercise Eminent Domain** - Exercise the right of eminent domain to acquire property.

o. **Appoint Chancellor** - Appoint the Chancellor, evaluate the Chancellor, and assist the Chancellor in the achievement of performance goals. Give public notice of the name or names of the finalists being considered for the position of Chancellor at least 21 days prior to the meeting at which final action or vote is to be taken on the employment of the individual.

p. **Employ Personnel** - Appoint or employ agents, employees, and officials as deemed necessary or advisable to carry out any power, duty, or function of the Board; employ a dean, or other administrative officer; upon the Chancellor’s recommendation, employ faculty and other employees of the System.

q. **Pass Resolutions or Orders** - Proceed by and through resolutions or orders adopted or passed by the Board. The affirmative vote of a majority of all Board members shall be required to adopt or pass a resolution or order.

r. **Fix and Collect Rentals, Rates and Charges** - Be authorized to fix and collect rentals, rates, charges or fees, including student union fees from students and others for the occupancy, use or availability of all or any of its property, buildings, structures, activities, operations or facilities, of any nature, in such amounts and in such manner as may be determined by the Board.

s. **Acquire Property** - May acquire and hold real and personal property, and dispose of property that is no longer necessary for the operation of the System, in any appropriate manner.

t. **Hold title to Property** - Hold all rights and title to the property of the System, whether real or personal.

u. **Lease Property** - Execute, perform and make payments under contracts, which may include leases, leases with option(s) to purchase, or installment purchases with any person for the use, acquisition or purchase of any personal property, or the financing thereof. The contracts shall be on terms and conditions that are deemed appropriate by the board in accordance with state law.

v. **Retain Real Estate Broker** - Employ, retain, contract with or compensate a licensed real estate broker or salesperson for assistance in the acquisition or sale of real property.

w. **Sue** - Sue or be sued.
x. **Communicate with Coordinating Board** - Ensure that its formal position on matters of importance to the System is made clear to the Coordinating Board, when such matters are under consideration by the Coordinating Board.

y. **Set Admissions Standards** - Set campus admission standards consistent with the role and mission of the System, and considering admission standards nationwide, having a similar role and mission, as determined by the Coordinating Board.
3. Gifts

A.3.01 – Philanthropic Gift

The Lone Star College Foundation (the “Foundation”) exclusively supports the philanthropic income and investments of the System. The Foundation serves as a Texas nonprofit corporation and is exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

The Foundation is a fiscal and organizational independent entity from the System and receives governance through its own Board of Directors. The Foundation Board is made up of business, corporate and community leaders, who reside and/or conduct professional endeavors within the boundaries of the System.

The criteria for philanthropic gifts must be vested in the LSCS Foundation and requires that the donor:

a. Constitutes a public or private funding source,

b. Provides the intent to make a charitable contribution,

c. Invests the gift irrevocably, and

d. Does not receive any goods or services in exchange for the gift

A.3.02 Gifts from Private Sources

All bequests of property for the benefit of the System shall be accepted by the Lone Star College Foundation (the “Foundation”) on behalf of the System. When not specified by the grantor, funds or other property donated, or the income from such funds for property, may be expended in any manner authorized by statute.

The Chancellor, or designee, shall make quarterly reports to the Board of the acceptance of gifts and donations including donor, value, form, and restrictions.

The authority to accept gifts on behalf of the System shall be vested solely with the Foundation.

The Foundation shall not accept gifts that discriminate against any person on the basis of gender, race, color, religion, national origin, or disability.

Monetary donations received from private sources will be processed through the Foundation and follow the Foundation policies and procedures.
Request: Consideration of the Recommended Revisions of the Lone Star College System Board Policy C.2.01: Investment Management (FIRST READING)

Chancellor’s Recommendation: That the Board of Trustees consider the recommended revisions of the Lone Star College System Board Policy C.2.01: Investment Management. This constitutes a first consideration with a request for approval during the April regular meeting of the Board of Trustees.

Rationale: Annually, the board must adopt the Investment Policy and Strategy as required by both Board Policy C.2.01 Investment Management and the Government Code Section 2256.005(e) (Public Funds Investment Act). In conference with the System’s investment advisors, Valley View Consulting, LLP, the proposed Investment Policy would incorporate the following changes:

- **Add:** Defines “yield to maturity” as the measurement for calculating the rate of return
- **Change:** The stated maturity for any single General Fund investment increases from two years to three years. The maximum weighted average maturity of all General Fund investments remains unchanged at not-to-exceed one year.
- **Change:** The name “Bond Funds” changes to “Capital Projects Funds”.
- **Change:** The stated maturity for any single Debt Service Fund investment increases from two years to three years. The maximum weighted average maturity of all Debt Service Fund investments remains unchanged at not-to-exceed one year.
- **Change:** With approval by the Board of Trustees, Investment Officer training may include providers other than the Texas Higher Education Coordinating Board.
- **Change:** The collateralization language on depository contracts is strengthened for protection of System funds. Letters of Credit issued by the US government are added as an acceptable form of collateralization.
- **Change:** The total portion of the portfolio consisting of US Agencies increases from 80% to 90% and collateralized Certificates of Deposit increases from 30% to 90%.
- **Change:** Changes the external auditor compliance review to every two years to agree with State Auditor’s Office requirements.

Fiscal Impact: An increased rate of return on the System’s investment portfolio is expected, with no compromise to the safety of those investments.

Staff Resource: Cindy Gilliam 832-813-6512
C.2.01 - Investment Management:
It is the policy of the System that after allowing for the anticipated cash flow requirements of the System and giving due consideration to the safety and risk of investment, all available funds, as reported in the System’s annual financial report, shall be invested in conformity with this Investment Policy and governing statutes, seeking to safeguard assets, maintain liquidity and optimize interest earnings.

Effective cash management is recognized as essential to good fiscal management and investment interest serves as a source of revenue to the System. The System's investment portfolio shall be designed and managed in a prudent manner to obtain reasonable revenue within the limitations of the System's cash flow needs, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

Investments shall be made with the following objectives in priority order:

a. Safety and preservation of principal
b. Maintenance of sufficient liquidity to meet operating needs
c. Diversification
d. Public Trust, and
e. Optimization of earnings in the portfolio (Yield).

This Investment Policy extends to all financial assets under the direct control of the System.

C.2.02 - Purpose:
The purpose of this Investment Policy is to comply with the Public Funds Investment Act Chapter 2256 of the Texas Government Code (the "Act"), which requires that the System annually adopt a written investment policy regarding the investment of its funds and funds under its control. This Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the System's funds.

C.2.03 - Strategy:
The overall objective of the Investment Policy is to ensure that System financial assets are properly safeguarded, provide sufficient liquidity, diversification and produce a reasonable rate of return while enabling the System to react to changes in economic and market conditions.

The longer the maturity of investments, the greater the price volatility. Therefore, the System concentrates its investment portfolio in short and intermediate term investments to limit market risk caused by changes in interest rates. The System attempts to match its investments with anticipated cash flow requirements. Cash flow requirements generally divide the portfolio into four major parts: liquidity needs, short-term needs, intermediate-term needs, and longer-term, core investment. The System will not invest in investments maturing more than three (3) years from the date of purchase.
The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. “Weighted Average Yield to Maturity” shall be the standard for calculating portfolio rate of return.

The System commingles its operating, reserve and trust and agency funds into one investment portfolio for investment purposes of efficiency, accurate distribution of interest, and maximum investment opportunity. Although commingled, the System recognizes the unique characteristics and needs of the individual funds in its strategy statement and in the management of the funds. The maximum dollar weighted average maturity (WAM) of the entire commingled portfolio reflecting cash flow needs shall be no greater than one (1) year and the corresponding benchmark for the commingled portfolio shall be the comparable one year US Treasury security.

Capital Projects are managed separately in accordance with their anticipated expenditure schedules and bond document requirements.

C.2.04 - General Fund:
The General Fund includes all operating funds of the System including, but not limited to, the general fund, payroll fund, technology fund, student activity fee fund, repair and replacement fund, and the auxiliary fund. The primary investment strategy for this fund is to assure the preservation and safety of principal; and, secondly, that anticipated cash flows are matched with adequate investment liquidity. These objectives shall be accomplished by purchasing high credit quality, short-to-intermediate term investments matching cash flow requirements. All investments authorized by the Investment Policy are suitable. Funds not needed for short-term cash flow requirements will be invested in diversified instruments with diversified maturities and be readily marketable in the secondary market or, in the case of Certificates of Deposit, redeemable with or without penalty. Yield will be enhanced by the use of maturity extensions available within the confines of accurate cash flow projections and market cycle timing. Based on ongoing cash flow needs, the maximum weighted average maturity shall be one year. The maximum stated maturity will be three years.

2.05 - Restricted Fund:
The Restricted Fund includes local, state and federal grant funds as well as funds from other sources that are restricted for instructional use. The primary objectives are safety and liquidity sufficient to meet anticipated cash flow requirements as well as yield optimization. These objectives shall be accomplished by purchasing high-credit quality, short-term investments, diversified by instrument and maturity, and matching the maturity of the investments with anticipated liabilities. Funds not needed for short-term cash flow requirements will be invested in diversified instruments with diversified maturities and be readily marketable in the secondary market or, in the case of Certificates of Deposit, redeemable with or without penalty. All investments authorized by the Investment Policy are suitable. A ladder of short-term investments with sufficient liquidity from cash-equivalent investments may be used to maintain a maximum weighted average maturity of one year. The maximum stated maturity will be two years.
C.2.06 - Capital Projects:
The primary investment objective for the Capital Projects Fund is preservation and safety of principal. In addition, the System will seek to match cash flows from maturities and earnings of diversified investments to anticipated needs while obtaining a reasonable market yield. Investments will be made in an attempt to attain a rate equal to or above the arbitrage yield in order to avoid negative arbitrage. These objectives shall be accomplished by purchasing high-credit quality, short and intermediate-term investments with maturities closely matching the projected cash flow schedules. Funds not needed for short-term cash flow requirements will be invested in diversified instruments with diversified maturities and be readily marketable in the secondary market or, in the case of Certificates of Deposit, redeemable with or without penalty. All investments authorized by the Investment Policy are suitable. The maximum maturity of an individual security shall not exceed the expenditure plan of the funds.

C.2.07 - Debt Service:
The investment strategy for the Debt Service Fund has as its primary objective the preservation and safety of capital while optimizing yield in order to fund debt service payments in accordance with provisions in the bond documents. Funds not required for immediate liquidity shall be invested in diversified instruments. All investments authorized by the Investment Policy are suitable. Each successive debt service payment shall be fully funded before extensions are made. The maximum maturity of an individual security shall not exceed three years and the maximum weighted average maturity of one year.

C.2.08 - Trust and Agency Fund:
The Trust and Agency Fund is comprised of local scholarship funds, club funds, and other funds for which the System acts as fiduciary and which have short average lives and high liquidity needs. The primary objectives are safety, liquidity, diversification, and yield. These objectives shall be accomplished by purchasing high credit quality, short-term investments and utilizing cash-equivalent investments for liquidity. All investments authorized by the Investment Policy are suitable. The maximum maturity shall be one year and the maximum weighted average maturity six months.

C.2.09 - Prudent Person Rule:
Investments shall be made, considering prevailing internal and market circumstances, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs not for speculation, but for investment, and considering the probable safety of capital as well as probable income from an investment decision.

In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall take into account the investment of all funds rather than a single investment, and, whether the investment decision was consistent with the System’s Investment Policy.
C.2.10 - Downgrades:
The System is not required to liquidate investments that were authorized investments at the time of purchase, if they subsequently become unauthorized. The Investment Officers will meet to discuss any investment which has been downgraded or placed on credit-watch to evaluate and take any necessary and prudent measures to assure the safety of System funds. It is the policy of the System to liquidate as quickly as is prudently possible any investment that becomes unauthorized or loses its required credit rating while held in the System's portfolio.

C.2.11 - Delegation of Responsibility:
Authority to manage the System's investment program is derived from and delegated pursuant to provisions of the Act.

C.2.12 - Investment Officers:
The Board designates the Vice Chancellor for Administration and Finance/CFO and the Treasurer as the System's Investment Officers. Management responsibility for the investment program is hereby delegated to the Investment Officers. The Investment Officers shall exercise judgment and care, under prevailing circumstances, which a prudent person would exercise in the management of the person's own affairs, but the Board retains ultimate fiduciary responsibility.

The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates. The Investment Officers will report quarterly to the Board on investment results and annually on counter-parties used in the process.

No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Investment Officers. Investment Officers acting in good faith and in accordance with these Policies and Procedures shall be relieved of personal liability.

C.2.13 - Capability of Investment Officers:
The System shall provide access to periodic training in investments for Trustees and Investment Officers and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources in compliance with the Act to insure the quality and capability of investment management.

C.2.14 - Training:
Members of the Board of Trustees and Investment Officers shall acquire at least the minimum hours of investment training required by the Texas Higher Education Coordinating Board within 6 months after taking office or assuming duties. Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Act.

Thereafter, Investment Officers shall additionally complete at least the minimum required hours of training every two years. Training must be obtained from an independent source approved by the Board.
The Investment Officer shall prepare a report on the provisions of the Act and deliver it to the Board no later than the 180th day after the 1st day of each regular session of the Legislature.

**C.2.15 - Ethics and Disclosure of Conflicts of Interest:**
Investment Officers and employees of the System involved in the investment process 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.

All Investment Officers shall provide complete disclosure related to potential conflicts of interest annually or as conditions change. Investment Officers must file a disclosure statement with the Texas Ethics Commission and the Board if:
1. The Officer has a personal business relationship with a business organization offering to engage in an investment transaction with the System.
2. The Officer is related within the second degree by affinity or consanguinity, as determined by Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the System.

**C.2.16 - Investment Providers:**
The Investment Officers shall obtain and maintain information on all financial institutions and brokers/dealers authorized to transact financial transactions with the System. The information shall include the following, as applicable:
1. Audited annual financial statements.
2. Proof of Financial Industry Regulatory Authority membership and CRD number (as applicable).
3. Proof of registration with the Texas State Securities Board (as applicable)
4. Completed System questionnaire.

All investment providers (including but not limited to, financial institutions, broker/dealers, investment pools, mutual funds, and investment advisors) shall provide a certification that the authorized representative of the firm has received and thoroughly reviewed the System's current Investment Policy will be maintained in the treasury department. This statement shall certify that the firm has implemented reasonable procedures and controls in an effort to preclude transactions conducted with the System not authorized by the Investment Policy except to the extent that this authorization is dependent on the analysis of the makeup of the System's entire portfolio or requires interpretation of subjective investment standards.

**C.2.17 - Annual Review:**
The Investment Officers shall annually submit a list of brokers/dealers for Board approval. These institutions shall be selected for service, market involvement, and credit worthiness and be authorized to provide brokerage services. These may include primary dealers and regional dealers that qualify under the Securities and Exchange Commission uniform net capital rule (Rule 15C3-1).
The Investment Officers shall annually review and evaluate the firms authorized to enter into investment transactions with the System. The following minimum criteria may be included in the review and evaluation:

1. Number of transactions competitively won/lost.
2. Prompt and accurate confirmation of transactions.
3. Efficiency of transaction settlement.
4. Accuracy of market information.
5. Account servicing.

Subsequent to the review and evaluation, the Investment Officers shall recommend to the Board a list of firms to be authorized to enter into investment transactions with the System for the following year.

C.2.18 - Authorized Investments:
The following are authorized investments:
1. Obligations of the United States of America or its agencies and instrumentalities, excluding mortgage backed securities (MBS);
2. Certificates of Deposit, and other forms of deposit, issued by a depository institution that has its main office or a branch office in Texas and that is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or secured by obligations in a manner consistent with State law and the Investment Policy.
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States government or its agencies and instrumentalities, excluding mortgage backed securities;
4. Fully collateralized repurchase agreements with a defined termination date secured by obligations of the United States government or its agencies and instrumentalities including mortgage backed securities. Underlying securities shall be held in the System's name, deposited at the time the investment is made with the System, and held by an independent custodian approved by the System. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. A mutually acceptable master repurchase agreement must be executed prior to the transaction.

Underlying securities shall have a continuous market value greater than or equal to 102 percent. The transaction shall have a maximum maturity of 120 days except flexible repurchase agreements used for bond proceeds. The maximum maturity for a flexible repurchase agreement shall be matched to project cash flow projections and the requirements of the governing bond ordinance.
5. SEC registered Money Market Mutual Funds continuously rated AAAm, or an equivalent rating, by at least one nationally recognized rating service and in compliance with the requirements of the Act.
6. Constant dollar local government investment pools in Texas which, 1) meet the requirements of the Act, 2) are rated no lower than AAAm, or an equivalent rating, by at least one nationally recognized rating service, 3) seek to maintain a $1.00 net asset value and 4) are authorized by resolution of the Board.
7. Commercial paper with a maximum maturity of 180 days, rated A1/P1, or an equivalent, by at least two nationally recognized credit rating agencies.
8. Other types of investments which may be authorized by statute are not authorized for investment by the System until the Investment Policy is amended and adopted by the Board.

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 pay no interest;
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 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.

C.2.19 - Collateralization:
Consistent with the requirements of the Public Funds Collateral Act (Texas Government Code §2257), it is the policy of the System to require full collateralization of all uninsured System financial institution deposits. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% (and 110% on mortgage backed collateral) of market value of principal and accrued interest on the deposits less an amount insured by the FDIC.

Securities pledged as collateral shall be held by an independent third party bank outside the holding company of the pledging bank, approved by the System, and under a mutually agreeable custodial agreement.

The Vice Chancellor for Administration and Finance/CFO is authorized to execute depository and/or custodial agreements. The agreements shall specify the acceptable securities for collateral, including provisions relating to possession of the collateral, the substitution or release of securities with prior System approval, documentation of the pledge of securities, and the monthly reporting on the valuation of collateral. Original evidences of ownership (safekeeping receipt) must be supplied to the System and retained. The financial institution shall be contractually liable for monitoring and maintaining the required collateral and collateral margins at all times.

Additionally, depository agreement shall define the System’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, specifically:
- the agreement must be in writing;
- the agreement has to be executed by the financial institution and the System contemporaneously with the acquisition of the asset;
- the agreement must be approved by the Board of Directors or designated committee of the financial institution and a copy of the meeting minutes must be delivered to the System; and
- the agreement must be part of the depository’s “official record” continuously since its execution.
C.2.20 - Authorized Collateral:
The System authorizes only the following types of collateral:
1. Obligations of the United States or its agencies and instrumentalities including mortgage backed securities which pass the bank test;
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than A or its equivalent.
4. Letters of Credit issued by the United States or its agencies and instrumentalities.

All collateral shall be subject to inspection and audit by the System's internal audit staff or by its independent auditors on a reasonable basis.

C.2.21 - Independent Third Party:
All securities owned by the System and collateral pledged to the System shall be held by independent third party custodians approved by the System and held in the System's name as evidenced by original safekeeping receipts of the institution with which the securities are deposited.

C.2.22 - Delivery versus Payment:
All security transactions, including repurchase agreements, shall be executed on a delivery versus payment basis.

C.2.23 - Competitive Environment:
A competitive environment shall be established for all investment activities, including but not limited to, analysis of implemented strategies, review of investment alternatives, monitoring of market conditions, solicitation from multiple investment providers, adherence to applicable “bona fide solicitation” rules, and overall performance evaluation.

Comparison and evaluation of comparables, but not formal bidding, may be used to invest in financial institution deposits, money market mutual funds, or local government investment pools.

Bids/offers may be solicited orally, in writing, or electronically for securities and Certificates of Deposit. Records shall be kept of the prices/levels (bid and/or offered and accepted).

C.2.24 - Diversification:
The System recognizes that investment risks can result from issuer defaults, market price changes, or various complications leading to temporary illiquidity. Market risks are managed through portfolio diversification that shall be achieved within the following general guidelines:
a. Limiting investments to avoid over concentration in investments from a specific issuer or business sector, where appropriate.
b. Limiting investments with higher credit risk (such as commercial paper)
c. Investing in instruments with varying maturities and in accordance with the System's cash flow projections, and
d. Continuously investing a portion of the portfolio in readily available funds such as local government investment pools, financial institution deposits, money market funds, or overnight
repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

To assure diversification of the portfolio and reduce market risk, the following maximum limits, by instrument, are established for the System's total portfolio:

- US Treasury Obligations: 90%
- US Agencies and Instrumentalities: 90%
- Certificates of Deposit: 90%
- Repurchase Agreements (excluding bond proceeds): 50%
- Flexible Repurchase Agreements: 100% of bond proceeds
- Investment Pools: 100%
- Municipal Securities: 30%
- Commercial Paper: 25%
- Commercial Paper by issuer: 5%

C.2.25 Internal Controls:
The internal control structure shall be designed to provide reasonable assurance that System funds are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls established for the cash management and investment process shall address the following points at a minimum:
1. Complete documentation of all transactions
2. Control of collusion
3. Separation of accounting and record keeping
4. Custodial safekeeping
5. Clear delegation of authority to subordinate staff members
6. Written confirmation for all transactions
7. Timely reconciliation of transactions
8. Assurance of delivery versus payment and competitive bidding

C.2.26 – Compliance Audit:
In conjunction with the audit, the Vice Chancellor for Administration and Finance/CFO shall establish a process for independent review at least once every two years by an external auditor to assure compliance with policies and procedures.

C.2.27 - Monthly Reporting:
The Investment Officers shall prepare a monthly report on all investment positions as of the close of business for the prior month. The report shall be provided to the Board as an integral part of the monthly financial reports.

C.2.28 - Quarterly Reporting:
The Investment Officers shall prepare, sign and present an investment report to the Board on a quarterly basis that summarizes investment strategies employed in the most recent quarter,
LONE STAR COLLEGE SYSTEM
Investment Management

details the portfolio in terms of investments and earnings, and summarizes the overall strategy for the period.

The quarterly investment report shall include a summary statement of investment activity prepared in compliance with generally accepted accounting principles and the Act. The reports will be prepared in a manner that will allow the reader and the System to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will include the following at a minimum:
1. A detailed listing of individual investments and depository accounts by maturity date at the end of the reporting period;
2. A summary of the portfolio by market sectors and maturities;
3. The beginning and ending book and market value of each security and position by the type of asset and fund type invested;
4. Unrealized market gains or losses at the end of the period;
5. Additions and changes in market value from the beginning of the period;
6. The account or fund or pooled group fund for which each individual investment was acquired;
7. Average weighted yield to maturity of the portfolio as compared to its benchmark;
8. Interest earnings for the reporting period (accrued net of amortization);
9. Diversification by market sectors; and
10. Statement of compliance with the Act and the System’s Investment Policy and strategy as approved by the Board.

C.2.29 - Market Values:
Market values used in the monthly and quarterly reports will be obtained from reputable and independent sources. Information sources may include: financial/investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisors, and representatives/advisors of investment pools or money market funds.

C.2.30 - Annual Policy Review and Adoption:
The Board of Trustees shall, not less than annually, adopt by resolution the System’s Investment Policy and incorporated investment strategy. The adopting resolution shall state any changes made to either the Investment Policy or strategies. Material changes to the Investment Policy will require re-certification by financial firms.
Request: Consideration of Approval of the 2011-2012 and 2012-2013 Academic Calendar

Chancellor’s Recommendation: That the Board of Trustees approve the proposed calendars.

Rationale: The calendars outline the major events for the 2011-2012 and 2012-2013 scholastic years and complies with the Common Calendar guidelines established by the Texas Higher Education Coordinating Board. The proposed academic calendars have been reviewed and approved by the System Calendar Committee and the Council for Academic and Student Affairs, chaired by Dr. Linda Luehrs Wolfe and was approved by the Executive Council. College system policy requires the Board of Trustees to approve the official academic calendars.

Fiscal Impact: None

Resource: Donetta Goodall 832-813-6597
Fall Semester 2011

- Registration Begins: April 12
- Full payment due for pre-registered Fall 2011 classes: August 13
- Faculty Return: August 22
- Last day of Regular Registration: August 25
- Late Registration*: August 26-27
- Last Day to Pay Fall 2011: August 27
- Weekday Classes Begin: August 29
- Labor Day Holidays (no classes): September 3-5
- Friday evening, Saturday & Sunday Classes Begin: September 9-11
- Official Day: September 12
- Last day to drop and receive a “W”: November 11
- Thanksgiving Holidays (colleges close at 4:30 p.m. November 23): November 24-27
- Final Exams: December 12-18
- Last Day of Regular Registration Winter Mini-Term: December 14
- Late Registration for Winter Mini-Term*: December 15-16
- Last Day to Pay for Winter Mini-Term: December 16
- Winter Mini-Term (3 week): December 19 – January 6
- Winter Mini-Term (4 week): December 19 – January 13
- Last day to drop and receive a “W” for 3 week Mini-Term: January 3
- Winter Holidays (offices closed): December 22-January 4
- Winter Holidays for Mini-Term: December 25 and Jan. 1
- Last day to drop and receive a “W” for 4 week Mini-term: January 6

Spring Semester 2012

- Registration Begins: November 9
- Offices Open: January 5
- Full payment due for pre-registered Spring 2012 classes: January 7
- Faculty Return: January 9
- Last Day of Regular Registration: January 12
- Late Registration*: January 13-14
- Late Day to Pay for Spring 2012: January 14
- MLK Holiday (colleges closed): January 16
- Weekday Classes Begin: January 17
- Friday evening, Saturday & Sunday Classes Begin: January 20-22
- Official Day: January 30
- Spring Break (offices closed March 12-18) (Technology maintenance window)**: March 12-18
- Spring Holiday (offices closed): April 6-8
- Last day to drop and receive “W”: April 10
- Final Exams: May 7-13
- Commencement: May 11-12

Summer Semester 2012

- Registration Begins (May mini-term and Summer 2012): March 7
- Last Day of Regular Registration for May Mini-Term: May 10
- Late Registration for May Mini-Term*: May 11-12
- Last Day to Pay for May Mini-Term: May 12
- Mini-term: May 14 – June 1
- Memorial Day Holiday: May 26-28

Updated 2-21-2011
La\textsuperscript{st} Day of Regular Registration for Summer I & Full Length Summer Courses \hspace{1cm} May 31
Late Registration for Summer I & Full Summer Length Courses* \hspace{1cm} June 1-2
La\text{st} Day to Pay for Summer I & Full Summer Length Courses \hspace{1cm} June 2
Summer Term Begins \hspace{1cm} June 4
First Summer Session (June 4 – July 10) \hspace{1cm} June 4 – July 10
Weekend Classes Begin \hspace{1cm} June 8-10
Last day to drop and receive “W” for 1st summer \hspace{1cm} June 28
Independence Day Holiday (no classes, offices closed) \hspace{1cm} July 4
Last Day of Regular Registration for Summer II \hspace{1cm} July 9
Late Registration for Summer II* \hspace{1cm} July 10-11
Last Day to Pay for Summer II \hspace{1cm} July 11
Second Summer Session (July 12 - August 19) \hspace{1cm} July 12 – August 19
Last day to drop and receive a “W” for 2nd summer \hspace{1cm} August 7
Summer Term Ends \hspace{1cm} August 19

\textbf{Fall 2012 Semester}

Registration Begins \hspace{1cm} April 10
Faculty return \hspace{1cm} August 20
First class day \hspace{1cm} August 27

*Late Registration Fees will apply

**Computer Maintenance period, will include the online course management system, Web content management system, human resources, finance, and student services (applications, e-mail, records, etc.)

\textbf{Number of Class Meeting Times (Fall 2011 Semester)}

Monday classes = 15 (14 + final)
Tuesday classes = 16 (15 + final)
Wednesday day classes = 16 (15 + final)
Wednesday \textit{evening} classes = 15 (14 + final)
Thursday classes = 15 (14 + final)
Friday day classes = 15 (14 + final)
Friday \textit{evening} classes = 14 (13 + final)
Saturday classes = 14 (13 + final)
Sunday classes = 14 (13 + final)
Monday and Wednesday day classes = 30 (29 + final)
Monday and Wednesday \textit{evening} classes = 29 (28 + final)
Tuesday & Thursday = 30 (29 + final)
Monday, Wednesday, Friday day classes = 44 (43 + final)
Monday, Wednesday, Friday \textit{evening} classes = 43 (42 + final)

\textbf{Number of Class Meeting Times (Spring 2012 Semester)}

Monday classes = 15 (14 + final)
Tuesday classes = 16 (15 + final)
Wednesday classes = 16 (15 + final)
Thursday classes = 16 (15 + final)
Friday classes = 15 (14 + final)
Saturday classes = 15 (14 + final)
Sunday classes = 15 (14 + final)
Monday and Wednesday = 30 (29 + final)
Tuesday and Thursday = 30 (29 + final)
Monday, Wed., Friday = 44 (43 + final)
### Fall Semester 2012

- Registration begins
- Full payment due for pre-registered Fall 12 classes
- Faculty Return
- Last Day of Regular Registration
- Late Registration*
- Last Day to Pay Fall 2012
- Weekday Classes Begin
- Labor Day Holidays (no classes)
- Friday evening, Saturday & Sunday Classes Begin
- Official Day
- Last day to drop and receive a “W”
- Thanksgiving Holidays (colleges close at 4:30 p.m. November 21)
- Final Exams
- Last Day of Regular Registration Winter Mini-Term
- Late Registration for Winter Mini-Term*
- Last Day to Pay for Winter Mini-Term
- Winter Mini-Term (3 week)
- Winter Mini-Term (4 week)
- Winter Holidays (offices closed)
- Last day to drop and receive a “W” for 3 week Mini-Term
- Winter Holidays for Mini-Term
- Last day to drop and receive a “W” for 4 week Mini-Term

### Spring Semester 2013

- Registration begins
- Offices Open
- Full payment due for pre-registered Spring 13 classes
- Faculty Return
- Last Day of Regular Registration for Spring 2013
- Late Registration*
- Last Day to Pay for Spring 2012
- Weekday Classes Begin
- Friday evening, Saturday & Sunday Classes Begin
- MLK Holiday (colleges closed)
- Official Day
- Mid-Semester Break (offices closed March 11-17) (Technology maintenance window)**
- Spring Holiday (offices closed)
- Last day to drop and receive “W”
- Final Exams
- Commencement

### Summer Semester 2013

- Registration Begins (May Mini-Term and Summer 2012)
- Last Day of Regular Registration for Mini-Term
- Late Registration for Mini-Term*
- Last Day to Pay for May Mini-Term
- Mini-term
- Memorial Day Holiday
- Last Day of Regular Registration for Summer 1 and Full Length Summer Courses
- Late Registration for Summer I and Full Length Summer Courses

---

**Updated: 2/22/2011**
Last Day to Pay for Summer 1 and Full Length Summer Courses: June 1
Summer Term begins: June 3
First Summer Session (June 3 - July 9)
Weekend Classes Begin: June 7-9
Last day to drop and receive "W" for 1st summer: June 27
Independence Day Holiday (no classes, offices closed): July 4
Last Day of Regular Registration for Summer II: July 8
Late Registration for Summer II*: July 9-10
Last Day to Pay for Summer II: July 10
Second Summer Session (July 11 - August 18)
Last day to drop and receive a "W" for 2nd summer: August 6
Summer Term Ends: August 18

Fall 2013 Semester

Registration Starts: April 9
Faculty Return: August 19
First class day: August 26

*Late Registration Fees will Apply

**Computer Maintenance period, will include the online course management system, Web content management system, human resources, finance, and student services (applications, e-mail, records, etc.)

Number of Class Meeting Times (Fall Semester 2012)

<table>
<thead>
<tr>
<th>Class Type</th>
<th>Number of Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday classes</td>
<td>14 + 1 final</td>
</tr>
<tr>
<td>Tuesday classes</td>
<td>15 + 1 final</td>
</tr>
<tr>
<td>Wednesday classes</td>
<td>15 (day), 14 (evening) + 1 final</td>
</tr>
<tr>
<td>Thursday classes</td>
<td>14 + 1 final</td>
</tr>
<tr>
<td>Friday classes</td>
<td>14 (day), 13 (evening) + 1 final</td>
</tr>
<tr>
<td>Saturday classes</td>
<td>13 + 1 final</td>
</tr>
<tr>
<td>Sunday classes</td>
<td>13 + 1 final</td>
</tr>
<tr>
<td>Monday &amp; Wednesday classes</td>
<td>29 (day) 28 (evening) + 1 final</td>
</tr>
<tr>
<td>Tuesday &amp; Thursday classes</td>
<td>29 + 1 final</td>
</tr>
<tr>
<td>Monday, Wednesday &amp; Friday classes</td>
<td>43 + 1 final</td>
</tr>
</tbody>
</table>

Number of Class Meeting Times (Spring Semester 2013)

<table>
<thead>
<tr>
<th>Class Type</th>
<th>Number of Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday classes</td>
<td>14 + 1 final</td>
</tr>
<tr>
<td>Tuesday classes</td>
<td>15 + 1 final</td>
</tr>
<tr>
<td>Wednesday classes</td>
<td>15 + 1 final</td>
</tr>
<tr>
<td>Thursday classes</td>
<td>15 + 1 final</td>
</tr>
<tr>
<td>Friday classes</td>
<td>14 + 1 final</td>
</tr>
<tr>
<td>Saturday classes</td>
<td>14 + 1 final</td>
</tr>
<tr>
<td>Sunday classes</td>
<td>14 + 1 final</td>
</tr>
<tr>
<td>Monday &amp; Wednesday classes</td>
<td>29 + 1 final</td>
</tr>
<tr>
<td>Tuesday &amp; Thursday classes</td>
<td>29 + 1 final</td>
</tr>
<tr>
<td>Monday, Wednesday &amp; Friday classes</td>
<td>43 + 1 final</td>
</tr>
</tbody>
</table>
Report: Monthly Financial Statements

The financial statements for the month ended January 31, 2011 are presented for Board review.
STATEMENT OF CURRENT OPERATING FUNDS, EXCLUDING THE TECHNOLOGY FUND
REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
FOR THE FIVE MONTHS ENDED JANUARY 31, 2011
UNAUDITED

<table>
<thead>
<tr>
<th></th>
<th>42% OF PRIOR YEAR</th>
<th>% ACTUAL TO BUDGET</th>
<th>08/31/10 ACTUAL</th>
<th>ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Appropriations</td>
<td>$58,530,000</td>
<td>$25,042,436</td>
<td>42.79%</td>
<td>$26,293,812 45.49%</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>68,376,500</td>
<td>54,750,817</td>
<td>80.07%</td>
<td>49,754,845 82.20%</td>
</tr>
<tr>
<td>Taxes</td>
<td>97,600,000</td>
<td>65,536,138</td>
<td>67.15%</td>
<td>58,455,485 64.85%</td>
</tr>
<tr>
<td>Investments</td>
<td>500,000</td>
<td>144,086</td>
<td>28.82%</td>
<td>110,937 35.41%</td>
</tr>
<tr>
<td>Other</td>
<td>4,483,500</td>
<td>1,688,406</td>
<td>37.66%</td>
<td>828,484 27.10%</td>
</tr>
<tr>
<td>Growth Contingency</td>
<td>4,470,000</td>
<td>2,494,016</td>
<td>55.79%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>233,960,000</td>
<td>149,655,899</td>
<td>63.97%</td>
<td>135,443,561 63.93%</td>
</tr>
</tbody>
</table>

| **EXPENDITURES:**    |                   |                   |                 |        |
| Instruction-Academic | 60,947,209        | 26,413,117        | 43.34%          | 24,931,203 45.58% |
| Instruction-Workforce| 25,619,142        | 10,869,467        | 42.43%          | 10,582,344 40.02% |
| Public Service       | 1,097,082         | 330,452           | 30.12%          | 393,967 33.98% |
| Academic Support     | 44,033,189        | 14,238,142        | 32.34%          | 14,144,938 36.11% |
| Student Services     | 28,607,257        | 8,967,587         | 31.35%          | 8,624,555 35.05% |
| Institutional Support| 25,750,334        | 9,259,260         | 35.96%          | 7,671,713 35.63% |
| Plant Operation and Maintenance | 29,586,791 | 10,654,300 | 36.01% | 9,929,667 38.18% |
| Staff Benefits       | 13,953,997        | 7,064,747         | 50.63%          | 6,843,091 52.72% |
| Growth Contingency   | 1,924,999         | -                 | -               | -      |        |
| **Total Educational and General Expenditures** | 231,520,000 | 87,797,072 | 37.92% | 83,121,478 40.24% |
| Repair, Replacement and Other | 3,310,000 | 351,378 | 10.62% | 63,339 2.39% |
| Internally Designated | (321,467) | (321,467) | - | - |
| Capitalized Assets   | 4,232,559         |                   |                 |        |
| Depreciation Expense |                   |                   |                 |        |
| **Total Expenditures** | 234,830,000 | 92,059,542 | 39.20% | 83,184,817 39.76% |
| Other Changes - Debt Service & Fund Transfers | 0 | 952,416 | 0 | 0.00% |
| **NET INCREASE (DECREASE) IN FUND BALANCES** | $(870,000) | $(56,643,941) | $(52,258,744) |

Due to enhanced reporting capabilities in our new iStar accounting system we are now able to report capital asset activity on a monthly basis. Also note, the capital assets number is showing as a negative number because it is net of all additions and disposals. Additions are reflected as a decrease to the expense account and an increase to the asset.
Due to enhanced reporting capabilities in our new iStar accounting system we are now able to report capital asset activity on a monthly basis.

LONE STAR COLLEGE SYSTEM

STATEMENT OF OPERATIONS - TECHNOLOGY FUND
REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
FOR THE FIVE MONTHS ENDED JANUARY 31, 2011
UNAUDITED

<table>
<thead>
<tr>
<th></th>
<th>42% OF FISCAL YEAR</th>
<th>% ACTUAL TO BUDGET</th>
<th>PRIOR YEAR % OF BUDGET</th>
<th>% OF 08/31/10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BUDGET</td>
<td>ACTUAL</td>
<td>01/31/2010</td>
<td>ACTUAL</td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology fee</td>
<td>$ 8,210,000</td>
<td>$ 6,788,727</td>
<td>82.69%</td>
<td>$ 6,374,631</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,343</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>50,000</td>
<td>-</td>
<td>0.00%</td>
<td>8,540</td>
</tr>
<tr>
<td>Growth Contingency</td>
<td>530,000</td>
<td>292,530</td>
<td>55.19%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues &amp; additions</strong></td>
<td>$ 8,790,000</td>
<td>$ 7,081,257</td>
<td>80.56%</td>
<td>$ 6,386,514</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERP Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>2,288,917</td>
<td>1,219,866</td>
<td>53.29%</td>
<td>339,353</td>
</tr>
<tr>
<td>Travel and Professional Development</td>
<td>79,300</td>
<td>442</td>
<td>0.56%</td>
<td>3,795</td>
</tr>
<tr>
<td>Supplies</td>
<td>66,000</td>
<td>1,735</td>
<td>2.63%</td>
<td>-</td>
</tr>
<tr>
<td>Communications</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
<td>127,197</td>
</tr>
<tr>
<td>Equipment</td>
<td>259,126</td>
<td>-</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>Reserve</td>
<td>100,000</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total ERP Services</strong></td>
<td>2,793,343</td>
<td>1,222,043</td>
<td>43.75%</td>
<td>470,345</td>
</tr>
<tr>
<td>E-Mail Services &amp; Telecommunications</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>72,000</td>
<td>26,167</td>
<td>36.34%</td>
<td>218,205</td>
</tr>
<tr>
<td>Supplies</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
<td>529</td>
</tr>
<tr>
<td>Communications</td>
<td>343,933</td>
<td>54,936</td>
<td>15.97%</td>
<td>2,613</td>
</tr>
<tr>
<td>Reserve</td>
<td>13,533</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total E-Mail Services &amp; Telecommunications</strong></td>
<td>429,466</td>
<td>81,103</td>
<td>18.88%</td>
<td>221,347</td>
</tr>
<tr>
<td>Campus Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>796,136</td>
<td>356,757</td>
<td>44.81%</td>
<td>552,491</td>
</tr>
<tr>
<td>Supplies</td>
<td>1,573,055</td>
<td>1,355,578</td>
<td>86.17%</td>
<td>654,612</td>
</tr>
<tr>
<td>Communications</td>
<td>24,000</td>
<td>8,000</td>
<td>33.33%</td>
<td>6,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,634,000</td>
<td>321,659</td>
<td>12.21%</td>
<td>205,255</td>
</tr>
<tr>
<td>Reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Campus Support</strong></td>
<td>5,027,191</td>
<td>2,041,994</td>
<td>40.62%</td>
<td>1,418,358</td>
</tr>
<tr>
<td>Depreciation Expense</td>
<td></td>
<td></td>
<td></td>
<td>170,011</td>
</tr>
<tr>
<td>CIO Contingency</td>
<td>310,000</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth Contingency</td>
<td>150,000</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>8,710,000</td>
<td>3,515,151</td>
<td>40.36%</td>
<td>2,110,050</td>
</tr>
<tr>
<td><strong>NET INCREASE (DECREASE) IN FUND BALANCE</strong></td>
<td>$ 80,000</td>
<td>$ 3,566,106</td>
<td></td>
<td>$ 4,276,464</td>
</tr>
</tbody>
</table>

Due to enhanced reporting capabilities in our new iStar accounting system we are now able to report capital asset activity on a monthly basis.
LONE STAR COLLEGE SYSTEM  
BALANCE SHEET  
JANUARY 31, 2011  
UNAUDITED

### Operating Funds

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Unrestricted</th>
<th>Auxiliary</th>
<th>Restricted</th>
<th>Loan Funds</th>
<th>Plant Funds</th>
<th>I&amp;S Bonds Payable</th>
<th>Agency Funds</th>
<th>Totals</th>
<th>Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$ 109,572,625</td>
<td>$ 7,925,536</td>
<td>$ 58,970,980</td>
<td>$ 486,160</td>
<td>$ (182,112,947)</td>
<td>$ (333,960)</td>
<td>$ (2,108,432)</td>
<td>$ (7,600,038)</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable (net of allowance for doubtful accounts)</td>
<td>28,140,117</td>
<td>45,972</td>
<td>562</td>
<td>-</td>
<td>7,783</td>
<td>28,194,434</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes receivable (net of allowance for doubtful accounts)</td>
<td>30,418,727</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,733,936</td>
<td>-</td>
<td>42,152,663</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due from grantor agency</td>
<td>-</td>
<td>-</td>
<td>5,313,845</td>
<td>-</td>
<td>-</td>
<td>5,313,845</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due from other funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>357,386,483</td>
<td>-</td>
<td>7,688,744</td>
<td>365,057,227</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments-Book Value</td>
<td>101,758,585</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>167,048,440</td>
<td>36,374,032</td>
<td>305,181,057</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments-Fair Value Adjustment</td>
<td>37,427</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,750</td>
<td>-</td>
<td>49,177</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued interest receivable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid and deferred expenses</td>
<td>2,522,716</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,522,716</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories, at cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>48,213</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>62,468,953</td>
<td>-</td>
<td>-</td>
<td>3,397,680</td>
<td>-</td>
<td>65,866,633</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure Improvements</td>
<td>15,979,266</td>
<td>40,913</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14,020,179</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>340,716,405</td>
<td>-</td>
<td>-</td>
<td>8,926,990</td>
<td>-</td>
<td>349,643,395</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leasehold Improvements</td>
<td>5,589,001</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,589,001</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library books</td>
<td>13,243,244</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>13,243,244</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture, Fixtures &amp; Equipment</td>
<td>16,407,037</td>
<td>93,728</td>
<td>-</td>
<td>5,238,802</td>
<td>-</td>
<td>21,739,567</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capitalized Interest Costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,893,532</td>
<td>-</td>
<td>4,893,532</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction In Progress</td>
<td>167,469,688</td>
<td>-</td>
<td>-</td>
<td>3,972,252</td>
<td>-</td>
<td>171,441,940</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated Depreciation</td>
<td>(96,712,690)</td>
<td>(31,437)</td>
<td>-</td>
<td>(2,919,413)</td>
<td>-</td>
<td>(99,663,540)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$ 795,611,101</td>
<td>$ 8,122,925</td>
<td>$ 64,284,825</td>
<td>$ 486,722</td>
<td>$ 365,843,569</td>
<td>$ 47,774,008</td>
<td>$ 5,588,095</td>
<td>$ 1,287,711,245</td>
<td></td>
</tr>
</tbody>
</table>

### Liabilities and Fund Balances

#### Liabilities:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$ 8,724,875</td>
</tr>
<tr>
<td>Accrued salaries</td>
<td>2,568,807</td>
</tr>
<tr>
<td>Due to other funds</td>
<td>290,672,549</td>
</tr>
<tr>
<td>Deferred revenues</td>
<td>25,817,728</td>
</tr>
<tr>
<td>Accrued compensable absences payable</td>
<td>6,111,409</td>
</tr>
<tr>
<td>Accrued Interest Payable</td>
<td>-</td>
</tr>
<tr>
<td>Bonds payable</td>
<td>-</td>
</tr>
<tr>
<td>Assets held in custody for others</td>
<td>(13,064)</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>$ 335,882,304</td>
</tr>
</tbody>
</table>

#### Fund Balances:

<table>
<thead>
<tr>
<th>Fund Balances</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>461,728,797</td>
</tr>
<tr>
<td>Auxiliary</td>
<td>4,208,732</td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
</tr>
<tr>
<td>Restricted for construction</td>
<td>- 485,631</td>
</tr>
<tr>
<td>Investment in fixed assets</td>
<td>- 363,200,908</td>
</tr>
<tr>
<td>Debt service</td>
<td>(605,018,984)</td>
</tr>
<tr>
<td>TOTAL FUND BALANCES</td>
<td>461,728,797</td>
</tr>
</tbody>
</table>

TOTAL LIABILITIES AND FUND BALANCES: $795,611,101
# LONE STAR COLLEGE SYSTEM

## STATEMENT OF CHANGES IN FUND BALANCES

### FOR THE FIVE MONTHS ENDED JANUARY 31, 2011

### UNAUDITED

<table>
<thead>
<tr>
<th>Debt Service</th>
<th>Memorandum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan I&amp;S Totals</td>
<td>Totals</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>Auxiliary</td>
</tr>
<tr>
<td><strong>FUND BALANCE, SEPTEMBER 1, 2010</strong></td>
<td>$401,518,750</td>
</tr>
</tbody>
</table>

### REVENUES AND OTHER ADDITIONS:

- **Current Funds revenue**: $91,056,932
- **Taxes**: $65,536,138
- **Federal grants and contracts**: $32,920,347
- **Local gifts, grants and contracts**: $32,920,347
- **Interest income**: $144,086
- **Revenue Bond debt service transfer from Operating Proceeds from Sale of Assets**: $792,632
- **Bond proceeds**: $792,632
- **Bonds issued**: $793,102

### EXPENDITURES AND OTHER DEDUCTIONS:

- **Current Funds expenditures**: $95,511,236
- **Expended for plant facilities**: $74,923,049
- **Disposal of plant assets**: $271,760
- **Revenue Bond debt service transfer to Interest & Sinking Bond Issuance cost**: $12,260,125
- **Cost of Assets Sold**: $104,370
- **Bond interest expense**: $12,260,125
- **Bond agency fees**: $1,823

### NON-MANDATORY TRANSFERS:

- **CHANGES IN FUND BALANCE**: $224,605,084

### FUND BALANCE, JANUARY 31, 2011

<table>
<thead>
<tr>
<th>Unrestricted</th>
<th>Auxiliary</th>
<th>Restricted</th>
<th>Total</th>
<th>CIP</th>
<th>Bonds Payable</th>
<th>Totals</th>
<th>Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>$461,728,797</td>
<td>$4,208,732</td>
<td>-</td>
<td>$465,937,529</td>
<td>$485,631</td>
<td>$363,200,908</td>
<td>$ (460,018,984)</td>
<td>$224,605,084</td>
</tr>
</tbody>
</table>
### Summary of Investments

**As of January 2011**

<table>
<thead>
<tr>
<th>Component</th>
<th>Book Value</th>
<th>Market Value</th>
<th>Weighted Avg. Days to Maturity</th>
<th>Weighted Avg. Purchase Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Unrestricted</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Includes Renewal and Replacement Funds)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. S. Government Agencies</td>
<td>$11,000,000</td>
<td>$10,998,070</td>
<td>1.03%</td>
<td></td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>2,998,893</td>
<td>2,999,430</td>
<td>0.44%</td>
<td></td>
</tr>
<tr>
<td>Logic</td>
<td>14,309,371</td>
<td>14,309,371</td>
<td>0.21%</td>
<td></td>
</tr>
<tr>
<td>Lone Star</td>
<td>59,655,685</td>
<td>59,655,685</td>
<td>0.24%</td>
<td></td>
</tr>
<tr>
<td>TexPool</td>
<td>13,302,744</td>
<td>13,302,744</td>
<td>0.20%</td>
<td></td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>491,892</td>
<td>491,892</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$101,758,585</td>
<td>$101,757,192</td>
<td>71</td>
<td>0.32%</td>
</tr>
<tr>
<td><strong>Construction in Progress</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. S. Government Agencies</td>
<td></td>
<td></td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>4,997,819</td>
<td>4,998,850</td>
<td>0.54%</td>
<td></td>
</tr>
<tr>
<td>Logic</td>
<td>78,995,657</td>
<td>78,995,657</td>
<td>0.21%</td>
<td></td>
</tr>
<tr>
<td>Lone Star</td>
<td>37,873,263</td>
<td>37,873,263</td>
<td>0.23%</td>
<td></td>
</tr>
<tr>
<td>TexPool</td>
<td>45,181,701</td>
<td>45,181,701</td>
<td>0.20%</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$167,048,440</td>
<td>$167,049,471</td>
<td>2</td>
<td>0.22%</td>
</tr>
<tr>
<td><strong>Interest &amp; Sinking</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logic</td>
<td>16,907</td>
<td>16,907</td>
<td>0.21%</td>
<td></td>
</tr>
<tr>
<td>Lone Star</td>
<td>36,148,717</td>
<td>36,148,717</td>
<td>0.24%</td>
<td></td>
</tr>
<tr>
<td>TexPool</td>
<td>208,408</td>
<td>208,408</td>
<td>0.20%</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$36,374,032</td>
<td>$36,374,032</td>
<td>1</td>
<td>0.24%</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td>$305,181,057</td>
<td>$305,180,695</td>
<td>25</td>
<td>0.26%</td>
</tr>
</tbody>
</table>

**Benchmark:**
- 90 day U.S. Treasury Bill: 0.15%
- 3 Month Libor Rate: 0.30%
<table>
<thead>
<tr>
<th></th>
<th>Operating Unrestricted*</th>
<th>Avg Buy Yield</th>
<th>Avg Buy Construction In Progress</th>
<th>Avg Buy Interest &amp; Sinking</th>
<th>Avg Buy Sinking</th>
<th>Avg Buy Total</th>
<th>Avg Buy Total Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEGINNING BOOK VALUE</td>
<td>$66,753,850</td>
<td>0.40%</td>
<td>$167,017,064</td>
<td>$20,284,988</td>
<td>0.24%</td>
<td>$254,055,902</td>
<td>0.27%</td>
</tr>
<tr>
<td>PURCHASES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logic</td>
<td>8,532,147</td>
<td>0.21%</td>
<td>14,022</td>
<td>3</td>
<td>0.21%</td>
<td>8,546,172</td>
<td>0.21%</td>
</tr>
<tr>
<td>Lone Star</td>
<td>29,708,614</td>
<td>0.24%</td>
<td>7,374</td>
<td>16,089,013</td>
<td>0.24%</td>
<td>45,805,001</td>
<td>0.24%</td>
</tr>
<tr>
<td>TexPool</td>
<td></td>
<td></td>
<td>7,799</td>
<td>28</td>
<td>0.20%</td>
<td>7,827</td>
<td>0.20%</td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>19,771,443</td>
<td>0.00%</td>
<td></td>
<td></td>
<td></td>
<td>19,771,443</td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL PURCHASES</td>
<td>58,012,204</td>
<td>0.15%</td>
<td>29,195</td>
<td>16,089,044</td>
<td>0.24%</td>
<td>74,130,443</td>
<td>0.17%</td>
</tr>
<tr>
<td>MATURITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Government Agencies</td>
<td>3,000,000</td>
<td>1.03%</td>
<td></td>
<td></td>
<td>3,000,000</td>
<td>1.03%</td>
<td></td>
</tr>
<tr>
<td>Texpool</td>
<td>229,825</td>
<td>0.20%</td>
<td></td>
<td></td>
<td>229,825</td>
<td>0.20%</td>
<td></td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>19,778,752</td>
<td>0.00%</td>
<td></td>
<td></td>
<td>19,778,752</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>TOTAL MATURITIES</td>
<td>23,008,577</td>
<td>0.14%</td>
<td></td>
<td></td>
<td>23,008,577</td>
<td>0.14%</td>
<td></td>
</tr>
<tr>
<td>Premium / ( Discount )</td>
<td>(1,107)</td>
<td>(2,181)</td>
<td></td>
<td></td>
<td></td>
<td>(3,288)</td>
<td></td>
</tr>
<tr>
<td>Unrealized Gains ( Losses)</td>
<td>2,215</td>
<td>4,362</td>
<td></td>
<td></td>
<td></td>
<td>6,577</td>
<td></td>
</tr>
<tr>
<td>ENDING BOOK VALUE</td>
<td>101,758,585</td>
<td>0.32%</td>
<td>167,048,440</td>
<td>36,374,032</td>
<td>0.24%</td>
<td>305,181,057</td>
<td>0.26%</td>
</tr>
<tr>
<td>Beg. Unrealized Gains (Losses)</td>
<td>2,945</td>
<td>1,512</td>
<td></td>
<td></td>
<td></td>
<td>4,457</td>
<td></td>
</tr>
<tr>
<td>Unrealized Gains ( Losses) Chg.</td>
<td>(4,338)</td>
<td>(481)</td>
<td></td>
<td></td>
<td></td>
<td>(4,819)</td>
<td></td>
</tr>
<tr>
<td>ENDING MARKET VALUE</td>
<td>$101,757,192</td>
<td>$167,049,471</td>
<td>$36,374,032</td>
<td>$305,180,695</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Includes Renewal & Replacement Fund
Request: Consideration of Approval to Purchase Additional Pest Control Services for the System

Chancellor’s Recommendation: That the Board of Trustees approve the additional purchase of pest control services for the System from Cypress Creek Pest Control, P.O. Box 690548, Houston, TX, 77269, for an additional amount of $60,000, bringing the total five year contract cost to $150,000.

Rationale: On August 2, 2007, the Board of Trustees approved the purchase of pest control services for the System from Cypress Creek Pest Control for an estimated amount of $90,000 over five (5) years. The System requires monthly pest control inspections and treatments. In addition, these services are required for childcare facilities as mandated by the Texas Department of State Health Services.

In the past three-and-a-half years, the System has rapidly grown in population and size surpassing the original estimated need. With more than one quarter of the contract term left and more area to maintain, it is recommended to increase the total approved amount by an additional $60,000 to continue providing the required services. The initial terms of the contract will remain unchanged.

The initial purchase of pest control services was in accordance with the Texas Education Code 44.031 through a formal competitive bid process.

Fiscal Impact: Funds for this purchase are available from the FY 2010-11 operating budgets for the System. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Cynthia Gilliam 832-813-6512
Request: Consideration of Approval to Purchase Human Patient Simulators, and Other Medical Equipment and Supplies for the Nursing and Medical Assistant Programs at the new LSC-Health Professions Building at Peakwood Drive

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of Medical Equipment and Supplies for the Nursing and Medical Assistant programs at LSC-Health Professions Building at Peakwood Drive for a total amount of $465,000 from the following vendors:

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laerdal Medical Corporation</td>
<td>$320,000</td>
</tr>
<tr>
<td>Pocket Nurse</td>
<td>$127,100</td>
</tr>
<tr>
<td>Moore Medical</td>
<td>$ 18,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$465,000</strong></td>
</tr>
</tbody>
</table>

Rationale: The new SimMan Essential is a realistic, full body adult, wireless patient simulator with advanced clinical functionality to teach critical skills. It can facilitate diverse and versatile patient scenarios in a range of operational environments - from an emergency in a remote location to definitive care in a hospital. All of the medical equipment and supplies assist in the development of students’ skills, competency and confidence before working on actual patients.

In June 2009, the Board of Trustees approved the purchase of human patient simulators and medical equipment for the LSCS Nursing programs. At that time, a formal bid process was conducted, seven responses were received, and an award was made to the lowest bidders meeting the System’s needs and specifications. The term of the award for Laerdal and PocketNurse is for a period of one year with four one-year renewal options. Extension letters have been issued to these vendors for the first year renewal option. The term of the award for Moore Medical expires in August 2011.

This purchase is in accordance with Texas Education Code 44.031. The equipment is being purchased from these vendors at current, competitive market prices with negotiated discounts ranging between 10 to 13% from contract pricing.

Fiscal Impact: Funds for this purchase are included in the 2008 general obligation bond program and the approved FY 2010-11 operating budget.

Staff Resource: Steve Head 281-618-5444
Request: Consideration of Acceptance of Gifts

Chancellor’s Recommendation: That the Board of Trustees formally accept and acknowledge the following gifts donated to the Lone Star College System in accordance with the donors’ wishes:

One hundred and eighty-nine (189) books of various titles donated by John Barr to LSC-Kingwood.

Algae Cultures donated by Algae Farm (USA), Inc/Rick Berman to LSC-Montgomery.

Rationale: In accordance with LSCS Board Policy Business Services: A3.01- Gifts, the authority to accept gifts is vested solely with the Board of Trustees.

Fiscal Impact: None

Staff Resource: Ray Laughter 832-813-6620
Report: Construction Projects Update

The District’s plant operations and facilities department has provided a summary report of the District’s construction projects. See attached report.
General Obligation Bond Project Summaries – 2008 Election:

- **LSC-North Harris**
  - The Student Services building is scheduled for substantial completion on or about April 4.
  - Installation of the roofing and window wall systems for the Fine Arts addition has been completed. Interior partitions have been constructed and finish work continues.
  - At the Applied Technology addition, the modified bitumen roofing system has been installed and exterior masonry work, including the installation of face brick, continues to close in the building envelope. The rear courtyard and welding storage area concrete slabs have been poured and the fire line vault has been relocated to comply with the fire marshal’s request.
  - Re-roofing of the Industrial Education building has been performed and punch list work is underway.
  - The Health Professions building is substantially complete; however, the furniture and equipment installations are ongoing. The contractor is completing punch list items and changes requested by the fire marshal and municipal utility district.

- **LSC-Victory Center**
  - The detention basin has been connected to the City of Houston storm water drainage system.
  - Mechanical, electrical and plumbing rough-in work continues.
  - Pouring of lightweight concrete for the roof deck is complete.
  - Framing of light gauge metal stud interior partitions is underway.
  - Damp proofing of exterior walls is underway in advance of masonry work.
  - Concrete masonry units are being laid in the workforce development area.

- **LSC-Kingwood**
  - Exterior wall light gauge metal stud framing, application of exterior sheathing, and damp proofing are ongoing for the Student and Conference Center as well as the Arts & Instructional building. Installation of the various window systems continues as does the laying of face brick.
  - Construction of interior light gauge metal stud partitions, application of gypsum wallboard material, and mechanical, electrical, and plumbing rough-in are ongoing.
  - Masonry work is underway for the Arts & Instructional building.
LSC-Atascocita Center
- Concrete paving for parking and drive areas is complete.
- The CenterPoint Energy transformer has been set and primary power energized.
- Installation of the bituminous membrane roofing system is complete.
- Installation of the exterior metal wall panels is complete.
- The window wall framing and glazing system is complete.
- Painting is 90% complete.
- The installation of casework and millwork for laboratories, classrooms, and workrooms is complete.
- The project is on schedule for a May 1 substantial completion date.

LSC-Tomball
- Pouring concrete for the risers in the Performing Fine Arts Center continues.
- The installation of metal roofing is underway for the main roof of the Performing Fine Arts Center.
- Light gauge metal stud framing of interior partitions and the hanging of gypsum wallboard are in progress.
- Exterior damp proofing is complete.
- The laying of exterior face brick has commenced.
- Glazing is being installed for the Performing Fine Arts Center.
- Furniture, fixtures, and equipment procurements have been placed.

LSC-Tomball Health Science
- The pouring of lightweight concrete for the roof deck is complete and application of the bituminous membrane roofing system is in progress.
- Interior drywall work is in progress on two levels of building.
- Mechanical and electrical rough-in elements are nearing completion.
- Damp proofing of exterior walls has been completed.
- Masonry construction is underway.
- An easement for the gas line has been executed and installation of the gas line is underway.
- Paving of the south section of the parking lot is nearing completion.

LSC-Montgomery
- The Academic, Science-Health, and Arts Instruction buildings opened on schedule for classes on January 18.
- Punch list work continues.
- Design of the remaining campus renovation projects commenced in February, including the Building B chemistry laboratory and areas in Buildings A, B, and E requiring renovation due to faculty and staff relocation to the new buildings. These projects will be bid in March for summer construction.

LSC-Conroe Center
- Conroe Center opened for classes as scheduled on January 18. Installation of equipment procured through workforce funding continues.
- The coordination and installation of exterior signage, including monument signs at vehicular entries, commenced in February.
LSC-CyFair
- Installation of the roofing system, exterior masonry, windows, and curtain wall is complete for the Science building.
- Interior finish work is 90% complete, including the installation of millwork/cabinets, doors, ceilings, painting, and restroom accessories and partitions.
- The laying of exterior face brick, installation of windows, and curtain wall construction continues for the Classroom and Student Services building.
- Mechanical, electrical, and plumbing trim-out is 50% complete.
- Installation of the cooling tower, chiller, and pumps at the Central Plant is complete.
- Furniture and equipment have been selected and are scheduled for delivery and installation during June.
- All buildings are scheduled for substantial completion in May.
- Faculty and staff moves will commence the week of July 4.

LSC-Cypress Center
- Harris County has finalized the review of the traffic impact analysis of the Cypress Center site and is requiring in excess of $1,000,000 in unbudgeted Clay Road improvements before a building permit will be issued. Alternative solutions continue to be evaluated.

LSC-University Park
- The law enforcement academy and the breath alcohol testing departments relocated from LSC-Greenspoint Center to the first floor of building 12 on February 11.
- The scope of the financial aid processing center renovations on level 4 of building 11 has been finalized. Contractor selection is underway.

LSC-System Wide
- Renovations within the building currently housing the Houston Advanced Research Center (HARC) are substantially complete.
- Construction of the walkway and canopy between Building 1 and the HARC building is also complete.

Revenue Bond Project Summaries - 2007:

LSC-North Harris
- The Richey Road Municipal Utility District conversion project has been completed.

LSC-Tomball
- Punch list work on the exterior columns remains to be completed.
- The window gasket replacement project has been completed.

LSC-Montgomery
- The cost to install a catwalk/platform for the cooling towers is significantly over budget; therefore, the project will be postponed until sufficient funding is secured.
Energy Performance Project:

- **LSC-North Harris**
  - Retrofit of the campus building automation system and HVAC equipment in several buildings is being coordinated with the asbestos abatement effort which has commenced.
  - Water conservation improvements in the Library will be completed following connection of the building to the new domestic water system as the current low water pressure prevents proper function of the low flow devices.

- **LSC-Peakwood/Red Oak**
  - The building automation upgrades will be migrated to the LSCS network upon completion of the data connection to the facility.

- **LSC-Kingwood**
  - Installation of the building automation system continues.
  - Re-commissioning of the Central Plant is ongoing.

- **LSC-Tomball**
  - Commissioning of the building automation system is complete.
  - Re-commissioning of the Central Plant commenced in February.

- **LSC-Montgomery**
  - Boiler equipment and controls have been installed and are operational. Building automation system upgrades are estimated to be approximately 65% complete.
  - Miscellaneous HVAC equipment upgrades continue in several buildings.

- **LSC-The University Center**
  - Connection of the chilled water system to the new LSC-Montgomery Central Plant is in progress.
  - Replacement of the roof top boilers and hot water connection to the new Central Plant are being evaluated as a result of recent boiler failures and repairs required due to freezing temperatures.

- **LSC-CyFair**
  - Installation of the walkway lighting has been completed.
  - Building automation system upgrades are approximately 90% complete.
  - Mechanical upgrades, including the conversion from constant air volume to variable air volume units in the Arts Building, the College Center, Learning Commons, and Technology Center, are operational. Integration with the controls system will be completed with the building automation system upgrade.

- **LSC-Fairbanks Center**
  - Building automation system upgrades are approximately 50% complete.
LSC-Greenspoint Center
- Building automation system upgrades will be completed after the defective control valves and variable frequency drives are replaced.

LSC-University Park
- Building automation system and HVAC equipment upgrades are being performed as network connections become available.

LSC-System Office
- The building automation system upgrade is approximately 75% complete.

Repair and Replacement Projects:

LSC-North Harris
- Renovate Chemistry Laboratories – Design complete. Project out for bid.
- Winship Roof Replacement – Bids received. Board approval will be requested in April or May based on pricing for other Repair & Replacement projects.
- Parking Lot Lighting – Design complete. Project out for bid.
- Pathway Lighting – Project awarded.
- Painting Winship Classrooms – Project awarded. Project to be performed over spring break.

LSC-Kingwood
- Mechanical Equipment Replacements and Ductwork Modifications for the Library – Design in progress.

LSC-Tomball
- Replace Two Motor Control Centers – Work to be performed over spring break.
- Replace Flooring at Seven Entrances (due to hazardous conditions), a Corridor and Four Classrooms – Carpet on order.
- Replace Expansion Joints – Design in progress.

LSC-Montgomery
- Renovate Restrooms – Project awarded. Work to be performed over spring break.

LSC-University Park
- Fire Sprinkler Upgrades – Scope of work being defined.
- Elevator Code Renovations – Project is 90% complete.
- Painting of Commons Second Floor – Work complete.
- Re-Insulation of Outside Air Handler Units – Work in progress.

LSC-System Office
- Roof Repairs – Evaluating scope of work.
LSC-Cy Fair

- Painting – Preparing bid documents.
- Carpet for Fairbanks Center – Selections made. Preparing RFx documentation.
- Delivery Staging Area at Fairbanks Center – Reviewing space options within the building.
- Roof and Structural Roof Screen Repairs at Fairbanks Center – Complete.
- Fine Arts Building Interior Roof Gutter Repair – Work in progress.

Status Report on the Area Job Order Contract (AJOC) Purchases for Construction Related Projects:

At the August 2010 regular Board meeting, the Board of Trustees approved the purchase of construction services for the System from approved purchasing cooperative program contractors. This approval authorized the System to use the AJOC method for individual projects up to $200,000 and to make collective purchases not to exceed $1,000,000 for FY 2010-11. Projects that exceed $200,000 are to be presented to the Board of Trustees individually for consideration of approval. To ensure the Board of Trustees continues to have information regarding the AJOC projects under $200,000, a brief summary of projects is included in the Facilities Planning and Construction Report each quarter.

- The project listed below was awarded to Alpha Building Corporation:
  - Projects over $25,000 Complete:
    - LSC-Montgomery – Relocate/Renovate Child Care Facility - $132,976

- The project listed below was awarded to Jamail & Smith:
  - Projects over $25,000 Complete:
    - LSC-Montgomery – Building C Second Floor Renovations - $95,593

Status Report on Architectural Design Services for Construction Related Projects

At the August 2009 regular Board meeting, the Board of Trustees approved the purchase of professional architectural services for construction projects for an amount not to exceed $250,000 over a period of three years from five architectural firms. To ensure the Board has visibility of these purchases, a brief summary of projects is included in the Facilities Planning and Construction Report each quarter.

- The project listed below was awarded to OC+A:
  - LSC-North Harris – Winship Roof Design - $49,700

- The project listed below was awarded to Hill & Swart:
  - LSC-North Harris – Science Laboratory Renovations - $13,500

- The project listed below was awarded to PDG Architects:
  - LSC-Tomball – Expansion Joints and Sealants - $14,600

Status Report on Engineering Design Services for Construction Related Projects
At the August 2009 regular Board meeting, the Board of Trustees approved the purchase of professional engineering services for construction projects for an amount not to exceed $500,000 over a period of three years from five engineering firms. To ensure the Board has visibility of these purchases, a brief summary of projects is included in the Facilities Planning and Construction Report each quarter.

- The project listed below was awarded to Bovay Engineering:
  - LSC-North Harris – Exterior Lighting - $14,000

- The project listed below was awarded to Smith, Seckman & Reid:
  - LSC-Kingwood - HVAC Renovations - $125,800

- The project listed below was awarded to Marshall Engineering:
  - LSC-Tomball - HVAC Modification Conference Room - $5,415
Request: Consideration of Ratification of Appointments

Chancellor’s Recommendation: That the contractual appointments listed on the following pages be ratified for the positions indicated.

Rationale: These contractual appointments include ratification of Administrators and Faculty from LSC-CyFair, LSC-Kingwood, LSC-Montgomery, LSC-North Harris, LSC-Tomball and the System Office.

Fiscal Impact: Positions and salaries have been budgeted for 2010-2011.

Staff Resource: Rand Key  832-813-6522
a. LSC-CyFair

Ellen Junious, Assistant Professor, Management

Effective: 4.5-month contracted employee at a semester salary of $21,761 beginning January 18, 2011.

Education: M.S., Houston Baptist University, Major: Management; B.B.A., University of Houston, Major: Computer Information Systems.

Experience: Adjunct Faculty, Lone Star College-CyFair, and Houston Baptist University; Owner/Independent Consultant/Trainer/Business Instructor, Personal Advantage Resource Group.

Kenneth Abbott, Instructor, Biology

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $17,164 beginning January 18, 2011.

Education: J.D. & B.S., University of Houston, Major: Law & Psychology/Political Science.

Experience: Adjunct Faculty, Lone Star College-CyFair, Houston Community College, and Blinn College; Substitute Teacher, Cy-Fair ISD.

Yassin Elhassan, Instructor, Biology

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $17,508 beginning January 18, 2011.

Education: Ph.D., & M.S., University of Arizona, Major: Physiology & Animal Sciences.

Experience: Adjunct Faculty, Lone Star College-CyFair; Embryologist & Lab Director, Genetic Resources; Andrologist & DNA Assistant Analyst, DNA Reference Lab; Post-Doctoral Research Associate, Texas A&M University, College of Veterinary Medicine, Research Associate, Tech II, and Visiting Science; Reproductive Specialist & Lab Director, Sexing Technologies; Clinical Embryologist, Sher Institute for Reproductive Medicine; Visiting Scientist, Washington State University, Dept. of Microbiology & Animal Science; Scientific Specialist, KACTS Institute for Science & Technology; Lecturer, University of Sudan, College of Veterinary Medicine.

Glynn Knight, Instructor, Government

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.
Education: M.P.A., University of North Texas, Major: Public Administration; B.S., Lamar University, Major: Government.

Experience: Adjunct Faculty, Lone Star College-CyFair; Executive Director, East Texas Council of Governments (ETCOG), Northwest Pennsylvania Regional Planning and Development Commission, and Central Oklahoma Economic Development District; Director of Administration, Lower Rio Grande Valley Development Council; Community Services Officer, Lower Rio Grande Valley Development Council.

Houston Brown, Instructor, Chemistry

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $17,508 beginning January 18, 2011.

Education: Ph.D., Michigan State University, Major: Organic Chemistry; B.S., UCLA, Major: Chemistry.

Experience: Graduate Recruitment Manager, Shell Oil Company; Research Chemist, 3M.

Alex Kanakis, Instructor, Political Science

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $11,713 beginning January 18, 2011.

Education: M.A. & B.A., The University of St. Thomas, Major: Political Science & English.

Experience: Adjunct Faculty, Lone Star College-CyFair, and Westwood College; Associate Underwriter, American General Life Insurance; Plan Coordinator, VALIC; Implementation Coordinator, VALIC Retirement Services/Retirement Manager Project (VRSCO); Compliance Administrator, American International Group (AIG – VALIC).

J.C. Kissinger, Instructor, Developmental English

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.E.D. & B.M.E.D., Sam Houston State University, Major: Education & Music Education.

Experience: Full-Time Faculty, and Adjunct Faculty, Houston Community College; Adjunct Faculty, Lone Star College-CyFair; Teacher, Houston ISD.
b. LSC-Kingwood

Charmin Horton, Assistant Professor, AD Nursing

Effective: Twelve-month contracted employee at an annual salary of $56,472 beginning January 10, 2011.

Education: M.S.N., University of Texas Medical Branch-Galveston, Major: Nursing; B.S.N., University of Texas Health Science Center-San Antonio, Major: Professional Nursing.

Experience: Director of Clinical Services, Texas Home Health; Registered Nurse, and Case Manager, Angels Above Us, Inc.; Registered Nurse, Kingwood Medical Care, Baptist Memorial Hermann Northeast Hospital, Humble ISD, and Conroe Regional Medical Center; Registered Nurse Pediatrics, North Central Baptist Hospital; Registered Nurse Corporate Medical, Caterpillar Inc. Corporate Medical World Headquarters; ER Nurse, Ben Taub Hospital; Staff Nurse, Southeast Medical Hospital.

Richard Maxey, Instructor, History

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,127 beginning January 18, 2011.

Education: M.A., Sam Houston State University, Major: History/Government; B.B.A., University of Texas-Arlington, Major: Accounting.

Experience: Adjunct Faculty, Lone Star College-Kingwood; Owner/Agent (Self-Employed), Insurance and Financial Services; Manager of Financial Reporting, Creole Industries International; Vice President-Finance, Wellsource Corporation; Controller, Snyder Well Services; Audit Senior, Price Waterhouse & Company.

c. LSC-Montgomery

Ann Kirch, Vice President, Instruction

Effective: Twelve-month contracted employee at an annual salary of $115,000 beginning February 1, 2011.


Experience: Vice President of Instruction, McLennan Community College; Dean of Academic Instruction, Assistant to Dean of Academic Instruction, Director of Developmental Studies, and Developmental Reading and Writing Faculty, Grayson County College; Graduate Teaching Assistant, Texas A&M University-Commerce; Lecturer, and Teaching Assistant, Texas A&M University-Kingsville.
Natasha Hunt, Assistant Professor, English

Effective: Ten and one-half month contracted employee at an annual salary of $53,665 beginning January 13, 2011.

Education: M.A., University of Southern California, Major: English; B.A., Rice University, Major: English.

Experience: Assistant Lecturer, and Program Coordinator, University of Southern California.

Adria Campa, Assistant Professor, Developmental English

Effective: 4.5-month contracted employee at a semester salary of $23,206 beginning January 18, 2011.

Education: M.E.D. & B.A., Sam Houston State University, Major: Education & Elementary Education; A.A., Lone Star College-North Harris, Major: General.

Experience: Adjunct Faculty, and Tutor, Lone Star College-Montgomery; Kindergarten Teacher, Conroe ISD, and Aldine ISD.

Mary Weemering, Instructor, AD Nursing

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.S.N., California State University-Dominquez Hill, Major: Nursing; B.S.N., University of Texas Health Science Center, Major: Nursing.

Experience: Adjunct Faculty, Lone Star College-Montgomery; Director Surgical Services, Spring Branch Medical Center; Clinical Education Specialist, St. Luke’s Episcopal Health System; Director Surgical Services, Christus St. Catherine’s Hospital; Director Perioperative Services, Pomona Valley Hospital Medical Center; Director Surgical Services, Monterey Park Hospital; Clinical Educator, The Methodist Hospital.

Michael Dunican, Instructor, English

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.A., Sam Houston State University, Major: Curriculum and Instruction; B.A., Emerson College, Major: Film.
Experience: Adjunct Faculty, Lone Star College-Montgomery; Limo Driver, ET Woodlands Transportation; Marketing/Advertising Manager, North American Equipment Upfitters.

Jacquelyn Leonardi, Instructor, English

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.A. & B.A., University of Central Oklahoma, Major: English-Composition/Rhetoric & English.

Experience: Adjunct Faculty, Lone Star College-Montgomery; Lecturer, Oklahoma State University.

Keith Carlson, Instructor, Political Science

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.A., University of Alabama, Major: Political Science; B.A., University of South Alabama, Major: Political Science.

Experience: Adjunct Faculty, Lone Star College-Montgomery; Vendor/Service Representative, Highpoint Southwest Services; Contract Consultant, Campaign and Issue Management, Inc.; Research Associate, Field Director, and Research Analyst, Hill Research Consultants; Campaign Manager, Bess Rich for Mayor; Political Director, No On Amendment 22 (National Rifle Association), and Rudy Izzard for U.S. Congress; Advance Team, Walter Clark for U.S. Senate; Intern/Field Staff, Ann Bedsole for Governor; Intern, Mobile City Council District Six campaign; Interviewer/Supervisor, University of South Alabama Polling Group.

d. LSC-North Harris

James Kieke, Associate Professor, Emergency Med

Effective: Twelve-month contracted employee at an annual salary of $55,208 beginning February 14, 2011.

Education: B.S., University of Houston, Major: Biology.

Experience: Adjunct Faculty, Lone Star College-CyFair; Drug Safety Specialist, and Principal Research Associate, Lexicon Pharmaceuticals, Inc.; In-Charge Paramedic, Immunization Coordinator, Firefighter-Engineer/Operator, EMS Lieutenant, and Board Member, Cy-Fair Volunteer Fire Department; Emergency Department Technician, Memorial Herman Hospital-Memorial City.
Brenda Gibson, Instructor, Economics

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.A. & B.A., Fordham University, Major: Economics.

Experience: Adjunct Faculty, Lone Star College-North Harris, and Houston Community College; Teacher, Cambridge Public Schools; Math Tutor Special Needs, Brookline Public Schools; Financial Analyst, Sun Life of Canada; Data and Financial Analyst, Georgetown Medical University; Financial Analyst, MetraComp; Financial Research Analyst, FiberCom International; Accounting Analyst, NatWest Securities, Solomon Brothers; Paralegal, Galef & Jacobs; Legal Assistant, Locke, Lord, Bissell and Sapp; Leader/Manager, Mississippi Cooperative Extension Service.

Eunique Diaz, Instructor, Aviation Management

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.S., Embry Riddle Aeronautical University, Major: Safety/Human Factors; B.S, The Ohio State University, Major: Aviation Management.

Experience: Director of Airport Affairs, City of College Park; Aviation Safety Action Program Manager, AirNet Systems; International Flight Coordinator, Executive Jet Management.

Jerome Duran, Instructor, Graphic Arts Technology

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $14,727 beginning January 18, 2011.

Education:

Experience: Adjunct Faculty, Lone Star College-North Harris, Freelance/contract Graphic Designer; Senior Designer, Foley’s Retail Department Store; Senior Art Director, Columbia House, Inc.; Customer Service, Maxwell Photographics; Paste-Up, Mechanical, Bloomingdale’s Retail Department Store, Lord & Taylor Retail Department Store, Gamut Ad Agency, and Wisdom’s Child Newspaper.

e. LSC-Tomball

David Miller, Instructor, English

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.
Education: M.A., University of Houston-Clear Lake, Major: Literature; B.A., University of Houston-Downtown, Major: English.

Experience: Adjunct Faculty, Temporary Full-Time Instructor, and Tutor, Lone Star College-Tomball; English Instructor, Waller High School; Adjunct Faculty, Houston Community College; Consultant, College Internship, and Support Division, HOSTS Corporation.

Nina Das, Instructor, Biology

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of $15,233 beginning January 18, 2011.

Education: M.S. & B.S., India, Major: Chemistry & Biochemistry.

Experience: Adjunct Faculty, and Tutor, Lone Star College-Tomball; Research Assistant, University of Massachusetts-Medical Center at Worcester.

f. LSC-System Office

Florence Zemek de Dominguez, Associate General Counsel

Effective: Twelve-month contracted employee at an annual salary of $100,000 beginning February 7, 2011.

Education: J.D., DePaul University College of Law, Major: Law; B.A., University of Chicago, Major: Romance Languages.

Experience: General Counsel for Human Resources and Affirmative Action, College of Southern Nevada; Special Advisor to President, and Interim Affirmative Action Officer, St. Cloud State University; General Counsel and Assistant Secretary to the Board of Legal Affairs, Central Missouri State University; Attorney for Employee Relations, and Assistant House Counsel Board of Trustees, City Colleges of Chicago; Compliance Attorney, Illinois Student Assistance Commission.
Request: Consideration of Resignations

Chancellor’s Recommendation: That the resignations listed below be accepted and acknowledged.

LSC-CyFair

Kathleen Fleming, Director, Business Operations
Effective January 18, 2011

LSC-Kingwood

Alma Watson, Director, Occupational Therapy Program
Effective January 1, 2011

Steven Thomas, Senior Project Director, Construction
Effective January 8, 2011

Patti Hardesty, Associate Professor, AD Nursing
Effective January 16, 2011

LSC-North Harris

Larry Shirts, Professor, Political Science
Effective January 19, 2011

LSC-University Park

Chandris Hinkson, Executive Director, Continuing Education
Effective January 1, 2011

Staff Resource: Rand Key 832-813-6522
Personnel Report and Consideration No. 3  (ACTION ITEM 9)  Board Meeting 3-3-11

Request:  Board of Trustees’ Annual Performance Review of Chancellor and any Proposed Addenda to the Chancellor’s Contract

Recommendation:  Acceptance of the Board of Trustees’ annual performance review of the Chancellor and proposed addenda to the Chancellor’s contract.
Request: Consideration of Approval of Commissioning of Peace Officers

Chancellor’s Recommendation: That the Board of Trustees approves the commissioning of the following peace officers for the Lone Star College System.

   Lone Star College–Kingwood
       Romulo Chavez, Jr.
       Shepherd D. Smith

   Lone Star College–North Harris
       Jeffery L. Marshall, Jr.

Rationale: These officers are eligible to be commissioned by this Board because they:
1. Have a current license from the Texas Commission on Law Enforcement Officer Standards and Education;
2. Have taken and filed the oath required of peace officers; and
3. Possesses a sufficient number of college credit hours to meet the minimum standard for a Lone Star College System peace officer.

Fiscal Impact: None

Staff Resource: Rand Key 832-813-6522