

**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
November 5, 2009
5:00 p.m.**

PRESENT: Mr. Randy Bates, Chair
Dr. David Holsey, Vice Chair
Ms. Priscilla Kelly, Secretary
Mr. Robert Adam
Dr. Richard Campbell
Ms. Stephanie Marquard
Mr. David Vogt
Mr. Robert Wolfe

ABSENT: Mr. Chris Daniel, Assistant Secretary

- I. **CALL TO ORDER:** Mr. Bates called the workshop and regular meeting of the Board of Trustees to order at 5:02 p.m. after determining a quorum was present.
- II. **PLEDGE OF ALLEGIANCE:** Mr. Adam 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. **INTRODUCTIONS, SPECIAL GUESTS, RECOGNITIONS:** Chancellor Carpenter welcomed Kassia Micek of the Conroe Courier and Kimberly Stauffer of the Community Impact.

Chancellor Carpenter announced that the wing of the new Tomball Health Science Building will be named in memory of Ryan Paul Whitaker and will be known as "The Ryan Paul Whitaker Nursing Laboratories." Mr. Whitaker was a caring young man committed to serving others and driven by his love of helping people. Chancellor Carpenter introduced Ryan's mother, Paula Whitaker, her husband, Ken Hancock, and Ms. Whitaker's mother, Grace Faulkner and sister-in-law, Kathy Higdon from Atlanta, Georgia. Ms. Whitaker accepted the memorial and thanked the System for the recognition of Ryan's legacy.

V. **WORKSHOP:**

Higher Education Teaching Institute: Rand Key, Senior Vice Chancellor/COO, introduced Jean Grove, Associate Vice Chancellor, Human Resources, Diversity and Professional Development. Ms. Grove introduced Dr. Zack Coapland, System Director of Professional Development and Ms. Pamela Womack, Director of Higher Education Teaching Institute (HETI), who gave an overview of the program. The purpose of HETI is to provide professional development for faculty members, specifically in the areas of teaching and learning. There is a cohort of 39 new faculty who attended a five-day conference before the fall 2009 semester. Monthly workshops will be held during the fall and spring and a four-day conference will be held in early summer. All sessions are led by faculty, most from within our System. Sessions are on adult learning, theory, classroom management skills, instructional design, how to reach students, students' needs and how students are unique. Ms. Womack introduced the first class of HETI that were present at the Board meeting: from LSC-Montgomery – Ms. Desi Bittner, emergency medical services; Ms. Anitha Iyer, biology; Ms. Lana Myers, English, and Ms. Simone Rieck, English; from LSC-Kingwood – Ms. Amy Murphy, dental hygiene; from LSC-North Harris – Mr. Seth Batiste, developmental studies; from LSC-Tomball – Devika Lalsinghani, math; from LSC-CyFair – Mr. Mark Thorsby, philosophy. Dr. Coapland introduced three members of the steering committee: Ms. Nita Schiro, Ms. Lashun Griffin and Dr. Lawrence Brandyburg.

VI. **CLOSED SESSION:** At 5:29 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
- Section 551.074 – Personnel Matters
- Section 551.076 – Deliberation Regarding Security Devices
- Section 551.087 – Economic Development Negotiations

VII. **RECONVENE REGULAR MEETING:** Mr. Bates reconvened the open meeting at 6:44 p.m.

VIII. **APPROVAL OF THE MINUTES OF THE OCTOBER 1, 2009 WORKSHOP AND REGULAR MEETING:** upon a motion by Mr. Adam and a second to the motion by Ms. Kelly, the Board unanimously approved the minutes of the October 1, 2009 Workshop and Regular Meeting.

IX. **CITIZENS DESIRING TO ADDRESS THE BOARD:** Mr. George Harper spoke of the interest of firefighters that are working either in Montgomery or Harris counties to attend the LSCS police academy. The firefighters requested the classes to be held on days that would accommodate their work schedule and at one of LSCS locations in northern Montgomery County.

Mr. Glenn Ware expressed his concern of the Board approving the revisions of Policy IV F.8, 10 and 13 – Employee Rights and Privileges.

X. SPECIAL REPORTS AND ANNOUNCEMENTS:

1. Chancellor: Chancellor Carpenter reported that, with the University of Houston's intent to increase their admission requirements to accept only the top 10% of graduating classes, the expectation is that community colleges will absorb those students that would otherwise be going to the University of Houston. LSCS has demonstrated the capacity to accept large numbers of new students in a short span and will be able to place these students in our System. The Texas Association of Community College enrollment data shows that LSCS is the fastest growing college in the State of Texas. A recent article in The Chronicle of Higher Education lists LSCS as one of fourteen community colleges in the nation with a Fulbright Scholar and the only community college in the State of Texas with a Fulbright Scholar.
2. College Presidents: Dr. Katherine Persson, president of LSC-Kingwood and Dr. Austin Lane, president of LSC-Montgomery, presented an overview of the LSCS strategic goal two: recruit and retain talented and innovative faculty, administrators and staff. Dr. Persson and Dr. Lane reported through developing consistent professional development and orientation; expanding mentoring program; creating a culture of feedback; providing a total rewards package; diversity and employee talent development this goal will be accomplished.
3. Vice Chancellors: Mr. Ray Laughter, Vice Chancellor, External Affairs, reported that Lone Star College System received 13 awards at the National Council for Marketing and Public Relation Conference October 20, 2009 in San Antonio. LSCS received gold awards in billboards, news writing and magazine; silver awards in folders, feature writing, radio advertisement and wild card category for table top decorations. LSCS received bronze awards in catalog, postcard, website, single print ad, poster and newsletter.
4. Faculty Senate Presidents: Dr. David Putz, faculty senate president of LSC-Kingwood, reported on the communication network at Lone Star College System. The faculty senate presidents speak before the Board of Trustees at each of the regular board meetings; meet with the Chancellor each month, open forums at the colleges; meet with the vice chancellor, academic affairs and student success, monthly; with vice chancellor, office of technology services, and newsletters are distributed throughout the year from the Chancellor and office of technology. Faculty senate presidents receive reports on Executive Council meetings, meetings with the Chancellor and feedback from the open forums. They meet once a month with their president.

XI. CONSIDERATION OF CONSENT AGENDA: Mr. Bates proceeded with the Consent Agenda. Dr. Holsey made a motion to approve Action Items 1, 2, 3, 4, 5, 6, 7, 8, 9, 10,

11, 12 and 13. Mr. Wolfe seconded the motion and the Board unanimously passed the Consent Agenda. A copy is attached as Exhibit "B."

XII. POLICY REPORTS AND CONSIDERATIONS

1. Consideration of the Recommended Revision of the Lone Star College System Board Policy Sections IV. F.8, 10 and 13 – Employee Rights and Privileges (FIRST READING): the Board unanimously considered the recommended revisions of the Lone Star College System Board Policy Sections IV.F.8, 10 and 13 – Employee Rights and Privileges. This constitutes a first consideration with a request for approval during the December Board meeting. A copy is attached as Exhibit "C."
2. Consideration of Approval of the 2010-11 Academic Calendar (ACTION ITEM 1): the Board unanimously approved the proposed calendar. This item was passed in the Consent Agenda. A copy is attached as Exhibit "D."

XIII. FINANCIAL REPORTS AND CONSIDERATIONS

1. Monthly Financial Statements: Ms. Cindy Gilliam, vice chancellor for administration and finance, presented the monthly financial statements. A copy is attached as Exhibit "E."
2. Annual Investment Report for FY 2009: Ms. Cindy Gilliam, vice chancellor for administration and finance, presented the annual investment report. A copy is attached as Exhibit "F."
3. Consideration of Approval to Purchase Printing Services for Small Projects (ACTION ITEM 2): the Board unanimously approved the purchase of printing services for small projects for an estimated amount of \$500,000 annually and not to exceed \$2,500,000 over five years from the following vendors: Houston Independent School District Printing Department, Ideal Printers, Nicholas Earth, Page International Communication, Printmailers, RR Donnelley, Southwest Precision Printers and Wrights Printing. This item was passed in the Consent Agenda. A copy is attached as Exhibit "G."
4. Consideration of Approval to Purchase Datatel License and Maintenance Renewal and Consulting Services for Colleague Student, Human Resources, and Financial Systems (ACTION ITEM 3): the Board unanimously approved the purchase of the annual license and maintenance renewal and consulting services for Colleague student, human resources, and financial systems from Datatel, Inc., 4375 Fair Lakes Court, Fairfax, VA 22033, for an amount not to exceed \$950,000 through the completion of the implementation of the new Enterprise Resource Planning (ERP) system. This item was passed in the Consent Agenda. A copy is attached as Exhibit "H."

5. Consideration of Acceptance of Gifts (ACTION ITEM 4): the Board unanimously accepted and acknowledged gifts donated to the Lone Star College System in accordance with the donor's wishes. This item was passed in the Consent Agenda. A copy is attached as Exhibit "I."
6. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for Purchase of Architectural Services for the Design of the LSC-Aldine Center (ACTION ITEM 5): the Board unanimously authorized the Chancellor or Designee to negotiate and execute a contract for the purchase of architectural services from Perspectiva, 3401 Louisiana Street, Suite 270, Houston, Texas 77002, in an estimated amount of \$800,000 over the project term. This item was passed in the Consent Agenda. A copy is attached as Exhibit "J."
7. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement for the Purchase of Construction Manager at Risk (CM-at-Risk) Services for Central Services and Training Center (CSTC) (ACTION ITEM 6): the Board unanimously authorized the Chancellor or designee to negotiate and execute an agreement for the purchase of CM-at-Risk services for CSTC from Turner Construction Company, 4263 Dacoma Street, Houston, Texas 77092, for an estimated amount of \$4.2 million. This item was passed in the Consent Agenda. A copy is attached as Exhibit "K."
8. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement for the Purchase of Construction Services for New Buildings and Infrastructure at LSC-Montgomery (ACTION ITEM 7): the Board unanimously authorized the Chancellor or designee to negotiate and execute an agreement for the purchase of construction services for new buildings and infrastructure at LSC-Montgomery from Satterfield & Pontikes Construction, Inc, 11000 Equity Drive, Suite 100, Houston, TX 77041, for an estimated amount of \$26 million. This item was passed in the Consent Agenda. A copy is attached as Exhibit "L."
9. Consideration of Approval of a Resolution to Express Intent to Finance Expenditures to be Incurred (ACTION ITEM 8): the Board unanimously approved the Resolution. This item was passed in the Consent Agenda. A copy is attached as Exhibit "M."
10. Consideration of Approval of a Resolution Authorizing the Issuance of Lone Star College System Maintenance Tax Notes, Series 2009; Setting Certain Parameters for the Notes; Authorizing the Vice Chancellor for Administration and Finance/Chief Financial Officer to Approve the Amount, the Interest Rate, Price, and Certain Other Terms Thereof and Procedures and Provisions Related Thereto (ACTION ITEM 9): the Board unanimously approved the Resolution to issue maintenance tax notes to fund the Energy Management Performance project. This item was passed in the Consent Agenda. A copy is attached as Exhibit "N."
11. Consideration of Authorization for the Chancellor or Designee to Negotiate and Execute an Amendment to the Ground Lease Contract with Tomball Regional

Medical Center (TRMC) ACTION ITEM 10): the Board unanimously authorized the Chancellor or designee to negotiate and execute an amendment to the contract for Lone Star College System's ground lease of 5.57 acres of land from TRMC. The amendment is to reflect a fair market value rent of \$55,800 over the 50 year lease term. This item was passed in the Consent Agenda. A copy is attached as Exhibit "O."

- 12 Consideration of Approval to Revise Project Assignments for Selected Architectural Firms and Authorize the Chancellor to Negotiate and Execute the Associated Contracts (ACTION ITEM 11): the Board unanimously approved the revision of project assignments for architectural services for the following firms and authorized the Chancellor to negotiate and execute the associated contracts: Kirksey whose original project was Central Services and Training Center and has been revised to LSC-University and SHW Group whose original project was LSC-University Center #2 and has been revised to Central Services and Training Center. This item was passed in the Consent Agenda. A copy is attached as Exhibit "P."

XIV. BUILDING AND GROUNDS REPORT:

Construction Projects Update: the Board reviewed the report as presented. A copy is attached as Exhibit "Q."

PERSONNEL REPORTS AND CONSIDERATIONS:

1. Consideration of Ratification of Appointments (ACTION ITEM 12): the Board unanimously ratified the appointments as presented. This item was passed in the Consent Agenda. A copy is attached as Exhibit "R."
2. Consideration of Approval of Commissioning of Peace Officers (ACTION ITEM 13): the Board unanimously approved the commissioning of the following peace officers for the Lone Star College System: LSC-Kingwood – Nita Smith; LSC-CyFair – Elizabeth Garcia and LSC-University Park – Bruce H. Breckenridge, Derrick A. Harris and Ronald E. Headley. This item was passed in the Consent Agenda. A copy is attached as Exhibit "S."

XV. SUGGESTED FUTURE AGENDA ITEMS: None

XVII. ADJOURNMENT: There being no further business, the meeting was adjourned at 7:16 p.m.

ATTEST:



Board of Trustees, Chair



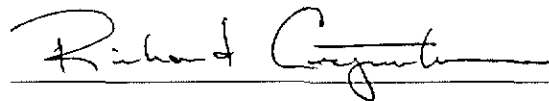
Board of Trustees, Secretary

Exhibit "A"

**Certification of Posting of Notice to the November 5, 2009
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 2nd day of November, 2009 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 2nd day of November, 2009.

A handwritten signature in cursive script, reading "Richard Carpenter", written over a horizontal line.

Richard Carpenter
Chancellor

Exhibit "B"

Consideration of Consent Agenda

Board Meeting 11-5-09

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:

	<u>Consent</u>	<u>Chancellor</u>	<u>Board</u>
	<u>Agenda</u>	<u>Recommended</u>	<u>Separate</u>
		<u>Separate Action</u>	<u>Action</u>
# 1 – Approve 2010-2011 Academic Calendar	_____	_____	_____
# 2 – Approve Purchase Printing Services for Small Projects	_____	_____	_____
# 3 – Approve Purchase License/Maintenance/Consulting/Svc	_____	_____	_____
# 4 – Accept Gifts	_____	_____	_____
# 5 – Authorize Chan/Neg/Exec/Contract Architectural Svc/AC	_____	_____	_____
# 6 – Authorize Chan/Neg/Exec/Agrmt/Construct Mgr/CSTC	_____	_____	_____
# 7 – Authorize Chan/Neg/Exec/Agrmt/Construction Svs/M	_____	_____	_____
# 8 – Approve Resolution/Intent/Finance Expenditure Incur	_____	_____	_____
# 9 – Approve Resolution/Issuc Maintenance Tax Notes	_____	_____	_____
#10 – Authorize Chan/Neg/Exec/Contract/Tomball Reg Med	_____	_____	_____
#11 – Approve Revise Assignment/Architectural Firms	_____	_____	_____
#12 – Ratify Appointments	_____	_____	_____
#13 – Approve Commissioning of Peace Officers	_____	_____	_____

Exhibit "C"

Policy Report and Consideration No. 1 (FIRST READING) Board Meeting 11-5-09

Request: Consideration of the Recommended Revision of the Lone Star College System Board Policy Sections IV.F.8, 10 and 13 – Employee Rights and Privileges

Chancellor's Recommendation: That the Board of Trustees consider the recommended revisions of the Lone Star College System Board Policy Sections IV.F.8, 10 and 13 – Employee Rights and Privileges. This constitutes a first consideration with a request for approval during the December Board meeting.

Rationale: This policy revision clarifies the process for an employee change of status, termination and appeal. Greater emphasis has been placed on due process prior to a change of status or termination which allows a more efficient and conclusive appeal.

Fiscal Impact: None.

Staff Resource: Brian S. Nelson 832-813-6655

8. Change in Contract Status

F.8.01 - Definition:

Change in contract status means a decision by the immediate supervisor to recommend:

- a. in the case of faculty or administrator on an annual contract, the non-renewal of that contract.
- b. in the case of faculty or administrator on a multi-year contract, the return to an annual contract.
- c. in the case of a faculty member on an annual contract who is eligible to receive a multi-year contract, the continuation of an annual contract.

F.8.02 - Notice:

Professional and contractual staff are subject to change of status and non-renewal by the Board upon the recommendation of the Chancellor at the end of the contract period, if in their best judgment, the best interests of the College will be served thereby; provided, that notice of intention to change status shall be given by the Chancellor on or before March 1 preceding the end of the employment term fixed in the current contract.

In the event of failure to give such notice of intention to non-renew within the time above specified, the Board shall thereby elect to employ the faculty or non-faculty contractual employee in the same capacity for the succeeding school year. This process is not valid in the event that the Board of Trustees takes action for a reduction in force.

F.8.03 - Change of Status Grievance Rights

In the event that a faculty member or professional staff member is notified of the intention of the Chancellor to recommend a change of status, he or she shall have a right, upon written request filed with the Chancellor within fifteen (15) calendar days after the date of such notification, to a formal hearing before a hearing committee. At such hearing, the faculty member or professional staff member will be given an opportunity to present evidence that the change of status would not be in the best interests of the College, and/or would violate state or federal law. The hearing committee shall be comprised of at least three (3) individuals, which will be appointed by the Chancellor or designee.

The hearing shall be held within thirty (30) calendar days after written request for such hearing is filed with the Chancellor. After such hearing the

hearing committee, within fifteen (15) calendar days of the hearing, will recommend to the Chancellor to confirm or revoke the previous action or change of status. The hearing committee will issue a copy of the recommendation to the employee. The Chancellor will review the recommendation and issue the employee a written determination within fifteen (15) calendar days.

F.8.04 - Appeal:

If after receiving the recommendation of the hearing committee, the Chancellor confirms the change of status, the employee may appeal the decision to the Board of Trustees within fifteen (15) calendar days of his or her receipt of the Chancellor's written decision by providing written notice to the Chancellor. The Chancellor shall notify the Secretary of the Board. The appeal will consist of a written position paper and review of the documents underlying the change of status from both the employee and the System. At its sole discretion, the Board may determine if a hearing will be allowed. The grounds for appeal are limited to a review of whether the change of status would be in the best interests of the College, and/or would violate state or federal law.

The Board shall review the position papers and documents submitted by the employee and the System within thirty (30) calendar days after the written request for appeal has been filed. The days the System is closed shall not count towards this timeline. Prior to the expiration of the thirty (30) calendar days, the Board shall take official action as required by its Policies and State law, and by notifying the employee in writing of its decision either to confirm or revoke the change in contract status. At its sole discretion, the time required by the Board to take official action may be extended within a period of sixty (60) calendar days upon notice to the employee. The Board's decision on change in contract status shall be final.

10. Review and Grievance Process

F.10.01 - Policy:

The System is committed to providing a work environment that encourages an open atmosphere, in which problems or complaints are addressed promptly by supervisors and managers. This policy provides a process for employees to communicate and seek resolution of specific and important concerns about conditions of employment or System decisions which affect the employee, and which the employee considers unjust or inequitable.

F.10.02 - Non-Retaliation Policy:

No reprisal or retaliation of any kind shall be taken against an employee who communicates a concern or voices a complaint. Indications that the employee has used this complaint process shall not be included in the

employee's official personnel file, unless the employee specifically requests that such complaint be included in his or her file.

F.10.03 - Determination of Applicability:

The Associate Vice Chancellor for Human Resources, or his or her designee, is responsible for determining whether a complaint falls within the scope of this policy, and shall advise the employee if a different process is available.

F.10.04 - Limits on Purpose and Applicability:

This policy does not alter in any way the employment-at-will status of non-contractual employees. (See Non-contractual employees) Nor does it replace the established process for complaints about discrimination on the basis of an individual's race, color, religion, national origin, gender, citizenship, age, disability, veteran status, or sexual orientation. Further, this policy does not replace the policies and procedures relating to change in contract status, reduction in force or employee discharge, separately set out in other sections of Section IV. Human Resources, Board Policy Manual.

F.10.05 - Prohibition of Serial Complaints:

An employee is precluded from bringing separate or serial complaints concerning events about which the employee has previously complained, even if such complaint was brought pursuant to another complaint review process.

F.10.06 - Representation:

Subject to applicable laws of the State of Texas, including but not limited to Texas Government Code Chapter 617 and supporting opinions from the Attorney General of the State of Texas, an employee filing an administrative complaint or grievance, or an employee who is the subject of a complaint, or is discharged under this Policy, may be assisted by a person of his or her choice. This representation shall not include legal representation.

F.10.07 - Administrative Review Process:

Administrative review is the process by which an aggrieved employee requests that the second level supervisor reconsider a decision of the immediate supervisor that affects the employee, and that the employee believes to be unjust or inequitable. This process is available to all full- and part-time employees. This is the only review process available to contest the content of an evaluation, or the dismissal of a full- or part-time non-contractual employee.

Prior to initiating an administrative review, the employee must have first discussed his or her concerns with the immediate supervisor.

F.10.08 - Administrative Review Procedure:

A request for an administrative review is to be submitted in writing. The second level supervisor shall meet with the employee, conduct any necessary investigation, and respond to the employee within ten (10) calendar days. The response to an administrative review is communicated to the employee, in writing, by the reviewer.

F.10.09 - Formal Grievance Process:

The formal grievance process is available for a full-time contractual employee to seek resolution of a workplace dispute, disagreement with a performance evaluation, or other matter besides involuntary discharge of a contract employee, or a proposed change in contract status, which are addressed in other sections of Section IV. Human Resources, Board Policy Manual. The grievance must recite a violation or misapplication of a specific Board policy or a specific administrative procedure that is related to wages, hours or conditions of work. The formal grievance process is the next step if the issue is not resolved in the Administrative Review Process.

F.10.10 - Formal Grievance Procedure:

A grievance must be initiated in writing to the Location Executive Officer (LEO) within ten (10) calendar days of the completion of the Administrative Review Process. The grievance must detail the pertinent facts relevant to the problem, actions taken to date and specific reference to the rights the grievant believes have been violated.

Upon receipt of the grievance, the LEO will conduct an investigation, if necessary, and respond in writing to the grievant within fifteen (15) calendar days.

F.10.11 - Appeal to Chancellor:

A contractual employee who is not satisfied with the result of the Formal Grievance Process may appeal in writing to the Chancellor within fifteen (15) calendar days of his/her receipt of the ruling from the Formal Grievance Process. The Chancellor shall review the employee's appeal submission and the written record of the grievance and, within fifteen (15) calendar days, shall determine whether to uphold or deny the grievance. The Chancellor's decision shall be final.

F.10.12 - Timelines:

The time limits, as provided in this policy, are created in order to ensure that issues are raised and addressed promptly. Timelines for the filing of and response to a complaint may be extended by the mutual agreement of the employee and the person responsible for conducting the review. A grievance shall be considered resolved at the completion of any step, if all parties are satisfied or if neither party files a timely appeal to the next step.

13. Discharge of Employees:

F.13.01 - Policy:

Any System employee may be discharged by his/her supervisor (subject to the Location Executive Officer and Associate Vice Chancellor for Human Resources being apprised of, and consented to, the proposed discharge and terms of discharge) for any of, but not limited to, the following reasons:

- a. Repeated failure to meet established performance standards as put forth in policy F.11
- b. Failure to comply with official directives or established Board policies;
- c. Violation of the System's criminal background check policy; or
- d. Repeated and continued neglect of job responsibilities.

A non-contractual employee may be discharged with or without reasons and has no due process right of notice and opportunity for a hearing prior to discharge.

The discharge of a contractual employee involves a decision to end the contractual relationship prior to the end of the contract, for cause. The Chancellor must be apprised of all discharges and terms thereof relating to contractual employees.

F.13.02 - Discharge for Cause:

Subject to consent of the Location Executive Officer and Associate Vice Chancellor for Human Resources, discharge of an employee shall be on the recommendation of the appropriate supervisor. An employee who is to be discharged for performance reasons will have been advised by his or her supervisor of problems during the evaluation process, or through other written means, and given an opportunity to correct the problems.

An employee may be discharged for misconduct, including by way of example, mistreatment of a subordinate, co-workers, students, or members

of the public, misuse of computing or other System resources, or violation of the System's civil rights policies.

Except for a discharge in accordance with Section F.13.03, a contractual employee will have the right to request a pre-discharge hearing and a written explanation of the reasons for the action, and any facts pertinent to the decision. Upon notification of discharge, the employee will have a right, upon written request filed with the employee's LEO within fifteen (15) calendar days after such written notification, to a formal hearing before a hearing committee. At such hearing, the employee will be given an opportunity to present evidence, to cross-examine witnesses, and to summarize his or her argument that the discharge is improper. The hearing committee shall be comprised of at least three (3) individuals, which will be appointed by the Chancellor or designee.

The hearing shall be held within thirty (30) calendar days after written request for such hearing is filed with the LEO. After such hearing the hearing committee, within fifteen (15) calendar days of the hearing, will recommend in writing to the Chancellor to confirm or revoke the discharge. The hearing committee will issue a copy of the recommendation to the employee. The Chancellor will review the recommendation and issue the employee a written determination within fifteen (15) calendar days.

F.13.03 - Immediate Discharge:

Any employee may be discharged immediately and without prior warnings, Disciplinary Action or a pre-discharge hearing for serious offenses including, but not limited to:

- a. Serious acts of dishonesty, including misappropriation of System funds, destruction of records to cover up wrongdoing, or misuse of authority;
- b. A violation of the System's drug and alcohol policy;
- c. Violation of the System's criminal background check policy; or
- d. Conduct that jeopardizes the health or safety of System employees, students, or others on System property.

A contractual employee, who is the subject of immediate discharge, will be provided with immediate notice of the reasons for the discharge, set out in sufficient detail to fairly enable him or her to show error that may exist at a post-discharge hearing.

F.13.04 - Suspension with Pay:

An employee may be suspended from employment with pay, pending further investigation of a matter, including possible official action by outside legal agencies. Suspension with pay requires approval of the Chancellor or his/her designee. There is no time limit for suspension with pay. Suspension with pay should be followed immediately with a thorough investigation of the case to determine the appropriate level of discipline, if any.

During the period of suspension with pay, an employee is considered on active assignment, may be required to make himself or herself available for business during normal work hours, and is required to observe System policies, procedures, and standards of conduct.

F.13.05 - Appeal for Contractual Employee:

Unless the Chancellor revokes the discharge, the employee may appeal the decision to the Board of Trustees, by providing written notice to the Chancellor within ten (10) calendar days of his or her receipt of the Chancellor's written decision. The Chancellor shall notify the Secretary of the Board. The appeal will consist of a written position paper and review of the documents underlying the termination from both the employee and the System. At its sole discretion the Board may determine if a hearing will be allowed.

The Board shall review the position papers and documents submitted by the employee and the System within thirty (30) calendar days after the written request for appeal has been filed. The days the System is closed shall not count towards this timeline. Prior to the expiration of the thirty (30) calendar days, the Board shall take official action, as required by its Policies and State law, and by notifying the employee of its decision in writing confirming or revoking the discharge. At its sole discretion, the time required by the Board to take official action may be extended within a period of sixty (60) calendar days upon notice to the employee. The Board's decision shall be final.

Lone Star College System 2010-2011 Academic Calendar

Fall Semester 2010

Full payment due for students who registered before August 14 (Students who have not paid will be withdrawn)	August 14
Faculty Return	August 23
Last Day to Register and Pay for students registering after August 14 (Students registering between August 14- 28 are expected to pay the day of registration or they will be withdrawn from classes)	August 28
Weekday Classes Begin	August 30
Labor Day Holidays (colleges close at 4:30 pm on September 3)	September 4-6
Friday evening, Saturday & Sunday Classes Begin	September 10-12
Official Day	September 13
Last day to drop and receive a "W"	November 12
Thanksgiving Holidays (colleges close at 4:30 p.m. November 24)	November 25-28
Final Exams	December 13-19
Winter Mini-Term (3 week)	December 20 – January 7
Winter Mini-Term (4 week)	December 20 – January 14
Last day to drop and receive a "W" for 3 week Mini-Term	January 3
Winter Holidays (offices closed)	December 20-January 2
Winter Holidays for Mini-Term	December 25 and Jan. 1
Last Day to drop and receive a "W" for 4 week Mini-term	January 7

Spring Semester 2011

Offices Open	January 3
Full payment due for students registered before January 4 (Students who have not paid will be withdrawn)	January 4
Faculty Return	January 10
Last Day to Register and Pay for students registering after January 4 (Students registering between January 4- 15 are expected to pay the day of registration or they will be withdrawn from classes)	January 15
MLK Holiday (colleges closed)	January 17
Weekday Classes Begin	January 18
Friday evening, Saturday & Sunday Classes Begin	January 21-23
Official Day	January 31
System Conference Day	February 17
Spring Break (offices closed March 17-20)	March 14-20
Shut down for Technology Maintenance (3/16 at 5 pm – 3/20 at 12 noon)	March 16-20
Last day to drop and receive "W"	April 11
Spring Holiday (offices closed)	April 22-24
Final Exams	May 9-15
Commencement	May 13-14

Summer Semester 2011

Mini-term	May 16 – June 3
Memorial Day Holiday	May 28-30
First Summer Session (June 6 – July 12) (21 day session)	June 6 – July 12
Weekend Classes Begin	June 10-12
Last day to drop and receive "W" for 1st summer	June 30
Independence Day Holiday (no classes, offices closed)	July 4
Second Summer Session (July 14- August 18) (21 day session)	July 14 – August 18
Last day to drop and receive a "W" for 2nd summer	August 9

Summer Term Ends

August 21

Fall 2011 Semester

Faculty return

August 22

First class day

August 29

Number of Class Meeting Times (Fall 2010 Semester) (excludes final exam day)

Monday classes = 14

Tuesday classes = 15

Wednesday classes = 15

Thursday classes = 14

Friday classes = 14 (day), 13 (evening)

Saturday classes = 13

Sunday classes = 13

Monday and Wednesday = 29 (day) and 28 (evening)

Tuesday & Thursday = 29

Monday, Wed., Friday = 43

Number of Class Meeting Times (Spring 2011 Semester) (excludes final exam day)

Monday classes = 14

Tuesday classes = 15

Wednesday classes = 15

Thursday classes = 14

Friday classes = 14

Saturday classes = 14

Sunday classes = 14

Monday and Wednesday = 29

Tuesday and Thursday = 29

Monday, Wed., Friday = 43

Exhibit "E"

Financial Report and Consideration No. 1

Board Meeting 11-5-09

Report: Monthly Financial Statements

The financial statements for the month ended September 30, 2009 are presented for Board review.

LONE STAR COLLEGE SYSTEM

STATEMENT OF CURRENT OPERATING FUNDS, EXCLUDING THE TECHNOLOGY FUND
 REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
 FOR THE ONE MONTH ENDED SEPTEMBER 30, 2009
 UNAUDITED

	BUDGET	8% OF FISCAL YEAR ACTUAL	% ACTUAL TO BUDGET	PRIOR YEAR ACTUAL 9/30/2008	% OF 08/31/09 ACTUAL
REVENUES:					
STATE APPROPRIATIONS	\$ 61,610,000	\$ 7,272,226	11.80%	\$ 7,316,170	13.30%
TUITION AND FEES	53,980,000	24,758,085	45.87%	21,080,644	42.60%
TAXES	92,900,000	298,603	0.32%	354,820	0.41%
INVESTMENTS	1,580,000	16,017	1.01%	188,036	15.11%
OTHER	3,730,000	512,452	13.74%	47,293	1.38%
TOTAL REVENUES	213,800,000	32,857,383	15.37%	28,986,963	14.77%
EXPENDITURES:					
INSTRUCTION - ACADEMIC	52,131,323	4,299,123	8.25%	3,998,082	7.92%
INSTRUCTION - WORKFORCE	30,997,999	1,761,015	5.68%	1,621,311	6.39%
PUBLIC SERVICE	1,307,474	50,162	3.84%	42,635	4.64%
ACADEMIC SUPPORT	42,359,354	2,022,714	4.78%	2,230,828	5.89%
STUDENT SERVICES	24,654,907	1,466,985	5.95%	1,135,963	6.15%
INSTITUTIONAL SUPPORT	23,755,079	1,642,156	6.91%	1,332,173	6.46%
PLANT OPERATION AND MAINTENANCE	25,875,138	2,258,837	8.73%	1,694,153	6.55%
STAFF BENEFITS	12,568,726	2,984,894	23.75%	1,461,783	13.24%
TOTAL EDUCATIONAL AND GENERAL EXPENDITURES	213,650,000	16,485,886	7.72%	13,516,928	7.09%
REPAIR, REPLACEMENT AND OTHER INTERNALLY DESIGNATED	2,750,000	(7,421)	-0.27%	(550)	-0.03%
TOTAL EXPENDITURES	216,400,000	16,478,465	7.61%	13,516,378	7.02%
OTHER CHANGES - DEBT SERVICE & FUND TRANSFERS	4,600,000	-	0.00%	0	0.00%
NET INCREASE (DECREASE) IN FUND BALANCES	\$ (7,200,000)	\$ 16,378,918		\$ 15,470,585	

NOTE:

Subject to change pending completion of the August 31, 2009 audit.

LONE STAR COLLEGE SYSTEM

STATEMENT OF OPERATIONS - TECHNOLOGY FUND
 REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
 FOR THE ONE MONTH ENDED SEPTEMBER 30, 2009
 UNAUDITED

	BUDGET	8 % OF FISCAL YEAR ACTUAL	% ACTUAL TO BUDGET	PRIOR YEAR ACTUAL 9/30/2008	% OF 08/31/09 ACTUAL
REVENUES:					
Technology fee	\$ 6,650,000	\$ 3,131,893	47.10%	\$ 2,343,961	42.65%
Investments	-	895		6,620	17.82%
Miscellaneous	50,000	-	0.00%	-	0.00%
Total revenues & additions	6,700,000	3,132,788	46.76%	2,350,581	42.41%
EXPENDITURES:					
<u>Automated Library System</u>					
Services	256,540	-	0.00%	177,430	61.89%
Travel and Professional Development	-	-	0.00%	-	-
Supplies	-	-	0.00%	-	0.00%
Communications	24,000	-	0.00%	2,000	7.69%
Total Dynix Library System	280,540	-	0.00%	179,430	54.93%
<u>Datatel Services</u>					
Services	1,268,015	-	0.00%	333,645	37.66%
Travel and Professional Development	41,600	-	0.00%	-	0.00%
Supplies	-	-		-	0.00%
Communications	215,933	16,002	7.41%	-	0.00%
Equipment	22,786	-	0.00%	-	0.00%
Total Datatel Services	1,548,334	16,002	1.03%	333,645	29.96%
<u>E-Mail Services & Telecommunications</u>					
Services	700,000	420	0.06%	146,246	21.62%
Travel and Professional Development	37,700	-	0.00%	-	0.00%
Supplies	66,000	-	0.00%	4,237	29.59%
Communications	204,720	1,915	0.94%	20,010	32.41%
Equipment	236,940	-	0.00%	-	0.00%
Total E-Mail Services & Telecommunications	1,245,360	2,335	0.19%	170,493	17.62%
<u>Campus Support</u>					
Services	376,920	-	0.00%	-	0.00%
Supplies	1,000,000	-	0.00%	202	0.01%
Equipment	2,230,000	-	0.00%	-	0.00%
Reserve	18,846	-	0.00%	-	
Total Campus Support	3,625,766	-	0.00%	202	0.01%
Total expenditures	6,700,000	18,337	0.27%	683,770	13.02%
NET INCREASE (DECREASE) IN FUND BALANCE	\$ -	\$ 3,114,451		\$ 1,666,811	

NOTE:

Subject to change pending completion of the August 31, 2009 audit.

LONE STAR COLLEGE SYSTEM
 BALANCE SHEET
 SEPTEMBER 30, 2009
 UNAUDITED

ASSETS	Operating Funds			Plant Funds		Debt Service I&S Bonds Payable	Agency Funds	Memorandum Totals Current Year
	Unrestricted	Auxiliary	Restricted	Loan Funds	CIP			
Cash	\$ (23,112,064)	\$ 7,869,881	\$ 5,673,221	\$ 484,375	\$ 3,712,551	\$ 696	\$ (2,352,306)	\$ (7,805,145)
Accounts receivable (net of allowance for doubtful accounts)	2,268,066	67,570	-	1,356	-	-	199,103	2,535,995
Taxes receivable (net of allowance for doubtful accounts)	4,209,715	-	-	-	-	1,753,558	-	5,963,273
Due from grantor agency	-	-	5,813,821	-	-	-	-	5,813,821
Due from other funds	10,153,450	-	-	-	-	-	5,039,721	15,193,171
Investments	78,842,660	-	-	-	242,300,333	7,036,578	-	328,179,571
Accrued interest receivable	16,715	-	-	-	-	-	-	16,715
Prepaid and deferred expenses	533,399	-	-	-	-	-	-	533,399
Deposits	82,333	-	-	-	-	-	-	82,333
Inventories, at cost	-	43,234	-	-	-	-	-	43,234
Land	-	-	-	-	-	52,828,554	-	52,828,554
Buildings	-	-	-	-	-	317,176,820	-	317,176,820
Leasehold Improvements	-	-	-	-	-	5,589,001	-	5,589,001
Library books	-	-	-	-	-	12,144,839	-	12,144,839
Furniture, Fixtures & Equipment	-	-	-	-	-	15,505,332	-	15,505,332
Capitalized Interest Costs	-	-	-	-	-	4,724,287	-	4,724,287
Construction in Progress	-	-	-	-	3,175,940	-	-	3,175,940
TOTAL ASSETS	\$ 72,994,274	\$ 7,980,685	\$ 11,487,042	\$ 485,631	\$ 246,012,884	\$ 8,790,832	\$ 2,886,518	\$ 761,701,140
LIABILITIES AND FUND BALANCES								
LIABILITIES:								
Accounts payable	\$ 4,774,241	\$ 41,190	\$ 341,308	\$ -	\$ -	\$ -	\$ -	\$ 5,156,739
Accrued salaries	833,006	-	-	-	-	-	-	833,006
Due to other funds	-	5,212,480	8,660,321	-	1,027,002	282,873	-	15,193,171
Deferred revenues	4,224,558	2,826	2,921,673	-	-	1,753,558	-	8,902,615
Accrued compensable absences payable	5,091,453	-	-	-	-	-	-	5,091,453
Accrued Interest Payable	-	-	-	-	-	-	-	-
Bonds payable	-	-	(436,760)	-	-	485,751,246	-	485,751,246
Assets held in custody for others	-	-	-	-	-	-	2,886,518	2,449,258
TOTAL LIABILITIES	14,923,258	5,258,496	11,487,042	-	1,027,002	487,787,677	2,886,518	523,379,988
FUND BALANCES:								
Unrestricted	\$ 58,071,016	-	-	-	-	-	-	\$ 58,071,016
Auxiliary	-	2,722,189	-	-	-	-	-	2,722,189
Restricted	-	-	-	-	-	-	-	-
Loans	-	-	-	485,631	-	-	-	485,631
Restricted for construction	-	-	-	-	244,985,882	-	-	244,985,882
Investment in fixed assets	-	-	-	-	-	411,053,279	-	411,053,279
Debt service	-	-	-	-	-	(478,996,845)	-	(478,996,845)
To be provided for debt service	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	\$ 58,071,016	\$ 2,722,189	\$ 11,487,042	\$ 485,631	\$ 244,985,882	\$ (478,996,845)	\$ -	\$ 238,121,152
TOTAL LIABILITIES AND FUND BALANCES	\$ 72,994,274	\$ 7,980,685	\$ 11,487,042	\$ 485,631	\$ 246,012,884	\$ 8,790,832	\$ 2,886,518	\$ 761,701,140

NOTE:
 Subject to change pending completion of the August 31, 2009 audit.

LONG STAR COLLEGE SYSTEM
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE ONE MONTH ENDED SEPTEMBER 30, 2009
UNAUDITED

	Operating Funds			Loan Funds	Plant Funds		Debt Service		Memorandum Totals Current Year
	Unestimated	Auxiliary	Restricted		Total	CIP	Investment in Fixed Assets	I&S Bonds Payable	
FUND BALANCE, SEPTEMBER 1, 2009	\$ 58,577,647	\$ 2,698,154	\$ -	\$ 485,631	\$ 86,624,422	\$ -	\$ (327,846,929)	\$ 211,592,204	
REVENUES AND OTHER ADDITIONS:									
Current Funds revenue	35,074,655	422,047	-	36,096,702	-	-	-	36,096,702	
Taxes	298,603	-	-	298,603	-	-	130,609	429,212	
Federal grants and contracts	-	-	14,970,920	14,970,920	-	-	-	14,970,920	
State grants and contracts	-	-	181,724	181,724	-	-	-	181,724	
Local gifts, grants and contracts	-	-	148,514	148,514	-	-	-	148,514	
Interest income	16,913	-	-	16,913	-	-	1,941	65,646	
Revenue Bond debt service transfer from Operating	-	-	-	-	-	-	-	-	
Proceeds from Sale of Assets	-	-	-	-	8,862,668	-	-	8,862,668	
Bond proceeds	-	-	-	-	151,279,389	-	-	151,279,389	
Bonds issued	-	-	-	-	160,188,849	-	-	-	
Total revenues and other additions	35,996,171	422,047	15,301,138	51,719,376	160,188,849	-	132,550	212,034,775	
EXPENDITURES AND OTHER DEDUCTIONS:									
Current Funds expenditures	16,496,802	398,012	15,301,138	32,195,972	-	-	-	32,195,972	
Expended for plant facilities	-	-	-	-	1,826,889	-	-	1,826,889	
Disposal of plant assets	-	-	-	-	-	-	-	-	
Administrative and collection costs	-	-	-	-	-	-	2,577	2,577	
Revenue Bond debt service transfer to Interest & Sinking	-	-	-	-	-	-	151,279,389	-	
Bond issuance cost	-	-	-	-	-	-	-	-	
Bond principal payments/amortization	-	-	-	-	-	-	-	-	
Cost of Assets Sold	-	-	-	-	-	-	-	-	
Bond interest expense	-	-	-	-	-	-	-	-	
Bond agencies' fees	-	-	-	-	500	-	-	1,000	
Total expenditures and other deductions	16,496,802	398,012	15,301,138	32,195,972	1,827,389	-	151,281,966	34,026,438	
NON-MANDATORY TRANSFERS									
CHANGES IN FUND BALANCE	19,493,369	24,935	-	19,517,404	158,361,460	-	(151,149,916)	26,728,948	
FUND BALANCE, SEPTEMBER 30, 2009	\$ 58,071,016	\$ 2,722,189	\$ -	\$ 485,631	\$ 244,985,882	\$ -	\$ (478,996,845)	\$ 238,321,152	

NOTE:
Subject to change pending completion of the August 31, 2009 audit.

**LONE STAR COLLEGE SYSTEM
SUMMARY OF INVESTMENTS
AS OF SEPTEMBER, 2009**

	Book Value	Market Value	Weighted Avg. Days To Maturity	Weighted Avg. Purchase Yield
OPERATING UNRESTRICTED				
(Includes Renewal and Replacement Funds)				
U. S. Government Agencies	\$ 13,167,216	\$ 13,195,317		1.15%
Logic	25,474,776	25,474,776		0.37%
Lone Star	11,062,515	11,062,515		0.34%
TexPool	28,610,895	28,610,895		0.37%
Overnight Sweep	527,258	527,258		0.00%
TOTAL	<u>78,842,660</u>	<u>78,870,761</u>	<u>62</u>	<u>0.50%</u>
CONSTRUCTION IN PROGRESS				
Commercial Paper	9,979,624	10,006,480		1.13%
JPMorgan Chase - MMF	55,283,714	55,283,714		0.26%
Logic	50,004,792	50,004,792		0.37%
Lone Star	59,216,078	59,216,078		0.32%
TexPool	67,816,125	67,816,125		0.37%
TOTAL	<u>242,300,333</u>	<u>242,327,189</u>	<u>1</u>	<u>0.37%</u>
INTEREST & SINKING				
Logic	1,193	1,193		0.37%
Lone Star	6,827,510	6,827,510		0.34%
TexPool	207,875	207,875		0.37%
TOTAL	<u>7,036,578</u>	<u>7,036,578</u>	<u>1</u>	<u>0.34%</u>
TOTAL INVESTMENTS	<u>\$ 328,179,571</u>	<u>\$ 328,234,529</u>	<u>16</u>	<u>0.40%</u>

Benchmark: 90 day U.S. Treasury Bill

0.14%

LONE STAR COLLEGE SYSTEM
INVESTMENT ACTIVITY REPORT
FOR THE MONTH ENDED SEPTEMBER 30, 2009

	Operating Unrestricted*	Avg Buy Yield	Construction In Progress	Avg Buy Yield	Interest & Sinking	Avg Buy Yield	Total	Avg Buy Yield
BEGINNING BOOK VALUE	\$ 82,852,530	0.47%	\$ 88,813,529	0.26%	\$ 6,905,108	0.38%	\$ 178,571,167	0.36%
PURCHASES:								
U.S. Government Agencies	2,000,000	1.00%					2,000,000	1.00%
Logic	7,842	0.37%	50,004,792	0.37%			50,012,634	0.37%
Lone Star			44,591,608	0.32%	131,421	0.34%	44,723,029	0.32%
TexPool	3,120,819	0.37%	58,870,786	0.37%	49	0.37%	61,991,654	0.37%
JPMorgan Chase Liquidity MNF			11,658	0.26%			11,658	0.26%
Overnight Sweep	15,170,837	0.00%					15,170,837	0.00%
TOTAL PURCHASES	<u>20,299,498</u>	<u>0.16%</u>	<u>153,478,844</u>	<u>0.36%</u>	<u>131,470</u>	<u>0.34%</u>	<u>173,909,812</u>	<u>0.33%</u>
MATURITIES								
Lone Star	8,907,809	0.34%					8,907,809	0.34%
Overnight Sweep	15,399,467	0.00%					15,399,467	0.00%
TOTAL MATURITIES	<u>24,307,276</u>	<u>0.12%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,307,276</u>	<u>0.12%</u>
Premium / (Discount)	35,216		(34,376)				840	
Unrealized Gains (Losses)	(57,308)		42,336				5,028	
ENDING BOOK VALUE	<u>78,842,660</u>	<u>0.50%</u>	<u>242,300,333</u>	<u>0.37%</u>	<u>7,036,578</u>	<u>0.34%</u>	<u>328,179,571</u>	<u>0.40%</u>
Beg. Unrealized Gains (Losses)	33,477		28,151				61,628	
Unrealized Gains (Losses) Chg.	(5,376)		(1,295)				(6,671)	
ENDING MARKET VALUE	<u>\$ 78,870,761</u>		<u>\$ 242,327,189</u>		<u>\$ 7,036,578</u>		<u>\$ 328,234,529</u>	

*Includes Renewal & Replacement Fund

Financial Report and Consideration No. 2

Board Meeting 11-5-09

Report: Annual Investment Report

The annual investment report as of August 31, 2009 is presented for Board review.

LONE STAR COLLEGE SYSTEM		
Summary of Investments		
Investment Type	August 31, 2009 Book Value	August 31, 2009 Market Value
Equity Securities		
U.S. Common Stock		
Equity Mutual Funds		
Other Equity Securities		
Total Equity Securities		
Other Investments		
Real Estate		
Private Equity		
Annuities		
Collective Endowment Funds		
Commodities		
Collectibles		
Other (list)		
Total Other Investments		
Debt Investments > 1 Year		
U.S. Government Treasury		
U.S. Government Agency	8,658,368	8,680,258
Mortgage Pass-Throughs		
CMOs:		
Interest Only Strips		
Principal Only Strips		
Inverse Floaters		
Stated Maturities longer than 10 years		
PFIA Compliant CMOs		
Other Asset -Backed Bonds		
Foreign Issued Obligations		
Municipal Obligations		
Corporate Obligations		
Highly Rated (AAA /AA)		
Investment Grade (A / BBB)		
NR /High Yield (<BBB)		
GICs		
Bond Mutual Funds		
Other (list)		
Total Debt Investments > 1 Year		
Short Term Investments		
U.S. Government Treasury	\$ -	\$ -
U.S. Government Agency	2,510,940	2,522,527
CDs / BA		
A1 / P1 Commercial Paper	9,971,664	9,999,815
Repurchase Agreements		
TexPool	34,643,242	34,643,242
Other Money Market Funds and Pools	122,786,954	122,786,954
Bank Deposits		
Cash Held as State Treasury		
Other (list)		
Total Short Term Investments	178,571,167	178,632,795
Total Investments	\$ 178,571,167	\$ 178,632,795

LONE STAR COLLEGE SYSTEM

Questions & Answers

Annual Investment Report as of August 31, 2008

Does Lone Star College System employ outside investment advisors or managers and, if so, who are they? Do the outside investment advisors or managers have the authority to make investment
1.) decisions without obtaining prior approval?

No

Does Lone Star College System use soft dollar arrangements (a means of paying for services through
2.) brokerage commission revenue, rather than through direct payments) ?

No

3.) Is Lone Star College System associated with an independent endowment of foundation?

No

Financial Report and Consideration No. 3 (ACTION ITEM 2) Board Meeting 11-5-09

Request: Consideration of Approval to Purchase Printing Services for Small Projects

Chancellor's

Recommendation: That the Board of Trustees approve the purchase of printing services for small projects for an estimated amount of \$500,000 annually and not to exceed \$2,500,000 over five years from the following vendors:

Houston Independent School District Printing Department	Printmailers
Ideal Printers	RR Donnelley
Nicholas Earth	Southwest Precision Printers
Page International Communication	Wrights Printing

Rationale: The college system utilizes outsourced printing services for various small projects including postcards, flyers, conference brochures and programs, posters, and bookmarks. These printed materials are used for marketing and system wide functions. This process will not be used for large printing projects such as the Star Newsletter, Corporate and Continuing Education (CE) schedule, credit schedules and postcards, and course catalogs. A formal bid process will be performed for these larger projects and will be submitted separately to the Board.

The term of the award will be for a period of two years beginning November 2009 with the option to renew for three additional one year terms. Pricing will remain firm during the initial two year term. LSCS may consider reasonable annual price adjustments with proper written documentation at the end of the second year.

Proposals were requested from 160 printing service providers and twenty-five responses were received. The award could not be based upon low bid alone. A committee evaluated the proposals based upon pricing, quality of Respondents' finished projects, types of printing equipment, location of printing facility and proximity to system locations, length of printing turnaround time, completeness of proposal, references, proposed value added services, staff experience, completion of Conflict of Interest form, and Historically Underutilized Business (HUB) status/plan. It is recommended to award these services to the top eight vendors with the highest points. See attached Evaluation and Bid Tabulations.

Fiscal Impact: Funds for this purchase are included in the approved FY 2009-10 budgets. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Cindy Gilliam

832-813-6512

**Printing Services
for Small Projects**

EVALUATION TABULATION

Vendor	Pricing (20 pts)	Quality of finished projects (15 pts)	Types of printing equipment & Facility location (20 pts)	Completeness of proposal & Turn- around time (25 pts)	References, Value added Services & Staff Experience (15 pts)	HUB (5 pts)	Total Awarded Points (100 pts)
Southwest Precision Printers	18	12.88	18.33	18.99	14.33	5	87.53
Printmailers	20	14.10	18.66	18.66	13.00	0	84.42
Nicholas Earth Printing	13.5	9.22	17.99	20.66	14.00	5	80.37
Page International Communication	18.5	7.00	19.33	18.33	12.66	0	75.82
Ideal Printers	12	11.22	17.33	17.99	14.33	0	72.87
RR Donnelley	19	12.66	13.33	17.66	10.00	0	72.65
Wright's Printing	15	12.88	17.66	15.33	12.33	0	72.70
HISD Printing Dept.	17.5	10.88	17.32	13.99	12.66	0	72.35
Signature Media Solutions	7	8.77	18.66	18.99	14.33	0	67.75
Bayside Printing	15	11.55	14.66	18.66	0	5	64.87
Simon Printing Company	14	12.22	15.00	18.99	3.32	0	63.53
Classic Printers	14.5	4.66	17.66	15.32	14.33	0	66.47
Insite Group	17	4.77	11.66	14.66	12	5	65.09
Gulfstream Graphics	10.5	7.77	17.66	15	11	0	61.93
Chas P. Young	12.5	6.22	14.66	16	11.33	0	60.71
Office Depot	19.5	7	10.33	11.99	11	0	59.82
Kwik Kopy 555 Printing	16	8.22	14	11	9.66	0	58.88
Vossler Graphics	7	8.77	13.66	14.33	8.33	5	57.09
Premier IMS	5	6.88	14.99	17	12	0	55.87
Newman Printing	16.5	6.10	9.99	15.99	6.66	0	55.24
Regional 4 Education Center	7	3.88	18.33	16.33	8.66	0	54.20
Staples Print Solutions	13	4.77	11.33	15.33	9.33	0	53.76
Grover Printing	11	5.88	15.32	12.99	5.66	0	50.85
Phillips Brothers Printing	2	7.77	12.33	12.99	10	0	45.09
National Mail Advertising	11.5	5.22	7.16	10.13	2.7	0	36.69

**Printing Services
for Small Projects**

BID TABULATION

Vendor	Average Cost for Quantity of 500 Prints	% For Rush Charge	Cost for additional proofs
Bayside Printing	\$745.72	None	\$110
Chas P. Young	\$922.08	Varies	\$30 per page
Classic Printers	\$755.87	20%	\$100
Grover Printing	\$1,123.03	50%	\$35 per page
Gulfstream Graphics	\$1,253.58	20%	\$45 per page
HISD Printing Dept	\$644.05	15%	\$30 per page
Ideal Printers	\$916.38	50%	\$35 per Page
Insite Group	\$647.10	100%	\$15 digital
Kwik Kopy 555 Printing	\$638.45	25%	N/A
Newman Printing	\$658.15	No Charge	\$20 per page
National Mail Advertising	\$971.18	50%	\$25 per page
Nicholas Earth Printing	\$851.08	75%	\$75 per page
Office Depot	\$497.50	Based on scope	B&W \$10
Page International Communications	\$614.74	15%	\$55 per page
Phillips Brothers Printing	Incomplete	N/A	\$10 per page
Premier IMS	Incomplete	100%	\$25 per page
Printmailers	\$471.47	20%	\$75 per signature
Region 4 Ed Center	Incomplete	N/A	N/A
RR Donnelley	\$546.86	N/A	Varies
Signature Media Solutions	\$1,460.37	2%	\$75
Simon Printing Co.	\$764.41	Depends on size	Depends on size
Southwest Precision Printers	\$626.39	50%	No Response
Staples Print Solutions	\$870.13	N/A	\$30 per proof
Vossler Graphics	\$409.00*	20%	\$20 each page
Wright's Printing	\$739.18	100%	Depends on size

*Declined to confirm pricing

Request: Consideration of Approval to Purchase Datatel License and Maintenance Renewal and Consulting Services for Colleague Student, Human Resources, and Financial Systems

Chancellor's

Recommendation: That the Board of Trustees approve the purchase of the annual license and maintenance renewal and consulting services for Colleague student, human resources, and financial systems from Datatel, Inc., 4375 Fair Lakes Court, Fairfax, VA 22033, for an amount not to exceed \$950,000 through the completion of the implementation of the new Enterprise Resource Planning (ERP) system.

Rationale: In 1993, the Board approved the purchase of Datatel's Colleague Student, Human Resources and Financial Systems. Each year LSCS continues to use the Colleague software, there is an annual licensing and maintenance fee to cover Datatel's cost of regular enhancements to keep the system current as to its features and regulatory requirements. It is requested to approve the purchase of the annual license and maintenance through the estimated completion date of the implementation of the new ERP system, Oracle's Peoplesoft.

Any enhancements or upgrades to the software require installation by Datatel consultants. Consulting services may be performed either remotely or on-site. In addition, staff may require periodic training on Colleague applications including any software enhancements or upgrades.

As the college system migrates to the new Oracle ERP system, LSCS must continue to purchase annual maintenance and consulting services from Datatel to ensure business continuity. Once all systems have been migrated, this expense will no longer be incurred.

Fiscal Impact: Funds for this purchase are included in the proposed FY 2009-10 technology fund budget. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Shah Ardalan

832-813-6847

Financial Report and Consideration No. 5 (ACTION ITEM 4) Board Meeting 11-5-09

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 (1) ceramic sculpture – Hooded Figure – donated by Glenn Edwards to LSC-North Harris.

Thirty-two (32) 40 lb. bags of play sand, sixteen (16) hard hats, and eight (8) Sheetrock dollies donated by Summers Drywall Services, Inc./Edward A. Summers/Angela M. Hebb to the Commercial Construction Trade Program at LSC-North Harris.

Two (2) commercial duty Master Locks, six (6) keys, lumber and screws donated by Marek Brothers Systems/Mike Holland to the Commercial Construction Trade Program at LSC-North Harris.

One (1) DeWalt Chop Saw D28700, one (1) DeWalt Circular Saw DW368, one (1) DeWalt Hammer Drill D25211K, one (1) DeWalt Heavy Duty Screwgun DW252, one (1) DeWalt Laser Detector DW0772, one (1) DeWalt 18 Volt Laser Remote Control DW0774, one (1) DeWalt 18 Volt Self Leveling Laser DW077KD and eight (8) Werner 8' Fiberglass Ladder Model #6308 donated by United Tool & Fastener, Inc./Bobby Williams to the Commercial Construction Trade Program at LSC-North Harris.

Fifteen thousand (15,000) Art color slides donated by Debbie Ellington to the Art Department at LSC-Montgomery.

One (1) LeBlanc Paris B-flat Clarinet donated by Gregory Ristow to LSC-Montgomery.

Twenty-eight (28) volumes of National Geographic – Books for World Explorers – donated by Gary Church to LSC-Montgomery.

Seventy-five (75) books donated by Bruce Freeman to LSC-Montgomery.

Eighteen (18) books donated by JoAnn Harp to LSC-Montgomery.

One (1) book – Heritage Guide to the Constitution – donated by Montgomery County Republican Women/Virginia Miller to LSC-Montgomery.

Thirteen (13) GED books donated by Ali Romero to LSC-Montgomery.

One (1) Skutt Automatic Kil Model KM-714 donated by Mary E. Telchik to LSC-CyFair.

One (1) Vertical Wind Generator with foundation and electrical connection to power grid donated by Positive Energy Resources/Nan McReynolds to LSC-CyFair.

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

Exhibit "J"

Financial Report and Consideration No. 6 (ACTION ITEM 5) Board Meeting 11-5-09

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for Purchase of Architectural Services for the design of the LSC-Aldine Center

Chancellor's Recommendation: That the Board of Trustees authorize the Chancellor or Designee to negotiate and execute a contract for the purchase of architectural services from *Perspectiva, 3401 Louisiana Street, Suite 270, Houston, Texas 77002*, in an estimated amount of \$800,000 over the project term.

Rationale: The May 10, 2008 bond election resulted in the approval for LSCS to issue up to \$420M in general obligation bonds for the purchase, new construction, repair and replacement, or renovation of land and facilities. Professional Architectural services are required to design the LSC-Aldine Center. The architectural services will include, but not be limited to, mechanical, plumbing, HVAC, electrical, structural, landscape and civil engineering.

Qualifications for professional services were requested from sixty-seven architectural firms and forty-two responses were received. Based upon an evaluation of the architectural firm's qualifications, seven firms were interviewed for the project. The interview committee consisted of representatives of the campus, purchasing and facilities who have a thorough understanding of the project scope of work.

During the interview process, firms were given an opportunity to provide an overview of their experience and references relating to similar projects, and a typical timeline to complete the construction documents. In addition, each firm was evaluated based upon Historically Underutilized Business (HUB) status and/or their history of use of HUB firms, similar projects on which the firm was the lead or principal firm, assigned staff and the firm's prior experience on projects located within the Aldine area or specific knowledge the firm demonstrated regarding the community.

The approval of this recommendation will enable the college system to begin negotiations with the firms for the programming and design services in order to complete the projects within the proposed timeline. According to Texas Education Code Chapter 2254.003, competitive bids shall not be solicited for professional services of any licensed or registered professional engineer. Contracts for such professional services are made on the basis of demonstrated competence and qualifications to perform the services for a fair and reasonable price. To ensure the Board

is informed, a status report will be presented to the Board with the actual fixed price based upon the executed contract

Fiscal Impact: Funds for this purchase are available from the 2008 general obligation bonds.

Staff Resource: Steve Head 281-618-5444
Cindy Gilliam 832-813-6512

LSC-ALDINE CENTER ARCHITECTURAL SERVICES

EVALUATION TABULATION

Criteria	Max. Points	Perspectiva	Llewelyn	Studio Red	STOA	Page Southerland Page	Autoarch Architects	Cre8 Architects
Company Profile, including history, company principals and experience	25	25	25	21	22	25	20	18
Completion of similar projects	20	18	20	16	17	20	14	10
HUB Certification or HUB Plan	25	25	22	23	21	11	25	19
Estimated timeline to complete project through 100% construction documents	10	9	10	7	6	8	4	6
Location of offices/knowledge of community	10	9	5	5	5	5	2	5
References	5	5	5	5	5	5	4	5
Completeness and thoroughness of submittal packet	5	5	5	5	5	5	4	4
Total	100	96	92	82	81	79	73	67

Financial Report and Consideration No. 7 (ACTION ITEM 6) Board Meeting 11-5-09

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement for the Purchase of Construction Manager at Risk (CM-at-Risk) Services for Central Services and Training Center (CSTC)

Chancellor's Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute an agreement for the purchase of CM-at-Risk services for CSTC from Turner Construction Company, 4263 Dacoma Street, Houston, Texas 77092, for an estimated amount of \$4.2 million.

Rationale: The May 10, 2008 bond election resulted in approval for LSCS to proceed with renovations at the CSTC. This project includes renovations within District Services I (DSI), District Services II (DSII), and Houston Advanced Research Center (HARC) buildings.

Office spaces within DSI and DSII, will be reconfigured for improved functionality and efficiency. Approximately 25,000 square feet of warehouse space in the HARC building will be converted into a 300+ seat meeting room, training rooms, conference rooms, catering kitchen, storage rooms, shipping/receiving, break rooms and workstations.

Given the phasing requirements of working around occupied areas within the building, the CM-at-Risk construction delivery method will be used for this project. This will allow the construction manager to be involved in the design phase to aid in scheduling, constructability reviews, cost estimating, and value engineering. During construction, the CM-at-Risk will act as the general contractor, assuming the risk of subcontracting the work and guaranteeing completion of the projects.

Proposals were requested from seventy-one firms and made available in thirteen construction plan rooms. Twenty-one responses were received. The award could not be based upon low bid alone. Each proposal was evaluated on pricing, company profile and experience, HUB certification or subcontracting plan, similar project experience, and completeness of proposal. Four firms were selected to participate in the final evaluation/interview process. Experience, fee, HUB plan, assigned project staff, references, and safety were the criteria used in the final selection. See attached Evaluation Tabulation.

Fiscal Impact: Funds for this purchase are available from the 2008 general obligation bonds. The original budget for the CSTC projects was \$7.7M. Space at the newly acquired LSC-University Park (LSC-UP) was identified that could be used in lieu of constructing new facilities at the CSTC site. As a result, the CSTC budget was reduced by \$3.5M, leaving a renovation budget of \$4.2M.

Staff Resource: Cindy Gilliam 832-813-6512

Construction Manager at Risk Services
for Central Services and Training Center

EVALUATION TABULATION

Criteria	Max	Turner	DuroTech	Brookstone	Anslow-Bryant Construction
Previously Related Experience	15	13	15	12	4
Proposed Fee	30	25	30	25	11
HUB Status and/or History of Used HUB Firms	25	24	10	12	11
Assigned Project Staff: Project Managers / Superintendent	15	13	10	10	8
References	5	5	5	5	5
Safety	10	6	5	8	7
Total	100	86	75	72	46

Exhibit "L"

Financial Report and Consideration No. 8 (ACTION ITEM 7) Board Meeting 11-5-09

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement for the Purchase of Construction Services for New Buildings and Infrastructure at LSC-Montgomery

Chancellor's

Recommendation: That the Board of Trustees authorizes the Chancellor or designee to negotiate and execute an agreement for the purchase of construction services for new buildings and infrastructure at LSC-Montgomery from Satterfield & Pontikes Construction, Inc, 11000 Equity Drive, Suite 100, Houston, TX 77041, for an estimated amount of \$26 million.

Rationale: The May 10, 2008 bond election resulted in the approval for LSCS to issue up to \$420M in general obligation bonds for the purchase, new construction, repair and replacement, or renovation of land and facilities. A construction general contractor is required for the construction of the new buildings and infrastructure at LSC-Montgomery. The general contractor will assume the risk of subcontracting the work and guarantee completion of the project. In addition, the contractor will work directly with the System's architects, project managers and staff to complete the construction on the campus.

The new buildings consist of:

Science and Health Building – Bldg J: The metal-structure building will total approximately 60,000 square feet.

Arts Instructional Building - Bldg I: The Arts Instructional Building will be a 20,000 square foot, one-story performing arts center with teaching and practice rooms.

Classroom – Bldg H: The new Classroom Building will be a two-story building of approximately 75,000 square feet.

Requests for proposals were sent to over seventy general contracting firms and nine firms responded. Based upon an evaluation of the each firm's proposal and qualifications, four firms were interviewed. The interview committee consisted of representatives from the college and system office who have a thorough understanding of the scope of work.

During the evaluation/interview process, firms were given an opportunity to provide an overview of their experience and references relating to similar projects. The award could not be based upon low bid alone. Each firm was evaluated based upon cost of the project, Historically Underutilized Business (HUB) status and/or history of use of HUB firms,

experience and references, financial stability of the firm, safety program and history. See attached Evaluation Tabulation.

To ensure the Board is informed, a status report will be presented to the Board with the contracted cost of services based upon the executed contract.

Fiscal Impact: Funds for this purchase are available from the 2008 general obligation bonds. The bid amount is lower than the estimated budget for these projects.

Staff Resource: Cindy Gilliam

832-813-6512

Construction Services
for New Buildings and Infrastructure
at LSC-Montgomery

EVALUATION TABULATION

Firm	Max Points	Satterfield & Pontikes Construction, Inc.	Vaughn Construction	Gamma Construction Co.	Miner- Dederick Construction, LLP
Cost of Project	40	40	37	32	34
HUB Certification or HUB subcontracting plan, including percentage of business and partnering firms	20	15	14	13	11
Credentials/Experience of assigned staff	15	14	12	9	10
Financial Stability of firm	10	9	9	10	5
Safety Program & History	10	10	3	9	6
References	5	5	5	4	3
Total	100	93	80	77	69

Exhibit "M"

Financial Report and Consideration No. 9 (ACTION ITEM 8) Board Meeting 11-5-09

Request: Consideration of Approval of a Resolution to Express Intent to Finance Expenditures to be Incurred

Chancellor's

Recommendation: That the Board of Trustees approve the Resolution.

Rationale:

This Resolution allows the System to start the Energy Performance project with Johnson Controls prior to the funding of the long term financing. To meet the schedule of various construction projects, including the Energy Performance projects, it is imperative that the System start the project immediately while long term financing is secured. This allows the System to pay from Operating Fund Balances and then reimburse itself upon completion of the sale of the notes.

Fiscal Impact:

Temporary funding will be made from Operating Fund balances and reimbursed after the sale of the notes.

Staff Resource:

Cindy Gilliam

832-813-6512

Exhibit "N"

Financial Report and Consideration No. 10 (ACTION ITEM 9) Board Meeting 11-5-09

Request: Consideration of Approval of a Resolution Authorizing the Issuance of Lone Star College System Maintenance Tax Notes, Series 2009; Setting Certain Parameters for the Notes; Authorizing the Vice Chancellor for Administration and Finance/Chief Financial Officer to Approve the Amount, the Interest Rate, Price, and Certain Other Terms Thereof and Procedures and Provisions Related Thereto

Chancellor's Recommendation: That the Board of Trustees approve the Resolution to issue maintenance tax notes to fund the Energy Management Performance project.

Rationale: The Board authorized the Chancellor to negotiate and execute an Energy Performance Contract. The original proposal included a lease-purchase whereby the savings paid for the debt service over the life of the project (20 years). As an alternative funding method, Maintenance Tax Notes allows the System to use its AAA rating, reducing its cost of capital and allowing the System to reduce the term of the Notes to 18 years and save over \$7,000,000 in expenses related to the financing of the project. Maintenance Tax Notes are similar to voter-approved General Obligation bonds, except the annual appropriation each year to fund the debt service on the Maintenance Tax Notes will be made from the Maintenance & Operations (M&O) tax collections instead of the Interest & Sinking (I&S) tax collections. The energy savings will fund this appropriation.

Fiscal Impact: None. The debt service will be funded by the energy savings from the project.

Staff Resource: Cindy Gilliam 832-813-6512

Financial Report and Consideration No. 11 (ACTION ITEM 10) Board Meeting 11-5-09

Request: Consideration of Authorization for the Chancellor or Designee to Negotiate and Execute an Amendment to the Ground Lease Contract with Tomball Regional Medical Center (TRMC)

Chancellor's Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute an amendment to the contract for Lone Star College System's ground lease of 5.57 acres of land from TRMC. The amendment is to reflect a fair market value rent of \$55,800 over the 50 year lease term.

Rationale: At the November 6, 2008 meeting, the Board of Trustees approved the transaction which allowed the Chancellor to negotiate and execute a Ground Lease Contract with TRMC granting Lone Star College System (LSCS) a Ground Lease based on an estimated \$5.00 per square foot valuation resulting in an annual lease obligation of \$48,526/year. Subsequent formal appraisals were obtained that valued the property at \$5.75 per square foot thereby increasing the annual lease obligation to \$55,800/year.

The May 10, 2008 bond election resulted in approval for LSCS to issue up to \$420M in general obligation bonds for the purchase, new construction, repair and replacement, or renovation of land and facilities. LSCS has partnered with TRMC to develop a 60,000 square foot Health Science Center facility near the main Tomball campus located at 605 Holderrith in Tomball. The facility will expand the System's nursing and healthcare professional curriculum, which has seen a significant increase in demand. The 5.57 acre parcel is located north of the hospital and is bordered by Graham Road to the south and James Road to the north.

The lease contract, as amended, will allow LSCS to make in-kind contributions in satisfaction of its annual rent payments. These contributions will be a result of LSCS designation of (i) TRMC as the primary training site for healthcare and nursing students enrolled at LSC-Tomball and (ii) the employment of LSCS healthcare program graduates referred by LSCS. Due to these in-kind contributions, it is anticipated that LSCS will not incur annual monetary rent payments.

Fiscal Impact: Net lease payments, if any, will be paid from Operating Funds.

Staff Resource: Susan Karr 281-351-3360
Cindy Gilliam 832-813-6512

Exhibit "P"

Financial Report and Consideration No. 12 (ACTION ITEM 11) Board Meeting 11-5-09

Request: Consideration of Approval to Revise Project Assignments for Selected Architectural Firms

Chancellor's

Recommendation: That the Board of Trustees approve the revision of project assignments for architectural services for the following firms and authorize the Chancellor to negotiate and execute the associated contracts:

Firm	Original Projects	Revised Projects
Kirksey	Central Services and Training Center	LSC- University Park
SHW Group	LSC- University Center #2	Central Services and Training Center

Rationale: In August 2008, the Board of Trustees authorized the Chancellor or designee to execute contracts for the purchase of architectural services for the 2008 Bond Program which included the architectural firms and associated projects above. Subsequent to this authorization, LSCS acquired LSC-University Park which impacted the proposed programs for LSC-Willow Chase Center, University Center #2, and Central Services and Training Center as some of the programs if not all are being relocated to LSC-University Park. These program changes required project assignment changes based on the architectural firms' experience and expertise.

Fiscal Impact: Funds for this purchase are available from the 2008 general obligation bonds. The original estimated budget for architectural services was \$1.2M for LSC-University Park (UP) and \$470K for Central Services and Training Center (CSTC). The revised project assignments are estimated to result in \$840K for the design of the renovations to LSC-UP and \$300K for the design of renovations to CSTC for a total estimated reduction of \$530K.

Staff Resource: Cindy Gilliam

832-813-6512

Exhibit "Q"

Building and Grounds Report

Board Meeting 11-5-09

Report: Construction Projects Update

The System's plant operations and facilities department has provided a summary report of the System's construction projects. See attached report.



Monthly Facilities Planning and Construction Report

November 5, 2009

General Obligation Bond Project Summaries – 2008 Election:

❖ LSC-North Harris

- ◆ Schematic design for the Health Professions building has been approved and the design development phase is now underway.
- ◆ The construction documents phase for the Student Services, Fine Arts Addition, Applied Technology Addition, and the Academic and Winship renovation projects is proceeding, and the architect has begun the permitting process. A recommendation to the Board is planned for the December Board meeting.
- ◆ The construction documents phase for the Greenspoint Center project is in progress and the architect has begun the permitting process. A recommendation to the Board is planned for the December Board meeting.
- ◆ Architectural Design services for the Aldine Center are on the November Board agenda.

❖ LSC-Kingwood

- ◆ Schematic design level estimates have come in over budget so the project design is being revised to align with budgetary requirements. This effort will be completed during early November in order to enable schematic design program approval.

❖ LSC-Atascocita Center

- ◆ Design development comments have been incorporated into the design development documents, which have been submitted for final review.

❖ LSC-Tomball

- ◆ Design development budget reviews are in progress for the Performing Arts, Veterinary Technology and Health Science buildings. The process of obtaining user group approvals for these buildings is underway and should be complete by early November.
- ◆ Space planning is being performed for renovation of the Tomball facilities.
- ◆ The lease agreement has been executed for the Health Science building at the Tomball Regional Medical Center and is on the November Board agenda. Parking and building height variance requests have been submitted to the City of Tomball for approval.

❖ LSC-Montgomery

- ◆ Competitive sealed proposals for the Academic, Health Science and Music Instruction buildings were received and evaluated on October 15. Contractor interviews were held on October 19. A recommendation to the Board is on the November Board agenda.
- ◆ Design of the new Central Plant building continues.
- ◆ Design of the parking garage should be complete as scheduled by mid-November; however, commencement of construction has been delayed until the required insurance and bonds are provided by the design-build firm. Final completion of construction remains scheduled for July 2010.
- ◆ Design documents are under review for the improvement of traffic flow and parking. Improvements to the West Drive may include a right turn lane exiting to SH 242 and road widening to the new parking garage. Additional temporary parking is being considered due to the anticipated significant loss of parking during construction.

❖ LSC-Conroe Center

- ◆ Closing on the donated land for the Conroe Center was completed during September. The construction documents have been completed and the project's first advertisement occurred on October 16. Competitive sealed proposals are due on November 10 followed by contractor interviews on November 13. A recommendation to the Board is planned for the December Board meeting.

❖ LSC-Cy Fair

- ◆ Design development for the Student Services/Classroom and Science Laboratory buildings is complete. Construction documents are scheduled for completion on December 9.
- ◆ Construction documents are being prepared for renovation of the Student Services area in the Learning Center, which will become the new Student Activities Center. Construction documents are scheduled for completion during December.
- ◆ Construction documents are complete for the new campus parking lots and related site utilities. Construction, which will begin in December, is being expedited due to the current overflow of vehicles onto the surrounding athletic fields and the Berry Center.

❖ LSC-Cy Fair Center

- ◆ The owner of the land parcel proposed for the Cy Fair Center has executed the Letter of Intent for the purchase of approximately 12 acres. A purchase and sale agreement is now being prepared and the seller has agreed to give LSCS access to the site in order to begin due diligence. The architect is scheduled to complete design development documents by early November and construction documents during January.

❖ LSC-Central Services and Training Center

- ◆ Proposals were received and interviews held during mid-October for Construction Manager at Risk services. A recommendation to the Board is on the November Board agenda.

- ◆ The architect is continuing schematic design for the renovation projects within District Services I, District Services II and the Houston Advanced Research Center (HARC) buildings.

❖ LSC-University Park

- ◆ Construction is in progress for the renovation of floors 2-5 in building 13 and for the renovation of restrooms and the installation of new stairs in buildings 12 and 13. Site work has commenced for new fire lanes and the furniture for building 13 has been ordered and will arrive during December. The space is planned for availability for the Spring 2010 classes which begin January 19th.
- ◆ Design work is complete for the Commons Conference Center technology upgrade and refresh of the space. Construction proposals have been received and are being evaluated.
- ◆ Space planning related to the relocation of System Office staff to buildings 11 and 12 is underway.
- ◆ Design of the university partners' space on floors 2 and 3 in building 12 is underway.
- ◆ The graphics design team is developing site way finding, building identification and code required signage for the campus. Design meetings with HP are complete and we are now waiting on HP Brand Management to approve the design. The graphics cost will be shared with HP.
- ◆ A recommendation for selection of a leasing/property management firm is on the November Board agenda.

Revenue Bond Project Summaries - 2007:

❖ LSC-North Harris

- ◆ MUD Conversion Project – Surveying and site utility location/validation work has been completed. Construction documents are expected to be completed by early December, followed closely by a contractor selection process.

❖ LSC-Kingwood

- ◆ Fire Alarm System Upgrade for LSC-Kingwood – Remaining punch-list items have been completed and all buildings are being monitored. Scope to cover additional elevator controls is still being evaluated.

❖ LSC-Tomball

- ◆ Replace Switchgear – An electrician has visited the site to verify accessibility issues and confirm that the replacement switchgear is in production. The switchgear replacement is scheduled to occur during the holiday break.
- ◆ Repair Exterior Windows – The RFP for this project has been issued and will be scheduled for consideration of approval at the December Board meeting.
- ◆ Repair Entrance Columns – The RFP for this project has been issued and will be scheduled for consideration of approval at the December Board meeting.

❖ LSC-Montgomery

- ◆ Card Access System Replacement - The installation of additional components for the card access system is scheduled to be completed during November.

Remediation

- ❖ LSC-Montgomery
 - ◆ Building F (Library) Patio Drainage Enhancement – Construction of a secondary drainage system for the patio began on October 16. Construction is scheduled to be complete by early November.

Exhibit "R"

Personnel Report and Consideration No. 1 (ACTION ITEM 12) Board Meeting 11-5-09

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 from the CyFair, Kingwood, Montgomery, Tomball, and System Office.

Fiscal Impact: Positions and salaries have been budgeted for 2009-2010.

Staff Resource: Rand Key 832-813-6522

a. **LSC-CyFair**

Quinten Robertson, Nursing, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of \$50,776 beginning October 1, 2009.

Education: M.S.N., Prairie View A&M University, Major: Family Nurse Practitioner; B.S.N., Grambling State University, Major: Nursing.

Experience: Hospice Division, Memorial Herman Hospital; Graduate Assistant-Retention Program, Prairie View A&M University; RN Staff Supervisor, Healthsouth Rehab; RN Staff-Renal Care, Coronary Invasive and Critical Care, St. Francis Medical Center.

Mojisola Word-Kelami, Computer Information Technology, Instructor

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of \$15,233 beginning August 24, 2009.

Education: M.S., Royal Institute of Technology, Major: Computational Science & Numerical Analysis; B.A., University of St. Thomas, Major: Mathematics.

Experience: Substitute Teacher, Cypress-Fairbanks ISD; Coffee Shop Owner & Application Development Manager, CocoNet Christian Café; Developer, Delinea, Inc.-Koch Industry, Inc.; Programmer, Reliability, Inc.

b. **LSC-Kingwood**

Conchita C. Cameron, Respiratory Care, Instructor

Effective: 4.5-month contracted employee at a semester pro-rated (70%) salary of \$14,727 beginning September 1, 2009.

Education: A.A.S., Lone Star College System, Major: Respiratory Care.

Experience: Respiratory Therapist, Memorial Hermann Hospital; Bookkeeper/Secretary, Self Employed; Executive Secretary, CEO; Secretary, Elf Petroleum.

Henry Garcia, Dean, College Relations

Effective: Twelve-month contracted employee at an annual salary of \$92,000 beginning September 28, 2009.

Education: M.A., University of the Incarnate Word, Major: Communications; B.A., Southwest Texas State University, Major: Journalism.

Experience: Communications Bureau Chief, Connecticut State Department Of Education; College Relations Director, Lone Star College System; Assistant Professor, Communications, Laredo Community College; Public Information Officer, National Kidney Foundation; Account Supervisor, Edelman Public Relations Worldwide; Communications Director, Laredo ISD.

Donna Spivey, Director, Nursing Program

Effective: Twelve-month contracted employee at an annual salary of \$70,600 beginning October 26, 2009.

Education: M.S.N., University of Texas-Tyler, Major: Nursing; B.S.N., University Texas Medical Branch, Major: Nursing; A.D.N., Louisiana State University, Major: Nursing.

Experience: Director of Emergency and Trauma Services, East Houston Regional Medical Center; Director of Expert Division, Medical Research Consultants; Reviewer, MDL-926; Registered Nurse, Alvin Urgent Care and Dauterive Hospital.

Eme Ukot, Associate Degree Nursing, Assistant Professor (Temporary Full-Time Grant Funded)

Effective: Twelve-month contracted employee at an annual salary of \$56,472 beginning October 1, 2009.

Education: M.B.A., American Intercontinental University, Major: Healthcare Management; B.S., Thomas Edison State College, Major: Nursing; B.S., Thames Valley University, Major: Management Information Systems; A.A.S., Lone Star College System, Major: ADN Nursing.

Experience: Adjunct Faculty and Skill Instructor, Lone Star College-Kingwood; Staff Registered Nurse, Select Specialty Hospital, Memorial Hermann Healthcare System, and Vital Health Services; High School Special Education Teacher, Needville ISD.

c. LSC-Montgomery

Wendell Williams, Vice President, Student Success

Effective: Twelve-month contracted employee at an annual salary of \$105,186 beginning December 1, 2009.

Education: M.S. & B.B.A., Arkansas State University, Major: Rehabilitation Counseling & Psychology.

Experience: Vice President of Student Success, Grayson County College; Vice President of Student Affairs/Learner Support, Mid-South Community College; Associate Director of University College, Director of Student Support Services, and Counselor, Arkansas State University.

d. **LSC-Tomball**

Pamela Shafer, Director, Library

Effective: Twelve month contracted employee at an annual salary of \$70,600 beginning October 16, 2009.

Education: M.L.S., Sam Houston State University, Major: Library Science; B.A., University of Vermont, Major: Nursing.

Experience: Reference Librarian, Lone Star College-Tomball; Librarian, Court Reporting Institute of Houston; Development Coordinator, Montgomery County Memorial Library System; Library Intern, Pennzoil Technology Center.

e. **LSC-System Office**

Bonnie Dean, Director, Business Development & Sales

Effective: Twelve-month contracted employee at an annual salary of \$75,798 beginning September 15, 2009.

Education: B.B.A., Sam Houston State University, Major: Business Education; A.A., Lone Star College System, Major: Business.

Experience: CE Instructor, Program Manager, and Adjunct Faculty, Lone Star College System; Owner/Trainer, Edutrain Services; Executive Vice President, Whitmer Seminars; Executive Director, Appraisal Institute; Secretary, The Appraisal Group.

Carol Steinmetz, Director, Automated Library Services

Effective: Twelve-month contracted employee at an annual salary of \$66,364 beginning September 15, 2009.

Education: M.L.S., University of North Texas, Major: Library Science; B.S., Texas A&M University, Major: Floriculture.

Experience: Librarian, Lone Star College System; Library System Administrator, Texas Health Science Libraries Consortium; Head of Cataloging, The University of Texas, M.D. Anderson Cancer Center and The University of Texas-School of Public Health.

Patricia Harakal, Director, Training Project Implementation

Effective: Twelve-month contracted employee at an annual salary of \$75,798 beginning September 15, 2009.

Education: B.S., Kent State University, Major: Business Education.

Experience: Program Manager, Lone Star College System; Training Center Business Manager, CompUSA; Independent Contractor, H.R. Strategies; Director of Education, Remington College; Co-owner, Medina Farmers Exchange.

Wayne Thompson, Senior Project Director, Construction

Effective: Twelve-month contracted employee at an annual salary of \$84,000 beginning September 21, 2009.

Education: B.A., University of Texas-Austin, Major: Architecture.

Experience: Sr. Project Manager, DE Harvey Builders, Tribble & Stephens, Mission Constructors, and Leach Building Company; Project Manager, Gamma Construction Company; Contract Manager, Estimator, H.A. Lott, Inc.

Steven Thomas, Senior Project Director, Construction

Effective: Twelve-month contracted employee at an annual salary of \$84,000 beginning October 19, 2009.

Education: B.S., Texas Tech University, Major: Construction Engineering Technology.

Experience: Senior Project Manager, Asnlow Bryan Construction, Ltd.; Project Manager, Bartlett Cocke Construction, LP; Engineering Technician, Parkhill, Smith & Cooper, Inc.

Exhibit "S"

Personnel Report and Consideration No. 2 (ACTION ITEM 13) Board Meeting 11-5-09

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
Nita Smith

Lone Star College-CyFair
Elizabeth Garica

Lone Star College-University Park
Bruce H. Breckenridge
Derrick A. Harris
Ronald E. Headley

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. Possess 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