

**MINUTES OF THE
WORKSHOP AND REGULAR MEETING OF THE BOARD OF TRUSTEES
LONE STAR COLLEGE SYSTEM
CENTRAL SERVICES AND TRAINING CENTER
TRAINING AND DEVELOPMENT CENTER BOARD ROOM
5000 RESEARCH FOREST DRIVE
THE WOODLANDS, TEXAS 77381
June 2, 2011
5:00 p.m.**

PRESENT:

Mr. Randy Bates, Chair
Dr. David Holsey, Vice Chair
Ms. Priscilla Kelly, Secretary
Mr. David Vogt, Assistant Secretary
Mr. Tom Forestier
Ms. Linda Good
Mr. Robert Wolfe

ABSENT: Mr. Robert Adam
Ms. Stephanie Marquard

- I. **CALL TO ORDER:** Mr. Bates called the workshop and regular meeting of the Board of Trustees to order at 5:05 p.m. after determining a quorum was present.
- II. **PLEDGE OF ALLEGIANCE:** Mr. Forestier led the Board and guests in reciting the Pledge of Allegiance.
- III. **CERTIFICATION OF THE POSTING OF THE NOTICE OF THE MEETING:** Chancellor Carpenter confirmed that the Notice for the meeting had been properly posted. No action was required. A copy is attached as Exhibit "A."
- IV. **INTRODUCTIONS, SPECIAL GUESTS, RECOGNITIONS:** The Chancellor welcomed Kassia Micek of the Conroe Courier.
- V. **WORKSHOP:** None
- VI. **CLOSED SESSION:** At 5:07 p.m. Mr. Bates convened the Board in closed session, in accordance with Section 551.001 et. Seq. of the Texas Government Code under one or more of the following provision(s) of the Act:

Section 551.071 – Consultation With Attorney
Section 551.072 – Deliberation Regarding Real Property
Section 551.073 – Deliberation Regarding Prospective Gift

Section 551.074 – Personnel Matters
Section 551.076 – Deliberation Regarding Security Devices
Section 551.087 – Economic Development Negotiations

Mr. Wolfe arrived at 5:35 p.m.

VII. **RECONVENE REGULAR MEETING:** Mr. Bates reconvened the open meeting at 6:16 p.m.

VIII. **APPROVAL OF THE MINUTES OF THE MAY 2, 2011 WORKSHOP AND REGULAR MEETING:** Upon a motion by Ms. Kelly and a second to the motion by Mr. Vogt, the Board approved the minutes of the May 2, 2011 Workshop and Regular Meeting. Mr. Bates abstained from the vote.

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

X. **SPECIAL REPORTS AND ANNOUNCEMENTS**

1. **Chancellor:** Chancellor Carpenter reported that on June 8, at the Bob Bullock Texas State History Museum at the Capitol in Austin, we will officially launch being awarded the Bill and Melinda Gates Foundation Completion by Design Grant.

Chancellor Carpenter announced on June 14, the ribbon cutting for the new LSC-Atascocita Center will be held and on June 28 the dedication of the new Student Services, Fine Arts and Applied Technology facilities at LSC-North Harris will be held.

Chancellor Carpenter congratulated Cindy Gilliam, vice chancellor for administration and finance, on being named the 2011 CFO of the year for large non-profits by the Houston Business Journal.

2. **College Presidents:** Dr. Audre Levy, president of LSC-CyFair, presented an overview of LSCS Strategic Goal 7: to create efficiencies in operation in resource allocation. The five specific actions taken to reach Goal 7 are: 1) the implementation and streamlining of business procedures and management infrastructure across the system by the mapping of LSCS policies/procedures to People Soft, implementation of People Soft accounts receivable/billing, completing the student and human resource modules of iStar, centralizing financial aid function and transcript requests, and automating and streamlining approval processes for employees, outside vendors and customers; 2) the implementation of technology to increase efficiency and promote stewardship of natural resources by implementation of iStar commitment control module, electronic document storage, advanced desktop power management, standardized computer and classroom technology server virtualization, video conferencing technology, partnerships and utilization of system-wide energy conservation initiative measures; 3) strengthen guidelines and protocols for the use of external service providers by managing contract development and review processes and use of iStar supply chain management modules; 4) improving effectiveness to

assess the stewardship of state, local and federal funds by assessing and evaluating effectiveness of programs with stewardship assessment methods reviewed by internal auditor, external auditor, vice presidents of administration and SACS committee and consistently monitoring all operations and budgets; 5) implementation of a data driven system to support system-wide fiscal functions by implementation of People Soft financials and hyperion budgeting and planning.

3. Vice Chancellors: None.

XI. CONSIDERATION OF CONSENT AGENDA: Mr. Bates proceeded with the Consent Agenda. Mr. Wolfe made a motion to approve Action Items 1, 2, 3, 4, 5, 6, 7, 8, 9 10, 11, 12, 13 and 14. Dr. Holsey seconded the motion and the Board unanimously passed the Consent Agenda. A copy is attached as Exhibit "B."

XII. POLICY CONSIDERATION

1. Consideration of Approval of Intention to Establish LSC-University Park as a Branch Campus (ACTION ITEM 1): the Board unanimously approved Lone Star College System pursuing SACS (Southern Association of Colleges and Schools) and THECB (Texas Higher Education Coordinating Board) approvals to change LSC-University Park designation from a Teaching Center to a Branch Campus of the Lone Star College System. This item was passed in the Consent Agenda. A copy is attached as Exhibit "C."
2. Consideration of Approval of the Lone Star College System Goals and Objectives for 2012-2015 (ACTION ITEM 2): the Board unanimously approved the LSCS Goals and Objectives for 2012-2015, which will serve as the strategic plan for the next four academic years. This item was passed in the Consent Agenda. A copy is attached as Exhibit "D."

XIII. FINANCIAL REPORTS AND CONSIDERATIONS

1. Monthly Financial Statements: Ms. Cindy Gilliam, vice chancellor for administration and finance, presented the monthly financial statements for the month ended April 30, 2011. A copy is attached as Exhibit "E." Ms. Gilliam presented an update on the hiring chill. At this time last year, there were 135 open budgeted positions compared to 165 open budgeted positions this year.
2. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for the Purchase of Construction Manager at Risk (CM-at-Risk) Services and the Subsequent Guaranteed Maximum Price (GMP) Agreements for Renovations at LSC-University Park (ACTION ITEM 3): the Board unanimously approved the authorization of the Chancellor or designee to negotiate and execute a contract for the purchase of CM-at-Risk services and the subsequent GMP agreements for renovations at LSC-University Park for an estimated amount of \$6,000,000 over a period of two years from Morganti Texas Inc., 350 N. Sam

Houston Pkwy E., Suite 121, Houston, TX 77060. This item was passed in the Consent Agenda. A copy is attached as Exhibit "F."

3. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for Renovations at LSC-Montgomery (ACTION ITEM 4): the Board unanimously authorized the Chancellor or designee to negotiate and execute a contract for renovations to buildings A, B, C & E at LSC-Montgomery from Rosecrans Interests, 1213 West Loop North, Suite 150, Houston, TX 77055-8200, in the estimated amount of \$1,050,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit "G."
4. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for HVAC Modifications in the Library Building at LSC-Kingwood (ACTION ITEM 5): the Board unanimously approved to authorize the Chancellor or designee to negotiate and execute a contract for HVAC modifications in the Library building at LSC-Kingwood from the lowest bidder, Letsos Company, 8435 Westglen, Houston, TX 77063, in the amount of \$517,532. This item was passed in the Consent Agenda. A copy is attached as Exhibit "H."
5. Consideration of Approval to Purchase Custodial Supplies for the System (ACTION ITEM 6): the Board unanimously approved the purchase of custodial supplies for the System for a term of one year with an optional one-year renewal. The estimated annual purchase amount is \$500,000 for a not-to-exceed amount of \$1,000,000 over two years. Purchases will be made from the following vendors: Buckeye Cleaning Center, P.O. Box 840002, Kansas City, MO 64184; HighPoint Sanitary Solutions, 301 Garden Oaks Blvd., Houston, TX 77018; Hillyard, Inc. 9322 Baythorne Dr., Houston, TX 77041; Interboro Packaging, 114 Bracken Road, Montgomery, NY 12549; Pollock Paper, P.O. Box 840201, Dallas, TX 75284 and Staples Contract & Commercial, 500 Staples Drive, Farmington, MA 01702. This item was passed in the Consent Agenda. A copy is attached as Exhibit "I."
6. Consideration of Approval to Purchase Concert Grand Piano for LSC-Kingwood (ACTION ITEM 7): the Board unanimously approved the purchase of a concert grand piano for LSC-Kingwood from Sherman Clay Piano Company, 3133 SW Freeway, Houston, TX 77098, in the amount of \$104,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit "J."
7. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Agreements for the Harris County Department of Education (HCDE) Cooperative Purchase of Additional Furniture and Installation Services for LSC-Victory Center (ACTION ITEM 8): the Board unanimously approved to authorize the Chancellor or Designee to negotiate and execute agreements for the HCDE cooperative purchase of additional furniture and installation services for LSC-Victory Center in the estimated amount of \$700,000, increasing the total estimated purchase from \$10,195,000 to \$10,895,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit "K."

8. Consideration of Approval to Purchase Furniture, Fixtures, Equipment and Materials for the System for the Remainder of the 2010-11 Budget Year and Authorize the Chancellor or Designee to Execute any Required Agreements Related to these Purchases (ACTION ITEM 9): the Board unanimously approved the purchase of furniture, fixtures, equipment and materials for the System during the remainder of the 2010-11 budget year in an amount not-to-exceed \$1,000,000. In addition, authorized the Chancellor or designee to execute any required agreements related to these purchases. This item was passed in the Consent Agenda. A copy is attached as Exhibit "L."
9. Consideration of Approval to Purchase Additional Cisco Network Hardware for the System (ACTION ITEM 10): the Board unanimously approved the purchase of additional Cisco Network Hardware from NWN Corporation for the System in the amount of \$1,000,000 bringing the total not-to-exceed amount to \$6,000,000 for the two-year period ending March 2012. This item was passed in the Consent Agenda. A copy is attached as Exhibit "M."
10. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Water, Wastewater, and Gas Easements with the City of Tomball for the LSC-Tomball Performing Fine Arts Center, Veterinary Technology Addition, and Health Science Buildings (ACTION ITEM 11): the Board unanimously approved to authorize the Chancellor or designee to approve Water, Wastewater, and Gas Easements with the City of Tomball for the LSC-Tomball Performing Fine Arts Center, Veterinary Technology Addition, and Health Science Buildings. This item was passed in the Consent Agenda. A copy is attached as Exhibit "N."

XIV. BUILDING AND GROUNDS REPORT:

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

XV. PERSONNEL REPORTS AND CONSIDERATIONS:

1. Consideration of Ratification of Appointments (ACTION ITEM 12): the Board unanimously ratified the appointments as presented. This item was passed in the Consent Agenda. A copy is attached as Exhibit "P."
2. Consideration of Resignations (ACTION ITEM 13): the Board unanimously accepted the resignations as presented. This item was passed in the Consent Agenda. A copy is attached as Exhibit "Q."
3. Consideration of Approval of Commissioning of Peace Officers (ACTION ITEM 14): the Board unanimously approved the commissioning of the following peace officers for the Lone Star College System: LSC-Kingwood – Mark D. Scott and LaGaytria S. Harrell; LSC-North Harris – Felton R. Pete and John A. Ferrand; LSC-

Montgomery – Johnny L. Gonzales II and LSC-University Park – Michael D. Scott.
This item was passed in the Consent Agenda. A copy is attached as Exhibit “R.”

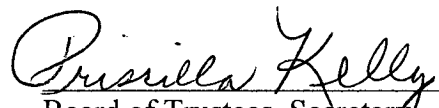
XVI. SUGGESTED FUTURE AGENDA ITEMS: Ms. Kelly stated how much she appreciated the article Dr. Carpenter wrote for the Texas CEO magazine It Takes A Community (College).

XVII. ADJOURNMENT: There being no further business, the meeting was adjourned at 6:30 p.m.

ATTEST:



Board of Trustees, Chair



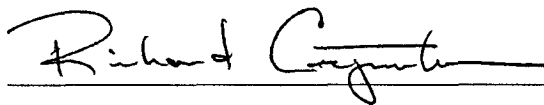
Board of Trustees, Secretary

Exhibit "A"

**Certification of Posting of Notice to the June 2, 2011
Workshop and Regular Meeting of the
Lone Star College System's
Board of Trustees**

I, Richard Carpenter, Chancellor of the Lone Star College System, do hereby certify that a notice of this meeting was posted on Friday the 27th day of May, 2011 in a place convenient to the public in the Administration Office of the Central Services and Training Center, on all college campuses and on the system website, as required by Section 551.002 et seq., Texas Government Code. Special notice of the meeting was provided to the news media as required by Section 551.001 et seq., Texas Government Code.

Given under my hand this the 27th day of May, 2011.

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

Richard Carpenter
Chancellor

Exhibit "B"

Consideration of Consent Agenda

Board Meeting 6-2-11

Consent

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

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

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

Tally of
Action Items:

	<u>Consent</u>	<u>Chancellor</u>	<u>Board</u>
	<u>Agenda</u>	<u>Recommended</u>	<u>Separate</u>
		<u>Separate Action</u>	<u>Action</u>
# 1 – Approve Intention to Establish Branch Campus UP	_____	_____	_____
# 2 – Approve System Goals and Objectives for 2012-2015	_____	_____	_____
# 3 – Authorize Chan/Neg/Exec/Contract/CM-at-Risk/UP	_____	_____	_____
# 4 – Authorize Chan/Neg/Exec/Contract/Renovations/M	_____	_____	_____
# 5 – Authorize Chan/Neg/Exec/Contract/HVAC/K	_____	_____	_____
# 6 – Approve Purchase of Custodial Supplies	_____	_____	_____
# 7 – Approve Purchase of Grand Piano/K	_____	_____	_____
# 8 – Authorize Chan/Neg/Exec/Agreement/Furniture/Svc/VC	_____	_____	_____
# 9 – Approve Pur/Furn/Fixture/Eqmt/Auth/Chan/Exec/Agmt	_____	_____	_____
#10 – Approve Purchase of Network Hardware	_____	_____	_____
#11 – Authorize Chan/Net/Exec/Easements/City of Tomball/T	_____	_____	_____
#12 – Ratify Appointments	_____	_____	_____
#13 – Accept Resignations	_____	_____	_____
#14 – Approve Commissioning of Peace Officers	_____	_____	_____

Exhibit "C"

Policy Consideration No. 1

(ACTION ITEM 1)

Board Meeting 6-2-11

Request: Consideration of Approval of Intention to Establish LSC-University Park as a Branch Campus

Chancellor's

Recommendation: That the Board of Trustees approve Lone Star College System pursuing SACS (Southern Association of Colleges and Schools) and THECB (Texas Higher Education Coordinating Board) approvals to change LSC-University Park designation from a Teaching Center to a Branch Campus of the Lone Star College System.

Rationale: The acquisition, operation, and potential of the existing 1.2 million square feet, 71 acres facility has reaffirmed Lone Star's commitment to the community and the vision of the Board of Trustees. This facility is currently designated as a Teaching Center and houses the second University Center and several system-wide service departments including LSC-Online, Financial Aid, Information Technology, Veterans Affairs, Physical Plant, and Corporate College. In Spring 2011, about 4,000 Lone Star and 2,000 university partners' students enrolled in classes at this site.

Since the acquisition of the LSC-University Park property, it has always been the intent that it would become a Branch Campus. LSCS is currently in the process of undergoing our Reaffirmation of SACS Accreditation, which takes place every ten years or in the event of a Substantive Change. Because adding a Branch Campus is considered a Substantive Change by SACS, we have asked SACS if it could be included in our current reaffirmation process as it will save LSCS considerable costs of an additional SACS visit and affirmation. SACS has indicated that they are willing to use the October visit for both reviews, so the timing of the Branch Campus designation is important.

Community colleges have the greatest impact in higher education on workforce development. While educational institutions across the country are being scrutinized, Lone Star College is in a unique position to further expand educational and service opportunities to the community it serves. Lone Star College-University Park is prepared to break out of the conventional patterns and spur a wave of innovation in serving students and the community. In collaboration and partnership with faculty, administration, students, and partners, LSC-University Park is poised to write a new chapter in community college education.

Effective January 1, 2012, the Board of Trustees intends to establish LSC-University Park as a comprehensive college within the boundaries of the Lone Star College System District.

Fiscal Impact: Funded within current budget allocations.

Staff Resource: Richard Carpenter 832-813-6515
Shah Ardalan 832-813-6842
Donetta Goodall 832-813-6597

Exhibit "D"

Policy Consideration No. 2

(ACTION ITEM 2)

Board Meeting 6-2-11

Request: Consideration of Approval of the Lone Star College System Goals and Objectives for 2012-2015

Chancellor's

Recommendation: That the Board of Trustees approve the LSCS Goals and Objectives for 2012-2015, which will serve as the strategic plan for the next four academic years.

Rationale:

During Spring-Fall 2010, a strategic planning steering committee, with faculty, staff, administrators, and student representatives from each of the five colleges and system office, crafted Strategic Goals and Objectives. The committee utilized data collected from seventeen (17) open forums on the five colleges, University Park, System Office, and three on-line surveys. Based on the ten Strategic Goals, fifty-one (51) Strategic Objectives were developed. The Strategic Goals were presented to the LSCS Board via an online survey in May 2011. The Board is now requested to take formal action to approve the plan. Once approved, the five Presidents will use the LSCS plan as a framework for individual colleges strategic planning. Each college will complete a strategic plan during Fall 2011. The final outcome will be five unique strategic plans that integrate with the LSCS plan. These plans will provide the foundation for new projects and initiatives as well as guidance for future budget planning. An implementation process will be initiated that will involve all of the colleges and a broad-based group of faculty, staff, and students. Budget implications will be developed as part of the planning for implementation.

Fiscal Impact: None

Staff Resource: Rand Key

832-813-6522

2012-2015 Strategic Planning Goals and Objectives

Strategic Initiative:

Increase completion and achievement of all students.

- ~ Strengthen all academic and student support services.
- ~ Focus on discipline-specific advising opportunities.
- ~ Develop a method to track student goals and completion.
- ~ Strengthen clarity of degree program course requirements.

Strategic Initiative:

Provide high quality academic instruction.

- ~ Maintain faculty driven academic review process of programs.
- ~ Make accountability and performance transparent to stakeholders.
- ~ Maintain high academic standards.
- ~ Enhance community service learning programs.
- ~ Develop faculty driven outcome assessment.

Strategic Initiative

Provide quality student focused service.

- ~ Strengthen student orientation programs.
- ~ Improve visibility of student and on-line support services.
- ~ Enhance student service assistance to speakers of other languages.
- ~ Promote student engagement and connectivity.
- ~ Enhance quality and visibility of extra-curricular and student organizations across the system.
- ~ Strengthen career and job placement services for students.

Strategic Initiative

Maintain affordability and accessibility.

- ~ Deliver quality education to the regional and global workforce.
- ~ Expand flexible class offerings.
- ~ Increase opportunities to diverse populations in the region.
- ~ Promote financial aid and scholarship opportunities to students.
- ~ Provide facilities convenient to all students.

Strategic Initiative

Recruit and retain talented full and part-time faculty, administrators and staff.

- ~ Strengthen system-wide orientation programs for all employees.
- ~ Expand active mentoring and professional development programs for all employees.
- ~ Foster a culture of feedback and continuous performance improvement.
- ~ Provide employee compensation package competitive with benchmark employers.
- ~ Promote an inclusive workplace that celebrates and values all.
- ~ Maximize human resources to achieve system mission and goals.

Strategic Initiative

Enhance internal and external systems of communication.

- ~ Promote electronic communications.
- ~ Strengthen interpersonal communication within system.
- ~ Continuously improve LSCS website.
- ~ Maintain a consistent emergency/crisis notification and response plan.
- ~ Continue LSCS brand to improve system recognition, cohesion and pride.
- ~ Promote system-wide connectivity.

Strategic Initiative

Strengthen efficiencies in operations.

- ~ Refine business procedures across system.
- ~ Increase revenues and decrease costs.
- ~ Maximize efficient use of state, local, and federal funds.
- ~ Identify resources for innovative projects.

Strategic Initiative

Develop and sustain mutually beneficial partnerships.

- ~ Strengthen relationships with local, national, and global profit and non-profit entities.
- ~ Engage in partnerships to develop programs in existing and emerging career areas.
- ~ Promote enrollment in technical programs to meet projected workforce needs.
- ~ Expand relationships with P-12 to inspire/promote postsecondary education.

Strategic Initiative

Leverage technology to increase and enhance education, operation, and innovation competitiveness.

- ~ Expand IT security initiatives, procedures, and awareness.
- ~ Develop a System-wide strategic plan for LSC-Online.
- ~ Create a technology training guideline for faculty, staff, and students.
- ~ Improve and increase IT resources that enable agility and innovation.
- ~ Expand access to new and emerging technologies.
- ~ Recruit and retain talented IT professionals to increase technology effectiveness, efficiency, and value.

Strategic Initiative

Plan and manage sustainable quality growth.

- ~ Build innovative, environmentally sustainable learning facilities.
- ~ Strengthen security measures across system.
- ~ Promote facility management to support growth.
- ~ Maximize efficient utilization of space.
- ~ Continuously monitor trends to anticipate growth.

Exhibit "E"

Financial Report and Consideration No. 1

Board Meeting 6-2-11

Report: Monthly Financial Statements

The financial statements for the month ended April 30, 2011 are presented for Board review.

LONE STAR COLLEGE SYSTEM

STATEMENT OF CURRENT OPERATING FUNDS, EXCLUDING THE TECHNOLOGY FUND
 REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
 FOR THE EIGHT MONTHS ENDED APRIL 30, 2011
 UNAUDITED

	BUDGET	67% OF FISCAL YEAR ACTUAL	% ACTUAL TO BUDGET	PRIOR YEAR ACTUAL 4/30/2010	% OF 08/31/10 ACTUAL
REVENUES:					
State Appropriations	\$ 58,530,000	\$ 35,871,327	61.29%	\$ 37,804,843	65.40%
Tuition and Fees	68,376,500	55,907,077	81.76%	51,125,197	84.46%
Taxes	97,600,000	95,259,735	97.60%	88,316,206	97.97%
Investments	500,000	216,686	43.34%	162,249	51.79%
Other	4,483,500	2,733,355	60.96%	1,577,095	51.59%
Growth Contingency	4,470,000	2,494,016	55.79%	-	
Total Revenues	233,960,000	192,482,196	82.27%	178,985,590	84.49%
EXPENDITURES:					
Instruction-Academic	61,622,539	44,952,903	72.95%	40,860,705	74.71%
Instruction-Workforce	26,058,657	19,006,663	72.94%	17,778,836	67.24%
Public Service	1,101,015	561,495	51.00%	668,358	57.65%
Academic Support	43,880,498	24,434,736	55.68%	23,980,306	61.22%
Student Services	28,439,065	14,703,984	51.70%	14,087,166	57.25%
Institutional Support	25,937,084	14,433,487	55.65%	13,431,748	62.38%
Plant Operation and Maintenance	30,398,022	17,074,434	56.17%	15,592,072	59.95%
Staff Benefits	13,878,959	7,282,049	52.47%	9,985,388	76.93%
Growth Contingency	204,161	-			
Total Educational and General Expenditures	231,520,000	142,449,751	61.53%	136,384,579	66.02%
Repair, Replacement and Other Internally Designated	3,310,000	1,112,868	33.62%	1,321,360	49.92%
Capitalized Assets		(583,999)			
Depreciation Expense		6,395,981			
Total Expenditures	234,830,000	149,374,601	63.61%	137,705,939	65.81%
Other Changes - Debt Service & Fund Transfers	6,060,000	4,165,004		2,602,777	57.29%
NET INCREASE (DECREASE) IN FUND BALANCES	\$ (6,930,000)	\$ 38,942,591		\$ 38,676,874	

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

LONE STAR COLLEGE SYSTEM

STATEMENT OF OPERATIONS - TECHNOLOGY FUND
 REVENUES, EXPENDITURES AND OTHER CHANGES - BUDGET & ACTUAL
 FOR THE EIGHT MONTHS ENDED APRIL 30, 2011
 UNAUDITED

	BUDGET	67% OF FISCAL YEAR ACTUAL	% ACTUAL TO BUDGET	PRIOR YEAR ACTUAL 4/30/2010	% OF 08/31/10 ACTUAL
REVENUES:					
Technology fee	\$ 8,210,000	\$ 6,783,763	82.63%	\$ 6,409,667	83.29%
Investments	-	-		4,739	66.48%
Miscellaneous	50,000	-	0.00%	8,540	100.00%
Growth Contingency	530,000	292,530	55.19%	-	
Total revenues & additions	<u>8,790,000</u>	<u>7,076,293</u>	<u>80.50%</u>	<u>6,422,946</u>	<u>83.29%</u>
EXPENDITURES:					
<u>ERP Services</u>					
Services	2,503,917	1,533,720	61.25%	1,216,592	91.05%
Travel and Professional Development	79,300	442	0.56%	4,948	82.65%
Supplies	66,000	14,620	22.15%	17,610	18.01%
Communications	-	-	0.00%	37,284	41.70%
Equipment	194,126	-	0.00%	68,252	15.38%
Reserve	100,000	-	0.00%	-	
Total ERP Services	<u>2,943,343</u>	<u>1,548,782</u>	<u>52.62%</u>	<u>1,344,686</u>	<u>68.15%</u>
<u>E-Mail Services & Telecommunications</u>					
Services	72,700	46,635	64.15%	215,716	98.83%
Supplies	-	-	0.00%	1,080	11.52%
Communications	343,233	153,505	44.72%	191,184	68.31%
Reserve	13,533	-		-	
Total E-Mail Services & Telecommunications	<u>429,466</u>	<u>200,140</u>	<u>46.60%</u>	<u>407,980</u>	<u>80.39%</u>
<u>Campus Support</u>					
Services	1,021,136	748,810	73.33%	597,215	90.01%
Supplies	1,673,055	1,475,335	88.18%	736,802	77.48%
Communications	24,000	18,000	75.00%	14,000	58.33%
Equipment	2,309,000	381,896	16.54%	520,729	21.59%
Reserve	-	-	0.00%	18,846	
Total Campus Support	<u>5,027,191</u>	<u>2,624,041</u>	<u>52.20%</u>	<u>1,887,592</u>	<u>46.38%</u>
Depreciation Expense		263,916			
Technology Contingency	310,000	-			
Growth Contingency	-	-			
Total expenditures	<u>8,710,000</u>	<u>4,636,879</u>	<u>53.24%</u>	<u>3,640,258</u>	<u>55.58%</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>\$ 80,000</u>	<u>\$ 2,439,414</u>		<u>\$ 2,782,688</u>	

Due to enhanced reporting capabilities in our new iStar accounting system we are now able to report capital asset activity on a monthly basis.

LONE STAR COLLEGE SYSTEM
BALANCE SHEET
APRIL 30, 2011
UNAUDITED

ASSETS	Operating Funds			Plant Funds		Debt Service		Memorandum	
	Unrestricted	Auxiliary	Restricted	Loan Funds	CIP	Bonds Payable	1&S	Agency Funds	Totals Current Year
Cash	\$ (76,428,270)	\$ 12,316,859	\$ 117,241,930	\$ 486,160	\$ (41,666,157)	\$ (19,341)		\$ (834,220)	\$ 11,096,961
Accounts receivable (net of allowance for doubtful accounts)	15,867,617	144,055	-	562	41,303	-	-	5,753	16,059,290
Taxes receivable (net of allowance for doubtful accounts)	6,529,690	-	-	-	-	2,215,202	-	-	8,744,892
Due from grantor agency	-	-	10,389,168	-	-	-	-	-	10,389,168
Due from other funds	-	-	-	-	209,494,054	-	-	6,200,763	215,694,817
Investments-Book Value	94,180,771	-	-	-	126,701,965	21,585,343	-	-	242,468,079
Investments-Fair Value Adjustment	37,427	-	-	-	11,750	-	-	-	49,177
Accrued interest receivable	-	-	-	-	-	-	-	-	-
Prepaid and deferred expenses	3,949,912	-	-	-	-	-	-	-	3,949,912
Deposits	-	-	-	-	-	-	-	-	-
Inventories, at cost	-	39,198	-	-	-	-	-	-	39,198
Land	62,468,953	-	-	-	-	-	-	-	62,468,953
Infrastructure Improvements	13,979,266	40,913	-	-	3,397,680	-	-	-	14,020,179
Buildings	340,716,405	-	-	-	-	-	-	-	349,643,395
Leasehold Improvements	5,589,001	-	-	-	-	-	-	-	5,589,001
Library books	13,243,244	-	-	-	-	-	-	-	13,243,244
Furniture, Fixtures & Equipment	16,984,191	94,370	-	-	-	-	-	-	22,317,363
Capitalized Interest Costs	167,469,688	-	-	-	-	-	-	-	4,893,532
Construction in Progress	(98,924,608)	(34,179)	-	-	(3,185,728)	-	-	-	171,441,940
Accumulated Depreciation									(102,144,515)
TOTAL ASSETS	\$ 565,663,287	\$ 12,601,216	\$ 127,631,098	\$ 486,722	\$ 317,826,443	\$ 23,781,204	\$ -	\$ 5,372,296	\$ 1,053,362,266
LIABILITIES AND FUND BALANCES									
LIABILITIES:									
Accounts payable	\$ 35,704,691	\$ 488,763	\$ 1,997,590	\$ -	\$ 2,892,592	\$ -	\$ -	\$ 532,906	\$ 41,616,542
Accrued salaries	2,568,808	-	-	-	-	-	-	-	2,568,808
Due to other funds	76,662,966	6,362,925	122,713,788	1,091	-	9,954,047	-	-	215,694,817
Deferred revenues	1,928,690	2,394	3,263,238	-	-	722,409	-	-	5,916,731
Accrued compensable absences payable	5,915,209	32,543	162,080	-	143,856	-	-	47,246	6,300,934
Accrued Interest Payable	-	-	-	-	-	-	-	-	5,654,041
Bonds payable	-	-	-	-	-	604,310,714	-	-	604,310,714
Assets held in custody for others	(17,832)	(440)	(505,598)	-	(1,250)	-	-	4,792,144	4,267,024
TOTAL LIABILITIES	122,762,532	6,886,185	127,631,098	1,091	3,035,198	620,641,211	\$ -	5,372,296	886,329,611
FUND BALANCES:									
Unrestricted	442,900,755	-	-	-	-	-	-	-	442,900,755
Auxiliary	-	5,715,031	-	-	-	-	-	-	5,715,031
Restricted	-	-	-	-	-	-	-	-	-
Loans	-	-	-	485,631	-	-	-	-	485,631
Restricted for construction	-	-	-	-	314,791,245	-	-	-	314,791,245
Investment in fixed assets	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	(596,860,007)	-	-	(596,860,007)
To be provided for debt service	-	-	-	-	-	(596,860,007)	-	-	(596,860,007)
TOTAL FUND BALANCES	442,900,755	5,715,031	\$ -	485,631	314,791,245	(596,860,007)	\$ -	\$ -	167,032,655
TOTAL LIABILITIES AND FUND BALANCES	\$ 565,663,287	\$ 12,601,216	\$ 127,631,098	\$ 486,722	\$ 317,826,443	\$ 23,781,204	\$ -	\$ 5,372,296	\$ 1,053,362,266

LONE STAR COLLEGE SYSTEM
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE EIGHT MONTHS ENDED APRIL 30, 2011
UNAUDITED

	Operating Funds				Total	Loan Funds	Plant Funds		Debt Service 1&S Bonds Payable	Memorandum Totals Current Year
	Unrestricted	Auxiliary	Restricted				CIP			
FUND BALANCE, SEPTEMBER 1, 2010	\$ 401,518,750	\$ 4,195,113	\$ -	\$ 405,713,863	\$ 485,631	\$ 437,065,239	\$ -	\$ (619,578,173)	\$ 223,686,560	
REVENUES AND OTHER ADDITIONS:										
Current Funds revenue	104,082,068	4,624,246	-	108,706,314	-	41,303	-	-	108,747,617	
Taxes	95,259,735	-	-	95,259,735	-	-	-	37,983,968	133,243,703	
Federal grants and contracts	-	-	66,198,365	66,198,365	-	-	-	-	66,198,365	
State grants and contracts	-	-	2,247,746	2,247,746	-	-	-	-	2,247,746	
Local gifts, grants and contracts	-	-	1,365,004	1,365,004	-	-	-	-	1,365,004	
Interest income	216,686	-	-	216,686	-	341,131	-	20,097	577,914	
Revenue Bond debt service transfer from Operating	-	-	-	-	-	-	-	-	-	
Proceeds from Sale of Assets	-	6,910	-	6,910	-	792,632	-	-	799,542	
Bond proceeds	-	-	-	-	-	-	-	-	-	
Bonds issued	-	-	-	-	-	-	-	-	-	
Total revenues and other additions	199,558,489	4,631,156	69,811,115	274,000,760	-	1,175,066	-	38,004,065	313,179,891	
EXPENDITURES AND OTHER DEDUCTIONS:										
Current Funds expenditures	153,579,166	3,070,325	69,811,115	226,460,606	-	-	-	7,685	226,468,291	
Expended for plant facilities	-	-	-	-	-	123,449,060	-	-	123,449,060	
Disposal of plant assets	-	-	-	-	-	-	-	-	-	
Administrative and collection costs	-	-	-	-	-	-	-	274,658	274,658	
Revenue Bond debt service transfer to Interest & Sinking	-	-	-	-	-	-	-	-	-	
Bond Issuance cost	-	-	-	-	-	-	-	-	-	
Bond principal payments/amortization	-	-	-	-	-	-	-	-	-	
Cost of Assets Sold	432,314	40,913	-	473,227	-	-	-	-	473,227	
Bond interest expense	-	-	-	-	-	-	-	19,165,492	19,165,492	
Bond agency fees	-	-	-	-	-	-	-	3,068	3,068	
Total expenditures and other deductions	154,011,480	3,111,238	69,811,115	226,933,833	-	123,449,060	-	19,450,903	369,833,796	
NON-MANDATORY TRANSFERS	-	-	-	-	-	-	-	4,165,004	8,330,008	
CHANGES IN FUND BALANCE	41,382,005	1,519,918	-	42,901,923	-	(122,273,994)	-	22,718,166	(56,653,905)	
FUND BALANCE, APRIL 30, 2011	\$ 442,900,755	\$ 5,715,031	\$ -	\$ 448,615,786	\$ 485,631	\$ 314,791,245	\$ -	\$ (596,860,007)	\$ 167,032,655	

**LONE STAR COLLEGE SYSTEM
SUMMARY OF INVESTMENTS
AS OF APRIL 2011**

	<u>Book Value</u>	<u>Market Value</u>	<u>Weighted Avg. Days To Maturity</u>	<u>Weighted Avg. Purchase Yield</u>
OPERATING UNRESTRICTED				
(Includes Renewal and Replacement Funds)				
U. S. Government Agencies	\$ 16,000,000	\$ 16,022,723		1.02%
Commercial Paper	14,981,000	14,988,109		0.51%
Logic	9,785,079	9,785,079		0.20%
Lone Star	43,300,895	43,300,895		0.23%
TexPool	9,614,086	9,614,086		0.16%
Overnight Sweep	499,711	499,711		0.00%
TOTAL	<u>94,180,771</u>	<u>94,210,603</u>	<u>88</u>	<u>0.40%</u>
CONSTRUCTION IN PROGRESS				
Commercial Paper	4,989,650	4,992,573		0.70%
Logic	75,279,026	75,279,026		0.20%
Lone Star	29,190,621	29,190,621		0.21%
TexPool	17,242,668	17,242,668		0.16%
TOTAL	<u>126,701,965</u>	<u>126,704,888</u>	<u>1</u>	<u>0.22%</u>
INTEREST & SINKING				
Certificate of Deposits	5,000,000	5,000,000		0.75%
Logic	16,916	16,916		0.20%
Lone Star	16,359,951	16,359,951		0.23%
TexPool	208,476	208,476		0.16%
TOTAL	<u>21,585,343</u>	<u>21,585,343</u>	<u>1</u>	<u>0.35%</u>
TOTAL INVESTMENTS	<u>\$ 242,468,079</u>	<u>\$ 242,500,834</u>	<u>35</u>	<u>0.30%</u>
Benchmark: 90 day U.S. Treasury Bill				0.04%
3 Month Libor Rate				0.28%

**LONE STAR COLLEGE SYSTEM
INVESTMENT ACTIVITY REPORT
FOR THE MONTH ENDED APRIL 30, 2011**

	Operating Unrestricted*	Avg Buy Yield	Construction In Progress	Avg Buy Yield	Interest & Sinking	Avg Buy Yield	Total	Avg Buy Yield
BEGINNING BOOK VALUE	\$ 98,992,672	0.39%	\$ 147,385,136	0.22%	\$ 21,078,578	0.36%	\$ 267,456,386	0.30%
PURCHASES:								
Commercial Paper								
Logic	1,580	0.20%	12,154	0.20%	3	0.20%	13,737	0.20%
Lone Star	8,680,887	0.23%			506,743	0.23%	9,187,630	0.23%
TexPool	1	0.16%			19	0.16%	20	0.16%
Overnight Sweep	12,406,030	0.00%					12,406,030	0.00%
TOTAL PURCHASES	<u>21,088,498</u>	<u>0.09%</u>	<u>12,154</u>	<u>0.20%</u>	<u>506,765</u>	<u>0.23%</u>	<u>21,607,417</u>	<u>0.10%</u>
MATURITIES								
Logic								
Lone Star			8,713,708	0.21%			8,713,708	0.21%
Texpool	13,508,358	0.16%	11,985,066	0.16%			25,493,424	0.16%
Overnight Sweep	12,398,374	0.00%	1	0.00%			12,398,375	0.00%
TOTAL MATURITIES	<u>25,906,732</u>	<u>0.08%</u>	<u>20,698,775</u>	<u>0.18%</u>	<u>-</u>		<u>46,605,507</u>	<u>0.13%</u>
Premium / (Discount)	(19,000)		(10,350)				(29,350)	
Unrealized Gains (Losses)	25,333		13,800				39,133	
ENDING BOOK VALUE	<u>94,180,771</u>	<u>0.40%</u>	<u>126,701,965</u>	<u>0.22%</u>	<u>21,585,343</u>	<u>0.35%</u>	<u>242,468,079</u>	<u>0.30%</u>
Beg. Unrealized Gains (Losses)	(7,833)		(1,005)				(8,838)	
Unrealized Gains (Losses) Chg.	37,665		3,928				41,593	
ENDING MARKET VALUE	<u>\$ 94,210,603</u>		<u>\$ 126,704,888</u>		<u>\$ 21,585,343</u>		<u>\$ 242,500,834</u>	

*Includes Renewal & Replacement Fund

Exhibit "F"

Financial Report and Consideration No. 2 (ACTION ITEM 3) **Board Meeting 6-2-11**

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for the Purchase of Construction Manager at Risk (CM-at-Risk) Services and the Subsequent Guaranteed Maximum Price (GMP) Agreements for Renovations at LSC-University Park

Chancellor's Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract for the purchase of CM-at-Risk services and the subsequent GMP agreements for renovations at LSC-University Park for an estimated amount of \$6,000,000 over a period of two years from Morganti Texas, 350 N. Sam Houston Pkwy E., Suite 121, Houston, TX 77060.

Rationale: As leases are signed for educational and corporate partners, and the LSCS student population grows at LSC-University Park, additional renovations will be necessary. The CM-at-Risk method is the preferred construction delivery method due to the savings in time accomplished by completing the public bid process in advance and economies of scale achieved by combining many projects into a larger single contract.

The CM-at-Risk will provide pre-construction services which include coordinating the construction documents, performing constructability reviews, creating critical path schedules, and providing budget and cost consultation. During construction, the CM-at-Risk will act as the general contractor, assuming the risk of subcontracting the work, which will be competitively bid, and guaranteeing completion of each project.

The CM-at-Risk delivery method is an acceptable construction delivery method per Texas Education Code §44.038. In accordance with the code, a one-step process was used to select the CM-at-Risk by releasing a request for proposal and evaluating each respondent based on a published selection criteria that included proposed fee, company profile, Historically Underutilized Business (HUB) certification and/or HUB plan, previous and current projects, references and thoroughness of proposal package. The proposals were sent to thirty-six general contractors and thirteen responses were received. The top three contractors with the highest overall evaluation scores were invited to a face-to-face interview. See attached Proposal Evaluation and Interview Tabulations.

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

Fiscal Impact:

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

Staff Resource:

Cindy Gilliam
Shah Ardalan

832-813-6512
832-813-6842

Construction Management at Risk-UP

PROPOSAL EVALUATION TABULATION

Factors	Max Pts	Morganti	Miner-Dederick	J.E. Dunn	MAPP	Summit Builders	CF Jordan	Durotech
Proposed Fee	25	24	22	25	21	21	16	13
Company Profile	20	18.75	17.75	15.25	16.75	17.25	18.75	16.5
HUB Plan	20	15	6	7	7	6	7	8
List of Projects	20	16.75	18	15.75	16.75	16.25	16.25	19
Project References	10	10	10	8	8	8	10	10
Completeness	5	5	5	4.75	5	5	5	5
Total	100	89.5	78.75	75.75	74.5	73.5	73	71.5

Factors	Max Pts	Linbeck	Cadence McShane	E.E. Reed	Westfall	Anslow Bryant	Goldshire
Proposed Fee	25	15	14	18	23	17	8
Company Profile	20	15.25	16.25	15.75	14	15.5	7.5
HUB Plan	20	8	7	6	0	6	20
List of Projects	20	18	18.75	14.75	15.5	14.5	7.75
Project References	10	10	10	5	8	3	3
Completeness	5	5	5	4	3	3.75	2
Total	100	71.25	71	63.5	63.5	59.75	48.25

INTERVIEW TABULATION

Factors	Max Pts	Morganti Texas	J.E. Dunn	Miner Dederick
Overview of the Design/Build Process	25	20	22	15
Typical Timeline to Complete Construction	25	21	22	21
HUB Plan	20	15	7	6
Assigned Project Staff	15	11	13	13
Quality of Presentation	15	13	13	12
Total	100	80	77	67

Exhibit "G"

Financial Report and Consideration No. 3 (ACTION ITEM 4) Board Meeting 6-2-11

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for Renovations at LSC-Montgomery

Chancellor's

Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract for renovations to buildings A, B, C & E at LSC-Montgomery from Rosecrans Interests, 1213 West Loop North, Suite 150, Houston, TX 77055-8200, in the estimated amount of \$1,050,000 .

Rationale: The May 10, 2008 bond election resulted in the approval for LSCS to issue up to \$420M in general obligation bonds for the purchase of new construction, repair and replacement, renovation of land and facilities, furniture and equipment. Renovations are required for buildings A, B, C & E at LSC-Montgomery.

Renovations for Buildings A and E relate to re-purposing space vacated by the departments that have moved into the new buildings and for inter-building department moves. Building B work includes installing a new make-up air unit to correct negative pressure and moisture issues, renovating the chemistry laboratory into an organic biology laboratory, and constructing a dark room. The scope of work for Building C includes completing the electrical and data support for the second floor renovation performed over the winter break.

This purchase is in compliance with Texas Education Code §44.031. Proposals were sent to twenty-eight (28) general contractors and four (4) responses were received. It is recommended to award the project to the contractor offering the best value in terms of project cost, Historically Underutilized Business (HUB) status and/or history of use of HUB firms, experience of assigned staff, financial stability of the firm, safety program and history and references. See attached Evaluation Tabulation.

Fiscal Impact: Funds for these purchases are available from the 2008 general obligation bonds and the FY 2011 LSC-Montgomery Operating Fund.

Staff Resource: Cindy Gilliam 832-813-6512
Austin Lane 936-283-7222

Building A, B, C & E at LSC-Montgomery

EVALUATION TABULATION

Factors	Max Pts	Rosecrans Interests, LLC.	MAPP Construction	G.A.M. Construction
Cost of the Project	40	40	38	39
HUB certification or HUB subcontracting plan, including percentage of business and partnering firms	20	10	10	20
Credentials/experience of assigned staff	15	12.33	9.67	9
Financial Stability of the firm	10	8.67	8.67	2.67
Safety Program & History	10	9.33	9.33	3.33
References	5	5	3.67	3
Total	100	85.33	79.34	77

Exhibit "H"

Financial Report and Consideration No. 4 (ACTION ITEM 5) Board Meeting 6-2-11

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract for HVAC Modifications in the Library Building at LSC-Kingwood

Chancellor's Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract for HVAC modifications in the Library building at LSC-Kingwood from the lowest bidder, Letsos Company, 8435 Westglen, Houston, TX 77063, in the amount of \$517,532.

Rationale: The May 10, 2008 bond election resulted in the approval for LSCS to issue up to \$420M in general obligation bonds for the purchase of new construction, repair and replacement, renovation of land and facilities, furniture and equipment.

HVAC modifications are needed because the 2nd floor classroom space in the Library building, built in 1983, has been modified to meet the current instructional style which incorporates audio visual and computer learning. This equipment generates additional heat load in the building and in order to provide the proper level of air conditioning, HVAC modifications are needed.

In January 2009, The System entered into an interlocal agreement with Harris County Department of Education (HCDE) through their Choice Facility Partners (CFP) Division for the purpose of securing goods and services in various pre-determined categories for the 2008 bond issue construction projects. HVAC equipment and services is one of these pre-determined categories and Letsos Company is a CFP contracted vendor.

This purchase is in compliance with Texas Education Code §44.031. A Request for Proposal was sent to all twelve (12) Choice Facility Partner HVAC service providers and three (3) responses were received. It is recommended to award the project to the CFP with the lowest bid. See attached Bid Tabulation.

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

Staff Resource: Katherine Persson 281-312-1640
Cindy Gilliam 832-813-6512

HVAC Modifications in the Library at
LSC-Kingwood

BID TABULATION

Vendor	Letsos	TDIndustries	Dominion
Total Bid Amount	\$517,532	\$618,161	\$618,075

Exhibit "I"

Financial Report and Consideration No. 5

(ACTION ITEM 6)

Board Meeting 6-2-11

Request: Consideration of Approval to Purchase Custodial Supplies for the System

Chancellor's Recommendation: That the Board of Trustees approve the purchase of custodial supplies for the System for a term of one year with an optional one-year renewal. The estimated annual purchase amount is \$500,000 for a not-to-exceed amount of \$1,000,000 over two years. Purchases will be made from the following vendors:

COMPANY	ADDRESS	CATEGORIES AWARDED
Buckeye Cleaning Center	P.O. Box 840002 Kansas City, MO 64184	Paper & General Supplies
HighPoint Sanitary Solutions	301 Garden Oaks Blvd. Houston, TX 77018	Chemicals & General Supplies
Hillyard, Inc.	9322 Baythorne Dr. Houston, TX 77041	Paper, Can Liners & General Supplies
Interboro Packaging	114 Bracken Road Montgomery, NY 12549	Can Liners
Pollock Paper	P.O. Box 840201 Dallas, TX 75284	Chemicals, Paper & General Supplies
Staples Contract & Commercial	500 Staples Drive Farmington, MA 01702	Chemicals, Paper, Can Liners & General Supplies

Rationale: Custodial supplies are vital to properly support the maintenance of all LSCS facilities. Products are purchased in four main categories: chemicals, paper, can liners, and general supplies.

The estimated purchases are based on historical information and represent the average spending over the past 16 months. The estimated annual and category purchases may vary in accordance with actual requirements; however, the total dollar award will not exceed \$1,000,000 over the two year term.

The award of this bid includes an option to discontinue purchasing from an awarded vendor and to award to the next Board approved bidder if any of the following conditions should occur: unsubstantiated and extreme price increases, awarded items are discontinued, the vendor is providing poor service or delivering inferior products (due notice and adequate time to correct problem will be given).

The award is for one year with an optional one-year renewal, based on mutual consent and satisfactory vendor performance. The awarded

vendors are holding prices for one year; however, a reasonable price increase may be requested by the vendors upon renewal.

This purchase is in compliance with Texas Education Code §44.031. A request for sealed bid proposals was sent to fifty-eight custodial supply dealers and fifteen responses were received. The bids were evaluated based on line item price (including delivery, dispensers, and installation), item availability, non-core discounts, maximum annual increases, minimum dollar purchase requirements set by the bidder, company profile, references, delivery time for paper and non-paper supplies, conflict of interest, and HUB certification or plan.

It is recommended to award the purchases to the bidders with the lowest line item costs and the highest product availability, as represented by the Evaluation Tabulation.

Fiscal Impact:

Funds for this purchase are included in the proposed FY 2010-11 operating budgets. Funds for subsequent years will be included in future proposed budgets.

Staff Resource:

Cindy Gilliam

832-813-6512

Custodial Supplies for Lone Star College System

EVALUATION TABULATION

	Staples	High Point	Pollock	Hillyard	Buckeye	Crown P & C	Lab Safety	AmSan	Interboro	Gulf Coast	Zep	Great S.W.	Brawner	Matera	HD Supply
Line Items Price/Availability (100pts)	94.67	91.83	87.5	86.8	86.17	83.67	77.67	80.33	79.8	68.67	59.3	60.5	59.67	69.5	57.33
Dispenser & Install Incl. (10 pts)	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Non-Core Discounts (15 pts)	13.86	13.14	11.91	10.84	13.37	13.59	9.81	10.5	14.57	11.46	11.36	10.97	10.69	.96	.96
Max Annual Increase (10 pts)	9.41	8.81	8.23	8.5	8.24	7.69	9	7.83	7.36	8.36	8.67	8.83	7	5.43	5.93
Min. Purchase Required (10 pts)	9.36	8.87	7.7	9.71	9.86	9.09	9.86	8.05	7.29	8.43	8.86	8.07	9.64	6.81	9.57
Company Profile (15 pts)	14.46	14.46	14.68	14.46	14.57	14.25	14.68	14	14.57	14.25	14.68	14.14	14.25	14.57	14.25
References (10 pts)	9.27	9.71	9.71	9.5	9.86	9.79	9.57	9.67	9.57	9.64	9.64	9.79	9.86	9.71	9.36
Delivery Time – Paper (10 pts)	9.46	8.84	9.2	8.86	6.89	6.64	8.07	9.4	4.21	7.09	8.5	6.9	2.29	2.43	3.1
Delivery Time – Non-Paper (10 pts)	9.49	9.27	9.34	8.84	6.74	6.86	8.14	9.57	6.14	6.84	8.29	6.9	7.77	7.57	8.49
COI (5 pts)	4.96	4.96	4.96	4.96	4.96	4.96	4.96	3.75	4.96	4.96	4.96	4.96	4.96	4.96	4.96
HUB (5 pts)	4.93	4.57	.75	.46	1.64	.75	4.29	.67	4.93	.75	.75	.75	.75	.75	1.36
Total (200 pts)	189.81	184.46	173.98	172.93	172.30	167.29	166.05	163.77	163.40	150.45	145.01	141.81	136.86	132.69	125.31

Exhibit "J"

Financial Report and Consideration No. 6 (ACTION ITEM 7) Board Meeting 6-2-11

Request: Consideration of Approval to Purchase Concert Grand Piano for LSC-Kingwood

Chancellor's Recommendation: That the Board of Trustees approve the purchase of a concert grand piano for LSC-Kingwood from Sherman Clay Piano Company, 3133 SW Freeway, Houston, TX 77098, in the amount of \$104,000.

Rationale: The May 10, 2008 bond election resulted in the approval for LSCS to issue up to \$420M in general obligation bonds for the purchase of new construction, repair and replacement, renovation of land and facilities, and furniture and equipment for the added facilities.

LSC-Kingwood requires a 9' concert grand piano for the 125 seat recital hall in the new Music Instructional Building. This recital hall will host musical performances of students, faculty and classical and jazz guest artists.

This purchase is in compliance with Texas Education Code §44.031. Proposals were requested from four vendors and four responses were received. The bid tabulation is attached. The award of this purchase could not be based on low bid alone. The Yamaha instrument is preferable to the other choices for a number of reasons:

- Durability - Experience has proven the Yamaha instruments to be the most durable when subjected to heavy institutional usage and to require less frequent tunings and maintenance than the others.
- Versatility of tone - This piano must serve equally well in classical, jazz, and pop musical styles and will serve as both a solo and accompanying instrument. The Yamaha CFX will provide the projection and subtlety of tone to effectively and artistically serve these needs for LSC-Kingwood students in rehearsal and performance.
- Consistency of touch and action - The current LSC-Kingwood piano inventory includes a majority of Yamaha instruments in practice rooms, piano laboratory, and rehearsal halls. LSC-Kingwood students will benefit from the consistency of touch between the rehearsal and performance instruments provided for their use.
- Design and manufacturing features - The Yamaha CFX includes a number of important design and manufacturing features that make this instrument more suitable for LSC-Kingwood than the other three options, including: the aluminum alloy action rails; a

hardwood reinforced key frame for improved durability and keyboard action; the pin block which features a patented humidity seal; and handcrafted and hand fitted parts to ensure that the instrument's feel, consistency of tone, and general "playability" are optimized.

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

Staff Resource: Katherine Persson 281-312-1640

Grand Piano for LSC-Kingwood

BID TABULATION

Item Description	Sherman Clay Pianos	Fort Bend Music Center	Houston Piano Company	Forshey Piano Company
9' Grand Piano	\$104,000 Yamaha CFX	\$81,999 Kawai EX	\$105,000 Bechstein D 282	\$109,840 Steinway D

Request: Consideration of Approval to Purchase Additional Cisco Network Hardware for the System

Chancellor's Recommendation: That the Board of Trustees approve the purchase of additional Cisco Network Hardware from NWN Corporation for the System in the amount of \$1,000,000 bringing the total not-to-exceed amount to \$6,000,000 for the two-year period ending March 2012.

Rationale: The hardware will be used for the upgrade and standardization of the WAN/LAN network equipment across the system and for new construction projects.

On March 4, 2010, The Board of Trustees approved the purchase of Cisco networking equipment in the not-to-exceed amount of \$5,000,000 over a two-year period. The initial award was based on a competitive bid process. This bid saved LSCS an additional 8% under the discounted Texas Department of Information Resources pricing.

This request is to increase the total amount from five million to six million over the same period which expires in March, 2012. This increase is due to hardware equipment needed for the System's firewall upgrade. The upgrade is necessary as a result of enrollment growth, the addition of Cisco TelePresence video conferencing units, and datacenter core upgrades. This increase will meet the needs of the new facilities and standard network hardware replacement for the next year.

It is recommended that the Board of Trustees approve the purchase of required hardware to enable LSCS to continue with the upgrade of network equipment and decommissioning of End of Life, End of Service Cisco network gear at all campuses.

Fiscal Impact: Funds for these purchases are available in the approved FY 2010-11 budgets.

Staff Resource: Shah Ardalan

832-813-6842

Exhibit "N"

Financial Report and Consideration No. 10 (ACTION ITEM 11) Board Meeting 6-2-11

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Water, Wastewater, and Gas Easements with the City of Tomball for the LSC-Tomball Performing Fine Arts Center, Veterinary Technology Addition, and Health Science Buildings

Chancellor's

Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute water, wastewater, and gas easements with the City of Tomball for the LSC-Tomball Performing Fine Arts Center, Veterinary Technology addition, and Health Science buildings.

Rationale: On March 4, 2010, the Board of Trustees authorized the Chancellor or designee to negotiate and execute agreements for the purchase of construction services for the LSC-Tomball Performing Fine Arts Center, Veterinary Technology Addition, and Health Science buildings. Construction of the aforementioned buildings began in May 2010 and is now nearing completion.

In order to provide water, wastewater, and gas service to the new buildings, tie-ins to the City of Tomball's utilities are required. The new water, wastewater, and gas lines and meters on LSCS property must be located within easements granted to the City of Tomball by LSCS.

Fiscal Impact: There is no cost associated with the granting of these easements.

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

Exhibit "O"

Building and Grounds Report

Board Meeting 6-2-11

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 June 2, 2011

General Obligation Bond Project Summaries – 2008 Election:

❖ LSC-North Harris

- ◆ Substantial completion of the Student Services building has been achieved and campus move-in of furniture, fixtures, and equipment is ongoing.
- ◆ The laying of exterior face brick and installation of the modified bituminous roofing system are complete for the Applied Technology addition. Furniture delivery has commenced.
- ◆ The laying of exterior face brick and installation of the curtainwall glazing are complete for the Fine Arts addition. Ceiling grid and floor covering have also been installed.
- ◆ Faculty and staff have moved into the Health Professions building. LSC-North Harris dedications are June 28.

❖ LSC-Victory Center

- ◆ The application of gypsum board materials at interior partition and hard ceiling areas continues.
- ◆ The mechanical, electrical, and plumbing trim work continues.
- ◆ The installation of exterior metal wall panels continues.
- ◆ The domestic water line and fire main have been tied into the building.
- ◆ Installation of the irrigation system and plant material is underway.

❖ LSC-Kingwood

- ◆ The laying of exterior face brick is complete for the Student Conference Center and Music buildings.
- ◆ The application of gypsum board continues for interior partitions.
- ◆ The installation of ceramic tile, ceiling grid, and paint continues.
- ◆ Permanent power has been provided and mechanical equipment start-up begun.
- ◆ The Student Conference Center and Music buildings are on schedule for substantial completion by July 15.
- ◆ The final phase of the Student Fine Arts building renovation is scheduled to commence in late July. Completion is planned for late September.
- ◆ A contractor recommendation for the Library mechanical equipment replacement and ductwork modifications is to be considered by the Board of Trustees at its regular meeting in June.

❖ LSC-Atascocita Center

- ◆ The project has achieved substantial completion.
- ◆ Flooring material installations, including carpet, tile, and terrazzo have been completed.
- ◆ Laboratory appliances, fume hoods, casework, and equipment have been installed.
- ◆ The installation of information technology equipment and the security system will be completed during the month of June.
- ◆ Furniture installation for the administrative area has been performed and will be completed for the classrooms and laboratories by mid-July.
- ◆ Faculty and staff from Humble Independent School District have occupied an area on the first floor, in preparation for the Early College High School that will be offered.
- ◆ The building dedication is scheduled for June 14.

❖ LSC-Tomball

- ◆ The exterior skin of the Performing Fine Arts Center (PFAC) is complete.
- ◆ Permanent power has been provided for the PFAC.
- ◆ The theatrical rigging operations are 90% complete.
- ◆ The exterior skin, including face brick and metal siding, is complete for the Veterinary Technology (Vet Tech) addition. Interior finishes are also complete.
- ◆ Furniture delivery and installation is underway for the Vet Tech addition.
- ◆ Substantial completion has been achieved for the Vet Tech addition and is scheduled for mid-July on the PFAC.

❖ LSC-Tomball Health Science

- ◆ The laying of exterior face brick and the installation of window systems and metal panel siding are nearing completion.
- ◆ The application of gypsum board is complete at interior partitions.
- ◆ Interior finish work is underway as painting and the installation of ceiling grid and floor tile are in progress.
- ◆ Installation of the building elevator is underway.
- ◆ Substantial completion of the Health Science building is scheduled for mid-July.

❖ LSC-Montgomery

- ◆ Punch list work has been completed for the Arts Instructional, Science / Health, and Classroom buildings. Project closeout procedures are in progress.
- ◆ Close-out of the Central Plant project is ongoing.
- ◆ Documents have been submitted to the Texas Department of Transportation for the approval of traffic signalization revisions at the west entry.
- ◆ A contractor recommendation for the campus renovation project is a Board agenda item. Renovations are scheduled to be substantially complete by mid-August.

❖ LSC-Conroe Center

- ◆ Construction of the heating, ventilating, and air conditioning laboratory is nearing completion.
- ◆ The installation of exterior building signage is complete. Way-finding signage, including monument signs at the vehicular entries, is under development for completion by the fall semester.

❖ LSC-CyFair

- ◆ Interior finishes have been completed for the Science building, which is substantially complete.
- ◆ The installation of landscape materials, sidewalks, and site lighting will be completed during June for the Science building and during July for the Classroom/Student Services building.
- ◆ The Classroom/Student Services building completion date has been delayed due to the late arrival of the curtainwall glazing and limestone material for the “sail wall”. The current plan for substantial completion is mid-July.
- ◆ The furniture, fixtures, and equipment have been selected and ordered for delivery and installation commencing in late June and continuing through July.
- ◆ The student services departments, including registration and counseling, will relocate to temporary space on July 6 and into the new building on July 21.
- ◆ All temporary modular buildings will be removed during August.
- ◆ A comprehensive CyFair campus traffic impact analysis has been completed and is currently under review by the Harris County traffic department.

❖ LSC-Cypress Center

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

❖ LSC-University Park

- ◆ Construction documents are being prepared for the new entry drive, canopy, and visitor parking lot for buildings 9 and 10. Construction documents are also underway for the Energy Institute to be located on levels one and two of building 10.
- ◆ Construction documents are being prepared for the faculty and administrative offices on the eighth floor of building 13. Occupancy will occur prior to the fall semester.
- ◆ Additional construction services are contemplated for the required upgrades to buildings 9 and 10, for the build-out of the Energy Institute in building 10, and for the faculty/administrative suite in building 13. A recommendation for a contractor is to be considered by the Board of Trustees at its regular meeting in June.
- ◆ Construction of the primary power connection between parking garage 9 and building 9 has begun.
- ◆ Design of the fire main connection to parking garage 9 is also underway.

Revenue Bond Project Summaries - 2007:

❖ LSC-Tomball

- ◆ The exterior column and window repair project is complete.

❖ LSC-Montgomery

- ◆ Upgrade of the exterior lighting controls has commenced.

Energy Performance Project:

- ❖ LSC-North Harris
 - ◆ Retrofit of the campus building automation system and heating, ventilating, and air conditioning equipment will be completed in June.
- ❖ LSC-Peakwood/Red Oak
 - ◆ Complete
- ❖ LSC-Kingwood
 - ◆ Re-commissioning of the Central Plant continues as interior components of the cooling tower require replacement.
- ❖ LSC-Tomball
 - ◆ Complete
- ❖ LSC-Montgomery
 - ◆ Complete
- ❖ LSC-The University Center
 - ◆ Connection of the chilled and hot water system to the new LSC-Montgomery Central Plant is complete. Existing chillers and boilers have been removed from the roof.
- ❖ LSC-CyFair
 - ◆ Complete
- ❖ LSC-Fairbanks Center
 - ◆ Complete
- ❖ LSC-Greenspoint Center
 - ◆ Complete
- ❖ LSC-University Park
 - ◆ Complete
- ❖ LSC-System Office
 - ◆ Complete

Repair and Replacement Projects:

- ❖ LSC-North Harris
 - ◆ Renovate Chemistry Laboratories – Construction has begun and is scheduled for substantial completion on August 5.
 - ◆ Winship Roof Replacement – Postponed until fiscal year 2011/12.
 - ◆ Parking Lot Lighting – Project awarded and scheduled for substantial completion on August 15.

- ◆ Replace Theater Carpet – Project will be bid in June.

❖ LSC-Tomball

- ◆ Replace Flooring at Seven Entrances and Four Classrooms – Procurement options are being evaluated.
- ◆ Replace Expansion Joints and Window Sealant – The project has been awarded.

❖ LSC-Montgomery

- ◆ Building Sealant Project – Construction is scheduled for June.
- ◆ Parking Lot Striping – Design is in progress.

❖ LSC-Cy Fair

- ◆ Painting – Project has been issued for bid.
- ◆ Carpet for Fairbanks Center – A Request for Proposal is being prepared for bidding.

❖ LSC-University Park

- ◆ American Disabilities Act (ADA) Compliance Projects –
 - Replacing Door Hardware – Project awarded and scheduled to commence mid-June.
 - Restroom and Break Room Modifications – Design is in progress.
- ◆ Elevator Upgrades – The main campus upgrade project is complete. Salvageable components from the elevators in buildings 7 & 8 will be extracted when they are taken out of service.

❖ LSC- System Office

- ◆ Roof Repairs – Work complete.
- ◆ Foundation Repairs – Work Complete.

Exhibit "P"

Personnel Report and Consideration No. 1 (ACTION ITEM 12) **Board Meeting 6-2-11**

Request: Consideration of Ratification of Appointments.

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

Rationale: These contractual appointments include ratification of Administrators and Faculty from the LSC-Kingwood and LSC-North Harris.

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

Staff Resource: Rand Key 832-813-6522

a. LSC-Kingwood

Norma Ticas, Program Director, Occupational Therapy Assistant

Effective: Twelve-month contracted employee at an annual salary of \$83,000 beginning January 10, 2011.

Education: M.E.D., University of Houston, Major: Allied Health and Administration; B.S., University of Texas Medical Branch-Galveston, Major: Occupational Therapy.

Experience: Occupational Therapist, Triumph Healthcare North; Director of Rehabilitation Services, Century Rehab; Director of Rehabilitation Service, Kindred Hospital-Bay City Area; Level III OTR, Memorial Hermann Southeast Hospital; Rehab Director, Sundance Rehabilitation Corporation; Staff OTR, Harris County Hospital District.

Conchita C. Cameron, Assistant Professor, Respiratory Care

Effective: Twelve month contracted employee at an annual salary of \$56,128 beginning June 1, 2011.

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

Experience: Assistant Professor, and Temporary Full-Time Instructor, Lone Star College-Kingwood; Respiratory Therapist, Memorial Hermann Hospital; Bookkeeper/Secretary, Self Employed; Executive Secretary, CEO; Secretary, Elf Petroleum.

b. LSC-North Harris

Gary Wynne, Assistant Professor, Respiratory Care

Effective: Twelve month contracted employee at an annual salary of \$57,601 beginning June 1, 2011.

Education: M.B.A. & B.B.A., LeTourneau University, Major: Management & Business Management; A.A.S., California College of Health Science, Major: Respiratory Care.

Experience: Assistant Professor, Lone Star College-North Harris; Adjunct Respiratory Care Instructor, San Jacinto College District, Respiratory Therapy Supervisor, San Jacinto Methodist Hospital, Private Bank Officer, JP Morgan Chase; Staff Respiratory Therapist, Memorial Hermann Hospital, Senior Account Representative, VanKampen Mutual Funds, Respiratory Therapist, Twelve Oaks Medical Center, Respiratory Supervisor, Memorial Mother Frances Hospital.

Exhibit "Q"

Personnel Report and Consideration No. 2 (ACTION ITEM 13) **Board Meeting 6-2-11**

Request: Consideration of Resignations

Chancellor's

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

LSC-CyFair

Michael Kirch, Dean, Instruction

Effective June 9, 2011

Richard Gilbert, Director, Advanced Manufacturing

Effective February 15, 2011

LSC-Kingwood

Donna Monteferante Johnson, Professor, Graphic Arts Technology

Effective May 31, 2011

Joni Screen, Assistant Professor, AD Nursing

Effective May 31, 2011

Hazel Gilbert, Professor, Nursing LVN

Effective May 14, 2011

LSC-North Harris

Brian Kilpatrick, Professor, Interpreter Training

Effective May 31, 2011

Sue Little, Professor, Math

Effective January 31, 2011

LSC-System Office

Glenn Powell, Executive Director, Talent & Diversity

Effective May 13, 2011

LSC-University Park

Eulas Hanks, Assistant Director, Financial Aid

Effective March 29, 2011

Staff Resource: Rand Key

832-813-6522

Exhibit "R"

Personnel Report and Consideration No. 3 (ACTION ITEM 14) Board Meeting 6-2-11

Request: Consideration of Approval of Commissioning of Peace Officers

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

Lone Star College–Kingwood

Mark D. Scott
LaGaytria S. Harrell

Lone Star College–North Harris

Felton R. Pete
John A. Ferrand

Lone Star College-Montgomery

Johnny L. Gonzales II

Lone Star College – University Park

Michael D. Scott

Rationale: These officers are eligible to be commissioned by this Board because they:

1. Have a current license from the Texas Commission on Law Enforcement Officer Standards and Education;
2. Have taken and filed the oath required of peace officers; and
3. Possesses a sufficient number of college credit hours to meet the minimum standard for a Lone Star College System peace officer.

Fiscal Impact: None

Staff Resource: Rand Key 832-813-6522