MINUTES OF THE
PUBLIC HEARING AND
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
August 6, 2009
5:00 p.m.

PRESENT:  Dr. David Holsey, Vice Chair
Ms. Priscilla Kelly, Secretary
Dr. Richard Campbell
Ms. Stephanie Marquard
Mr. David Vogt

ABSENT:  Mr. Randy Bates, Chair
Mr. Chris Daniel, Assistant Secretary
Mr. Robert Adam
Mr. Robert Wolfe

Public Hearing – 2009-2010 Proposed Budget

I. CALL TO ORDER:  Dr. Holsey called the Public Hearing of the 2009-2010 proposed budget to order at 5:10 p.m. after determining a quorum was present.

II. PLEDGE OF ALLEGIANCE:  Mr. Vogt 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. PRESENTATION OF THE 2009-2010 PROPOSED BUDGET:  Ms. Cindy Gilliam, vice chancellor for administration and finance, presented an overview of the proposed budget with total operating and auxiliary funds of $233.7M. The proposed budget includes funds for system initiatives as well as accountability measures to report back to the Board the results of the initiatives. Support of student services and educational programs was proposed in the form of additional funding provided to individual college budgets. Also included in the budget revenue is an estimated growth in student enrollment of 4.4% and a modest increase from the State that covers growth from the last two years. There is no increase in the tax rate. A 4% competitive compensation increase, with a minimum of $1,200, was proposed for eligible full-time employees.

V. CITIZENS COMMENTS:  There were no citizen comments.
VI. **ADJOURNMENT OF PUBLIC HEARING:** Dr. Holsey adjourned the Public Hearing at 5:20 p.m.

**Workshop and Regular Meeting**

I. **CALL TO ORDER:** Dr. Holsey called the workshop and regular meeting of the Board of Trustees to order at 5:20 p.m. after determining a quorum was present.

II. **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 “B.”

III. **WORKSHOP:**

GO Bond Projects Update: Mr. Jimmy Martin, chief officer, construction and facilities, presented an overview of the progress of the bond projects for each of the college and the three satellite centers, which are on schedule to be completed by fall 2011. A graphic of the former HP facilities was presented showing what buildings the University Center, Willow Chase, administration offices, corporate college, food services and parking garage will be located.

IV. **INTRODUCTIONS, SPECIAL GUESTS, RECOGNITIONS:** Chancellor Carpenter welcomed Kassia Micek of the Conroe Courier and Bill Breslin of the Houston Chronicle.

The Chancellor introduced State Representative Patricia Harless who presented the Board and the Chancellor a Resolution from the State of Texas honoring Lone Star College System for the vision and work involved in acquiring the former HP facilities.

Dr. Campbell recognized Mr. Wayne Hemingway, adjunct math professor at LSC-Tomball, for his contribution to the quality of LSCS educational system and success of the students and for the celebration of his 90th birthday. Dr. Karr presented Mr. Hemingway with a State of Texas Resolution from Representative Debbie Riddle honoring his 66 years in education.

V. **CLOSED SESSION:** At 5:40 p.m. Dr. Holsey 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
VI. **RECONVENE REGULAR MEETING:** Dr. Holsey reconvened the open meeting at 7:10 p.m.

VII. **APPROVAL OF THE MINUTES OF THE JUNE 4, 2009 WORKSHOP AND REGULAR MEETING, JULY 27, 2009 BUDGET WORKSHOP AND JULY 27, 2009 SPECIAL MEETING:** upon a motion by Dr. Campbell and a second to the motion by Ms. Kelly, the Board unanimously approved the minutes of the June 4, 2009 Workshop and Regular Meeting, July 27, 2009 Budget Workshop and July 27, 2009 Special Meeting.

VIII. **CITIZENS DESIRING TO ADDRESS THE BOARD:** No citizens desired to address the Board.

IX. **SPECIAL REPORTS AND ANNOUNCEMENTS:**

1. **Chancellor:** Chancellor Carpenter extended a welcome to Dr. Susan Karr, president LSC-Tomball, Dr. Austin Lane, president LSC-Montgomery and Dr. Audrey Levy, president LSC-CyFair to their first Board meeting. The Chancellor extended an invitation to the Board to attend the System’s fall convocation, August 19th, from 8:30 a.m.-11:30 a.m. at the Woodlands Waterway Marriott. The Chancellor reported fall enrollment is up 18.7% from this time last year. This dramatic increase is not expected to hold, but indicates a significant increase in enrollment for the fall.

2. **College Presidents:** No reports or announcements.

3. **Vice Chancellors:** No reports or announcements.

4. **Other:**

   **Summary Report of Awards of Funding Proposals:** the Board reviewed the report as presented. A copy is attached as Exhibit “C.”

X. **CONSIDERATION OF CONSENT AGENDA:** Dr. Holsey proceeded with the Consent Agenda. Action Item 3 was recommended to be considered separately. Dr. Campbell made a motion to approve Action Items 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45 and 46. Ms. Marquard seconded the motion and the Board unanimously passed the Consent Agenda. A copy is attached as Exhibit “D.”

XI. **POLICY REPORTS AND CONSIDERATIONS**

1. **Consideration for the Recommended Revision of the Lone Star College System Board Policy Sections III D (First Reading):** the Board unanimously considered the recommended revisions of the Lone Star College System Board Policy Sections III D
Purchasing and Acquisitions. This constitutes a first consideration with a request for approval during the September Board meeting. A copy is attached as Exhibit "E."

2. Consideration to Adopt a Name for the New Campus Recently Purchased from HP (ACTION ITEM 1): the Board unanimously adopted the name of Lone Star College – University Park for the new campus recently purchased from HP. This item was passed in the Consent Agenda. A copy is attached as Exhibit "F."

3. Consideration for the Recommended Revision of the Lone Star College System Board Policy Sections IV.F.8, 10 and 13 (First Reading): the Board unanimously considered the recommended revisions of the Lone Star College System Board Policy Sections IV.F.8, 10 and 13. This constitutes a first consideration with a request for approval during the September Board meeting. A copy is attached as Exhibit "G."

4. Consideration for the Recommended Revision of the Lone Star College System Board Policy Sections VI.F (First Reading): the Board unanimously considered the recommended revisions of the Lone Star College System Board Policy Sections VI.F Student Disciplinary Action and Procedures. This constitutes a first consideration with a request for approval during the September Board meeting. A copy is attached as Exhibit "H."

XII. CURRICULUM REPORT AND CONSIDERATION

Consideration for Approval of the Core Curriculum for the Associate of Arts and the Associate of Science Degree for 2009-2010 (ACTION ITEM 2): the Board unanimously approved the revised Associate of Arts and Associate of Science Core Curriculum for the 2009-2010 academic year. The revised core curriculum must be submitted to the Texas Higher Education Coordinating Board. This item was passed in the Consent Agenda. A copy is attached as Exhibit "I."

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 "J."

2. Quarterly Financial Report: Ms. Cindy Gilliam, vice chancellor for administration and finance, presented the quarterly investment report. A copy is attached as Exhibit "K."

3. Consideration of Approval of an Order Authorizing the Issuance of Lone Star College System Limited Tax General Obligation Bonds, Series 2009: Authorizing the Vice Chancellor for Administration and Finance and Chief Financial Officer to Approve the Amount, the Interest Rate, Price, and Terms Thereof and Certain Other Procedures and Provisions Related Thereto (ACTION ITEM 3): upon a motion by Dr. Campbell and a second to the motion by Ms. Kelly, the Board unanimously
approved an order authorizing the issuance of $150,000,000 Limited Tax General Obligation Building Bonds, Series 2009. A copy is attached as Exhibit “L.”

4. Consideration of Adoption of Resolutions Authorizing Signatories for the System’s Accounts with the Local Government Investment Cooperative (LOGIC), Lone Star Investment Pool, and TexPool (ACTION ITEM 4): the Board unanimously adopted resolutions to designate Cynthia Gilliam, Vice Chancellor for Administration and Finance and CFO; John Robertson, Treasurer; Mary Mboche, Professional Analyst; Mary “Katy” Holloway, Debt Management Accountant; the authorized signatories to the System’s accounts with the LOGIC, Lone Star Investment Pool, and TexPool. This item was passed in the Consent Agenda. A copy is attached as Exhibit “M.”

5. Consideration of Adoption of Recommended 2009-10 Budget (ACTION ITEM 5): the Board unanimously adopted the 2009-10 budgets for the General and Auxiliary Funds. This item was passed in the Consent Agenda. A copy is attached as Exhibit “N.”

6. Consideration of Approval to Renew the System’s Annual Insurance Policies for FY 2009-10 and to Renew an Agreement for Administration of International Student Health Insurance (ACTION ITEM 6): the Board unanimously approved the renewal of the System’s annual insurance policies for FY 2009-10 for estimated premium amounts of $1,492,502 an increase of $215,374 (16.86%) from the expiring term, and the renewal of an agreement for administration of international student health insurance. This item was passed in the Consent Agenda. A copy is attached as Exhibit “O.”

7. Consideration of Approval to Extend the Award for Purchase of Cosmetology Supplies for LSC-North Harris and LSC-Kingwood (ACTION ITEM 7): the Board unanimously approved the extension of the award for the purchase of cosmetology supplies for LSC-North Harris and LSC-Kingwood from the following vendors for an estimated amount of $29,000 annually: Correlations, Major Advance International, Mariana Industries, Inc., Sally Beauty Supplies and YG Labs/The Esthetics Connections. In addition, approved the option to renew for two additional one year terms. This item was passed in the Consent Agenda. A copy is attached as Exhibit “P.”

8. Consideration of Approval to Extend the Award for Purchase of Veterinary Technology Supplies for LSC-Tomball (ACTION ITEM 8): the Board unanimously approved the extension of the award for the purchase of veterinary technology supplies for LSC-Tomball from the following vendors for an amount not to exceed $55,000 for one year with an option to renew for two additional one year terms: Butler Animal Health Supply, DVM Resources, Henry Schein, Miller Veterinary Supply and Webster Vet Supply. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Q.”
9. Consideration of Authorization for the Chancellor to Negotiate and Execute an Agreement and Deed for the Conveyance of Land for the New Montgomery County Higher Education Center (ACTION ITEM 9): the Board unanimously authorized the Chancellor or his designee to negotiate and execute the Agreement and Deed for the conveyance of 7 acres of land located adjacent to LSC–Montgomery campus to the Texas State University System. This item was passed in the Consent Agenda. A copy is attached as Exhibit “R.”

10. Consideration of Approval to Purchase Local Restaurant Services (ACTION ITEM 10): the Board unanimously approved the purchase of local restaurant services for an estimated amount of $410,000 annually for an amount not to exceed $820,000 over two years from the attached list of restaurants. This item was passed in the Consent Agenda. A copy is attached as Exhibit “S.”

11. Consideration of Approval to Purchase Locksmith Hardware and Services (ACTION ITEM 11): the Board unanimously approved the purchase of locksmith hardware and services from Gordon’s Safe & Lock, Inc., 9206 FM 1960 West, Houston, TX 77070 and Pop-a-Lock, 3005 Cedar Ridge Trail, Friendswood, TX 77546 for an estimated amount of $35,000 annually not to exceed an amount of $70,000 over a two year period. This contract includes an option to renew for three additional one year terms. This item was passed in the Consent Agenda. A copy is attached as Exhibit “T.”

12. Consideration of Approval to Extend Award for Purchase of Science Supplies and Instructional Chemicals (ACTION ITEM 12): the Board unanimously approved the purchase of science supplies and instructional chemicals for an estimated amount of $200,000 per year for a total not-to-exceed amount of $800,000 over four years from the following vendors: Atlas Medical Supply, Bio-Rad Laboratories, Benz Microscopes Optic Center, Carolina Biological Supply, Connecticut Valley Biological Supply, EDVOTEK, Flinn Scientific, Fisher Scientific, Frey Scientific Nasco, Sargent Welch, Sigma Aldrich, Spectrum Chemicals & Lab, Thermo Fisher Scientific, Troy Biological, Ward’s Natural Science and VWR International, LLC. This item was passed in the Consent Agenda. A copy is attached as Exhibit “U.”

13. Consideration of Approval to Purchase Assessment Tests for FY 2009-10 (ACTION ITEM 13): the Board unanimously approved the purchase of paper and computerized assessment tests for FY 2009-10 for a not-to-exceed amount of $300,000 from the following vendors: American College Testing (ACT), The College Board, ASSET (paper) and COMPASS (computer-based) and ACCUPLACER (computer-based). This item was passed in the Consent Agenda. A copy is attached as Exhibit “V.”

14. Consideration of Approval to Purchase Mechatronics Technology Equipment for LSC-North Harris and LSC-Cy Fair (ACTION ITEM 14): the Board unanimously approved the purchase of mechatronics technology equipment for LSC-North Harris and LSC-CyFair from the lowest bidder, Advanced Technologies Consultants, Inc.,
110 W. Main Street, Northville, MI 48167 in the amount of $217,090. This item was passed in the Consent Agenda. A copy is attached as Exhibit “W.”

15. Consideration of Approval to Purchase Child Care Services for LSC-CyFair (ACTION ITEM 15): the Board unanimously approved the purchase of child care services from Langham Creek Family YMCA, 16725 Longenabaugh Drive, Houston, Texas 77095, in the amount of $51,430 annually for a total amount of $102,860 over two years. This purchase includes an option to renew annually for three additional years. In addition, authorized the Chancellor or designee to negotiate and execute amendment(s) to accommodate for any reasonable price adjustments for renewal terms. This item was passed in the Consent Agenda. A copy is attached as Exhibit “X.”

16. Consideration of Approval to Purchase Additional Temporary Employment Services (ACTION ITEM 16): the Board unanimously approved the purchase of additional temporary employment services in the amount of $2,450,000 for a total amount of $2,750,000 over two years from the following vendors: Burnett Staffing, Meador Staffing, Consultants Group International, ProStaff Personnel, DEPLOYIT Inc., Spherion Atlantic, Kelly Temporaries, Staff Solve, Kingwood Personnel, and Willis Group. This item was approved in the Consent Agenda. A copy is attached as Exhibit “Y.”

17. Consideration of Approval to Extend Agreement with Premier/U.S. Foodservice for Purchase of Grocery Supplies (ACTION ITEM 17): the Board unanimously approved the extension of the agreement with Premier/U.S. Foodservice, 111 Alliant Drive, Houston, TX 77032, for one additional year for the purchase of grocery supplies for an amount not to exceed $320,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Z.”

18. Consideration of Approval to Extend The Cooperative Purchasing Network (TCPN) Lease of Temporary Modular Buildings at LSC-Montgomery and LSC-CyFair (ACTION ITEM 18): the Board unanimously approved the one year extension of the lease agreements for temporary modular buildings for LSC-Montgomery and LSC-CyFair from Williams Scotsman Corporation, 7915 FM 1960 West, Suite 115, Houston, Texas 77070 in the amount of $248,952. This item was passed in the Consent Agenda. A copy is attached as Exhibit “aa.”

19. Consideration of Approval of Annual Area Job Order Contractor (AJOC) Purchases for Construction Related Projects (ACTION ITEM 19): the Board unanimously approved the cooperative purchase of AJOC construction services for construction related projects from approved purchasing cooperative program contractors in an amount not to exceed $1,000,000 in FY 2009-10. In addition, authorized the Chancellor or designee to negotiate any contracts for the purchase of these services. This item was passed in the Consent Agenda. A copy is attached as Exhibit “bb.”
20. Consideration of Approval to Purchase Library Materials, Supplies, Services, and Resource Sharing Membership Fees for FY 2009-10 (ACTION ITEM 20): the Board unanimously approved the purchase of library materials, supplies, services, and resource sharing membership fees for FY 2009-10 for the five system libraries and associated centers for an amount not to exceed $1,112,000. In addition, authorized the Chancellor or designee to execute any agreements related to these purchases. This item was passed in the Consent Agenda. A copy is attached as Exhibit "cc."

21. Consideration of Approval to Extend Agreement for Purchase of Insurance Broker Services (ACTION ITEM 21): the Board unanimously approved the extension of the agreement for the purchase of insurance broker services with Arthur J. Gallagher & Co., 7007 Wimbledon Estates Drive, Spring, TX 77379, in the amount of $64,680 for FY 2009-10 and $67,267 for FY 2010-11 for a total amount of $131,947 over two years. This item was passed in the Consent Agenda. A copy is attached as Exhibit "dd."

22. Consideration of Approval to Purchase Additional Surveying Services (ACTION ITEM 22): the Board unanimously approved the purchase of additional surveying services for an estimated amount of $200,000 for a total purchase of $496,780 from the following firms: West Belt Surveying, Inc. for LSC-North Harris and LSC-Greenspoint; Pate Engineering for LSC- Tomball and HP Site; LJA Engineering & Surveying for LSC-Kingwood and New Atascocita Satellite Center; Landtech Consultants, Inc. for LSC-Montgomery and New Conroe Satellite Center; Surveying and Mapping, Inc. for LSC-CyFair and New CyFair Satellite Center. In addition, authorized the Chancellor or designee to negotiate and execute the contract amendments related to this additional purchase. This item was passed in the Consent Agenda. A copy is attached as Exhibit "ee."

23. Consideration of Approval to Amend Food Service Operations Agreement with Presto Foods to Include LSC-Kingwood (ACTION ITEM 23): the Board unanimously approved an amendment to the Food Service Operations agreement with Presto Foods, LLC, d/b/a Fazoli’s Italian Restaurant, 10 Leisure Lane, Houston, TX 77024, to include LSC-Kingwood. This item was passed in the Consent Agenda. A copy is attached as Exhibit “ff.”

24. Consideration of Approval to Purchase Computer Numerical Controlled (CNC) Millwork Equipment for LSC-CyFair (ACTION ITEM 24): the Board unanimously approved the purchase of CNC millwork equipment from the lowest bidder, Champion Machine Tools, 1151 E. Cypresswood, Spring, TX 77383, in the amount of $67,750. This item was passed in the Consent Agenda. A copy is attached as Exhibit “gg.”

25. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for Purchase of Land for a New LSC-CyFair Satellite Center (ACTION ITEM 25): the Board unanimously authorized the Chancellor or designee to negotiate and execute a contract to purchase approximately 10-12 acres on Clay
Road southwest of LSC-CyFair in an amount not to exceed the fair market value. This item was passed in the Consent Agenda. A copy is attached as Exhibit "hh."

26. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Agreement for Purchase of Technology Consulting Services for Datatel Colleague Transition (ACTION ITEM 26): the Board unanimously authorized the Chancellor or designee to negotiate and execute an agreement and any related amendments for the purchase of technology consulting services for Datatel support during LSCS’s Enterprise Resource Planning (ERP) implementation in an amount not to exceed $1,000,000 from the following vendors: Strata Information Group (SIG), 3935 Harley Street, Suite 203, San Diego, CA 92110 and Sungard Higher Education, 2300 Maitland Center Parkway, Suite 340, Maitland, FL 32751. This item was passed in the Consent Agenda. A copy is attached as Exhibit "ii." 

27. Consideration of Approval to Purchase Radiography Imaging System for LSC-CyFair (ACTION ITEM 27): the Board unanimously approved the purchase of a radiography imaging system for the Medical Radiologic Technology program at LSC-CyFair from the lowest bidder, Cranford X-Ray Company, 8106 Bervyn Drive, Houston, TX 77037 in the amount of $53,400. This item was passed in the Consent Agenda. A copy is attached as Exhibit "jj."

28. Consideration of Acceptance of Gifts (ACTION ITEM 28): 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 "kk."

29. Consideration of Approval to Authorize the Chancellor or Designee to Execute Contract Amendments for Purchase of Additional Project Management Services (ACTION ITEM 29): the Board unanimously authorized the Chancellor or designee to execute contract amendments for the purchase of additional project management services and supplemental staffing from Broadus & Associates for an additional amount of $700,000 for a total contract amount not to exceed $1,341,963. This item was passed in the Consent Agenda. A copy is attached as Exhibit "ll."

30. Consideration of Approval for Purchase of Ultrasound Training Simulator for LSC-Cy-Fair (ACTION ITEM 30): the Board unanimously approved the purchase of ultrasound training simulator equipment and software from MedSim, Inc., 3215 N.W. 10th Terrace, Suite 201, Ft. Lauderdale, FL 33309 in the amount of $77,100. This item was passed in the Consent Agenda. A copy is attached as Exhibit "mm."

31. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement for the Harris County Department of Education (HCDE) Cooperative Purchase of: Historically Underutilized Business (HUB) Program Management Services (ACTION ITEM 31): the Board unanimously authorized the Chancellor or designee to negotiate and execute an agreement for the HCDE cooperative purchase of HUB program management services from P2MG-
Professional Project Management Group, 10303 Northwest Freeway Suite 102, Houston, Texas 77092 for an amount not to exceed $400,000 over the term of the 2008 general obligations bond program. This item was passed in the Consent Agenda. A copy is attached as Exhibit “nn.”

32. Consideration of Approval for the Chancellor to Negotiate and Execute a Contract for the Sale of Lone Star College System’s Satellite Center Known as Willow Chase Center Located at 9449 Grant Rd, Houston, TX 77070 (ACTION ITEM 32): the Board unanimously authorized the Chancellor or his designee to negotiate and execute a contract for the sale of Willow Chase Center to the Board of Regents of the Texas A&M University System, A&M System Building, Suite 2079, 200 Technology Way, College Station, Brazos County, Texas 77840-3424 in the amount of $8,900,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “oo.”

33. Consideration of Approval to Purchase Plagiarism Prevention Software (ACTION ITEM 33): the Board unanimously approved the purchase of plagiarism prevention software from iParadigms, LLC, 1624 Franklin Street, 7th Floor, Oakland, CA 94612 in an amount not to exceed $250,000 over five years. In addition, authorized the Chancellor or designee to negotiate and execute annual renewal subscriptions. This item was passed in the Consent Agenda. A copy is attached as Exhibit “pp.”

34. Consideration of Approval to Replace Main Electrical Switchgear at LSC-Tomball (ACTION ITEM 34): the Board unanimously approved the replacement of the main electrical switchgear at LSC-Tomball by the lowest bidder, Capp Electric, 4303 Glebe, Houston, TX 77018 in the amount of $296,264. This item was passed in the Consent Agenda. A copy is attached as Exhibit “qq.”

35. Consideration of Approval to Extend Agreement for Purchase of Lawn Maintenance Services for Four Locations (ACTION ITEM 35): the Board unanimously approved the extension of the lawn service maintenance agreements from the following contractors in the amount of $193,205 annually for a total amount of $386,410 over two years: Landscape Consultants of Texas dba Landscape Professionals for LSC-University Center in the amount of $12,877; LSC-Willow Chase Center* in the amount of $9,232; LSC-Conroe Center in the amount of $4,800 and Landscape Images of Texas for LSC-CyFair in the amount of $166,296. This item was passed in the Consent Agenda. A copy is attached as Exhibit “rr.”

*Subject to termination in December 2009.

36. Consideration of Approval to Purchase Professional Architectural Services for Construction Projects (ACTION ITEM 36): the Board unanimously approved the purchase of professional architectural services for construction projects for an amount not to exceed $250,000 over a period of three years from the following firms: CAPS Architectural Services, PGAL, OC+A Architects, Huitz Zollars and Hill & Swart Architect. In addition, authorized the Chancellor or designee to negotiate and execute the Statement of Work for each project. This item was passed in the Consent Agenda. A copy is attached as Exhibit “ss.”
37. Consideration of Approval to Purchase Professional Engineering Services for Construction Projects (ACTION ITEM 37): the Board unanimously approved the purchase of professional engineering services for construction projects for an amount not to exceed $500,000 over a period of three years from the following firms: Bovay Engineering, Inc., CAI Engineering, Lockwood Andrews & Associates, Marshall Engineering and Smith Seckman Reid, Inc. In addition, authorized the Chancellor or designee to negotiate and execute the Statement of Work for each project. This item was passed in the Consent Agenda. A copy is attached as Exhibit "tt."

38. Consideration of Approval of Harris County Department of Education (HCDE) Cooperative Purchase to Install a Fence at LSC-North Harris Health Professions Building (ACTION ITEM 38): the Board unanimously approved the cooperative purchase to install a fence around the property of the LSC-North Harris Health Science Building from the HCDE Area Job Order Contractor (AJOC), Basic IDIQ General Contractors, 2900 Wood Ridge, Suite 312, Houston, TX 77087, in an amount not to exceed $124,351. This item was passed in the Consent Agenda. A copy is attached as Exhibit "uu."

39. Consideration of Approval to Purchase Annual Construction Services for Repair and Replacement Projects (ACTION ITEM 39): the Board unanimously approved the purchase of construction services for repair and replacement projects for an amount not to exceed $2,680,000 for FY 2009-2010. In addition, authorized the Chancellor or designee to execute contracts related to these construction purchases. This item was passed in the Consent Agenda. A copy is attached as Exhibit "vv."

40. Consideration of Approval to Purchase 3D Interactive Software, Projection Hardware, and Onsite Training for LSC-CyFair (ACTION ITEM 40): the Board unanimously approved the purchase of 3D interactive software, projection hardware, and onsite training from Eon Reality, 39 Parker Suite 100, Irvine, CA 92618 in the amount of $57,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit "ww."

41. Consideration of Approval to Amend Janitorial Services Agreement for LSC-North Harris (ACTION ITEM 41): the Board unanimously approved the amendment to the janitorial services agreement for LSC-North Harris with McElmore Building Maintenance (MBM), 110 Fargo Street, Houston, Texas 77006, for an additional amount of $67,032 annually for a total annual amount of $263,530. This item was passed in the Consent Agenda. A copy is attached as Exhibit "xx."

42. Consideration of Approval of a Proposed Voluntary Health Insurance Plan for Students Participating in Health Occupation Internship/Clinical Programs (ACTION ITEM 42): the Board unanimously approved the establishment of a voluntary Health Insurance Plan for students desiring medical insurance. Hospitals providing internship opportunities for health occupation students are now including a student medical insurance requirement in their Affiliation Agreements with Lone Star
College System. This item was passed in the Consent Agenda. A copy is attached as Exhibit "yy."

43. Consideration of Approval to Purchase Real Estate and Management Services for Health Professions Building at LSC-North Harris (ACTION ITEM 43): the Board unanimously approved the purchase of real estate and management services for the Health Professions Building at LSC-North Harris from FFC Management Services, LP d/b/a Caldwell Management Services, a Texas limited partnership in an amount not to exceed $100,000 over a period of one year. This item was passed in the Consent Agenda. A copy is attached as Exhibit "zz."

XIV. BUILDING AND GROUNDS REPORT:

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

XV. PERSONNEL REPORTS AND CONSIDERATIONS:

1. Consideration of Ratification of Appointments (ACTION ITEM 44): the Board unanimously ratified the appointments as presented. This item was passed in the Consent Agenda. A copy is attached as Exhibit "BB."

2. Consideration of Acceptance of Resignations (ACTION ITEM 45): the Board unanimously accepted the resignations as presented. This item was passed in the Consent Agenda. A copy is attached as Exhibit "CC."

3. Consideration of Approval of Commissioning of Peace Officer (ACTION ITEM 46): the Board unanimously approved the commissioning of the following peace officers for the Lone Star College System: LSC-Tomball – Otis W. Curtis, Jr.; LSC-Kingwood – Quincy J. Jones and LSC-North Harris – Latyna C. Small. This item was passed in the Consent Agenda. A copy is attached as Exhibit "DD."

XVI. SUGGESTED FUTURE AGENDA ITEMS: None

XVII. ADJOURNMENT: There being no further business, the meeting was adjourned at 7:21 p.m.

ATTEST:

[Signatures]
Board of Trustees
Chair

[Signatures]
Board of Trustees, Secretary

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Exhibit "A"

Certification of Posting of Notice to the August 6, 2009
Public Hearing
2009-10 Proposed Budget of the
Lone Star College System
Board of Trustees

I, Richard Carpenter, Chancellor of the Lone Star College System, do hereby certify that a notice
of the Public Hearing was posted on Monday the 3rd day of August, 2009 in a place convenient
to the public in the Administration Office of the District 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 3rd day of August, 2009.

[Signature]

Richard Carpenter
Chancellor
Exhibit “B”

Certification of Posting of Notice to the August 6, 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 3rd day of August, 2009 in a place convenient to the public in the Administration Office of the District 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 3rd day of August, 2009.

[Signature]

Richard Carpenter
Chancellor
Special Report and Announcement

Report: Summary Report of Awards
The following information gives a comparison of grant activity for the twelve month periods ending June 30 2008 and 2009. In addition, a description of each grant awarded since the last Summary Report of Awards is attached.

Total Amount of Awards  $5,347,686  $6,783,603
Total Number of Grants Awarded  28  29

Pending Proposals
Number of Pending Proposals  10
Amount of Pending Proposals  $6,088,292

Table 2: Summary of Grant Seeking Activities 12 months ending June 30

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<td>Number of Awards</td>
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</tr>
<tr>
<td>LSCS as Fiscal Agent</td>
<td>23</td>
<td>9</td>
</tr>
<tr>
<td>Number of Pending Proposals</td>
<td>N/A</td>
<td>10</td>
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<tr>
<td>Amount of Pending Proposals</td>
<td>N/A</td>
<td>$6,088,292</td>
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<tr>
<td>Number of Proposals Not Funded</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Amount of Proposals Not Funded</td>
<td>$2,433,520</td>
<td>$6,515,100**</td>
</tr>
<tr>
<td>Total Number of Proposals Submitted</td>
<td>32</td>
<td>47</td>
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<tr>
<td>Total Amount of Proposals Submitted</td>
<td>$8,246,079</td>
<td>$19,386,995**</td>
</tr>
<tr>
<td>Success Rate [awards/(proposals submitted-pending proposals)]</td>
<td>N/A</td>
<td>78%</td>
</tr>
<tr>
<td>Grants Currently Under Development</td>
<td>N/A</td>
<td>14</td>
</tr>
<tr>
<td>Grants Explored</td>
<td>49</td>
<td>66</td>
</tr>
<tr>
<td>Number of Grants Assessed, But Not Pursued</td>
<td>N/A</td>
<td>5</td>
</tr>
</tbody>
</table>

** Includes $6,000,000 submission to the Economic Development Administration to support workforce training in the Aldine Area from disaster recovery funds.
N/A = Information Not Available
Lone Star College System
Grant Awards Received Between March 1, 2009 – June 30, 2009

1. Grant Title: Community College Scholarship Program
   Funding Agency: Greater Texas Foundation
   Amount Awarded: $25,000
   Date Awarded: May 1, 2009
   Fiscal Agent: Lone Star College System
   Project Director: Darcy Mingoia
   Colleges: Lone Star College System
   Duration: 1 Year
   External Partners: N/A

Description:
The program will focus on students in the nursing and healthcare fields and will help meet the needs of students who are coming from various socioeconomic backgrounds. These students may be working adults or traditional-age students, certificate or degree seeking who require financial assistance in order to accommodate their educational needs. Lone Star College System (LSCS) received $25,000 in scholarship funds in order to assist students in financial need. This will allow LSCS to recruit and retain students who wish to reach their educational goals and make a great contribution to our community and/or country.

2. Grant Title: Additional Funding for the Small Business Development Center
   Funding Agency: University of Houston/SBA
   Amount Awarded: $107,342
   Date Awarded: May 18, 2009
   Fiscal Agent: Lone Star College System
   Project Director: Sal Mira
   Colleges: Lone Star College System
   Duration: 1 Year
   External Partners: N/A

Description:
These additional funds will support additional staff and activities for the Small Business Development Center (SBDC). The SBDC Program is designed to provide high quality business and economic development assistance to small business and nascent entrepreneurs in order to promote growth, expansion, innovation, increased productivity and management improvement. To accomplish these objectives, the SBDC links resources of the federal, state and local governments with the resources of the educational community and the private sector to meet the specialized and complex needs of the increasingly diverse small business
3. Grant Title: 2009 Intensive Summer Program for General Education Students
Funding Agency: Texas Higher Education Coordinating Board (THECB)
Amount Awarded: $23,750
Date Awarded: May 29, 2009
Fiscal Agent: Lone Star College System
Project Director: Anne Albarelli
College: Lone Star College System
Duration: 4 Months
External Partners: N/A

Description:
LSC-CyFair will initiate this pilot program, with assistance from Lone Star College-North Harris Adult Education Program and the Harris County Department of Education, to assist the THECB in collecting data to determine if short-term, accelerated instruction and support can positively affect college persistence and success for students at risk of dropping out of college. This pilot program specifically targets 15 students who have completed their GED within the past 24 months.

4. Grant Title: Adult Education/TANF
Funding Agency: Texas Education Agency
Amount Awarded: $1,169,633
Date Awarded: June 22, 2009
Fiscal Agent: Lone Star College System
Project Director: William Garcia
College: Lone Star College-North Harris
Duration: 1 Year
External Partners: N/A
Description:
Lone Star College continues to utilize state (Texas Education Agency) and federal funds (U.S. Department of Education) through a variety of grants to provide educational programs to the adults in the service areas of Aldine Independent School District, Humble Independent School District, Spring Independent School District, and Tomball Independent School District. The services offered are basic skills instruction and secondary school instruction to GED and ESL (English as a Second Language) students. The GED population is designated to provide instruction to eligible students 17 years and older. The program has been in existence for over twenty years.

5. Grant Title: Adult Education/EL Civics
   Funding Agency: Texas Education Agency
   Amount Awarded: $102,000
   Date Awarded: June 22, 2009
   Fiscal Agent: Lone Star College System
   Project Director: William Garcia
   College: Lone Star College-North Harris
   Duration: 1 Year
   External Partners: N/A

Description
The LSC-North Harris program is intended to help adult ESL learners understand society's structures and become effective in everyday life as a worker, or family or community member. To accomplish this goal, the EL Civics program integrates a comprehensive civic participation component into English-as-a-Second-Language (ESL) instruction. Following the Equipped for the Future (EFF) model, LSC-NH EL Civics program stresses contextualized learning in which language and literacy are developed through practical, immediately relevant, thematic units. Experiential learning concepts are used where students are actively engaged and community pursuits are integrated into program delivery.

6. Grant Title: Ike Recovery Funds
   Funding Agency: Texas Department of Public Safety, Pass-through from FEMA
   Amount Awarded: $337,926
   Date Awarded: June 12, 2009
   Fiscal Agent: Lone Star College System
Project Director: Walt Cooley
College: Lone Star College System
Duration: 1 Year
External Partners: N/A

Description:
These funds are disaster relief funds to cover costs associated with Hurricanes Ike expenses. A total of $1,033,536 has been requested and additional funds are in the process of being awarded.
Consideration of Consent Agenda

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

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

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

Tally of Action Items:

<table>
<thead>
<tr>
<th>#</th>
<th>Action Description</th>
<th>Consent Agenda</th>
<th>Chancellor Recommended Separate Action</th>
<th>Board Separate Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Adopt Name/New Campus Purchased/HP</td>
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<tr>
<td>2</td>
<td>Approve Core Curriculum/Assoc Arts/Science Degree</td>
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<td>3</td>
<td>Approve Issuance of Bonds</td>
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<td>4</td>
<td>Adopt Resolution Auth Signatories/Invest/TexPool</td>
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<td>5</td>
<td>Adopt 2009-10 Budget</td>
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<td>6</td>
<td>Approve Renewal Ins/Agrmnt Int’l Student Health Ins</td>
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<td>7</td>
<td>Approve Purchase Cosmetology Supplies/N/K</td>
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<td>8</td>
<td>Approve Purchase Veterinary Tech Supplies/T</td>
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<td>9</td>
<td>Authorize Chan/Neg/Exec/Conveyance Land NMCHEC</td>
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<tr>
<td>10</td>
<td>Approve Purchase Restaurant Services</td>
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<td>11</td>
<td>Approve Purchase Locksmith Hardware/Services</td>
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<td>12</td>
<td>Approve Purchase Science Supplies/Instruction Chemicals</td>
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<td>13</td>
<td>Approve Purchase Assessment Tests FY2009-10</td>
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<td>14</td>
<td>Approve Purchase Mechatronics Tech Equipmt/NH/CF</td>
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<td>15</td>
<td>Approve Purchase Child Care Services/CF</td>
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<td>16</td>
<td>Approve Purchase Add’l Temporary Employment Svcs</td>
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<td>17</td>
<td>Approve Agreement/Purchase Grocery Supplies</td>
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<tr>
<td>18</td>
<td>Approve Lease/Temp Modular Building/M/CF</td>
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<tr>
<td>Tally of Action Items:</td>
<td>Consent Agenda</td>
<td>Chancellor Recommended Separate Action</td>
<td>Board Separate Action</td>
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<td>#19 - Approve Purchase Construction Related Projects</td>
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<td>#20 - Approve Purchase Libr Materials/Supplies/Svcs/Fees</td>
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<td>#21 - Approve Purchase Insurance Broker Services</td>
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<td>#22 - Approve Purchase Surveying Services</td>
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<td>#23 - Approve Amendment/Food Services Oper Agreement/K</td>
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<td>#24 - Approve Purch Computer Num Control Millwork/CF</td>
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<tr>
<td>#25 - Authorize/Chan/Neg/Exec Contract/Pur Land/CF Center</td>
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<tr>
<td>#26 - Authorize/Chan/Neg/Exec Aqmt/Pur/Consulting Svcs</td>
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<tr>
<td>#27 - Approval Purchase Radiography Imaging System/CF</td>
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<td>#28 - Accept Gifts</td>
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<tr>
<td>#29 - Authorize/Chan/Neg/Exec/Contract/Add’l Proj Mgmt Sv</td>
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<tr>
<td>#30 - Approve Purchase Ultrasound Training Simulator/CF</td>
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<td>#31 - Approve Purchase/HUB Program Management Services</td>
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<td>#33 - Approve Purchase Plagiarism Prevention Software</td>
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<td>#34 - Approve Replacing Main Electrical Switchgear/T</td>
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<td>#35 - Approve Agreement/Purchase Lawn Maintenance Svcs</td>
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<td>#36 - Approve Purchase Architectural Svcs/Construction Proj</td>
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<td>#37 - Approve Purchase Engineering Svcs/Construction Proj</td>
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<td>#38 - Approve Purchase of Services/Install/Fence/NH</td>
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<td>#40 - Approve Purch 3D Interactive Software/Hdwr/Train/CF</td>
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<td>#41 - Approve Janitorial Services Agreement/NH</td>
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<td>#42 - Approve Voluntary Health Insurance Plan/Students Prog</td>
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<tr>
<td>#43 - Approve Purchase/Real Estate/Management Svcs/NH</td>
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<tr>
<td>#44 - Ratify Appointments</td>
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<tr>
<td>#45 - Accept Resignations</td>
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<tr>
<td>#46 - Commission Peace Officers</td>
<td></td>
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</table>
Policy Report and Consideration No. 1  (FIRST READING)  Board Meeting 8-6-09

Request: Consideration for the Recommended Revision of the Lone Star College System Board Policy Sections III D (First Reading)

Chancellor’s Recommendation: That the Board of Trustees consider the recommended revisions of the Lone Star College System Board Policy Sections III D – Purchasing and Acquisitions. This constitutes a first consideration with a request for approval during the September Board meeting.

Rationale: During the 2009 legislative session, several key sections with the Texas Education Code were amended or repealed. Former Education Code §44.033 was repealed and §44.0311 was amended and replaced with HB 987 and HB 962, respectively, which gives the LSCS (i) greater flexibility in the way bids and proposals may be received, (ii) the means by which library goods and services are procured, and (iii) an increased threshold amount of $50,000 for required competitive procurement of other goods and services. In addition, and in the spirit and intent of HB 987, it is recommended that the threshold amount of approval to the Board of Trustees for goods and services be increased from $50,000 to $100,000.

Fiscal Impact: None.

Staff Resource: Brian S. Nelson 832-813-6655
LONE STAR COLLEGE SYSTEM
BOARD POLICY FOR PURCHASING AND ACQUISITIONS

PURCHASING AND ACQUISITIONS

1. Purchasing Overview

D.1.01 Legal Responsibility of System for Debts:

The Board shall assume responsibility for debts incurred in the name of the System so long as those debts are for purchases made in accordance with adopted Board policy, and current administrative procedures regarding contracting and purchasing. The Board shall not be responsible for debts incurred by persons or organizations not directly under Board control. The Board shall not be responsible for any other unauthorized purchase or debt. All vendors are charged with the responsibility to discover an individual or an organization's authority before any purchase, contract or debt is incurred. Persons making unauthorized purchases shall assume full responsibility for all such debts.

D.1.02 Forms of Purchase:

The System utilizes four forms of purchasing: check requests, approved credit card transactions (including Procurement Cards), petty cash disbursements, and purchase orders.

a. Check Requests should be used to request payment for goods and services where a purchase order is not warranted. Specific procedures concerning the use of check requests are to be developed by the Associate Vice Chancellor for Business Support Services and approved by the Executive Council.

b. System credit cards may be used to purchase travel-related services, including registration for approved conferences, and other small dollar purchases as approved by the Chancellor or Executive Council.

c. The Petty Cash Fund is set up to fund "out of pocket" expenditures by the employees of the System. Petty cash fund use must be approved in advance by the supervisor and no petty cash expenditure may exceed $75.00. Each petty cash expenditure shall be documented with a receipt appropriate to the purchase.

d. All other purchases shall be made by purchase order. All purchase orders shall be under the control of the System Purchasing
Creditors of the System shall be notified that purchase commitments made without a properly drawn purchase order and not authorized by the System Purchasing Director, or other designee of the Chancellor, will not be honored for payment.

**D.1.03 Responsibilities of LSCS Employees:**

All System employees engaged in the purchasing processes are to conduct themselves fairly, objectively, and will observe the confidentiality of the decision-making and award processes so as to serve the best interests of the System.

**D.1.04 Conflict of Interest:**

Purchases are not authorized from an employee or members of an employee's family, nor are purchases authorized from a company in which an employee or his or her family member owns a five percent (5%) or greater interest. For purposes of this policy, a family member (natural, foster, adopted or step), means a spouse, child, in-law, sister, brother, mother, father, grandparent, significant other or life partner.

A purchase that would otherwise not be permitted because of this conflict of interest policy may be allowed if obtained via a competitive process and:

a. The goods or services being purchased are not under the direct or indirect authority of the approving employees' department or division, and;

b. The family member's bid is the lowest price bid that meets all bid specifications.

**D.1.05 Vendor Relations:**

The Texas Ethics Commission has adopted a conflict of interest questionnaire that requires a vendor to disclose the vendors' business relationships and certain gifts or income provided to local government officers and/or their family members that may cause a potential conflict of interest with the System.

The records administrator of the System shall maintain a list of local government officers of the entity and shall make that list available to the public and any vendor who may be required to file a conflict of interest questionnaire.

These completed questionnaires are subject to the Public Information Act and shall also be made available on the System's website.
D.1.06 Purchase Approval:

Regardless of the transactional form of the purchase, each purchase must be approved in advance by the appropriate budget manager or authorized designee and funds must be available in the appropriate budget.

D.1.07 Purchasing Procedures:

Purchasing procedures are to be developed by the Associate Vice Chancellor for Business Support Services and approved by the Executive Council.

2. Contracting

D.2.01 Definitions:

a. **Contract**

As used in this policy, the term "contract" refers to all written documents, whether entitled contracts, leases, licenses, memoranda of understanding, purchase orders, informal letter agreements and other instruments and agreements that seek to obligate the System or any of its colleges, programs or activities to pay money, to purchase insurance, to provide staff or other in-kind services to a third party. The term contract does not include any form of oral agreement.

b. **Approval**

As used in this Policy, the term "approval" refers to the process of securing necessary approval of the form, contents and business terms of a proposed contract from a member of the Board, the Chancellor, LEO, or authorized designee authorized by this Policy to give approval to the contract.

c. **Execution**

The execution of an agreement by an authorized System official, and the other party or parties to the contract makes the contract enforceable against the System.

Any contract requiring Board approval pursuant to this Policy, must be approved by the Board of Trustees, and executed by the Board Chair, the Chancellor, or authorized designee. However, any employment contract is to be executed by both the Board Chair and the Chancellor.
d. **Renewals or Amendments**

As used in this policy, the term "renewal" refers to the practice of extending the term of an already executed contract for an additional length of time. The term "amendment" refers to the practice of revising specific terms of an already executed contract. Amendments to contracts must be approved and executed at the same level of authority as the underlying contract.

e. **LEO**

As used in this policy, Location Executive Officer ("LEO") refers to System Vice Chancellors and Presidents.

**D.2.02 Board Approval:**

The following types of contracts require the approval of the Board of Trustees:

a. Employment contracts;

b. Finance agreements;

c. Purchases or sales of real property;

d. Contracts, excluding legal services, and leases with a term exceeding one year (including options to renew) that have a cumulative expenditure of $100,000 or more over the contract term;

e. Contracts involving the sale of intellectual property or technology transfer, including software licenses, owned in whole or in part, by the System.

**D.2.03 Educational Agreements:**

Board approval is not required for educational agreements. For purposes of this policy, educational agreements refer to agreements between the System and a third party for establishing the terms for the sharing or use of facilities, staff, or other educational resources. Educational agreements will be reported to the Board by the Chancellor at least annually.

**D.2.04 Delegation of Authority:**

Unless delegated pursuant to another section of this Policy Manual, the Board delegates to the Chancellor the authority to approve and execute contracts not specifically required by this Policy or by law to be approved by the Board. The Chancellor is authorized to delegate specific contract
authority to System LEOs and the System's Director of Purchasing. The Chancellor or authorized designee shall develop procedures to implement this section which shall specify the type of contract authority delegated to administrative positions, the process to secure legal review of such contracts and any permitted sub-delegation authority, if any.

No employee or agent of the System has the authority to enter into any contract on behalf of the System, except as otherwise expressly provided by this Policy. If a System employee signs a contract without authority, or falsely represents to a third party that he or she has authority to sign a contract, the employee may be held personally responsible to the third party under Texas law. An agreement that is not expressed in writing and approved and executed in accordance with this Policy, shall not be binding on or enforceable against the System.

Any employee who signs a contract or seeks to bind the System to an agreement in violation of this Policy may be subject to discipline, up to and including discharge of employment.

3. Purchasing of Professional Services

D.3.01 Authority:
Professional Services Agreements, excluding legal services, with a value of $100,000 or more over the contract term, shall be approved by the Board of Trustees. Professional Services Agreements with a value of less than $100,000 over the contract term must be approved by the Chancellor, LEO, or authorized designee.

D.3.02 Definition:

Professional services include, but are not limited to: accounting, technology, financial, auditing, architecture, landscape architecture, land surveying, medical, optometry, professional engineering, legal, real estate appraising, or professional nursing.

D.3.03 Scope of Service:

Professional service providers are independent contractors retained to provide services to the System when regular employees, within the scope of their employment, cannot provide such services.

Procurement of professional services must be conducted in accordance with the Texas Government Code for Professional Services, to the extent applicable. This requires that contracts for the procurement of defined professional services may not be awarded on the basis of competitive bids. Instead, these contracts must be awarded on the basis of demonstrated competence and qualifications to perform the services, so long as the professional fees are:
a. Within the budget for the services;
b. A fair and reasonable price;
c. Do not exceed any maximums provided by state law; and
d. Consistent with, and not higher than, the recommended practices and fees published by the applicable professional associations.

D.3.04 Term of Service:

The Board may engage a professional services provider for a maximum period of five years. However, the Board will retain the right to terminate the engagement at any time upon due notice, such notice never requiring more than thirty (30) days prior notice.

A professional service provider currently under contract is eligible to respond to a request for proposal/qualifications for a subsequent term.

4. Purchasing of Goods and Services

D.4.01 Purchasing Authority:

The System shall comply with Texas Education Code Section 44.031 in establishing open and fair purchasing and bidding practices that provide the best value to the System.

Board approval is required for purchases or contracts of $100,000 or more over the contract term including options to renew. Authority for purchases and contracts for the procurement of goods or services below $100,000 can only be delegated by the Chancellor. Delegated authority to procurement personnel may be removed if unacceptable behavior or job performance is observed.

The authority to approve purchase orders, check requests, and employee expense and petty cash reimbursements is given to directors, managers and other employees as delegated by the Chancellor and LEOs.

D.4.02 Policy Applicability:

This policy applies to the purchase of tangible personal property or services except as follows:

a. Purchases of real property; or
b. Purchases of professional services (see “Purchasing Professional Services” subsection, above);
D.4.03 Purchasing Objectives:

When purchasing equipment, supplies, materials, services, hardware, and software, the two factors which drive the purchasing process, and the decisions to be made, are:

a. Obtaining the best overall value for the System; and

b. Fairness. Procurement activities shall be conducted in an open and fair manner with equal opportunity provided to all qualified suppliers. The System will provide equal contracting opportunities as provided by federal, state and local laws and regulations to historically underutilized businesses.

The purchase of equipment, supplies, materials and services shall be based upon a competitive process, except as otherwise provided in this Policy. Purchases may not be subdivided to avoid the competitive requirements of this Policy.

D.4.04 Administrative Requirements:

Unless otherwise covered by the sections above or required by law to meet other requirements, purchases of goods or services made on behalf of the System shall meet the following administrative requirements outlined below.

a. Purchases Valued at $50,000 or More

All purchases of $50,000 or more for goods or services shall be coordinated through the System Purchasing Department. These purchases shall follow a formal competitive process that includes:

i. Pre-qualification and selection of suppliers;

ii. Standards and specifications;

iii. Requests for bids/proposals;

iv. Submission of bids/proposals, and public openings; and

v. Award of purchase orders and contracts.

b. Library Goods and Services

The purchase, acquisition, or license of library goods and services shall not apply to the requirements set forth by D.4.04 (a) above.

"Library goods and services” means:
i. Serial and journal subscriptions, including electronic databases, digital content, and information products;

ii. Other library materials and resources, including books, e-books, and media not available under a statewide contract and papers;

iii. Library services, including periodical jobber and binding services not available under a statewide contract;

iv. Library equipment and supplies; and

v. Library or resource-sharing programs operated by the Texas State Library and Archives Commission.

Purchase, license or otherwise acquisition of library goods and services are acquired in any manner including but not limited to:

i. Statewide purchasing contracts

ii. Library or resource-sharing programs

iii. Available from one source

iv. Any other manner as authorized by Texas law with respect to a Public Senior College or University as defined under Texas Education Code §61.003.

Administrative Approval

Purchases valued at $50,000 or more and less than $100,000 require approval by the Vice Chancellor of Administration and Finance or designee.

Board Approval

All purchases of $100,000 or more for goods or services require Board approval, except as otherwise stated in this policy.

Emergency and Sole Source Purchases

At times, it may not be in the System’s best interest to engage in a formal competitive process. Purchases necessary to respond to emergencies (situations that jeopardize public or employee safety, or that could result in significant financial or operational loss), and sole source purchases which are purchases where only one supplier can provide the product or service (e.g. the product or service is protected by patent, copyright or trademark; or due to schedule
conflicts, etc., only one supplier can provide the product or service when it is required) do not require a formal competitive process. Sole source purchases must be justified in writing and approved in advance by the System Director of Purchasing. Emergency purchases must be justified in writing and approved in advance by the Chancellor for purchases $100,000 or more, by the Vice Chancellor of Administration and Finance or designee for purchases under $100,000. Emergency and Sole Source purchases of $100,000 or more must be approved or ratified by the Board of Trustees.

f. **Inter-local Purchase Agreements**

The System may enter into an inter-local purchase agreement with another local government or with the state or a state agency to purchase goods or services. Inter-local purchase agreements that are $100,000 or more, whether payable in a one time payment or in installments, over the contract term, shall be approved by the Board of Trustees. Purchases may be made through the agreement without a competitive bid process after a market analysis determines that the best value for the System is through the agreement. Documentation of the best value decision must accompany purchases for $50,000 or more.

**D.4.05 Departure from Policy:**

There may be instances that justify a departure from the normal competitive process. Departures from this policy shall be approved, in advance, by the Chancellor or authorized designee.

**D.4.06 Contract Award Criteria:**

In awarding a contract, the System must consider:

a. Purchase price, including delivery and installation,

b. The reputation of the vendor and of the vendor’s goods or services,

c. The quality of the vendor’s goods or services,

d. The extent to which the goods or services meet the System’s needs,

e. The vendor’s past relationship with the System,

f. The impact on the ability of the System to comply with laws relating to historically underutilized businesses,

g. The total long-term cost to the System to acquire the goods or
services, and
h. Any other relevant factor specifically listed in the request for bids or proposals.

D.4.07 Long-Term Contracts:

The use of long-term contracts is encouraged to maximize the efficiency of the procurement process or to optimize long-term pricing. Long-term contracts shall not exceed five years. A contract that exceeds the end of the System’s fiscal year must include a provision that permits termination at the end of the fiscal year if funding is unavailable.

D.4.08 Bidding Requirements:

All bidding practices shall be in conformance with state law. The System will establish practices to identify when bids shall be required and when other practices of obtaining needed goods and services shall be utilized.

Bid openings shall be public and those submitting bids are invited to attend. The Board or authorized designee has authority to reject any and all bids.

All bids shall be conducted through the System Purchasing Department unless specific authorization is granted through Board approval.

The System may hold pre-bid conferences and may, upon proper notice, make the attendance at such a conference mandatory. The System will not open or consider any bid submitted by any vendor who did not attend a mandatory pre-bid conference.

D.4.09 Surety Bonds:

The System may, at the discretion of the Chief Financial Officer, require bid surety, payment bonds and performance bonds.

Bid surety bonds shall be returned to all bidders except the successful bidder at the time the award is made. The surety bond of the successful bidder shall be retained until the merchandise has been delivered and inspected for quality and other requirements of the bid.

D.4.10 Personal Purchases:

System employees shall not be permitted to purchase supplies or equipment for personal use through the System.

D.4.11 Further Guidance:
Guidelines and procedures for compliance with this Policy shall be developed and implemented by the Chancellor or authorized designee.

5. Petty Cash Purchases

**D.5.01 Petty Cash Purchases:**

 Petty Cash Funds are intended to handle small, "out of pocket" expenditures by the employees of the System. Each Petty Cash Fund must have a custodian of record who is responsible and accountable for managing the fund. Petty cash audits are to be performed by an administrative business officer or designee, other than the fund’s custodian, as part of routine oversight of business procedures.

There is a limitation of $75 for any one transaction. Purchases may not be subdivided to fall under this $75 limit.
Request: Consideration to Adopt a Name for the New Campus Recently Purchased from HP

Chancellor's Recommendation: That the Board of Trustees adopt the name of Lone Star College – University Park for the new campus recently purchased from HP

Rationale: On April 30, 2009, The Lone Star College System purchased the central core of the HP North Campus. Upon purchase of the new facility from HP a process was initiated to identify a name for the campus. Dozens of possible names emerged from internal discussions, based on various criteria such as geography, points of interest, historical references, and future role of the facility.

With several viable options, it was determined that the community should provide input on the name given the incredible community support for the project.

On June 25 the Lone Star College System held an employee tour and a community open house to allow people to see the new facility and learn what is planned. It was determined to be a perfect opportunity to gather input from interested stakeholders while they were on campus following a tour and briefing on the plans for the facility.

An estimated 1,000 people toured the new campus on that day and over 400 people took the time to register their preferred names on printed ballots. The three most mentioned names were pre-printed on the ballot. Of those names, University Park had two and one half times as many votes at 186 as Cypress Creek (70) and Champions (68). Among the other names Chasewood, Vintage Park, and Northwest were the most popular at 11, 8 and 8 respectively.

With the excitement and curiosity generated by our recent acquisition the naming of the campus continues to receive considerable attention and interest. When naming the new campus there are a number of factors that were considered. These include a name that describes the uniqueness of the location, reflects the intended purpose of the campus and a name that can be branded to the benefit of the institution.

Fiscal Impact: There is no direct fiscal impact of the campus naming.

Resources: Ray Laughter 832-813-6621
Policy Report and Consideration No. 3 (FIRST READING)  Board Meeting 8-6-09

Request: Consideration for the Recommended Revision of the Lone Star College System Board Policy Sections IV.F.8, 10 and 13 (First Reading)

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. This constitutes a first consideration with a request for approval during the September 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 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 ten (10) working 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 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 his 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 ten (10) working 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 ten (10) working days.
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:

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:
13. Discharge of Employees:

F.13.01 - Policy:

Any System employee may be discharged 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 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.

Before any discharge is finalized, the Location Executive Officer and Associate Vice Chancellor for Human Resources must have been apprised of, and consented to, the proposed discharge and terms of discharge. The Chancellor must be apprised of all discharges and terms thereof relating to contractual employees.

F.13.02 - Discharge for Cause:

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 ten (10) working 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 his 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
ten (10) working 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 ten (10) working 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.
Policy Report and Consideration No. 4  (FIRST READING)  Board Meeting 8-6-09

Request: Consideration for the Recommended Revision of the Lone Star College System Board Policy Sections VI.F (First Reading)

Chancellor’s Recommendation: That the Board of Trustees consider the recommended revisions of the Lone Star College System Board Policy Sections VI.F Student Disciplinary Action and Procedures. This constitutes a first consideration with a request for approval during the September Board meeting.

Rationale: This policy revision clarifies the process for student discipline. Greater emphasis has been placed on due process prior to any student discipline, while clarifying the role of the Student Discipline Committee, and the hearing and appeal process.

Fiscal Impact: None.

Staff Resource: Brian S. Nelson  832-813-6655
F. DISCIPLINARY ACTION AND PROCEDURES

1. Discipline Policy - General

F.1.01 - Policy on Discipline:

LSCS shall exercise its authority and prerogative to maintain order and discipline and shall vigorously pursue enforcement against students who fail to abide by its standards of conduct. Disciplinary action taken in any LSCS college shall be System-wide in effect.

LSCS administration and faculty may discipline students who cause disorder and/or disrupt the System's educational environment. Any student violating the Student Code of Conduct shall be subject to discipline, up to and including expulsion, in accordance with Board policy and applicable law. In the event that such violation is also a violation of federal, state, or local law, LSCS may decide to proceed or delay its own disciplinary processes.

F.1.02 - Disciplinary Procedures:

In all disciplinary matters, students shall be given a fair opportunity to defend themselves in a hearing before LSCS officials. Students are entitled to due process in disciplinary hearings, including having adequate notice of the hearing and definite charges in advance. Students may have a representative present to advise them in a disciplinary hearing. However, the representative shall not be permitted to present evidence, cross-examine witnesses, or formally address LSCS officials at the hearing.

The Chief Student Services Officer of the particular LSCS College shall be responsible for the administration of the disciplinary procedures. Final actions taken under this Section F shall also be communicated to the Lone Star College System Chief Student Services Officer.

F.1.03 - System Autonomy:

Students whose conduct constitutes a violation of both the Student Code of Conduct and federal, state, local, and/or other applicable law may be accountable to both the System and the civil or criminal authorities. Disciplinary action at the System will normally proceed during the course of criminal proceedings and will not be subject to challenge on the ground that criminal charges involving the same incident have been dismissed, reduced, or are pending.

Any decision to delay disciplinary action proceedings shall be made by the Chief Student Services Officer if such is in the best interest of the College as determined in his/her sole discretion. Because LSCS's policies and procedures are distinct and different from criminal statutes and procedures, an outcome in a civil or criminal proceeding is separate from the question of whether the Student Code of Conduct was violated.

F.1.04 - Reports of Alleged Violation in Writing:

Written reports of alleged student violations of the Student Code of Conduct may be submitted by any individual to the Chief Student Services Officer of the College where the accused student is enrolled. Such reports shall contain a concise summary giving the date(s), time(s), place(s), and event(s) of the facts or conduct on which the allegation is based. The reporting individual shall supply supporting documentation for the charge, if available. Individuals who file a report must be prepared to participate in any resultant proceedings without delay. It is the responsibility of the Chief Student Services Officer to investigate and interpret the alleged violation and to identify the appropriate specific charge(s) that will be brought against the student(s) involved.
2. Emergency Disciplinary Procedures

F.2.01 - Emergency Discipline Policy:

The Chief Student Services Officer may take immediate action to protect the College community and the public prior to any administrative hearing where it appears that there is a potential immediate threat to the health or safety of members of the College community and the public or threat of disruption of normal College operations.

Before emergency disciplinary action is taken, the Chief Student Services Officer or his or her designee shall make an initial evaluation of the reliability of the information received and make such further investigation as circumstances permit.

F.2.02 - Effect of Appeal on Emergency Disciplinary Action:

Emergency disciplinary action shall have System-wide effect immediately and shall remain in effect until it has been lifted or overturned upon successful appeal, which is evidenced with a written decision by the College President overturning the emergency action.

If the appeal is unsuccessful, the emergency disciplinary action shall remain in effect until it expires by its own terms, has been replaced by disciplinary sanction(s) under the regular disciplinary procedures, or is lifted by successful appeal under the regular disciplinary procedures.

Successful appeal of emergency disciplinary action does not alter the effect of regular disciplinary action taken against the student. Even though the emergency disciplinary action may have been lifted or overturned by successful appeal, the student may still be subject to the regular disciplinary procedures under the subsection on "Disciplinary Sanctions."

F.2.03 - Forms of Emergency Disciplinary Action:

Emergency disciplinary actions may include, but are not limited to, those listed below:

a. barring one or more students from LSCS or any part of the System;

b. removing one or more students from a particular class or classes;

c. prohibiting one or more students from participating in any System/College-sponsored activities, whether on or off campus; and

d. temporarily suspending one or more students, pending further investigation.

Emergency disciplinary action taken on one college campus shall be System-wide in effect, and pertinent information, including name, date, nature of violation, and form of sanction shall be communicated immediately, by electronic means, to all Deans of Student Services, security directors, LEOs, and Chancellor.

F.2.04 - Temporary Suspension:

Temporary Suspension shall entail suspension from participating in classes in which the student is enrolled, from participating in any System/College-sponsored activities, and from entry onto any LSCS College premises.

F.2.05 - Right to Notice:
A student subject to emergency disciplinary action shall be given written notice of such action by the Chief Student Services Officer or his or her designee. The written notice shall contain:

a. a concise summary giving date(s), time(s), place(s), and event(s) of the facts or conduct on which the allegation is based;

b. the particular section of the Student Code of Conduct allegedly violated;

c. a statement to the effect that the emergency disciplinary action is System-wide; and

d. information concerning the student's right to appeal to the College President.

F.2.06 - Emergency Disciplinary Action – Appeal Procedures:

Within two (2) business days from the date the student is given written notice of the emergency disciplinary action, a student may appeal the Chief Student Services Officer's decision to the College President. The appeal will consist of a written position paper and review of the documents underlying the disciplinary action from both the employee and the System. The appeal shall be limited to:

a. whether the conduct and circumstances reasonably indicate that the student's presence on campus or in a particular class or activity poses a threat to the health or safety of members of the College community or the public, or poses a threat of disruption of normal College operations;

b. whether the information concerning the student's conduct is reliable; and

c. whether the scope of the emergency disciplinary action is reasonable.

The decision of the President shall be in writing and made within two (2) business days and shall be final. The emergency disciplinary action shall be effective immediately and remain in effect during the appeal process until completion of all disciplinary proceedings unless the President decides otherwise.

Emergency disciplinary action taken by any LSCS College shall be System-wide in effect.

F.2.07 - Expedited Disciplinary Procedures:

Emergency disciplinary actions are effective System-wide. LSCS's Chief Student Services Officer will notify the Chief Student Services Officer at each College. If emergency action is taken, the Chief Student Services Officer will take steps to expedite the regular disciplinary procedures unless the student requests a delay and continuation of the emergency disciplinary action until a later date. The granting of any such delay and continuance shall be based on the best interest of the College as determined by the Chief Student Services Officer in his/her sole discretion.

Except for the emergency disciplinary action noted above, no disciplinary sanction will be imposed against a student prior to completion of the appeals process.

3. Investigation of Student Code Violations

F.3.01 - Informal Resolution Procedures:

A faculty member, staff member, or administrator reporting an allegation of student misconduct shall first schedule a conference with the student for an opportunity to
informally resolve the matter. If such a conference is not possible or unsuccessful, then the reporting personnel shall forward written notification of the allegation to the Chief Student Services Officer of the particular College.

Upon notification in writing by a faculty member, administrator, or staff member of an alleged violation of the Student Code of Conduct, the Chief Student Services Officer will initiate an investigation of the incident to determine possible courses of action.

F.3.02 - Disciplinary Conferences:

The Chief Student Services Officer will request the student appear for a conference at a particular place, date, and time. If the student fails to appear at the conference, the Chief Student Services Officer may institute any of the actions described in the section on "Disciplinary Sanctions," except as noted otherwise.

After meeting with the student, reviewing the alleged violations, specifying the charges, conducting further investigation, obtaining any necessary information, and explaining the Student Code of Conduct procedures, the Chief Student Services Officer shall within ten (10) business days issue a decision in writing either:

a. finding the student responsible for violating the Student Code of Conduct, The Chief Student Services Officer in the decision may offer a Disciplinary Sanction(s), (see "Disciplinary Sanctions" below) which the student can either accept and waive the right to a hearing in writing, or decline and choose to dispute the allegation(s) at a hearing, or

b. dismissing the charge(s) brought against the student.

The student may appeal the sanction imposed under paragraph a in accordance with Section F.6.01.

F.3.03 - Student Disciplinary Committee:

In disciplinary cases where the student chooses not to accept the Chief Student Services Officer discipline offer and waive the right to a hearing, or where the student disputes the alleged violation(s) the student has the right upon written request filed with the Chief Student Services Officer within ten (10) working days after receiving the Disciplinary Conference decision, to a formal hearing before a Student Disciplinary Committee.

a. a Student Discipline Committee shall be appointed at each College for the academic year by the LEO and shall consist of three (3) faculty and/or professional staff and two (2) currently enrolled students. At its first meeting and before conducting any hearings, the Committee shall select a chair from among the faculty or professional staff members on the Committee.

b. When a student appeals a sanction and/or a disciplinary decision, the Chief Student Services Officer shall be responsible for convening and coordinating a hearing of the Student Discipline Appeal Committee.

c. Nothing in this policy shall preclude members of a committee from a hearing panel for one College from serving on a committee for another College if such service is deemed appropriate by the Chief Student Services Officer. Nothing in this policy shall preclude a Chief Student Services Officer from establishing a special committee in accordance with the procedures to hear appeals during the summer sessions.

F.3.04 - Student Disciplinary Committee Hearing:
Upon receiving the student's request for a hearing, the Chief Student Services Officer shall notify the Student Disciplinary Committee. The Chief Student Services Officer shall notify the student of the date, time, and location of the hearing. The Chief Student Services Officer may postpone the hearing for good cause. The notice shall notify the student of the following hearing procedures:

a. the hearing will be a private hearing;

b. the student may have a representative present to advise him/her in the hearing. However, the representative shall not be permitted to present evidence, cross-examine witnesses, or formally address the Committee;

c. the student may present evidence, witnesses, cross-examine witnesses and argue on his/her own behalf;

d. prior to the hearing the student will receive a copy of the complaint any documents that will be used against him/her in the hearing, and a list of witnesses who will testify against him/her;

The Chair shall preside over the hearing, verify the Chief Student Services Officer has followed the requirements listed in Section F.302 and will rule on the admissibility of evidence (legal rules of evidence will not apply) and objections to the procedure. Within ten (10) business days from the date of the hearing, the Committee will issue a written majority decision either dismissing the complaint or upholding the complaint. If the complaint is upheld the decision will list the following information:

a. the date(s), time(s), place(s), and event(s) of the facts or conduct on which the violation is based;

b. a citation to, and quotation from, the section of the Student Code of Conduct which was violated;

c. if disciplinary action is imposed, the student shall be informed of the duration of such action and/or the date by which restitution or other appropriate conditions must be met; and

d. a statement that the disciplinary action imposed shall be System-wide in effect; and

e. an explanation of the appeal rights and the procedures to request an appeal hearing.

A copy of the letter shall be provided to the student and the Chief Student Services Officer. If the charge is dismissed, the student shall be notified that the System may appeal that decision to the LEO.

Within five (5) business days of receipt of the decision, the student or System may appeal the decision or the discipline sanction to the College president.

The decision of the Student Discipline Committee shall be implemented by the Chief Student Services Officer; however, decisions which involve dismissal shall be approved by the President prior to implementation.

F.3.05 - Other Dispositions:
Nothing contained in this policy shall limit the right of a LSCS College at any time to agree to a disciplinary sanction(s) if the student agrees not to contest the charges. Any such agreement shall be reduced to writing.

Nothing contained in this policy shall preclude a LSCS College from pursuing any and all remedies available at law or equity, and such rights and remedies are specifically reserved.

F.3.06 - Charged Student Barred from Registration:

Any student against whom a disciplinary action has been filed and not been resolved may not register without the approval of the Chief Student Services Officer.

F.3.07 - Effective Notice:

Whenever these procedures provide that the student shall be notified in writing, a copy shall be served in person or by certified, return receipt requested mail to the student(s) address that is on file at the Office of Admissions, Records, and Registration.

For purposes of computing any time frames under these procedures, where service is by mail, the date of service shall be considered to be the third day after the day of mailing. It is the responsibility of the student to ensure that the Office of Admissions, Records, and Registration has the student's current address on file.

F.3.08 - Joint Hearing:

Nothing in these procedures shall preclude a LSCS College from holding one hearing or a joint hearing when two or more students are alleged to have participated in the same act or transaction or the same series of acts or transactions constituting an offense or offenses under the Student Code of Conduct.

To challenge a decision to consolidate a complaint(s), the student(s) charged must notify the chair of the Student Discipline Appeal Committee of the ground(s) for the challenge in writing at least four (4) days before the hearing is scheduled to take place.

4. Disciplinary Sanctions

F.4.01 - Disciplinary Sanction Defined:

For purposes of the Student Code of Conduct, "disciplinary sanction" is defined as any action affecting the status of an individual as a student, which is taken by LSCS in response to student misconduct. The Student Discipline Committee may impose one or more of the following sanctions for violation of the Student Code of Conduct: an admonition, written warning; probation; suspension; expulsion; failing grade for an examination, assignment or course, or other academic penalty; or other penalty as deemed appropriate under the circumstances.

F.4.02 - Disciplinary Sanctions System-Wide:

Unless otherwise specified in writing, a disciplinary action, emergency disciplinary action, or other sanction involving suspension or dismissal shall be System wide in effect. A student
who is barred from, suspended, or dismissed from one College, may not enroll at another College unless the effect of disciplinary action or emergency disciplinary action has expired by its own terms, has been lifted by the President or unless the student has received special written permission from the College Chief Student Services Officer.

Any disciplinary action, emergency disciplinary action, or sanction, that involves barring or limiting a student's access to the College shall be considered to apply to all LSCS facilities and programs whether on or off campus.

5. Miscellaneous Disciplinary Provisions:

F.5.01 - Disciplinary Procedure – Library Materials/Academic Resources:

Where the director of library or learning resource center has reason to believe that a student has engaged in an offense involving the College's library material(s) or academic resources, the director of the library or learning resource center may impose the following two sanctions: (1) require restitution of any damaged or stolen material(s); and/or (2) designate a number of hours of community service which must be performed by the student in the library. In addition to the above sanctions, each director of the library or his/her designee has the prerogative of referring the matter to the Chief Student Services Officer for further disciplinary action.

F.5.02 - Disciplinary Procedure – Academic Misconduct:

If a faculty member, test proctor, or other academic administrator believes that a student has engaged in academic dishonesty or misconduct, sanctions may be imposed. See Section "Academic Achievement", Chapter V - INSTRUCTION, LSCS Board Policy Manual.

6. Student Appeals

F.6.01 - Right of Appeal:

The student or the System may appeal the decision or sanction(s) imposed by the Student Discipline Committee. The student may also appeal the sanction(s) offered by the Chief Student Services Officer in the Disciplinary Conference. The appeal shall be submitted in writing to the Chief Student Services Officer within five (5) business days of the date the student is informed of the decision and shall state the basis for challenging the decision or sanction. The College president shall review the appeal submission and the written record of the decision and, within fifteen (15) calendar days, shall determine whether to uphold, modify, or deny the decision or discipline. The College president shall notify the student and Chief Student Services Officer of the decision. The decision of the College president shall be implemented by the Chief Student Services Officer. The College president's decision shall be final.
Curriculum Report and Consideration  (ACTION ITEM 2)  Board Meeting 8-6-09

Request: Consideration for Approval of the Core Curriculum for the Associate of Arts and the Associate of Science Degree for 2009-2010

Chancellor’s Recommendation: That the Board of Trustees approve the revised Associate of Arts and Associate of Science Core Curriculum for the 2009-2010 academic year. The revised core curriculum must be submitted to the Texas Higher Education Coordinating Board.

Rationale: The Texas Higher Education Coordinating Board (THECB) requires the Board to approve all changes to the core curriculum and to submit these changes on a yearly basis.

Since 1987, every student who received a baccalaureate degree from a Texas public institution of higher education has been required to complete the state’s general education core curriculum comprised of 42-48 credit hours in identified disciplines as part of their degree requirements. Lone Star College System has a 42 credit hour core curriculum. Regardless of the student’s academic discipline or “major,” each student earning an academic undergraduate degree from a Texas public institution of higher education holds in common their completion of the Texas Core Curriculum. The core curriculum transfers in its entirety to all public institutions of higher education.

Texas law provides this definition for “core curriculum” (TEC §61.821): “…the curriculum in liberal arts, humanities, and sciences and political, social, and cultural history that all undergraduate students of an institution of higher education are required to complete before receiving an academic undergraduate degree.” Each institution has some flexibility in determining which specific courses meet THECB core curriculum requirements within the identified disciplines.

The LSCS core curriculum is reviewed annually to ensure compliance with requirements. Changes are recommended by faculty curriculum teams, reviewed by a core curriculum committee, and approved by the Vice Presidents of Instruction. Since students can only select 3 credit hours in the social/behavioral science component area which includes psychology courses the faculty curriculum team recommended deleting the following psychology courses which have a prerequisite and are not selected by students to fulfill the core requirement: PSYC 2302, 2314, 2315, 2316, 2317, & 2319. The revised core and a summary of changes are attached.

Fiscal Impact: There is no financial impact.

Staff Resource: Donetta Goodall  832-813-6597
Communication:
ENGL 1301 and 1302 and 3 hrs. of Speech; SPCH 1144, 1145, 1311, 1315, 1318, 1321, 2144, 2145

Mathematics:
MATH 1314, 1316, 1324, 1325, 1332, 1342, *1350, *1351, 2318, 2320, **2412, **2413, **2414, **2415

Natural Sciences:
BIOL 1406 or 1408, 1407 or 1409, 2401, 2402, 2404, 2406, 2416, 2420, 2421, CHEM 1405, 1411, 1412, 1419, 2423, 2425, ENVIR 1401, 1402, GEOL 1403, 1404, 1405, 2307, PHYS 1401, 1402, 1403, 1404, 1410, 2425, 2426

Visual & Performing Art:
ARTS 1301, 1303, 1304, 1316, 2346, 2356, DANC 2303, DRAM 1120, 1121, 1310, 1330, 1351, 1352, 2120, 2331, 2361, 2362, 2366, MUSI 1301, 1306, 1308, 1309, 1310

Humanities:
ENGL 2307, 2322, 2323, 2327, 2328, 2332, 2333, 2341, 2342, 2343, 2351, HUMA 1301, HUMA 1302, PHIL 1301, 1304, 2306, 2321, SPCH 2341, FREN 2311, 2312, GERM 2311, 2312, ITAL 2311, 2312, SPAN 2311, 2312, 2313, 2315

Social/Behavioral Sciences:
HIST 1301, 1302, or 2301 (Select 6 hours with 3 hours in U.S. History)
GOVT 2301 and 2302 (6 hours)
ANTH 2301, 2346, 2351, CRJ 1301, 1307; ECON 2301, 2302, GEOG 1300, 1303,
GOVT 2304, HIST 2311, 2312, 2321, 2322, PSYC 2301, 2306, 2308, SOCI 1301, 1306, 2301, 2319, 2326

KINE:
Select any activity course 1111-2184 (excluding 3 credit-hour KINE classes)

LSCS requires students to meet an internal multicultural requirement. This requirement can be met by successfully completing one of the underlined courses above or with one of the courses listed below.

Multicultural:
FREN 1300, 1310, 1411, 1412, GERM 1411, 1412, ITAL 1411, 1412, JAPN 1411, 1412, SGNL 1401, 1402, 2301, 2302, SPAN 1300, 1310, 1411, 1412, 2306
Specifically designed for elementary and middle school teachers. 

*This course satisfies the mathematics core requirement of three semester hours; however, the fourth hour is not a part of the transfer core curriculum and may be transferred as an elective hour.

LSCS also requires students to meet the computer literacy competency (ITSC 1401, COSC 1401 or equivalent (if course or competency challenge exams are not chosen and successfully completed).

Summary of Changes for 2009-2010

Course Additions to the Core Curriculum:

None

Core Deletions from the Core Curriculum:
PSYC 2302
PSYC 2314
PSYC 2315
PSYC 2316
PSYC 2317
PSYC 2319
Financial Report and Consideration No. 1

Report: Monthly Financial Statements

The financial statements for the months ended June 30, 2009 and May 31, 2009 are presented for Board review.
<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Budget</th>
<th>Actual</th>
<th>% Actual</th>
<th>% Actual</th>
<th>Actual</th>
<th>83% of</th>
<th>% of 83% of</th>
<th>% of 83% of</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations</td>
<td>$55,000,000</td>
<td>$50,432,409</td>
<td>91.70%</td>
<td>91.70%</td>
<td>$44,700,029</td>
<td>81.09%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>49,326,960</td>
<td>49,551,886</td>
<td>101.44%</td>
<td>101.44%</td>
<td>45,412,960</td>
<td>100.10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>89,560,000</td>
<td>86,203,386</td>
<td>96.25%</td>
<td>96.25%</td>
<td>83,047,971</td>
<td>98.53%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>2,700,000</td>
<td>1,192,259</td>
<td>44.16%</td>
<td>44.16%</td>
<td>2,159,598</td>
<td>87.13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>3,159,000</td>
<td>3,004,269</td>
<td>95.37%</td>
<td>95.37%</td>
<td>1,402,843</td>
<td>56.40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenues</td>
<td>199,716,000</td>
<td>190,384,649</td>
<td>95.31%</td>
<td>95.31%</td>
<td>176,723,392</td>
<td>92.14%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<p>| Expenditures:                 |             |            |          |          |           |             |              |             |
| Instruction - Academic        | 51,223,564  | 45,932,224 | 89.67%   | 89.67%   | 43,773,940 | 91.12%      |              |             |
| Instruction - Workforce       | 28,673,028  | 21,159,154 | 74.37%   | 74.37%   | 21,069,618 | 85.39%      |              |             |
| Public Service                | 1,030,541   | 774,013    | 75.11%   | 75.11%   | 562,369    | 83.69%      |              |             |
| Academic Support              | 41,203,973  | 28,739,418 | 69.75%   | 69.75%   | 23,473,110 | 76.36%      |              |             |
| Student Services              | 19,870,776  | 14,762,253 | 73.29%   | 73.29%   | 11,536,129 | 80.87%      |              |             |
| Institutional Support         | 24,122,863  | 16,660,769 | 69.07%   | 69.07%   | 20,578,130 | 80.06%      |              |             |
| Plant Operation and Maintenance| 26,659,590  | 20,208,145 | 77.35%   | 77.35%   | 18,141,059 | 76.65%      |              |             |
| Staff Benefits                | 10,245,665  | 9,285,412  | 90.63%   | 90.63%   | 8,092,836  | 90.22%      |              |             |
| Total Educational and General Expenditures | 201,830,000 | 157,521,388 | 78.05%   | 78.05%   | 147,227,211 | 83.29%      |              |             |
| Repair, Replacement and Other Internally Designated | 2,250,000 | 671,264  | 29.83%  | 29.83%   | 683,994    | 40.43%      |              |             |
| Total Expenditures            | 204,080,000 | 158,192,652 | 77.52%   | 77.52%   | 147,911,205 | 82.89%      |              |             |
| Other Changes - Debt Service &amp; Fund Transfers | 4,630,000 | 2,650,508 | 57.32%  | 57.32%   | 3,024,505  | 65.14%      |              |             |
| Net Increase (Decrease) in Fund Balances | $ (8,963,100) | $29,541,489 | $             | $             | $25,787,682 |              |              |             |</p>
<table>
<thead>
<tr>
<th>REVENUES:</th>
<th>FISCAL YEAR</th>
<th>% TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>% OF 08/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology fee</td>
<td>$ 5,570,000</td>
<td>$ 5,463,014</td>
<td>98.39%</td>
<td>$ 5,235,061</td>
</tr>
<tr>
<td>Investments</td>
<td>130,000</td>
<td>34,643</td>
<td>26.65%</td>
<td>95,513</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>9,489</td>
<td>0.00%</td>
<td>19,622</td>
</tr>
<tr>
<td>Total revenues &amp; additions</td>
<td>5,700,000</td>
<td>5,807,066</td>
<td>96.62%</td>
<td>5,350,199</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th>FISCAL YEAR</th>
<th>% TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>% OF 08/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Augment Library System</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>328,400</td>
<td>261,844</td>
<td>79.73%</td>
<td>235,052</td>
</tr>
<tr>
<td>Travel and Professional Development</td>
<td>6,996</td>
<td>1,861</td>
<td>26.60%</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>16,144</td>
<td>8,016</td>
<td>49.65%</td>
<td>4,127</td>
</tr>
<tr>
<td>Communications</td>
<td>24,000</td>
<td>22,000</td>
<td>91.67%</td>
<td>28,000</td>
</tr>
<tr>
<td>Total Dyna Library System</td>
<td>375,545</td>
<td>292,721</td>
<td>78.21%</td>
<td>259,179</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dataset Services</th>
<th>FISCAL YEAR</th>
<th>% TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>% OF 08/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>988,054</td>
<td>664,909</td>
<td>73.22%</td>
<td>704,261</td>
</tr>
<tr>
<td>Travel and Professional Development</td>
<td>35,741</td>
<td>9,652</td>
<td>27.03%</td>
<td>232</td>
</tr>
<tr>
<td>Supplies</td>
<td>4,500</td>
<td>27</td>
<td>0.60%</td>
<td>99</td>
</tr>
<tr>
<td>Communications</td>
<td>217,533</td>
<td>159,237</td>
<td>72.74%</td>
<td>9,698</td>
</tr>
<tr>
<td>Equipment</td>
<td>20,000</td>
<td>15,499</td>
<td>77.81%</td>
<td>-</td>
</tr>
<tr>
<td>Total Dataset Services</td>
<td>1,196,306</td>
<td>848,234</td>
<td>72.91%</td>
<td>714,290</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E-Mail Services &amp; Telecommunications</th>
<th>FISCAL YEAR</th>
<th>% TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>% OF 08/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>731,998</td>
<td>503,014</td>
<td>67.19%</td>
<td>722,979</td>
</tr>
<tr>
<td>Travel and Professional Development</td>
<td>29,700</td>
<td>19,649</td>
<td>66.06%</td>
<td>9,186</td>
</tr>
<tr>
<td>Supplies</td>
<td>42,000</td>
<td>14,125</td>
<td>33.70%</td>
<td>23,031</td>
</tr>
<tr>
<td>Communications</td>
<td>59,870</td>
<td>51,087</td>
<td>85.00%</td>
<td>227,093</td>
</tr>
<tr>
<td>Equipment</td>
<td>308,950</td>
<td>189,715</td>
<td>61.53%</td>
<td>51,261</td>
</tr>
<tr>
<td>Total E-Mail Services &amp; Telecommunications</td>
<td>1,272,518</td>
<td>839,987</td>
<td>66.01%</td>
<td>1,044,368</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Campus Support</th>
<th>FISCAL YEAR</th>
<th>% TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>% OF 08/31/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>469,046</td>
<td>373,416</td>
<td>80.04%</td>
<td>235,491</td>
</tr>
<tr>
<td>Supplies</td>
<td>1,715,451</td>
<td>1,620,727</td>
<td>95.00%</td>
<td>578,161</td>
</tr>
<tr>
<td>Equipment</td>
<td>671,134</td>
<td>617,139</td>
<td>91.93%</td>
<td>794,678</td>
</tr>
<tr>
<td>Total Campus Support</td>
<td>2,855,631</td>
<td>2,622,282</td>
<td>91.87%</td>
<td>1,619,273</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>5,700,000</td>
<td>4,604,314</td>
<td>80.26%</td>
<td>3,628,150</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET INCREASE (DECREASE) IN FUND BALANCE</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ -</td>
<td>$ 903,192</td>
<td></td>
<td>$ 1,721,889</td>
</tr>
<tr>
<td>ASSETS</td>
<td>Operating Funds</td>
<td>Plant Funds</td>
<td>Debt Service</td>
<td>Memorandum</td>
</tr>
<tr>
<td>--------</td>
<td>----------------</td>
<td>------------</td>
<td>--------------</td>
<td>------------</td>
</tr>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Available</td>
<td>Restricted</td>
<td>Unrestricted</td>
</tr>
<tr>
<td>Cash</td>
<td>$ (16,407,805)</td>
<td>$ 7,665,608</td>
<td>$ 4,929,131</td>
<td>$ 466,000</td>
</tr>
<tr>
<td>Accounts receivable (net of allowance for doubtful accounts)</td>
<td>19,473,855</td>
<td>33,865</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Taxes receivable (net of allowance for doubtful accounts)</td>
<td>5,405,112</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Due from grantee agency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>7,651,684</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investments</td>
<td>83,483,146</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accrued interest receivable</td>
<td>21,871</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid and deferred expenses</td>
<td>632,133</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deposits</td>
<td>82,333</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Inventories, as cost</td>
<td>-</td>
<td>-</td>
<td>37,957</td>
<td>-</td>
</tr>
<tr>
<td>Land</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Buildings</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Library books</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Furniture, Fixtures &amp; Equipment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capitalized Interest Costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$ 105,062,364</td>
<td>$ 7,140,530</td>
<td>$ 6,912,754</td>
<td>$ 486,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND FUND BALANCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIABILITIES:</td>
</tr>
<tr>
<td>Accounts payable</td>
</tr>
<tr>
<td>Accrued salaries</td>
</tr>
<tr>
<td>Due to other funds</td>
</tr>
<tr>
<td>Deferred revenues</td>
</tr>
<tr>
<td>Accrued compensable absences payable</td>
</tr>
<tr>
<td>Accrued interest Payable</td>
</tr>
<tr>
<td>Bonds payable</td>
</tr>
<tr>
<td>Assets held in custody for others</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND BALANCES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
</tr>
<tr>
<td>Auxiliary</td>
</tr>
<tr>
<td>Restricted</td>
</tr>
<tr>
<td>Loans</td>
</tr>
<tr>
<td>Restricted for construction</td>
</tr>
<tr>
<td>Investment in fixed assets</td>
</tr>
<tr>
<td>Debt service</td>
</tr>
<tr>
<td>To be provided for debt service</td>
</tr>
<tr>
<td>TOTAL FUND BALANCES</td>
</tr>
</tbody>
</table>

| TOTAL LIABILITIES AND FUND BALANCES | $ 105,062,564 | $ 7,140,530 | $ 6,941,754 | $ 486,000 | $ 95,619,162 | $ 411,079,216 | $ 26,422,713 | $ 3,155,973 | $ 655,879,052 |
## LONE STAR COLLEGE SYSTEM
### STATEMENT OF CHANGES IN FUND BALANCES
FOR THE TEN MONTHS ENDED JUNE 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Operating Funds</th>
<th>Plant Funds</th>
<th>Debt Service</th>
<th>Miscellaneous</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Auxiliary</td>
<td>Restricted</td>
<td>Total</td>
</tr>
<tr>
<td><strong>FUND BALANCE, SEPTEMBER 1, 2008</strong></td>
<td>$41,984,399</td>
<td>$2,062,340</td>
<td>$-</td>
<td>$44,046,739</td>
</tr>
<tr>
<td><strong>REVENUES AND OTHER ADDITIONS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Funds revenue</td>
<td>107,741,941</td>
<td>4,901,283</td>
<td>113,643,224</td>
<td></td>
</tr>
<tr>
<td>Towns</td>
<td>86,923,256</td>
<td></td>
<td>86,923,256</td>
<td></td>
</tr>
<tr>
<td>Federal grants and contracts</td>
<td></td>
<td>27,246,960</td>
<td>27,246,960</td>
<td></td>
</tr>
<tr>
<td>State grants and contracts</td>
<td></td>
<td>2,076,193</td>
<td>2,076,193</td>
<td></td>
</tr>
<tr>
<td>Local gifts, grants and contracts</td>
<td></td>
<td>1,211,477</td>
<td>1,211,477</td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>1,226,942</td>
<td></td>
<td>1,226,942</td>
<td></td>
</tr>
<tr>
<td>Revenue Bond debt service transfer from Operating</td>
<td></td>
<td></td>
<td>1,046,021</td>
<td></td>
</tr>
<tr>
<td>Proceeds from Sale of Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond proceeds</td>
<td></td>
<td></td>
<td></td>
<td>151,188,849</td>
</tr>
<tr>
<td>Bonds issued</td>
<td></td>
<td></td>
<td></td>
<td>151,188,849</td>
</tr>
<tr>
<td><strong>Total revenues and other additions</strong></td>
<td>195,892,155</td>
<td>4,061,385</td>
<td>38,321,030</td>
<td>232,274,562</td>
</tr>
<tr>
<td><strong>EXPENDITURES AND OTHER DEDICATIONS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Funds expenditures</td>
<td>140,706,984</td>
<td>3,340,284</td>
<td>30,533,467</td>
<td>174,580,735</td>
</tr>
<tr>
<td>Expenditure for capital facilities</td>
<td></td>
<td></td>
<td></td>
<td>72,498,917</td>
</tr>
<tr>
<td>Disposal of plant assets</td>
<td></td>
<td></td>
<td></td>
<td>414,160</td>
</tr>
<tr>
<td>Administration and collection costs</td>
<td></td>
<td></td>
<td></td>
<td>151,188,849</td>
</tr>
<tr>
<td>Revenue Bond debt service transfer to Interest &amp; Sinking</td>
<td></td>
<td></td>
<td></td>
<td>12,502,535</td>
</tr>
<tr>
<td>Bond interest cost</td>
<td></td>
<td></td>
<td></td>
<td>3,953</td>
</tr>
<tr>
<td>Bond principal payment/amortization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of assets sold</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond interest expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond agency fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total expenditures and other deductions</strong></td>
<td>162,770,562</td>
<td>3,830,284</td>
<td>30,533,467</td>
<td>192,204,613</td>
</tr>
<tr>
<td><strong>NONMANDATORY TRANSFERS</strong></td>
<td>12,550,503</td>
<td></td>
<td></td>
<td>12,550,503</td>
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<tr>
<td><strong>CHANGES IN FUND BALANCE</strong></td>
<td>10,444,161</td>
<td>284,049</td>
<td>29,982,838</td>
<td>59,291,489</td>
</tr>
<tr>
<td><strong>FUND BALANCE, JUNE 30, 2009</strong></td>
<td>73,429,099</td>
<td>2,554,139</td>
<td>104,431,329</td>
<td>201,414,567</td>
</tr>
</tbody>
</table>
LONE STAR COLLEGE SYSTEM  
SUMMARY OF INVESTMENTS  
AS OF JUNE 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Book Value</th>
<th>Market Value</th>
<th>Weighted Avg. Days To Maturity</th>
<th>Weighted Avg. Purchase Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING UNRESTRICTED (Includes Renewal and Replacement Funds)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. S. Government Agencies</td>
<td>$11,177,086</td>
<td>$11,194,672</td>
<td></td>
<td>1.20%</td>
</tr>
<tr>
<td>US Treasury Bills</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logic</td>
<td>22,713,530</td>
<td>22,713,530</td>
<td></td>
<td>0.53%</td>
</tr>
<tr>
<td>Lone Star</td>
<td>40,686,770</td>
<td>40,686,770</td>
<td></td>
<td>0.52%</td>
</tr>
<tr>
<td>TexPool</td>
<td>13,001,911</td>
<td>13,001,911</td>
<td></td>
<td>0.53%</td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>904,049</td>
<td>904,049</td>
<td></td>
<td>0.00%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>88,483,346</td>
<td>88,500,932</td>
<td>66</td>
<td>0.60%</td>
</tr>
</tbody>
</table>

| CONSTRUCTION IN PROGRESS |        |              |                               |                             |
| Commercial Paper        | 9,962,225 | 9,979,625    |                               | 1.41%                       |
| JPMorgan Chase - MMF    | 55,241,232| 55,241,232   |                               | 0.45%                       |
| Lone Star               | 19,252,122| 19,252,122   |                               | 0.51%                       |
| TexPool                 | 8,938,436 | 8,938,436    |                               | 0.53%                       |
| TOTAL                   | 93,394,015| 93,411,415   | 17                            | 0.42%                       |

| INTEREST & SINKING      |        |              |                               |                             |
| Logic                  | 1,192   | 1,192        |                               | 0.53%                       |
| Lone Star              | 23,810,923| 23,810,923 |                               | 0.52%                       |
| TexPool                | 207,707 | 207,707      |                               | 0.53%                       |
| TOTAL                  | 24,019,822| 24,019,822 | 1                              | 0.52%                       |

TOTAL INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>Book Value</th>
<th>Market Value</th>
<th>Weighted Avg. Days To Maturity</th>
<th>Weighted Avg. Purchase Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>$205,897,183</td>
<td>$205,932,169</td>
<td>36</td>
<td>0.51%</td>
</tr>
</tbody>
</table>

Benchmark: 90 day U.S. Treasury Bill

0.19%
# LONE STAR COLLEGE SYSTEM
## INVESTMENT ACTIVITY REPORT
FOR THE MONTH ENDED JUNE 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Operating Unrestricted*</th>
<th>Avg Buy Yield</th>
<th>Operating Restricted</th>
<th>Avg Buy Yield</th>
<th>Avg Construction In Progress</th>
<th>Avg Buy Yield</th>
<th>Interest &amp; Sinking</th>
<th>Avg Buy Yield</th>
<th>Avg Total Buy Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEGINNING BOOK VALUE</td>
<td>$ 92,468,622</td>
<td>0.71%</td>
<td>$ 98,382,234</td>
<td>0.56%</td>
<td>$ 23,668,721</td>
<td>0.66%</td>
<td>$ 214,519,577</td>
<td>0.63%</td>
<td></td>
</tr>
</tbody>
</table>

## PURCHASES:

<table>
<thead>
<tr>
<th></th>
<th>Avg Buy Yield</th>
<th>Operating Unrestricted*</th>
<th>Avg Buy Yield</th>
<th>Avg Construction In Progress</th>
<th>Avg Buy Yield</th>
<th>Interest &amp; Sinking</th>
<th>Avg Buy Yield</th>
<th>Avg Total Buy Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Government Agencies</td>
<td></td>
<td>2,734,000</td>
<td>1.20%</td>
<td>-</td>
<td>-</td>
<td>2,734,000</td>
<td>1.20%</td>
<td></td>
</tr>
<tr>
<td>Logic</td>
<td>9,974</td>
<td>0.53%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,975</td>
<td>0.53%</td>
<td></td>
</tr>
<tr>
<td>Lone Star</td>
<td>-</td>
<td>7,840</td>
<td>0.53%</td>
<td>-</td>
<td>67</td>
<td>351,033</td>
<td>0.52%</td>
<td></td>
</tr>
<tr>
<td>JPMorgan Chase Liquidity MMF</td>
<td>-</td>
<td>5,020,742</td>
<td>0.45%</td>
<td>-</td>
<td>-</td>
<td>5,020,742</td>
<td>0.45%</td>
<td></td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>20,107,611</td>
<td>0.00%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,107,611</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>TOTAL PURCHASES</td>
<td>43,784,738</td>
<td>0.33%</td>
<td>-</td>
<td>-</td>
<td>5,023,582</td>
<td>0.45%</td>
<td>-</td>
<td>351,101</td>
</tr>
</tbody>
</table>

## MATURITIES

<table>
<thead>
<tr>
<th></th>
<th>Avg Buy Yield</th>
<th>Operating Unrestricted*</th>
<th>Avg Buy Yield</th>
<th>Avg Construction In Progress</th>
<th>Avg Buy Yield</th>
<th>Interest &amp; Sinking</th>
<th>Avg Buy Yield</th>
<th>Avg Total Buy Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Paper</td>
<td>-</td>
<td>5,000,000</td>
<td>1.41%</td>
<td>-</td>
<td>-</td>
<td>5,000,000</td>
<td>1.41%</td>
<td></td>
</tr>
<tr>
<td>Lone Star</td>
<td>27,423,500</td>
<td>0.52%</td>
<td>-</td>
<td>-</td>
<td>32,454,047</td>
<td>0.52%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>20,388,498</td>
<td>0.00%</td>
<td>-</td>
<td>-</td>
<td>20,388,498</td>
<td>0.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL MATURITIES</td>
<td>47,817,015</td>
<td>0.30%</td>
<td>-</td>
<td>-</td>
<td>10,030,497</td>
<td>0.41%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## ENDING BOOK VALUE

<table>
<thead>
<tr>
<th></th>
<th>Avg Buy Yield</th>
<th>Operating Unrestricted*</th>
<th>Avg Buy Yield</th>
<th>Avg Construction In Progress</th>
<th>Avg Buy Yield</th>
<th>Interest &amp; Sinking</th>
<th>Avg Buy Yield</th>
<th>Avg Total Buy Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ending Unrealized Gains</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,206</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized Gains (Losses)</td>
<td></td>
<td>7,206</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>48,214</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENDING MARKET VALUE</td>
<td>$ 88,500,922</td>
<td>$</td>
<td>$ 93,341,415</td>
<td>$</td>
<td>$ 24,019,827</td>
<td>$ 265,932,160</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Operating Unrestricted* refers to the unrestricted portion of the operating budget.
LONE STAR COLLEGE SYSTEM

STATEMENT OF CURRENT OPERATING FUNDS, EXCLUDING THE TECHNOLOGY FUND
REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
FOR THE NINE MONTHS ENDED MAY 31, 2009
UNAUDITED

<table>
<thead>
<tr>
<th></th>
<th>75% OF BUDGET</th>
<th>FISCAL YEAR ACTUAL</th>
<th>% ACTUAL TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>% OF 08/31/08 ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STATE APPROPRIATIONS</td>
<td>$55,096,000</td>
<td>$44,488,852</td>
<td>80.89%</td>
<td>$39,488,650</td>
<td>71.64%</td>
</tr>
<tr>
<td>TUITION AND FEES</td>
<td>$49,336,800</td>
<td>$48,516,780</td>
<td>98.34%</td>
<td>$44,659,254</td>
<td>98.44%</td>
</tr>
<tr>
<td>TAXES</td>
<td>$89,560,000</td>
<td>$85,423,648</td>
<td>95.33%</td>
<td>$81,777,698</td>
<td>97.03%</td>
</tr>
<tr>
<td>INVESTMENTS</td>
<td>$2,000,000</td>
<td>$893,723</td>
<td>33.10%</td>
<td>$1,984,324</td>
<td>90.06%</td>
</tr>
<tr>
<td>OTHER</td>
<td>$3,160,600</td>
<td>$2,472,016</td>
<td>78.18%</td>
<td>$1,927,100</td>
<td>53.36%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$109,746,900</td>
<td>$111,792,219</td>
<td>91.01%</td>
<td>$169,237,116</td>
<td>89.19%</td>
</tr>
</tbody>
</table>

| **EXPENDITURES:**    |               |                    |                    |                   |                     |
| INSTRUCTION - ACADEMIC | $51,109,759  | $41,990,040        | 82.16%             | $40,139,289       | 83.49%              |
| INSTRUCTION - WORKFORCE | $28,293,285  | $19,354,314        | 68.41%             | $19,311,323       | 78.18%              |
| PUBLIC SERVICE       | $1,026,250    | $704,508           | 68.65%             | $517,518          | 76.93%              |
| ACADEMIC SUPPORT     | $40,982,110   | $25,519,765        | 62.57%             | $21,079,399       | 68.57%              |
| STUDENT SERVICES     | $19,927,067   | $13,175,362        | 66.12%             | $10,428,449       | 73.10%              |
| INSTITUTIONAL SUPPORT| $24,484,072   | $14,990,479        | 61.05%             | $18,325,301       | 71.30%              |
| PLANT OPERATION AND MAINTENANCE | $25,841,391 | $18,106,012        | 70.07%             | $16,382,366       | 69.21%              |
| STAFF BENEFITS       | $10,242,066   | $8,501,248         | 83.00%             | $7,487,944        | 83.48%              |
| **TOTAL EDUCATIONAL AND GENERAL EXPENDITURES** | $201,830,000 | $142,231,728       | 70.45%             | $133,642,089      | 75.61%              |
| REPAIR, REPLACEMENT AND OTHER INTERNALLY DESIGNATED | $2,250,000 | $653,622 | 29.49% | $605,028 | 35.76% |
| **TOTAL EXPENDITURES** | $204,080,000 | $142,885,350 | 70.03% | $134,247,117 | 75.23% |
| OTHER CHANGES - DEBT SERVICE & FUND TRANSFERS | $4,630,000 | $2,650,508 | 57.23% | $3,024,305 | 65.14% |
| **NET INCREASE (DECREASE) IN FUND BALANCES** | $(8,965,100) | $(202,228,351) | | $(31,965,494) | |
LONE STAR COLLEGE SYSTEM

STATEMENT OF OPERATIONS - TECHNOLOGY FUND
REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
FOR THE NINE MONTHS ENDED MAY 31, 2009
UNAUDITED

<table>
<thead>
<tr>
<th></th>
<th>35% OF FISCAL YEAR</th>
<th>% ACTUAL TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>08/31/08 ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BUDGET</td>
<td>ACTUAL</td>
<td>5/31/2008</td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Fee</td>
<td>$5,570,000</td>
<td>$5,282,160</td>
<td>96.62%</td>
<td>$5,189,938</td>
</tr>
<tr>
<td>Investments</td>
<td>150,000</td>
<td>147,799</td>
<td>24.46%</td>
<td>89,294</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td>9,849</td>
<td>0.00%</td>
<td>9,934</td>
</tr>
<tr>
<td>Total revenues &amp; additions</td>
<td>$5,720,000</td>
<td>$5,432,808</td>
<td>95.15%</td>
<td>$5,289,176</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automated Library System</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>328,405</td>
<td>255,427</td>
<td>77.38%</td>
<td>230,802</td>
</tr>
<tr>
<td>Travel and Professional Development</td>
<td>6,696</td>
<td>1,861</td>
<td>26.60%</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>16,144</td>
<td>8,016</td>
<td>49.65%</td>
<td>4,127</td>
</tr>
<tr>
<td>Communications</td>
<td>24,000</td>
<td>20,000</td>
<td>83.33%</td>
<td>18,000</td>
</tr>
<tr>
<td>Total Dynix Library System</td>
<td>375,513</td>
<td>293,504</td>
<td>78.07%</td>
<td>252,929</td>
</tr>
<tr>
<td>Darwin Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>908,054</td>
<td>655,821</td>
<td>72.22%</td>
<td>666,386</td>
</tr>
<tr>
<td>Travel and Professional Development</td>
<td>35,713</td>
<td>9,652</td>
<td>27.03%</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>4,500</td>
<td>27</td>
<td>0.60%</td>
<td>99</td>
</tr>
<tr>
<td>Communications</td>
<td>217,033</td>
<td>138,739</td>
<td>63.77%</td>
<td>8,331</td>
</tr>
<tr>
<td>Equipment</td>
<td>50,506</td>
<td>15,499</td>
<td>30.81%</td>
<td>-</td>
</tr>
<tr>
<td>Total Darwin Services</td>
<td>1,196,036</td>
<td>818,728</td>
<td>68.52%</td>
<td>674,859</td>
</tr>
<tr>
<td>E-Mail Services &amp; Telecommunications</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>723,919</td>
<td>561,030</td>
<td>77.49%</td>
<td>724,472</td>
</tr>
<tr>
<td>Travel and Professional Development</td>
<td>37,719</td>
<td>15,830</td>
<td>41.93%</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>12,000</td>
<td>14,155</td>
<td>33.70%</td>
<td>26,573</td>
</tr>
<tr>
<td>Communications</td>
<td>59,870</td>
<td>47,767</td>
<td>79.78%</td>
<td>202,768</td>
</tr>
<tr>
<td>Equipment</td>
<td>408,950</td>
<td>189,343</td>
<td>44.10%</td>
<td>40,432</td>
</tr>
<tr>
<td>Total E-Mail Services &amp; Telecommunications</td>
<td>1,272,518</td>
<td>815,454</td>
<td>64.37%</td>
<td>1,003,396</td>
</tr>
<tr>
<td>Campus Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>469,016</td>
<td>375,416</td>
<td>80.84%</td>
<td>235,491</td>
</tr>
<tr>
<td>Supplies</td>
<td>1,715,451</td>
<td>1,483,299</td>
<td>86.45%</td>
<td>550,565</td>
</tr>
<tr>
<td>Equipment</td>
<td>671,134</td>
<td>592,104</td>
<td>88.22%</td>
<td>736,167</td>
</tr>
<tr>
<td>Total Campus Support</td>
<td>2,855,601</td>
<td>2,450,819</td>
<td>85.81%</td>
<td>1,522,223</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>5,720,000</td>
<td>4,774,626</td>
<td>76.75%</td>
<td>3,453,207</td>
</tr>
</tbody>
</table>

**NET INCREASE (DECREASE) IN FUND BALANCE**

<p>| | | | | |
|                        |                     |                   |                   |                 |
| Total                   | $                     | $1,059,182        |                   | $1,835,769      |</p>
<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Operating Funds</th>
<th>Loan Funds</th>
<th>Plant Funds</th>
<th>Debt Service</th>
<th>Memorandum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Auxiliary</td>
<td>Restricted</td>
<td>CIP</td>
<td>Investment in Fixed Assets</td>
</tr>
<tr>
<td>Cash</td>
<td>$ (12,167,413)</td>
<td>$ 6,859,944</td>
<td>$ 4,925,833</td>
<td>$ 493,480</td>
<td>$ 1,623,566</td>
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<tr>
<td></td>
<td>15,275,204</td>
<td>53,361</td>
<td>2,151</td>
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<tr>
<td>Receivables (net allowance for doubtful accounts)</td>
<td>6,087,143</td>
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</tr>
<tr>
<td>Due from grant agency</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Due from other funds</td>
<td>7,949,822</td>
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<td>1,062,020</td>
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<td>Investments</td>
<td>92,568,632</td>
<td>68,312,234</td>
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<tr>
<td>Prepaid and deferred expenses</td>
<td>336,396</td>
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<tr>
<td>Deposits</td>
<td>82,323</td>
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<td>Inventories, at cost</td>
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</tr>
<tr>
<td>Land</td>
<td></td>
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</tr>
<tr>
<td>Buildings</td>
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</tr>
<tr>
<td>Household improvements</td>
<td></td>
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<tr>
<td>Library books</td>
<td></td>
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<td></td>
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<tr>
<td>Furniture, Fixtures &amp; Equipment</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Capitalized Interest Costs</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Communications in Progress</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$ 104,319,618</td>
<td>$ 6,956,485</td>
<td>$ 6,785,353</td>
<td>$ 485,611</td>
<td>$ 100,000,800</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND FUND BALANCES</th>
<th>OPERATIONS</th>
<th>DEBT</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Accounts payable</td>
<td>3,998,179</td>
<td>356,321</td>
<td>9,995</td>
</tr>
<tr>
<td>Accounts payable, due to cash</td>
<td>4,771,411</td>
<td>356,321</td>
<td>9,995</td>
</tr>
<tr>
<td>Accounts payable, due to cash, due to other funds</td>
<td>3,998,179</td>
<td>356,321</td>
<td>9,995</td>
</tr>
<tr>
<td>Accounts payable, due to other funds</td>
<td>4,771,411</td>
<td>356,321</td>
<td>9,995</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>25,077,676</td>
<td>4,823,521</td>
<td>813,381</td>
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<td>FUND BALANCES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>79,261,942</td>
<td>2,132,964</td>
<td>485,611</td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>79,261,942</td>
<td>2,132,964</td>
<td>485,611</td>
</tr>
<tr>
<td>TOTAL FUND BALANCES</td>
<td>79,261,942</td>
<td>2,132,964</td>
<td>485,611</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL LIABILITIES AND FUND BALANCES</th>
<th>OPERATIONS</th>
<th>DEBT</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>104,319,618</td>
<td>6,956,485</td>
<td>6,785,353</td>
</tr>
<tr>
<td>Item Description</td>
<td>Amount</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Fund</td>
<td>$42,185,463</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>$4,451,413</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIP</td>
<td>$1,526,486</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant Funds</td>
<td>$41,079,622</td>
<td></td>
<td></td>
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<tr>
<td>Total</td>
<td>$87,705,553</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted Fund</td>
<td>$9,976,603</td>
</tr>
<tr>
<td>Rent</td>
<td>$40,104</td>
</tr>
<tr>
<td>CIP</td>
<td>$1,254,453</td>
</tr>
<tr>
<td>Plant Funds</td>
<td>$11,445,160</td>
</tr>
<tr>
<td>Total</td>
<td>$22,576,616</td>
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</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance, September 1</td>
<td>$41,079,622</td>
</tr>
<tr>
<td>Operating Fund</td>
<td>$42,185,463</td>
</tr>
<tr>
<td>Rent</td>
<td>$4,451,413</td>
</tr>
<tr>
<td>CIP</td>
<td>$1,526,486</td>
</tr>
<tr>
<td>Plant Funds</td>
<td>$41,079,622</td>
</tr>
<tr>
<td>Total</td>
<td>$87,705,553</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted Fund</td>
<td>$9,976,603</td>
</tr>
<tr>
<td>Rent</td>
<td>$40,104</td>
</tr>
<tr>
<td>CIP</td>
<td>$1,254,453</td>
</tr>
<tr>
<td>Plant Funds</td>
<td>$11,445,160</td>
</tr>
<tr>
<td>Total</td>
<td>$22,576,616</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Changes in Fund Balance</td>
<td>$20,529,942</td>
</tr>
<tr>
<td>Fund Balance, May 1</td>
<td>$43,516,529</td>
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<tr>
<td>Operating Fund</td>
<td>$42,185,463</td>
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<tr>
<td>Rent</td>
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</tr>
<tr>
<td>CIP</td>
<td>$1,526,486</td>
</tr>
<tr>
<td>Plant Funds</td>
<td>$41,079,622</td>
</tr>
<tr>
<td>Total</td>
<td>$87,705,553</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted Fund</td>
<td>$9,976,603</td>
</tr>
<tr>
<td>Rent</td>
<td>$40,104</td>
</tr>
<tr>
<td>CIP</td>
<td>$1,254,453</td>
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<tr>
<td>Plant Funds</td>
<td>$11,445,160</td>
</tr>
<tr>
<td>Total</td>
<td>$22,576,616</td>
</tr>
</tbody>
</table>
## LONE STAR COLLEGE SYSTEM
### SUMMARY OF INVESTMENTS
#### AS OF MAY 31, 2009

<table>
<thead>
<tr>
<th></th>
<th>Book Value</th>
<th>Market Value</th>
<th>Weighted Avg. Days To Maturity</th>
<th>Weighted Avg. Purchase Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING UNRESTRICTED</strong> (Includes Renewal and Replacement Funds)</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>U. S. Government Agencies</td>
<td>$ 8,401,051</td>
<td>$ 8,413,305</td>
<td></td>
<td>1.32%</td>
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<tr>
<td>Logic</td>
<td>22,702,556</td>
<td>22,703,556</td>
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<td>0.60%</td>
</tr>
<tr>
<td>Lone Star</td>
<td>48,110,321</td>
<td>48,110,321</td>
<td></td>
<td>0.66%</td>
</tr>
<tr>
<td>TexPool</td>
<td>12,068,768</td>
<td>12,068,768</td>
<td></td>
<td>0.48%</td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>1,184,926</td>
<td>1,184,926</td>
<td></td>
<td>0.03%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>92,468,622</td>
<td>92,480,876</td>
<td>48</td>
<td>0.67%</td>
</tr>
<tr>
<td><strong>CONSTRUCTION IN PROGRESS</strong></td>
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<td></td>
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</tr>
<tr>
<td>Commercial Paper</td>
<td>14,948,528</td>
<td>14,982,317</td>
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<td>1.41%</td>
</tr>
<tr>
<td>JPMorgan Chase - MMF</td>
<td>50,220,490</td>
<td>50,220,490</td>
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<td>0.69%</td>
</tr>
<tr>
<td>Lone Star</td>
<td>24,282,619</td>
<td>24,282,619</td>
<td></td>
<td>0.66%</td>
</tr>
<tr>
<td>TexPool</td>
<td>8,930,596</td>
<td>8,930,596</td>
<td></td>
<td>0.48%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>98,382,234</td>
<td>98,416,022</td>
<td>23</td>
<td>0.56%</td>
</tr>
<tr>
<td><strong>INTEREST &amp; SINKING</strong></td>
<td></td>
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<tr>
<td>Logic</td>
<td>1,191</td>
<td>1,191</td>
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<td>0.60%</td>
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<tr>
<td>Lone Star</td>
<td>23,459,890</td>
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<tr>
<td>TexPool</td>
<td>207,640</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>23,668,721</td>
<td>23,668,721</td>
<td>1</td>
<td>0.66%</td>
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<tr>
<td><strong>TOTAL INVESTMENTS</strong></td>
<td>$ 214,519,577</td>
<td>$ 214,565,619</td>
<td>31</td>
<td>0.62%</td>
</tr>
</tbody>
</table>

Benchmark: 90 day U.S. Treasury Bill for Current Unrestricted and Restricted Funds 0.14%
Benchmark: 90 day U.S. Treasury Bill for Construction & Interest & Sinking 0.14%
## LONE STAR COLLEGE SYSTEM
INVESTMENT ACTIVITY REPORT
FOR THE MONTH ENDED MAY 31, 2009

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>BEGINNING BOOK VALUE</td>
<td>$ 96,481,098</td>
<td>0.79%</td>
<td>$ -</td>
<td>-</td>
<td>$ 99,884,401</td>
<td>0.59%</td>
<td>$ 23,165,755</td>
<td>0.78%</td>
<td>$ 219,531,254</td>
<td>0.70%</td>
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### PURCHASES:

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<tr>
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</thead>
<tbody>
<tr>
<td>Logic</td>
<td>11,474</td>
<td>0.50%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0.60%</td>
<td>11,475</td>
<td>0.60%</td>
</tr>
<tr>
<td>Lone Star</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>502,889</td>
<td>0.66%</td>
<td>502,889</td>
<td>0.66%</td>
<td>502,889</td>
<td>0.66%</td>
</tr>
<tr>
<td>TeP pool</td>
<td>10,396,739</td>
<td>0.48%</td>
<td>-</td>
<td>-</td>
<td>7,812</td>
<td>0.48%</td>
<td>76</td>
<td>0.48%</td>
<td>10,404,627</td>
<td>0.48%</td>
</tr>
<tr>
<td>JPMorgan Chase Liquidity MMF</td>
<td>-</td>
<td>-</td>
<td>25,118</td>
<td>0.69%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>26,118</td>
<td>0.69%</td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>669,568</td>
<td>0.03%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>669,568</td>
<td>0.03%</td>
</tr>
<tr>
<td>TOTAL PURCHASES</td>
<td>11,077,781</td>
<td>0.45%</td>
<td>-</td>
<td>-</td>
<td>33,930</td>
<td>0.64%</td>
<td>502,966</td>
<td>0.66%</td>
<td>11,614,677</td>
<td>0.46%</td>
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</tbody>
</table>

### MATURITIES:

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<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lone Star</td>
<td>15,089,294</td>
<td>0.66%</td>
<td>-</td>
<td>-</td>
<td>1,549,793</td>
<td>0.66%</td>
<td>-</td>
<td>16,639,087</td>
<td>0.66%</td>
<td></td>
</tr>
<tr>
<td>TeP pool</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Overnight Sweep</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL MATURITIES</td>
<td>15,089,294</td>
<td>0.66%</td>
<td>-</td>
<td>-</td>
<td>1,549,793</td>
<td>0.66%</td>
<td>-</td>
<td>16,639,087</td>
<td>0.66%</td>
<td></td>
</tr>
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</table>

### ENDING BOOK VALUE

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium / Discount</td>
<td>3,051</td>
<td>-</td>
<td>(51,470)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(48,419)</td>
<td>-</td>
<td>92,468,622</td>
<td>0.71%</td>
</tr>
<tr>
<td>Unrealized Gains (Losses)</td>
<td>(4,014)</td>
<td>-</td>
<td>65,166</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>92,382,254</td>
<td>0.56%</td>
</tr>
<tr>
<td>BGN. Unrealized Gains (Losses)</td>
<td>8,439</td>
<td>-</td>
<td>4,924</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>13,363</td>
<td>-</td>
</tr>
<tr>
<td>Unrealized Gains (Losses) Chg.</td>
<td>3,815</td>
<td>-</td>
<td>28,864</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>32,679</td>
<td>-</td>
</tr>
<tr>
<td>ENDING MARKET VALUE</td>
<td>$ 92,480,876</td>
<td>$ -</td>
<td>$ 98,416,022</td>
<td>$ 23,668,721</td>
<td>$ 214,565,619</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Includes Renewal & Replacement Fund
Financial Report and Consideration No. 2

Report: Quarterly Investment Report

The quarterly investment report for the quarter ended May 31, 2009 is presented for Board review.
## MONEY MARKETS / INVESTMENT POOLS

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>TeroxPool</td>
<td>9/23/1997</td>
<td>N/A</td>
<td>N/A</td>
<td>(1)</td>
<td>$11,149,925</td>
<td>$12,119,025</td>
<td>$12,084,984</td>
<td>$12,084,984</td>
<td>$2,757,065</td>
<td>5,705,492</td>
<td>$12,084,984</td>
<td>$12,084,984</td>
</tr>
<tr>
<td>TeroxPool</td>
<td>9/23/1993</td>
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<td>N/A</td>
<td>(1)</td>
<td>2,122,329</td>
<td>2,122,329</td>
<td>2,122,329</td>
<td>2,122,329</td>
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<td>5,705,492</td>
<td>$12,084,984</td>
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**TOTAL**

263,782,481

58,487,252

151,187,125

191,169,997

191,169,997

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## COMMERCIAL PAPER

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**TOTAL**

10,000,000

9,915,000

452

14,948,578

246,730

14,983,307

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## AGENCY COUPON SECURITIES

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**TOTAL**

2,000,000

3,001,000

452

14,948,578

246,730

14,983,307

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**TOTAL**

9,398,000

2,125,690

2,375,075

7,098,000

1,000,000

25,023

5,401,513

11,638

5,413,301
LONE STAR COLLEGE SYSTEM
INVESTMENT PORTFOLIO REPORT
FOR THE QUARTER ENDED MAY 31, 2009

FUND: PORTFOLIO

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<td></td>
<td>221,290,118</td>
<td>263,767,481</td>
<td>18,487,352</td>
<td>131,187,122</td>
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<td>2,611,184</td>
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<td></td>
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<td><strong>266,115,556</strong></td>
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<td><strong>132,187,122</strong></td>
<td>(24,654)</td>
<td><strong>214,519,577</strong></td>
<td><strong>255,268</strong></td>
<td><strong>214,566,419</strong></td>
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NOTES:
1. The Treas yield varies daily. The average yield as of February 28, 2009 was 6.7% and the May 31, 2009 average yield was 6.8%.
2. The Logic yield varies daily. The average yield for February 28, 2009 was 3.9% and the May 31, 2009 average yield was 6.6%.
3. The benchmark for the Unrestricted & Restricted Funds is the 30 day U.S. Treasury Bill. As of May 31, 2009 the rate was 1.0%.
4. The benchmark for the Construction in Progress and Interest & Sinking Funds is a 1 year Treasury. As of May 31, 2009 the rate was 4.5%.
5. The Lone Star yield varies daily. The average yield as of February 28, 2009 was 5.9% and the May 31, 2009 average yield was 6.6%.
6. The JPMorgan/Chase MMF - Liquidity yield varies daily. The average yield for May 31, 2009 was 2.6%.

Statement of Compliance:
This report is presented in accordance with Generally Accepted Accounting Principles and will be reviewed by the District's Independent Auditors, McConnell & Jones LLP.
This report reflects compliance with the investment strategy expressed in the Investment Policy of the Board of Trustees and the Public Funds Investment Act as amended by H.B. 2439.

/s/ Cynthia F. Gilliam
Cynthia F. Gilliam
Vice Chancellor for Administration & Finance / CFO

/s/ John M. Robertson
John M. Robertson
Treasurer
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<td>Money Market and Investment Pools</td>
<td>89.1%</td>
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<td>$</td>
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<td>Commercial Paper</td>
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<td>$14,948,528</td>
<td>33,789</td>
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<td>Agency Securities</td>
<td>3.9%</td>
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Financial Report and Consideration No. 3  (ACTION ITEM 3)  Board Meeting 8-6-09

Request: Consideration of Approval of an Order Authorizing the Issuance of Lone Star College System Limited Tax General Obligation Bonds, Series 2009; Authorizing the Vice Chancellor for Administration and Finance and Chief Financial Officer to Approve the Amount, the Interest Rate, Price, and Terms Thereof and Certain Other Procedures and Provisions Related Thereto

Chancellor's Recommendation: That the Board of Trustees approve an order authorizing the issuance of $150,000,000 Limited Tax General Obligation Building Bonds, Series 2009

Rationale: The System has determined the Bonds in the amount of $150,000,000 should be issued to fund the construction projects outlined in the $420,000,000 authorization approved by voters on May 10, 2008. The current issue of $150M Limited Tax General Obligation Building Bonds is the second issue of such authorization for a total issue of approximately $300M. The final issue of $120M is planned for the 2010-2011 fiscal year.

Standard & Poor’s, a credit rating agency, has assigned a AAA rating to the $150M bonds to be sold. The rating, which is the highest attainable in the industry, eliminates the need for the purchase of underlying insurance, resulting in a cost savings in debt payments. This savings, along with savings from a lower interest rate due to the AAA rating, continued growth in taxable property values, and an aggressive early debt retirement plan, ensures the System will not need to increase the debt service tax rate to support the $150M bond issuance.

Fiscal Impact: The current bond tax rate of $.0335/$100 taxable value will support the debt service requirements of this bond issue.

Staff Resource: Cindy Gilliam  832-813-6512
Request: Consideration of Adoption of Resolutions Authorizing Signatories for the System's Accounts with the Local Government Investment Cooperative (LOGIC), Lone Star Investment Pool, and TexPool

Chancellor’s Recommendation: That the Board of Trustees adopt resolutions to designate Cynthia Gilliam, Vice Chancellor for Administration and Finance and CFO; John Robertson, Treasurer; Mary Mbeche, Professional Analyst; Mary “Katy” Holloway, Debt Management Accountant; the authorized signatories to the System’s accounts with the LOGIC, Lone Star Investment Pool, and TexPool.

Rationale: Board Policy designates the Vice Chancellor for Administration and Finance and CFO as the System’s Investment Officer and authorizes her to delegate authority for investment activities. It is appropriate for the above positions to have signatory authority over the System’s accounts with the Local Government Investment Cooperative (LOGIC), Lone Star Investment Pool, and TexPool.

Fiscal Impact: No change in financial resources.

Staff Resource: Cindy Gilliam  832-813-6512
Exhibit "N"

Financial Report and Consideration No. 5  (ACTION ITEM 5)  Board Meeting 8-6-09

Request: Consideration of Adoption of Recommended 2009-10 Budget

Chancellor's Recommendation: That the Board of Trustees adopt the 2009-10 budgets for the General and Auxiliary Funds.

Rationale: Following several months of study, planning, development evaluation, and discussions with the Board, the administration recommends a budget that accurately reflects the System's educational plan for 2009-10.

The proposed budgets are as follows:

REVENUES/SOURCES:

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>OPERATING</th>
<th>AUXILIARY</th>
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</thead>
<tbody>
<tr>
<td>STATE ALLOCATIONS</td>
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<td>STUDENT REVENUES</td>
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<td>LOCAL TAXES</td>
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<td>MISCELLANEOUS</td>
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<td><strong>TOTAL</strong></td>
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EXPENDITURES/USES:

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<td>STUDENT ACTIVITIES</td>
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<tr>
<td>REPAIRS AND REPLACEMENTS</td>
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<td>TECHNOLOGY</td>
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<td>TOTAL GENERAL FUNDS</td>
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<tr>
<td>AUXILIARY</td>
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<td><strong>TOTAL EXPENDITURES/USES</strong></td>
<td><strong>$233,700,000</strong></td>
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State funding increased as a result of the legislative approval of a new biennium budget. A previously approved increase in tuition and fee rates is included in the above revenue projections, along with an expected 4.4% increase in student enrollments. Certified property values have not been received, but the recommended budget does not include an increase in the tax rate. Tax revenues are estimated to increase due to property additions and valuation increases, not rate increases.
Support of student services and educational programs is proposed in the form of additional funding provided to individual college budgets. Several system initiatives are included in the recommended budget, including the second phase of Lone Star College Online and Lone Star Corporate College; expanded workforce programs; an international student program; student success initiatives; and a system-wide approach to technology including the implementation of new enterprise resource planning software.

A 4% competitive compensation increase, with a minimum of $1,200, is proposed for eligible full-time employees.

As an integral part of the recommended budget, a two year phased-in accountability plan was presented to the Board at the July, 2008 budget workshop. Results of metrics that were measured and monitored were presented to the Board in July, 2009. Among the results, administrative costs were reduced to 12% for the 2009-10 budget. Recommendations of additional metrics to measure and monitor for 2009-10 were also presented in the recent presentation.

Fiscal Impact: Fund balance at the conclusion of the 2009-10 fiscal year is projected to be at the Board’s goal of 16% of annual expenditures, if the above recommended budget is adopted.

Staff Resource: Richard Carpenter 832-813-6515
Cindy Gilliam 832-813-6512
Exhibit “O”

Financial Report and Consideration No. 6 (ACTION ITEM 6) Board Meeting 8-6-09

Request:  
Consideration of Approval to Renew the System’s Annual Insurance Policies for FY 2009-10 and to Renew an Agreement for Administration of International Student Health Insurance

Chancellor’s Recommendation:  
That the Board of Trustees approve the renewal of the System’s annual insurance policies for FY 2009-10 for estimated premium amounts of $1,492,502 an increase of $215,374 (16.86%) from the expiring term, and the renewal of an agreement for administration of international student health insurance.

Rationale:  
The System’s current insurance program consists of insurance policies that provide comprehensive property and casualty coverage. Prior to the end of the policy period, the System requests its insurance broker, Gallagher Risk Management Services, Inc., to seek quotes from all available markets. Competitive quotes were obtained when market conditions permitted. The college system staff and Gallagher evaluated each renewal proposal for the adequacy of the coverage terms, deductible options and annual cost. As a result of the review of the available insurance products and quotes received, it is recommended that the Board approve the purchase of the products listed below, for the period September 1, 2009 through August 31, 2010.

**SYSTEM COVERAGE**

**Educators Legal Liability & Employment Practices Liability** from United Educators Risk Retention Group, Inc. (UE) provides professional liability coverage up to a limit of $5 million for each claim and an annual aggregate of $5 million. The self-insured retention is $100,000 per claim. The UE policy provides more comprehensive coverage than other available professional liability policies. The annual premium is $153,815, an increase of $6,585 (4.47%) from the current premium. The annual premium is based on the number of full-time and part-time faculty. Compared to the current policy, the rate for the renewal period increased by 1%.

**Medical Professional Liability (Dental Hygiene Clinic & Dentists at LSC-Kingwood)** from Evanston Insurance Company provides professional liability coverage up to a limit of $1 million for each claim and an annual aggregate of $3 million. The self-insured retention is $2,500 per claim. The estimated annual premium is $20,000, an increase of $5,412 (37.10%) from the current premium. The annual premium is based on the number of students and dentists, which has increased.
General Liability (Including Police Professional, Child Care & Multimedia Liability) from United Educators Risk Retention Group, Inc. (UE) for a policy providing a $1 million combined single limit for bodily injury and property damage subject to a $3 million annual aggregate. The deductible is $50,000 per occurrence. The UE policy provides more comprehensive coverage than other available general liability policies. The annual premium is $111,033, an increase of $5,009 (4.72%) from the current premium. The premium amount is based on student enrollment. Compared to the current policy, the rate for the renewal period increased by 2%.

Automobile Liability (Truck Driving Academy at LSC-North Harris) from Argonaut Midwest Insurance Company for vehicles used for instructional purposes by the Truck Driving Academy at LSC-North Harris. Automobile liability coverage provides $1 million combined single limit per occurrence for bodily injury and property damage, $55,000 uninsured/underinsured motorist liability, collision physical damage subject to a $1,000 deductible, and $1 million hired and non-owned automobile liability and personal injury protection. The annual premium is $57,797, a decrease of $4,606 (7.38%) from the current premium. The premium amount is based on the number of vehicles and the current market value of each unit.

Automobile Liability (Private Passenger & Light Commercial Vehicles) from The Hartford provides coverage for the System’s vehicle fleet. The automobile liability provides $1 million combined single limit for bodily injury and property damage subject to a $250 deductible per occurrence. The collision and comprehensive provides actual cash value coverage subject to a $1,000 and $500 deductible per occurrence respectively. The annual premium is $45,815, an increase of $4,734 (11.52%) compared to the current premium. The premium amount is based on the number of vehicles and the current market value of each unit.

Excess Liability from United Educators Risk Retention Group, Inc. (UE) for a $5 million limit excess of underlying primary liability limits of $1 million for a total limit of $6 million per occurrence. The policy covers costs in excess of the primary General Liability, Automobile Liability, and Employers’ Liability policy limits. The annual premium is $88,785, an increase of $4,005 (4.72%) from the current premium. The premium amount for the excess liability protection is based on the cost of the primary liability policies.
Commercial Crime from Great American Insurance Company provides coverage for employee dishonesty, robbery and computer fraud to a limit of $500,000 per occurrence. The deductible is $25,000 per occurrence. The annual premium is $12,961. The premium amount is based on the number of employees having access to cash and checks.

Property (Fire & Extended Coverage) & Equipment Breakdown (Boiler & Machinery) from Liberty Mutual Property for real and personal property values in excess of $572 million subject to deductibles of $25,000 for fire, $100,000 for flood, 2% of the insurable values at the location for earth movement and named storm. The sub-limit for Extra Expense coverage is $10 million. The equipment breakdown limit for heating, air conditioning and electrical equipment is $100 million with a deductible of $10,000 per occurrence. The annual premium is $499,896, an increase of $203,244 (68.51%) from the current premium. The premium amount is based on the current replacement cost value of all System owned and leased facilities. Compared to the current policy, the rate for the renewal period increased from 7.67 cents per $100 of value to 8.63 cents per $100, an increase of .96 cents (12.51%). Property values have increase about 50% due to the purchase of the HP site Northwest Hospital sites and replacement cost adjustments to existing campus locations.

Unlicensed Mobile Equipment from The Hartford provides physical damage coverage for the Actual Cash Value of schedule equipment subject to a $1,000 deductible per occurrence. The annual premium is $4,363, an increase of $267 (6.52%) compared to the current premium. The premium is based on the number of units and the total value.

Fine Arts & Small Museums from ACE Fire Underwriters Insurance Company provides coverage for fine art exhibitions at campus galleries to a limit of $250,000 for any one loss. The deductible is $1,000 each claim. The annual premium is $1,125.

Workers’ Compensation & Employers’ Liability from The Hartford for Texas Statutory Workers’ Compensation Benefits and Employers’ Liability coverage for $1 million bodily injury by accident, $1 million bodily injury by disease (each employee), and $1 million bodily injury by disease (policy limit). The annual deposit premium is $496,912, a decrease of $9,276 (1.83%) compared to the current deposit premium. The premium is based on the estimated total gross payroll of full-time and part-time employees, and will be audited for final premium calculation after the policy expires.
STUDENT COVERAGE

The System purchases medical professional liability insurance for students participating in health occupation internships and health insurance for international students on F-1 visas. These insurance plans have no financial impact on the System. The System collects the premium from the students at registration. The premium is forwarded to the appropriate agent, broker, or insurance company. It is recommended that the Board approve the following products for the period September 1, 2009 through August 31, 2010:

Medical Professional Liability from Chicago Insurance Company for a policy providing a limit of $1 million for each incident and $3,000,000 in the aggregate for students participating in health occupation internships. The coverage is for claims arising out of real or alleged malpractice when the injury claimed is the result of professional error, accident, or omission. The annual premium is $16.50 per student.

Medical Insurance (International Students on F-1 Visas) from ACE American Insurance Company providing inpatient and outpatient medical expense benefits for injury and sickness to a maximum limit of $50,000. The plan is administered by Academic Health Plans (AHP). The annual premium for the international student health insurance is $915. The term of the agreement with AHP will be for a period of one year for the 2009-10 academic year.

Acceptance of these renewals will ensure all needed insurance coverage remains in effect through FY 2009-10.

Fiscal Impact: Funds for this purchase are available from the recommended FY 2009-10 operating budgets for the System.

Staff Resource: Rand Key 832-813-6522
Exhibit “P”

Financial Report and Consideration No. 7 (ACTION ITEM 7)  Board Meeting 8-6-09

Request: Consideration of Approval to Extend the Award for Purchase of Cosmetology Supplies for LSC-North Harris and LSC-Kingwood

Chancellor’s Recommendation: That the Board of Trustees approve the extension of the award for the purchase of cosmetology supplies for LSC-North Harris and LSC-Kingwood from the following vendors for an estimated amount of $29,000 annually. In addition, approve the option to renew for two additional one year terms.

Correlations
Major Advance International
Mariana Industries, Inc.

Sally Beauty Supply
YG Labs/The Esthetics Connections

Rationale: On August 2, 2007, the Board of Trustees approved the purchase of cosmetology supplies for a period of two years in the amount of $58,000. These supplies are used in the cosmetology instruction programs at LSC-North Harris and LSC-Kingwood. Supplies include, but are not limited to skin care products, towels, cotton balls, sponges, hair care products (e.g. hair color, perms, shampoo, and conditioners).

The initial purchase was in accordance with the System’s Board policies and procedures and Texas Education Code 44.031 through a formal competitive sealed bid process. The term of the award was for a period of two years with the option to renew for additional one year terms.

Lone Star College System policy authorizes contracts up to five years. Based upon satisfactory performance, it is requested to approve the extension of the award for the purchase of supplies from the vendors above for an additional year with the option to renew for two additional one year terms. The college system may accept reasonable price increases annually to accommodate for changes in market conditions and fuel surcharges.

Fiscal Impact: Funds for these purchases are included in the recommended FY 2009-10 operating budgets for LSC-North Harris and LSC-Kingwood. Funds for subsequent years will be included in future proposed budgets.

Staff Resource: Steve Head
Katherine Persson

281-618-5443
281-312-1640
Financial Report and Consideration No. 8 (ACTION ITEM 8) Board Meeting 8-6-09

Request: Consideration of Approval to Extend the Award for Purchase of Veterinary Technology Supplies for LSC-Tomball

Chancellor's Recommendation: That the Board of Trustees approve the extension of the award for the purchase of veterinary technology supplies for LSC-Tomball from the following vendors for an amount not to exceed $55,000 for one year with an option to renew for two additional one year terms.

- Butler Animal Health Supply
- Miller Veterinary Supply
- DVM Resources
- Webster Vet Supply
- Henry Schein, Inc.

Rationale: On September 6, 2007, the Board of Trustees approved the purchase of veterinary supplies from the above vendors for an estimated amount of $50,000 annually for a total estimated amount of $100,000 over two years. Veterinary supplies are needed to support the veterinary technology instruction program at LSC-Tomball. Veterinary technology items include blood collection tubes, catheters, centrifuge tubes, cotton tipped applicators, exam/surgical gloves, flea medicine, gauze sponges, heartworm medicine and tests, hydrogen peroxide, IV extension sets, microscope slides, mineral oil bottles, needles for syringes, scalpel blades, saline, surgical masks, thermometers, vaccines, x-ray films, and other miscellaneous items.

The initial purchase was in accordance with the System’s Board policies and procedures and Texas Education Code 44.031 through a formal competitive sealed bid process. The term of the award was for a period of two years effective September 1, 2007 through August 31, 2009 with the option to renew for additional one year terms.

Lone Star College System policy authorizes contracts up to five years. Based upon satisfactory performance; it is requested to approve the extension of the award for the purchase of supplies from the vendors above for an additional one year with an option to renew for two additional one year terms. The college system may accept reasonable price increases annually to accommodate for changes in market conditions and fuel surcharges.

Fiscal Impact: Funds for this purchase are included in the recommended FY 2009-10 operating budget for LSC-Tomball. Funds for subsequent years will be included in future proposed budgets.

Staff Resource: Susan Karr 281-351-3644
Financial Reports and Considerations No. 9  (ACTION ITEM 9)  Board Meeting 8-6-09

Request: Consideration of Authorization for the Chancellor to Negotiate and Execute an Agreement and Deed for the Conveyance of Land for the New Montgomery County Higher Education Center

Chancellor's Recommendation: That the Board of Trustees authorize the Chancellor or his designee to negotiate and execute the Agreement and Deed for the conveyance of 7 acres of land located adjacent to LSC – Montgomery campus to the Texas State University System.

Rationale: LSCS and Texas State University System, for the benefit of Sam Houston State University (SHSU), intend to jointly create a Montgomery County Higher Education Center (MCHEC). The MCHEC, and the building to be constructed on the 7 acres will be used to serve programs from LSC-Montgomery, LSC-University Center and SHSU. As permitted by Texas Education Code §130.0021, LSCS shall by Special Warranty Deed convey and assign to TSUS, with Restrictive Covenants, limiting SHSU to course offerings to junior, senior, and graduate levels, with LSCS limiting its course offerings to freshman and sophomore levels. TSUS shall begin construction at its sole cost and expense within thirty-six (36) months. As a result of the new building and creation of the MCHEC, LSCS shall, for an extended period, have additional classroom and supporting parking space in which to support the needs of the University Center and LSC-Montgomery.

In accordance with Board Policy Section III Business Services: D.2.02, conveyances of real property require approval of the Board of Trustees.

Fiscal Impact: None

Staff Resource:
- Rand Key 832-813-6522
- Steve Head 281-618-5444
- Cindy Gilliam 832-813-6512
- Brian Nelson 832-813-6655
Financial Report and Consideration No. 10 (ACTION ITEM 10) Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Local Restaurant Services

Chancellor's Recommendation: That the Board of Trustees approve the purchase of local restaurant services for an estimated amount of $410,000 annually for an amount not to exceed $820,000 over two years from the attached list of restaurants.

Rationale: The college system relies on outsourced food service providers for various events including luncheon meetings, staff training, and conferences. Some locations solely rely on these services. For other campuses, it is sometimes necessary to supplement the campus catering services because of the event hours, specialty service requirements, event size, or workload of the campus food service staff.

Proposals were requested from 103 local restaurants and 38 responses were received. It is recommended to approve the purchase of products and services from all 38 respondents. The ability to purchase from all vendors will enable catering to each campus's specific needs and requests.

The award for the purchase of these products and services will be for a period of one year beginning August 2009 with an option to renew for one additional one-year term. The annual estimated cost of $401,500 is based on the college system’s historical spending for local restaurant catered services.

Fiscal Impact: Funds for the purchase are included in the approved FY 2008-09 operating and auxiliary budgets. Funds for the subsequent year are included in the recommended budget for FY 2010-11.

Staff Resource: Cindy Gilliam 832-813-6512
## Local Restaurant Services

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Type of Food Service</th>
<th>Percentage Discount off Menu Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barneys TEXAS BBQ</td>
<td>Barbeque and Sides</td>
<td>None</td>
</tr>
<tr>
<td>Carl's BBQ</td>
<td>Barbeque and Sides, Burgers, Salads</td>
<td>None</td>
</tr>
<tr>
<td>Chelsea Deli &amp; Café</td>
<td>Deli Sandwiches, Poboys, Breakfast &amp; Lunch Entrees</td>
<td>None</td>
</tr>
<tr>
<td>Chick-Fil-A (8 locations)</td>
<td>Chicken Sandwiches and Wraps, Salads</td>
<td>None</td>
</tr>
<tr>
<td>Chili's Bar &amp; Grill (12 Locations)</td>
<td>Tex-Mex &amp; Southwest, Burgers, Steaks, Seafood</td>
<td>None</td>
</tr>
<tr>
<td>CICI's Pizza (Kingwood)</td>
<td>All Pizza Products</td>
<td>$2.00 Off</td>
</tr>
<tr>
<td>Chuy's Restaurant</td>
<td>Tex-Mex &amp; Southwest</td>
<td>None</td>
</tr>
<tr>
<td>Demeris BBQ</td>
<td>Barbeque and Sides</td>
<td>None</td>
</tr>
<tr>
<td>Dominos Pizza (1960 E)</td>
<td>All Pizza Products</td>
<td>46% Discount</td>
</tr>
<tr>
<td>Hickory Hollow Restaurant</td>
<td>Country Style Family food, Barbeque and Sides</td>
<td>None</td>
</tr>
<tr>
<td>Honey Bee Ham</td>
<td>American Comfort Food, Party Trays, Deli Sandwiches</td>
<td>5% Off Over $50</td>
</tr>
<tr>
<td>Jason's Deli (6 Locations)</td>
<td>Deli Sandwiches, Box Lunches, Pastas, Salads</td>
<td>0 to 25% Discount</td>
</tr>
<tr>
<td>Katz's Express Deli</td>
<td>Deli Sandwiches, Box Lunches, Pastas, Salads</td>
<td>None</td>
</tr>
<tr>
<td>Lasagna House III (1960E)</td>
<td>Italian food</td>
<td>None</td>
</tr>
<tr>
<td>Lenny's Sub Shop (2 Locations)</td>
<td>Deli Sandwiches, Box Lunches, Salads</td>
<td>None</td>
</tr>
<tr>
<td>McAllister's Deli (4 Locations)</td>
<td>Deli Sandwiches, Box Lunches, Pastas, Salads</td>
<td>Based On Quantity Order</td>
</tr>
<tr>
<td>McKenzie's BBQ</td>
<td>Barbeque and Sides</td>
<td>None</td>
</tr>
<tr>
<td>Mi Chef Café &amp; Catering</td>
<td>Sandwiches, Soup, Salads, Pastas, Theme Buffets, Party Trays</td>
<td>None</td>
</tr>
<tr>
<td>Moms Secret Chef</td>
<td>American Comfort Food</td>
<td>None</td>
</tr>
<tr>
<td>Mo's BBQ &amp; Catering</td>
<td>Barbeque and Sides</td>
<td>5% Discount</td>
</tr>
<tr>
<td>Newk's Express Café</td>
<td>American Style, Sandwiches, Plated Meals, Buffets</td>
<td>10 to 15% Discount</td>
</tr>
<tr>
<td>Olive Garden (4 Locations)</td>
<td>Italian food</td>
<td>None</td>
</tr>
<tr>
<td>Restaurant Name</td>
<td>Offer Details</td>
<td>Discount</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Papa John’s Pizza (7 Locations)</td>
<td>All Pizza Products</td>
<td>20%</td>
</tr>
<tr>
<td>Pizza Hut N Houston (9 Locations)</td>
<td>All Pizza Products</td>
<td>15%</td>
</tr>
<tr>
<td>Quizno’s Sub Shop (4 Locations)</td>
<td>Deli Sandwiches, Soup, Salads</td>
<td>8 to 15%</td>
</tr>
<tr>
<td></td>
<td>(Varies by Location)</td>
<td></td>
</tr>
<tr>
<td>Raising Canes Chicken</td>
<td>Chicken Fingers, Box Lunches, Sides</td>
<td>10%</td>
</tr>
<tr>
<td>Randall’s Food Markets (8 Locations)</td>
<td>Grocery Products, Bakery, Party Trays, Deli</td>
<td>None</td>
</tr>
<tr>
<td>Red Phoenix Hunan Restaurant</td>
<td>Chinese Food</td>
<td>None</td>
</tr>
<tr>
<td>Romano’s Macaroni Grill (2 Locations)</td>
<td>Italian Food</td>
<td>None</td>
</tr>
<tr>
<td>Skeeters Grill (3 Locations)</td>
<td>Burgers, Tex-Mex</td>
<td>None</td>
</tr>
<tr>
<td>Sundale Donuts</td>
<td>Donuts, Bagels</td>
<td>33%</td>
</tr>
<tr>
<td>Sweet Tomatoes (2 Locations)</td>
<td>Salads, Soups, Pastas, Bakery</td>
<td>10%</td>
</tr>
<tr>
<td>Taco Bueno (2 Locations)</td>
<td>Mexican Food</td>
<td>15%</td>
</tr>
<tr>
<td>The Egg &amp; I (2 Locations)</td>
<td>Deli Sandwiches, Breakfast Foods</td>
<td>None</td>
</tr>
<tr>
<td>Trigg’s BBQ</td>
<td>Barbeque and Sides</td>
<td>2%</td>
</tr>
<tr>
<td>Wings N More</td>
<td>Chicken and Wing Baskets, Burgers</td>
<td>None</td>
</tr>
</tbody>
</table>
Exhibit “T”

Financial Report and Consideration No. 11  (ACTION ITEM 11)  Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Locksmith Hardware and Services

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of locksmith hardware and services from Gordon’s Safe & Lock, Inc., 9206 FM 1960 West, Houston, TX 77070 and Pop-a-Lock, 3005 Cedar Ridge Trail, Friendswood, TX 77546 for an estimated amount of $35,000 annually for a not to exceed amount of $70,000 over a two year period. This contract includes an option to renew for three additional one year terms.

Rationale: The college system has the need for general locksmith services for small projects and/or repairs. Locksmith services include, but are not limited to cylinder repair, access control, key cuts, re-key and 24/7 emergency key availability.

The term of this agreement will be for a period of two years beginning August 7, 2009 through August 6, 2011 with the option to renew for three additional one year terms. The college system may accept reasonable annual price increases to accommodate for changes in market conditions and fuel surcharges. The college system reserves the right to cancel without cause with thirty day written notice. The total estimated annual cost of $35,000 is based on historical information.

Bid proposals were sent to thirty-one locksmith service providers and four responses were received. The award could not be based upon low bid alone. Proposals were evaluated based upon pricing, response time, optional services, references, company profile/experience/history, completeness and thoroughness of proposal, and Historically Underutilized Business (HUB) certification or HUB plan. It is recommended to award the bid to the vendors with the highest points, Gordon’s Safe & Lock and Pop-A-Lock. See attached Evaluation and Bid Tabulations.

Fiscal Impact: Funds for the purchase are included in the approved FY 2008-09 operating budgets. Funds for subsequent years will be included in future proposed budgets.

Staff Resource: Cindy Gilliam 832-813-6512
## Locksmith Services

### EVALUATION TABULATION

<table>
<thead>
<tr>
<th>Evaluation Factors</th>
<th>Max Points</th>
<th>Gordon Safe &amp; Lock</th>
<th>Pop-A-Lock</th>
<th>Keyman Locksmith Services</th>
<th>Mike's Locksmith Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prices – Rates and Fees</td>
<td>45</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Coordinating (Response Time) and Optional Services</td>
<td>30</td>
<td>29</td>
<td>23</td>
<td>23</td>
<td>15</td>
</tr>
<tr>
<td>References, Company Profile, History, and Experience</td>
<td>15</td>
<td>15</td>
<td>14</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>Completeness and Thoroughness of Proposal</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Historically Underutilized Business (HUB) Certification or HUB Plan</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>100</strong></td>
<td><strong>89</strong></td>
<td><strong>82</strong></td>
<td><strong>79</strong></td>
<td><strong>64</strong></td>
</tr>
</tbody>
</table>

## BID TABULATION

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Rates/FEES</th>
<th>Response Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gordon Safe &amp; Lock, Inc.</td>
<td>Hourly: $60&lt;br&gt;After Hours/Weekend/Overtime: $75&lt;br&gt;Service Call: $110-1 Hour + Trip Charge: $55&lt;br&gt;Parts Discount: 20% off List</td>
<td>General: 24 hours&lt;br&gt;Emergency: 2 hours</td>
</tr>
<tr>
<td>Keyman Locksmith Services</td>
<td>Hourly: $60&lt;br&gt;After Hours/Weekend/Overtime: $60&lt;br&gt;Service Call: No Response&lt;br&gt;Trip Charge: $55&lt;br&gt;Parts Discount: 30% off List</td>
<td>General: 24 hours&lt;br&gt;Emergency: 2 hours</td>
</tr>
<tr>
<td>Mike's Locksmith Services</td>
<td>Hourly: $65&lt;br&gt;After Hours/Weekend/Overtime: $97.50&lt;br&gt;Service Call: $85&lt;br&gt;Trip Charge: $85&lt;br&gt;Parts Discount: 10-15% off List</td>
<td>General: No Response&lt;br&gt;Emergency: No Response</td>
</tr>
<tr>
<td>Pop-A-Lock</td>
<td>Hourly: $60&lt;br&gt;After Hours/Weekend/Overtime: $65&lt;br&gt;Service Call: $65&lt;br&gt;Trip Charge: $60&lt;br&gt;Parts Discount: 20% off Retail</td>
<td>General: 1-2 hours&lt;br&gt;Emergency: 1 hour</td>
</tr>
</tbody>
</table>
Exhibit "U"

Financial Report and Consideration No. 12 (ACTION ITEM 12) Board Meeting 8-6-09

Request: Consideration of Approval to Extend Award for Purchase of Science Supplies and Instructional Chemicals

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of science supplies and instructional chemicals for an estimated amount of $200,000 per year for a total not-to-exceed amount of $800,000 over four years from the following vendors:

- Atlas Medical Supply
- Bio-Rad Laboratories
- Benz Microscopes Optic Center
- Carolina Biological Supply
- Connecticut Valley Biological Supply
- EDVOTEK
- Flinn Scientific
- Fisher Scientific
- Frey Scientific
- Nasco
- Sargent Welch
- Sigma Aldrich
- Spectrum Chemicals & Lab
- Thermo Fisher Scientific
- Troy Biological
- Ward's Natural Science
- VWR International, LLC

Rationale: In September, October and December 2008, the Board of Trustees approved the purchase of science supplies and instructional chemicals for a period of one year. Science supplies and instructional chemicals are used to support the curriculum of the biology, chemistry, physics and geology programs at each college. Supplies include preserved specimens, living materials, prepared slides, glassware, petri-dishes, and general miscellaneous supplies. Chemicals include acetic acid, ethyl ether, hydrochloric acid, acetone, sodium bicarbonate, potassium ether, potassium bitartrate, sulfuric acid, zinc sulfate and other specialized chemicals for use in the labs.

The initial purchase was in accordance with the System’s Board policies and procedures and Texas Education Code 44.031 through a formal competitive sealed bid process. The term of the award was for a period of one year with the option to renew for four additional one year terms.

This request is for approval to renew the award for the remaining four years with all vendors except Bio Corp. The specimens received from Bio Corp. did not meet minimum standards. The specimens will be purchased from one of the approved vendor(s) that provides the best value.

Fiscal Impact: Funds for these purchases are included in the recommended FY 2009-10 operating budgets. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Cindy Gilliam 832-813-6512
Financial Report and Consideration No. 13  (ACTION ITEM 13)  Board Meeting 8-6-09

Request:  Consideration of Approval to Purchase Assessment Tests for FY 2009-10

Chancellor’s Recommendation:  That the Board of Trustees approve the purchase of paper and computerized assessment tests for FY 2009-10 for a not-to-exceed amount of $300,000 from the following vendors:

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Assessment Instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>American College Testing (ACT)</td>
<td>ASSET (paper) and COMPASS (computer-based)</td>
</tr>
<tr>
<td>The College Board</td>
<td>ACCUPLACER (computer-based)</td>
</tr>
</tbody>
</table>

Rationale:  Assessment instruments are utilized within the Assessment Centers throughout the college system to place students in appropriate classes in the areas of mathematics, reading, and writing.

According to the Texas Higher Education Coordinating Board (THECB), Chapter 4, Rules Applying to All Public Institutions of Higher Education in Texas, Subchapter C, Texas Success Initiative (TSI), §4.56 Assessment Instruments, the following assessment instruments are approved by THECB: (1) ASSET and COMPASS offered by ACT; (2) ACCUPLACER offered by The College Board; and (3) THEA offered by National Evaluation Systems, Inc.

LSCS will accept all four TSI approved tests; however, ASSET will no longer be administered by LSCS to students after November 1st, although it will still be accepted for placement if presented for placement purposes. ACCUPLACER will be offered in addition to COMPASS, providing students with two web-based options. These assessment instruments are purchased by the college system. Fees are collected from students to offset the cost of the exam.

Students are able to purchase the THEA test directly from National Evaluation Systems, so LSCS does not need to purchase those assessment instruments.

Fiscal Impact:  Funds for this purchase are available from the recommended FY 2009-10 operating budgets. Costs will be offset by testing fees, $29 per exam, collected from students.

Staff Resource:  Donetta Goodall  832-813-6597
Financial Report and Consideration No. 14 (ACTION ITEM 14)  Board Meeting 8-6-09

Request:  
Consideration of Approval to Purchase Mechatronics Technology Equipment for LSC-North Harris and LSC-Cy Fair

Chancellor's Recommendation:  
That the Board of Trustees approve the purchase of mechatronics technology equipment for LSC-North Harris and LSC-CyFair from the lowest bidder, Advanced Technologies Consultants, Inc., 110 W. Main Street, Northville, MI 48167 in the amount of $217,090.

Rationale:  
In April 2009, the Board of Trustees approved the Mechatronics Technology Program for LSCS. Beginning Fall 2009, LSC-North Harris and LSC-Cy Fair will offer a Marketable Skills Awards (credit and non-credit) Credit Certificate I and Credit Certificate II in Mechatronics Technology. The purchase of the mechatronics technology equipment, software and onsite training is essential to support the new program at each campus.

Proposals were sent to four equipment suppliers and three responses were received. See attached Bid Tabulation.

Fiscal Impact:  
Funds for this purchase are included in the approved FY 2008-09 operating budgets for LSC-North Harris and LSC-Cy Fair.

Staff Resource:  
Steve Head  281-618-5444  
Audre Levy  281-290-3940  
Donetta Goodall  832-813-6597
**Mechatronics Technology Equipment**  
for LSC-North Harris  
and LSC- Cy Fair  

BID TABULATION

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Technologies</td>
<td>$217,090</td>
</tr>
<tr>
<td>Technical Laboratory Systems Inc.</td>
<td>$252,431</td>
</tr>
<tr>
<td>Lab Resources, Inc.</td>
<td>Incomplete*</td>
</tr>
</tbody>
</table>

*Did not submit bid for all the required items.
Financial Report and Consideration No. 15  (ACTION ITEM 15)  Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Child Care Services for LSC-CyFair

Chancellor's Recommendation: That the Board of Trustees approve the purchase of child care services from Langham Creek Family YMCA, 16725 Longnebaugh Drive, Houston, Texas 77095, in the amount of $51,430 annually for a total amount of $102,860 over two years. This purchase includes an option to renew annually for three additional years. In addition, authorize the Chancellor or designee to negotiate and execute amendment(s) to accommodate for any reasonable price adjustments for renewal terms.

Rationale: LSC-CyFair has placed a priority on the provision of on-campus child care services to students who are in class or in the library. These services will enable LSC-CyFair to provide child care for children of students at an affordable cost. The child care center will be available Monday through Friday during peak day and evening hours.

The childcare operator will supply the staff and LSC-CyFair will provide registration services, the facility, and the equipment required to operate the child care center. In addition, the operator will be responsible for carrying liability insurance, complying with all child care laws, including the nondiscrimination requirements, and report any suspected or actual child abuse in the center.

The term of this agreement shall be for a period of two years beginning September 1, 2009 through August 31, 2011 with an option to renew for three additional one year terms. Pricing is firm for the initial two year term with reasonable adjustments to be considered for each renewal option. Documentation is required to support any increase.

Proposals were submitted to twelve area child care providers and only one response was received. Child care services are specialized services that are area specific. The YMCA has provided exceptional service to LSC-CyFair for the past five years and to LSC-North Harris for the past year. The rates proposed under this new contract are comparable to the previous rates for LSC-CyFair with slight adjustments to accommodate for moderate salary increases. Therefore, it is recommended to award the purchase of these services to the YMCA.

Fiscal Impact: Funds for this purchase are included in the approved FY 2008-09 auxiliary budget for LSC-CyFair. Funds for subsequent fiscal years will be included in future proposed budgets.

Resource: Audre Levy 281-290-3940
Financial Report and Consideration No. 16 (ACTION ITEM 16)  Board Meeting 8-6-09

Request:  Consideration of Approval to Purchase Additional Temporary Employment Services

Chancellor's Recommendation:  That the Board of Trustees approve the purchase of additional temporary employment services in the amount of $2,450,000 for a total amount of $2,750,000 over two years from the following vendors.

<table>
<thead>
<tr>
<th>Burnett Staffing</th>
<th>Meador Staffing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultants Group International</td>
<td>ProStaff Personnel</td>
</tr>
<tr>
<td>DEPLOYIT, Inc.</td>
<td>Spherion Atlantic</td>
</tr>
<tr>
<td>Kelly Temporaries</td>
<td>Staff Solve</td>
</tr>
<tr>
<td>Kingwood Personnel</td>
<td>Willis Group</td>
</tr>
</tbody>
</table>

Rationale:  On June 4, 2009, the Board of Trustees approved the purchase of temporary employment services from the vendors above for an amount not to exceed $300,000 annually. This approval provides departments with sufficient staffing to continue normal operations during employee vacancies, vacations and/or illnesses. In addition, it enables departments to meet deadlines and complete projects quickly and effectively during peak periods. The initial term of the award was for a period of one year with the option to renew for four additional one year terms. This additional request is for approval to extend the award for an year for a total of two years.

In addition, additional temporary staffing is needed to fill positions while employees are participating in the ERP implementation process. The temporary staff will allow LSCS staff to focus on implementation activities. The approved agencies will provide LSCS with experienced higher education staff on a full-time and part-time basis for a pre-defined period of time.

The initial award and contract for the purchase of temporary services was in accordance with the System’s Board policies and procedures and Texas Education Code 44.031 through a formal competitive sealed bid process.

Fiscal Impact:  Funds for these purchases are included in the approved FY 2008-09 operating budgets and the 2008 general obligation bonds. Funds for FY 2009-10 are included in the recommended budget.

Staff Resource:  Rand Key  832-813-6522
Financial Report and Consideration No. 17  (ACTION ITEM 17)  Board Meeting 8-6-09

Exhibit "Z"

Request: Consideration of Approval to Extend Agreement with Premier/U.S. Foodservice for Purchase of Grocery Supplies

Chancellor's Recommendation: That the Board of Trustees approve the extension of the agreement with Premier/U.S. Foodservice, 111 Alliant Drive, Houston, TX 77032, for one additional year for the purchase of grocery supplies for an amount not to exceed $320,000.

Rationale: On August 7, 2008, the Board of Trustees approved the extension of the agreement with Premier/U.S. Foodservice for the purchase of grocery supplies for an estimated annual amount of $400,000. The foodservice operations at LSC-Cy Fair and LSC-Tomball provide a complete dining experience for students, faculty, and staff including cafeteria, coffee and catering services. The purchase of grocery supplies including frozen and refrigerated foods, plastic and paper goods, and cleaning supplies are necessary to support the operation of these campuses' food service operations. These products are used in food preparation or purchased for resale.

The estimated annual amount is based upon historical data for LSC-CyFair and LSC-Tomball. The annual amount has been reduced from last fiscal year due to the execution of the agreement with Presto Foods for the outsourcing of the food services operations at LSC-Kingwood.

U.S. Foodservice is the designated food service provider for Premier's group purchasing organization. Premier negotiates preferred pricing for its members on a national basis through Committed Manufacturer Agreements (CMA). Renewing the agreement will continue to achieve savings on all the food, beverage and supply products purchased through this program. Therefore, it is recommended to extend this agreement for an additional year.

Fiscal Impact: Funds for this purchase are available from the recommended FY 2009-10 operating and auxiliary fund budgets.

Staff Resource: Cindy Gilliam  832-813-6512
Financial Report and Consideration No. 18  (ACTION ITEM 18)  Board Meeting 8-6-09

Request:  Consideration of Approval to Extend The Cooperative Purchasing Network (TCPN) Lease of Temporary Modular Buildings at LSC-Montgomery and LSC-CyFair

Chancellor’s Recommendation:  That the Board of Trustees approve the one year extension of the lease agreements for temporary modular buildings for LSC-Montgomery and LSC-CyFair from Williams Scotsman Corporation, 7915 FM 1960 West, Suite 115, Houston, Texas 77070 in the amount of $248,952.

Rationale:  On June 1, 2006, the Board of Trustees approved two year agreements for the lease of modular buildings from William Scotsman for LSC-Montgomery in the amount of $37,429 and LSC-CyFair in the amount of $351,876.  These modular buildings have been required to accommodate student enrollment growth over the past three years.  The modular buildings provide instructional classrooms, conference rooms, storage rooms and full restroom amenities.

The initial lease of the modular buildings was in accordance with the college system’s Board policies and Texas Education Code 44.031. The initial term of the agreements was for a period of two years commencing August 2006 with the option to renew for additional one year terms. The first renewal option has been exercised and will expire August 2009. It is requested to approve the renewal of these agreements for one additional year beginning September 2009. The monthly lease rates remain unchanged.

Fiscal Impact:  Funds for these purchases are included in the recommended FY 2009-10 operating budget for the System.

Staff Resource:  Austin Lane  936-273-7222
Audre Levy  281-290-3940
Cindy Gilliam  832-813-6512
Financial Report and Consideration No. 19 (ACTION ITEM 19) Board Meeting 8-6-09

Request: Consideration of Approval of Annual Area Job Order Contractor (AJOC) Purchases for Construction Related Projects

Chancellor's Recommendation: That the Board of Trustees approve the cooperative purchase of AJOC construction services for construction related projects from approved purchasing cooperative program contractors in an amount not to exceed $1,000,000 in FY 2009-10. In addition, authorize the Chancellor or designee to negotiate any contracts for the purchase of these services.

Rationale: It is recommended that an annual construction purchasing item that provides for renovation, minor construction, bond, and repair and replacement (R&R) projects be approved in advance by the Board of Trustees. In some cases, it is necessary to respond quickly to construction projects to meet specific scheduling windows. In addition, some projects have the potential to become emergency situations if delayed. This request seeks approval to use the AJOC method for individual projects up to $200,000 and authorization to make collective purchases not to exceed $1,000,000 in FY 2009-10. Projects that exceed $200,000 will be presented to the Board individually for consideration of approval. To ensure the Board continues to have visibility of the AJOC projects under $200,000, a brief summary of projects will be included in the Building and Grounds Report each quarter.

The college system will not exclusively use the AJOC method for the projects noted above. The college system will continue to follow the standard purchasing procedures when size, complexity, or best value dictates.

Texas Education Code, Section 44.041, Job Order Contracts for Facilities Construction or Repair, allows the System to award job order contracts for minor construction, repair, rehabilitation or alteration of a facility if the work is of a recurring nature, but the delivery times and quantities are indefinite and quantities and orders are awarded substantially on the basis of pre-described and pre-priced tasks.

This approval will include the use of any AJOC from a Board approved cooperative purchasing program. The use of cooperative purchasing programs is in accordance with Texas Government Code, Subchapter F, Sections 271.101-102.

The approval of multiple AJOCs will enable the completion of a greater number of projects during the short time span between semesters, in the summer months, and other non-peak periods when student traffic is low.
Each purchasing cooperative program has performed an extensive competitive bid processes to select the job order contractor. The fixed unit price proposals are based upon RS Means Facilities Cost Data less a percentage discount.

**Fiscal Impact:** Funds for these purchases are included in the recommended FY 2009-10 operating budgets, repair & replacement funds, or bond funds.

**Staff Resource:** Cindy Gilliam

832-813-6512
Financial Report and Consideration No. 20  (ACTION ITEM 20)  Board Meeting 8-6-09

Request:  
Consideration of Approval to Purchase Library Materials, Supplies, Services, and Resource Sharing Membership Fees for FY 2009-10

Chancellor's Recommendation:  
That the Board of Trustees approve the purchase of library materials, supplies, services, and resource sharing membership fees for FY 2009-10 for the five system libraries and associated centers for an amount not to exceed $1,112,000. In addition, authorize the Chancellor or designee to execute any agreements related to these purchases.

Rationale:  
Library materials consist of serial and journal subscriptions (including electronic databases, digital content, and information products), books, e-books, and media. In addition, this purchase will consist of library services (including periodical jobber and binding services), library equipment and supplies; and library or resource-sharing program membership fees and services provided by the Texas State Library and Archives Commission. The college system uses these materials and services to support the faculty and student needs.

Books are typically available only from the publisher. To obtain the best discount available, the college system will purchase books and non-print materials for college library collections through the Texas Procurement and Support Services (TPASS) cooperative purchasing contracts. The TPASS discounts substantially exceed any discount, including academic discounts, offered directly from a publisher, supplier or jobber. When materials are not available from an approved TPASS contract vendor, the library directors will obtain the materials through a method approved by state law that offers the best value to the System.

As per House Bill 962, effective September 1, 2009, Education Code 44.031 does not apply to a purchase, acquisition, or license of library goods and services. Purchase, license or other acquisition of library goods and services shall be acquired in any manner authorized by law including, but not limited to, Request for Proposal process, statewide purchasing contracts and library or resource-sharing programs. In addition, the System may purchase items that are available from only one source.

Fiscal Impact:  
Funds for these purchases are included in the recommended FY 2009-10 operating budgets.

Staff Resource:  
Donetta Goodall  832-813-6597
Financial Report and Consideration No. 21 (ACTION ITEM 21)  Board Meeting 8-6-09

Request: Consideration of Approval to Extend Agreement for Purchase of Insurance Broker Services

Chancellor’s Recommendation: That the Board of Trustees approve the extension of the agreement for the purchase of insurance broker services with Arthur J. Gallagher & Co., 7007 Wimbledon Estates Drive, Spring, TX 77379, in the amount of $64,680 for FY 2009-10 and $67,267 for FY 2010-11 for a total amount of $131,947 over two years.

Rationale: On April 4, 2006, the Board of Trustees approved a three year agreement with Arthur J. Gallagher in the amount of $179,492 for the purchase of insurance broker services. The insurance broker provides the System with brokerage, insurance analyses, risk and claim management services, and on-site training. The brokerage firm is responsible for obtaining optimum coverage for the lowest premium rates for each of the System’s insurance requirements.

The initial purchase of the insurance broker service was in accordance with the college system’s Board policies and Texas Education Code 44.031 through a formal competitive bid process. The initial term of the agreement was for a period of three years with the option to renew for two additional years based on the System’s discretion and by mutual consent. Based upon satisfactory performance, it is requested to approve the final two year options to renew.

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

Staff Resource: Rand Key 832-813-6522
Financial Report and Consideration No. 22 (ACTION ITEM 22) Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Additional Surveying Services

Chancellor's Recommendation: That the Board of Trustees approve the purchase of additional surveying services for an estimated amount of $200,000 for a total purchase of $496,780 from the following firms. In addition, authorize the Chancellor or designee to negotiate and execute the contract amendments related to this additional purchase.

<table>
<thead>
<tr>
<th>West Belt Surveying, Inc.</th>
<th>LSC-North Harris</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LSC-Greenspoint</td>
</tr>
<tr>
<td>Pate Engineering</td>
<td>LSC- Tomball</td>
</tr>
<tr>
<td></td>
<td>HP Site</td>
</tr>
<tr>
<td>LJA Engineering &amp; Surveying</td>
<td>LSC-Kingwood</td>
</tr>
<tr>
<td></td>
<td>New Atascocita Satellite Center</td>
</tr>
<tr>
<td>Landtech Consultants, Inc.</td>
<td>LSC-Montgomery</td>
</tr>
<tr>
<td></td>
<td>New Conroe Satellite Center</td>
</tr>
<tr>
<td>Surveying and Mapping, Inc.</td>
<td>LSC-CyFair</td>
</tr>
<tr>
<td></td>
<td>New CyFair Satellite Center</td>
</tr>
</tbody>
</table>

Rationale: On March 5, 2009, the Board of Trustees authorized the Chancellor or designee to execute a contract for the purchase of surveying services from the above firms in the amount of $296,780. These firms will provide land surveys which consist of a detailed study and data analysis to support the planning, designing, and establishing of property boundaries on the main campuses.

It is requested to approve additional funds in the amount of $200,000 for the following additional scope of work:

- Survey work: new satellite centers in Atascocita, Conroe and CyFair
- Utility extensions: HP site
- Utility extensions and easements verifications: five main campuses

The initial purchase was in accordance with the System's Board policy and Texas Government Code 2254.003. The land surveying firms were selected based upon an independent evaluation by a committee that consisted of members who had a thorough understanding of the project scope. LSCS negotiated a fair and reasonable price with the selected firms for the initial scope of work and the additional scope defined above.
Fiscal Impact: Funds for this purchase are available from the 2008 general obligation bonds.

Staff Resource: Cindy Gilliam 832-813-6512
Financial Report and Consideration No. 23  (ACTION ITEM 23)  Board Meeting 8-6-09

Request: Consideration of Approval to Amend Food Service Operations Agreement with Presto Foods to Include LSC-Kingwood

Chancellor’s Recommendation: That the Board of Trustees approve an amendment to the Food Service Operations agreement with Presto Foods, LLC, d/b/a Fazoli’s Italian Restaurant, 10 Leisure Lane, Houston, TX 77024, to include LSC-Kingwood.

Rationale: On June 5, 2008, the Board of Trustees approved a five year agreement with Presto Foods to provide food service operations for LSC-North Harris and LSC-Montgomery. The food service operations provide a complete dining experience for students, faculty, and staff including cafeteria, coffee and catering services. The outsourcing of these operations enable an experienced, professional management team to provide quality food and satisfying portions at a reasonable cost, trained and experienced personnel, convenient service schedules, positive public relations, and economically sound operating practices.

The LSC-Kingwood food service program has experienced substantial losses for several years. The cafeteria services at LSC-Montgomery have been successfully outsourced to Presto Foods for the last four years and at LSC-North Harris for the last year. Therefore, it is requested to amend the agreement with Presto Foods to provide food service operations for LSC-Kingwood. All terms and conditions of the original agreement will remain unchanged including the contract term.

As proposed for LSC-North Harris and LSC-Montgomery, Presto will remit on a quarterly basis a sum equal to ten percent of the net cafeteria and catering sales and fifteen percent for the coffee shop at LSC-Kingwood. In addition, Presto will, if possible, hire existing food service staff at LSC-Kingwood at their current pay and comparable benefits.

In accordance with Board policies and Education Code 44.031, a formal bid process was completed for the selection of the food services operation provider. Presto Foods was selected based upon the best value for the college system.

Fiscal Impact: Estimated revenues from this program are included in the recommended FY 2009-10 auxiliary budgets for LSC-Kingwood. Revenues for subsequent years will be included in future auxiliary budgets.

Staff Resource: Katherine Persson 281-312-1640
Request: Consideration of Approval to Purchase Computer Numerical Controlled (CNC) Millwork Equipment for LSC-CyFair

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of CNC millwork equipment from the lowest bidder, Champion Machine Tools, 1151 E. Cypresswood, Spring, TX 77383, in the amount of $67,750.

Rationale: The Machining Technology program at LSC-CyFair offers certification in Computer Numerical Control II for students who have completed the CNC I certification and wish to pursue advanced knowledge in automated machining techniques, programming, and multi-positioning metal removal processes. The existing CNC machining uses a three axis function to shape and remove material for manufacturing products. To meet the certification requirements for CNC II, equipment with 4th and 5th axis milling features is required for students to learn advanced machining software and skills that are used in the competitive machining market. This purchase will include the equipment and on-site training.

Proposals were sent to eight millwork equipment vendors and three responses were received. See attached Bid Tabulation.

Fiscal Impact: Funds for this purchase are included in the approved FY 2008-09 operating budget for LSC-CyFair.

Staff Resource: Audre Levy 281-290-3940
**CNC Millwork Equipment**  
for LSC-CyFair

**BID TABULATION**

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Equipment Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Champion Machine Tools</td>
<td>$67,750</td>
</tr>
<tr>
<td>Bass Tool and Supply, Inc.</td>
<td>$79,959</td>
</tr>
<tr>
<td>Rex Supply Company</td>
<td>$100,184</td>
</tr>
</tbody>
</table>
Financial Report and Consideration No. 25 (ACTION ITEM 25) Board Meeting 8-6-09

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for Purchase of Land for a New LSC-CyFair Satellite Center

Chancellor's Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract to purchase approximately 10-12 acres on Clay Road southwest of LSC-CyFair in an amount not to exceed the fair market value.

Rationale: LSC-CyFair continues to experience significant growth due to aggressive development within the service area. This land purchase will provide for the development of a new satellite center for LSC-CyFair. The additional space in the new center will meet the unprecedented student enrollment increases. The new center will relieve overcrowding at the main campus by providing additional space for classrooms and workforce programs. This new center was listed as a priority by the community groups that participated in identifying projects to be included in the 2008 general obligation bond authorization.

The land is located near the intersection of Clay Road and Fry Road. The location of the property is on the southern border of CyFair ISD.

Fiscal Impact: Funds for this purchase are available from the 2008 general obligation bonds. The cost of the new center property is estimated to be less than $2.2 million.

Staff Resource: Audre Levy 281-290-3940
Cindy Gilliam 832-813-6512
Financial Report and Consideration No. 26  (ACTION ITEM 26)  Board Meeting 8-6-09

Request:  
Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Agreement for Purchase of Technology Consulting Services for Datatel Colleague Transition

Chancellor's Recommendation:  
That the Board of Trustees authorize the Chancellor or designee to negotiate and execute an agreement and any related amendments for the purchase of technology consulting services for Datatel support during LSCS’s Enterprise Resource Planning (ERP) implementation in an amount not to exceed $1,000,000 from the following vendors:

<table>
<thead>
<tr>
<th>Company</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strata Information Group (SIG)</td>
<td>3935 Harney Street, Suite 203, San Diego, CA 92110</td>
</tr>
<tr>
<td>Sungard Higher Education</td>
<td>2300 Maitland Center Parkway, Suite 340, Maitland, FL 32751</td>
</tr>
</tbody>
</table>

Rationale:
In May 2009, the Board of Trustees approved the purchase of an Enterprise Resource Planning (ERP) system. The current staff in the Office of Technology Services that support the Datatel Colleague ERP will be learning new skills and providing business expertise during the implementation of the new system. Colleague must be maintained during the implementation of the new system. The purchase of the consulting services will enable the maintenance of the current ERP system, while current staff focus on the implementation of the new system.

The contract term will be for a period of two years effective August 2009. The total cost of the consulting services shall not exceed $1,000,000.

Proposals were sent to eight technology consultants and seven responses were received. The award could not be based upon low bid alone. The evaluation committee thoroughly evaluated the proposals based on the price, resume of assigned consultants, references, company profile, completeness of the proposal, and Historically Underutilized Business (HUB) status or HUB plan. It is recommended to award the purchase to the consultants with the highest points, Strata Information Group (SIG) and Sungard Higher Education. See attached Bid and Evaluation Tabulations.

Fiscal Impact:  
Funds for this purchase are included in the approved FY 2008-09 operating budget. Funds for subsequent years will be included in future proposed budgets.

Staff Resource:  
Shah Ardalan 832-813-6842
# Technology Consulting Services for Datatel Colleague Transition

## EVALUATION TABULATION

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Max. Points</th>
<th>Sungard Higher Education</th>
<th>SIG</th>
<th>Rose &amp; Tuck, LLC</th>
<th>Peak Performance Technologies</th>
<th>IData Inc.</th>
<th>Premiere Systems Support</th>
<th>Ferrilli Information Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly Rates</td>
<td>40</td>
<td>35</td>
<td>35</td>
<td>30</td>
<td>40</td>
<td>38</td>
<td>38</td>
<td>10</td>
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<td>Quality Assurance – Resume of Assigned Consultants</td>
<td>25</td>
<td>25</td>
<td>20</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>20</td>
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<tr>
<td>References</td>
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<td>15</td>
<td>15</td>
<td>15</td>
<td>5</td>
<td>15</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Company Profile</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Completeness of Proposal</td>
<td>7.5</td>
<td>7.5</td>
<td>7.5</td>
<td>7.5</td>
<td>7.5</td>
<td>7.5</td>
<td>7.8</td>
<td>0</td>
</tr>
<tr>
<td>HUB Certification or Plan</td>
<td>2.5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></td>
<td><strong>92.5</strong></td>
<td><strong>87.5</strong></td>
<td><strong>77.5</strong></td>
<td><strong>77.5</strong></td>
<td><strong>85.5</strong></td>
<td><strong>85.5</strong></td>
<td><strong>52.5</strong></td>
</tr>
</tbody>
</table>

## BID TABULATION

<table>
<thead>
<tr>
<th>Vendors</th>
<th>Functional Analyst</th>
<th>Subject Matter Expert</th>
<th>Technical Developer</th>
<th>System Administrator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sungard Higher Education</td>
<td>$142</td>
<td>$142</td>
<td>$142</td>
<td>$142</td>
</tr>
<tr>
<td>Strata Information Group</td>
<td>$140</td>
<td>$140</td>
<td>$140</td>
<td>$140</td>
</tr>
<tr>
<td>Rose &amp; Tuck, LLC</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>N/A</td>
</tr>
<tr>
<td>Peak Performance Technologies</td>
<td>$90</td>
<td>$105</td>
<td>$90</td>
<td>N/A</td>
</tr>
<tr>
<td>IData Inc.</td>
<td>$123</td>
<td>$123</td>
<td>$123</td>
<td>$123</td>
</tr>
<tr>
<td>Premiere Systems Support</td>
<td>$125</td>
<td>$105</td>
<td>$105</td>
<td>$200</td>
</tr>
<tr>
<td>Ferrilli Information Group (Alternate Proposal)</td>
<td>$175 (Executive Business Engineer)</td>
<td>$160 (Sr. Business Process Engineer)</td>
<td>$130 (Business Process Engineer)</td>
<td>$95 (Jr. Business Process Engineer)</td>
</tr>
</tbody>
</table>
Exhibit “jj”

Financial Report and Consideration No. 27 (ACTION ITEM 27)  Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Radiography Imaging System for LSC-CyFair

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of a radiography imaging system for the Medical Radiologic Technology program at LSC-CyFair from the lowest bidder, Cranford X-Ray Company, 8106 Berwyn Drive, Houston, TX 77037 in the amount of $53,400.

Rationale: Ninety-five percent of the clinical sites affiliated with the radiography program require students to use digital equipment. Due to the age of the current laboratory equipment in the Medical Radiologic Technology program at LSC-CyFair, the out-dated film-screen system is no longer adequate. To prepare students to use technology of the current and future marketplace, LSC-CyFair needs to introduce computerized digital radiography into the program. This equipment will help support instruction in up-to-date radiographic procedures.

The radiography imaging system can also be used to support instruction in other imaging areas, such as Sonography, MRI and Computed Tomography (CT). This purchase will consist of the equipment and a three year extended warranty.

Requests for proposals were sent to seven radiology equipment suppliers and three proposals were received. See attached Bid Tabulation.

Fiscal Impact: Funds for this purchase are included in the approved FY 2008-09 operating budget for LSC-CyFair.

Staff Resource: Audre Levy 281-290-3940
Radiography Imaging System
for LSC-CyFair

BID TABULATION

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Imaging System</th>
<th>Extended 3 Year Warranty</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crawford X-Ray</td>
<td>$48,400</td>
<td>$5,000</td>
<td>$53,400</td>
</tr>
<tr>
<td>Phillips Healthcare</td>
<td>$75,227</td>
<td>$30,602</td>
<td>$105,829</td>
</tr>
<tr>
<td>P &amp; C Healthcare - Bid 1</td>
<td>$83,500</td>
<td>$10,603</td>
<td>$94,103</td>
</tr>
<tr>
<td>P &amp; C Healthcare - Bid 2</td>
<td>$87,556</td>
<td>$14,280</td>
<td>$101,836</td>
</tr>
<tr>
<td>Request:</td>
<td>Consideration of Acceptance of Gift</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>-------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chancellor's</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recommendation:</td>
<td>That the Board of Trustees formally accept and acknowledge the following gift donated to the Lone Star College System in accordance with the donors' wishes:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Biotech and Chemistry equipment donated by Houston Advanced Research Center/Jim Lester to LSC-Montgomery. See attached list.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rationale:</td>
<td>In accordance with LSCS Board Policy Business Services: A3.01- Gifts, the authority to accept gifts is vested solely with the Board of Trustees.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fiscal Impact:</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Resource:</td>
<td>Ray Laughter</td>
<td>832-813-6620</td>
<td></td>
</tr>
</tbody>
</table>
Inventory from HARC for Biotech

47 autoclavable plastic containers w/lids
2 gloves powder free
2 BCA protein assay kits
1cs/500 small weigh boats
3 weigh paper boxes
14 filter paper (Whatman asst)
14 nylor and nitrocellulos membrane boxes
7 cs cover glass slips -- 10 boxes/case
15 pk 96 well plates for ELISA (5/pk)
8 pk 15 ml conical cent. tubes 50/pk
 1 50 ml conical cent. tubes 24/pk
30 5x16 holes for 1.5 ml microfuge tubes racks
9 8x12 holes for 1.5 ml microfuge tubes racks
4 4x8 holes for 1.5 ml microfuge tubes racks
2 acrylic microfuge tube racks
2 covered microfuge tube racks 12x8
7 misc microfuge tube racks
1 Fyrite kit
3 pipet aid -- electric
2 pipet aid -- rechargeable
2cs/60ea 96 well TC plates w/lid
1ca/250 disp. pipets 5 ml
3 cs/200 disp. Pipets 10 ml
4 bx/960 ea pipet tips -- long reach -- stackable - 0.1-10ul
 36 specimen dishes -- glass -- asst. sizes
1 bx/4 glass cuvettes, 5 ml, Fisher brand
 6 slide holders, metal w/o slides
 5 slide holders, metal w/slides
 2 plastic microscope covers
6pk/1000 ea pipet tips, 1000 ul, blue
3pk/100 ea pipet tips , 5ml
1 bag/~200 ea microfuge tubes 2ml
30 bags/500 ea microfuge tubes 1.5 ml
7 bags/1000 ea microfuge tubes 0.5 ml
 6 benchtop autoclave bag holders
 1 acrylic pipet rack
 2 81 place (9x9) 1.5 ml tube cryoboxes
 3 100 place (10x10) 1.5 ml tube cryoboxes
 1 mini light box
2 pk 100x15 mm petridishes
 2 6 drawer orange parts storage racks (hardware)
20 plastic beakers, 50 ml
6 plastic beakers, 100 ml
3 plastic beakers, 250 ml
3 plastic beakers, 1000 ml
7 plastic funnels, small
12 plastic graduated cylinders, asst. sizes
7 glass graduated cylinders, asst. sizes
17 beakers, glass, asst. sizes
4 vacuum flasks, 2L
9 volumetric flasks, asst. sizes
7 vacuum flasks, asst. sizes
17 pyrex bottles, asst. sizes
2 staining jars
42 erlenmeyer flasks, asst. sizes
10 tall glass bottles w/lids
18 bottles, 125 ml
14 bottles, square w/lids
~50 lids, asst.
1 bx/144 vials, glass, 8 ml
2 specimen jars w/lids
1 bag stoppers, asst. sizes
2 pyrex dishes
2 Nalgene freezing containers
7 filter bottles
6 15 ml conical cent. tubes 20/pk
6 spoonulas

Inventory from HARC for Chemistry/Physics
17 100ml glass bottle with screw top
4 250ml glass bottle with screw top
5 500ml glass bottle with screw top
144 5ml clear glass vials with screw top
90 10ml amber glass vials no tops
1 large bag assorted silicon, neoprene, and teflon stoppers
1 100ml volumetric pipet
2 50ml volumetric pipet
4 20ml volumetric pipet
2 10ml volumetric pipet
1 5ml volumetric pipet
1 4ml volumetric pipet
1 3ml volumetric pipet
2 plastic 4000ml graduated cylinder
7 needles, 21 gauge x 1.5", box of 50
4 Whatman filter paper, qualitative 1, 5.5cm, box of 100
8 Whatman filter paper, qualitative 1, 4.25cm, box of 100
2 Whatman filter paper, qualitative 1, 15.0cm, box of 100
20 approx 20ml clear glass vial with screw top
approx 200 weigh dish, disposable, medium 2.5"x2"
1 cryogenic dewar, 1040ml
approx 90  1cc tuberculin syringe with needle
approx 30  20cc syringe no needle
Request: Consideration of Approval to Authorize the Chancellor or Designee to Execute Contract Amendments for Purchase of Additional Project Management Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to execute contract amendments for the purchase of additional project management services and supplemental staffing from Broadus & Associates for an additional amount of $700,000 for a total contract amount not to exceed $1,341,963.

Rationale: In August 2008, the Board of Trustees authorized the Chancellor or designee to negotiate and execute agreements for the purchase of project management services from Broadus & Associates. The actual fixed price of the agreement, $641,963, was reported to the Board of Trustees on December 4, 2008. Broadus & Associates provided full-time personnel to develop and manage budgets, schedules, design and construction standards, web-based project management, procurement and management of the project management firms, architects and engineers, specialty consultants and construction services.

As the Bond Program projects progress, Broadus & Associates will continue to provide the original program management services. In addition, Broadus will assist in the development and management of the competitive sealed proposal process. These additional services include procurement strategies for bidding, contractor selection process, development and execution of the contracts for construction, and overall management of the construction process in regards to cost and delivery schedules.

Broadus personnel will temporarily fill vacant project director positions. The project director positions are critical to the daily management of construction projects at each of the campuses. The permanent positions cannot remain vacant until a new System employee is hired as it will delay the bond projects schedule. Broadus personnel are familiar with the bond projects due to involvement with the bond program management and the firm’s expertise in project management.

The initial purchase was in accordance with Board policies and Education Code 44.031 through a formal sealed bid process. This request is for approval to purchase additional bond program management services for an estimated amount not to exceed $400,000 and an additional $300,000 to provide supplemental temporary staff.
Fiscal Impact: Funds for this purchase are available from the 2008 general obligation bonds.

Staff Resource: Cindy Gilliam 832-813-6512
Exhibit “mn”

Financial Report and Consideration No. 30 (AGENDA ITEM 30) Board Meeting 8-6-09

Request: Consideration of Approval for Purchase of Ultrasound Training Simulator for LSC-Cy-Fair

Chancellor’s Recommendation: That the Board of Trustees approves the purchase of ultrasound training simulator equipment and software from MedSim, Inc., 3215 N.W. 10th Terrace, Suite 201, Ft. Lauderdale, FL 33309 in the amount of $77,100.

Rationale: The ultrasound training simulator will provide hands on training for students in invasive gynecological and surgical procedures. Students will be able to identify pathological processes and abnormalities that are difficult to come by during their hospital or lab experiences. In addition, Sonography students will be able to expand their skill level as graduates entering the workforce. The simulator provides real time scanning experiences as practiced in hospitals. Also, it provides case scenarios that induce critical thinking skills.

A Request for Proposal (RFP) was sent to four ultrasound training simulator vendors and one response was received. This simulator is a very specialized product with a limited number of potential suppliers. Therefore, it is requested to approve this purchase from the only respondent, Medsim, Inc.

Fiscal Impact: Funds for this purchase are available from the approved FY 2008-09 operating budget for LSC-CyFair.

Staff Resource: Andre Levy 281-290-3940
Financial Report and Consideration No. 31  (ACTION ITEM 31)  Board Meeting  8-6-09

Request:  Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement for the Harris County Department of Education (HCDE) Cooperative Purchase of Historically Underutilized Business (HUB) Program Management Services

Chancellor's Recommendation:  That the Board of Trustees authorize the Chancellor or designee to negotiate and execute an agreement for the HCDE cooperative purchase of HUB program management services from P2MG-Professional Project Management Group, 10303 Northwest Freeway Suite 102, Houston, Texas 77092 for an amount not to exceed $400,000 over the term of the 2008 general obligations bond program.

Rationale:  A HUB Program Manager is needed to ensure that HUB vendors have the opportunity to participate in all phases of the construction process: pre-construction, design and construction. The HUB consultant will assist LSCS in achieving its HUB program goals through outreach, training, teaming and support of HUB vendors.

HUB consulting services for the 2008 Bond Program will include, but not be limited to, the following:

- Oversee all aspects of LSCS's participation in a HUB program to meet goals
- Direct implementation of procedures related to procurement and the HUB program
- Serve as HUB liaison between campus departments, Texas General Services Commission, and vendors
- Assist current and prospective LSCS vendors in developing HUB plans and initiatives
- Represent LSCS to public, vendors, and community in HUB-related activities
- Outreach with local firms to train, assist with registration, and promote qualified HUB firms to prime contractors and architects to meet the LSCS goals
- Provide HUB program management, scheduling, and estimating

This purchase is in accordance with Texas Government Code, Subchapter F, Sections 271.101-102. The Board of Trustees approved the college system's membership in HCDE at its September 2000 meeting.

Fiscal Impact:  Funds for these purchases are available from bond funds.

Staff Resource:  Cindy Gilliam  832-813-6512
Financial Report and Consideration No. 32  (ACTION ITEM 32)  Board Meeting 8-6-09

Request:  
Consideration of Approval for the Chancellor to Negotiate and Execute a Contract for the Sale of Lone Star College System's Satellite Center Known as Willow Chase Center Located at 9449 Grant Rd. Houston, TX 77070

Chancellor's Recommendation:  
That the Board of Trustees authorize the Chancellor or his designee to negotiate and execute a contract for the sale of Willow Chase Center to the Board of Regents of the Texas A&M University System, A&M System Building, Suite 2079, 200 Technology Way, College Station, Brazos County, Texas 77840-3424 in the amount of $8,900,000.

Rationale:  
Texas A&M University System agrees to purchase Willow Chase Center which consists of approximately 52,000 square feet and 8.4805 acres of land to allow Prairie View A&M to establish a presence in the area. The purchase also will include personal property consisting of furniture, fixtures and selective pieces of equipment.

The sale of this property is directly related to Lone Star College System's purchase of the former HP facility. Classes currently being offered at the Willow Chase satellite center will be transitioned to the HP location beginning with the Spring 2010 semester.

The transaction is targeted to close by August 31, 2009 with LSCS leasing back the facility through December 31, 2009 at a rate of $40,000/month (triple net).

Fiscal Impact:  
The $8,900,000 in proceeds from the transaction will be credited to the 2008 General Obligation Bond account.

Staff Resource:  
Cindy Gilliam  
832-813-6512
Exhibit “pp”

Financial Report and Consideration No. 33  (ACTION ITEM 33)  Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Plagiarism Prevention Software

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of plagiarism prevention software from iParadigms, LLC, 1624 Franklin Street, 7th Floor, Oakland, CA 94612 in an amount not to exceed $250,000 over five years. In addition, authorize the Chancellor or designee to negotiate and execute annual renewal subscriptions.

Rationale: Plagiarism prevention software assists educators in the identification and deterrence of plagiarism. Educators can check students' work for improper citation or potential plagiarism by comparing it against databases consisting of web pages, student papers, newspapers, magazines, journals, and books. The software provides instructors with the opportunity to teach students proper citation methods as well as to safeguard students' academic integrity.

This purchase is in accordance with Board policy and Education Code 44.031 A(i) which states that a sole source purchase is justified for an item for which competition is precluded because of the existence of a patent, copyright, secret process or monopoly. LSCS searched for comparable software solutions to ensure that there were no other equivalent product solutions. This process included the issuance of a Request for Quotation and only one response was received from iParadigms. Potential Respondent's were contacted and they stated that their solution could not meet the required specifications. The plagiarism software solution, Turnitin, is protected by copyright. This software will be purchased from the only source, iParadigms, the software developer.

This approval will authorize the purchase of the plagiarism prevention software solution for a period up to five years. The annual software subscription is based upon full-time equivalents (FTE). For FY 2009-10, the total amount is $33,290 which is based upon 32,017 FTE.

In FY 2009-10, LSCS will be reviewing and evaluating the Turnitin WriteCycle, which is the only complete, web-based solution for managing writing assignments. This solution proposes to greatly accelerate the learning process, involving students in their own development, freeing instructors from the burden of tracking papers, and promoting critical thinking, while maintaining academic integrity. If the solution meets LSCS needs and requirements, this approval includes the funds for the purchase of this solution in years two through five.
Fiscal Impact: Funds for this purchase are available from the recommended FY 2009-10 operating budgets. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Donetta Goodall 832-813-6597
Shah Ardalan 832-813-6737
Financial Report and Consideration No. 34 (ACTION ITEM 34) Board Meeting 8-6-09

Request: Consideration of Approval to Replace Main Electrical Switchgear at LSC-Tomball

Chancellor's Recommendation: That the Board of Trustees approve the replacement of the main electrical switchgear at LSC-Tomball by the lowest bidder, Capp Electric, 4303 Glebe, Houston, TX 77018 in the amount of $296,264.

Rationale: The 5,000 amp main electrical switchgear at LSC-Tomball has no more available connections for additional square footage, is outdated, and has surpassed its expected useful life. This project will consist of the full replacement of the main electrical switchgear. The new switchgear will have the ability to support the increased capacity required for the existing buildings and the new campus construction resulting from the 2008 bond referendum.

Proposals were requested from thirty-one contractors and seven construction brokerage firms. Four responses were received. See attached Bid Tabulation.

Fiscal Impact: The funds for this purchase are available from the 2007 revenue bonds.

Staff Resource: Susan Karr 281-351-3644

Cindy Gilliam 832-813-6511
Replace Main Electrical Switchgear
at LSC-Tomball

BID TABULATION

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capp Electric</td>
<td>$296,264</td>
</tr>
<tr>
<td>A&amp;H Electric Services, LLC</td>
<td>$337,850</td>
</tr>
<tr>
<td>Alpha Electric Company</td>
<td>$434,852</td>
</tr>
<tr>
<td>Colwell Electric Co., Inc.</td>
<td>$440,038</td>
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</tbody>
</table>

Bid Amount
(Includes Base Bid, $50,000 Owner's Allowance, and Payment and Performance Bonds)
Exhibit “r”

Financial Report and Consideration No. 35  (ACTION ITEM 35)  Board Meeting 8-6-09

Request:
Consideration of Approval to Extend Agreement for Purchase of Lawn Maintenance Services for Four Locations

Chancellor’s Recommendation:
That the Board of Trustees approve the extension of the lawn service maintenance agreements from the following contractors in the amount of $193,205 annually for a total amount of $386,410 over two years.

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Campus</th>
<th>Annual Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landscape Consultants of Texas dba Landscape Professionals</td>
<td>LSC-University Center</td>
<td>$12,877</td>
</tr>
<tr>
<td></td>
<td>LSC-Willow Chase Center*</td>
<td>$9,232</td>
</tr>
<tr>
<td></td>
<td>LSC-Conroe Center</td>
<td>$4,800</td>
</tr>
<tr>
<td>Landscape Images of Texas</td>
<td>LSC-CyFair</td>
<td>$166,296</td>
</tr>
</tbody>
</table>

*Subject to termination in December 2009.

Rationale:
In FY 2006-07, the Board of Trustees approved the agreements for the purchase of lawn maintenance services for multiple locations. The lawn services are needed to provide complete and continuous maintenance and upkeep of designated areas. Lawn maintenance services include all labor, supervision, materials, equipment, and insurance necessary to provide mowing, edging, trimming of jasmine ground cover, manual weed control, light pruning and spraying of trees, annual color, and mulching. In addition, fertilization, pre-emerge and post-emerge lawn herbicides are provided.

The initial purchase of lawn maintenance services was in accordance with the college system’s Board policies and Texas Education Code 44.031 through a formal competitive bid process. The term of the initial agreements with Landscape Images and Landscape Professionals was for a period of three years effective September 1, 2006 through August 31, 2009 with the option to renew for two additional one year terms. Based upon satisfactory performance, it is requested to approve the two remaining renewal options. The college system reserves the right to cancel the agreement with 30 days written notice for any reason. Due to the relocation of LSC-Willow Chase Center, this agreement is subject to termination in December 2009.

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

Staff Resource: Cindy Gilliam  
832-813-6512
Financial Report and Consideration No. 36  (ACTION ITEM 36)  Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Professional Architectural Services for Construction Projects

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of professional architectural services for construction projects for an amount not to exceed $250,000 over a period of three years from the following firms. In addition, authorize the Chancellor or designee to negotiate and execute the Statement of Work for each project.

- CAPS Architectural Services
- PGAL
- OC+A Architects
- Huitt Zollars
- Hill & Swart Architect

Rationale: A registered architect must prepare plans and specifications for any alteration or addition to an existing building owned by the System when the construction costs exceed $50,000 and the alteration or addition requires removal, relocation, or addition of any walls or the alteration or addition of an exit. In additional, local jurisdictions require the approval of architect sealed and signed plans before issuing building permits.

This approval will enable the college system to respond immediately to small construction projects in need of architectural services. Pre-approving these architectural services will shorten project schedules and provide more opportunities to competitively bid out construction services.

A Request for Qualifications for architectural services was released to 261 architectural firms and 56 responses were received. An evaluation committee consisting of System Office employees with architectural and engineering backgrounds, a facility director, and a Historically Underutilized Business (HUB) consultant thoroughly evaluated each architectural firm’s statement of qualifications based upon previous work experience, qualifications of assigned staff, project timeline, firm’s office locations and references. In addition, the firms were evaluated based upon HUB status and/or history of use of HUB firms. In an effort to engage more firms, architects currently working on general obligation bond projects for LSCS were not considered.

It is recommended to enter into master agreements with the top five qualified firms. Of the five firms, three are HUB certified. Additionally, two of the firms are considered large, two medium, and one small with regards to gross annual revenues.
Individual projects will be awarded based upon the assigned workload, annual spending with the firm, project time sensitivity and firm expertise. LSCS will negotiate a fair and reasonable price with the selected firm on a project by project basis. The college system will attempt to balance the expenditures amount across all five firms. To ensure the Board continues to have visibility of these purchases, a brief summary of projects will be included in the Building and Grounds Report each quarter.

The college system will not exclusively use the five firms listed above for architectural services. There may be an instance in which specialty consultants are required. At that time, professional services will be procured using standard procedures.

Per Texas Education Code Chapter 2254.003, competitive bids shall not be solicited for professional services. Contracts for these professional services shall be made on the basis of demonstrated competence and qualifications to perform the services and for a fair and reasonable price.

**Fiscal Impact:**

Funds for these services are available from the repair and replacement, operating, and bond fund budgets. Funds for subsequent years will be included in future proposed budgets.

**Staff Resource:** Cindy Gilliam 832-813-6512
Exhibit “tt”

Financial Report and Consideration No. 37 (ACTION ITEM 37)  Board Meeting 8-6-09

Request: Consideration of Approval to Purchase Professional Engineering Services for Construction Projects

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of professional engineering services for construction projects for an amount not to exceed $500,000 over a period of three years from the following firms. In addition, authorize the Chancellor or designee to negotiate and execute the Statement of Work for each project.

- Bovay Engineering, Inc.
- CAI Engineering
- Lockwood Andrews & Associates
- Marshall Engineering
- Smith Seekman Reid, Inc.

Rationale: Structural, electrical, and mechanical engineering plans for all construction by the System that costs more than $8,000 and involves public health, welfare, or safety must be prepared by a registered professional engineer. The work must be performed under the supervision of an engineer. In addition, sealed and signed engineered drawings are required by jurisdictional entities to obtain building permits.

This approval will enable the college system to respond quickly to small construction projects in need of engineering services. Projects requiring engineering design frequently involve the replacement of equipment. Long lead times can be associated with purchasing this equipment. Having engineering resources pre-approved will shorten project schedules and provide more opportunities to competitively procure equipment and construction services.

A Request for Qualifications for engineering services was released to 156 engineering firms and 103 responses were received. An evaluation committee consisting of System Office employees with engineering and architectural backgrounds, a college facility director, and a Historically Underutilized Business (HUB) consultant thoroughly evaluated each statement of qualifications based upon previous work experience, qualifications of assigned staff, project timeline, firm’s office locations and references. In addition, the firms were evaluated based upon HUB status and/or history of use of HUB firms. In an effort to engage more firms, engineers currently working on general obligation bond projects for LSCS were not considered.

It is recommended to enter into master agreements with the top five
qualified firms. Of the five firms, three are HUB certified. Additionally, three of the firms are considered small and two large with regards to gross annual revenues.

Individual projects will be awarded based upon the assigned workload, annual spending with the firm, project time sensitivity, and firm expertise. LSCS will negotiate a fair and reasonable price with the selected firm on a project by project basis. The college system will attempt to balance the expenditures across all five firms. To ensure the Board continues to have visibility of these purchases, a brief summary of projects will be included in the Building and Grounds Report each quarter.

The college system will not exclusively use the five firms listed above for engineering services. Occasionally, specialty consultants will be required. In those instances, standard procedures for procuring professional services will be followed.

Per Texas Education Code Chapter 2254.003, competitive bids shall not be solicited for professional services. Contracts for these professional services shall be made on the basis of demonstrated competence and qualifications to perform the services and for a fair and reasonable price.

**Fiscal Impact:**

Funds for these services are available from the repair and replacement, operating, and bond fund budgets. Funds for subsequent years will be included in the future proposed budgets.

**Staff Resource:**

Cindy Gilliam

832-813-6512
Financial Report and Consideration No. 38 (ACTION ITEM 38)  Board Meeting 8-6-09

Request: Consideration of Approval of Harris County Department of Education (HCDE) Cooperative Purchase to Install a Fence at LSC-North Harris Health Professions Building

Chancellor's Recommendation: That the Board of Trustees approve the cooperative purchase to install a fence around the property of the LSC-North Harris Health Science Building from the HCDE Area Job Order Contractor (AJOC), Basic IDIQ General Contractors, 2900 Wood Ridge, Suite 312, Houston, TX 77087, in an amount not to exceed $124,351.

Rationale: It is recommended that a fence be installed around the property of the LSC-North Harris Health Science Building, located at 17202 Red Oak Drive, to provide protection of the property and safety for current tenants and future students and staff. To ensure adequate security is in place as soon as possible, it is essential to proceed with this project using an AJOC.

The Board of Trustees approved the annual purchase of AJOC construction services for construction related projects in an amount not to exceed $1,000,000 for FY 2008-09 at the August 7, 2008 Board meeting. However, it was agreed that projects in excess of $100,000 would be presented to the Board individually for consideration of approval.

Texas Education Code, Section 44.041, Job Order Contracts for Facilities Construction or Repair, allows the System to award job order contracts for minor construction, repair, rehabilitation or alteration of a facility if the work is of a recurring nature, but the delivery times and quantities are indefinite and quantities and orders are awarded substantially on the basis of pre-described and pre-priced tasks.

This purchase is in accordance with Texas Government Code, Subchapter F, Sections 271.101-102. The Board of Trustees approved the college system’s membership in HCDE at its September 2000 meeting.

Fiscal Impact: Funds for this purchase are included in the approved FY 2008-09 operating budget for LSC-North Harris.

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

Financial Report and Consideration No. 39  (ACTION ITEM 39)  Board Meeting 8-6-09

Request:  Consideration of Approval to Purchase Annual Construction Services for Repair and Replacement Projects

Chancellor’s Recommendation:  That the Board of Trustees approve the purchase of construction services for repair and replacement projects for an amount not to exceed $2,680,000 for FY 2009-2010. In addition, authorize the Chancellor or designee to execute contracts related to these construction purchases.

Rationale:  Each spring, the colleges develop a list of capital improvement projects to be completed over the next fiscal year and funded from the repair and replacement (R&R) budget. The R&R budget is created specifically to repair or replace major capital assets and address any deficiencies with meeting the American with Disabilities Act.

It is recommended that an annual agenda item for the purchase of construction services associated with the R&R projects be approved in advance by the Board of Trustees. Each year, there are more than fifty R&R projects that must be managed and completed in a limited amount of time. Each of these projects has its own scheduling complexities (i.e. project must be completed over the college’s winter break, long lead time for equipment, etc.). Approving the construction services in advance will dramatically improve project schedules. With increased flexibility in scheduling, various procurement methods, including additional opportunities to competitively bid out construction services, would allow schedules to be met more efficiently and cost effectively.

The purchase of these construction services will be made in accordance with:
- Education Code 44.041: through a competitive bid process, or
- Texas Government Code, Subchapter F, Sections 271.101-102: through a Board approved purchasing cooperative, or
- Any other method approved by state law.

To ensure the Board continues to have visibility of construction purchases made under this request, a brief summary of projects will be included in the Building and Grounds Report each quarter. Projects that exceed $200,000 will be presented to the Board individually for consideration of approval.

Fiscal Impact:  Funds for this purchase are included in the recommended FY 2009-2010 repair and replacement budget.

Staff Resource:  Cindy Gilliam  832-813-6512
Financial Report and Consideration No. 40  (AGENDA ITEM 40)  Board Meeting 8-6-09

Request:  Consideration of Approval to Purchase 3D Interactive Software, Projection Hardware, and Onsite Training for LSC-CyFair

Chancellor’s Recommendation:  That the Board of Trustees approve the purchase of 3D interactive software, projection hardware, and onsite training from Eon Reality, 39 Parker Suite 100, Irvine, CA 92618 in the amount of $57,000.

Rationale:  The virtual reality interactive 3D software and projection system will provide the Lone Star College System with opportunities to enhance marketing presentations for potential and established corporate sponsors through immersion in a digital environment rather than the typical flat-screen presentation. Images projected through this system will allow viewers a 3D experience that provides a high level of interactivity and simulation realism.

LSCS students in Computer Aided Drafting will have the opportunity to convert drawings into 3D models enhancing the classroom experience. In addition, the projection system will serve as a recruiting tool for the advanced technology programs.

A Request for Proposal (RFP) was sent to four 3D interactive software vendors and one response was received. This software and hardware solution is very specialized with a limited number of potential suppliers. Therefore, it is requested to approve this purchase from the only respondent, Eon Reality.

Fiscal Impact:  Funds for this purchase are available from the approved FY 2008-09 operating budget for LSC-CyFair. The annual maintenance cost, estimated at $4,500, will be included in future proposed budgets.

Staff Resource:  Audre Levy 281-290-3940
Exhibit “xx”

Financial Report and Consideration No. 41 (ACTION ITEM 41) Board Meeting 8-6-09

Request:
Consideration of Approval to Amend Janitorial Services Agreement for LSC-North Harris

Chancellor’s Recommendation:
That the Board of Trustees approve the amendment to the janitorial services agreement for LSC-North Harris with McLemore Building Maintenance (MBM), 110 Fargo Street, Houston, Texas 77006, for an additional amount of $67,032 annually for a total annual amount of $263,530.

Rationale:
On December 4, 2008, the Board of Trustees approved the purchase of janitorial services for LSC-North Harris and LSC-Greenspoint Center from MBM in the amount of $196,498 annually for a total cost of $982,490 over five years. This agreement provides janitorial services for the Academic and PETEX buildings and Child Care and Applied Technology Centers at LSC-North Harris.

This request is to amend the existing agreement to include three additional buildings at LSC-North Harris. Janitorial services will be provided for the Fine Arts, Community Education, and Health and Wellness buildings for an additional amount of $67,032. This will bring the total cost for janitorial services from MBM to $263,530 annually.

The initial term of the agreement will remain unchanged. The term for the additional buildings will run concurrently with the current five-year agreement. Services for these additional buildings will begin September 1, 2009.

Fiscal Impact:
Funds for these purchases are included in the recommended FY 2009-10 operating budget for LSC-North Harris. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource:
Steve Head 281-618-5444
Financial Report and Consideration No. 42 (ACTION ITEM 42) Board Meeting 8-6-09

Request: Consideration of Approval of a Proposed Voluntary Health Insurance Plan for Students Participating in Health Occupation Internship/Clinical Programs

Chancellor's Recommendation: That the Board of Trustees approves the establishment of a voluntary Health Insurance Plan for students desiring medical insurance. Hospitals providing internship opportunities for health occupation students are now including a student medical insurance requirement in their Affiliation Agreements with Lone Star College System.

Rationale: The purpose of this insurance is to provide health occupation students a manner in which to purchase medical insurance and comply with the requirements of hospital Affiliation Agreements, where applicable, for students attending Lone Star College System.

The proposed plan will provide a $5,000 Maximum Benefit per Injury or Sickness subject to a $100 Deductible per policy year. Purchase of the plan will be voluntary and the annual premium will be $342. Students needing coverage for less than a full year will pay the pro rata portion of the annual premium for the following periods:

- Fall 2009 (08/21/09 to 01/15/10): $138
- Spring 2010 (01/15/10 to 06/01/10): $129
- Summer 2010 (06/01/10 to 08/21/10): $75

The Health Insurance Plan is underwritten by ACE American Insurance Company, which has an AM Best Rating of A+ (Superior). The plan will be managed by Academic Health Plans (AHP), a third-party administrator. Students will apply online with Academic Health Plans to purchase the Health Insurance Plan and the premium will be paid online by credit card.

This plan would go into effect Fall 2009.

Fiscal Impact: This Health Insurance Plan will have no financial impact on the System. The premium will be paid by the student on a direct pay basis.

Staff Resource: Rand Key 832-813-6522
Donetta Goodall 832-813-6597
Consideration of Approval to Purchase Real Estate and Management Services for Health Professions Building at LSC-North Harris

That the Board of Trustees approve the purchase of real estate and management services for the Health Professions Building at LSC-North Harris from FCC Management Services, LP d/b/a Caldwell Management Services, a Texas limited partnership in an amount not to exceed $100,000 over a period of one year.

LSC-North Harris recently purchased the medical center located at Red Oak and Peakwood. This building was purchased to provide instructional space for the medical programs at LSC-North Harris. Until LSCS requires full utilization of the building, the available space will be leased to medical tenants.

Currently, there are existing tenants in the building. A firm with expertise in leasing is needed to help manage the leases and tenants. In addition, it is necessary to have daily monitoring of the building. This agreement includes services to locate additional tenants, lease the existing space, and oversee the management of the new Health Professions Building.

The term of the agreement to provide these real estate and management services will be for a period one year effective August 7, 2009 through August 6, 2010.

Education Code 44.031 contemplates the use of Local Board Rules and Guidelines for the acquisition of goods and services. Board Policy D.4.04 allows limited departure from the standard methods. Due to the immediate need for these services, it is necessary to depart from the standard method. Therefore, the Board is requested to approve the agreement for the real estate and management services for the Health Professions Building.

Funds for this purchase are included in the approved FY 2008-09 auxiliary budget. Funds for FY 2009-10 are included in the recommended budget.

Staff Resource: Steve Head
Cindy Gilliam
281-618-5444
832-813-6512
Report: Construction Projects Update

The District's plant operations and facilities department has provided a summary report of the District's construction projects. See attached report.
Monthly Facilities Planning and Construction Report  
August 6, 2009

General Obligation Bond Project Summaries – 2008 Election:

- **LSC-North Harris**
  - Installation work on the electrical infrastructure upgrade continues. The contractor has installed the final CenterPoint service duct bank and the required access road has been constructed. The transformer and switch have been set, and final details of the easement are being discussed with CenterPoint Energy. The project is proceeding for a late summer completion.
  - The mechanical upgrade project has been completed and the closeout of the project is underway.
  - Programming for the off-campus Health Professions building has been completed. Schematic designs for the main campus projects have been completed. Design development for the Greenspoint Center projects has been completed.

- **LSC-Kingwood**
  - The scope of the Kingwood campus additions has been adjusted to accommodate an enlarged (1,000 seat) theater projected to be constructed with significant public funding assistance. Reprogramming efforts have begun for the facility which is anticipated to be built in the next 3 to 5 years. To support this adjustment, additional instructional space will be included in the Student Fine Arts Building. Updated programming documents should be completed by the week of August 3.

- **LSC-Kingwood Satellite Center**
  - The Schematic Design package is under development and will be submitted to the Kingwood administration the week of August 3 for approval.

- **LSC-Montgomery**
  - Design development for the new Conroe (Satellite) Center is underway. The contract agreement associated with the donation of the land is currently with the City of Conroe and was presented to their Board for approval in mid July. Surveying and title work will follow.
  - Design development of the new academic, health/science and music instruction buildings is underway and expected to be complete in August.
  - The design-build services agreement for the parking garage project has been finalized and is in the process of being executed. Design meetings are ongoing with campus staff and design team. The parking garage site has been identified.
The design of the building automation system upgrade has been completed but the installation work is a probable candidate for an energy performance contact.

The construction budgets for the new buildings are sufficient to support the construction of an additional central plant. The electrical, natural gas, fire alarm and other infrastructure systems on the campus are being evaluated along with the design development effort.

**LSC-Tomball**

- Schematic design of the performing arts and veterinary technology buildings has been completed.
- Schematic design activities are nearing completion on the health science building with approvals targeted for the week of August 3.

**LSC-CyFair**

- Schematic design activities for the new general classroom building and science classroom building additions are complete and design development is now in progress.
- The programming for the renovation of the existing student services area is complete.
- The review of existing campus infrastructure of chilled and hot water, site drainage and other systems is complete except for a report from CenterPoint concerning the capacity of the primary electrical system. All of the “wet” systems have adequate underground piping to accommodate the new buildings. We will need to add a chiller and cooling tower.
- Three of the temporary classroom buildings will need to be moved before construction of the new general classroom building begins in January 2010. The team is meeting with Williams Scotsman to determine the best approach. The temporary buildings house 15 classrooms with 450 student seats.

**LSC-Central Services and Training Center**

- The System administration has identified the departments that will be relocated to the HP site and are working with the architectural team to develop a space allocation master plan for the existing buildings.
- Programming for Houston Advanced Research Center (HARC) renovations will continue once the site master plan has been finalized.

**LSC-HP**

- Willow Chase Center Relocation – The current Willow Chase satellite will be relocating to floors 2-5 in Building 13 on the HP campus. The associated programming and schematic design work has been completed and has progressed into design development. Spring 2010 classes are targeted to begin in the new space.
- Commons – The commons building is currently operational and is supporting professional development and community programs. Design work associated with refreshing the space and upgrading the technology is under development.
- Building 11 Renovations -- The campus data center will be located on the third floor and is being upgraded in partnership with HP to house the LSC system-wide backup data center and to promote new education technologies.
2007 Revenue Bond Project Summaries:

- **LSC-North Harris**
  - The initial phase of the building automation system upgrade project has been completed. Future phases of work could be covered through an energy performance contract. Construction at LSC-Tomball continues with targeted completion during the week of July 20.
  - The MUD change-over project is entering the design phase, with the surveying and site utility location/validation currently underway. Construction documents are expected by mid-fall.

- **LSC-Montgomery**
  - The original scope of the card access system replacement project was completed in late May. Installation of additional readers approved by the Board in June is ongoing and expected to be complete in August.

- **LSC-Kingwood**
  - Fire Alarm System Upgrade for LSC-Kingwood – Work is 95% complete. Certifications have been received and approved while the City of Houston permits are also being processed. Remaining punchlist items are being addressed before the close-out process begins.
  - Security System Upgrades for LSC-Kingwood – This project is 100% complete.
  - Roof Repairs and/or Replacement for LSC-Kingwood – Work has been completed and final invoicing awaits closure of the Tomball project. LSC-Tomball - Work is complete with the exception of correcting several leaking roof drains. The associated negotiations continue with the contractor and are expected to be closed by the end of July. Final close-out documents will follow accordingly.

- **LSC-Cy Fair**
  - Land for a New Satellite Center – An acceptable tract of land on Clay Road has been identified as the site for the Center.

- **LSC-Tomball**
  - Replace Switchgear – This Project is scheduled to be considered at the August regular board meeting. If approved, switchgear will be replaced over the winter break in December.
  - Repair Exterior Windows – The Request for Proposals is scheduled to be released in early August.
  - Entry Column Renovations – The Design team is revising the construction documents.

The Tomball projects below were bid in combination with other campuses to reduce the cost. The status of these projects can be found in other campus reports as follows:

- Building Automation System Upgrades – LSC-North Harris
- Security System Upgrades – LSC-Kingwood
- Roof Repairs and/or Replacement – LSC-Kingwood

Remediation

- LSC-Montgomery
  - Building F (Library) Patio Drainage – The project to implement a secondary drainage system for the patio is under evaluation.
Exhibit “BB”

Personnel Report and Consideration No. 1  (ACTION ITEM 44)  Board Meeting 8-6-09

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, North Harris, Tomball and System Office.

Fiscal Impact: Positions and salaries have been budgeted for 2008-2009.

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

Audre Levy, President

Effective: Twelve-month contracted employee at an annual salary of $165,000 beginning July 1, 2009.

Education: Ed.D., Pepperdine University, Major: Institutional Management; M.A., Holmes Institute, Major: Divinity; M.S., California State University, Major: Administration & Educational Psychology; M.A., University State Michigan, Major: Education; B.A., Michigan State University, Major: Public Speech.

Experience: Superintendent/President, Glendale Community College District; Executive Vice President, Vice President of Student Services, San Jose/Evergreen Community Colleges; Assistant to the Vice President of Instruction, Title III Director, Dallas Community Colleges; Administrator (Coordinator of Matriculation, Retention Specialist), Counselor (General Students, International Students, Career Counselor). Los Angeles Community College.

Rick Pretzsch, Economics, Associate Professor

Effective: Ten and one-half month contracted employee at an annual salary of $58,358 beginning August 10, 2009.


Experience: Instructor of Economics, Northern Illinois University; Adjunct Instructor of Economics, William Rainey Harper Community College, Aurora University, Elgin Community College and Roosevelt University.

Sylvia San Pedro, Developmental Math, Assistant Professor


Education: M.Ed., University of St. Thomas, Major: Secondary Education; B.S., University of Houston, Major: Mathematics.

Experience: Adjunct Faculty, Lone Star College-CyFair; Mathematics Teacher, Cypress Fairbanks ISD-Cy-Ridge High School; Mathematics and Engineering Teacher, Houston ISD-BT Washington High School.
Kristoffer Villarreal, Welding, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $49,092 beginning August 10, 2009.

Education: A.A.S., South Texas Community College, Major: Health and Human Services; A.S., Lone Star College-CyFair, Major: Science.

Experience: Advisor, CE Instructor, Lab Assistant, and Adjunct Faculty, Lone Star College-CyFair; Business Owner, Hot Rods; Infantry Squad Leader, 101st Airborne Division, U.S. Army; Admissions Clerk, South Texas Community College.

b. LSC-Kingwood

Susan Cotton, English, Associate Professor

Effective: Ten and one-half month contracted employee at an annual salary of $58,358 beginning August 10, 2009.

Education: Ph.D., University of Southwestern Louisiana, Major: English; M.A. & B.A., Northeast Louisiana University, Major: English & Liberal Arts.

Experience: Staff Supervisor for Supplemental Instruction, Adjunct Faculty, English Tutor, Lone Star College-Kingwood; Instructor, English, San Jacinto College-North; Graduate Teaching Assistant, University of Southwestern Louisiana; Instructor, University of Houston-Downtown; Graduate Teaching Assistant, Northeast Louisiana University.

Michael Griffith, Management/Marketing, Associate Professor

Effective: Ten and one-half month contracted employee at an annual salary of $54,148 beginning August 10, 2009.

Education: M.B.A., Sam Houston State University, Major: Marketing; B.S., Oklahoma Christian University, Major: Management.

Experience: Assistant Professor of Business, Cascade College of Oklahoma Christian University; Training Performance Measurement Manager, Transamerica Real Estate Information Companies; Sales Training Manager, Pinpoint Retail Systems America & Acme Brick Company of Justin Industries, Inc.; Management Development Instructor, Navarro College.

Hilary Miller, Computer Information Technology, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Experience: Temporary Full-Time Instructor and Adjunct Faculty, Lone Star College-Kingwood and North Harris, Senior Specialist, ExxonMobil Corporation; Graduate Assistant, Mississippi State University; Part-Time Customer Service Representative, Unistar Computers/Sparco.com.

Brenda Rambarran, Developmental English, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $54,148 beginning August 10, 2009.

Education: M.A., University of Houston-Clear Lake, Major: Humanities; M.A., University of Houston-Clear Lake, Major: Cross-Cultural Studies; B.A., St. Mary’s University, Major: International Relations.

Experience: Adjunct English/Humanities Professor, Lee College; Full Load Adjunct English Professor, San Jacinto College-North; Adjunct English Professor, San Jacinto College-South; International Specialist, Internship, University of Texas Medical Branch.

James Stubbs, Dean, Instruction

Effective: Twelve month contracted employee at an annual salary of $88,400 beginning July 1, 2009.

Education: M.M., University of North Texas, Major: Music; B.A., Louisiana Tech University, Major: Music Education.

Experience: Interim Dean of Arts and Humanities, Professor, and Associate Professor, Lone Star College-Kingwood; Band Director and Music Instructor, Navarro College, Kaufman I.S.D., and Heber Springs Public Schools; Trumpet Instructor, Garland I. S. D.

Crystal Weber, Chemistry, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $51,580 beginning August 10, 2009.

Education: M.A., Rice University, Major: Chemistry; B.S., The University of Tulsa, Major: Chemistry and Math.

Experience: Teaching Assistant, Rice University and The University of Tulsa.

Steven Todd, Philosophy, Associate Professor

Effective: Nine month contracted employee at an annual salary of $50,023 beginning August 10, 2009.
Education: Ph.D., University of Connecticut, Major: Philosophy; M.A. & B.A., University of Houston, Major: Philosophy.

Experience: Graduate Assistant/Teaching Assistant, University of Connecticut; Adjunct Faculty, Lone Star College-Kingwood; Adjunct Professor, University of Houston.

Rachelle Richardson, Associate Degree Nursing, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Education: M.S.N., B.S.N. & B.A., University of Cincinnati, Major: Family Nurse Practitioner, Nursing & English Literature.

Experience: Family Nurse Practitioner, Memorial Hermann; Adjunct Faculty, Lone Star College-Kingwood; Staff Nurse, PPR Staffing; Nurse Practitioner, The University of Cincinnati; Staff Nurse Emergency Department, Jewish Hospital; Staff Nurse Telemetry, The Good Samaritan Hospital.

Lisa Hall, Computer Information Technology, Associate Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.


Experience: Information Technologies Instructor, Columbia Area Center; Computer Networking Instructor, Linn State Technical College; Computer Information Technologist II, State of Missouri.

Suzette Goss, Developmental Math, Associate Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Education: M.S., Texas A&M University; Major: Math; B.S., Stephen F. Austin State University, Major: Math.

Experience: Adjunct Faculty, Lone Star College-Kingwood; Math Teacher, Sand Jacinto College District, Richardson ISD, Garland ISD; Math Teacher, Math Department Chair, Math Instructional Coach, Humble ISD; Developmental Math Adjunct, Dallas County Community College.
c. LSC-Montgomery

Austin Lane, President

Effective: Twelve month contracted employee at an annual salary of $161,200 beginning July 20, 2009.


Experience: Vice President for Student Affairs, Tyler Junior College; Dean of Students, Assistant Dean of Students & Director of Student Judicial Affairs, and Counseling Specialist; The University of Texas at Arlington.

Lawrence Brandyburg, Dean, Instruction

Effective: Twelve month contracted employee at an annual salary of $88,400 beginning August 3, 2009.

Education: Ph.D., The University of Texas at Austin, Major: Educational Administration; M.A. & B.A., Prairie View A&M University, Major: Sociology & History; A.A., Blinn College, Major: General.

Experience: Interim Executive Director of University Center, Professor, Associate Professor, Assistant Professor, and Adjunct Faculty, Lone Star College; Retail Store Director and Manager, Toys R Us-Houston Market; Military Officer, United States Army.

Kris Chapman, Music (Director of Bands), Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Education: M.A., George Mason University, Major: Instrumental Conducting; B.A., Sterling College, Major: Music Education.

Experience: Adjunct Faculty, Lone Star College-Kingwood; Graduate Teaching Assistant, George Mason University; Director of Bands, Elementary Music Teacher, Ft. Larned US District #495; Band Director, General Music Teacher, Anthony-Harper US District #361.

Scott Daugherty, Mathematics, Associate Professor

Effective: Ten and one-half month contracted employee at an annual salary of $54,148 beginning August 10, 2009.

Education: M.S., University of Idaho, Major: Math; B.S., Christian Brothers University, Major: Math and Physics.
Experience: Owner, A+ Tutoring; Instructor, Futon-Montgomery Community College and Hiwassee College; Assistant Professor, Darton College and Tusculum College.

Dominick DiOrio, Music, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $55,831 beginning August 10, 2009.

Education: M.M.A. & M.M., Yale University-School of Music, Major: Choral Conducting; B.M., Ithaca College School of Music, Major: Composition-Piano Emphasis.

Experience: Director of the University Church Choir, University Church at Yale-Yale University; Co-Director of the Marquand Chapel Choir, Yale Divinity School Marquand Chapel Program; Assistant Conductor/Ensemble Manager, Yale Camera; Faculty Apprentice, Berkshire Choral Festival; Assistant Conductor, Ithaca Children’s Choir.

Lana Myers, English, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $58,358 beginning August 10, 2009.


Experience: Instructor of English, Senior Multimedia Specialist, Adjunct Faculty, Multimedia Specialist, Alamo Community College District; Leasing Specialist and Resident Services Director, Metro National Corporation.

Anitha Ramaswamy, Biology, Assistant Professor

Effective: Nine month contracted employee at an annual salary of $43,523 beginning August 10, 2009.

Education: M.S., Texas A&M University, Major: Plant Pathology & Microbiology; M.S., Mangalore University, Major: Applied Botany; B.S., K.G.F. First Grade College, Major: Natural Science.

Experience: Temporary Full-Time Assistant Professor, Adjunct Faculty, Lone Star College-Montgomery & CyFair; Senior Research Assistant, University of Texas-M.D. Anderson Cancer Center; Graduate Assistant, Texas A&M University.
d. LSC-North Harris

Seth Batiste, Developmental Studies-Writing, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $55,831 beginning August 10, 2009.

Education: M.E.D. & B.A., University of Houston, Major: Second Language Acquisition & English Creative Writing.

Experience: Director, LNEC Upward Bound Houston; Consultant-Prairie View A&M University, Self-Employed; Adjunct Professor, Lone Star College-North Harris.

Jennifer Briggs, Emergency Medical Services, Assistant Professor

Effective: Twelve month contracted employee at an annual salary of $55,028 beginning August 10, 2009.

Education: A.A.S., Lone Star College-North Harris, Major: Paramedic.

Experience: Adjunct Faculty and Certified Teaching Assistant, Lone Star College-North Harris; In-Charge Paramedic, Field Training Officer, Montgomery County Hospital District; Monitor Tech/Unit Secretary, Tomball Regional Medical Center; EMT-Intermediate, Med Xpress EMS.

Robert Glenn, Engineering Technology/Mechatronics, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $58,358 beginning August 10, 2009.

Education: Ph.D. & M.S., University of Texas at Arlington, Major: Mechanical Engineering; B.A., Texas A&M University, Major: Chemistry/Mathematics.

Experience: Automation Engineer, W.L. Gore & Associates; Senior Software Engineer, Protodyne Corporation; Senior Consulting Engineer and Senior Applications Engineer, Adept Technology; Senior Research Engineer, QUEST Integrated, Inc.; Graduate Research Assistant, Automation & Robotics Research Institute, Instructor, Mountain View Community College; Chemistry Teacher, Lamar High School.

Andrea Patella, Mathematics, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $47,848 beginning August 10, 2009.

Education: M.S., Sam Houston State University, Major: Mathematics; B.S., Pensacola Christian College, Major: Mathematics.
Experience: Intervention Coordinator and Adjunct Faculty, Lone Star College-North Harris; Graduate Assistant, Sam Houston State University.

David Smith, Education, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Education: M.S., Stephen F. Austin State University, Major: Secondary Education; B.S., Indiana University, Major: Elementary Education.

Experience: Program Manager and Adjunct Faculty, Lone Star College-North Harris; Coordinator of Facilities and Maintenance, Sheldon ISD; Principal, Sheldon Intermediate School; Assistant Principal, C.E. King Middle School; Teacher and Coach, Sheldon Jr. High and King Middle School.

Tom Ray Woodard, Machining, Instructor

Effective: 4.5-month contracted employee at an annual pro-rated (70%) salary of $14,727 beginning August 18, 2009.

Experience: Temporary Full-Time Instructor, Machining, Lone Star College-North Harris; Machinist, Minco Inc. & FCM Corp

c. LSC-Tomball

Susan Karr, President

Effective: Twelve month contracted employee at an annual salary of $161,200 beginning August 1, 2009.

Education: Ph.D., The University of Texas at Austin, Major: Community College Leadership; M.Ed., Boston University, Major: Human Services Management; B.A., The University of Maryland, Major: Psychology.

Experience: Vice President of Instruction, Ouachita Technical College; Dean of Instruction; Indiana Technical College; Director of Faculty Grants/Associate Instructor, The University of North Carolina at Pembroke; Dean of Planning, Management, and Evaluation; North Arkansas Community College.

Katherine Sanchez, Dean, Instruction (Education, English, Mathematics)

Effective: Twelve month contracted employee at an annual salary of $88,400 beginning July 16, 2009.

Education: M.A. & B.A., Texas A&M University, Major: English.
Experience: Professor, Associate Professor, and Adjunct Faculty; Lone Star College-Tomball; English Teacher, Waller High School; Adjunct Professor, McLennan Community College.

Christine Bradford, Geology, Associate Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Education: M.S., University of North Carolina, Major: Geology; B.A., Franklin and Marshall College, Major: Geology.

Experience: Adjunct Professor, Lone Star College-Tomball & CyFair; Geologist, Reservoirs, Inc.; Environmental Geologist, Apex Environmental, Inc.; Summer Intern, North Carolina Division of Coastal Management; Teaching Assistant, University of North Carolina at Chapel Hill.

Julialicia Case, English, Assistant Professor

Effective: Nine month contracted employee at an annual salary of $43,523 beginning August 10, 2009.

Education: M.A., University of California, Davis, Major: English; B.A., Bryn Mawr College, Major: English & Anthropology.

Experience: Adjunct Instructor, Sacramento City College; Fulbright Fellow, Fulbright Fellowship; Herder Gymnasium; Creative Writing Instructor/Literature Teaching Assistant, University of California, Davis; Teacher/Administrator, Community Learning Center.

Devika Lasinghani, Mathematics, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Education: M.S., Gujarat University, Major: Statistics; B.S., St. Xaviers College, Major: Statistics.

Experience: Temporary Full-Time Associate Professor and Adjunct Faculty, Lone Star College-CyFair; Substitute Teacher, Cypress Fairbanks ISD; Production Analyst, Nova International; Instructor, Sankalp Tuition Classes.

Mari Carmen Marin, English, Assistant Professor

Effective: Nine month contracted employee at an annual salary of $50,023 beginning August 10, 2009.
Education: Ph.D., University of Granada, Major: Foreign Language and Literature (English); M.A., University of Zaragoza, Major: English, B.A., University of Granada, Major: English.

Experience: Adjunct Faculty, University of Houston, Lone Star College-North Harris, and University of Houston-Downtown; Lecturer, University of Houston; Bilingual Teacher, Houston ISD; Teaching Assistant in English Department, University of Almeria.

Amber Mestayer, Mathematics, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $50,776 beginning August 10, 2009.

Education: M.S. & B.S., Texas State University, Major: Mathematics.

Experience: Adjunct Faculty, Lone Star College-Kingwood; Mathematic Teacher, Humble ISD, Kingwood High School; Graduate Student Instructor, Texas State University.

Suzanne Weatherly, Developmental Studies-English, Assistant Professor

Effective: Ten and one-half month contracted employee at an annual salary of $55,831 beginning August 10, 2009.

Education: M.E.D., University of St. Thomas, Major: Education; B.A., Houston Baptist University, Major: Interdisciplinary Studies/History.

Experience: Adjunct Faculty, Lone Star College-Tomball; Teacher Quality Program Coordinator, Principal and Assistant Principal at J.L. Lyon Elementary, Reading Recovery & Title One Teacher at Cedric C. Smith Elementary, Magnolia ISD; Language Arts Specialist and Reading Recovery Teacher, and Trainer, Alief ISD.

f. LSC-System Office

Sharadkumar Annaldasala, Executive Director, Applications, Technical

Effective: Twelve-month contracted employee at an annual salary of $115,000 beginning July 1, 2009.

Education: M.A. & B.S., Bombay University, Major: Management Studies & Electrical Engineering.

Experience: Contractor as PeopleSoft Architect/Lead; Ross Stores; Consulting Solution Manager, Oracle Corporation; Contractor as PeopleSoft Architect, Carmax and SAVA Senior Care; Managing Consultant; IBM Corporation; PeopleSoft Architect, Rapidigm Inc.; PeopleSoft Lead DBA, HRC-Manorcare; PeopleSoft Consultant, Foundation Software; Project Leader, Mastek Ltd.; Engineer, Mafalal Industries.
Exhibit “CC”

Personnel Report and Consideration No. 45  (ACTION ITEM 45)  Board Meeting 8-6-09

Request: Consideration of Resignations

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

CvFair

Charles N. Wuest, Professor, English  
Effective August 31, 2009

Mary Kay Stueve, Assistant Dean, Student Learning  
Effective August 31, 2009

Kingwood

Rosie M. Austin, Dean, Institutional Effectiveness  
Effective August 31, 2009

Wanda Seaback, Director, Nursing Program  
Effective July 31, 2009

Diane K. Blanco, Director, College Relations  
Effective August 31, 2009

Jon H. Connolly, Dean Instruction  
Effective July, 2009

Ann McCormick, Professor, Developmental English  
Effective August 31, 2009

Deborah Kay Vayon, Professor, Dental Hygiene  
Effective August 31, 2009

Montgomery

Penny Westerfeld, President  
Effective August 31, 2009

Sol Robert Smith, Associate Professor, English  
Effective August 31, 2009
Oleta Beth Engel, Professor, Accounting  
   Effective July 31, 2009

Greg Ristow, Professor, Music  
   Effective August 31, 2009

Daryn Obrecht, Associate Professor, Music  
   Effective August 13, 2009

North Harris

Deanna K. Moore, Professor, Associate Degree Nursing  
   Effective May 31, 2009

Katherine Kay Avery, Counselor, Professor  
   Effective July 15, 2009

Melinda Sue Barney Castle, Professor, Development Studies  
   Effective August 31, 2009

Robert R. Boettcher, Professor, Computer Information Technology  
   Effective August 31, 2009

James A. Bryan, Professor, Economics  
   Effective August 31, 2009

John Collins, Professor, Engineering Technology/Electronics  
   Effective August 31, 2009

Peggy E. Coster, Professor, Kinesiology  
   Effective August 31, 2009

Patsy R. Gray, Professor, English  
   Effective August 31, 2009

Sharon Vivian Matheson, Professor, Cosmetology  
   Effective August 31, 2009

Joe Frank Monroe, Professor, Paralegal Studies  
   Effective August 31, 2009

Harry H. Morris, Counselor, Associate Professor  
   Effective August 31, 2009

Harris M. O’Brien, Professor, Management & Marketing
Effective August 31, 2009

James A. Robertson, Professor, Art
Effective August 31, 2009

Glendon Amos Smith, Professor, HVAC & Refrigeration Technology
Effective August 31, 2009

Glenn Carrol Ware, Professor, Criminal Justice
Effective August 31, 2009

Dennis Alan Weltman, Professor, Math
Effective July 31, 2009

Vivian Lilly, Executive Dean, LSC-North Harris Centers
Effective August 4, 2009

Tomball

Ray Hawkins, President
Effective August 31, 2009

Mario R. Heredia, Director, Research & Planning
Effective July 15, 2009

E. Edward Albracht, Dean, Student Development
Effective August 31, 2009

Margaret Riggle Crider, Professor, Mathematics
Effective August 31, 2009

Melanie T. Landis, Associate Professor, Veterinary Technology
Effective August 31, 2009

Thomas Ervin Lovell, Professor, History
Effective August 31, 2009

Ivy M. Martino, Professor, Kinesiology
Effective August 31, 2009

James Francis Schubert, Professor, CIT
Effective August 31, 2009

Patricia Morris Stone, Dean, Instruction
Effective August 31, 2009
Cindy Upton, Professor, Economics
Effective August 31, 2009

System Office

Catherine Laura Owen, Director, Community Leadership Institute
Effective August 31, 2009

Staff Resource: Rand Key 832-813-6522
Exhibit “DD”

Personnel Report and Consideration No. 3 (ACTION ITEM 46)  Board Meeting 8-6-09

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-Tomball**  
  Otis W. Curtis, Jr.

- **Lone Star College-Kingwood**  
  Quincy J. Jones

- **Lone Star College-North Harris**  
  Latyna C. Small

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