Regular Meeting

I. Call to Order

II. Pledge of Allegiance

III. Certification of the Posting of the Notice of the Meeting and Public Hearing

IV. Closed Session

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

- Section 551.071 – Consultation with Attorney
  - Status of Pending or Proposed Litigation
  - On any item on the Agenda
- Section 551.072 – Deliberation Regarding Real Property
  - LSC-University Park, LSC-CyFair, LSC-North Harris, LSC-Tomball, LSC-Montgomery, LSC-Kingwood, LSC-System Office

V. Reconvene Regular Meeting

VI. Public Hearing – 2017-2018 Proposed Budgets

VII. Presentation of the 2017-2018 Proposed Budgets

VIII. Citizens Comments

IX. Adjournment of the Public Hearing
X. Consider whether the Change in Contract Status appeal of the Chancellor’s decision requested by Jeffery Wax should be heard by the Board in accordance with Board policy.

XI. Consider whether the grievance appeal of the Chancellor’s decision requested by Tashemia Jones should be heard by the Board in accordance with Board policy.

XII. Consider and possible action on the Change in Contract Status appeal of Jeffery Wax, if the Board determines to hear the appeal:

The appeal will be held in closed session under Section 551.074 of the Texas Government Code unless the grievant elects to have the appeal heard in open session, provided that if the grievance is against another employee, the appeal may be heard in closed session.

XIII. Consider and possible action on grievance appeal of Tashemia Jones, if the Board determines to hear the appeal:

The appeal will be held in closed session under Section 551.074 of the Texas Government Code unless the grievant elects to have the appeal heard in open session, provided that if the grievance is against another employee, the appeal may be heard in closed session.

XIV. Introductions, Special Guests, Recognitions

XV. Workshop - None

XVI. Approval of the Minutes of the July 10, 2017 Workshop and Regular Meeting of the Board of Trustees

XVII. Special Reports and Announcements
1. Chancellor – Reports and comments from the Chancellor regarding meetings and conferences attended, campus visits, community and district activities, education programs, current affairs related to higher education

2. Presidents - None

3. Vice Chancellors - None

4. Faculty Senate Presidents - None

5. Board Members
• Reports and comments from Board chair and Board members regarding meetings and conferences attended, campus visits, community and district activities, education programs, current affairs related to higher education

• Board Committee Reports

XVIII. Citizen Participation

XIX. Consideration of the Consent Agenda

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

XX. Policy Report and Considerations


XXI. Curriculum Report and Considerations

1. Consideration of Approval to Offer a Bachelor of Applied Technology (“BAT”) Degree in Computer Information Technology at Lone Star College (the “College”) (ACTION ITEM 2)

2. Consideration of Approval to Offer a Bachelor of Science in Nursing (“BSN”) Degree at Lone Star College (the “College”) (ACTION ITEM 3)

3. Consideration of Approval to Offer a Bachelor of Applied Technology (“BAT”) Degree in Energy & Manufacturing Leadership at Lone Star College (the “College”) (ACTION ITEM 4)

XXII. Financial Reports and Considerations

1. Consideration of Adoption of the Lone Star College (the “College”) Recommended FY 2018 Budgets (ACTION ITEM 5)

2. Consideration of Approval to Authorize the Chancellor or Designee to Submit Grant Applications and Enter into Grant Contracts and Amendments on Behalf of Lone Star College (the “College”) During FY 2018 (ACTION ITEM 6)
3. Consideration of Approval of Annual Purchases of Technology Hardware, Software, and Services (ACTION ITEM 7)

4. Consideration of Approval of Annual Purchases of Bond-Funded Technology Hardware, Software, and Services on Behalf of Lone Star College (the “College”) (ACTION ITEM 8)

5. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Load and Performance Testing & Real User Monitoring Services (ACTION ITEM 9)

6. Consideration and Approval of Reaffirmation of Board Action Item 14 from its May 7, 2009 Meeting for the Purchase, Implementation and Support Costs of the Lone Star College (the “College”) Enterprise Resource Planning (“ERP”) System, known as iStar (ACTION ITEM 10)

7. Consideration of Approval to Purchase Library Materials, Supplies, Services, and Resources Sharing Membership Fees for FY 2017-18 (ACTION ITEM 11)

8. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase two SimMan Manikins and Accessories for the LSC-Kingwood Nursing Program (ACTION ITEM 12)

9. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Parking Permit Printing and Fulfilment Services (ACTION ITEM 13)

10. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Pest Control Services (ACTION ITEM 14)

11. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (“the College”) to Purchase a High Pressure Surface Cleaner (ACTION ITEM 15)

12. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Waste Disposal Services (ACTION ITEM 16)

13. Consideration of Approval of Annual Purchases of Bond-Funded Construction and Related Services (ACTION ITEM 17)

14. Consideration of Approval of Annual Purchases of Repair and Replacement (“R&R”) Construction and Related Services (ACTION ITEM 18)
15. Consideration of Approval to Renew the Annual Insurance Policies for FY 2018 and the Agreements for the Administration of Student Liability and Medical Insurance on behalf of Lone Star College (the “College”) (ACTION ITEM 19)

16. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for the Purchase of a 5.48 Acre Tract for LSC-Kingwood (ACTION ITEM 20)

17. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the LSC-CyFair Architectural Firm for Additional Services Related to the 2014 General Obligation Bond Construction Program (ACTION ITEM 21)

18. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the LSC-North Harris Architectural Firm for Additional Services Related to the 2014 General Obligation Bond Construction Program (ACTION ITEM 22)

19. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase a Hydraulic Trainer for the Industrial Diesel Technology Program at LSC-North Harris (ACTION ITEM 23)

20. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contracts on Behalf of Lone Star College (the “College”) with the Approved Science Vendors for Additional Science Supplies, Equipment and Instructional Chemicals (ACTION ITEM 24)

21. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of the College for the Purchase and Installation of Furnishings for the LSC-North Harris Greenspoint Center (ACTION ITEM 25)

22. Consideration of Approval to authorize the Chancellor or Designee to Negotiate and Execute an Agreement on Behalf of Lone Star College (the “College”) to Purchase Business Cards and Stationery Printing Services (ACTION ITEM 26)

23. Consideration of Approval for the Selection of an Executive Search Vendor Pool of Qualified Firms for Lone Star College (the “College”) and Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of the College with the Selected Pool (ACTION ITEM 27)

24. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for Accounts Payable Electronic Payments Automation Services (ACTION ITEM 28)
25. Consideration of Approval to Authorize the Chancellor or Designee to Review and Execute Regulated Utility Applications and Agreements for the Purchase of Electricity, Natural Gas and Water When the Utility is the Sole, Exclusive Provider and Rates are not Negotiable (ACTION ITEM 29)

26. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Nursing Assessment Tests (ACTION ITEM 30)

27. Consideration of Approval to Authorize the Chancellor or Designee to renew the Interlocal Agreement on Behalf of Lone Star College (the “College”) with Aldine Independent School District for the Early College High School (“ECHS”) Initiative (ACTION ITEM 31)

XXIII. Personnel Report and Considerations

1. Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contracts for the Attached Employees (ACTION ITEM 32)

2. Proposed Addenda to the Chancellor’s Contract (ACTION ITEM 33)

XXIV. Financial Report

Monthly Financial Statements

XXV. Buildings and Grounds Report

Construction Projects Update

XXVI. Suggested Future Agenda Items

XXVII. Adjournment

If during the course of the meeting covered by this notice, the Board should determine that a closed session of the Board should be held or is required in relation to an item noticed in this meeting, then such closed session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board concerning any and all subjects and for any and all purposes permitted by Section 551.071-551.089, inclusive, of the Open Meetings Act, including, but not limited to:

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 551.082 - Student Discipline
Section 551.0821 - Personally Identifiable Information About Student
Section 551.084 - Exclusion of Witness
Section 551.087 - Economic Development Negotiations
Certification of Posting of Notice to the August 3, 2017 Workshop and Regular Meeting of the Lone Star College System’s Board of Trustees

I, Stephen C. Head, Chancellor of the Lone Star College System, do hereby certify that a notice of this meeting was posted on Monday the 31st day of July, 2017 in a place convenient to the public at LSC-System Office The Woodlands, The Woodlands Leadership Building, 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 31st day of July, 2017.

LONE STAR COLLEGE SYSTEM

____________________
Stephen C. Head
Chancellor
Certification of Posting of Notice to the August 3, 2017
Public Hearing
2017-18 Proposed Budget of the
Lone Star College System

I, Stephen C. Head, Chancellor of the Lone Star College System, do hereby certify that a notice of the Public Hearing was posted on Monday the 31st day of July, 2017 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 31st day of July, 2017.

LONE STAR COLLEGE SYSTEM

_____________________
Stephen C. Head
Chancellor
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 77381-4356
July 10, 2017
5:00 p.m.

PRESENT: Dr. Alton Smith, Chair
Ms. Myriam Saldívar, Assistant Secretary
Dr. David Holsey
Mr. Art Murillo
Mr. David Vogt
Dr. Ron Trowbridge

ABSENT: Dr. Kyle Scott, Vice Chair
Mr. Ken Lloyd, Secretary
Ms. Linda Good

I. CALL TO ORDER: Dr. Smith called the workshop and regular meeting of the Board of Trustees to order at 5:03 p.m. after determining that a quorum was present.

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

III. CERTIFICATION OF THE POSTING OF THE NOTICE OF THE MEETING: Chancellor Head 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 AND RECOGNITIONS: None.

V. WORKSHOP: None.

VI. CLOSED SESSION: At 5:05 p.m. Dr. Smith 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
- Status of Pending or Proposed Litigation
- On any item on the Agenda
Section 551.072 – Deliberation Regarding Real Property
LSC-University Park, LSC-CyFair, LSC-North Harris, LSC-Tomball, LSC–Montgomery, LSC-Kingwood, LSC-SO-University Park

Section 551.074 - Personnel Matters

Mr. Vogt entered the meeting at 6:05 p.m.

VII. RECONVENE REGULAR MEETING: Dr. Smith reconvened the open meeting at 6:08 p.m.

VIII. APPROVAL OF THE MINUTES OF THE JUNE 1, 2017 BUDGET WORKSHOP AND THE JUNE 1, 2017 WORKSHOP AND REGULAR MEETING OF THE BOARD OF TRUSTEES: upon a motion by Dr. Trowbridge and second by Mr. Murillo the board approved the minutes of the June 1, 2017 Budget Workshop. Dr. Holsey abstained. Upon a motion made by Dr. Trowbridge and a second by Mr. Vogt the board approved the minutes of the June 1, 2017 Workshop and Regular Meeting of the Board of Trustees. Dr. Holsey abstained.

IX. SPECIAL REPORTS AND ANNOUNCEMENTS:


Dr. Head announced fall student enrollment was up 8% over this time last year.

Dr. Head recognized Gerald Napoles, LSC-North Harris president for receiving the Humanitarian Award from the Latino Learning Center. Dr. Napoles was recognized at an event held at Minute Maid Park on June 15. The Humanitarian Award is to recognize and honor great leaders for their philanthropic work, great heart and passion in helping local institutions and the general community within the City of Houston.

Dr. Head announced Lone Star College was recognized in The Chronicle of Higher Education’s “Great Colleges to Work For” which is designed to recognize colleges that have been successful in creating great workplaces and to further research and understanding of the factors, dynamics and influences that have the most impact on organizational culture at higher education institutions. There is a two part assessment process: an anonymous employee survey and an institutional audit which captures information on demographics, policies and practices. Lone Star College was recognized in five areas: Confidence in Senior Leadership; Diversity; Facilities, Workspace & Security; Job Satisfaction; and Work/Life Balance

2. College Presidents: None.

3. Vice Chancellors: None.

4. Faculty Senate Presidents: None.
5. **Board Members:** Trustee Saldívar highlighted her visit to LSC-UP and thanked everyone for making her feel welcome. She is also looking forward to visiting the other campuses.

Dr. Holsey announced that he placed first in a recent triathlon for his age group and that Dr. Scott placed 2nd for his age group.

Dr. Trowbridge spoke about how lucky Lone Star College was with the diversity of our students. He indicated many colleges are experiencing protests by students and that Lone Star College does not seem to be experiencing the same protests.

Chair Alton Smith thanked Dr. Napoles for inviting him to an informational meeting at Acres Homes with representatives from Harris County Sheriff’s office, Houston Police Department, District Attorney’s office and the local FBI director. They discussed issues in the community and their willingness to work together to help solve these issues.

**X. CITIZEN PARTICIPATION:** Mr. Jason Washington, battalion chief of The Woodlands fire department and Fire Science instructor at Lone Star College spoke about the cost of tuition, fees and books for the Fire Science program.

Mr. John Burghduff representing the AFT asked the board to review the sign up process for citizen participation for board meetings since the new meeting time has been implemented. Mr. Burghduff highlighted concerns about the agenda item pertaining to SB4.

**XI. CONSIDERATION OF THE CONSENT AGENDA:** Item number 7 was removed from the agenda to be considered separately. Items number 9 and 13 were pulled from the agenda to be considered at a future board meeting. Chair Smith proceeded with the Consent Agenda. Dr. Trowbridge made a motion to approve Action Items 1, 2, 3, 4, 5, 6, 8, 10, 11, and 12. Dr. Scott seconded the motion and the Board unanimously passed the Consent Agenda. A copy is attached as Exhibit “B”.

**XII. POLICY REPORTS AND CONSIDERATIONS:**


2. Consideration and Review of the Recommended Revision of the Lone Star College (the “College”) Board Policy Manual Section III.D.2.10(h), Regarding Criteria for Awarding Contracts (ACTION ITEM 1): the Board of Trustees considered and approved the revision of the College’s Board Policy Manual Section III.D.2.10(h). amending the
College’s required criteria for awarding contracts for goods and services when federal grant dollars are involved. This item was passed in the Consent Agenda. A copy is attached as Exhibit “D”.

XIII. **CURRICULUM REPORT AND CONSIDERATIONS:**

1. **Consideration of Approval to Expand the Lone Star College (the “College”) Computer Networking Microsoft Associate of Applied Science (AAS) Degree and Network and System Support Certificate I to LSC-CyFair (ACTION ITEM 2):** the Board of Trustees approve expanding the Computer Networking Microsoft Associate of Applied Science (AAS) Degree and Network and System Support Certificate I to LSC-CyFair. This item was passed in the Consent Agenda. A copy is attached as Exhibit “E”.

XIV. **FINANCIAL REPORTS AND CONSIDERATIONS:**

1. **Consideration of Approval to Authorize the Chancellor or Designee to Enter into a Grant Contract on Behalf of Lone Star College (the “College”) with One Star (“One Star”) Foundation to Continue the AmeriCorps Grant Program at LSC-Kingwood (ACTION ITEM 3):** the Board of Trustees approved the Chancellor or designee to enter into a grant contract for the operation of the AmeriCorps program at LSC-Kingwood for a sum not exceeding $460,964 for the operation of the College’s AmeriCorps program, of which up to $340,858 will be reimbursed by One Star. This item was passed in the Consent Agenda. A copy is attached as Exhibit “F”.

2. **Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Architectural Services Related to New Buildings for LSC-Kingwood, LSC-Montgomery, and LSC-University Park (ACTION ITEM 4):** the Board of Trustees authorized the Chancellor or designee to negotiate and execute contracts on behalf of the College to purchase architectural services with the highest ranked firms listed in the attachment in a sum not exceeding $3,630,272. If negotiations cease for any reason with the 1st ranked firm, the College will proceed to negotiate with the next highest ranked firm with a score of 70 or more. This item was passed in the Consent Agenda. A copy is attached as Exhibit “G”.

3. **Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Master Service Contracts on Behalf of Lone Star College (the “College”) to Purchase Facility Related Building Envelope Services (ACTION ITEM 5):** the Board of Trustees authorized the Chancellor or designee to negotiate and execute master service contracts on behalf of the College to purchase facility related building envelope services. The scope of the award is for individual projects less than $100,000. Total estimated annual costs for these services are expected to be $1,500,000 and not exceeding $7,500,000 over the five-year contract term. See attached listing for recommended vendors. This item was passed in the Consent Agenda. A copy is attached as Exhibit “H”.

4
4. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Construction and Skilled Trades Equipment for the LSC-North Harris Construction and Skilled Trades Technology Center (“CSTTC”) (ACTION ITEM 6): the Board of Trustees authorized the Chancellor or designee to negotiate and execute contracts on behalf of the College to purchase equipment for the LSC-North Harris-CSTTC in a sum not exceeding $1,177,357 with the following vendors: Advanced Technologies Consultants, 110 W. Main St. P. O. Box 905, Northville, MI 48167; W.W. Grainger, 1641 North Freeway, Houston, TX 77090; MSC Industrial Supply, 4540 Kendrick Plaza, #190, Houston, TX 77032. This item was passed in the Consent Agenda. A copy is attached as Exhibit “I”.

5. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Tool Sets for LSC-North Harris Automotive Technology Program (ACTION ITEM 7): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Snap-On Industrial, a division of IDSC Holdings, LLC, P.O. Box 9004, Crystal Lake, IL, 60039, for tool sets in a sum not exceeding $205,670. This item was passed in the Consent Agenda. A copy is attached as Exhibit “J”.

6. Consideration of Approval to Ratify the Purchase of Internet Services and Approval to Purchase Additional Internet Services for Lone Star College (the “College”) (ACTION ITEM 8): the Board of Trustees approved ratification of the purchase of internet services for $120,935 and approve the purchase of additional internet services for $171,701 with PS Lightwave, Inc., 5959 Corporate Drive, Suite 3300, Houston Texas 77036, formally known as Phonoscope Light Wave Inc., and Level 3 Financing, Inc., 1025 Eldorado Blvd., Broomfield, CO 80021 in a sum of $292,636 for a total revised sum not exceeding $942,636 over the five-year period. This item was passed in the Consent Agenda. A copy is attached as Exhibit “K”.

7. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Construction Manager at Risk (“CMAR”) Guaranteed Maximum Price (“GMP”) for Construction Services Related to the Lone Star College-University Park (“LSC-UP”) Science and Innovation Center a Phase One Group 6A Project Under the 2014 General Obligation Bond Program (ACTION ITEM 9): this item was removed from the agenda with action to be taken at a future board meeting. A copy is attached as Exhibit “L”.

8. Consideration and Approval to Review and Ratify an Agreement for the Economic Development of Harris County and the Chancellor’s Execution of the Agreement on behalf of Lone Star College (the “College”) (ACTION ITEM 10): the Board of Trustees review and ratify the Economic Development Funding Agreement with Harris County for an in-kind sum not exceeding $125,000 and the Chancellor’s execution of the agreement. The term of the contract is March 1, 2017 through February 28, 2018. This item was passed in the Consent Agenda. A copy is attached as Exhibit “M”.
9. Consideration of Approval to Authorize the Chancellor or Designee to Renew the Interlocal Agreement on Behalf of Lone Star College (the “College”) with New Caney Independent School District for the Early College High School Initiative (ACTION ITEM 11): the Board of Trustees authorized the Chancellor or designee to renew an Interlocal Agreement on behalf of the College with New Caney Independent School District for the Early College High School (“ECHS”) Initiative. The term of the agreement will be three years from August 1, 2017 through July 31, 2020. This item was passed in the Consent Agenda. A copy is attached as Exhibit “N”.

XV. PERSONNEL REPORTS AND CONSIDERATIONS:

1. Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contracts for the Attached Individuals (ACTION ITEM 12): the Board of Trustees authorize the Chancellor or a designee to execute proposed employment contracts for the attached individuals. Each individual’s name, job title, not-to-exceed contract sum, and hire start date is attached. This item was passed in the Consent Agenda. A copy is attached as Exhibit “O”.

2. Proposed Addenda to the Chancellor’s Contract (ACTION ITEM 14): this item was removed from the agenda with action to be taken at a future board meeting. A copy is attached as Exhibit “P”.

XVI. FINANCIAL REPORT

Monthly Financial Report: Ms. Jennifer Olenick, vice chancellor and CFO for finance and administration, presented the monthly financial statements for the month ended May 31, 2017. A copy is attached as Exhibit “Q”.

XVII. BUILDING AND GROUNDS REPORTS:

Construction Projects Update: the Board reviewed the report as presented. A copy is attached as Exhibit “R”.

XVIII. SUGGESTED FUTURE AGENDA ITEMS: None.

XIX. ADJOURNMENT: There being no further business, the meeting was adjourned at 6:39 p.m.

ATTEST:

__________________________________  ____________________________________
Board of Trustees, Chair               Board of Trustees, Secretary
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>Consent Agenda</th>
<th>Chancellor Recommended Separate Action</th>
<th>Board Separate Action</th>
</tr>
</thead>
<tbody>
<tr>
<td># 1 – Approve Rev Policy IV.D.3, IV.F.4., VI.D.12., VI.F</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 2 – Approve BAT Computer Information Tech at LSC-CF</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 3 – Approve BSN Nursing Degree at LSC-Montgomery</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 4 – Approve BAT Energy/Manufacturing Ldshp LSC-NH</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 5 – Adopt Recommended FY 2017-18 Budgets</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 6 – Auth Chan Submit Grant Apps/Enter Grant Contracts</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 7 – Approve Annual Purchases Tech/Hardware/Software</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 8 – Approve Annual Purch/Bond-Funded Tech/HW/SW</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td># 9 – Auth Chan Neg/Exec/Cont/Purch/Load/Perf/Test Svs</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#10 – Approve Reaffirmation BAI #14 from May 7, 2009</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#11 – Approve Purch/Library Materials/Supplies/Svs/2017-18</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#12 – Auth Chan Neg/Exec/Cont/Purch/SimMan Manikins</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#13 – Auth Chan/Neg/Exec/Cont/Purch/ParkingPermit Svs</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#14 – Auth/Chan/Neg/Exec/Cont/Purch/Pest Control Svs</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#15 – Auth/Chan/Neg/Exec/Contr/Purch/High Press Cleaner</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#16 – Auth/Chan/Neg/Exec/Contr/Purch/Waste/Disposal/Svs</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#17 – Approve Annual Purch Bond-Funded Construction Svs</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#18 – Approve Annual Purch R &amp; R Construction Svs</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>#19 – Approve Renewal Annual Insurance Policies FY 17-18</td>
<td>______</td>
<td>______</td>
</tr>
<tr>
<td>Action Item</td>
<td>Consent Agenda</td>
<td>Chancellor Recommended Separate Action</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>#20 – Auth/Chan/Neg/Contr/Purch 5.48 Acre Tract LSC-K</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#21 – Auth/Chan/Amend/Contr/LSC-CyFair/Architect/Firm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#22 – Auth/Chan/Amend/Contr/LSC-NH/Architectural Firm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#23 – Auth/Chan/Exec/Contr/Purch/Hydraul Trainer LSC-NH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#24 – Auth/Chan/Amend/Contr/Approved/Science/Vendors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#25 – Auth/Chan/Exec/Purch/Install/Furnish/LSC-NH-GP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#26 – Auth/Chan/Exec/Agree/Purch Business Cards Print Svs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#27 – Approve Selection/Exec/Search/Vendor/Pool</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#28 – Auth/Chan/Exec/Contr/A/P Elect/Payments Auto Svs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#29 – Auth/Chan/Exec/Agree/Purch/Electricity/Gas/Water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#30 – Authorize/Chan/Purch/Nursing Assessment Tests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#31 – Auth/Chan/Renew/Interlocal/AISD for Early College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#32 – Auth Chan Exec/Employment Contracts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#33 – Proposed Addenda to the Chancellor’s Contract</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Rationale: Recent state legislation, Senate Bill 4, prohibits institutions of higher education from materially limiting enforcement of federal immigration laws via policies or pattern and practice. To ensure compliance with this legislation, the College is proposing revisions to College Board Policy Manual Sections IV.D.3. Ethical Standards, IV.F.4. Prohibited Unlawful Discrimination and Harassment Policy, VI.D.12. Civil Rights Complaints, and VI.F. Sexual Harassment, Assault, Violence, and Discrimination. These revisions clarify policy applicability to campus peace officers.

Fiscal Impact: None.

Staff Resource: Mario K. Castillo 832-813-6655
SECTION IV – HUMAN RESOURCES

IV.D.3. Ethical Standards

IV.D.3.01 Ethical Standards

... Nothing in this policy section limits a Campus Peace Officer from inquiring into the immigration status of a person under lawful detention or arrest.

****

IV.F.4. Prohibited Unlawful Discrimination and Harassment Policy

IV.F.4.01 Policy

... Nothing in this policy section limits a Campus Peace Officer from inquiring into the immigration status of a person under lawful detention or arrest.

****

SECTION VI – STUDENTS

VI.D.12. Civil Rights Complaints

VI.D.12.1. Policy

... Nothing in this policy section limits a Campus Peace Officer from inquiring into the immigration status of a person under lawful detention or arrest.

****

VI.F. Sexual Harassment, Assault, Violence, and Discrimination

VI.F.1.1. Policy

... Nothing in this policy section limits a Campus Peace Officer from inquiring into the immigration status of a person under lawful detention or arrest.
SECTION IV – HUMAN RESOURCES

IV.D.3. Ethical Standards

IV.D.3.01 Ethical Standards
All employees must adhere to the highest ethical and professional standards, always conducting official duties for the College with integrity and honesty, and in conformance with applicable law, governing regulations, and the policies adopted by the Board of Trustees. All employees must:

a. Be responsible for protecting information that is made confidential by law, to which access is restricted by state or federal law, Board Policy, College procedures, or in accordance with contracts to which the College is bound. This includes an obligation to refuse to engage in any employment, sales, or commercial activity that might reasonably be expected to require or induce the disclosure of information acquired by reason of the employee’s position.

b. Refuse to accept any significant gift, favor, or service that might reasonably tend to, or appear to, influence the discharge of official duties or official conduct. This includes the responsibility to avoid any personal business arrangements that might impair independent judgment in the performance of official duties. This prohibition does not preclude an employee attending a vendor-provided or -sponsored seminar or training program under the conditions specified in Section III.H.3.02(vii) above.

c. Avoid personal investments that could reasonably be expected to create a substantial conflict between the employee’s private interest and the public interest to which he or she is appointed to serve.

d. Perform all official duties and exercise all official powers in an impartial manner, free from any solicitation, acceptance or agreement to accept or give any personal benefit, including a benefit for or to one’s family.

e. Contribute to the creation of a positive and constructive environment that is essential for the success and effectiveness of the workplace and the teaching/learning process, including the responsibility for each employee to:

i. Subscribe to the judicious use of power vested in his or her position and exercise particular care in relationships of unequal authority, such as that of a supervisor/subordinate or a faculty/student, in which he or she has responsibility for evaluation and decision-making.

ii. Ensure that each employee/student under his or her direction has the opportunity to work/learn in an environment that is free from prohibited harassment or discrimination and that reflects concern for each individual and respect for each person.

iii. Refuse to permit a family member to enroll in a class or other instructional activity for which the employee has responsibility to evaluate performance.
Request: Consideration of Approval to Offer a Bachelor of Applied Technology ("BAT") Degree in Computer Information Technology at Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve offering a BAT degree in Computer Information Technology. The program will initially be offered at LSC-CyFair, and future expansion will depend upon community job openings and need.

Rationale: The College has requested approval to offer a BAT degree in Computer Information Technology, with implementation by Fall 2018.

Demand in the Houston-The Woodlands-Sugarland Metropolitan Statistical Area shows considerable growth for occupations requiring four-year degrees. In addition, labor market data from the Texas Workforce Commission and Burning Glass Technologies shows strong demand and wages for this occupational field.

Overall demand in the Gulf Coast Region from Burning Glass shows a high number of job postings, including 10,695 job postings per year as of March 2015.

Bachelor-level demand from Burning Glass shows about half of those job postings require a bachelor’s degree.

Industry partners have validated a need for Bachelor’s degrees to fill many IT related positions across our region.

The Texas Higher Education Coordinating Board (“THECB”) requires that the College’s Board of Trustees approve new programs, abiding by policies and outlines in the THECB’s Guidelines for Instructional Programs in Workforce Education. Final implementation is contingent upon formal approval of THECB and the Southern Association of Colleges and Schools.

Fiscal Impact: Estimated startup costs of $78,000 for equipment will be funded through budgeted FY 2018 operating funds. Instruction and other estimated costs of $335,000 will be included in FY 2018 operating budgets. Future faculty and equipment will be funded through System Office operating funds. Funding for subsequent years will depend on size and growth of the program and will be budgeted through System Office operating accounts.

Staff Resource: Steve Head 832-813-6515
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Offer a Bachelor of Science in Nursing (“BSN”) Degree at Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve offering a BSN degree at the College. The program will initially be offered at LSC-Montgomery.

Rationale: The College has requested approval to offer the BSN degree, with implementation by Fall 2018. The program will initially be offered at LSC-Montgomery as a Registered Nurse (“RN”) to BSN program, and future expansion will depend upon community job openings and need.

Demand in the Houston - The Woodlands - Sugarland Metropolitan Statistical Area shows considerable growth for Registered Nurses. In addition, labor market data from the Texas Workforce Commission and Burning Glass Technologies shows strong demand and strong wages for this occupational field.

Demand in the Gulf Coast Region from Burning Glass shows a high number of job postings, including 28,636 job postings for RNs.

The need for this program was vetted through multiple industry groups, which included the Nursing Advisory Committee and organization leaders involved in the Chancellor’s Healthcare CEO Council.

The Texas Higher Education Coordinating Board (“THECB”) requires that the College’s Board of Trustees approve new programs, abiding by policies and outlines in the THECB’s Guidelines for Instructional Programs in Workforce Education. Final implementation is contingent upon formal approval of THECB and the Southern Association of Colleges and Schools.

Fiscal Impact: Estimated start-up equipment costs of $67,400 for equipment in the first year of the program will be funded with FY 2018 operating funds. Instruction and other costs of an estimated $220,858 in the first year of the program will be included in the proposed FY 2018 operating budget. Funding for subsequent years will depend on size and growth of the program and will be budgeted through System Office operating accounts.

Staff Resource: Steve Head 832-813-6515
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Offer a Bachelor of Applied Technology ("BAT") Degree in Energy & Manufacturing Leadership at Lone Star College (the “College”)  

Chancellor’s Recommendation: That the Board of Trustees approve offering a BAT degree in Energy & Manufacturing Leadership. The program will initially be offered at LSC-North Harris and LSC-University Park.  

Rationale: The College has requested approval to offer a BAT degree in Energy & Manufacturing Leadership, with implementation by Fall 2018.  

Demand in the Houston-The Woodlands-Sugarland Metropolitan Statistical Area shows considerable growth for occupations requiring four-year degrees. In addition, labor market data from the Texas Workforce Commission and Burning Glass Technologies shows strong demand and wages for this occupational field.  

Overall demand in the Gulf Coast Region from Burning Glass shows a high number of job postings, including 1,439 job postings for First-Line Supervisors of Mechanics, installers, and Repairers and 916 for First-Line Supervisors of Production and Operating Workers per year as of April 2017.  

Bachelor-level demand from Burning Glass shows about 35% of those job postings including an educational requirement require a bachelor’s degree.  

Industry partners have validated a need for bachelor degrees to fill many supervisory related positions across our region.  

The Texas Higher Education Coordinating Board (“THECB”) requires that the College’s Board of Trustees approve new programs, abiding by policies and outlines in the THECB’s Guidelines for Instructional Programs in Workforce Education. Final implementation is contingent upon formal approval of THECB and the Southern Association of Colleges and Schools.  

Fiscal Impact: Instruction and other estimated costs of $686,055 over the first five years of the program will be funded by Lone Star College operating funds. Funding for subsequent years will depend on size and growth of the program and will be budgeted through System Office operating accounts.  

Staff Resource: Steve Head 832-813-6515  
Jennifer Olenick 832-813-6512
Request: Consideration of Adoption of the Lone Star College (the “College”) Recommended FY 2018 Budgets

Chancellor’s Recommendation: That the Board of Trustees adopt the College’s FY 2018 recommended budgets and authorize the Chancellor to approve expenditure budget transfers among the funds, as necessary and allowed by law, as long as such transfers do not result in a change in the total expenditures budget of $366,251,380.

Rationale: Following several months of study, planning, development and evaluation, the administration, in consultation with the Board of Trustees, recommends a budget that accurately reflects the College’s educational plan for FY 2018.

The recommended budgets are as follows:

REVENUES:

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE ALLOCATIONS</td>
<td>$77,952,734</td>
</tr>
<tr>
<td>STUDENT REVENUES</td>
<td>126,435,957</td>
</tr>
<tr>
<td>LOCAL TAXES</td>
<td>152,113,453</td>
</tr>
<tr>
<td>MISCELLANEOUS ACTIVITIES</td>
<td>17,230,947</td>
</tr>
<tr>
<td>TOTAL REVENUES</td>
<td>$373,733,091</td>
</tr>
</tbody>
</table>

EXPENDITURES/USES:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING</td>
<td>$325,381,380</td>
</tr>
<tr>
<td>OPERATING DEBT PAYMENT</td>
<td>8,500,000</td>
</tr>
<tr>
<td>STUDENT ACTIVITIES</td>
<td>2,760,000</td>
</tr>
<tr>
<td>TECHNOLOGY</td>
<td>14,990,000</td>
</tr>
<tr>
<td>CORPORATE COLLEGE</td>
<td>3,250,000</td>
</tr>
<tr>
<td>AUXILIARY</td>
<td>11,370,000</td>
</tr>
<tr>
<td>TOTAL EXPENDITURES/USES</td>
<td>$366,251,380</td>
</tr>
<tr>
<td>ADDITIONS TO RESERVES</td>
<td>7,481,711</td>
</tr>
<tr>
<td>TOTAL EXPENDITURES/USES &amp;</td>
<td>$373,733,091</td>
</tr>
<tr>
<td>ADDITIONS TO RESERVES</td>
<td></td>
</tr>
</tbody>
</table>

FY 2018 is the first year of the biennium. Student revenues reflect an estimated 3.0% growth in enrollments; $5 per credit hour out of district fee increase for Fall 2017 and $15 per credit hour out of district fee
increase beginning Spring 2018; $5 per credit hour out of state fee increase for Fall 2017 and $15 per credit hour out of state fee increase beginning Spring 2018; $2 per credit hour technology fee increase; and differential fee increases are expected to average $1 based on discipline.

Certified property values have not been received, but the preliminary rolls provided by the appraisal districts indicate that net taxable values will increase in both Harris and Montgomery Counties by an average of 4.85%. The FY 2018 budgeted tax revenues are estimated using the same tax rate as the FY 2017 budget. Once the certified rolls have been received, a recommendation will be taken to the Board of Trustees regarding the tax rate.

The FY 2018 budget contains several initiatives in support of the College’s strategic priorities: Academic & Workforce Program Quality, Student Success, Culture, Partnerships and Financial Responsibility & Accountability.

Compensation recommendations included in the budget are as follows:
- A 2% increase for full-time and part-time staff
- 30 new full-time faculty
- State benefits increases
- Faculty Educational Attainment
- Pay Band-Classification Project

**Fiscal Impact:** The budget as presented is a balanced budget based on conservative revenue estimates and includes an estimated increase to cash reserves of $7,481,711. The FY 2018 budget includes an estimated ending cash reserve balance of 16% of expenditures.

**Staff Resource:**
Steve Head 832-813-6515
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Submit Grant Applications and Enter into Grant Contracts and Amendments on Behalf of Lone Star College (the “College”) During FY 2018

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to submit grant applications and enter into grant contracts and amendments on behalf of the College during FY 2018. The Chancellor also recommends that the Board of Trustees authorize the Chancellor or a designee to execute and submit individual grant applications and execute grant contracts and amendments with a College financial obligation of $100,000 or more, but less than $4,500,000, without obtaining the Board’s individual pre-approval for each individual grant application or grant contract.

Rationale: Grantors issue Requests for Proposals (“RFPs”) for grant applications. RFPs require the applicant to sign the grant application which, if awarded, becomes the grant contract or results in a grant contract. While the College can decide not to accept a grant award with proper notice, the application is a formal contract which contains terms and conditions of the grant.

Pre-approval to submit grant applications and execute grants contracts and amendments is necessary to respond expeditiously to grantor’s application and contract deadlines, which are normally 30 days or less. Obtaining advance Board approval of individual grant applications or contracts could result in missing deadlines and losing funding opportunities.

If the grantor requires a match, either in kind or cash, the College will only submit the grant application and execute the grant contract if the match can be covered within the budget approved by the Board of Trustees.

Grant-related purchases are made in accordance with procurement methods allowed by state law, board policy, and the grant contract including, but not limited to, competitive bids and requests for qualifications.

Granting agencies typically reimburse awardees for grant expenditures monthly or quarterly upon submission of proper documentation.

Fiscal Impact: If the College is awarded a grant, the expenditures will be reimbursed by the grantor. If the grantor requires a match, either in kind or cash, the match will be covered with funds included in the approved FY 2018 budget.
Staff Resource: Rand Key 281-655-3701
Jennifer Olenick 832-813-6512
Request: Consideration of Approval of Annual Purchases of Technology Hardware, Software, and Services

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of technology hardware, software, and services in a sum not exceeding $15,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each such contract. The Chancellor finally recommends to the Board that it expressly authorize the Chancellor or designee to execute the contracts detailed in Appendix A for the not-to-exceed sums listed therein.

Rationale: To enhance student success, the College has an aggressive plan to meet the technology needs of faculty, staff, and students. This pre-approval will enable the Office of Technology Services to acquire goods and services needed to upgrade enterprise systems and replace equipment that has reached end-of-life, as well as procure required consulting services.

Approving the technology hardware, software and services in advance dramatically improves project schedules and enables faculty, students, and staff to receive updated technology in the timeliest and most cost-effective manner.

The purchase of technology hardware, software, and services will be made in accordance with:

- Texas Education Code 44.031, through competitive bid processes, or
- Texas Government Code, Subchapter F, Sections 271.101-102, through Board approved purchasing cooperatives (upon completion of market analysis), or
- Texas Government Code 2254.003, or
- Any other method approved by state law.

The Chancellor also represents to the Board that no combination of contracts, purchases, or expenditures under this board agenda item will exceed $15,000,000.

Fiscal Impact: Funds for these purchases are included in the proposed FY 2018 operating and technology fund budgets. Annual spend for FY 2017 was approximately $8,105,110.
Staff Resource: Link Alander 832-813-6832
Jennifer Olenick 832-813-6512
## APPENDIX A

Support, License Agreements, and Maintenance Contracts Exceeding $500,000 for Which the Chancellor Seeks Pre-Approval

<table>
<thead>
<tr>
<th>Item</th>
<th>Not-to-Exceed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Now Enterprise License Agreement</td>
<td>$750,000</td>
</tr>
<tr>
<td>EMC VMware Enterprise License Agreement</td>
<td>$750,000</td>
</tr>
<tr>
<td>Cisco Smartnet Enterprise License Agreement</td>
<td>$750,000</td>
</tr>
<tr>
<td>Microsoft Enterprise License Agreement</td>
<td>$750,000</td>
</tr>
<tr>
<td>Classroom audio visual systems upgrades</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>OTS 11.3 Renovation</td>
<td>$750,000</td>
</tr>
<tr>
<td>Oracle PeopleSoft (iStar) support &amp; maintenance contract</td>
<td>$1,250,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,500,000</strong></td>
</tr>
</tbody>
</table>
Request: Consideration of Approval of Annual Purchases of Bond-Funded Technology Hardware, Software, and Services on Behalf of Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of bond-funded technology hardware, software, and services on behalf of the College in a total sum not exceeding $15,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each such contract. The Chancellor finally recommends to the Board that it expressly authorize the Chancellor or designee to execute the contracts detailed in Appendix A for the not exceeding sums listed therein.

Rationale: Approving the bond-funded technology hardware, software, and services purchases in advance dramatically improves project schedules and enables faculty, students, and staff to receive updated technology in the timeliest and most cost-effective manner.

The purchase of technology hardware, software, and services will be made in accordance with:

- Texas Education Code 44.031, through competitive bid processes, or
- Texas Government Code, Subchapter F, Sections 271.101-102, through Board approved purchasing cooperatives (upon completion of market analysis), or
- Texas Government Code 2254.003, or
- Any other method approved by state law.

The Chancellor or his designee will also ensure that bond funds are only depleted in a manner consistent with the bond order of the College authorizing the series or series of bonds and the bond propositions approved at the November 4, 2014 election authorizing the purposes for which the bonds may be issued.

The Chancellor also represents to the Board that no combination of contracts, purchases, or expenditures under this board agenda item will exceed $15,000,000.

Fiscal Impact: This purchase will be funded with bond proceeds issued under the 2014 General Obligation Bond Referendum. The spend for FY 2017 was approximately $1,997,278.
Staff Resource:  
Link Alander  
Jennifer Olenick  

832-813-6832  
832-813-6512
## APPENDIX A

**Bond-Funded Infrastructure Project Contracts Exceeding $500,000 for Which the Chancellor Seeks Pre-Approval**

<table>
<thead>
<tr>
<th>Item</th>
<th>Not-to-Exceed Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEM, Student Success, and Guided pathways ERP Services</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Data center hyper converged infrastructure</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Network Security Enhancements</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>OTS 11.3 Renovation</td>
<td>$750,000</td>
</tr>
<tr>
<td>CRM solution</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Expanded Network Redundancy</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>New construction AV installation – Magnolia center</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction network installation – Magnolia center</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-UP Arts Building</td>
<td>$750,000</td>
</tr>
<tr>
<td>New construction network installation – LSC-UP Arts Building</td>
<td>$750,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-MC Student Services Building</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction network installation – LSC-MC Student Services Building</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-NH Victory Center Expansion</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-NH Victory Center Expansion</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction AV installation – LSC-CF Westway Park</td>
<td>$600,000</td>
</tr>
<tr>
<td>New construction network installation – LSC-CF Westway Park</td>
<td>$600,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$13,800,000</strong></td>
</tr>
</tbody>
</table>
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Load and Performance Testing & Real User Monitoring Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College to purchase load and performance testing & real user monitoring services from SOASTA Inc., a wholly owned subsidiary of Akamai Technologies, Inc. (“SOASTA”), 150 Broadway, Cambridge, MA 02141, for a sum not exceeding $483,236 over a maximum period of five years. The initial term of the contract will be for three years with an option to renew for two additional one-year periods.

Rationale: As the College continues to grow and enhance its enterprise resource planning (“ERP”) system, the College needs to ensure that systems are scaled adequately and performing at an optimal level to be able to best service the College’s students and employees. This award is for an application load testing/performance monitoring solution allowing the College to take proactive measures and avoid service disruptions throughout the year. Empowering the College with performance data will help maintain customer service standards throughout periods of growing traffic as well as peak performance demands. The current agreement with SOASTA will expire August 31, 2017.

In compliance with Texas Education Code §44.031 (a), a Request for Proposal (RFP #508) was publicly advertised and one response was received. The evaluation of the proposal was conducted based on cost, qualifications, experience and service needs met; references; quality of services; the extent to which certified historically underutilized business (HUB), minority and/or veteran or women-owned business are utilized; past performance; long-term cost; and enhanced services/completeness and thoroughness of response.

Fiscal Impact: Funds for this purchase are included in the proposed FY 2018 LSC-College Services operating budget. Funds for subsequent fiscal years will be included in future proposed budgets. The two-year annual spend was $98,875. This amount reflects a 50% discount per year.

Staff Resource: Link Alander 832-813-6832
Jennifer Olenick 832-813-6512
Request: Consideration and Approval of Reaffirmation of Board Action Item 14 from its May 7, 2009 Meeting for the Purchase, Implementation and Support Costs of the Lone Star College (the “College”) Enterprise Resource Planning (“ERP”) System, known as iStar.

Chancellor’s Recommendation: That the Board of Trustees reaffirm Action Item 14 from its May 7, 2009 meeting authorizing licensing, support, and maintenance contracts in excess of $100,000 but less than $1,000,000 without individual Board pre-approval for as long as the College continues to utilize iStar.

Rationale: Each year the College pays annual maintenance supporting iStar to Oracle USA, Inc (“Oracle”). These maintenance agreements provide the software updates necessary to keep operationally up-to-date and to ensure that the College’s ERP system has the latest security updates.

In addition, each year the College must true-up its total licenses based on Integrated Postsecondary Education Data System (“IPEDS”) data. That is, as it grows, the College must purchase additional Oracle user licenses for these products. Annual maintenance costs also increase in proportion to new licenses purchased.

The purchase and implementation of an enterprise planning system is a long-term investment for the College. Action Item 14 from the Board’s May 7, 2009 meeting authorized annual software maintenance contracts for as long as the College continues to utilize iStar. The College will ask the board to reaffirm this authorization every 5 years as long as the College utilizes iStar. Any contracts for more than $1 million will still be subject to specific Board pre-approval as required by Texas law.

The following table lists support contracts and required new license purchases since 2015:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 – Oracle PeopleSoft renewal</td>
<td>$ 687,989.99</td>
</tr>
<tr>
<td>2015 – Oracle Database renewal</td>
<td>$ 453,093.07</td>
</tr>
<tr>
<td>2015 – Licensing True-up renewal</td>
<td>$ 684,320.84</td>
</tr>
<tr>
<td>Total (2015)</td>
<td>$1,825,403.90</td>
</tr>
<tr>
<td>2016 – Oracle PeopleSoft renewal</td>
<td>$ 914,276.90</td>
</tr>
<tr>
<td>2016 – Oracle Database renewal</td>
<td>$ 466,685.84</td>
</tr>
<tr>
<td>Total (2016)</td>
<td>$1,380,962.74</td>
</tr>
<tr>
<td>2017 – Oracle PeopleSoft renewal</td>
<td>$ 933,400.92</td>
</tr>
<tr>
<td>2017 – Oracle Database renewal</td>
<td>$ 480,686.42</td>
</tr>
<tr>
<td>2017 – Licensing True-up required</td>
<td>$ 611,294.53</td>
</tr>
<tr>
<td>Total (2016)</td>
<td>$2,025,381.87</td>
</tr>
<tr>
<td>Total</td>
<td>$5,231,748.51</td>
</tr>
</tbody>
</table>
Fiscal Impact: Funds supporting annual maintenance and licensing will be included in all future proposed LSC-College Services operating budgets.

Staff Resource: Link Alander 832-813-6832  
Jennifer Olenick 832-813-6512
Financial Report and Consideration No. 7 (ACTION ITEM 11)  Board Meeting 8-3-17

Request: Consideration of Approval to Purchase Library Materials, Supplies, Services, and Resource Sharing Membership Fees for FY 2018

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to approve the purchase of library materials, supplies, services, and resource sharing membership fees for FY 2018 in a sum not exceeding $1,155,000, and authorizes the Chancellor or designee to execute any agreements related to these purchases including individual contracts in excess of $100,000 but less than $1,000,000.

Rationale: Library materials consist of serial and journal subscriptions (including electronic databases, digital content, and information products), books, e-books, and media. This purchase also includes library services (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 uses these materials and services to support the faculty and student needs at the six main campus libraries and associated centers.

As stipulated in 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. Such purchases can be made in any manner authorized by law including, but not limited to, request for proposal process, statewide purchasing contracts and library or resource-sharing programs; however, the best value standard as defined by Texas Government Code Chapter 2155.074 must be met.

Fiscal Impact: Funds for these purchases are included in the proposed FY 2018 operating budgets by campus. Historical annual spend for FY 2017 was approximately $1,095,312.

Staff Resource: Alicia Harvey-Smith 832-813-6648
Link Alander 832-813-6832
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase two SimMan Manikins and Accessories for the LSC-Kingwood Nursing Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Laerdal Medical Corporation, 167 Myers Corners Road, Wappingers Falls, NY 12590, for two SimMan Essential High Fidelity Manikins and Accessories in a sum not exceeding $103,542.

Rationale: The LSC-Kingwood nursing program provides students a broad range of experiences and education to prepare them for a career in the field of nursing. The SimMan Essential High Fidelity Manikins will allow students the opportunity to learn and practice on a state of the art patient simulator. This hands-on training delivers high quality simulation experiences that improve critical time management, decision-making, and communications in serious situations. The SimMan Manikins also provide experiences in managed nursing skills, respiratory rates, vital signs, and bowel sounds. Delivering high quality simulation experiences requires training to take place at the right time and place, and requires the most advanced equipment. The Nursing Department will train students using the standard and accepted methodologies for creating highly competent and skilled graduates along with providing a training environment that embraces cutting-edge technology in the nursing profession. The College will train students using SimMan Manikins to apply critical thinking to research, evaluate, analyze, and synthesize information to solve problems related to saving the lives of their patients.

This purchase complies with Texas Education Code § 44.031(a) (4) which allows the use of inter-local contracts. The College will purchase from Laerdal Medical Corporation through BuyBoard Purchasing Cooperative, contract #530-17. A market analysis was conducted to determine best value.

Fiscal Impact: $103,542 for these purchases are available from the General Obligation Bonds, Series 2015A.

Staff Resource: Katherine Persson 281-312-1640
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Parking Permit Printing and Fulfillment Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Weldon, Williams & Lick (WWL), 711 North A Street, Fort Smith, AR 72901, for parking permit printing and fulfillment services in a sum not exceeding $500,000 for a five-year period. The initial term of the contract will be for two years with an option to renew for three additional one-year periods.

Rationale: In October 2016, the Board of Trustees approved a five-year contract to purchase a college wide parking management system form NuPark, Inc. The contract award was made in compliance with Texas Education Code 44.031 (a) through a formal Request for Proposal process (“RFP “) #447.

During the initial implementation of the parking program, the College utilized WWL to perform the parking permit printing and fulfillment services. WWL has a parking permit distribution management system that is integrated with NuPark’s management system and provided under an exclusive partnership between NuPark and WWL. The College Administration recommends the continued use of WWL to provide these services, which have been proven efficient and cost effective.

In compliance with Texas Education Code 51.9335 (b), this purchase is justified as an exclusive acquisition for best value based on the exclusive partnership and integration of the NuPark and WWL systems.

The faculty/staff permits are renewed every three years and are set to expire in calendar years 2018 and 2021.

Fiscal Impact: $90,000 for this purchase is included in the proposed FY 2018 LSC-College Services operating budget. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Rand Key 281-655-3701
Link Alander 832-813-6832
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Pest Control Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Cypress Creek Pest Control, P.O. Box 690548, Houston, TX 77269 for pest control services, for a sum not exceeding $190,000 over a maximum period of five years. The initial term of the contract will be for three years with an option to renew for two additional one year periods. If negotiations cease for any reason with Cypress Creek Pest Control, the College may proceed to negotiate with the next firm providing quotes.

Rationale: The College requires monthly pest control inspections and treatments in all restrooms, entrances, walkways, exits, exterior building perimeters, common, vending, maintenance, and food service areas.

In compliance with Texas Education Code §44.031 (a), a Request for Proposals (“RFP”) #506 was publicly advertised and two responses were received. The evaluation of the proposals were conducted based on cost, qualifications, experience and service needs met; references; quality of services; the extent to which certified historically underutilized business (HUB), minority and/or veteran or women-owned business are utilized; past performance; long-term cost; and enhanced services/completeness and thoroughness of response.

The current contract with Cypress Creek Pest Control expires August 31, 2017.

Fiscal Impact: Funds for this purchase is included in the proposed FY 2018 operating budgets by campus. Funds for subsequent years will be included in future proposed operating budgets. Historical average annual spend from 2012 to 2017 is $36,906.

Staff Resource: Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (“the College”) to Purchase a High Pressure Surface Cleaner

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College to purchase a high pressure surface cleaner from Cyclone Technology, 1845 West 1st Street, Tempe, AZ 85281 for a sum not exceeding $164,053.

Rationale: Request for Proposal (“RFP”) #493 was conducted to solicit pricing for pressure washing services for roadways, parking garages and parking lots at all campuses and centers. The lowest cost for this service came in at $391,426. Pricing was solicited to purchase a piece of equipment to self-perform the service. A comparison was made utilizing the pressure washing services obtained from the RFP process and the cost to purchase the equipment. Procuring the equipment resulted in a cost savings of $164,609.

Purchasing the unit would allow the College the flexibility to rotate the unit around the colleges to ensure roadways, parking lots and some of the larger sidewalks are maintained to a higher standard.

This purchase is in accordance with Texas Government Code Section 44.031 (a) (4) which allows the use of inter-local contracts. The purchase from Cyclone Technology will be conducted through Houston-Galveston Area Council (“HGAC”), contract# SW04-16. A market analysis was completed to determine best value.

Fiscal Impact: $164,053 for this purchase is included in the proposed FY 2018 Repair & Replacement (“R&R”) budget.

Staff Resource: Jennifer Olenick

832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Waste Disposal Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with BFI Waste Services of Texas, LP dba Republic Services of Houston, 8101 Little York Road, Houston, TX 77016 for waste disposal services for a sum not exceeding $850,000 over a maximum period of five years. The term of this award is for an initial three years and with the option to renew for two additional one year periods. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease with Republic Services of Houston, the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed.

Rationale: Waste disposal services, including rental of containers and scheduled pickups, are required by the College to provide a clean and safe environment. The waste disposal containers will be placed at the direction of the facility directors and will be emptied per the college requirements.

In compliance with Texas Education Code §44.031 (a), a Request for Proposals (“RFP”) #505 was publicly advertised and four responses were received. The evaluation of the proposals were conducted based on cost, qualifications, experience and service needs met; references; quality of services; the extent to which certified historically underutilized business (HUB), minority and/or veteran or women-owned business are utilized; past performance; long-term cost; and enhanced services/completeness and thoroughness of response.

The current contract with Republic Services will expire August 31, 2017.

Fiscal Impact: Funds for this purchase is included in the proposed FY 2018 operating budget by campus. Funds for subsequent years will be included in future proposed budgets. Historical average annual spend for FY 2013 – 2017 is $148,338.

Staff Resource: Jennifer Olenick 832-813-6512
Financial Report and Consideration No. 13  (ACTION ITEM 17)  Board Meeting 8-3-17

Request: Consideration of Approval of Annual Purchases of Bond-Funded Construction and Related Services

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of bond-funded construction and construction-related services in a sum not exceeding $2,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each individual contract. Contract sums exceeding $500,000 will be individually presented to the Board for consideration of approval.

Rationale: This pre-approval of annual purchases of bond-funded construction and related services is necessary to respond expeditiously to construction requirements for projects with specific scheduling constraints, or which may develop into an emergency if delayed.

Approving the purchase of bond-funded construction and related services in advance will enable the Chancellor to address schedule constraints and meet project delivery deadlines. The purchase of these services will be made in accordance with procurement methods approved by state law and allowed by board policy including, but not limited to, competitive bids, requests for qualifications, and purchasing cooperative contract awards to area job order contractors. The Chancellor or a designee will also ensure that bond funds are only depleted in a manner consistent with the bond order of the College authorizing the series or series of bonds and the bond propositions approved at the November 4, 2014 election authorizing the purposes for which the bonds may be issued.

The Chancellor also represents to the Board that no combination of contracts, purchases, or expenditures under this board agenda item will exceed $2,000,000.

Fiscal Impact: Funds for these purchases are available from the 2014 General Obligation Bond Referendum.

Staff Resource: Jennifer Olenick  832-813-6512
Request: Consideration of Approval of Annual Purchases of Repair and Replacement (“R&R”) Construction and Related Services

Chancellor’s Recommendation: That the Board of Trustees approve the purchase of R&R construction and related services in a sum not exceeding $6,000,000 during FY 2018. The Chancellor also recommends that the Board authorize the Chancellor or designee to execute individual contracts in excess of $100,000, but less than $500,000, without obtaining the Board’s individual pre-approval for each such contract. Contract sums exceeding $500,000 will be individually presented to the Board for consideration of approval.

Rationale: This pre-approval of annual purchases of construction and related products & services for renovation, minor construction, and repair are specifically in support of the System Wide Repair and Replacement (R&R) program. This pre-approval is necessary to respond expeditiously to construction requirements for projects with specific scheduling constraints, or which may develop into an emergency if delayed.

Approving the purchase of construction and related services in advance will enable the College to address schedule constraints and meet project delivery deadlines. The purchase of these services will be made in accordance with procurement methods approved by state law and allowed by board policy including, but not limited to competitive bids, requests for qualifications, and purchasing cooperative awards to area job order contractors.

The Chancellor also represents to the Board that no combination of contracts, purchases, or expenditures under this board agenda item will exceed $6,000,000.

Fiscal Impact: Funds for these purchases are included in the proposed FY 2018 R&R budget. Funds from the general obligation bonds will not be used for any expense relying on this board agenda item. Historical spend for FY 2017 was approximately $5,500,000.

Staff Resource: Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Renew the Annual Insurance Policies for FY 2018 and the Agreements for the Administration of Student Liability and Medical Insurance on behalf of Lone Star College (the “College”)

Chancellor’s Recommendation: That the Board of Trustees approve the renewal of the annual insurance policies for FY 2018 in a sum not exceeding $2,800,000 for the period September 1, 2017 – August 31, 2018 as summarized in Appendix A, and the agreements for the administration of student liability and medical insurance outlined below.

Rationale: The College’s current insurance policies provide comprehensive liability, property and casualty coverage. The College requested competitive quotes from all available insurance carriers in the market. Proposals were evaluated for the adequacy of the coverage terms, deductible options and annual cost.

It is recommended that the Board approve the purchase of the insurance policies for the period September 1, 2017 through August 31, 2018 as outlined in Appendix A. Additional details of the specific coverage are provided in Appendix B.

**STUDENT COVERAGE**

Policies are made available to students that provide medical professional liability insurance for participation in health occupation internships, student health insurance for international students on F-1 visas, student interns and voluntary domestic students. Premiums for sponsored study-abroad programs are paid from the College’s approved budgets. Premiums for the Medical Professional Liability are collected when the student registers for the required class. Premiums for the student health insurance for F-1 visa students, student interns and voluntary domestic students are paid directly to the Student Health Insurance Plan administrator, Academic Health Plans.

It is recommended that the Board approve the following products for students:

**RENEWAL) Medical Professional Liability**

The policy, provided by the current and recommended carrier, Chicago Insurance Company, provides a policy for medical professional liability of $1,000,000 for each incident with a $3,000,000 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 current $12 premium per student will not be increased.
(RENEWAL) Student Health Insurance Plan Medical Insurance
(International Students on F-1 Visas and Student Interns)

The recommended Student Health Insurance Plan is provided by the current carrier, Blue Cross and Blue Shield of Texas and administered by Academic Health Plans (“AHP”). This insurance plan protects insured students on or off campus for weekends, holidays, summer vacations, at home or while traveling, 24 hours per day, for the contract period. This plan meets the standards as set by the Affordable Care Act. Students attending the College on F-1 Visas are required to have medical insurance. In addition, the majority of the System’s health occupations affiliation partners require student interns to carry medical insurance in order to participate in the program. The annual health insurance premium paid by the student is $2,258, an increase of $142 (6.71%) over the current premium.

Fiscal Impact: Funds for insurance policy premiums are included in the proposed FY 2018 budget.

Staff Resource: Jennifer Olenick 832-813-6512
# APPENDIX A

## Insurance Coverage Recommendations for FY 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Insurance Company</th>
<th>Annual Premium FY2017</th>
<th>Annual Premium FY2018</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liability Policies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial General Liability-Primary</td>
<td>United Educators Risk Retention Group</td>
<td>$132,743</td>
<td>$142,035</td>
<td>$9,292</td>
<td>7.00%</td>
</tr>
<tr>
<td>Educators Legal Liability</td>
<td>United Educators Risk Retention Group</td>
<td>$244,737</td>
<td>$264,316</td>
<td>$19,579</td>
<td>8.00%</td>
</tr>
<tr>
<td>Excess Employers Liability</td>
<td>United Educators Risk Retention Group</td>
<td>$117,577</td>
<td>$118,753</td>
<td>$1,176</td>
<td>1.00%</td>
</tr>
<tr>
<td>Medical Professional Liability-Dental</td>
<td>Evanston Insurance Co.</td>
<td>$15,456</td>
<td>$15,456</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Automobile Liability-Fleet and Truck Driving Academy</td>
<td>Texas Political Subdivisions (TPS)</td>
<td>$147,980</td>
<td>$149,588</td>
<td>$1,608</td>
<td>1.09%</td>
</tr>
<tr>
<td>Statutory WC &amp; Employers' Liability</td>
<td>Texas Political Subdivisions (TPS)</td>
<td>$539,865</td>
<td>$630,719</td>
<td>$90,854</td>
<td>16.83%</td>
</tr>
<tr>
<td><strong>Property &amp; Equipment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire &amp; Extended Coverage &amp; Equipment Breakdown</td>
<td>Liberty Mutual Fire Insurance Company</td>
<td>1,379,278</td>
<td>1,330,298</td>
<td>-48,980</td>
<td>-3.55%</td>
</tr>
<tr>
<td>Inland Marine-Mobile Equipment</td>
<td>Hanover Insurance Company</td>
<td>$12,142</td>
<td>$13,097</td>
<td>$955</td>
<td>7.87%</td>
</tr>
<tr>
<td>Fine Arts &amp; Small Museums</td>
<td>ACE Fire Underwriters Insurance Co.</td>
<td>$1,125</td>
<td>$1,125</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Commercial Crime</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Dishonesty</td>
<td>Great American Insurance Co.</td>
<td>$11,591</td>
<td>$11,591</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Foreign Travel Policies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Travel</td>
<td>United HealthCare Global</td>
<td>$15,144</td>
<td>$14,044</td>
<td>-$1,100</td>
<td>-7.26%</td>
</tr>
<tr>
<td>Kidnap and Ransom Insurance Policy</td>
<td>Hiscox Insurance Company</td>
<td>$5,437</td>
<td>$5,437</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Foreign Liability</td>
<td>ACE USA American Insurance Co.</td>
<td>$5,375</td>
<td>$5,375</td>
<td>$0</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2,628,450</td>
<td>$2,701,834</td>
<td>$73,384</td>
<td>2.79%</td>
</tr>
</tbody>
</table>
APPENDIX B

System-Wide Insurance Coverage Details for FY 2018

(RENEWAL) General Liability (Including Police, Professional, Child Care & Multimedia Liability)
The policy, provided by the current and recommended carrier United Educators Risk Retention Group, Inc. (UE), includes a $1,000,000 combined single limit for bodily injury and property damage with an annual aggregate of $3,000,000. The UE policy provides broader comprehensive coverage than other available general liability policies in the market. The annual premium is $142,000, an increase of $9,300 (7.01%) over the current premium. The increase is due to a general rate increase as well as an increase in the number of employees, students, vehicles and other property covered by the policy.

(RENEWAL) Educators Legal Liability & Employment Practices Liability
The policy, provided by the current and recommended carrier United Educators Risk Retention Group, Inc. (UE), includes professional liability coverage up to a limit of $5,000,000 for each claim with an annual aggregate coverage of $5,000,000. The self-insured retention is $100,000 per claim. The UE policy provides broader comprehensive coverage than other available professional liability policies in the market. The annual premium is $264,300, an increase of $19,600 (8.01%) over the current premium. The increase is due to claims activity and legal exposure for board members (industry wide), as well as an increase in the number of employees covered under the policy.

(RENEWAL) Excess Liability
The policy, provided by the current and recommended carrier United Educators Risk Retention Group, Inc. (UE), provides up to $5,000,000 of coverage for claims in excess of the primary General Liability, Automobile Liability and Employer’s Liability policy limits. The annual premium is $118,800, an increase of $1,200 (1.02%) over the current premium. The increase is due to a general rate increase as well as an increase in the number of employees, students, vehicles and other property covered by the policy.

(RENEWAL) Medical Professional Liability (Dental Hygiene Clinic & Dentists at LSC-Kingwood)
The policy, provided by the current and recommended carrier Evanston Insurance Company, includes professional liability coverage up to $1,000,000 with a $5,000 deductible for each claim and an annual aggregate coverage of $3,000,000. The current $15,500 premium will not be increased.

(RENEWAL) Automobile Liability (Private Passenger & Light Commercial Vehicles) and Automobile Liability (Transportation Institute at LSC-North Harris)
The policy, provided by the current and recommended self-insurance fund, Texas Political Subdivisions (TPS), provides coverage for the System’s vehicle fleet and for the vehicles used for instructional purposes by the Transportation Institute at LSC-North Harris. The automobile liability coverage provides a $1,000,000 combined single limit for bodily injury, property
damage, and damage to rental vehicles. The collision and comprehensive coverage provides actual cash value of the property subject to a $1,000 deductible per occurrence. TPS is a joint self-insurance fund and the System will enter into an interlocal agreement with TPS to participate in the fund’s plan. The System’s portion of funding for the program is $149,600, an increase of $1,600 (1.08%) over the current premium. The increase is due to an increase in vehicles insured and a rate increase per vehicle.

(RENEWAL) Workers’ Compensation & Employer’s Liability
The policy, provided by the current and recommended self-insurance fund, Texas Political Subdivisions (TPS), provides coverage for $1,000,000 bodily injury by accident and $1,000,000 bodily injury by disease (each employee). The bodily injury by disease coverage has a $1,000,000 policy limit. TPS is a joint self-insurance fund. An interlocal agreement with TPS will allow the System to participate in the fund’s plan. The annual payment to the fund is $630,700, an increase of $90,800 (16.82%) over the current premium. The increase is due to an increase in payroll and an increase in the average rate per $100 of payroll.

(RENEWAL) Property (Fire & Extended Coverage) & Equipment Breakdown (Boiler & Machinery)
The policy, provided by the current and recommended carrier Liberty Mutual Fire Insurance Company, provides coverage for the System’s real and personal property valued at approximately $1.3 billion, subject to a cumulative deductible for each occurrence of $25,000 for fire, $100,000 for flood, $100,000 for earth movement, $25,000 for breakdown of heating, air conditioning and electrical equipment and 2% of the value of covered property for wind damage associated with a named storm. This policy is subject to a $500,000,000 Real Property Loss Limit for any one occurrence. The sub-limit for extra expense coverage is $10,000,000. The annual premium is $1,330,300, a decrease of $49,700 (-3.60%) over the current premium. The decrease is due to a decrease in the average rate per $100 of total insured value.

(RENEWAL) Inland Marine
The policy, provided by the current and recommended carrier Hanover Insurance Company, provides physical damage coverage for the replacement cost value of scheduled mobile equipment subject to a $1,000 deductible per occurrence. The annual premium is $13,100, an increase of $1,000 (8.26%) over the current premium. The increase is due to an increase in insured mobile equipment.

(RENEWAL) Fine Arts & Small Museums
The policy, provided by the current and recommended carrier ACE Fire Underwriters Insurance Company, provides coverage for fine art exhibitions at campus galleries with a limit of $500,000 for each loss. With the exception of outdoor sculptures, the deductible is $1,000 per claim. Outdoor sculptures have a $2,500 deductible. The current $1,100 premium will not be increased.

(RENEWAL) Commercial Crime
The policy, provided by the current and recommended carrier Great American Insurance Company, provides coverage for employee dishonesty, robbery and computer fraud. The policy limit is $1,000,000 for acts of employee dishonesty, forgery or alteration, loss of money and
securities inside and outside the premises, computer fraud and funds transfer fraud. The deductible is $100,000 per occurrence. The current $11,600 premium will not be increased.

(RENEWAL) Foreign Travel Policy
The policy, provided by the current and recommended carrier, ACE American Insurance Company, provides a general liability policy of $1,000,000 for each occurrence of bodily injury and property damage with a $2,000,000 general aggregate limit. Coverage includes $1,000,000 for contingent automobile liability, $50,000 for hired automobile physical damage; $1,000,000 for voluntary compensation benefits, $1,000,000 coverage for executive assistance services, $100,000 coverage for accidental death & dismemberment, and $25,000 coverage for medical expenses. The current $5,400 premium will not be increased.

(RENEWAL) Kidnap and Ransom Insurance Policy
The policy, provided by the current and recommended carrier, Hiscox Insurance Company, Inc., provides worldwide ransom and kidnap coverage for directors, officers, trustees, employees, volunteers, students, and interns. There is a limit of $5,000,000 for each insured event of ransom, loss-in-transit and additional expenses. The current $5,400 premium will not be increased.

(RENEWAL) Travel Insurance (Out of the Country Medical Insurance, Study Abroad & Faculty International Explorations)
The policy, provided by the current and recommended carrier, ACE USA American Insurance Company, provides coverage for primary accident & sickness, emergency medical evacuation, repatriation of remains, emergency reunion, accidental death & dismemberment and 24-hour international emergency assistance for students, faculty and staff traveling outside the United States for study abroad or other educational purposes. The plan is administered by Academic Health Plans (AHP). The limit for accident or sickness expense benefits is $250,000 with no deductible per covered accident or sickness. The annual premium is $14,000, a decrease of $1,100 (-7.28%) over the current premium. The decrease is due to a decrease in the number of travel days.
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Real Estate Property Located on the Southwest Side of Woodford Place Drive and West of Kingwood Place Drive, in Kingwood, Montgomery County, Texas and Necessary Agreements and Easements Related to the Property.

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or his designee to negotiate and execute a contract on behalf of the College to purchase real estate in Kingwood, Montgomery County, Texas. The property will be purchased at or below fair market value for a sum not exceeding $1,300,000. In addition, that the Board of Trustees authorizes the Chancellor or designee to negotiate and execute any required agreements and easements with the property owners, owners associations, municipal utility district, and utility providers necessary to provide access and utility service to the property.

Rationale: Real estate acquisition for LSC-Kingwood is included in phase one of the general obligation bond program approved by the voters on November 4, 2014. The property will be used to support main campus expansion.

The College will retain professional engineering and surveying firms to perform due diligence on the property. Additionally, a market analysis and appraisal will be performed to establish the fair market value.

Fiscal Impact: Funds for this purchase are available from the General Obligation Bonds, Series 2015A.

Staff Resource: Katherine Persson 281-312-1640
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the LSC-CyFair Architectural Firm for Additional Services Related to the 2014 General Obligation Bond Construction Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to execute a contract amendment on behalf of the College with M. Arthur Gensler Jr. & Associates, Inc. d/b/a Gensler (“Gensler”), 711 Louisiana Street #300, Houston, Texas 77002, for additional architectural services for a sum of $29,700 for a total revised contract sum of $1,653,081.

Rationale: At the April 9, 2015 meeting, the Board of Trustees approved Gensler to provide architectural services for the projects at LSC-CyFair through a formal Request for Qualifications process in compliance with Texas Government Code §2254.004.

Gensler was approved to provide these services for Phase I, Group 1A projects at LSC-CyFair and was subsequently awarded a contract for basic services including, but not limited to design, mechanical, electrical, plumbing, heating, ventilation, and air conditioning (HVAC), and civil engineering.

At the August 4, 2016 meeting, the Board of Trustees approved Gensler to provide additional architectural services including, but not limited to furniture design, graphics design, and printing.

This amendment provides for additional services for design for the roof replacement at Fairbanks Center. This roof has had ongoing leak problems and was identified for replacement under the 2014 General Obligation Bond Construction Program Facility Condition Assessment list in Phase III. The degradation of the roof since 2014 has continued and replacement is required before Phase III projects will be started.

Fiscal Impact: Funds for this purchase are available from the 2014 General Obligation Bond, Series 2015A.

Staff Resource: Seelpa Keshvala 281-290-3940
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the LSC-North Harris Architectural Firm for Additional Services Related to the 2014 General Obligation Bond Construction Program

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to execute a contract amendment on behalf of the College with PBK Architects, Inc. (“PBK”), 11 Greenway Plaza, Houston, Texas 77046, for additional architectural services for a sum of $22,800 for a total revised contract sum of $1,570,689.

Rationale: At the April 9, 2015 meeting, the Board of Trustees approved PBK to provide architectural services for the projects at LSC-North Harris through a formal Request for Qualifications process in compliance with Texas Government Code §2254.004.

PBK was approved to provide these services for Phase I, Group 1A projects as LSC-North Harris and was subsequently awarded a contract for basic services including, but not limited to design, mechanical, electrical, plumbing, heating, ventilation, and air conditioning (HVAC), and civil engineering.

At the August 4, 2016 meeting, the Board of Trustees approved PBK to provide additional services including but not limited to electrical service relocation, central plant expansion, transportation infrastructure due diligence, and loop road relocation.

This amendment provides for additional services for design for the roof replacement of the Winship Building. This roof has had ongoing leak problems and was identified for replacement under the 2014 General Obligation Bond Construction Program Facility Condition Assessment list in Phase III. The degradation of the roof since 2014 has continues and replacement is required before Phase III projects will be started.

Fiscal Impact: Funds for this purchase are available from the 2014 General Obligation Bond, Series 2015A.

Staff Resource: Gerald Napoles 281-618-5444
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase a Hydraulic Trainer for the Industrial Diesel Technology Program at LSC-North Harris

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Fluid Power Training Institute, 2170 South 3140 West, Salt Lake City, UT 84119, for a hydraulic trainer in a sum not exceeding $106,980.

Rationale: The LSC-North Harris-Industrial Diesel Technology Department provides specialty workforce education in the Industrial Diesel Technology trade. This equipment will be utilized to train students in the profession of Industrial Diesel Technology. The College will train students using the standard and accepted methodologies for creating highly competent, safe and skilled graduates along with providing a training environment that embraces cutting-edge technology in this profession. Graduates of the LSC-North Harris-Industrial Diesel Technology program will demonstrate knowledge of necessary skills in their respective trade to seek gainful employment. The College will train students to apply critical thinking to research, evaluate, analyze, and synthesize information to solve problems related to the equipment, instrumentation, and systems of operation for their chosen trade.

In compliance with Texas Education Code § 44.031(a), a Request for Proposal (“RFP”) #511 was publicly advertised and one response was received. The evaluation of the proposal was conducted based on price; qualifications, experience, and service needs met; quality of services; references; past performance; the extent to which certified historically underutilized business (“HUB”), minority and/or veteran or women-owned businesses are utilized; long-term cost; and enhanced services and completeness as well as thoroughness of proposal.

Fiscal Impact: $106,980 for these purchases are available from the General Obligation Bonds, Series 2015A.

Staff Resource: Gerald Napoles 281-618-5444
Jennifer Olenick 832-813-6512
Financial Report and Consideration No. 20  (ACTION ITEM 24)  Board Meeting 8-3-17

Request: Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contracts on Behalf of Lone Star College (the “College”) with the Approved Science Vendors for Additional Science Supplies, Equipment and Instructional Chemicals

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to amend the contracts on behalf of the College with the approved science vendors for additional science supplies, equipment and instructional chemicals in the sum of $1,000,000, for a total revised sum for the five years not exceeding $4,000,000.

Rationale: Science supplies, equipment and instructional chemicals are used to support the curriculum in biology, chemistry, physics and geology programs at each campus. Supplies include preserved and living specimens, prepared slides, petri-dishes, rocks and other miscellaneous supplies. Equipment includes microscopes, hot plates, models, glassware and other miscellaneous equipment. Instructional chemicals includes acetic acid, ethyl ether, hydrochloric acid, acetone, sodium bicarbonate, potassium bitartrate, sulfuric acid, zinc sulfate and other specialized chemicals for use in the labs.

On August 7, 2014, the Board of Trustees approved these vendors to provide these goods/services through a formal Request for Proposal Process in compliance with Texas Education Code § 44.031(a) for a sum not exceeding $3,000,000. The contract term is for 5 years. If science supplies, equipment and instructional chemicals are not available from the listed vendors, they may be purchased from vendors under contract with approved purchasing cooperatives.

Table attached represent the historical spend for the period August 1, 2014 through May 31, 2017.

Fiscal Impact: Funds for this purchase is included in the proposed FY 2018 operating fund budget. Funds for subsequent years will be included in future proposed budgets.

Staff Resource: Jennifer Olenick  832-813-6512
<table>
<thead>
<tr>
<th>Vendor</th>
<th>Address</th>
<th>Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biomedical Models</td>
<td>220 Locust Street, Hudson, WI 54016</td>
<td>$1,000</td>
</tr>
<tr>
<td>Carolina Biological</td>
<td>2700 York Road, Burlington, NC 27215</td>
<td>$258,800</td>
</tr>
<tr>
<td>Edvotek</td>
<td>PO Box 341232, Bethesda, MD 20827</td>
<td>$5,800</td>
</tr>
<tr>
<td>Fisher Scientific</td>
<td>PO Box 404705, Atlanta, GA 30384</td>
<td>$1,469,800</td>
</tr>
<tr>
<td>Flinn Scientific</td>
<td>7770 N Raddant Road, Batavia, IL 60510</td>
<td>$13,600</td>
</tr>
<tr>
<td>Frey Scientific</td>
<td>PO Box 8101, Mansfield, OH 44901</td>
<td>$0</td>
</tr>
<tr>
<td>Hanna Instruments</td>
<td>2081 Hutton Dr., Suite 111, Carrollton, TX 75006</td>
<td>$1,000</td>
</tr>
<tr>
<td>Holt Anatomical</td>
<td>PO Box 370749, Miami, FL 33137</td>
<td>$28,600</td>
</tr>
<tr>
<td>Nasco (Aristotle)</td>
<td>901 Janesville Avenue, Fort Atkinson, WI 53538</td>
<td>$81,200</td>
</tr>
<tr>
<td>Pure Micro Media</td>
<td>4040 Fossil Creek #104, Fort Worth, TX 76137</td>
<td>$0</td>
</tr>
<tr>
<td>Scientific Equipment of Houston</td>
<td>24201 FM 2154, Navasota, TX 77868</td>
<td>$1,000</td>
</tr>
<tr>
<td>Sci-Supply</td>
<td>4760 Industry Dr., Fairfield, OH 45014</td>
<td>$0</td>
</tr>
<tr>
<td>Texas Nautical Supply</td>
<td>1925A Richmond Avenue, Houston, TX 77098</td>
<td>$25,200</td>
</tr>
<tr>
<td>VWR</td>
<td>100 Matsonford Road, Radnor, PA 19087</td>
<td>$543,900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$2,429,900</strong></td>
</tr>
</tbody>
</table>
**Request:**
Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of the College for the Purchase and Installation of Furnishings for the LSC-North Harris Greenspoint Center

**Chancellor’s Recommendation:**
That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with J. Tyler Services, Inc., 5920 Milwee, Houston, Texas 77092 for the purchase and installation of furnishings for the LSC-North Harris Greenspoint Center in a sum not exceeding $276,254. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease with J. Tyler Services, Inc., the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed.

**Rationale:**
This purchase is for the acquisition and installation of furnishings for the LSC-North Harris Greenspoint Center. The center offers opportunities for educational growth, career and workforce development and life-long learning through day, evening, and weekend courses. The furnishings are necessary to replace worn and damaged furniture, as well as supply current vacant areas needed for expansion and growth.

In compliance with Texas Education Code §44.031 (a), Request for Proposal (“RFP”) #507 was publicly advertised and six responses were received. The proposals were evaluated based on price; qualifications and experience, service needs met; reputation; quality of goods and services; past performance; extent to which certified historically underutilized businesses (“HUB”), minority and/or veteran or woman-owned businesses are utilized; long-term cost; and value added services and thoroughness and completeness of proposal.

**Fiscal Impact:**
$276,254 for this purchase is included in the proposed FY 2018 LSC-North Harris operating budget and will be reimbursed to the College by the Greater Greenspoint Tax Increment Reinvestment Zone (TIRZ) agreement.

**Staff Resource:**
Gerald Napoles 281-618-5444
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Agreement on Behalf of Lone Star College (the “College”) to Purchase Business Cards and Stationery Printing Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College from Marfield Corporate Stationery Inc., 1225 E. Crosby Road, Suite B-1, Carrollton, TX 75006, for the purchase of business cards, letterhead, and envelopes for an estimated amount of $71,000 annually for a sum not exceeding $355,000 over five years. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease for any reason with Marfield Corporate Stationery, the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed.

Rationale: Business cards, letterhead, greeting cards, envelopes, labels, note cards, note pads and presentation folders are used by faculty and staff in their daily business operations. This purchase will consist of the printing services to supply these products for the College through a convenient online system. To provide a more efficient and cost effective method for ordering these products, a customized web-site has been developed for online ordering. Payment will be made online using System ProCards.

In compliance with Texas Education Code 44.031 (a), a Request for Proposals (“RFP”) #497 was publicly advertised and five (5) responses were received. The evaluation of the proposals was based on cost; qualifications, experience and service needs met; quality of services; references; past performance; the extent to which certified historically underutilized business (HUB), minority and/or veteran or women-owned business are utilized; long-term cost; and enhanced services/completeness and thoroughness of proposal.

Fiscal Impact: Funds for college stationery and business cards is included in the proposed FY 2018 operating fund budget for the campuses. Funds for subsequent years will be included in future proposed budgets. Historical annual spend for the previous year was $72,215.

Staff Resource: Amos McDonald 832-813-6621
Jennifer Olenick 832-813-6512
Financial Report and Consideration No. 23 (ACTION ITEM 27)  Board Meeting 8-3-17

Request: Consideration of Approval for the Selection of an Executive Search Vendor Pool of Qualified Firms for Lone Star College (the “College”) and Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of the College with the Selected Pool

Chancellor’s Recommendation: That the Board of Trustees authorize the vendor pool from which the College will select service providers for executive search projects on an as needed basis. Additionally, that the Board of Trustees authorize the Chancellor or designee to negotiate and execute executive search scope of work (“SOW”) agreements for the College. The Chancellor finally recommends to the Board that it expressly authorize the Chancellor or designee to execute five year master agreements with each firm listed below:

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold Hill Associates</td>
<td>1065 Stigger Road</td>
</tr>
<tr>
<td></td>
<td>Jackson, Mississippi 39209</td>
</tr>
<tr>
<td>Myers McRae, Inc.</td>
<td>515 Mulberry St., Suite 200</td>
</tr>
<tr>
<td></td>
<td>Macon, Georgia 31201</td>
</tr>
<tr>
<td>Selge Holdings &amp; Ventures LLC d/b/a Wehless Partners</td>
<td>1740 Oximo Road, Suite 100</td>
</tr>
<tr>
<td></td>
<td>Birmingham, Alabama 35209</td>
</tr>
<tr>
<td>Assoc. of Comm. College Trustees (A.C.C.T.)</td>
<td>1101 17th Street NW, Suite 300,</td>
</tr>
<tr>
<td></td>
<td>Washington, DC 20034</td>
</tr>
<tr>
<td>Academic Keys, LLC</td>
<td>1066 Storrs Rd., Storrs, CT 06268</td>
</tr>
<tr>
<td>Diversified Search, LLC</td>
<td>One Commerce Square, 2005 Market Street, Suite 3300, Philadelphia, PA 19103</td>
</tr>
<tr>
<td>Latavco Consulting Group</td>
<td>1120 NASA Parkway, Suite 2200</td>
</tr>
<tr>
<td></td>
<td>Houston, TX 77058</td>
</tr>
<tr>
<td>AGB Search</td>
<td>1133 20th St., NW, Suite 300</td>
</tr>
<tr>
<td></td>
<td>Washington, DC 20036</td>
</tr>
<tr>
<td>Academic Search</td>
<td>1015 18th St., NW, Suite 510</td>
</tr>
<tr>
<td></td>
<td>Washington, DC 20036</td>
</tr>
<tr>
<td>Greenwood/ Asher &amp; Associates, Inc.</td>
<td>42 Business Center Dr., Suite 206</td>
</tr>
<tr>
<td></td>
<td>Miramar Beach, FL 32558</td>
</tr>
</tbody>
</table>

Rationale: When deemed necessary, the College requires the use of qualified outside firms to conduct national executive search initiatives for such senior leadership positions as chancellor, vice chancellor, campus presidents, associate vice chancellors, vice presidents of instruction and administration, academic deans, and some executive director positions.

In accordance with the provisions of Texas Education Code §44.031(a), a Request for Qualifications (“RFQ”) #504 was publicly advertised and 11
responses were received. The evaluation of the proposals was conducted based on qualifications and relevant higher education experience; service needs met; reputation; quality of services; past performance; extent to which certified historically underutilized businesses (“HUB”), minority, veteran, or women-owned businesses are utilized, other relevant factors and value-added services.

A project scope of work will be created as needs arise, and all vendors will be given an opportunity to submit quotes. The successful vendor for each project will execute an “SOW” agreement and complete the search. Executive search projects of $100,000 or more will be submitted to the Board for approval.

**Fiscal Impact:** Funds for executive recruitment projects will be included in the proposed FY 2018 operating fund budget. Funds for subsequent years will be included in future proposed budgets. The average historical spend for FY 2014 – 2017 is $97,600.

**Staff Resource:** Mario Castillo 832-813-6655
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for Accounts Payable Electronic Payments Automation Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract for Accounts Payable Electronic Payments Automation from JPMorgan Chase Bank, N.A., 270 Park Avenue, New York, NY 10017. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease for any reason with JPMorgan Chase Bank, the College may proceed to negotiate with the next firm in the order of selection ranking with a score of not less than 70 until a contract is executed.

The contract term is for five years with no options to renew. The College reserves the right to cancel the contract with a sixty (60) day written notice.

Rationale: LSC is seeking a solution to automate accounts payable electronic payments system using a credit card (CC) or single use card. The College will have greater control by ensuring that the payable process remains intact, streamlining payments and reducing the chance of errors and fraud. The AP electronic payments system will reduce printing and mailing costs, bank check fees and administrative expenses as well as create a new revenue stream for the College including rebates and payment float.

This purchase is in compliance with Texas Education Code §44.031(a). A Request for Proposals (RFP #513) was publicly advertised and three (3) responses were received. It is recommended that the proposal be awarded to the banking institution that provides the best value and meets the required bid specifications. Vendor proposals were evaluated and ranked based on price, vendor qualifications, references, quality of services offered, the extent to which certified HUB, minority, veteran and/or woman owned businesses are utilized, long term costs, other enhanced services, thoroughness of the proposal and principal place of business.

Fiscal Impact: The financial obligation that LSC will incur as a result of this solution is the repayment of credit line balances as incurred in the normal course of business. LSC will receive a rebate percentage based on the level of spending in conjunction with the number of suppliers who will accept credit card payments. Last year LSC spent approximately $353 million, resulting in a rebate of $144,630 for FY 2016.
Request: Consideration of Approval to Authorize the Chancellor or designee to Review and Execute Regulated Utility Applications and Agreements for the Purchase of Electricity, Natural Gas and Water When the Utility is the Sole, Exclusive Provider and Rates are not Negotiable

Chancellor’s Recommendation: That the Board of Trustees authorizes the Chancellor or designee to review and execute Applications and Agreements for the purchase of electricity, natural gas and water supply from the local, regulated utility for Lone Star College (the “College”).

Rationale: The College’s currently receives electricity, natural gas and water from various suppliers who have the exclusive right to sell their commodity in a pre-determined area. Their tariffs and requirements are published and public knowledge. These rates are not negotiable. The College requires electricity, natural gas and water to open and operate its buildings. These agreements and applications are open for termination at any time if the College decides to close, sell or lease a building.

Agreements for the College’s utilities in unregulated areas for electricity, natural gas and water are not covered by this resolution. Those agreements will continue to follow the normal Purchasing process to secure the utility with oversight by Purchasing, Office of General Counsel, and Board resolution when required.

Fiscal Impact: Funds for these purchases are included in the proposed FY 2018 operating budget. Funds for subsequent years will be included in future proposed budgets.

Staff Resource: Jennifer Olenick

832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Purchase Nursing Assessment Tests

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a contract on behalf of the College with Elsevier, 3251 Riverport Lane, Maryland Heights, MO, 63043, for nursing assessment tests. Total estimated annual costs for these tests are expected to be $150,000 for a sum not exceeding $750,000 over the five-year contract term.

Rationale: Assessment instruments are utilized by the assessment centers throughout the College to admit students in the nursing programs. LSC requires all students desiring to enter into the nursing program to take a Health and Environmental Sciences Institute (“HESI”) entrance exam. This is part of the admission criteria. Such standardized testing enables the faculty to more accurately assess the student’s ability to progress in the nursing program.

This purchase complies with Texas Education Code § 44.031(j), where 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. These instruments can only be purchased from Elsevier.

Fiscal Impact: $150,000 for this purchase is included in the proposed FY 2018 operating budget by campus. Funds for subsequent fiscal years will be included in future proposed budgets.

Staff Resource: Mario Castillo 832-813-6655
Jennifer Olenick 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to renew the Interlocal Agreement on Behalf of Lone Star College (the “College”) with Aldine Independent School District for the Early College High School (“ECHS”) Initiative

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to renew the Interlocal Agreement on behalf of the College with Aldine Independent School District and continue to operate an ECHS Initiative. The term of the agreement will be two years from August 1, 2017 through July 31, 2019.

Rationale: ECHS initiatives are innovative high schools that allow students less likely to attend college an opportunity to earn a high school diploma and 60 college credit hours. ECHS initiatives provide dual credit at no cost to students, offer rigorous instruction and accelerated courses, provide academic and social support services to help students succeed, increase college readiness, and reduce barriers to college access.

The ECHS initiative focuses on students for whom the transition into post-secondary education is potentially problematic. Its priority is to serve students from low-income families, first-generation college students, English language learners, and minority students, all of whom are statistically underrepresented in post-secondary education.

Fiscal Impact: Direct costs of approximately $191,280.46 for this ECHS initiative are included in the proposed FY 2018 operating budget for LSC-North Harris. Enrollments in the ECHS initiative generate contact hours that are included in the basis for the State’s biennium funding allocation. Contact hours from Fall 2014 and Spring 2015 generated an estimated $102,982 in State funding in FY 2017.

Staff Resource: Gerald Napoles 281-765-7999
Alicia Harvey-Smith 832-813-6648
Jennifer Olenick 832-813-6512
Request: Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contracts for the Attached Individuals

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or a designee to execute proposed employment contracts for the attached individuals. Each individual’s name, job title, not-to-exceed contract sum, and hire start date is attached.

Rationale: Board Policy Section III.D.1.3.(a). requires Board approval of employment contracts. In accordance with this policy, this authorization would expressly delegate such authority to the Chancellor or a designee for the attached individuals.

Fiscal Impact: Positions and salaries have been budgeted for 2016-2017.

Staff Resource: Mario K. Castillo 832-813-6655
<table>
<thead>
<tr>
<th>Name</th>
<th>Job Title</th>
<th>Not-to-Exceed Contract Sum</th>
<th>Hire Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barrera, Bobby</td>
<td>Associate Vice Chancellor, Facilities &amp; Construction</td>
<td>$125,741</td>
<td>5/16/17</td>
</tr>
<tr>
<td>Barton, Zarita</td>
<td>Director, Financial Aid</td>
<td>$63,976</td>
<td>5/8/17</td>
</tr>
<tr>
<td>Caruso, Katharine</td>
<td>Associate Vice Chancellor, International, Honors &amp; Engagement Programs</td>
<td>$118,995</td>
<td>5/16/17</td>
</tr>
<tr>
<td>Diviney, Shelley</td>
<td>Dean, Instruction</td>
<td>$97,177</td>
<td>5/30/17</td>
</tr>
<tr>
<td>Dobos, Bradford</td>
<td>Faculty, Reference Librarian/Assistant Professor</td>
<td>$17,246</td>
<td>5/1/17</td>
</tr>
<tr>
<td>Fieramusca, Lisandra</td>
<td>Senior Manager, Human Resources</td>
<td>$63,976</td>
<td>5/16/17</td>
</tr>
<tr>
<td>Hodge, Kevin</td>
<td>Director, Financial Aid</td>
<td>$63,976</td>
<td>5/22/17</td>
</tr>
<tr>
<td>Long, Richard</td>
<td>Senior IT Manager, Data Center Operations</td>
<td>$83,623</td>
<td>5/1/17</td>
</tr>
<tr>
<td>Morrison, Marie</td>
<td>Dean, Instruction</td>
<td>$97,177</td>
<td>6/1/17</td>
</tr>
<tr>
<td>Rios, Maria</td>
<td>Director, Business Operations</td>
<td>$63,976</td>
<td>5/16/17</td>
</tr>
<tr>
<td>Tyson-Ferrol, Cathleen</td>
<td>Director, Educational Services &amp; Partnerships</td>
<td>$65,255</td>
<td>5/16/17</td>
</tr>
<tr>
<td>Wiggin, Melvin</td>
<td>Director, Facilities</td>
<td>$80,000</td>
<td>5/16/17</td>
</tr>
<tr>
<td>Williams, Zena</td>
<td>Senior System Director, Financial Aid</td>
<td>$90,000</td>
<td>5/8/17</td>
</tr>
</tbody>
</table>
Personnel Report and Consideration No. 2 (ACTION ITEM 33)  
Board Meeting 8-3-17

Request: Proposed Addenda to the Chancellor’s Contract

Recommendation: Acceptance of any proposed addenda to the Chancellor’s contract.
Report: Monthly Financial Statements

The financial statements for the month ended June 30, 2017 are presented for Board review.
ACTUAL REVENUES AS A % OF BUDGET
9/1 THROUGH 6/30

2012-13: 89.9%
2013-14: 91.8%
2014-15: 91.9%
2015-16: 91.4%
2016-17: 95.0%
ACTUAL EXPENDITURES AS A % OF BUDGET
9/1 THROUGH 6/30

- 75.4% (2012-13)
- 76.2% (2013-14)
- 78.6% (2014-15)
- 77.4% (2015-16)
- 77.5% (2016-17)
**LONE STAR COLLEGE**

Statement of Revenues and Expenditures  
General and Auxiliary Funds  
YTD June 30, 2017  
Unaudited

<table>
<thead>
<tr>
<th>REVENUES:</th>
<th>BUDGET</th>
<th>FORECASTED VARIANCE</th>
<th>FISCAL YTD ACTUAL</th>
<th>% ACTUAL TO BUDGET</th>
<th>PRIOR YEAR ACTUAL</th>
<th>FISCAL YTD 6/30/2016</th>
<th>% ACTUAL TO BUDGET</th>
<th>PRIOR YEAR % ACTUAL TO BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations</td>
<td>$74,051,000</td>
<td>$38,264</td>
<td>$59,995,009</td>
<td>81.0%</td>
<td>$59,926,485</td>
<td>80.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$119,381,000</td>
<td>(4,216,983)</td>
<td>$113,644,770</td>
<td>95.2%</td>
<td>$106,014,225</td>
<td>94.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$134,613,000</td>
<td>7,876,003</td>
<td>$142,489,000</td>
<td>105.4%</td>
<td>$125,072,561</td>
<td>99.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>$365,000</td>
<td>286,988</td>
<td>$578,553</td>
<td>158.5%</td>
<td>$373,415</td>
<td>88.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>$5,962,000</td>
<td>641,873</td>
<td>$3,228,680</td>
<td>54.2%</td>
<td>$4,526,479</td>
<td>75.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Current Operations Revenues</td>
<td>$334,372,000</td>
<td>$4,626,145</td>
<td>$319,387,412</td>
<td>95.5%</td>
<td>$295,913,165</td>
<td>92.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auxiliary Revenues</td>
<td>$13,290,000</td>
<td>93,423</td>
<td>$141,940,400</td>
<td>105.4%</td>
<td>$125,072,561</td>
<td>99.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$347,662,000</strong></td>
<td><strong>$4,719,568</strong></td>
<td><strong>$330,398,185</strong></td>
<td>95.0%</td>
<td><strong>$307,599,005</strong></td>
<td>91.4%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction-Academic</td>
<td>84,483,244</td>
<td>(1,264,310)</td>
<td>68,528,133</td>
<td>81.1%</td>
<td>67,207,138</td>
<td>78.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction-Workforce</td>
<td>30,311,242</td>
<td>-</td>
<td>26,966,846</td>
<td>89.0%</td>
<td>26,546,955</td>
<td>87.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Service</td>
<td>613,368</td>
<td>-</td>
<td>519,121</td>
<td>84.6%</td>
<td>610,902</td>
<td>80.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic Support</td>
<td>51,963,237</td>
<td>-</td>
<td>39,141,899</td>
<td>75.3%</td>
<td>37,400,039</td>
<td>71.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Services</td>
<td>44,703,972</td>
<td>-</td>
<td>32,966,748</td>
<td>73.8%</td>
<td>33,512,504</td>
<td>71.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional Support</td>
<td>37,527,355</td>
<td>-</td>
<td>27,122,672</td>
<td>72.4%</td>
<td>25,271,327</td>
<td>79.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant Operation and Maintenance</td>
<td>34,869,012</td>
<td>-</td>
<td>26,654,277</td>
<td>76.4%</td>
<td>27,490,632</td>
<td>81.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Benefits</td>
<td>32,537,498</td>
<td>-</td>
<td>25,249,357</td>
<td>77.6%</td>
<td>23,387,741</td>
<td>86.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Educational and General Expenditures</strong></td>
<td><strong>317,008,928</strong></td>
<td><strong>(1,264,310)</strong></td>
<td><strong>247,219,053</strong></td>
<td><strong>78.0%</strong></td>
<td><strong>241,427,238</strong></td>
<td><strong>78.3%</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair, Replacement and Other</td>
<td>5,562,000</td>
<td>(1,500,000)</td>
<td>3,401,282</td>
<td>61.2%</td>
<td>2,386,276</td>
<td>47.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internally Designated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auxiliary</td>
<td>12,621,450</td>
<td>990,657</td>
<td>9,070,924</td>
<td>71.9%</td>
<td>13,260,122</td>
<td>71.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>335,192,378</strong></td>
<td><strong>(1,773,653)</strong></td>
<td><strong>259,691,259</strong></td>
<td><strong>77.5%</strong></td>
<td><strong>257,073,636</strong></td>
<td><strong>77.4%</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Changes - Debt Service &amp; Fund Transfers</td>
<td>7,500,000</td>
<td>-</td>
<td>5,609,920</td>
<td></td>
<td>6,979,844</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditures &amp; Transfers</strong></td>
<td><strong>342,692,378</strong></td>
<td><strong>(1,773,653)</strong></td>
<td><strong>265,301,179</strong></td>
<td><strong>77.5%</strong></td>
<td><strong>264,053,480</strong></td>
<td><strong>77.4%</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NET INCREASE IN FUND BALANCES**

| General Funds                   | 4,301,078  | 7,390,455  | 63,157,157 | 45,119,807 |
| Auxiliary Funds                 | 668,550   | (897,234)  | 1,939,849  | (1,574,282) |
| **TOTAL NET INCREASE IN FUND BALANCES** | **$4,969,622** | **$6,493,221** | **$65,097,006** | **$43,545,525** |

**LONG TERM CASH RESERVES:**

| Revised Forecasted Net Increase in Fund Balance | 11,462,843 |

| FY 2017 "One-Time" Cash Transactions | (3,747,126) |
| Beginning Cash Reserves, 9/1/2016 | 42,055,920 |
| Forecasted Cash Reserves, 8/31/2017 | 49,771,637 |

**LONG TERM CASH RESERVES AS A % OF EXPENDITURES**

14.9%
### LONE STAR COLLEGE

**Balance Sheet**  
**June 30, 2017**  
**Unaudited**

#### ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>General &amp; Auxiliary</th>
<th>Restricted</th>
<th>GASB Reporting Entries (*)</th>
<th>Memorandum Totals Current Year</th>
<th>Memorandum Totals Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, cash equivalents &amp; investments</td>
<td>$76,657,845</td>
<td>$265,372,797</td>
<td>$342,030,642</td>
<td>$258,058,246</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>21,452,302</td>
<td>4,026,772</td>
<td>6,701,023</td>
<td>32,180,097</td>
<td>32,345,688</td>
</tr>
<tr>
<td>Prepaid and deferred expenses</td>
<td>16,148,245</td>
<td>-</td>
<td>16,148,245</td>
<td>13,468,048</td>
<td></td>
</tr>
<tr>
<td>Inventories, at cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,240</td>
<td></td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>-</td>
<td>-</td>
<td>792,935,992</td>
<td>792,935,992</td>
<td>781,414,018</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>114,258,392</td>
<td>269,399,569</td>
<td>799,637,015</td>
<td>1,183,294,976</td>
<td>1,085,292,240</td>
</tr>
</tbody>
</table>

#### Deferred Outflows

| Description                                      | -                   | -          | 21,100,577                 | 21,100,577                    | 8,864,100                    |

**TOTAL ASSETS AND DEFERRED OUTFLOWS**  

<table>
<thead>
<tr>
<th>Description</th>
<th>General &amp; Auxiliary</th>
<th>Restricted</th>
<th>GASB Reporting Entries (*)</th>
<th>Memorandum Totals Current Year</th>
<th>Memorandum Totals Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL ASSETS AND DEFERRED OUTFLOWS</strong></td>
<td>$114,258,392</td>
<td>$269,399,569</td>
<td>$820,737,592</td>
<td>$1,204,395,553</td>
<td>$1,094,156,340</td>
</tr>
</tbody>
</table>

#### LIABILITIES AND FUND BALANCES

**LIABILITIES:**

<table>
<thead>
<tr>
<th>Description</th>
<th>$2,744,078</th>
<th>$11,397,463</th>
<th>$14,141,541</th>
<th>13,967,843</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred revenues</td>
<td>4,972,843</td>
<td>4,054,279</td>
<td>-</td>
<td>9,027,122</td>
<td>9,126,330</td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>-</td>
<td>12,872,328</td>
<td>-</td>
<td>12,872,328</td>
<td>11,739,253</td>
</tr>
<tr>
<td>Net Pension Liability</td>
<td>-</td>
<td>-</td>
<td>51,162,604</td>
<td>51,162,604</td>
<td>48,590,998</td>
</tr>
<tr>
<td>Assets held in custody for others</td>
<td>-</td>
<td>9,169,411</td>
<td>-</td>
<td>9,169,411</td>
<td>8,022,791</td>
</tr>
<tr>
<td>L/T Due to Other Local Government</td>
<td>-</td>
<td>16,278,339</td>
<td>-</td>
<td>16,278,339</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>7,716,921</td>
<td>53,771,820</td>
<td>879,673,464</td>
<td>941,162,205</td>
<td>827,758,610</td>
</tr>
</tbody>
</table>

**Deferred Inflows**

| Description                                      | -                   | -          | 23,436,941                 | 23,436,941                    | 14,864,130                   |

**TOTAL LIABILITIES AND DEFERRED INFLOWS**  

| Description                                      | 7,716,921            | 53,771,820  | 903,110,405                | 964,599,146                   | 842,622,740                 |

**TOTAL FUND BALANCES**

| Description                                      | 106,541,471          | 215,627,749 | (82,372,813)               | 239,796,407                   | 251,533,600                 |

**TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES**  

| Description                                      | $114,258,392         | $269,399,569 | $820,737,592               | $1,204,395,553                | $1,094,156,340              |

*Includes GASB (Governmental Accounting Standards Board) reporting entries related to Capital Assets, Long-Term Debt, and Pensions.*
## LONE STAR COLLEGE
### SUMMARY OF OPERATING FUNDS
#### AS OF JUNE 30, 2017

<table>
<thead>
<tr>
<th>OPERATING FUNDS 06/30/2017</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING CASH</strong></td>
<td></td>
</tr>
<tr>
<td>POOLS</td>
<td>$23,416,911</td>
</tr>
<tr>
<td>MONEY MARKET ACCOUNTS</td>
<td>1,798,681</td>
</tr>
<tr>
<td>Operating Cash - Subtotal</td>
<td>$25,215,592</td>
</tr>
<tr>
<td><strong>CASH RESERVES</strong></td>
<td></td>
</tr>
<tr>
<td>US GOVT. AGENCIES</td>
<td>$40,829,419</td>
</tr>
<tr>
<td>MUNICIPAL BOND</td>
<td>4,228,268</td>
</tr>
<tr>
<td>COMMERCIAL PAPER</td>
<td>7,000,000</td>
</tr>
<tr>
<td>Cash Reserves - Subtotal</td>
<td>$52,057,687</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$77,273,279</td>
</tr>
</tbody>
</table>
Report: Construction Projects Update

The monthly construction projects update is presented for Board review.
CONSTRUCTION PROJECTS UPDATE
As of June 29, 2017

2014 General Obligation Bond Program Projects Summary

LSC-CyFair

- **Instruction and Student Life Building:** Final finishes of corridors and high traffic areas are nearing completion. Security and Audio Visual testing of systems are complete. All connectivity is complete including fire alarm, building automation, and data communications. Test and balancing of the project portion of the Central Plant water system converging with the existing campus system is in progress. Computer and technology installations are well underway. Interior graphics and exterior signage are nearing completion. Movable furniture installation and final technology hook-ups are complete. The project is due to be substantially complete by end of July, 2017.

- **Cypress Center Workforce Expansion:** Exterior masonry and window installation are complete. Interior finishes are complete. Conditioned air is now in control and permanent power at all spaces is complete. Existing renovated spaces are complete. Furniture for the project is due to arrive for delivery in late July. The project is still tracking to be substantially complete by the first of August 2017.

- **Westway Park Information Technology & Visual Communications Satellite Center:** Project bid documents are now being updated and the advertisement process for rebidding will start in mid-July. A revised expected completion timeframe is forthcoming.

LSC-Kingwood

- **Student Services Center Expansion:** The New Expansion has opened for occupancy. Installation of all equipment and furniture is complete. White boards for study rooms are being purchased. Graphics and TAS inspection are pending. Final punch list items and project closeout are underway.

- **Kingwood Pilot Plant:** Pre-construction services are complete. Final price and scope negotiations for the Guaranteed Maximum Price (GMP) proposal have been submitted for LSC approval. This facility is slated for an expected Spring 2018 opening.

- **Process Technology Center:** Exterior masonry is complete. Window installation is continuing. Interior wall prime and paint have started. Mechanical equipment delivered and installation are underway. Electrical duct bank is complete, irrigation has started. North drive and turn lane are in progress. Furniture and equipment orders are in progress. Project is due to be substantially complete by late August, 2017.

LSC-Montgomery

- **Live Entertainment Technology Building:** Delivery of remaining specialty equipment and furniture is scheduled. Commissioning will be complete in July.

LSC-North Harris

- **Construction & Skilled Trades Technology Center:** Exterior and interior building work is substantially complete. Final cleaning and punch list work is in progress. Final site work (grading, sidewalks and landscape) is nearing completion. Construction is expected to be substantially complete by early July, 2017.
• **East Aldine Satellite Center**: The construction drawings are being finalized for distribution to bidders. Following the conclusion of the bid process, a revised guaranteed maximum price (GMP) contract is expected to be presented to the Board of Trustees for consideration of approval in November or December 2017. Construction for the East Aldine Satellite Center and AISD Early College Facility is expected to be complete in the summer of 2019.

• **Relocate Electrical Service Underground**: Grounds repairs are complete and the contract is being closed out.

• **Central Plant Renovations**: The scope of work is being reconsidered by campus facilities. Revisions, if any, should be established soon and the project sent to Purchasing for procurement.

• **Transportation Institute**: The property has been acquired and programming completed. A draft of the final program document is under review for approval.

---

**LSC-Tomball**

• **South Entrance Drive**: Lazer Construction Company has commenced clearing, grubbing and tree removal operations. Soil testing has taken place at the detention pond location and sampled spoils are acceptable to HCTRA to be used as fill material for the SH 249 expansion. First major focus of activity will be the detention pond excavation. CenterPoint overhead and underground work are complete.

---

**LSC-University Park**

• **Science and Innovation Building**: The local municipal utility district’s (MUD) work is complete and services have been supplied to the building. The facility is now undergoing testing and commissioning. Furniture has been delivered. Construction of the geological wall exhibit will soon commence. The building is expected to be in full use beginning spring semester of 2018.

• **Buildings 12 & 13 Entrance Canopy and Parking**: Construction is about to resume and is projected to be complete before the end of the 2017.

• **Library Remodel, Building 12 Level 8**: Project has been issued for competitive proposals in June. The revised expected completion timeframe is summer 2018.

• **Kitchen Removal, Commons Building Level 1**: Project to be issued for competitive proposals in July. A revised expected completion timeframe will be forthcoming.

• **Student Life Renovation, Commons Building Level 2**: Schematic Design Drawings are expected for review early July. Expected completion date is anticipated for summer 2018.

---

**System-wide Security Upgrades**

• Satellite center mass communication upgrades are complete. Security and mass notification upgrades at main campuses will be issued for proposals and contracted in two phases. The proposal has been put on hold until further notice.