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**Committee for Fiscal Affairs**

[J.V. Martin (Chair), Ivan Andarza, Linda McKenna]

**Committee Chair Comments**

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**Proposed MO#**

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*Jonathan Hoekstra*

**Board Meeting Date:** April 23, 2015

**Proposed Minute Order #:** 16-15(c)

**Proposed By:** Jonathan Hoekstra, Vice Chancellor/Chief Financial Officer

**Subject:** Sale of Six (6) Diamond DA-20 Flight-training Aircraft and Associated Spare Parts

**Background:** The Diamond DA-20 is a two-seat, general aviation aircraft used by Texas State Technical College (TSTC) for primary flight instruction in the Aircraft Pilot Training program. Design and operational considerations limit the utility of the DA-20 in high summer temperatures or marginal weather conditions, reducing its availability for instructional use. The DA-20 is also not used as an instrument flight-training platform for intermediate and advanced courses further limiting its use for its intended purpose.

**Justification:** Following the declaration of TSTC's six (6) DA-20 aircraft and associated parts as surplus property, the aircraft will be sold in accordance with System Operating Standard FA 1.13. The sale proceeds will fund the purchase of four (4) Cessna 172 aircraft that are currently under lease to TSTC. Current market values for DA-20 aircraft are favorable at this time. It is expected that the sale of the DA-20 aircraft, with associated spare parts, will offset the lease buyout costs for the existing Cessna 172 aircraft.

To maintain a sufficient fleet of single-engine flight-training aircraft, TSTC will lease an additional four (4) Cessna 172 aircraft. Modernization and standardization of the TSTC Waco single-engine aircraft fleet to the Cessna 172 may result in as much as a 12% increase (more than 1,000 flight hours) in aircraft utilization, as this aircraft may be used for primary and instrument flight. The standardization of parts, maintenance, and aircraft configuration to a common platform will allow for flight training at a more cost effective rate than with the current fleet mix.

**Additional Information:** TSTC recommends the sale of the following DA-20 aircraft: N102TX (serial no. C0301), N105TX (serial no. C0303), N106TX (serial no. C0309), N107TX (serial no. C0310), N143TX (serial no. C0412), and N144TX (serial no. C0414).

**Fiscal Implications:** Administration anticipates an annual increase of \$82,560 in TSTC's lease payments necessary to modernize and standardize the single-engine flight training aircraft fleet. However, the anticipated increased utilization of aircraft will result in increased flight training fees (approximately \$643,000) and gross margins (approximately \$132,000 to \$181,000 annually), offsetting the additional aircraft lease costs.

**Attestation:** This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

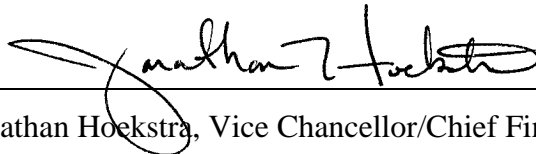
**Attachment(s)**

None

**Recommended  
Minute Order:**

“The Board of Regents approves the sale of six (6) DA-20 aircraft and associated spare parts in accordance with System Operating Standard FA 1.13.”

**Recommended By:**

A handwritten signature in black ink, appearing to read "Jonathan Hoekstra", is written over a horizontal line.

Jonathan Hoekstra, Vice Chancellor/Chief Financial Officer



**Board Meeting Date:** April 23, 2015

**Proposed Minute Order #:** 17-15(c)

**Proposed By:** Jonathan Hoekstra, Vice Chancellor/Chief Financial Officer

**Subject:** Lease of Approximately Forty-two Acres in Fort Bend County to The TSTC Foundation for a Term of up to Eighty (80) Years

**Background:** On August 14, 2014, the Texas State Technical College (TSTC) Board of Regents approved the following concepts for a new educational facility in Fort Bend County: (1) Expand Texas State Technical College by Accepting a Gift of Land Donated by the George Foundation; (2) Lease Building One from The TSTC Foundation; and (3) Construct Building Two on the Fort Bend County Campus.

**Justification:** In February 2015, TSTC, The TSTC Foundation, the George Foundation, and the Henderson-Wessendorff Foundation entered into an agreement to develop a site located in Fort Bend County, Texas, to be known as the Texas State Technical College Fort Bend County.

Subsequently, the Henderson-Wessendorff Foundation purchased approximately 80 acres of land for the TSTC Fort Bend County project. Approval from the Board of Regents by Minute Order 13-15 to accept the donation of 42.208 acres of unimproved real property to begin construction on the first technical education facility. In addition, the administration recommends acceptance of the second tract of 37.825 acres through Minute Order 14-15.

The TSTC Foundation will finance the project, develop the site, and own the building. This ground lease provides use of the first 42.208 acre tract for site development and construction of the first facility.

**Additional Information:** Simultaneous to this requested action, the administration seeks approval of the Board of Regents through Minute Order 18-15 to operate and occupy the new facility under an operating lease agreement with The TSTC Foundation. TSTC will lease the building at a rate of \$100,000 annually over ten years for a total of \$1,000,000.

Through an agreement with the Henderson-Wessendorff Foundation and the George Foundation, TSTC will be granted adjoining acreage if meets certain milestones are met as set forth in the gift agreement.

<b>Action Schedule:</b>	Approval of Concept to Accept Donated Land	MO 44-14
	Approval of Concept to Lease Building One	MO 45-14
	Approve Acceptance of Donated Land	MO 13-15
	Approve Ground Lease to TSTC Foundation	MO 17-15

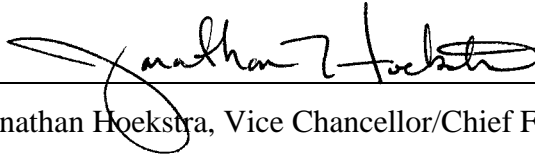
**Fiscal Implications:** The TSTC Foundation will pay an annual lease payment of \$1.00. The term of the Ground Lease is 50 years, beginning on or around June 15, 2015 and ending on June 30, 2065 with an option to extend the term for an additional 30 years.

**Attestation:** This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

**Attachment(s):** Site map illustrating the acres included the ground lease agreement and Letter from General Counsel

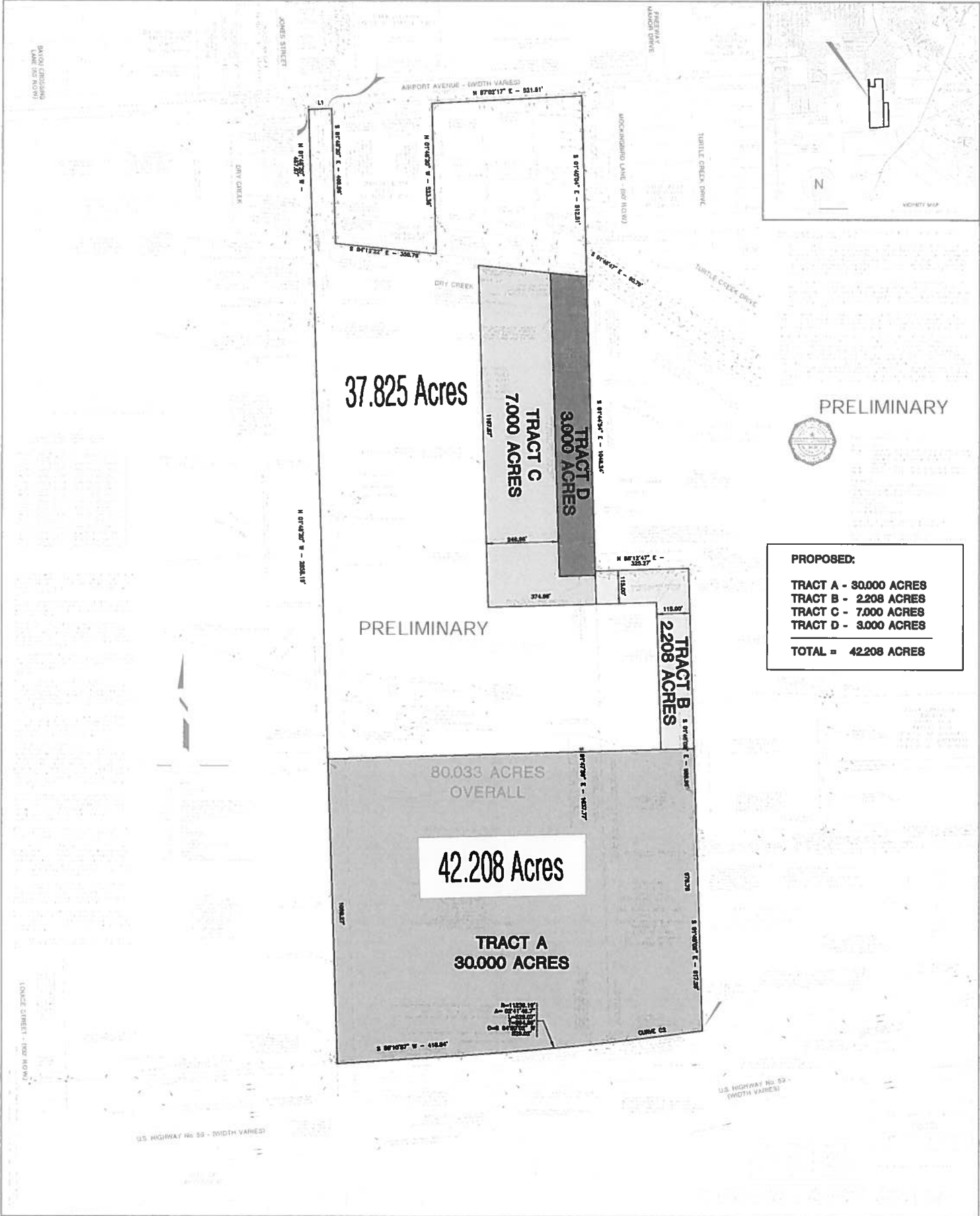
**Recommended Minute Order:** “The Board of Regents approves the lease of approximately 42 acres of land in Fort Bend County from Texas State Technical College to The TSTC Foundation for a term of up to 80 years and authorizes the Chancellor, or his designee, to execute the Lease Agreement with The TSTC Foundation.”

**Recommended By:**



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Jonathan Hoekstra, Vice Chancellor/Chief Financial Officer



37.825 Acres

PRELIMINARY

42.208 Acres

TRACT A  
30.000 ACRES

TRACT D  
3.000 ACRES  
TRACT C  
7.000 ACRES

TRACT B  
2.208 ACRES

PROPOSED:

TRACT A - 30.000 ACRES
TRACT B - 2.208 ACRES
TRACT C - 7.000 ACRES
TRACT D - 3.000 ACRES
<b>TOTAL = 42.208 ACRES</b>



Ray Rushing  
General Counsel, TSTC System  
Susan Shafer  
Associate General Counsel  
TSTC System  
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April 8, 2015

Mike Reeser  
Chancellor, TSTC System  
3801 Campus Drive  
Waco, Texas 76705

Re: Lease of Approximately 42 Acres in Fort Bend County from TSTC to The TSTC Foundation for a 50 Year Term with a 30 year renewal option

Dear Chancellor Reeser:

As requested, I have reviewed the Ground Lease Agreement between TSTC and The TSTC Foundation. The TSTC Foundation will lease 42.208 acres of land lying and being situated in Fort Bend County, Texas.

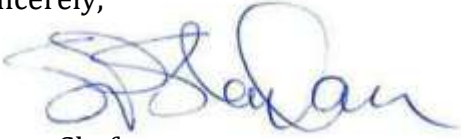
The annual lease payment is \$1.00 per year. There are no tax consequences, the lease being between two non-profit organizations.

This ground lease is a companion to an operating lease agreement which will have a 10 year term. The Foundation will keep all improvements and the ground in a neat, orderly and safe condition. The Foundation will provide police supervision of the premises when and as needed. Both TSTC and the Foundation shall show the other party as an insured on all insurance policies that may be obtained on the ground or the improvements.

This being the lease of real property only without improvements, other terms and conditions of typical leases do not apply.

If you have any questions or need additional information, please advise.

Sincerely,

A handwritten signature in blue ink, appearing to read "Susan Shafer". The signature is fluid and cursive, with the first name "Susan" being more prominent than the last name "Shafer".

Susan Shafer

SS/kw

cc: Jonathan Hoekstra; Ray Rushing; Ray Fried; Dr. Gary Hendricks





**Board Meeting Date:** April 23, 2015

**Proposed Minute Order #:** 18-15(c)

**Proposed By:** Jonathan Hoekstra, Vice Chancellor/Chief Financial Officer

**Subject:** Operating Lease for Approximately 100,000 Square Foot Technical Education Facility, Related Parking, and Other Ancillary Facilities in Fort Bend County from The TSTC Foundation by Texas State Technical College for a Term of Ten (10) Years

**Background:** On August 14, 2014, the Texas State Technical College (TSTC) Board of Regents approved the following concepts for a new educational facility in Fort Bend County: 1) Expand Texas State Technical College by Accepting a Gift of Land Donated by the George Foundation; 2) Lease Building One from The TSTC Foundation; and 3) Construction of Building Two on the Fort Bend County Campus.

In February 2015, TSTC, The TSTC Foundation, the George Foundation, and the Henderson-Wessendorff Foundation entered into an agreement to develop a site located in Fort Bend County, Texas, for an educational facility to be known as the Texas State Technical College Fort Bend County.

TSTC will operate and occupy the new building under an “Operating Lease” with The TSTC Foundation. The building will be approximately 100,000 square feet and house specialized classrooms and facilities for technical education.

As owner of the project, The TSTC Foundation will be the borrower of the financing(s) and expects to obtain tax exempt financing through one or more Texas banks. Each of the George Foundation and the Henderson-Wessendorff Foundation have agreed to make annual grants to the TSTC Foundation, in an amount necessary to pay the total debt service (other than the annual \$100,000 lease payments made by TSTC to The TSTC Foundation) and other payments due under The TSTC Foundation notes for financing. The two foundations collectively anticipate granting approximately \$41 million in cash and land at appraised values over a ten (10) year period.

**Justification:** Leasing of the technical education facility from The TSTC Foundation will allow for a significant expansion in high technology and high demand programs at the new TSTC Fort Bend County.

The program mix includes Air Conditioning and Refrigeration Technology, Construction Supervision, Diesel Technology, Electrical Construction, Industrial Maintenance, Mechanical Engineering Technology, Plumbing and Pipefitting, Welding Technology, Computer Networking, Network Security, Instrumental Certification, and Commercial Truck Driving.

**Additional Information:** The Henderson-Wessendorff Foundation purchased approximately 80 acres of land for the TSTC Fort Bend County project. Two additional Minute Orders (MOs) accompany this action, including MO 13-15 recommending acceptance the first gift of 42 acres of unimproved real property to begin construction of the first two technical education facilities, MO 17-15 to lease the 42 acre tract of land to The TSTC Foundation providing use of the premises for site development and construction of building one of the technical education facility.

<b>Action Schedule:</b>	Approve Concept to Accept Donated Land	MO 44-14
	Approve Concept to Lease Building One	MO 45-14
	Approve Acceptance of Donated Land	MO 13-15
	Approve Ground Lease to TSTC Foundation	MO 17-15
	Approve Operating Lease from TSTC Foundation	MO 18-15

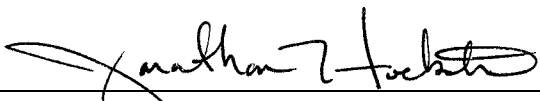
**Fiscal Implications:** Under the Operating Lease Agreement, TSTC is to lease and operate the building from The TSTC Foundation for a term of ten (10) years beginning on or around June 15, 2015 with an annual lease payment of \$100,000 for a total of \$1,000,000.

**Attestation:** This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

**Attachment(s):** Site map illustrating the location of the proposed technical education building and Letter from General Counsel

**Recommended Minute Order:** “The Board of Regents approves the Operating Lease for an approximately 100,000 Square Foot Technical Education Facility, Related Parking, and Other Ancillary Facilities at Texas State Technical College Fort Bend County from The TSTC Foundation for a term of ten years in accordance with the terms and conditions in the lease and authorizes the Chancellor, or his designee, to execute the Lease Agreement with The TSTC Foundation. Further, the Board of Regents expressly authorizes the Foundation to enter into a transaction as a borrower under Chapter 53 of the Texas Education Code to facilitate the construction at Fort Bend.”

**Recommended By:**

  
\_\_\_\_\_  
Jonathan Hoekstra, Vice Chancellor/Chief Financial Officer





Ray Rushing  
General Counsel, TSTC System  
Susan Shafer  
Associate General Counsel  
TSTC System  
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April 9, 2015

Mike Reeser  
Chancellor, TSTC System  
3801 Campus Drive  
Waco, Texas 76705

Re: Operating Lease for Approximately 100,000 Square Foot Technical Education Facility,  
Related Parking and Other Ancillary Facilities in Fort Bend County from The TSTC  
Foundation by Texas State Technical College for a term of Ten (10) Years.

Dear Chancellor Reeser:

As requested, I have reviewed the Operating Lease Agreement between The TSTC Foundation and Texas State Technical College.

The annual lease payment will be \$100,000.00 per year for a term of ten years, with payments to begin on or about June 15, 2015. Under the Operating Lease Agreement, the TSTC Foundation will finance, construct and own the building. The term of this Agreement shall commence on or about June 15, 2015, and terminate on June 14, 2025 (such period being the "Term"), unless TSTC previously exercises its option to purchase the Building.

Under the Agreement, TSTC shall have the exclusive right and duty to use, operate, and manage the Building only after TSTC accepts the Building and then for the remainder of the Term. The rent amount is subject to change based upon the Foundation's costs of financing and varying processing and administrative costs.

This Operating Lease Agreement is a companion to a Ground Lease Agreement whereby TSTC will lease the underlying real property to The TSTC Foundation.

Mike Reeser  
Page 2

The TSTC Foundation will carry property and general public liability insurance on the building, and will require any contractor to carry builder's risk insurance during any period of construction, and will be responsible for any tax liability associated with the project. The remaining terms and conditions of the Agreement are those ordinarily included in such a lease, and comport with the laws and the Constitution of the State of Texas.

If you have any questions or need additional information, please advise.

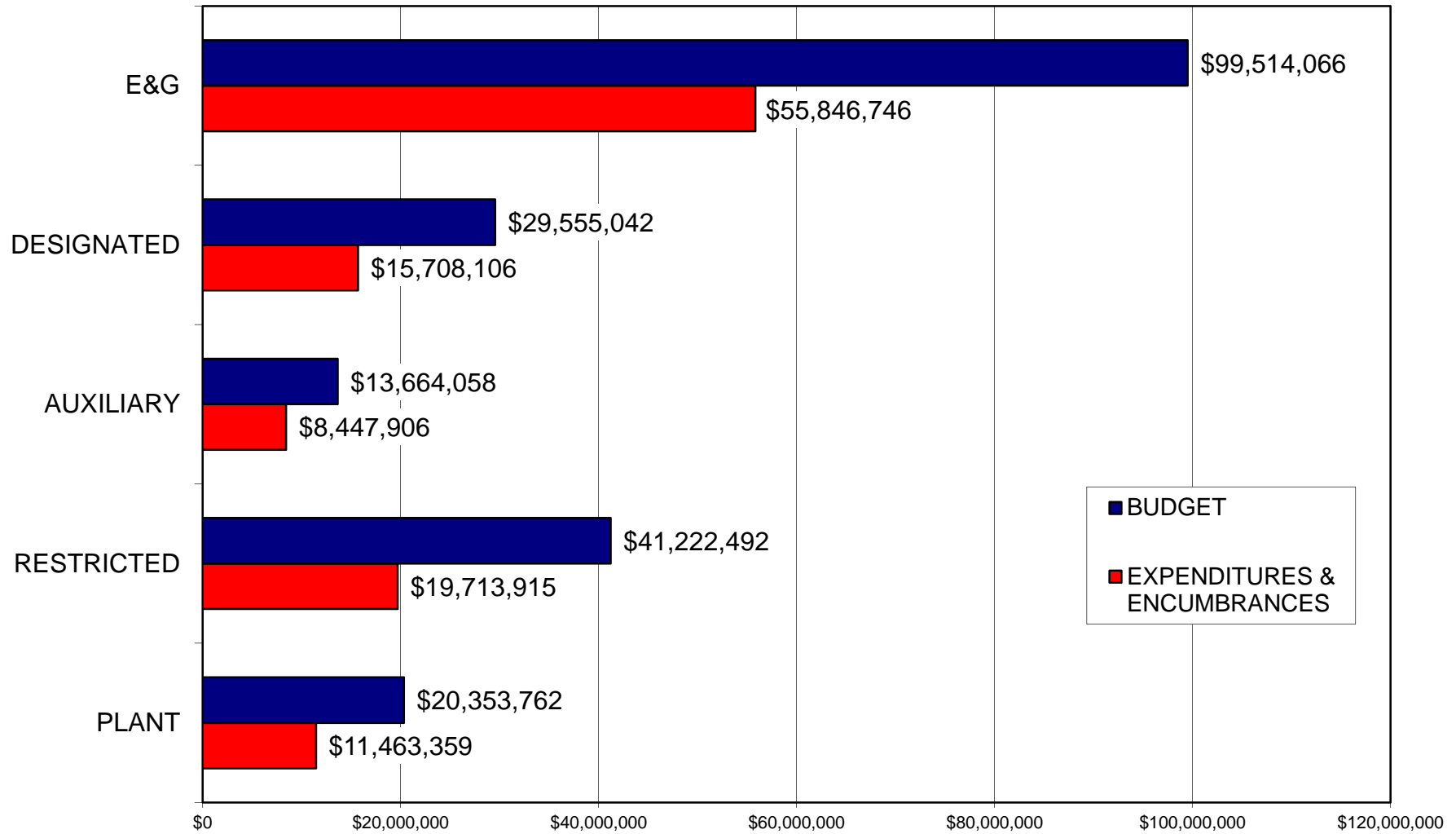
Sincerely,

A handwritten signature in blue ink, appearing to read "Susan Shafer". The signature is fluid and cursive, with a large initial "S" and a distinct "an" at the end.

Susan Shafer  
Associate General Counsel

cc: Jonathan Hoekstra; Ray Rushing; Ray Fried

**TEXAS STATE TECHNICAL COLLEGE  
SYSTEM  
COMPARISON OF BUDGET TO EXPENDITURES AND ENCUMBRANCES  
SEPTEMBER 2014 - MARCH 2015**



**TEXAS STATE TECHNICAL COLLEGE SYSTEM**  
**COMPARISON OF BUDGET TO EXPENDITURES AND ENCUMBRANCES**  
September 2014 - March 2015

FUND GROUP	EXPENDITURES	A	B	C	D	E	F	G
		ORIGINAL BUDGET	YTD ADJUSTED BUDGET	YTD EXPENDITURES	YTD ENCUMBRANCES	YTD EXPENDITURES AND ENCUMBRANCES	BUDGET REMAINING	PERCENT REMAINING
1 EDUC. & GENERAL	SALARY & WAGES	60,050,139	61,504,552	34,343,869	0	34,343,869	27,160,683	44.16%
2	OPERATING/CAPITAL	37,815,761	38,009,514	16,443,632	5,059,245	21,502,878	16,506,636	43.43%
3 TOTAL E & G		97,865,900	99,514,066	50,787,501	5,059,245	55,846,746	43,667,320	43.88%
4 DESIGNATED	SALARY & WAGES	6,032,129	6,503,055	3,372,882	0	3,372,882	3,130,173	48.13%
5	OPERATING/CAPITAL	20,135,740	23,051,987	8,903,193	3,432,031	12,335,224	10,716,763	46.49%
6 TOTAL DESIGNATED		26,167,869	29,555,042	12,276,075	3,432,031	15,708,106	13,846,936	46.85%
7 AUXILIARY	SALARY & WAGES	3,328,183	3,377,745	1,818,034	0	1,818,034	1,559,711	46.18%
8	OPERATING/CAPITAL	10,129,153	10,286,313	5,216,899	1,412,972	6,629,872	3,656,441	35.55%
9 TOTAL AUXILIARY		13,457,336	13,664,058	7,034,933	1,412,972	8,447,906	5,216,152	38.17%
10 RESTRICTED	SALARY & WAGES	1,558,165	2,931,311	1,338,510	0	1,338,510	1,592,801	54.34%
11	OPERATING/CAPITAL	33,457,278	38,291,181	17,232,307	1,143,097	18,375,404	19,915,777	52.01%
12 TOTAL RESTRICTED		35,015,443	41,222,492	18,570,818	1,143,097	19,713,915	21,508,577	52.18%
13 PLANT	SALARY & WAGES	69,936	95,601	59,654	0	59,654	35,947	37.60%
14	OPERATING/CAPITAL	18,894,379	20,258,161	7,554,747	3,848,958	11,403,705	8,854,456	43.71%
15 TOTAL PLANT		18,964,315	20,353,762	7,614,401	3,848,958	11,463,359	8,890,403	43.68%
16 GRAND TOTAL		191,470,863	204,309,420	96,283,727	14,896,304	111,180,031	93,129,389	45.58%

TEXAS STATE TECHNICAL COLLEGE  
 QUARTERLY INVESTMENTS REPORT  
 February 28, 2015

A	B	C	D	E	F	G	H	I	J	K	L
DEPOSITORY-LOCATION		REGULAR DEMAND DEPOSITS	INTEREST BEARING DEMAND DEPOSITS	TIME DEPOSITS & SHORT TERM INVESTMENTS	TOTAL DEPOSITS AND INVESTMENTS	MATURITY DATE	RATE	ACCOUNT TYPE	CAMPUS	FUND NO.	DAYS MAT
1				10,000	10,000	08/10/15	0.05%		Waco	5	365
2			135,106		135,106		0.25%	Operating	Breck		
3	*			2,103	2,103	02/08/16	0.05%		Marshall	5	365
4			44,027		44,027		0.10%		Marshall	5	
5				930,337	930,337	MMKT	0.25%		Harl	3	
6	*			3,064,053	3,064,053	MMKT	0.25%		Harl	8	
7		0	0	3,994,390	3,994,390						
8				129,968	129,968	10/05/15	0.70%		Harl	6	91
9				416,167	416,167	05/24/15	0.60%		Harl	4	365
10		0	0	546,135	546,135						
11				40,121	40,121	06/18/15	0.50%		Harl	6	365
12				65,000	65,000	04/07/15	0.75%		Breck	5	365
13				100,000	100,000	04/15/15	0.75%		Swee	4	365
14				34,215	34,215	04/15/15	0.75%		Abilene	5	365
15		0	0	199,215	199,215						
16			1,638,401		1,638,401		0.25%	Operating	Waco		
17			378,569		378,569		0.25%	Bookstore	Waco		
18		3,638			3,638		0.00%	Fed Funds	Waco		
19			339		339		0.23%	Publishing	Waco		
20			79,716		79,716		0.25%	Café	Waco		
21			800,888		800,888		0.25%	Operating	System Op		
22			1		1		0.25%	Bond Proceeds	System Op		
23			1,448,682		1,448,682		0.25%	Payroll	System Op		
24			18,234		18,234		0.25%	Corp Col On-Line	System Op		
25				250,000	250,000	05/22/15	0.70%		Waco	4	365
26				790,787	790,787	MMKT	0.60%		Waco	4	
27				1,405,117	1,405,117	MMKT	0.60%		System Op	8	
28				849,059	849,059	MMKT	0.60%		Waco	3	
29		3,638	4,364,830	3,294,963	7,663,431						
30			1,442,869		1,442,869		0.01%	Operating	Harl		
31		50			50		0.00%	Financial Aid	Harl		
32		50	1,442,869	0	1,442,919						
33	*			2,191	2,191	02/13/16	0.45%		Marshall	5	365
34				245,000	245,000	10/28/15	0.50%		Harl	4	365
35				245,000	245,000	10/31/15	0.50%		Harl	4	365
36				10,000	10,000	09/07/16	0.75%		Waco	5	731
37	*			200,000	200,000	01/17/16	0.42%		Swee	4	365



TEXAS STATE TECHNICAL COLLEGE  
 QUARTERLY INVESTMENTS REPORT  
 February 28, 2015

A	B	C	D	E	F	G	H	I	J	K	L
DEPOSITORY-LOCATION		REGULAR DEMAND DEPOSITS	INTEREST BEARING DEMAND DEPOSITS	TIME DEPOSITS & SHORT TERM INVESTMENTS	TOTAL DEPOSITS AND INVESTMENTS	MATURITY DATE	RATE	ACCOUNT TYPE	CAMPUS	FUND NO.	DAYS MAT
38	Prosperity Bank (Formerly American State Bank-Abilene)		1,162,984		1,162,984		0.20%	Operating	Abilene		
39	Texas Bank- Brownwood Total		175,062		175,062		0.03%	Operating	Swee		
40	Texas Bank and Trust - Longview		206,078		206,078		0.10%	Operating	Marshall		
41		10,080			10,080			Fed Funds	Marshall		
42	*			185,948	185,948	MMKT	0.50%		Marshall	3	
43				15,552	15,552	MMKT	0.50%		Marshall	6	
44				1	1	MMKT	0.50%		Marshall	4	
45				36,205	36,205	06/07/15	0.70%		Marshall	5	365
46	*			55,001	55,001	01/25/16	0.75%		Marshall	5	365
47				15,511	15,511	03/06/15	0.75%		Marshall	5	365
48				5,735	5,735	06/29/15	0.70%		Marshall	5	365
49				43,086	43,086	10/29/15	0.50%		Marshall	5	365
50	Texas Bank and Trust Total	10,080	206,078	357,039	573,197						
51	Texas First State Bank- Waco			371,307	371,307	03/31/15	0.75%		System Op	8	365
52				877,036	877,036	03/31/15	0.75%		System Op	8	365
53				195,553	195,553	11/21/15	0.90%		Waco	5	365
54				250,000	250,000	07/01/15	0.75%		Waco	3	365
55				250,000	250,000	08/01/15	0.75%		Waco	3	365
56	*			250,000	250,000	11/16/15	0.80%		Waco	4	334
57				250,000	250,000	06/16/15	0.75%		Waco	4	365
58				800,000	800,000	10/08/15	0.90%		Waco	4	365
59				5,135	5,135	09/26/15	0.65%		Waco	4	365
60				606,587	606,587	08/14/15	0.90%		System Op	8	365
61	Texas First State Bank Total	0	0	3,855,618	3,855,618						
62	Texas National Bank- Sweetwater		1,051,266		1,051,266		0.14%	Operating	Swee		
63			1,235,481		1,235,481		0.14%	BkStore Cr Crd	Swee		
64		1			1			Financial Aid	Swee		
65	Texas National Bank Total	1	2,286,747	0	2,286,748						
66	TexPool - Loc Rev Bond Proceeds Ser 09			1	1		0.04%	Seed Money	System Op	8	
67				0	0		0.04%		Waco	8	
68	TexPool Loc Rev Bd Proceeds Ser 09 Total	0	0	1	1						
69	TexPool - Loc Rev Bond Proceeds Ser 09 Total	0	0	1	1		0.04%		Waco	8	
70	TexPool Loc Rev Bd Proceeds Ser 11A Total	0	0	1	1		0.04%		Harl	8	
71	TexPool - Other Total	0	0	1	1		0.04%		System Op	4	
72	TOTAL ALL INVESTMENTS	13,769	9,817,703	13,001,779	22,833,251						


TEXAS STATE TECHNICAL COLLEGE  
 QUARTERLY INVESTMENTS REPORT  
 February 28, 2015

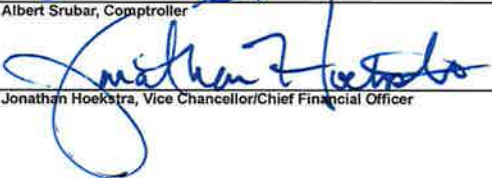
A	B	C	D	E	F	G	H	I	J	K	L
DEPOSITORY-LOCATION	FUND NO.	REGULAR DEMAND DEPOSITS	INTEREST BEARING DEMAND DEPOSITS	TIME DEPOSITS & SHORT TERM INVESTMENTS	TOTAL DEPOSITS AND INVESTMENTS	MATURITY DATE	RATE	ACCOUNT TYPE	CAMPUS	FUND NO.	DAYS MAT
73 TIME DEPOSITS BY FUND:											
74 DESIGNATED FUNDS	3			2,465,344							
75 AUXILIARY ENTERPRISES FUNDS	4			3,552,091							
76 ENDOWMENT FUNDS	5			474,600							
77 RESTRICTED FUNDS	6			185,641							
78 UNEXPENDED PLANT FUNDS	8			6,324,103							
79				<u>13,001,779</u>							
80 TIME DEPOSITS BY LOCATION:											
81 SYSTEM OPERATIONS				3,260,049							
82 WACO				3,910,535							
83 HARLINGEN				5,070,647							
84 WEST TEXAS				399,215							
85 MARSHALL				361,333							
86				<u>13,001,779</u>							
87 WEIGHTED AVERAGE RATE OF INTEREST				<u>0.58%</u>							
88 BENCHMARK - 3-YEAR TREASURY BOND YIELD AS OF 2-28-15				1.01%							
89 WEIGHTED AVERAGE MATURITY (CD'S)				387							
90 INTEREST RECEIVED AND ACCRUED ON CASH IN BANK AND INVESTMENTS FY 15				44,893							
91 INVESTMENT ACTIVITY FY15											
92 Balance November 30, 2014				13,630,733							
93 Interest Added to Investments				12,344							
94 Time Deposits Increase (Decrease)											
95 TexPool Funds-Other Increase (Decrease)											
96 TexPool Funds-Loc Rev Bonds Increase (Decrease)				(3)							
97 Time Deposits-Loc Rev Bonds Increase (Decrease)											
98 Money Market-Loc Rev Bonds Increase (Decrease)				(241,295)							
99 Money Market Funds-Other Increase (Decrease)				(400,000)							
100 Balance February 28, 2015				<u>13,001,779</u>							

\* Investment Changes December 2014 - February 2015

ALL INVESTMENTS ARE SHOWN AT COST. MARKET VALUE EQUALS COST DUE TO THE TYPE OF INVESTMENT.

I CERTIFY THAT THIS INVESTMENT PORTFOLIO IS IN COMPLIANCE WITH TEXAS STATE TECHNICAL COLLEGE'S POLICY ON INVESTMENTS AND THE PUBLIC FUNDS INVESTMENT ACT (TEXAS GOVERNMENT CODE, SECTION 2256).

  
 Albert Srubar, Comptroller

  
 Jonathan Hoekstra, Vice Chancellor/Chief Financial Officer

4/13/15  
 Date

4/13/15  
 Date

# TEXAS STATE TECHNICAL COLLEGE

## PLEGGED COLLATERAL REPORT

February 28, 2015

A	B	C	D	E	F	G	H	I
	PORTFOLIO				SECURITY ON DEPOSITS			
DEPOSITORY-LOCATION	REGULAR DEMAND DEPOSITS	INTEREST BEARING DEMAND DEPOSITS	TIME DEPOSITS	TOTAL DEPOSITS AND INVESTMENTS	SIPC/FDIC** COVERAGE	REQUIRED COLLATERAL	COLLATERAL AT MARKET VALUE February	SUFFICIENT (INSUFFICIENT)
1 BANK OF AMERICA - WACO	-	-	10,000	10,000	10,000	-	-	-
2 BRECKENRIDGE INTERBANK	-	135,106	-	135,106	135,106	-	-	-
3 CAPITAL ONE BANK - MARSHALL	-	-	2,103	2,103	2,103	-	-	-
4 CITIZENS NATIONAL BANK - RED OAK	-	44,027	-	44,027	44,027	-	-	-
5 COMPASS BANK - WACO	-	-	3,994,390	3,994,390	250,000	3,744,390	5,750,000	2,005,610
6 ELSA STATE BANK & TRUST COMPANY	-	-	546,135	546,135	250,000	296,135	361,369	65,234
7 FIRST COMMUNITY BANK - SAN BENITO	-	-	40,121	40,121	40,121	-	55,785	55,785
8 FIRST NATIONAL BANK ALBANY / BRECKENRIDGE	-	-	199,215	199,215	199,215	-	-	-
9 FIRST NATIONAL BANK OF CENTRAL TX- WACO	3,638	4,364,830	3,294,963	7,663,431	253,638	7,409,793	14,685,402	7,275,609
10 FROST NATIONAL BANK	50	1,442,869	-	1,442,919	250,050	1,192,869	6,320,869	5,128,000
11 GUARANTY BANK & TRUST (FORMERLY GUARANTY BOND BK)	-	-	2,191	2,191	2,191	-	-	-
12 IBC BANK - BROWNSVILLE	-	-	245,000	245,000	245,000	-	-	-
13 IBC BANK - ZAPATA	-	-	245,000	245,000	245,000	-	-	-
14 LIBERTY BANK - FORT WORTH	-	-	10,000	10,000	10,000	-	-	-
15 MILLS COUNTY STATE BANK	-	-	200,000	200,000	200,000	-	-	-
16 PROSPERITY BANK (Formerly American State Bank)	-	1,162,984	-	1,162,984	250,000	912,984	1,580,179	667,195
17 TEXAS BANK - BROWNWOOD	-	175,062	-	175,062	175,062	-	252,033	252,033
18 TEXAS BANK & TRUST - LONGVIEW	10,080	206,078	357,039	573,197	260,080	313,117	2,867,023	2,553,906
19 TEXAS FIRST STATE BANK - WACO	-	-	3,855,618	3,855,618	250,000	3,605,618	3,891,483	285,865
20 TEXAS NATIONAL BANK - SWEETWATER	1	2,286,747	-	2,286,748	250,001	2,036,747	3,447,489	1,410,742
21	<b>13,769</b>	<b>9,817,703</b>	<b>13,001,775</b>	<b>22,833,247</b>	<b>3,321,594</b>	<b>19,511,653</b>	<b>39,211,632</b>	<b>19,699,979</b>
22 TEXPOOL - LOCAL REV BOND PROCEEDS SER 09 *			1	1	N/A	N/A	N/A	N/A
23 TEXPOOL - LOCAL REV BOND PROCEEDS SER 09 *			1	1	N/A	N/A	N/A	N/A
24 TEXPOOL - LOCAL REV BOND PROCEEDS SER 11A *			1	1	N/A	N/A	N/A	N/A
25 TEXPOOL - OTHER *			1	1	N/A	N/A	N/A	N/A
26 <b>TOTAL</b>	<b>13,769</b>	<b>9,817,703</b>	<b>13,001,779</b>	<b>22,833,251</b>	<b>3,321,594</b>	<b>19,511,653</b>	<b>39,211,632</b>	<b>19,699,979</b>

\* No collateral required.

\*\* Securities Investment Protection Corp/Federal Deposit Insurance Corp. The current FDIC coverage for interest bearing accounts is \$250,000 per owner and is \$250,000 for non-interest bearing accounts per owner.