I. Call to Order

II. Pledge of Allegiance

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

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, Future Land Purchases
- Section 551.074 - Personnel Matters

V. Reconvene Regular Meeting

VI. Introductions, Special Guests, Recognitions

VII. Workshop – Rebuild Houston, Linda Head

VIII. Approval of the Minutes of the February 1, 2018 Workshop and Regular Meeting of the Board of Trustees

IX. 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 – Seelpa Keshvala

3. Vice Chancellors

4. Faculty Senate Presidents – Rebecca Royer

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
   - Update on Board of Trustees Endowed Scholarship Fund – Linda Good

X. Citizen Participation

XI. 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.)

XII. Policy Reports and Considerations

1. Consideration of the Recommended Addition of the Lone Star College (the “College”) System Board Policy Manual Section IX. Sexual Misconduct (FIRST READING)

2. Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section III.C.2. Investment Management (ACTION ITEM 1)

XIII. Financial Reports and Considerations

1. Consideration of Approval of the 2018-2019 Credit Tuition and Fee Schedule Changes (ACTION ITEM 2)

2. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contract on Behalf of Lone Star College “(College”) with Goodman Manufacturing Company, Limited Partners (“Goodman”) to Provide Training Under Texas Workforce Commission Skills Development Fund Grant Providing Training for Employees of Goodman and QuietFlex Manufacturing Company, Limited Partners (“Quietflex”) (ACTION ITEM 3)
3. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Guaranteed Maximum Price ("GMP") Contract with the Lone Star College-North Harris ("LSC-North Harris") Construction Manager-at-Risk ("CMAR") Firm for Construction Services of the Lone Star College-East Aldine Satellite Center ("LSC-East Aldine Satellite Center") in Combination with Aldine Independent School District ("AISD") Escrowed Funds **(ACTION ITEM 4)**

4. Consideration of Approval to Authorize the Chancellor or Designee to Increase the Total Not-to-Exceed Amount of the Previously Awarded Master Services Agreements ("MSA") to Purchase Additional Facility-Related Minor Projects, Maintenance, Repairs and Inspection Services **(ACTION ITEM 5)**

5. Consideration of Approval to Authorize the Chancellor or Designee to Purchase Additional Emergency Mitigation, Remediation, and Restoration Services for Lone Star College-Kingwood ("LSC-Kingwood") **(ACTION ITEM 6)**

6. Consideration of Ratification of the Emergency Purchase of Internet Services for Lone Star College-Kingwood ("LSC-Kingwood") Dental Hygiene Annex **(ACTION ITEM 7)**

7. Consideration of Approval of an Amendment for Design Services for Lone Star College-Kingwood ("LSC-Kingwood") in response to flooding to campus by Hurricane Harvey **(ACTION ITEM 8)**

8. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Amendment on Behalf of Lone Star College (the “College”) for Additional Disaster Recovery Consultant Services **(ACTION ITEM 9)**

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 Construction Manager-At-Risk (“CMAR”) Construction Management Services Related to the Kingwood Campus Reconstruction for Lone Star College-Kingwood (“LSC-Kingwood”) **(ACTION ITEM 10)**

**XIV. Personnel Report and Considerations**

1. Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contracts for the Attached Individuals **(ACTION ITEM 11)**

**XV. Financial Report**

Monthly Financial Statements

**XVI. Buildings and Grounds Report**
Construction Projects Update

XVII. Suggested Future Agenda Items

XVIII. 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
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 26th day of February, 2018 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 26th day of February, 2018.
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
February 1, 2018
5:00 p.m.

PRESENT: Dr. Alton Smith, Chair
Dr. Kyle Scott, Vice Chair
Mr. Ken Lloyd, Secretary
Ms. Myriam Saldivar, Assistant Secretary
Ms. Linda Good
Mr. Art Murillo
Mr. David Vogt
Dr. Ron Trowbridge

ABSENT: Dr. David Holsey

I. CALL TO ORDER: Dr. Smith called the workshop and regular meeting of the Board of Trustees to order at 5:01 p.m. after determining that a quorum was present.

Ms. Saldivar entered the meeting at 5:01 p.m. Mr. Vogt entered the meeting at 5:02 p.m.

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

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

IV. CLOSED SESSION: At 5:03 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 Litigation
• On any item on the Agenda
Section 551.072 – Deliberation Regarding Real Property
V. **RECONVENE REGULAR MEETING:** Dr. Smith reconvened the open meeting at 6:12 p.m.

VI. **INTRODUCTIONS, SPECIAL GUESTS AND RECOGNITIONS:** Dr. Katherine Persson, president of LSC-Kingwood, introduced Sarah Porter, president of LSC-Kingwood student government association. Ms. Helen Clougherty, vice chancellor and chief of staff introduced Poornima Swaminathan, the new associate vice chancellor of marketing and communications.

Ms. Kay Fitzsimmons, executive director of community leadership gave a brief overview of the Lone Star College Leadership College and introduce LSC-North Harris student Belten Langmia to present on the “get out the vote” project he led at LSC-North Harris, after being inspired by Chair Alton Smith.

VII. **WORKSHOP:** None.

VIII. **APPROVAL OF THE MINUTES OF THE DECEMBER 7, 2017 WORKSHOP AND REGULAR MEETING OF THE BOARD OF TRUSTEES:** upon a motion by Dr. Scott and a second by Ms. Good the board approved the minutes of the December 7, 2017 Workshop and Regular Meeting of the Board of Trustees. The vote was unanimous.

IX. **SPECIAL REPORTS AND ANNOUNCEMENTS:**

1. **Chancellor:** Dr. Head spoke that spring semester headcount was flat and contact hours were down slightly.

2. **College Presidents:** Katherine Persson, president of LSC-Kingwood, gave a presentation on Harvey’s Impact on Lone Star College.

3. **Vice Chancellors:** Jennifer Mott-Olenick, executive vice chancellor and chief financial officer gave an update on LSC-Kingwood hurricane related construction and FEMA timelines.

4. **Faculty Senate Presidents:** Bob Lynch, faculty senate president of LSC-North Harris gave a presentation on following up on students that have attended Lone Star College. He stated that as much as things change, as time goes on things stay the same. Students can count on the place, the people and program quality.

5. **Board Members** – Mr. Ken Lloyd stated he attended a stellar performance at LSC-Kingwood. Dr. Smith announced that Trustee Lloyd’s daughter won a Grammy award.
Dr. Trowbridge announced he would be participating in a panel discussion at the orientation for state legislators.

Ms. Good traveled to Germany and the hotel that they stayed at had refugee employees participating in an internship.

Mr. Murillo stated he is taking a creative writing class at LSC-Montgomery and had an awesome campus experience.

Dr. Smith reported he was a guest speaker at a Boy Scout event in Tomball and he is taking a guitar class at LSC-UP.

X. **CITIZEN PARTICIPATION:** Mr. John Burghduff representing the AFT addressed the board about the upcoming policy proposals.

Mr. David Wilson addressed the board about Action item #1 on Trustee Misconduct. He also stated he was impressed with how Lone Star College has dealt with Hurricane Harvey.

XI. **CONSIDERATION OF THE CONSENT AGENDA:** Item numbers 1, 2, 3, 4 and 5 were removed from the agenda to be considered separately. Chair Smith proceeded with the Consent Agenda. Dr. Trowbridge made a motion to approve Action Items 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34. 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:**

1. Consideration and Review of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section III.C.2. Investment Management (FIRST READING): the Board of Trustees considered and reviewed revisions to the College’s Board Policy Manual Section III.C.2. after changes to the Public Funds Investment Act enacted by the Texas legislature during 2017. A copy is attached as Exhibit “C”.

2. Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section I.G.1.7. Trustee Misconduct (ACTION ITEM 1): upon a motion by Dr. Scott and a second by Mr. Vogt the Board of Trustees considered and approved revisions to the College’s Board Policy Manual Section I.G.1.7. Trustee Misconduct, which adds Trustee misconduct standards. The vote was unanimous. A copy is attached as Exhibit “D”.

3. Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section IV.F.8. Change in Contract Status (ACTION ITEM 2): a motion was made by Dr. Scott with a second by Mr. Lloyd for the Board of Trustees to consider and approve revisions to the College’s Board Policy Manual Section IV.F.8. Change in Contract Status, which revises the
appeal process as regards the Board of Trustees. A roll call vote was taken. Voting aye: Dr. Smith, Mr. Lloyd and Dr. Trowbridge. Voting nay: Mr. Murillo, Ms. Good, Mr. Vogt, Dr. Scott and Ms. Saldívar. The motion failed with a vote of 5 – 3. A copy is attached as Exhibit “E”.

4. Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section IV.F.10. Employee Grievance and Review Process (ACTION ITEM 3): a motion was made by Dr. Scott with a second by Mr. Vogt for the Board of Trustees to consider and approve revisions to the College’s Board Policy Manual Section IV.F.10. Employee Grievance and Review Process, which revises the appeal process as regards the Board of Trustees. A roll call vote was taken. Voting aye: Dr. Smith, Ms. Saldívar and Dr. Trowbridge. Voting nay: Mr. Murillo, Ms. Good, Mr. Vogt, Dr. Scott, and Mr. Lloyd. The motion failed with a vote of 5 - 3. A copy is attached as Exhibit “F”.

5. Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section IV.F.10.13. Contractual Termination Notice and Appeal (ACTION ITEM 4): upon a motion by Dr. Scott and a second by Mr. Murillo for the Board of Trustees to consider and approve revisions to the College’s Board Policy Manual Section IV.F.10.13. Contractual Termination Notice and Appeal, which revises the appeal process as regards the Board of Trustees. A roll call vote was taken. Voting aye: Dr. Smith, Ms. Saldívar and Dr. Trowbridge. Voting nay: Mr. Murillo, Ms. Good, Mr. Vogt, Dr. Scott and Mr. Lloyd. The motion failed 5 – 3. A copy is attached as Exhibit “G”.

6. Consideration and Approve of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section IV. Human Resources (ACTION ITEM 5): upon a motion by Mr. Vogt and a second by Dr. Scott the Board of Trustees considered and approved revisions to the College’s Board Policy Manual Section IV. Human Resources, which revise, clarify, and update employment policies. The vote was unanimous. A copy is attached as Exhibit “H”.

7. Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section IV.E.1.1. Prohibited Unlawful Discrimination and Harassment (ACTION ITEM 6): the Board of Trustees considered and approved revisions to the College’s Board Policy Manual Section IV.E.1.1. Prohibited Unlawful Discrimination and Harassment, which revise, clarify, and update the College’s policy regarding unlawful discrimination. This item was passed in the Consent Agenda. A copy is attached as Exhibit “I”.

8. Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) Board Policy Manual Section V.A.8. Instructional Arrangements (ACTION ITEM 7): the Board of Trustees considered and approved revisions to the College’s Board Policy Manual Section V.A.8. Instructional Arrangements to include the Official Day of Record policy. This item was passed in the Consent Agenda. A copy is attached as Exhibit “J”.

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XIII. SPECIAL REPORTS AND CONSIDERATIONS:

1. Consideration of Approval to Name College #7 Lone Star College-Houston North (ACTION ITEM 8): the Board of Trustees adopted a resolution to name the proposed seventh college Lone Star College-Houston North. This item was passed in the Consent Agenda. A copy is attached as Exhibit “K”.

XIV. FINANCIAL REPORTS AND CONSIDERATIONS:

1. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Interlocal Agreement on Behalf of Lone Star College (the “College”) with Texas A&M Engineering Extension Service (“TEEX”) to Provide Training Under Texas Workforce Commission (“TWC”) Skills Development Fund Grant Providing Training for Employees of Goodman Manufacturing Company, Limited Partners (LP), Shield Air Solutions, Inc., and Quiet Flex Manufacturing Company, Limited Partners (LP) (ACTION ITEM 9): the Board of Trustees authorized the Chancellor or designee to negotiate and execute an Interlocal Agreement on behalf of the College with Texas A&M Engineering Extension Service, 200 Technology Way College Station, TX 77845, for the Texas Workforce Commission Skills Development Fund Grant Training for Goodman Manufacturing Company, LP, Shield Air Solutions, Inc., and Quiet Flex Manufacturing Company, LP in a sum not exceeding $225,000. The term of the agreement will be from the execution date through January 31, 2020. This item was passed in the Consent Agenda. A copy is attached as Exhibit “L”.

2. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Interlocal Cooperative Agreement on Behalf of Lone Star College (the “College”) with the City of Houston on Behalf of the Houston Fire Department to Provide Emergency Medical Training (“EMT”) & Paramedic Training Under Agreement No. CC 2012.1014.7365 at the College Facilities for Houston Fire Department Employees (ACTION ITEM 10): the Board of Trustees authorized the Chancellor or designee to negotiate and execute an Interlocal Cooperative Agreement on behalf of the City of Houston located at 901 Bagby, Houston, TX 77002, on behalf of the Houston Fire Department in a sum not exceeding $250,000 per individual scope of work. The agreement term will be from the execution date through March 1, 2019, with two one-year renewal options. This item was passed in the Consent Agenda. A copy is attached as Exhibit “M”.

3. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Various Easements or Agreements with Metropolitan Transit Authority of Harris County (“METRO”) and ISI Contracting (“ISI”) for Construction and Related Services at Lone Star College-North Harris (“LSC-North Harris”) (ACTION ITEM 11): the Board of Trustees authorized the Chancellor or designee to negotiate and execute easements or agreements on behalf of the College for construction and related services at LSC-North Harris related to METRO transit services. The term of the contract shall be for the duration of the project awarded. This item was passed in the Consent Agenda. A copy is attached as Exhibit “N”.

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4. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Various Easements or Agreements with West Harris County Regional Water Authority for Construction and Related Services at Lone Star College-CyFair (“LSC-CyFair”) (ACTION ITEM 12): the Board of Trustees authorized the Chancellor or designee to negotiate and execute various easements or agreements on behalf of the College with West Harris County Regional Water Authority (“Authority”) for construction and related services at LSC-CyFair. This item was passed in the Consent Agenda. A copy is attached as Exhibit “O”.

5. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) for Additional Construction Services for Lone Star College-Tomball (“LSC-Tomball”) Center for Leadership, Academic, and Student Success (“CLASS”) (ACTION ITEM 13): the Board of Trustees authorized the Chancellor or designee to execute a contract amendment on behalf of the College with The Sithe Group, LLC d/b/a TSG Industries, 2626 South Loop West, Suite 630, Houston, TX 77054 for additional construction services for LSC-Tomball CLASS in a sum not exceeding $25,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “P”.

6. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Lease and Install Modular Classrooms for Lone Star College-Kingwood (“LSC-Kingwood”) (ACTION ITEM 14): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Mobile Modular, 4445 E. Sam Houston Parkway South, Pasadena, Texas 77505 to lease and install modular classrooms for LSC-Kingwood’s alternate classroom project for a turnkey sum not exceeding $226,000. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Q”.

7. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for Engagement of a Curriculum Development Consultant for Lone Star College-University Park (“LSC-University Park”) (ACTION ITEM 15): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with ProEdit, Inc., P.O. Box 462, Cumming, GA 30028 for Mechatronics curriculum development that will meet the standards to obtain accreditation approval of the Texas Higher Education Coordinating Board (“THECB”) and the Southern Association of Colleges and Schools (“SACS”) in a sum not exceeding $115,200. The contract will begin upon contract execution and end on December 31, 2019. This item was passed in the Consent Agenda. A copy is attached as Exhibit “R”.

8. Consideration of Approval to Ratify a Contract Amendment on Behalf of Lone Star College (the “College”) for Additional Services to Purchase and Install Furnishings Related to the 2014 General Obligation Bond Construction Program for Lone Star College-University Park (“LSC-University Park”) Center for Science and Innovation
(ACTION ITEM 16): the Board of Trustees ratified a contract amendment on behalf of the College with Facility Interiors, Inc., 6801 Portwest Drive, Houston, Texas 77024 to purchase and install additional furnishings related to the 2014 General Obligation Bond Construction Program for LSC-University Park Center for Science and Innovation in a sum not exceeding $39,415. This item was passed in the Consent Agenda. A copy is attached as Exhibit “S”.

9. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) with the Lone Star College-University Park (“LSC-University Park”) Architectural Firm for Additional Services Related to the 2014 General Obligation Bond Construction Program (ACTION ITEM 17): the Board of Trustees authorized the Chancellor or designee to amend the contract on behalf of the College with Kirksey Architecture, 6909 Portwest Drive, Houston, Texas 77024 for additional architectural services in a sum not exceeding $124,680 for a total revised contract sum of $1,156,399. This item was passed in the Consent Agenda. A copy is attached as Exhibit “T”.

10. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) for Additional Technology Design and Consulting Services Related to the 2014 General Obligation Bond Construction Program for the Lone Star College-University Park (“LSC-University Park”) Center for Science and Innovation (ACTION ITEM 18): the Board of Trustees authorized the Chancellor or designee to amend the contract on behalf of the College with Techknowledge Consulting Corporation, 6575 West Loop, Bellaire, Texas 77401 for additional technology design and consulting services to include inspection and oversight for Hurricane Harvey damages at the LSC-University Park Center for Science & Innovation, in a sum not exceeding $5,800. This item was passed in the Consent Agenda. A copy is attached as Exhibit “U”.

11. Consideration of Approval to Ratify the Emergency Contract Amendment on Behalf of Lone Star College (the “College”) with the Lone Star College-University Park (“LSC-University Park”) Construction Manager at Risk (“CMAR”) for Additional Construction Services Related to the 2014 General Obligation Bond Construction Program (ACTION ITEM 19): the Board of Trustees ratified a contract amendment on behalf of the College with E.E. Reed Construction, LP. (“E.E. Reed”) 333 Commerce Green Blvd., Sugar Land, Texas 77478, for construction services related to the LSC-University Park Science and Innovation Center, in a sum not exceeding $1,110,675 for a total revised contract sum not exceeding $19,395,253. This item was passed in the Consent Agenda. A copy is attached as Exhibit “V”.

12. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) for Construction Services for Roof Replacement at the Lone Star College-North Harris (“LSC-North Harris”) Winship Building (ACTION ITEM 20): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Texas Liqua Tech Services, Inc., d/b/a Liqua Tech, 1819 Milby Street, Houston,
Texas 77003, for Roof Replacement construction services at LSC-North Harris Winship Building in a sum not exceeding $1,163,000. The Chancellor recommends that the firm with the highest evaluation score be awarded the contract. If negotiations cease for any reason with Liqua Tech, the College may proceed to negotiate with next firm in the order of selection ranking with a score of not less than 70 until a contract is executed. This item was passed in the Consent Agenda. A copy is attached as Exhibit “W”.

13. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract on Behalf of Lone Star College (the “College”) to Enter into Multi-Year Music Performance Licensing Agreements and Execute the Annual Enrollment Forms (ACTION ITEM 21): the Board of Trustees authorized the Chancellor or designee to negotiate and execute contracts on behalf of the College with the following organizations: ASCAP, One Lincoln Plaza, New York, NY 10023; BMI, Inc. 10 Music Square East, Nashville, TN 37203; SESAC, Inc., 55 Music Square East, Nashville, TN 37203; and Global Music Rights, LLC., 1100 Glendon Ave. #2000, Los Angeles, CA 90025 and enter into multi-year music licensing agreements for an estimated annual sum of $77,000 and a total estimated sum of $385,000 over the five-year term, and authorize the Chancellor or his designee to execute the annual enrollment forms. This item was passed in the Consent Agenda. A copy is attached as Exhibit “X”.

14. Consideration of Approval to Authorize the Chancellor or Designee to Amend the Contract on Behalf of Lone Star College (the “College”) to Purchase Additional Facilities Management Services for Lone Star College-University Park System Office (“LSC-University Park System Office”) (ACTION ITEM 22): the Board of Trustees authorized the Chancellor or designee to amend the contract on behalf of the College to purchase additional facilities management services with Jones Lang LaSalle, Inc. (“JLL”), 1400 Post Oak Blvd., Suite 1100, Houston, TX 77056 for a sum not exceeding $2,519,000 for a revised sum not exceeding $10,519,000 for a five-year period. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Y”.

15. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Contract On Behalf of Lone Star College (the “College”) for Snack and Beverage Vending Services (ACTION ITEM 23): the Board of Trustees authorize the Chancellor or Designee to negotiate and execute a contract on behalf of the College with The Compass Group d/b/a Canteen Vending Services (“Canteen”), 15951 Park Row, Houston, Texas 77084, to provide snack and beverage vending services for a five-year term with estimated annual commissions of 36.1% of net sales. The Chancellor recommends the firm with the highest evaluation score be awarded the contract. If negotiations cease for any reason with Canteen, 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. This item was passed in the Consent Agenda. A copy is attached as Exhibit “Z”.

16. 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 Small
Equipment and Supplies for the National Center for Construction Education and Research (“NCCER”) Core Curriculum for the Glazing/Windows, Heating, Ventilation, and Air Conditioning (“HVAC”), Plumbing, and Sheet Metal Programs as Outlined by the National Dislocated Workers Project TX-32 Disaster 2017—Hurricane Harvey Program at Lone Star College-North Harris (“LSC-North Harris”) (ACTION ITEM 24): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Grainger, 16741 North Freeway, Houston, TX 77090, to purchase small equipment and supplies for the NCCER Glazing/Windows, HVAC, Plumbing, and Sheet Metal Programs in a sum not exceeding $134,915. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “aa”.

17. 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 Construction Services for Lone Star College-North Harris (“LSC-North Harris”) Cooling Tower and Chiller Replacement at the Central Plant (ACTION ITEM 25): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Comfort Systems (South Central), Inc. d/b/a: Comfort Systems (South Central), Accurate Comfort Systems, and Atlas Comfort Systems (“Comfort Systems (South Central), Inc.”) 9745 Bent Oak Drive, Houston, TX 77040, to purchase construction services for a cooling tower and chiller replacement in a sum not exceeding $935,000. If negotiations cease for any reason with Comfort Systems (South Central), 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. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “bb”.

18. 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 Construction Services for the Lone Star College-Fairbanks Center (“LSC-Fairbanks Center”) Roof Replacement (ACTION ITEM 26): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with PRC Roofing Company, Inc., 3714 Osage, Houston, Texas 77063 to purchase construction services for a roof replacement in a sum not exceeding $422,625. If negotiations cease for any reason with PRC Roofing Company, 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. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “cc”.

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 Six 2019 Freightliner Semi-Trucks for the Lone Star College-North Harris (“LSC-North Harris”) Transportation & Logistics Technology Center (ACTION ITEM 27): the Board of Trustees authorized the Chancellor or designee to negotiate and execute a contract on behalf of the College with Houston Freightliner Sterling and Western Star, 9550 North Loop East, Houston, Texas 77029 in a sum not exceeding $730,000 to
purchase six 2019 freightliner semi-trucks for LSC-North Harris Transportation & Logistics Technology Center. If negotiations cease for any reason with Houston Freightliner, 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. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “dd”.

20. Consideration of Approval to Purchase Custodial Supplies for Lone Star College (the “College”) (ACTION ITEM 28): the Board of Trustees approved the purchase of custodial supplies for the College in a sum not exceeding $975,000 from the following vendors: High Point Sanitary Solutions, 301 Garden Oaks Blvd. Houston, TX 77018; Buckeye Cleaning, 16420 West Hardy Road, Suite 150, Houston, TX 77060; Crown Paper & Chemical, 302 S. Frazier St. Conroe, TX 77301; Matera Paper, 1809 Brittmore Rd. Houston, TX 77043; Brawner Paper Co. 5702 Armour Dr. Houston, TX 77020. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “ee”.

21. Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contracts on Behalf of Lone Star College (the “College”) to Purchase Lawn Maintenance Services (ACTION ITEM 29): the Board of Trustees authorized the Chancellor or designee to negotiate and execute contracts on behalf of the College to purchase lawn maintenance services, in a sum not exceeding $5,000,000 for a five-year period. The term of this award is for an initial three years with the option to renew for two additional one year periods. The Chancellor recommends that the firms with the highest evaluation score be awarded the contract. If negotiations cease with Yellowstone Landscape and Personal Touch Management Inc. d/b/a Special Touch Landscaping, the College may proceed to negotiate with the next firm in order of selection ranking with a score of not less than 70 until a contract is executed. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “ff”.

22. Consideration of Approval to Ratify the Emergency Purchase of Computer Workstations and Monitors for Lone Star College-Kingwood (“LSC-Kingwood”) (ACTION ITEM 30): the Board of Trustees ratified the emergency purchase of computer workstations and monitors for LSC-Kingwood from NWN Corporation, 4802 N. Sam Houston Parkway W, Suite 500, Houston, Texas 77086 in a sum not exceeding $105,105. This item was passed in the Consent Agenda. A copy is attached as Exhibit “gg”.

23. Consideration of Approval to Ratify a Facility Use Agreement on Behalf of Lone Star College (the “College”) with Grace and Cole Investments L.L.C. for Lone Star College-Kingwood (“LSC-Kingwood”) Dental Hygiene Programs (ACTION ITEM 31): the Board of Trustees ratified a Facility Use Agreement with Grace and Cole Investments L.L.C. (the “Entity”) at 23750 FM 1314 Rd, Porter, TX 77365 for 4,560 rentable square feet (“RSF”) at a monthly fee in the amount of $1.75 per square foot in a sum not exceeding $220,000 over a twenty-four (24) month term. This item was passed in the Consent Agenda. A copy is attached as Exhibit “hh”.

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24. Consideration of Ratification Authorizing the Chancellor or Designee’s execution of a Lease Agreement and Lease Term Extensions on Behalf of Lone Star College (the “College”) Beyond Five Years for Lone Star College-University Park (“LSC-University Park”) and Ratify the Tenant Improvement Allowance of $1,153,985 (ACTION ITEM 32): the Board of Trustees consider and ratified the Chancellor’s or designee’s execution of a lease and exercised lease extension with Responsive Education Solutions, which provides the option for an extended twelve-year term through June 30, 2024. In addition, that the Board of Trustees consider and ratify costs for tenant improvements previously incurred in fiscal year 2012 and 2014, prior to lease commencement as follows: $680,000 in FY 2012 for 11,905 Square feet per the initial lease and $473,985 in FY 2014 for 8,475 square feet of expanded lease area. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “ii”.

25. Consideration of Ratification Authorizing the Chancellor or Designee’s execution of a Lease Agreement on Behalf of Lone Star College (the “College”) beyond five years for Lone Star College-Montgomery (“LSC-Montgomery”), referenced as Lone Star College-University Center (“LSC-UC”) in the Lease Agreement, and Ratify the Tenant Improvement Allowance of $215,853 (ACTION ITEM 33): the Board of Trustees consider and ratified the Chancellor’s or designee’s execution of a lease and lease amendments with Responsive Education Solutions, which provide the option for an extended twelve-year term through July 31, 2024. In addition, that the Board of Trustees consider and ratify costs for tenant improvements previously incurred in fiscal years 2013, and 2014, prior to lease commencement as follows: $116,888 in 2013 for 10,390 square feet per the initial lease and $98,965 in 2014 for 8,835 square feet of expanded leased area. This Item was passed in the Consent Agenda. A copy is attached as Exhibit “jj”.

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 34): the Board of Trustees authorized 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 “kk”.

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 November 30, 2017 and December 31, 2017. A copy is attached as Exhibit “Il”.

XVII. BUILDING AND GROUNDS REPORTS:

Construction Projects Update: the Board reviewed the report as presented. A copy is attached as Exhibit “mm”.
XVIII. SUGGESTED FUTURE AGENDA ITEMS: None.
XIX. ADJOURNMENT: There being no further business, the meeting was adjourned at 8:36 p.m.

ATTEST:

______________________________  ______________________________
Board of Trustees, Chair        Board of Trustees, Secretary
Consideration of Consent Agenda

Board Meeting 3-1-18

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

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

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

Tally of Action Items:

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Consent Agenda</th>
<th>Chancellor Recommended Separate Action</th>
<th>Board Separate Action</th>
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<tr>
<td># 1</td>
<td>Approve Rev Board Policy Sec III.C.2 Invest. Mgt</td>
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<td># 2</td>
<td>Approve 2018-2018 Credit Tuition Fee Schedule Chgs</td>
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<td># 3</td>
<td>Auth Chan/Neg/Exec/Cont/Goodman Manufacturing</td>
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<td>Approve Chan/Purch Add’l Emerg Mitigation Svc. KW</td>
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<td>Approve Amend Design Svcs LSC-KW due to flooding</td>
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<td>#11</td>
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Request: Consideration of the Recommended Addition of the Lone Star College (the “College”) Board Policy Manual Section IX. Sexual Misconduct (FIRST READING)

Chancellor’s Recommendation: That the Board of Trustees consider the recommended addition of Section IX. Sexual Misconduct to the College’s Board Policy Manual and the concurrent revision to existing Section VI.F. Sexual Harassment, Assault, Violence, and Discrimination.

Rationale: The proposed Section IX encompasses the College’s sexual misconduct policy as required by applicable state and federal law. The proposed policy includes changes reflecting updates made to the Texas Education Code and the Department of Education’s New Interim Guidance on Campus Sexual Misconduct. The College’s current sexual misconduct policy is located in Section VI.F. Sexual Harassment, Assault, Violence, and Discrimination. The proposed Section IX relocates the policy from Section VI – Students, and places it in a single convenient section for all. Updates to the sexual misconduct policy include, but are not limited to, the availability of informal resolution, reference to the anonymous electronic reporting system (EthicsPoint), and amnesty for students who disclose conduct that violates Board Policy in connection with a sexual misconduct report. This does not include amnesty for a sexual misconduct violation.

Fiscal Impact: None.

Staff Resource: Mario K. Castillo 832-813-6655
SECTION IX – SEXUAL MISCONDUCT

IX.A. Sexual Misconduct

IX.A.1.1. Policy
This policy specifically covers sexual misconduct including sexual harassment, violence, discrimination, and retaliation as prohibited by applicable laws and the College. The College also prohibits unlawful discrimination based on other protected categories and discusses such prohibitions in the human resources and student policy sections. The College does not tolerate retaliation against anyone who complains about sexual misconduct or cooperates in a sexual misconduct investigation. Nothing in this policy prohibits anyone from filing a report or complaint with any other agency, including law enforcement.

The College shall review and update this policy as required by law.

IX.A.1.2. Definitions

(a) Consent: Sexual activity requires consent. Consent is defined as a voluntary and positive agreement between the participants to engage in sexual activity. Consent to sexual activity may be communicated in a variety of ways, but one should presume that consent has not been given in the absence of a clear, positive agreement between the participants. While verbal consent is not an absolute requirement for consensual sexual activity, verbal communication prior to engaging in sexual activity helps to clarify consent and avoid any misunderstandings.

Consent must be clear and unambiguous for each participant at every stage of a sexual encounter. A prior relationship does not indicate consent to future activity. A person who is asleep or mentally or physically incapacitated, either through the effect of drugs, alcohol, or for any other reason, is not capable of giving valid consent. The use of alcohol or drugs may seriously interfere with the participants’ judgment about whether consent has been sought and given.

(b) Dating Violence: Dating violence is committed by a person who is or was in a social relationship of a romantic or intimate nature with the victim. The existence of such a relationship shall be determined based on the reporting party’s statement and with consideration of the relationship length, the type of relationship, and the frequency of interaction between the persons involved in the relationship. Dating violence also includes, but is not limited to, sexual or physical abuse or the threat of such abuse. Finally, dating violence does not include acts covered by the definition of domestic violence.

(c) Domestic Violence: Domestic violence is a felony or misdemeanor crime of violence committed by: a current or former spouse or intimate partner of the victim; a person with whom the victim shares a child in common; a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner; a person similarly situated to a victim’s spouse under Texas domestic or family violence laws; or any other person against
an adult or youth victim who is protected from the person’s acts under Texas domestic or family violence laws.

(d) Sexual Assault: Sexual assault is an offense that meets the definition of rape, fondling, incest, or statutory rape as stated in the Federal Bureau of Investigation’s Uniform Crime Reporting Program.

(e) Sexual Discrimination: Sexual discrimination, including sexual harassment, is illegal under both federal and Texas state law and is strictly prohibited by the College. Unwelcome sexual advances, requests for sexual favors, and other physical or verbal conduct of a sexual nature, including sexual violence, constitute sexual discrimination when:

1. Requests, conduct, or submission to unwelcome advances is—explicitly or implicitly—a term or condition of an individual’s employment, academic advancement, participation in College programs or activities, or is used as a basis for employment or academic decisions affecting the individual;

2. Rejection of unwelcome advances, requests, or conduct affects a term or condition of an individual’s employment, academic advancement, participation in College programs or activities, or is used as a basis for employment or academic decisions affecting the individual; or

3. Such conduct has the purpose or effect of creating an intimidating hostile work or academic environment that unreasonably interferes with an individual’s work, academic performance, education, or participation in College programs or activities.

(f) Sexual Harassment (a form of sex discrimination) includes two categories: (1) hostile work environment sexual harassment, and (2) quid pro quo sexual harassment.

   Hostile work environment sexual harassment means verbal, physical, or visual forms of harassment that are sexual in nature, unwelcome, and severe, persistent, or pervasive. A hostile environment is often created by a series of incidents. However, a single severe incident, such as sexual assault, could create a hostile environment.

   Quid pro quo sexual harassment means “this for that.” An example of this form of sexual harassment occurs if a faculty member (or staff member) stipulates that a student’s grade or performance rating (or participation on a team, in a play, etc.) will be based on whether that student submits to sexual conduct.

(g) Sexual Violence: Sexual violence means a physical sexual act perpetrated without the complainant’s consent. This includes situations where a person is incapable of giving consent because of drug or alcohol impairment or a mental or physical disability. A number of different acts fall into the category of sexual violence, including, but not limited to, rape,
sexual assault, sexual battery, sexual coercion, and any VAWA offenses. All such acts of sexual violence are forms of sexual harassment prohibited by Title IX and this policy.

(h) Stalking: Stalking is defined as engaging in a course of conduct (two or more acts), including, but not limited to, a pattern of repeated and unwanted attention, harassment, or conduct, directed at a specific person that would cause a reasonable person to fear for his or her safety, the safety of others, or suffer substantial emotional distress. Substantial emotional distress is significant mental suffering or anguish that may, but does not necessarily, require medical or other professional treatment or counseling.

(i) Title IX Harassment: Acts of Title IX harassment may take many different forms. Title IX harassment includes sexual harassment, gender-based harassment, and sexual violence. The conduct must be sufficiently severe or pervasive as to unlawfully limit an individual’s ability to participate in or benefit from the College’s activities. Further, such conduct is evaluated from the perspective of a reasonable person in the complainant’s position, taking into account the totality of the circumstances involved in a particular matter. The following types of actions serve as non-exhaustive examples of Title IX harassment prohibited by this policy if sufficiently severe or pervasive:

1. Physical sexual acts perpetrated against a person’s will or when a person is incapable of giving consent because of drug or alcohol impairment or mental or physical disability;

2. Direct or implied sexual statements or threats, demands for sexual favors, or sexual advances, accompanied by implied or actual promises of preferential treatment for submission to such demands; or implied or actual threats that failure to submit to such demands may result in adverse treatment concerning the person’s admission, enrollment, employment, work status, promotion, grades, or recommendation;

3. Any of the following if persistent and unwelcome: flirtation, requests for dates, staring, advances, or sexual propositions;

4. Gratuitous displays of sexually suggestive objects or pictures, including images displayed, transferred, forwarded, or shared via the Internet, text messaging, or other electronic means;

5. A pattern of conduct unrelated to an academic course or the requirements of the workplace intended to cause discomfort or humiliation or including one or more of the following: (i) comments of a sexual nature; (ii) sexually explicit statements, questions, jokes, anecdotes, or gestures; (iii) a pattern of conduct that would cause discomfort or humiliation, or both, to a reasonable person to whom the conduct is directed and that includes one or more of the following: (1) unnecessary touching, such as patting, pinching, hugging, or repeated brushing against a person’s body; (2) remarks of a sexual nature about a person’s clothing or body; or (3) remarks about sexual activity or speculations about previous sexual experience;
6. Treating individuals adversely because they do not conform to stereotypical norms of feminine or masculine gender behavior.

IX.A.1.3. Sexual Misconduct Procedures
Sexual misconduct investigations are governed by the policies outlined below. Chancellor’s Procedures and forms shall supplement and comply with this policy.

Parties needing reasonable accommodations due to disability during proceedings under this policy are asked to please inform the Title IX coordinator. Disability verification may be required if the information is not currently on file with the College.

(a) Reporting Sexual Misconduct. Any person who believes sexual misconduct occurred may promptly report the incident to one of the College’s Responsible Employees or a Campus Security Authority (CSA) if reporting sexual violence including sexual assault, domestic violence, dating violence, or stalking. The Responsible Employees and CSAs include, but are not limited to: (i) the College’s Police Department, (ii) Title IX Coordinator, or (iii) Chief Student Services Officer.

All individuals listed in the prior paragraph shall promptly inform the Title IX Coordinator of any such report. The Responsible Employee or CSA must inform the reporting person that the responsible employee or CSA has a duty to relay the complaint to the Title IX Coordinator and, if applicable, to the Clery Compliance Officer. The Responsible Employee or CSA must also inform the reporting person about his or her confidentiality options, available confidential advocacy, support services, the right to file a Title IX complaint with the College, and the right to report a crime to the campus or external law enforcement. Reports made through the College’s EthicsPoint Hotline (see Internal Resources) will be forwarded to the Title IX Coordinator and, if applicable, the Clery Compliance Officer.

The Title IX Coordinator or designee will then perform an intake assessment within a reasonable period of receiving any sexual misconduct report. The intake assessment may include preliminary interviews and interim step recommendations. The Title IX Coordinator or designee will conduct an investigation following the intake assessment if the complaint alleges sexual misconduct.

(b) Privacy. The College strongly supports the parties’ privacy interest in sexual misconduct cases. Except for disclosures required by local, state, or federal law, the College will disburse information regarding such cases only to the parties and to individuals responsible for preparing the College’s response.

The College does not require mental-health counselors, pastoral counselors, social workers, psychologists, health center employees, or any other person with a professional license requiring confidentiality, or who is supervised by such a person, to report, without
the individual’s consent, incidents of sexual violence to the College in a way that identifies the individual.

The College provides an electronic reporting option via EthicsPoint. A link can be found under Internal Resources and at the bottom of the College’s homepage (Report Sexual Misconduct). EthicsPoint enables anonymous reporting. Such anonymity requests, however, may limit the College’s ability to respond.

(c) **Interim Steps.** The College may take interim steps to protect the complainant, respondent, and the College’s community members pending the investigation or hearing of a sexual misconduct complaint depending on the nature of the complaint and the evidence. Violating interim steps may result in a non-academic misconduct charge against a student or disciplinary action up to and including employment termination for employees (independent of the initial sexual misconduct inquiry). Interim steps should be individualized for each compliant. Interim steps may include, but are not limited to: issuing a no-contact order prohibiting the parties from having contact with each other; directing the lateral transfer of an employee or moving a student to another classroom setting; administrative leave; or making arrangements for alternative academic and employment environments.

Interim steps that separate a student from his or her education must be approved by the applicable college president and the Chancellor.

(d) **Notice and Investigation.** The Title IX Coordinator or designee will provide written notice of the complaint to the respondent within a reasonable period of receiving it. The Title IX Coordinator or designee will impartially investigate the sexual misconduct allegations. Some cases may be resolved informally if all parties and the College agree.

(e) **Advisor.** Parties have the right to consult with an advisor of their choosing. The advisor may be any person, including an attorney, who is not otherwise a party or witness involved in the investigation. A party may be accompanied by his or her advisor to any meeting or proceeding related to a complaint under this policy. While the advisor may provide support and advice to the party at any meeting or proceeding, the advisor may not speak on the party’s behalf or otherwise participate in, or in any manner delay, disrupt, or interfere with any meeting and or proceeding.

(f) **Investigation Report and Response.** The Title IX Coordinator or designee will complete an investigation report after concluding the investigation. The parties shall have the same meaningful access to the investigation report. The parties will then have a reasonable period to respond in writing to the investigation report.

(g) **Sexual Misconduct Result Proceedings.** Once the Title IX Coordinator or designee receives or should have received the parties’ written response to the investigation report, he or she shall determine whether the investigation revealed allegations rising to the level of sexual violence as defined in this policy. If so, then the Title IX Coordinator shall arrange
for a hearing conducted by a third party hearing officer. If the investigation did not contain allegations rising to the level of sexual violence, then the Title IX Coordinator, using the evidentiary standard, will determine whether the alleged sexual misconduct occurred.

1. **Evidentiary Standard.** A preponderance of the evidence standard must be used in any result proceeding under this section.

2. **Proceedings for Sexual Misconduct Excluding Sexual Violence.** The Title IX Coordinator will determine whether the sexual misconduct did or did not occur in cases that do not rise to the level of sexual violence. The Title IX Coordinator’s result shall be delivered to the complainant, the respondent, and the Chancellor within a reasonable time of the Title IX Coordinator’s receipt of the complaint. Either party may appeal the Title IX Coordinator’s determination to the Chancellor. The Chancellor’s decision is final.

3. **Proceedings for Sexual Violence.** For allegations of sexual violence, the College will hold a hearing conducted by a third party hearing officer.

   The hearing will take place within a reasonable period after the Title IX Coordinator receives (or should have received) the parties’ responses to the investigation report. The Title IX Coordinator shall provide the parties with notice of the hearing. The hearing officer will be an independent arbiter or mediator selected by the College at its sole discretion. The Title IX Coordinator shall provide the hearing officer with the investigation report and the parties’ responses at or before the hearing.

   Both the complainant and the respondent will have an opportunity to present witnesses and evidence at this hearing. The complainant and the respondent may be accompanied by an advisor, including legal counsel. Personal attendance is not required from either party.

   Neither the complainant nor the respondent will have an opportunity to question the other party, whether personally or through the advisor. Each party will be limited to presenting his or her case, except that either party may submit desired cross-examination questions to the hearing officer on the date of the hearing or to the Title IX Coordinator before the hearing. The hearing officer will determine whether to ask the questions submitted during his or her questioning of either party—that decision is not appealable.

   The hearing result, the result’s rationale, and any recommended sanctions shall be delivered to the complainant, the respondent, and the Chancellor within a reasonable time period after the hearing. The Chancellor’s decision regarding the sanctions will be final.

(h) **Potential Sanctions.**
1. **Students:** If the investigation or hearing reveals that sexual misconduct was committed by a student, further action will be taken, including, but not limited to, any and all disciplinary actions set forth in Board Policy section Student Discipline for Non-Academic Misconduct. Moreover, the College will not subject students to disciplinary actions for Board Policy violations (e.g., alcohol or drug consumption, academic misconduct, or non-academic misconduct) disclosed during the course of the proceedings. The absence of such disciplinary action encourages students to report sexual misconduct and participate in proceedings without fear of reprisal.

2. **Employees:** If the investigation or hearing reveals that sexual misconduct was committed by an employee, further action will be taken up to and including immediate employment termination or Notice of Forthcoming Termination for contract employees.

3. **Third Parties:** If the investigation or hearing reveals that sexual misconduct was committed by a non-employee non-student, further action may be taken, including, but not limited to, immediate severance and termination of any contractual or business relationships.

(i) **Retaliation Prohibited.** No College community member may retaliate against a person because of that person’s sexual misconduct complaint, exercise of his or her right to file a formal or informal sexual misconduct complaint, use of any of the related processes the College provides, cooperation with an investigation, or testimony or other evidence offered by that person connected to a complaint. A complaint’s actual or perceived truth does not excuse retaliatory conduct. Any person who observes retaliation should promptly notify the Title IX Coordinator. Individuals found to have committed retaliation may be subject to disciplinary actions.

**IX.A.1.4. Available Resources**
Any party may contact the following for assistance:

(a) **Internal Resources:**

1. College Police Department: (281) 290-5911
2. College Title IX Coordinators
   a. Director of Governance and Compliance, (832) 813-6841
      Student-Compliance@lonestar.edu
   b. Chief Human Resources Officer, (832) 813-6520
      HR-Compliance@lonestar.edu
3. College Office of Emergency Management: (281) 290-2891
4. Ethics Point:

(b) **External Resources:**

1. Employee Assistance Program (EAP): (800) 346-3539
2. Family Time Crisis and Counseling Center (Humble): (281) 446-2615
3. Houston Area Women’s Center Domestic Violence Hotline: (713) 528-2121 / (713) 528-3625 (TDD)
4. Houston Area Women’s Center Rape Hotline: (713) 528-7273 / (713) 528-3691 (TDD)
5. Montgomery County Women’s Center: (936) 441-4044
6. Montgomery County Women’s Center 24-Hour Hotline: (936) 441-7273
7. The Montrose Center: (713) 526-3211
8. Northwest Assistance Ministries: (281) 885-4673
9. Ben Taub Hospital: (713) 873-2000
10. MHMR Authority of Harris County
    7011 Southwest Freeway
    Houston, Texas 77074
    Crisis Telephone: (866) 970-7770
    Main Telephone: (713) 970-7000
    Website: http://www.mhmraharris.org/
11. Houston Police Department (HPD) Mental Health Unit
    1502 Ben Taub Loop
    Houston, Texas 77030
12. Tri-County MHMR Services
    1506 Old Montgomery Rd.
    Conroe, Texas 77304
    Crisis Phone: (800) 659-6994
    Main Phone: (936) 756-8331
    Website: http://www.tcmhmrs.org/

Additional resources may be listed in the Chancellor’s Procedures.

IX.B. Convicted Sex Offender Registration

IX.B.1.1. Policy
Texas Code of Criminal Procedure Article 62.153 mandates that each person required to register as a sex offender, and who intends to be employed, work with a contractor, or attend classes at the College, must register with the College’s Police Department at least seven (7) days before reporting to any College location.

As part of this registration, the individual must submit information pertinent to his or her offenses, which will be forwarded to the College’s Review Committee for a determination of eligibility for employment, vendor services, or enrollment. A person seeking to be enrolled as a student must first be approved before completing the registration process.

Failure to register and receive necessary approval under this section may result in immediate suspension, dismissal, or termination of employment.
Request: Consideration and Approval of the Recommended Revision of the Lone Star College (the “College”) System Board Policy Manual Section III.C.2. Investment Management

Chancellor’s Recommendation: That the Board of Trustees consider and approve revision of the College’s Board Policy Manual Section III.C.2. after changes to the Public Funds Investment Act enacted by the Texas legislature during 2017.

Rationale: Because of recent changes to state law, it is now legal for the College to participate in hedging transactions designed to protect the College from economic loss due to price fluctuations in commodities or other investments. The College’s investment management policy does not currently allow such transactions, but the revisions to Section III.C.2. would change College policy to allow the College to enter into hedging transactions.

This revision also condenses the College’s investment management policy by providing that the College may invest in any investment authorized by the Texas Public Funds Act (or its successor statute) instead of listing each authorized investment separately.

Fiscal Impact: None.

Staff Resource: Jennifer Mott 832-813-6512
Mario K. Castillo 832-813-6655
III.C.2. Investment Management

III.C.2.1. Policy
The College invests available funds after evaluating the College’s anticipated cash flow requirements and giving due consideration to investment safety and risk. The College’s investment portfolio is prudently designed and managed to obtain reasonable revenue without compromising the College’s cash flow needs, to maintain public trust, and to comply with legal requirements and limitations. This policy applies to all investment assets under the College’s direct control.

The College invests with the following objectives in priority order: (1) safety and principal preservation; (2) liquidity; (3) diversification; (4) public trust; and (5) yield.

III.C.2.2. Definitions
(a) Act means Texas Government Code Chapter 2256, the Public Funds Investment Act.

(b) Board means the Board of Trustees with ultimate legal authority to govern the College.

(c) Hedging Transactions means contracts and related security, credit, and insurance agreements designed to protect the College from economic loss due to price fluctuation of a commodity or related investment by entering into an offsetting position or using a financial agreement or producer price agreement in a correlated security, index, or other commodity.

(d) Investment Officers means the College’s Chief Financial Officer and other employees as designated in writing by the College’s Chief Financial Officer, including an employee temporarily holding one of those positions in an acting or interim role.

(e) Repurchase Agreement means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date certain authorized investments for a market value not less than the principal amount of funds disbursed.

(f) SEC means the United States Securities and Exchange Commission.

III.C.2.3. Purpose and Strategy
The Act requires the College to adopt a written investment policy regarding investment of its funds and funds under its control, including a separate written investment strategy for each of the funds or group of funds under its control. At least annually, the Board reviews this investment policy and investment strategies and adopts a written instrument stating that this review has taken place and listing any changes to the investment policy or strategies. This investment policy addresses the methods and practices the College uses to ensure prudent fund management.
The College’s overall investment strategy is to properly safeguard College financial assets, provide sufficient liquidity and diversification, and produce a reasonable rate of return while enabling the College to react to changes in economic and market conditions. All investments this policy authorizes are suitable.

The longer an investment’s maturity, the greater its price volatility. Therefore, the College primarily invests in short- and intermediate-term investments to limit risk caused by interest rate changes. The College attempts to match its investments with its anticipated cash flow requirements. Cash flow requirements generally divide the portfolio into four major parts: liquidity needs, short-term needs, intermediate-term needs, and longer term, core investment. The College does not purchase investments maturing more than three years from the purchase date.

The College’s investment portfolio is designed to obtain a reasonable return throughout budgetary and economic cycles commensurate with investment risk constraints and cash flow needs. “Weighted Average Yield to Maturity” is used to calculate the portfolio’s rate of return.

The College commingles its operating, reserve, trust, and agency funds into one investment portfolio for investment efficiency, accurate distribution of earnings, and maximum investment opportunity. Nevertheless, the College recognizes each fund’s unique characteristics and needs and manages its portfolio accordingly. The maximum dollar weighted average maturity of the entire commingled portfolio reflecting cash flow needs will be no greater than one year, and the corresponding benchmark for the commingled portfolio will be the comparable one-year U.S. Treasury security.

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

III.C.2.4. College Fund Investment Strategies

(a) General Fund includes all College operating funds including, but not limited to, the general fund, payroll fund, technology fund, student activity fee fund, repair and replacement fund, and the auxiliary fund. This fund’s primary investment objectives are (1) to preserve and safeguard principal; and (2) to match anticipated cash flows with adequate investment liquidity. These objectives are accomplished by purchasing high credit quality, short- to intermediate-term investments matching cash flow requirements. Funds not needed for short-term cash flow requirements are invested in diversified instruments with diversified maturities readily marketable in the secondary market or, if certificates of deposit, redeemable with or without penalty. Yield may be enhanced by using maturity extensions available within the confines of accurate cash flow projections and market cycle timing. This fund’s maximum weighted average maturity is one year, and the maximum stated maturity for any one investment is three years.
(b) **Restricted Fund** includes local, state, and federal grant funds and funds from other sources restricted for instructional use. This fund’s primary investment objectives are (1) to preserve and safeguard principal; (2) to maintain liquidity sufficient to meet anticipated cash flow requirements; and (3) to optimize yield. These objectives are accomplished by purchasing high credit quality, short-term investments, diversified by instrument and maturity, and matching the investments’ maturity with anticipated liabilities. Funds not needed for short-term cash flow requirements are invested in diversified instruments with diversified maturities readily marketable in the secondary market or, if certificates of deposit, redeemable with or without penalty. A ladder of short-term investments with sufficient liquidity from cash equivalent investments may be used to maintain a maximum weighted average maturity of one year, and the maximum stated maturity for any one investment is two years or less.

(c) **Capital Projects Fund.** The Capital Projects Fund’s primary investment objectives are to (1) preserve and safeguard principal; (2) match cash flows from maturities and earnings of diversified investments to anticipated needs; and (3) obtain a reasonable market yield. Considering appropriate risk constraints, investment choices attempt to attain a return equal to or above the arbitrage yield to avoid negative arbitrage. These objectives are accomplished by purchasing high credit quality, short- and intermediate-term investments with maturities closely matching projected cash flow schedules. Funds not needed for short-term cash flow requirements are invested in diversified instruments with diversified maturities readily marketable in the secondary market or, if certificates of deposit, redeemable with or without penalty. An individual security’s maximum maturity will not exceed the shorter of the funds’ planned expenditure span or the maximum length—currently three years—allowed under this policy.

(d) **Debt Service Fund.** The Debt Service Fund’s primary investment objectives are to (1) preserve and safeguard capital; and (2) optimize yield to fund debt service payments in accordance with bond documents. Funds not required for immediate liquidity are invested in diversified instruments. Each successive debt service payment is fully funded before extensions are made. This fund’s maximum weighted average maturity is one year.

(e) **Trust and Agency Fund** includes local scholarship funds, club funds, and other funds for which the College acts as fiduciary and which have short average lives and high liquidity needs. This fund’s primary investment objectives are to ensure safety, liquidity, diversification, and yield. These objectives are accomplished by purchasing high credit quality, short-term investments and cash equivalents for liquidity. This fund’s maximum weighted maturity is six months, and the maximum stated maturity for any one investment is one year.

### III.C.2.5. Prudent Person Rule

When investing for the College, investment officers consider prevailing internal and market circumstances which persons of prudence, discretion, and intelligence would exercise when managing their own affairs—not for speculation, but for investment. Investment officers...
consider the probable safety of capital as well as probable income from an investment decision.

When determining if an investment officer exercised prudence in an investment decision, reviewers consider the investment of all funds rather than a single investment and whether the investment decision was consistent with this investment policy.

III.C.2.6. Credit Rating Downgrades
At least quarterly, investment officers obtain from a reliable source the current credit rating for each College investment for which the Act requires a minimum rating. Investment officers meet to discuss any investment which has been downgraded or placed on credit-watch to evaluate and take any necessary and prudent measures to assure the safety of College funds. As quickly as prudently possible, the College liquidates any investment that becomes unauthorized or loses its required credit rating.

III.C.2.7. Authority and Delegation
The Act authorizes the College to manage College investments and to delegate such management.

III.C.2.8. Investment Officers
The Board designates the College’s investment officers and delegates to them responsibility to manage the College’s investment program under the Chancellor’s supervision. The Board retains ultimate fiduciary responsibility for College investments.

Investment officers are responsible for all investment transactions, and they establish and maintain controls to regulate subordinates’ activities. No person may engage in an investment transaction for the College except as set forth in this policy and relevant Chancellor’s procedures. Investment officers acting in good faith under relevant policies and procedures are not personally liable for investment results.

Investment officers report to the Board quarterly on investment results and annually on counterparties. No later than the 180th day after the 1st day of each regular session of the Texas Legislature, investment officers prepare and deliver a report to the Board on the Act.

III.C.2.9. Investment Training
The College provides access to periodic investment training for trustees, investment officers, and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources in compliance with the Act.

Within six months after taking office or assuming duties, trustees and investment officers must acquire at least the minimum investment training required by the Texas Higher Education Coordinating Board. Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Act.
In addition, the College’s Chief Financial Officer’s staff directly involved with day-to-day investment operations will attend training about the Act not less than once each state fiscal biennium. Investment officers also complete at least the minimum required hours of training not less than once each state fiscal biennium. An independent source approved by the Board provides all such training. The following are Board-approved training providers:

1. American Institute of Certified Public Accountants
2. Arbitrage Compliance Group
3. Association of Governmental Accountants
4. City Managers’ Association
5. Council of Governments
6. Government Finance Officers’ Association
7. Government Finance Officers’ Association of Texas
8. Government Treasurers’ Organization of Texas
9. Texas Association of Community College Business Officers
10. Texas Higher Education Coordinating Board
11. Texas Municipal League
12. Texas Society of Certified Public Accountants
13. Texas State Board of Public Accountancy
14. The PFM Group
15. University of North Texas Center for Public Management

III.C.2.10. Ethics and Disclosure of Conflicts of Interest
Investment officers and other College employees involved in the investment process refrain from personal business activity that could (1) conflict with properly executing the investment program or (2) impair their ability to make impartial investment decisions. Investment officers disclose potential conflicts of interest annually and as conditions change. Investment officers file a disclosure statement with the Texas Ethics Commission and the Board if:

(a) The investment officer has a personal business relationship with a business organization offering to engage in an investment transaction with the College; or

(b) The investment officer is related within the second degree by affinity or consanguinity, as determined under Texas Government Code Chapter 573, to an individual seeking to transact investment business with the College.

III.C.2.11. Investment Providers
Investment officers obtain and maintain information on all financial institutions and brokers/dealers authorized to engage in investment transactions with the College, including the following information, as applicable:

(a) Audited annual financial statements;
(b) Proof of Financial Industry Regulatory Authority membership and CRD number;

(c) Proof of registration with the Texas State Securities Board; and

(d) Completed College questionnaire.

All investment providers (including but not limited to financial institutions, broker/dealers, investment pools, mutual funds, and investment advisors) must certify in writing that the entity’s authorized representative has received and thoroughly reviewed the College’s current investment policy and that the entity has reasonable procedures and controls to preclude transactions conducted with the College not authorized by its investment policy except to the extent that authorization depends on analyzing the College’s entire portfolio or requires interpretation of subjective investment standards. Whenever the Board adopts material changes to the College’s investment policy, investment providers must re-certify their adherence to this policy.


The Board annually adopts a list of qualified brokers/dealers authorized to engage in investment transactions with the College. The Board considers service, market involvement, and creditworthiness when selecting brokers/dealers to provide brokerage services. Selected firms may include primary dealers and regional dealers qualifying under the SEC’s uniform net capital rule.

Each year, investment officers review and evaluate firms authorized to enter into investment transactions with the College. Their review and evaluation may include the following criteria:

(a) Number of transactions competitively won/attempted;

(b) Prompt and accurate confirmation of transactions;

(c) Efficiency of transaction settlement;

(d) Accuracy of market information; and

(e) Account servicing.

After their review and evaluation, investment officers recommend to the Board a list of firms to authorize to enter into investment transactions with the College for the following year.

III.C.2.13. Authorized and Unauthorized Investments

The College may invest in any investment authorized by Texas Government Code Chapter 2256 or its successor statute.

The College may not invest in the following:
(a) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no interest.

(b) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and pays no interest.

(c) Collateralized mortgage obligations with a stated final maturity greater than 10 years.

(d) Collateralized mortgage obligations with an interest rate determined by an index that adjusts opposite to the changes in a market index.

III.C.2.14. Securities Held by Custodians
All securities owned by the College are held by independent third party custodians approved by the College. The delivery shall be made under normal and recognized practices in the securities and banking industries, including the book entry procedure of the Federal Reserve Bank.

III.C.2.15. Delivery versus Payment
Except for investment pool funds and mutual funds, the College settles all security transactions on a delivery versus payment basis.

III.C.2.16. Competition
College investment activities occur in a competitive environment. Competitive elements include, but are not limited to, analyzing strategies, reviewing investment alternatives, monitoring market conditions, requesting solicitations from multiple investment providers, adhering to applicable “bona fide solicitation” rules, and overall performance evaluations.

The College may compare and evaluate, but does not require formal bidding, before investing in financial institution deposits, money market mutual funds, or local government investment pools. Bids or offers may be solicited orally, in writing, or electronically for securities and certificates of deposit. The College maintains records of all prices and levels bid, offered, or accepted.

III.C.2.17. Diversification
The College recognizes investment risks from issuer defaults, market price changes, or complications leading to temporary illiquidity. The College manages market risks by diversifying its portfolio within the following general guidelines:

(a) Avoid over-concentration in investments from a specific issuer or business sector;

(b) Limit investments with higher credit risk (such as commercial paper);

(c) Invest in instruments with varying maturities to meet the College’s cash flow projections;
(d) Continuously invest part of the portfolio in readily available funds (such as local government investment pools, financial institution deposits, money market funds, or overnight repurchase agreements) to maintain sufficient liquidity for ongoing obligations.

(e) Adhere to the following maximum limits (at time of purchase) by instrument for the College’s total portfolio:

1. US Treasury Obligations ................................................................. 90%
2. US Agencies and Instrumentalities .............................................. 90%
3. Certificates of Deposit ................................................................. 90%
4. Repurchase Agreements (excluding bond proceeds) ............... 50%
5. Flexible Repurchase Agreements (bond proceeds) .............. 100%
6. Investment Pools ................................................................. 100%
7. Municipal Securities ............................................................... 30%
8. Commercial Paper ................................................................. 25%
9. Commercial Paper by issuer ................................................... 5%

III.C.2.18. Hedging Transactions
As permitted by state law, the College may enter into hedging transactions related to commodities the College uses in its general operations or related to certain capital projects or other eligible projects. All hedging transactions must fully comply with all relevant state and federal laws, including Texas Government Code Chapter 2256 or its successor statute, the regulations of the federal Commodity Futures Trading Commission, and SEC regulations. Amounts the College receives under hedging transactions may be credited against expenses associated with a commodity purchase, and amounts the College pays under hedging transactions may be considered a maintenance and operations expense, an acquisition expense, a construction expense, or a project cost.

III.C.2.19. Internal Controls
Internal controls provide reasonable assurance that College funds are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that a control’s cost should not significantly exceed the benefits likely to be derived therefrom and that valuing costs and benefits requires estimates and judgments by management.

Internal controls for cash management and investment address at least the following points:

(a) Complete documentation of all transactions;

(b) Collusion control;

(c) Accounting and recordkeeping separation;

(d) Custodial safekeeping;
(e) Clear delegation of authority to subordinate staff members;

(f) Written confirmation for all transactions;

(g) Timely reconciliation of transactions; and

(h) Assurance of “delivery versus payment” settlement and competitive bidding.

III.C.2.20. Compliance Audit
At least once every two years, an external auditor in cooperation with, but independent of, the Chief Financial Officer reviews the College’s investment practices for compliance with College policies and procedures. The Chief Financial Officer coordinates this independent review in cooperation with the College’s Internal Auditor. Not later than January 1 of each even-numbered year, the College reports the most recent audit’s results to the Texas State Auditor’s Office.

III.C.2.21. Quarterly Reporting
Each quarter, investment officers prepare, sign, and present to the Chancellor and to the Board an investment report for the most recent quarter summarizing investment strategies employed and detailing the portfolio’s investment and earnings.

Each quarterly investment report includes a summary statement of investment activity. Quarterly reports allow the reader to ascertain whether investment activities during the reporting period adhered to the College’s investment policy. Each report includes at least the following:

(a) A detailed listing of individual investments by maturity date at the reporting period’s end;

(b) A portfolio summary by market sectors and maturities;

(c) The beginning and ending book and market values of each security and position by asset type and fund type invested;

(d) Unrealized market gains or losses at the reporting period’s end;

(e) The account, fund, or pooled group fund for which each individual investment was acquired;

(f) The portfolio’s average weighted yield to maturity as compared to its benchmark;

(g) Net accrued investment earnings for the reporting period;

(h) Diversification by market sectors; and
(i) A statement of compliance with the Act and the College’s investment policy and strategy as approved by the Board.

**III.C.2.22. Market Values in Quarterly Reports**
Market values used in quarterly reports are obtained from reputable and independent sources, which may include financial/investment publications and electronic media, investment tracking software, depository banks, commercial or investment banks, financial advisors, and representatives or advisors of investment pools or money market funds.

**III.C.2.23. Annual Reporting**
As required by the Texas State Auditor’s Office in accordance with the 82nd Texas Legislature’s General Appropriations Act, Article III, Rider 5–Investment Reports, the College files with the State Auditor, Comptroller of Public Accounts, Legislative Budget Board, and the Governor an annual report of all investment transactions involving endowment funds, short-term and long-term investment funds, and all other securities transactions, in a method prescribed by the State Auditor’s Office. The public may inspect copies of these reports, and the annual investment report is posted on the College’s website by December 31 of each year.
Request: Consideration of Approval of the 2018-2019 Credit Tuition and Fee Schedule

Chancellor’s Recommendation: That the Board of Trustees approve the adoption of the tuition and fee schedule changes for Fall 2018. The recommended tuition rates and assessed fees include the following changes from the Spring 2018 tuition and fee schedule:

- An increase in the out-of-district fee from $85 to $95 per credit hour.
- An increase in the out-of-state/international fee from $100 to $130 per credit hour.
- An increase in the discipline-based differential fee; the attached chart details the amount per discipline to be added to the base tuition rate.

The Board is requested to take action at this time so that the new rates are effective when students begin registering for Fall 2018 classes in April.

Rationale: Out-of-LSC fees: estimated impact of $3.2 million increase:
Community colleges operate under the principle of shared responsibility for the cost of educating students with a proportion of the cost shared by the State of Texas, local taxpayers, and students. The college receives 21% of its funding from state appropriations, 40% from local property taxes, 34% from student tuition and fees, and 5% from auxiliary operations.

In the 2016-17 academic year, the college enrolled approximately 13,000 out-of-district and out-of-state/international students. Out-of-district students do not pay local property taxes to the system. Out-of-state and international students generate no contact hour reimbursement funding from the state. Therefore, these out of district students are charged an out-of-district fee to help mitigate the subsidy local property taxpayers provide for them. Out of state/international students are charged an out-of-state/international fee to account for the lack of state funding.

Based on 2016-2017 enrollment data and audited revenues, in-district students pay a combined $190 per credit hour in tuition, fees and property taxes and generate $61 in contact hour funding. Out-of-district students pay $153 and generate $61 in contact hour funding and out-of-state/international students pay $168 per credit hour and generate no contact hour funding, resulting in a $37 and $83 gap, respectively, between in-district students and other students.
The last time out-of-LSC fees were increased was in November 2017 for Spring 2018 classes. The current increase is necessary to ensure that out-of-district, state and international students are effectively covering the costs of instruction given we do not collect taxes and, in the case of out-of-state/international students, state funding for them.

Differential fee: estimated impact of $1.9 million increase:
The differential fee is intended to offset the costs incurred for each discipline that are above the tuition rate. The differential fee was originally implemented in academic year 2011-2012. Costs per discipline are periodically reviewed and changes in the differential fee are recommended as needed.

In the past, the fee addition for each year has been limited to either $2 or $4. It is recommended that the fee changes for 2018-2019 be limited to $2 per credit hour. See attached chart for the itemization by discipline.

Fiscal Impact: It is estimated that the proposed changes will generate approximately $5.1 million in additional student revenues for fiscal year 2018-2019.

Staff Resource: Steve Head 832-813-6515
                Jennifer Mott 832-813-6512
<table>
<thead>
<tr>
<th>DISCIPLINE</th>
<th>CURRENT</th>
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<th>2018-19 TOTAL FEE</th>
<th>TOTAL COST OF 12 CR HRS</th>
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Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute Contract on Behalf of Lone Star College “(College”) with Goodman Manufacturing Company, Limited Partners (“Goodman”) to Provide Training Under Texas Workforce Commission Skills Development Fund Grant Providing Training for Employees of Goodman and QuietFlex Manufacturing Company, Limited Partners (“Quietflex”)

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 Goodman, 19001 Kermier Road, Waller, Texas 77484, for the Texas Workforce Commission Skills Development Fund Grant Training for Goodman and QuietFlex in a sum not exceeding $250,000. The term of the agreement will be from the execution date through January 31, 2019.

Rationale: The Texas Workforce Commission, with grant funds for Lone Star College in partnership with a Manufacturing Consortium, Contract Number 2818SDF004, will provide the tuition cost for employees participating in preapproved training opportunities, which are included in the Texas Workforce Commission Skills Development Grant. Contract funds will be allocated by Texas Workforce Commission. Training will be provided by Goodman and QuietFlex employees.

Fiscal Impact: Direct costs are approximately $250,000 for the Manufacturing Consortium Skills Development Fund Grant Contract 2818SDF004. The funds will be included in the FY 2018 and proposed FY 2019 operating budgets for LSC-Corporate College and will be reimbursed by Texas Workforce Commission per student per course.

Resource: Mario K. Castillo 832-813-6655
Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute a Guaranteed Maximum Price ("GMP") Contract with the Lone Star College-North Harris ("LSC-North Harris") Construction Manager-at-Risk ("CMAR") Firm for Construction Services of the Lone Star College-East Aldine Satellite Center ("LSC-East Aldine Satellite Center") in Combination with Aldine Independent School District ("AISD") Escrowed Funds

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to negotiate and execute a GMP contract with Bartlett Cocke General Contractors, East Texas Region, 7904 North Sam Houston Parkway W#100, Houston, Texas 77064, for construction services related to the LSC-East Aldine Satellite Center, a phase one project under the 2014 General Obligation Bond Construction Program in combination with AISD in a sum not exceeding $22,039,145 for LSC-East Aldine Satellite Center and a sum not exceeding $14,316,253 under the AISD escrowed funds, for a total sum not exceeding $36,355,398.

Rationale: As a result of the November 4, 2014 bond election, Lone Star College (the “College”) is authorized to issue up to $485M in general obligation bonds for the purchase of land, new construction, repair and replacement, and renovation of facilities. CMAR construction management services are required for Phase II construction projects related to the approved bond referendum. The CMAR services will include, but not be limited to, project management, constructability reviews, cost estimating, scheduling, subcontracting, quality and safety control, and project closeout.

At the September 4, 2014 meeting, the Board of Trustees approved Bartlett Cocke General Contractors to provide CMAR services for the construction of the LSC-East Aldine Satellite Center through a formal Request for Qualifications process in compliance with Texas Government Code §2267.251 and conditioned on finalization of funding. Subsequently, at the March 3, 2016 meeting, the Board of Trustees approved using General Obligation Bonds, Series 2015, to fund the LSC-East Aldine Satellite Center.

At the September 1, 2016 meeting, the Board of Trustees approved the execution of an interlocal agreement between the College and AISD to expand the LSC-East Aldine Satellite Center by constructing a separated controlled access wing for the AISD MacArthur Early College Facility.

Fiscal Impact: $22,039,145 for these purchases are available from the General Obligation Bonds, Series, 2017A. The balance of $14,316,253 for these purchases
are available from the AISD funds placed in escrow account with the College, as prescribed by the interlocal agreement. These escrowed funds will be used to pay for costs related to the facility upon approval by AISD.

**Staff Resource:**

Gerald Napoles
Jennifer Mott

281-618-5444
832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Increase the total Not-to-Exceed Amount of the Previously Awarded Master Services Agreements (“MSA”) to Purchase Additional Facility-Related Minor Projects, Maintenance, Repairs and Inspection Services

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to increase the total not-to-exceed amount of the previously awarded MSAs to purchase additional facility-related minor projects, maintenance, repairs and inspection services in a sum not exceeding $9,000,000 for a revised total sum not exceeding $19,000,000 over a five-year period.

Rationale: On April 7, 2016, the Board of Trustees approved additional master services agreements with a pool of vendors providing fire protection, finishing and painting, restoration and remediation, and flooring services for facility related minor projects, maintenance, repairs, and inspection services for the College in a sum not exceeding $10,000,000 over a five-year period. Vendors were awarded as a result of a formal Competitive Sealed Proposal process in compliance with Texas Government Code 2269.401.

This increase in the total not-to-exceed sum for these MSAs would cover costs of future maintenance and facility related repair projects and costs of continued mitigation and remediation services for LSC-Kingwood Hurricane Harvey recovery efforts.

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

Staff Resource: Jennifer Mott 832-813-6512
Request: Consideration of Approval to Authorize the Chancellor or Designee to Purchase Additional Emergency Mitigation, Remediation, and Restoration Services for Lone Star College-Kingwood (“LSC-Kingwood”)

Chancellor’s Recommendation: That the Board of Trustees authorize the Chancellor or designee to purchase additional emergency mitigation, remediation, and restoration services for LSC-Kingwood from Blackmon Mooring, 10511 Kipp Way #400, Houston, Texas 77099 in a sum of $1,394,595 for a revised total sum not exceeding $10,292,208.

Rationale: On April 7, 2016, the Board of Trustees approved additional master service agreements with a pool of vendors providing fire protection, finishing and painting, restoration and remediation, and flooring services for facility related minor projects, maintenance, repairs, and inspection services for the College for a sum not exceeding $10,000,000 for a five-year period through a formal Competitive Sealed Proposal process in compliance with Texas Government Code 2269.401. Blackmon Mooring is an approved master service agreement vendor.

At the November 2, 2017 meeting, the Board of Trustees ratified the purchase of emergency mitigation, remediation, and restoration services at LSC-Kingwood from Blackmon Mooring for a sum not exceeding $5,813,697.

At the December 7, 2017 meeting, the Board of Trustees approved the purchase of additional emergency mitigation, remediation, and restoration services for $3,083,916 for a revised sum not exceeding $8,897,613.

The time and materials cost originally projected in early September 2017 were compiled based on visual walk through. As work progressed, additional scope was determined, including work in the maintenance and storage buildings, remediation of sheetrock behind interior brick walls, and extended time for the rental of dehumidification equipment through mid-November.

Fiscal Impact: Up to $10,292,208 for these purchases are available from Fund 35. Subsequent reimbursement of Fund 35 will occur from insurance proceeds, FEMA Public assistance proceeds, bond funds as deemed appropriate, and operation fund cash reserves, in this order.

Staff Resource: Jennifer Mott 832-813-6512
Request: Consideration of Ratification of the Emergency Purchase of Internet Services for Lone Star College-Kingwood (“LSC-Kingwood”) Dental Hygiene Annex

Chancellor’s Recommendation: That the Board of Trustees ratify the emergency purchase of internet services for LSC-Kingwood with PS Lightwave, Inc., 5959 Corporate Drive, Suite 3300, Houston, Texas 77036 in a sum not exceeding $24,300 for a total revised sum not exceeding $966,936.

Rationale: As a result of Hurricane Harvey, six of the nine buildings located at the LSC-Kingwood campus were flooded. Internet services are necessary for the LSC-Kingwood Dental Hygiene Annex.

At the March 7, 2013 meeting, the Board of Trustees approved the purchase of internet services for the College from Phonoscope Light Wave, Inc. and TW Telecom Holdings, Inc. for an estimated sum not exceeding $650,000 through a formal Request for Proposals process in compliance with Texas Education Code Section 44.031(a).

At the July 10, 2017 meeting, the Board of Trustees approved the ratification to purchase internet services and to purchase additional internet services for the College with PS Lightwave, Inc. and Level 3 Financing, Inc. for a total revised sum not exceeding $942,636 over the five-year period.

This purchase was deemed an emergency and approved by the Chancellor and Chief Financial Officer/Executive Vice Chancellor as an emergency purchase under Board Policy Section III D.2.6. (c) and requires Board ratification.

Fiscal Impact: Up to $24,300 for these purchases are available from Fund 35. Subsequent reimbursement of Fund 35 will occur from insurance proceeds, FEMA Public Assistance proceeds, bond funds as deemed appropriate, and operation fund cash reserves, in this order.

Staff Resource: Link Alander 832-813-6832
Jennifer Mott 832-813-6512
Request: Consideration of Approval of an Amendment for Design Services for Lone Star College-Kingwood (“LSC-Kingwood”) in response to flooding to campus by Hurricane Harvey

Chancellor’s Recommendation: That the Board of Trustees approve an amendment for design services at LSC-Kingwood from Autoarch Architects, 6200 Savoy, Houston, TX 77036 for a sum not exceeding $1,065,700 for building damage assessments, design of temporary space, and design of build back in the six affected buildings.

Rationale: These services are required to complete FEMA assessments, construction administrative services for the temporary location of the Dental Hygiene program, and design of the build back for buildings on the LSC-Kingwood campus. This purchase was deemed an emergency because the lead time to complete a qualification process would be 6 to 8 weeks which would delay the campus occupying classroom space as well as submitting assessments to FEMA within the required 60 day window. As the construction costs for the build-back have not been determined at this time, an estimated build-back costs in the amount of $10,000,000 is utilized to establish the requested design fee. The $1,065,700 consists of $250,000 for assessments and temporary space build-out design, and 8% of an estimated build back construction amount of NTE $10,000,000 or $800,000 design fee. Autoarch Architects was initially selected through a formal Request for Qualification to provide architectural services for LSC-Kingwood Phase II construction projects.

The table below summarizes all transactions approved by the Board of Trustees to date for this firm:

<table>
<thead>
<tr>
<th>Autoarch Architects, LLC</th>
<th>Board Approval</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original</td>
<td>12/7/17</td>
<td>Contract for design services for lease space buildout</td>
<td>$126,200</td>
</tr>
<tr>
<td>Approved Administrative Approval</td>
<td>2/2/18</td>
<td>Amendment for design services for lease buildout</td>
<td>$84,000</td>
</tr>
</tbody>
</table>
Proposed Amendment | 03/1/18 | Amendment for design services required to prepare assessments for FEMA and design of build back at main campus, six buildings and temporary space | $855,500

| Total | | | $1,065,700 |

Emergency Purchase authority was utilized to initiate preparation of assessments as required for FEMA worksheet preparation, complete construction administration of lease buildout space and to begin design for construction build back for buildings that were flooded.

**Fiscal Impact:** The amount of $1,065,700 for these purchases are available from Fund 35. Subsequent reimbursement of Fund 35 will occur from insurance proceeds, FEMA Public Assistance proceeds, bond funds as deemed appropriate, and operating fund cash reserves, in this order.

**Staff Resource:** Jennifer Mott 832-813-6512
Financial Report and Consideration No. 8  (ACTION ITEM 9)  Board Meeting 3-1-18

Request: Consideration of Approval to Authorize the Chancellor or Designee to Negotiate and Execute an Amendment on Behalf of Lone Star College (the “College”) for Additional Disaster Recovery Consultant Services

Chancellor’s Recommendation: That the Board of Trustees approve and authorize a contract amendment on behalf of the College to purchase additional disaster recovery consultant services with GP Strategies, 11000 Broken Land Parkway, Suite 200, Columbia, MD 21044 in a sum not exceeding $260,000 for a revised contract sum not exceeding $728,000 for a contract period not exceeding one year.

Rationale: At the December 7, 2017 meeting, the Board of Trustees approved to ratify the contract with GPS Strategies to provide disaster recovery consultant services on behalf of the College for a sum not exceeding $468,000. This purchase was made in compliance with the Texas Education Code §44.031 (a) (4) which allows for the use of inter-local contracts.

Additional services are required to complete the maximizing and expediting of the reimbursement from FEMA Public Assistance grants and property insurance claims, and to assist with all necessary FEMA forms and publications needed to apply for assistance.

Fiscal Impact: Up to $260,000 for these purchases are available from Fund 35. Subsequent reimbursement of Fund 35 will occur from insurance proceeds, FEMA Public Assistance proceeds, bond funds as deemed appropriate, and operation fund cash reserves, in this order

Staff Resource: Jennifer Mott 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 Construction Manager-At-Risk (“CMAR”) Construction Management Services Related to the Kingwood Campus Reconstruction for Lone Star College-Kingwood (“LSC-Kingwood”)

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 the first ranked firm, Anslow Bryant Construction, LTD, 6301 South Stadium Lane, Katy, Texas 77494 for CMAR services in a sum not exceeding $437,750. If negotiations cease for any reason with the 1st ranked firm, the College will proceed to negotiate with the 2nd ranked firm with a score of not less than 70 until a contract is executed. The term of the contract shall be for the duration of the project awarded.

Rationale: As a result of the recent floods that devastated the Houston area and surrounding cities, six of the nine buildings located at the LSC-Kingwood campus were flooded.

In compliance with the provisions of Texas Government Code 2269.251, a Request for Qualifications (“RFQ”) #551 was publicly advertised and three responses were received. The evaluation of qualifications was conducted using a two-step process. For step one, the evaluation of qualifications was conducted based on the firm’s qualifications, experience and reputation, relevant higher education project experience, client references, methodology and project schedule timeline, experience of proposed lead personnel, quality control and safety programs, extent to which certified historically underutilized businesses (“HUB”), minority and/or veteran or women-owned businesses are utilized and the completeness and thoroughness of the response.

For step two, onsite presentations were made by the three responding firms. The three firms were evaluated based upon the firm’s qualifications, experience and reputation, relevant higher education project experience, client references, methodology and project schedule timeline, experience of proposed lead personnel, extent to which certified historically underutilized businesses (“HUB”), minority and/or veteran or women-owned businesses are utilized, with the addition of pricing for contractor, general conditions and bonding fees.

Fiscal Impact: Funds for these purchases are available from Fund 35. Subsequent reimbursement of Fund 35 will occur from insurance proceeds, FEMA
Public assistance proceeds, bond funds as deemed appropriate, and operation fund cash reserves, in this order.

**Staff Resource:** Jennifer Mott 832-813-6512
Request: Consideration and Authorization for the Chancellor or Designee to Execute Proposed Employment Contract 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 Individuals.

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 2017-2018.

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>Cammack, Monica</td>
<td>Reference Librarian/Assistant Professor</td>
<td>$39,619</td>
<td>1-8-18</td>
</tr>
<tr>
<td>Ferguson, Worth</td>
<td>Director, Quality Assurance</td>
<td>$63,976</td>
<td>1-8-18</td>
</tr>
<tr>
<td>Gonzalez, Kristin</td>
<td>Assistant Professor, Psychology</td>
<td>$34,558</td>
<td>1-8-18</td>
</tr>
<tr>
<td>Hastings-Smith, Pilar</td>
<td>Assistant General Counsel</td>
<td>$84,502</td>
<td>12-15-17</td>
</tr>
<tr>
<td>Heller, Jennifer</td>
<td>Faculty, Accounting</td>
<td>$34,558</td>
<td>1-8-18</td>
</tr>
<tr>
<td>Sawyer, Nerissa</td>
<td>Assistant Professor, Nursing</td>
<td>$26,062</td>
<td>1-8-18</td>
</tr>
<tr>
<td>Schulken, Roger</td>
<td>Assistant Professor, Chemistry</td>
<td>$32,566</td>
<td>1-8-18</td>
</tr>
<tr>
<td>Swaminathan, Poornima</td>
<td>Associate Vice Chancellor, Marketing and Communications</td>
<td>$130,000</td>
<td>1-1-18</td>
</tr>
<tr>
<td>Taheri, Semira</td>
<td>Faculty, English</td>
<td>$34,558</td>
<td>1-8-18</td>
</tr>
</tbody>
</table>
Financial Report and Consideration No. 1

Report: Monthly Financial Statements

The financial statements for the month ended January 31, 2018 are presented for Board review.
ACTUAL REVENUES AS A % OF BUDGET
9/1 THROUGH 1/31

- 2013-14: 70.1%
- 2014-15: 67.2%
- 2015-16: 67.6%
- 2016-17: 71.3%
- 2017-18: 68.4%
ACTUAL EXPENDITURES AS A % OF BUDGET
9/1 THROUGH 1/31

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Exp %</td>
<td>36.2%</td>
<td>37.7%</td>
<td>38.2%</td>
<td>38.9%</td>
<td>36.1%</td>
</tr>
</tbody>
</table>
## Statement of Revenues and Expenditures

### General and Auxiliary Funds

**YTD January 31, 2018**

Unaudited

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Forecasted Variance</th>
<th>Fiscal YTD Actual</th>
<th>% Actual to Budget</th>
<th>Prior Year Actual Fiscal YTD 1/31/2017</th>
<th>Prior Year % Actual to Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Appropriations</td>
<td>$77,952,734</td>
<td>$30,950</td>
<td>$33,533,950</td>
<td>43.0%</td>
<td>$31,806,498</td>
<td>43.0%</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>126,435,957</td>
<td>(11,683,213)</td>
<td>99,415,549</td>
<td>78.6%</td>
<td>96,617,347</td>
<td>80.9%</td>
</tr>
<tr>
<td>Taxes</td>
<td>152,113,433</td>
<td>(655,099)</td>
<td>115,442,365</td>
<td>75.9%</td>
<td>111,508,627</td>
<td>82.8%</td>
</tr>
<tr>
<td>Investments</td>
<td>651,988</td>
<td>509,286</td>
<td>398,028</td>
<td>61.0%</td>
<td>176,647</td>
<td>48.4%</td>
</tr>
<tr>
<td>Other</td>
<td>5,208,959</td>
<td>40,321</td>
<td>1,999,226</td>
<td>38.4%</td>
<td>1,549,728</td>
<td>26.0%</td>
</tr>
<tr>
<td><strong>Total Current Operations Revenues</strong></td>
<td>$362,363,091</td>
<td>(11,757,755)</td>
<td>250,789,118</td>
<td>69.2%</td>
<td>241,658,847</td>
<td>72.3%</td>
</tr>
<tr>
<td><strong>Auxiliary Revenues</strong></td>
<td>11,370,000</td>
<td>(450,812)</td>
<td>4,803,115</td>
<td>42.2%</td>
<td>6,100,139</td>
<td>45.9%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$373,733,091</td>
<td>(12,208,567)</td>
<td>255,592,233</td>
<td>68.4%</td>
<td>247,758,986</td>
<td>71.3%</td>
</tr>
</tbody>
</table>

| **EXPENDITURES:** |              |                     |                   |                    |                                         |                               |
| Instruction-Academic | 92,616,097 | (1,894,621)        | 34,388,322        | 37.1%              | 34,825,272                             | 40.7%                         |
| Instruction-Workforce | 30,230,201 | (310,571)          | 12,738,045        | 37.1%              | 13,254,411                             | 40.7%                         |
| Public Service       | 492,506      | (5,060)            | 181,628           | 36.9%              | 267,085                                | 39.3%                         |
| Academic Support     | 55,212,066   | (1,399,348)        | 19,678,130        | 35.6%              | 19,574,506                             | 36.7%                         |
| Student Services     | 47,880,021   | (491,896)          | 16,260,232        | 34.0%              | 16,023,192                             | 34.8%                         |
| Institutional Support| 41,485,995   | (426,207)          | 13,085,225        | 31.5%              | 13,945,227                             | 39.1%                         |
| Plant Operation and Maintenance | 38,455,440 | (395,073) | 13,121,122 | 34.1% | 13,567,371 | 39.1% |
| Staff Benefits       | 34,539,054   | -                   | 12,407,635        | 35.9%              | 12,664,224                             | 39.0%                         |
| **Total Educational and General Expenditures** | $340,911,380 | (4,922,776) | 121,860,339 | 35.7% | 124,121,288 | 39.1% |
| Prior Year Repair, Replacement and Other |              |                     |                   |                    |                                         |                               |
| Internally Designated | -           | -                   | -                 | 0.0%               | 572,600                                | 10.3%                         |
| **Auxiliary**       | 11,370,000   | -                   | 5,158,367         | 45.4%              | 5,826,060                              | 46.4%                         |
| **Total Expenditures** | $352,281,380 | (4,922,776) | 127,018,706 | 36.1% | 130,519,948 | 38.9% |
| **Reserves**        | 0            |                     |                   |                    |                                         |                               |
| **Other Changes - Debt Service Transfers** | 8,500,000 | -                   | 2,214,813         |                    | 2,149,481                              |                               |
| **Other Changes - R&R Transfers** | 5,470,000 | -                   | 5,469,080         |                    |                                          |                               |
| **Total Expenditures & Transfers** | $366,251,380 | (4,922,776) | 134,702,599 | 38.9% | 132,669,429 | 38.9% |

| **NET INCREASE IN FUND BALANCES** |              |                     |                   |                    |                                         |                               |
| General Funds        | 7,481,711    | (6,834,979)         | 121,244,886       | 114,815,478       |                                         |                               |
| Auxiliary Funds      | -            | (450,812)           | (355,252)         | 274,079           |                                         |                               |
| **TOTAL NET INCREASE IN FUND BALANCES** | $7,481,711 | (7,285,791) | 120,889,634 | $115,089,557 | $115,089,557                         | $115,089,557 |

| **LONG TERM CASH RESERVES:** |              |                     |                   |                    |                                         |                               |
| Revised Forecasted Net Increase in Fund Balance |              |                     |                   |                    |                                         |                               |
| FY 2018 "One-Time" Cash Transactions | - |                     |                   |                    |                                         |                               |
| Elimination of Non Cash Transactions | 1,927,583 | -                   | -                 |                    |                                         |                               |
| Beginning Cash Reserves, 9/1/2017 | 52,058,576 | -                   | -                 |                    |                                         |                               |
| Forecasted Cash Reserves, 8/31/2018 | 54,162,079 | -                   | -                 |                    |                                         |                               |
| **LONG TERM CASH RESERVES AS A % OF BUDGETED EXPENDITURES** | 15.4% |                     |                   |                    |                                         | |
### LONE STAR COLLEGE

**Balance Sheet**  
January 31, 2018  
*Unaudited*

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>General &amp; Auxiliary</th>
<th>Restricted</th>
<th>GASB Reporting Totals</th>
<th>Memorandum Totals</th>
<th>Memorandum Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, cash equivalents &amp; investments</td>
<td>$181,434,470</td>
<td>$194,159,870</td>
<td>$375,594,340</td>
<td>$236,427,896</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>63,338,838</td>
<td>72,021,772</td>
<td>139,187,890</td>
<td>147,919,268</td>
<td></td>
</tr>
<tr>
<td>Prepaid and deferred expenses</td>
<td>1,352,795</td>
<td>-</td>
<td>-</td>
<td>1,352,795</td>
<td>15,727,513</td>
</tr>
<tr>
<td>Inventories, at cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>-</td>
<td>-</td>
<td>841,234,663</td>
<td>841,234,663</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>246,126,103</td>
<td>266,181,642</td>
<td>845,061,943</td>
<td>1,357,369,688</td>
<td>1,201,339,941</td>
</tr>
</tbody>
</table>

| Deferred Outflows           | -                  | -          | 18,373,377 | 18,373,377 |
| **TOTAL ASSETS AND DEFERRED OUTFLOWS** | $246,126,103 | $266,181,642 | $863,435,320 | $1,375,743,065 | $1,222,440,518 |

**LIABILITIES AND FUND BALANCES**

<table>
<thead>
<tr>
<th>LIABILITIES:</th>
<th>General &amp; Auxiliary</th>
<th>Restricted</th>
<th>GASB Reporting Totals</th>
<th>Memorandum Totals</th>
<th>Memorandum Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable &amp; Accrued Absences Payable</td>
<td>$30,502,032</td>
<td>$12,360,070</td>
<td>$42,862,102</td>
<td>$41,514,935</td>
<td></td>
</tr>
<tr>
<td>Deferred revenues</td>
<td>36,502,296</td>
<td>15,075,670</td>
<td>-</td>
<td>51,577,966</td>
<td>50,281,587</td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>-</td>
<td>807,279,572</td>
<td>-</td>
<td>13,075,165</td>
<td>679,424,129</td>
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<tr>
<td>Bonds payable</td>
<td>-</td>
<td>62,494,141</td>
<td>-</td>
<td>51,162,604</td>
<td>51,162,604</td>
</tr>
<tr>
<td>Net Pension Liability</td>
<td>-</td>
<td>8,776,279</td>
<td>-</td>
<td>8,776,279</td>
<td>8,122,248</td>
</tr>
<tr>
<td>Assets held in custody for others</td>
<td>-</td>
<td>16,399,513</td>
<td>-</td>
<td>16,399,513</td>
<td>16,213,586</td>
</tr>
<tr>
<td>L/T Due to Other Local Government</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>67,004,328</td>
<td>68,070,858</td>
<td>869,773,713</td>
<td>1,004,848,899</td>
<td>859,794,254</td>
</tr>
</tbody>
</table>

| Deferred Inflows           | -                  | 745,739    | 10,662,554 | 11,408,293 |
| **TOTAL LIABILITIES AND DEFERRED INFLOWS** | 67,004,328 | 68,816,597 | 880,436,267 | 1,016,257,192 | 883,231,195 |

| **TOTAL FUND BALANCES**    | 179,121,775        | 197,365,045 | (17,000,947) | 359,485,873 | 339,209,323   |

| **TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES** | $246,126,103 | $266,181,642 | $863,435,320 | $1,375,743,065 | $1,222,440,518 |

*Includes GASB (Governmental Accounting Standards Board) reporting entries related to Capital Assets, Long-Term Debt, and Pensions*
## LONE STAR COLLEGE

Statement of Revenues and Expenditures
Fund 35 Harvey Recovery
PROFORMA from inception to 01.31.18
Unaudited

<table>
<thead>
<tr>
<th></th>
<th>System Office</th>
<th>North Harris</th>
<th>Kingwood</th>
<th>Tomball</th>
<th>Montgomery</th>
<th>CyFair</th>
<th>University Park</th>
<th>UP SO</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>ACTUAL</td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$ 9,289,063</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,289,063</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$ 9,289,063</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,289,063</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>$ 38</td>
<td>-</td>
<td>2,542,732</td>
<td>-</td>
<td>2,566</td>
<td>2,001</td>
<td>24,669</td>
<td>-</td>
<td>2,574,106</td>
</tr>
<tr>
<td>Contracts</td>
<td>157,730</td>
<td>-</td>
<td>4,270,081</td>
<td>-</td>
<td>-1,492</td>
<td>37,568</td>
<td>6,305</td>
<td>-</td>
<td>4,520,895</td>
</tr>
<tr>
<td>Equipment</td>
<td>220,135</td>
<td>-</td>
<td>164,474</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>384,609</td>
</tr>
<tr>
<td>Insurance Deductible/Attorney</td>
<td>1,500,052</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,500,052</td>
</tr>
<tr>
<td>Personnel</td>
<td>108,753</td>
<td>8,259</td>
<td>167</td>
<td>9,836</td>
<td>12,336</td>
<td>8,127</td>
<td>115,024</td>
<td>193,954</td>
<td></td>
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<tr>
<td>Supplies</td>
<td>19,182</td>
<td>222</td>
<td>86,267</td>
<td>2,286</td>
<td>1,172</td>
<td>5,878</td>
<td>-</td>
<td>-</td>
<td>115,024</td>
</tr>
<tr>
<td>Travel</td>
<td>203</td>
<td>-</td>
<td>220</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>423</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$ 2,006,093</td>
<td>8,481</td>
<td>7,063,941</td>
<td>12,122</td>
<td>65,285</td>
<td>67,661</td>
<td>39,101</td>
<td>26,379</td>
<td>9,289,063</td>
</tr>
<tr>
<td><strong>FUND BALANCE - Increase (Decrease)</strong></td>
<td>$ 7,282,970</td>
<td>(8,481)</td>
<td>(7,063,941)</td>
<td>(12,122)</td>
<td>(65,285)</td>
<td>(67,661)</td>
<td>(39,101)</td>
<td>(26,379)</td>
<td>-</td>
</tr>
<tr>
<td>Encumbrances</td>
<td>481,671</td>
<td>-</td>
<td>3,374,133</td>
<td>-</td>
<td>15,000</td>
<td>12,009</td>
<td>1,217,439</td>
<td>9,722</td>
<td>5,109,974</td>
</tr>
<tr>
<td><strong>ADJUSTED FUND BALANCE</strong></td>
<td>$ 6,801,299</td>
<td>(8,481)</td>
<td>(10,438,074)</td>
<td>(12,122)</td>
<td>(80,285)</td>
<td>(79,670)</td>
<td>(1,256,540)</td>
<td>(36,101)</td>
<td>(5,109,974)</td>
</tr>
</tbody>
</table>
# LONE STAR COLLEGE

**Balance Sheet**  
**Fund 35 Harvey Recovery**  
**As of 1.31.18**  
*Unaudited*

<table>
<thead>
<tr>
<th>Asset</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$1,234,112</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid and deferred expenses</td>
<td>(254,837)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>979,275</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liability</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$188,787</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>790,488</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>979,275</strong></td>
</tr>
</tbody>
</table>

**Total Fund Balance**  
- **0**

**Total Liabilities and Fund Balance**  
$979,275
# LONE STAR COLLEGE
## SUMMARY OF OPERATING FUNDS
### AS OF JANUARY 31, 2018

<table>
<thead>
<tr>
<th>OPERATING FUNDS 01/31/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING CASH</strong></td>
</tr>
<tr>
<td><strong>POOLS</strong></td>
</tr>
<tr>
<td>$ 104,396,985</td>
</tr>
<tr>
<td><strong>MONEY MARKET ACCOUNTS</strong></td>
</tr>
<tr>
<td>1,811,628</td>
</tr>
<tr>
<td><strong>Operating Cash - Subtotal</strong></td>
</tr>
<tr>
<td>$ 106,208,613</td>
</tr>
<tr>
<td><strong>CASH RESERVES</strong></td>
</tr>
<tr>
<td><strong>US GOVT. AGENCIES</strong></td>
</tr>
<tr>
<td>$ 19,600,000</td>
</tr>
<tr>
<td><strong>US TREASURY NOTES</strong></td>
</tr>
<tr>
<td>3,000,000</td>
</tr>
<tr>
<td><strong>MUNICIPAL BOND</strong></td>
</tr>
<tr>
<td>1,600,000</td>
</tr>
<tr>
<td><strong>Cash Reserves - Subtotal</strong></td>
</tr>
<tr>
<td>$ 24,200,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
<tr>
<td>$ 130,408,613</td>
</tr>
</tbody>
</table>
Report: Construction Projects Update

The monthly construction projects update is presented for Board review.
CONSTRUCTION PROJECTS UPDATE
As of January 30, 2018

2014 General Obligation Bond Program Projects Summary

LSC-CyFair
- **Westway Park Technology Satellite Center**: Contract negotiations are in progress. Construction mobilization to begin February 2018.
- **Fairbanks Center Roofing Replacement**: Submitted for February 2018 Board approval. PRC Roofing is the recommended roofing contractor. Primary demolition work scheduled to begin during Spring Break.

LSC-Kingwood
- **Kingwood Pilot Plant**: Construction 70% complete. Work is scheduled for spring 2018 opening.
- **Process Technology Center**: Substantial completion obtained November 20, 2017. Center opened for Spring 2018 semester.

LSC-North Harris
- **Construction & Skilled Trades Technology Center**: Center opened for instruction Fall 2017 semester. Additional specialty equipment is being coordinated for installation.
- **East Aldine Satellite Center**: The project bid February 1st and the GMP is being finalized. GMP is scheduled to be presented to LSC Board April 2018.
- **Central Plant Renovations**: LSC Board approved contractor February 2018. Contract has been initiated.
- **Transportation Institute**: The final program document is circulating for approval by LSC stakeholders by February 2018. Schematic Design tentatively to begin March 2018.
- **Winship Re-roof**: LSC Board approved contractor February 2018. Contract has been initiated. Construction Notice-to-Proceed to be issued tentatively March 2018.

LSC-Montgomery
- **Student Services Building**: Architect and Construction Manager at Risk (CMAR) contract negotiations are in progress.

LSC-Tomball
- **South Entrance Drive**: The driveway project is complete and was opened for Spring semester. Discussions are in progress with the architect regarding the new main entrance monument sign, irrigation and landscaping.

LSC-University Park
- **Science and Innovation Building**: Substantial Completion was achieved December 2018. Instructional operation began Spring semester 2018.
- **Buildings 12 & 13 Entrance Canopy and Parking**: Construction began December 2018 with Substantial completion to be achieved May 2018.
- **Library Remodel, Building 12 Level 8**: Construction began December 2018 with Substantial completion to be achieved May 2018.
- **Kitchen Renovation, Commons Building Level 1**: The project is in the bid phase and being prepared for March Board approval. The expected completion is the end of the summer 2018.
- **Student Life Renovation, Commons Building Level 2**: The project is in the bid phase and expected to be presented to the board for approval in March. Expected completion date is anticipated for Summer 2018.

**System-wide Security Upgrades**
- Satellite center mass communication upgrades are complete. The procurement has been put on hold until further notice.

**Hurricane Harvey Recovery**
- **LSC-Kingwood Main Campus**: Phase 1 FEMA assessments are complete. Phase 2 additional detailed FEMA assessments being prepared based on requirements from FEMA inspection in January. Design has started for the build back construction for six buildings. Design and construction efforts are underway to open up 2nd floor classrooms in the Administration and Library buildings as soon as possible.