

# Board of Regents Meeting

May 9-10, 2018  
Rosenberg, Texas



OFFICE OF THE CHANCELLOR

3801 Campus Drive  
Waco, Texas 76705

254-867-4891  
254-867-3973

April 25, 2018

Mr. John Hatchel, Chair  
Members of the Board of Regents  
Texas State Technical College  
Waco, Texas 76705

SUBJECT: Action Items for the Board of Regents' Meetings on May 9-10, 2018

Regents:

The attached materials have been prepared for consideration by the Board of Regents of Texas State Technical College for the May 9-10, 2018 meetings. These materials have been reviewed and approved by the appropriate staff members as indicated.

As Chancellor of the college, I have also reviewed and approved the recommendations and submit them for whatever action the Board of Regents deems proper.

Sincerely,



Michael L. Reeser  
Chancellor & CEO

/cjs

Attachments

May 1, 2018

Mr. John Hatchel, Chair  
Members of the Board of Regents  
Texas State Technical College System  
Waco, Texas 76705

**SUBJECT:** *Quarterly Control & Compliance Attestation*

Regents:

This letter is a component of the reports produced by the College concurrent with every quarterly Board meeting. I understand that you and the Board of Regents rely on these various reports to assist with your governance responsibilities, specifically including, but not limited to, your responsibilities to the Governor's Office, Legislative Budget Board, and the Texas Higher Education Coordinating Board.

I have reviewed sections of the Board reports relevant to my operating responsibilities and believe the disclosures are informative and reasonably reflect the underlying events and the inclusion of other information necessary to give you a materially complete picture of our operations. I hereby certify, to the best of my knowledge and belief, that the reports do not contain any untrue statement of a material fact or omit any material fact(s) necessary to make the report misleading.

I confirm that I am responsible within areas of my operating responsibility for:

- a. The design and implementation of programs and controls to prevent and detect fraud;
- b. Establishing and maintaining effective internal control over financial reporting, effective and efficient operations, and regulatory compliance;
- c. Maintaining appropriate documentation of such internal control; and
- d. Financial reports, records and supporting documentation that were properly reviewed and to my knowledge, do not contain any untrue statement of material fact or omit material facts that would result in making the information and/or documentation misleading.

I confirm, to the best of my knowledge and belief, the following representations:

1. I have no knowledge of any regulatory violations, occurrences of misstatement, fraud or suspected fraud affecting the College during the period being reviewed that has not been reported to you, our General Counsel, the Internal Audit Director, or the Audit Committee;
2. There are no contingent claims that have not been reported to our Chief Financial Officer or General Counsel; and

3. I have maintained adequate internal control over financial reporting, effective and efficient operations, and regulatory compliance within my areas of operating responsibility as of March 31, 2018 based on criteria established by prudent risk management practices.
4. There have been no changes in internal control that might negatively affect the effectiveness of such controls, including any corrective actions taken with regard to related deficiencies and weaknesses previously identified. I have resolved, or am currently in the process of resolving, all such issues identified and communicated to me during previous audits (internal or external).
5. All material transactions have been communicated to the Chief Financial Officer for recording and disclosure in the financial statements and/or Board reports.
6. The following, to the extent applicable, have been appropriately identified and communicated for proper recording and disclosure:
  - a. Related-party transactions associated with vendor relationships; and
  - b. Significant contractual obligations, or other contingent liabilities.
7. Violations or possible violations of laws or regulations whose effects should be considered for disclosure due to their level of impact have been communicated to you, our General Counsel, the Internal Audit Director, or the Audit Committee.
8. The College has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
9. Other than those previously disclosed, no events have occurred subsequent to March 31, 2018 that should be disclosed due to their impact on the financial statements, effectiveness of existing systems of control, or regulatory compliance.

Please note, no qualifying matters occurred during the period covered by this correspondence. So, this two-page letter makes up the entirety of this installment of the periodic disclosures.

Sincerely,



Michael L. Reeser  
Chancellor & CEO

# SCHEDULE OF ACTIVITIES

## TEXAS STATE TECHNICAL COLLEGE

Board of Regents

May 9-10, 2018

Rosenberg, Texas

### Tuesday, May 8, 2018

#### Reservations:

4:00 p.m.

Check-in

#### Sugar Land Marriott Town Square

16090 City Walk

Sugar Land, TX 77479

Telephone: (281) 275-8400

Evening meal at your leisure

### Wednesday, May 9, 2018

#### The Board of Regents Orientation & Events

8:00 a.m. **Breakfast**

9:00 a.m. **Regent Orientation**

12:00 p.m. **Lunch**

1:00 – 3:00 p.m. **Regent Orientation**

4:30 – 6:30 p.m. **Brazos Center Community Open House**

6:30 p.m. **Reception**

7:00 p.m. **Dinner**

7:00 p.m. **Special Meeting of the Board of Regents**

*All events occur at the Texas State Technical College Fort Bend campus*

**Thursday, May 10, 2018**

**The Board of Regents Meetings**

8:00 a.m. **Breakfast**

9:00 a.m. **Board Working Group Meetings**

10:30 a.m. **Ad Hoc Committee Meeting**

11:00 a.m. **Audit Committee Meeting**

11:45 a.m. **Lunch**

12:30 p.m. **Board of Regents Meeting**

*All events occur at the Texas State Technical College Fort Bend campus*

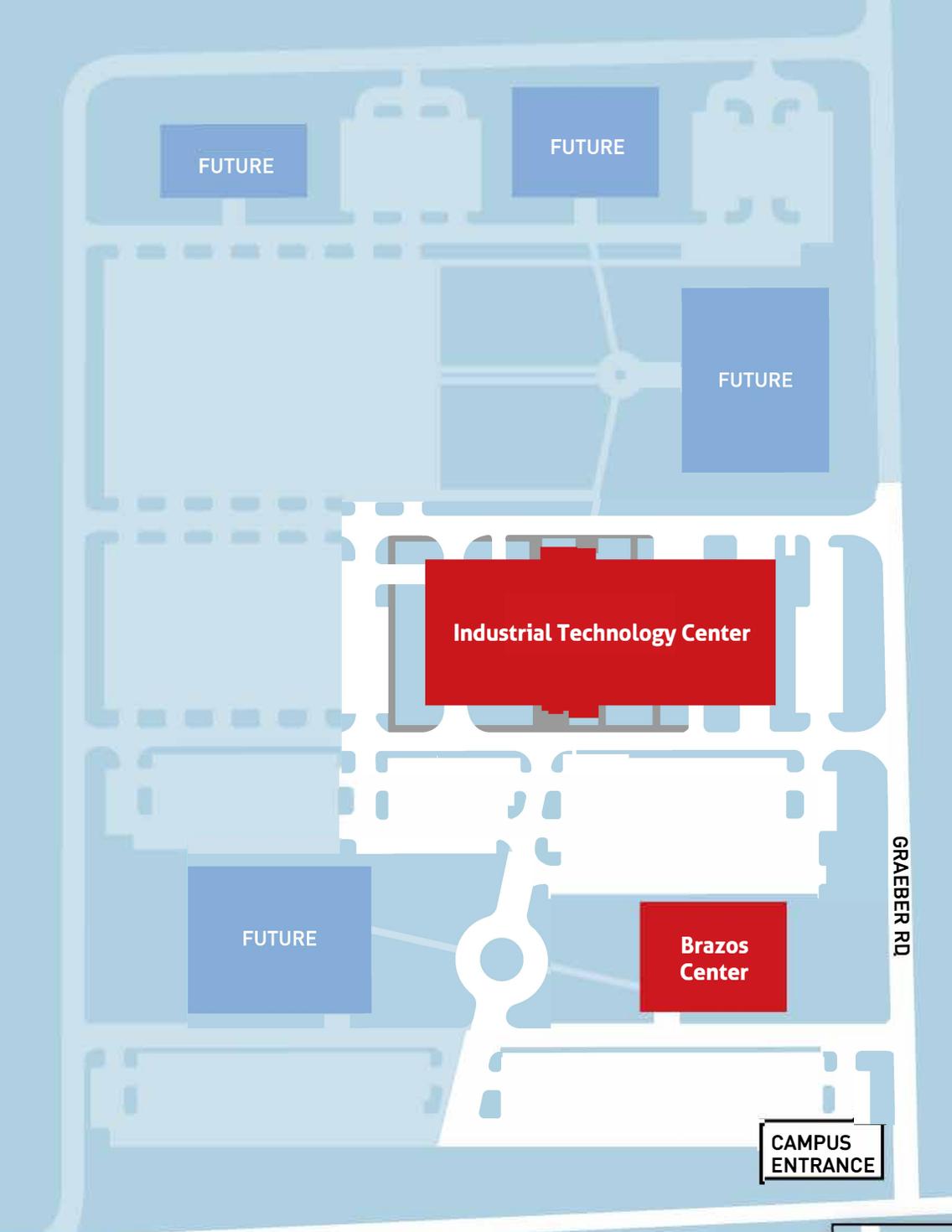


Texas State  
Technical College™

## FORT BEND COUNTY CAMPUS

26706 Southwest Fwy.  
Rosenberg, TX 77471  
(832) 595-8734

**Brazos Center**  
**Industrial Technology Center**



**TEXAS STATE TECHNICAL COLLEGE**

**Orientation Meeting of the Board of Regents**

**Texas State Technical College  
Brazos Center  
26706 Southwest Freeway  
Rosenberg, TX 77471**

**Wednesday, May 9, 2018**

**9:00 a.m.**

**AGENDA**

- I. Meeting Called to Order**
- II. Determination of Quorum**
- III. New Regent Orientation**
- IV. Adjourn**

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.

**TEXAS STATE TECHNICAL COLLEGE**

**Special Meeting of the Board of Regents**

**Texas State Technical College  
Brazos Center  
26706 Southwest Freeway  
Rosenberg, TX 77471**

**Wednesday, May 9, 2018**

**7:00 p.m.**

**AGENDA**

- I. Meeting Called to Order**
- II. Determination of Quorum**
- III. Resolution(s) for Retiring Regent(s)**
- IV. Consideration of Asset Naming**

**Minute Orders:**

**Proposed MO#**

**05-18 Consideration of Asset Naming.....9**

- V. Swearing-In of New Regents**
- VI. Adjourn**

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.



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**Board Meeting Date:** May 9, 2018 **Proposed Minute Order #:** 05-18

**Proposed By:** Michael L. Reeser, Chancellor & CEO

**Subject:** Consideration of Asset Naming

**Background:** Texas State Technical College (TSTC) has a policy to honor or memorialize individuals and/or businesses that have made major contributions or performed outstanding service to the college by naming certain college assets for such individuals or businesses.

**Justification:** Regent Joe M. Gurecky was appointed as a member of the Texas State Technical College Board of Regents by Governor Rick Perry on June 9, 2006. Regent Gurecky was reappointed on September 1, 2011 and served on the Texas State Technical College Board of Regents through early 2018.

A product of technical education, Regent Gurecky is owner and chief executive officer of Gurecky Manufacturing Services, Inc. in Rosenberg and is a tireless champion for technical education in Texas. The former mayor and councilman of Rosenberg dedicated more than six decades in the manufacturing business and was a key player in bringing TSTC to Fort Bend County. Gurecky and his wife, Doris Gurecky, have made significant and invaluable donations to TSTC for student scholarships and to facilitate the institution's needs.

During the twelve years Regent Gurecky served on the TSTC Board of Regents, he was instrumental in bringing together economic development groups from across the region to build a TSTC campus in Fort Bend County.

**Additional Information:** This nomination complies with System Operating Standard GA.4.7, *Naming of Buildings and Other Specified Entities*.

**Fiscal Implications:** None.

**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 naming the machining lab in the Industrial Technology Center located at TSTC in Fort Bend County the *Joe M. Gurecky Machining Laboratory.*”



**Recommended By:**

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Michael L. Reeser, Chancellor & CEO

**TEXAS STATE TECHNICAL COLLEGE**

**Board of Regents Meeting**

**Texas State Technical College  
Brazos Center  
26706 Southwest Freeway  
Rosenberg, TX 77471**

**Thursday, May 10, 2018**

**12:30 p.m.**

**AGENDA**

- I. Meeting Called to Order**
- II. Invocation**
- III. Determination of Quorum**
- IV. Adoption of Agenda**
- V. Approval of Minutes of February 7, 2018 Meetings**
- VI. Recognition of Guests**
- VII. Chancellor's Comments**
- VIII. Committee Reports and Minute Orders**

- a. Committee for Student Learning and Student Development (Tony Abad – Chair), Tiffany Tremont**

**Committee Chair Comments**

**Minute Orders:**

**Proposed MO #**

None.

**Reports:**

None.

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**b. Committee for Strategic Relations (Curtis Cleveland – Chair)**

**Committee Chair Comments**

**Minute Orders:**

**Proposed MO #**

None.

**Reports:**

None.

**c. Committee for Facilities (Ellis Skinner – Chair), Curtis Cleveland**

**Committee Chair Comments**

**Minute Orders:**

**Proposed MO #**

06-18(c) Accept Abilene Industrial Technology Center .....30

07-18(c) Approve the Concept of Sweetwater Housing Renovation .....33

**Reports:**

1. Major Facility Projects Status Update.....36

*Ray Fried*

2. Progress Report/Photos (Oral Report)

*Ray Fried*

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.

**d. Audit Committee (Ivan Andarza – Chair)**

**Committee Chair Comments**

**Minute Order:**

**Proposed MO #**

None.

**Reports:**

1. Status of Fiscal Year 2018 Audit Schedule & Other Projects ..... A-2
2. Summary of Audit Reports ..... A-5
3. Follow-up Schedule & Status ..... A-8
4. Benefits Proportionality Audit..... A-15
5. Selected Higher Education Institutions’ Compliance with Benefits Proportional Requirements ..... A-19
6. State of Texas Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2017 ..... A-34
7. Departmental Audit: Provost’s Office EWCHEC ..... A-42
8. Departmental Audit: Welding EWCHEC..... A-47
9. Attestation Disclosures ..... A-54

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.

**e. Committee for Fiscal Affairs (Keith Honey – Chair), Alex Meade,  
Pat McDonald**

**Committee Chair Comments**

**Minute Orders:  
Proposed MO #**

08-18(c) Selection of Authorized Brokers.....39

**Reports:**

1. Comparison of Budget to Expenditures and Encumbrances, September 1, 2017  
through March 31, 2018.....40  
*Jonathan Hoekstra*

2. TSTC Full Time Equivalent (FTE).....43  
*Jonathan Hoekstra*

3. Pledged Collateral - Collateral Pledged for Deposits in Excess of \$250,000,  
February 28, 2018 .....45  
*Jonathan Hoekstra*

4. Quarterly Investment Report, February 28, 2018 .....46  
*Jonathan Hoekstra*

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.

**IX. Consent Agenda Items**

- 06-18(c) Accept Abilene Industrial Technology Center
- 07-18(c) Approve the Concept of Sweetwater Housing Renovation
- 08-18(c) Selection of Authorized Brokers

**X. Unfinished Business**

**XI. New Business**

- A. Nominations for Executive Committee Place 2.
- B. Appointments for Ad Hoc Committee for the purpose of reviewing and amending the Bylaws.

**XII. Public Comments**

**XIII. Closed Meeting**

- A. Public remains seated.
- B. Announcements by the Board Chair regarding the Closed Meeting, the posting of the Closed Meeting, and the applicable provisions of the Texas Government Code that govern Closed Meetings of the TSTC Board of Regents.
- C. The Open Meeting takes a recess and the Regents retire to conference room 108 to conduct the Closed Meeting.
- D. The Closed Meeting is called to Order and a Quorum is determined.

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.

E. Consultation with Attorney (Texas Government Code, Section 551.071)

*Texas Government Code, Section 551.071*

*“A governmental body may not conduct a private consultation with its attorney except:*

*(1) When the governmental body seeks the advice of its attorney about:*

*(A) pending or contemplated litigation; or*

*(B) a settlement offer; or*

*(2) on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.”*

F. Deliberation Regarding Real Property (Texas Government Code, Section 551.072)

*Texas Government Code, Section 551.072*

*“A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.”*

G. Personnel Matters (Texas Government Code, Section 551.074)

*Texas Government Code, Section 551.074*

*“(a) This chapter does not require a governmental body to conduct an open meeting:*

*(1) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or*

*(2) to hear a complaint or charge against an officer or employee.*

*(b) Subsection (a) does not apply if the officer or employee who is the subject of the deliberation or hearing requests a public hearing.”*

H. Chair adjourns the Closed Meeting.

I. The Board returns to the Brazos Center Multipurpose Room.

J. Open Meeting reconvenes.

**XIV. Action**

Possible Action from Closed Meeting.

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.

**XV. Chancellor Comments**

**XVI. Board Comments**

**Adjourn**

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous meetings. The estimated times are approximate and may be adjusted as required with no prior notice. Lunch will be at approximately noon.



**Texas State Technical College  
Audit Committee Meeting  
Minutes  
Wednesday, February 7, 2018  
Connally Meeting & Conference Center  
1651 E. Crest Drive  
Waco, TX 76705**

**MEETING CALLED TO ORDER**

The meeting of the Texas State Technical College Board of Regents Audit Committee was called to order at 11:05 a.m., February 7, 2018, by Committee Chair Andarza.

**DETERMINATION OF QUORUM**

Audit Committee Members Present: Ivan Andarza, Joe Gurecky.

Audit Committee Members Absent: None.

Other Regents Present: John Hatchel, Ellis Skinner, Joe Hearne, Keith Honey, Tony Abad, Curtis Cleveland and Alejandro G. Meade, III.

**MINUTE ORDERS**

None.

**REPORTS**

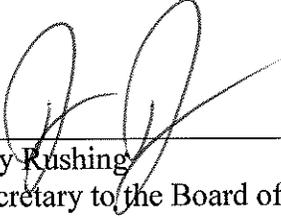
The following reports were presented to the Committee:

1. Status of Fiscal Year 2018 Audit Schedule & Other Projects
2. Summary of Audit Reports
3. Follow-up Schedule & Status
4. North Texas: Industrial Maintenance – Departmental Audit
5. Provost Office – Departmental Audit – (North Texas Campus)
6. Facilities: Facilities Development Project Compliance Audit (Waco Campus)
7. Police: Evidence Room Audit (Waco & Harlingen Campuses)
8. Financial Aid: Review Cohort Default Rates
9. College Readiness: Final Annual Program Report – GED/Career Path Initiative Contract (Harlingen Campus)
10. Public Funds Investment Act Audit
11. Financial Aid: Follow Up Audit of TEXAS Grant



12. Attestation Disclosures

The meeting adjourned at 11:18 a.m.



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Ray Rushing  
Secretary to the Board of Regents

**TEXAS STATE TECHNICAL COLLEGE  
Board of Regents Meeting  
Minutes  
Wednesday, February 7, 2018  
Texas State Technical College  
Connally Meeting & Conference Center  
1651 E. Crest Drive  
Waco, TX 76705**

The meeting of the Texas State Technical College Board of Regents was called to order at 11:25 a.m., February 7, 2018, by Chair John Hatchel.

**AMENDEMENT OF AGENDA**

Chair John Hatchel stated that the agenda would be amended to reflect having the meeting called to order then the invocation so that the invocation would be included as a part of the meeting.

**DETERMINATION OF A QUORUM**

Members Present: Joe Gurecky, Joe Hearne, Keith Honey, Ivan Andarza, Tony Abad, John Hatchel, Curtis Cleveland, Alex Meade and Ellis Skinner.

Members Absent: None.

**ADOPTION OF AGENDA**

The Agenda was adopted as amended.

**APPROVAL OF MINUTES OF November 15 & 16, 2017**

Upon a motion by Mr. Andarza and second by Mr. Honey, the Minutes of the November 15 & 16, 2017, Board of Regents meetings were approved unanimously.

**RECOGNITION OF GUESTS**

None.

**CHANCELLOR'S COMMENTS**

**OPERATIONS UPDATE – ELTON E. STUCKLY, JR.**

**COMMITTEE REPORTS AND MINUTE ORDERS**

Chairman Hatchel reported that, as a point of privilege, Associate Vice Chancellor Ray Fried would report out of sequence on the agenda, as an emergency had occurred that would necessitate his absence at the previously scheduled time.

**c. Committee for Facilities**

**Minute Orders:  
Proposed MO #**

None.

**Reports:**

1. Major Facility Projects Status Update .....  
*Ray Fried*

2. Progress Report/Photos (Oral Report) .....  
*Ray Fried*

**a. Committee for Student Learning and Student Development**

**Minute Orders:  
Proposed MO #**

01-18(c) Annual Approval of Cument Associate Degree and Certificate Programs

**Reports:**

TSTC Board of Regents Honor Graduates Fall 2017 .....*Elton E. Stuckly, Jr.*

**b. Committee for Strategic Relations**

**Minute Orders:  
Proposed MO #**

02-18(c) Employee Holiday Calendar for Fiscal Year 2019.....

**Reports:**

1. Title IX/Sexual Harassment Policy, Training and Compliance (Oral Report).....  
*Ray Rushing*

**Chairman Hatchel reported: Regents, I have a statement that I would to make on this issue. The Texas State Technical College Board of Regents values the safety and welfare of all TSTC employees and students. Sexual Harassment has no place in either the workplace or learning environment. This Governing Board supports TSTC management in taking all necessary actions to follow up on any complaints made and to support any individuals that may suffer harm if he or she is harassed. Part of creating a great place to work and learn is having all employees and students feel their environment is safe. We are confident in the measures taken by management and instruct them to continue work in this area.**

2. Compensation Presentation (Oral Report) .....  
*Hannah Love*

**c. Audit Committee**

**Minute Order:  
Proposed MO #**

None.

**Reports:**

Status of Fiscal Year 2018 Audit Schedule & Other Projects

Summary of Audit Reports

Follow-up Schedule & Status

North Texas: Industrial Maintenance – Departmental Audit

Provost Office – Departmental Audit (North Texas Campus)

Facilities: Facilities Development Project Compliance Audit (Waco Campus)

Police: Evidence Room Audit (Waco & Harlingen Campuses)

Financial Aid: Review of Cohort Default Rates

College Readiness: Final Annual Program Report – GED/Career Path Initiative Contract (Harlingen Campus)

Financial Aid: Follow Up Audit of TEXAS Grant

Attestation Disclosures

**d. Committee for Fiscal Affairs**

**Minute Orders:**

**Proposed MO #**

- 03-18(c) Schedule of Tuition and Fees Effective Fall 2018 Semester
  
- 04-18(c) Approve the Expanded Concept to Renovate Student Housing at Texas State Technical College in Waco

**Reports:**

- 1. Comparison of Budget to Expenditures and Encumbrances, September 1, 2017 through December 31, 2017.....  
*Jonathan Hoekstra*
  
- 2. TSTC Full Time Equivalent (FTE) .....  
*Jonathan Hoekstra*
  
- 3. Pledged Collateral - Collateral Pledged for Deposits in Excess of \$250,000, November 30, 2017 .....  
*Jonathan Hoekstra*
  
- 4. Quarterly Investment Report, November 30, 2017 .....  
*Jonathan Hoekstra*
  
- 5. Texas Higher Education Coordinating Board (THECB) Almanac Presentation .....  
*Isabel Weeden*
  
- 6. Overview of Housing Renovation Project at TSTC in Waco (Oral Report) .....  
*Jonathan Hoekstra*

**CONSENT AGENDA ITEMS**

Upon motion by Mr. Cleveland and second by Mr. Meade, the Consent Agenda Items were approved unanimously:

- 01-18(c) Annual Approval of Current Associate Degree and Certificate Programs  
“The Board of Regents approves the Annual Approval of Current Associate Degree and Certificate Programs.”
  
- 02-18(c) Employee Holiday Calendar for Fiscal Year 2019

“The Board of Regents approves the Employee Holiday Calendar for Fiscal Year 2019.”

03-18(c) Schedule of Tuition and Fees Effective Fall 2018 Semester

“The Board of Regents approves the Schedule of Tuition and Fees Effective Fall 2018 Semester.”

04-18(c) Approve the Expanded Concept to Renovate Student Housing at Texas State Technical College in Waco

“The Board of Regents approves the Expanded Concept to Renovate Student Housing at Texas State Technical College in Waco.”

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

None.

**PUBLIC COMMENTS**

None.

**CLOSED MEETING**

Chair announces: The meeting of the TSTC Board of Regents held at Connally Meeting & Conference Center, Waco, Texas on Wednesday, February 7, 2018, after proper posting and in accordance with Chapter 551 of the Texas Government Code for the specific purpose provided in sections 551.071, 551.072, and 551.074 will recess from Open Meeting into Closed Meeting at 4:20 p.m.

The Open Meeting is recessed and the Regents retire to the Crockett Room to convene the Closed Meeting.

The Closed Meeting is called to Order and a Quorum is determined.

Consultation with Attorney (Texas Government Code, Section 551.071)

*Texas Government Code, Section 551.071*

*“A governmental body may not conduct a private consultation with its attorney except:*

- (1) When the governmental body seeks the advice of its attorney about:*
  - (A) pending or contemplated litigation; or*
  - (B) a settlement offer; or*

*(2) on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.”*

Deliberation Regarding Real Property (Texas Government Code, Section 551.072)

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Personnel Matters (Texas Government Code, Section 551.074)

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*(2) to hear a complaint or charge against an officer or employee.*

*(b) Subsection (a) does not apply if the officer or employee who is the subject of the deliberation or hearing requests a public hearing.”*

Chair adjourns the Closed Meeting at 4:40 p.m.

The Board returns to Austin Room.

## **OPEN MEETING**

The Board of Regents reconvened into Open Meeting at 4:47 p.m., and reported that a 3% increase of Jason Mallory’s compensation was discussed in the Closed Meeting.

## **ACTION ON CLOSED MEETING**

Upon a motion by Mr. Andarza and a second by Mr. Honey a 3% increase to Jason Mallory’s compensation was approved unanimously.

## **CHANCELLOR COMMENTS**

None.

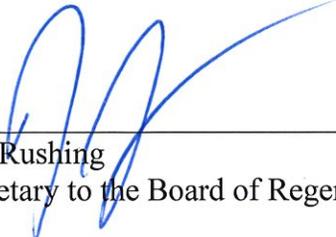
## **BOARD COMMENTS**

None.

**ADJOURN**

The next meeting of the Board of Regents is scheduled for May 10, 2018 at TSTC Fort Bend Campus.

The meeting adjourned at 4:44 p.m.



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Ray Rushing  
Secretary to the Board of Regents

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### **Committee for Student Learning and Student Development**

[Tony Abad (Chair), Tiffany Tremont]

#### **Committee Chair Comments**

#### **Minute Orders:**

##### **Proposed MO #**

None.

#### **Report:**

None.

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### **Committee for Strategic Relations**

[Curtis Cleveland (Chair)]

#### **Committee Chair Comments**

#### **Minute Orders:**

##### **Proposed MO #**

None.

#### **Reports:**

None.

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### Committee for Facilities

[Ellis Skinner (Chair), Curtis Cleveland]

#### Committee Chair Comments

#### Minute Orders:

##### Proposed MO#

|          |  |    |
|----------|--|----|
| 06-18(c) | Accept Abilene Industrial Technology Center .....          | 30 |
| 07-18(c) | Approve the Concept of Sweetwater Housing Renovation ..... | 33 |

#### Reports:

|    |  |    |                  |
|----|--|----|------------------|
| 1. | Major Facility Projects Status Update..... | 36 | <i>Ray Fried</i> |
| 2. | Progress Report/Photos (Oral Report)       |    | <i>Ray Fried</i> |



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**Board Meeting Date:** May 10, 2018

**Proposed Minute Order #:** 06-18(c)

**Proposed By:** Rick Herrera, Vice Chancellor and Chief Student Services Officer

**Subject:** Acceptance of The Abilene Industrial Technology Center Project at Texas State Technical College Abilene.

**Background:** The leadership of Abilene, private Abilene foundations, and Abilene community all recognize the value that TSTC brings to a community by providing exceptional technical education. To that end TSTC was able to secure a Tuition Revenue bond in the amount of \$12,000,000 to build the first building on a new campus in Abilene. The Abilene area was identified by the TSTC master plan as an area for growth. In addition The Abilene community, Abilene DCOA, and local foundations contributed over \$6,000,000 for land acquisition and operating startup costs. The 51 acre site for the Industrial Technology Center and future campus expansion was purchased from the City of Abilene.

**Justification:** The Abilene Industrial Technology Center will be complete and ready for occupancy and the first day of class on August 27<sup>th</sup> 2018.

**Additional Information:** The Abilene Industrial Technology Center is comprised of approximately 60,987 SF. The Center will include relocating the existing Emergency Medical Services program from the down town campus. This will allow the program to grow in both size and quality enhancing our student success by providing a state of the art lab and support space. The Center will also house an Enrollment Center and three new programs, Industrial Maintenance, Electric Power and Controls, and Welding Technology. There will also be a Multipurpose lab offering custom training opportunities.

|                         |                        |             |
|-------------------------|------------------------|-------------|
| <b>Action Schedule:</b> | Approve Concept        | MO 49-14    |
|                         | Approve Project Budget | MO 8-16     |
|                         | Approve Land Purchase  | MO 68-16    |
|                         | Accept Project         | MO 06-18(c) |

**Fiscal Implications:** Fund available as currently budgeted.

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

**Attachment(s):** Rendering

**Recommended Minute Order:** “The Board of Regents authorizes the Chancellor or Designee to accept the Abilene Industrial Technology Center upon Substantial Completion and to pay the contractor ninety-five percent of the construction cost pending final acceptance. Upon receipt of notification of final acceptance, the Board of Regents authorizes the Chancellor or his designee to make final payment due to the contractor in the full amount.”

**Recommended By:** 

---

Ray Fried, Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance.





**Board Meeting Date:** May 10, 2018

**Proposed Minute Order #:** 07-18(c)

**Proposed By:** Rick Herrera, Vice Chancellor and Chief Student Services Officer

**Subject:** Approve the concept to renovate student housing on the Texas State Technical College campus in Sweetwater.

**Background:** The Sweetwater campus has the advantage of providing on campus housing which has in the past attracted students especially in Wind Energy Technology, Diesel Technology, Welding Technology, and Automotive Technology programs. In addition, the food service facilities offer our students a full service housing plan.

**Justification:** An investment in higher quality and more attractive student housing, with landscaping and amenities, is expected to have a positive effect on enrollment and the percentage of student enrollment residing on campus. Both of these factors should increase occupancy rates.

**Additional Information:** Sweetwater student housing is comprised of 4 units referred to as the Lodges. Each lodge has 18 single occupant rooms for a total of 72 occupants. In addition, there are 3 apartment complexes, referred to as the Apartments, with 8 living areas per apartment and 4 individual student bedrooms per living area, which equates to a total capacity of 96 occupants. Texas State Technical College will solicit an Architect/ Engineer to evaluate structures and plan the proper renovation, repairs, amenities, and landscaping.

**Action Schedule:** Approve Concept MO 07-18(c)

**Fiscal Implications:** Funds available from insurance proceeds

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

**Attachment(s):** Campus Map showing Apartments and Lodges

**Recommended  
Minute Order:**

“The Board of Regents approves the concept to renovate and upgrade the student housing on the Sweetwater campus and delegates the authority to the Chancellor, or his designee, to move forward on the architectural study and design of the project”

**Recommended By:**

A handwritten signature in cursive script, reading "Raymond D. Fried".

---

Ray Fried, Associate Vice Chancellor for Facilities, Planning, Construction, and Maintenance.



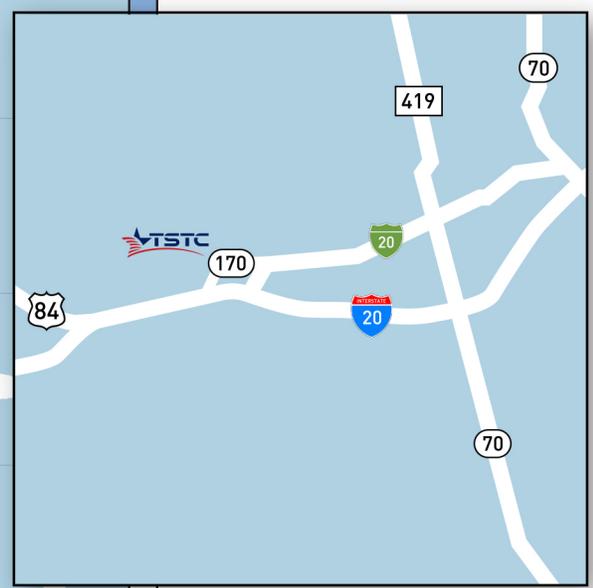
## SWEETWATER CAMPUS

300 Homer K. Taylor Drive  
Sweetwater, TX 79556  
**(325) 235-7300**

|   |             |             |
|---|-------------|-------------|
| Allied Health / Learning Resource Center              | <b>4DAP</b> | <b>D-7</b>  |
| Campus Police Department                              | <b>4CTC</b> | <b>E-12</b> |
| Custodial Services                                    | <b>4AUM</b> | <b>C-4</b>  |
| Diesel Technology                                     | <b>4BCT</b> | <b>B-3</b>  |
| Diesel Technology                                     | <b>4DSM</b> | <b>C-3</b>  |
| Electromechanical Technology                          | <b>4ART</b> | <b>E-5</b>  |
| Enrollment Center                                     | <b>4SRS</b> | <b>D-4</b>  |
| Graphics Building                                     | <b>4GRA</b> | <b>D-8</b>  |
| The Heptahedron                                       | <b>4SEC</b> | <b>D-2</b>  |
| Office of Information Technology                      | <b>4TTB</b> | <b>D-4</b>  |
| Physical Plant / Shipping & Receiving                 | <b>4PPF</b> | <b>E-2</b>  |
| R. Temple Dickson Center for Engineering Technologies | <b>4TDC</b> | <b>E-5</b>  |
| Storage   | <b>4BOF</b> | <b>C-6</b>  |
| Storage   | <b>4REL</b> | <b>C-6</b>  |
| The Student Center                                    | <b>4CTR</b> | <b>D-10</b> |
| Transportation Technologies Center                    | <b>4TTC</b> | <b>D-3</b>  |
| TSTC Administration                                   | <b>4ADM</b> | <b>E-7</b>  |
| Welding Technology                                    | <b>4AUT</b> | <b>C-4</b>  |
| Wind Energy Technology                                | <b>4ACT</b> | <b>E-4</b>  |
| <b>Student Housing</b>                                |             |             |
| The Avenger Apartments                                | <b>4AVG</b> | <b>A-8</b>  |
| Bookstore / Laundry                                   | <b>4BSL</b> | <b>B-10</b> |
| The Cedar Lodge                                       | <b>4CDL</b> | <b>C-10</b> |
| The Mesquite Lodge                                    | <b>4MQL</b> | <b>B-10</b> |
| The Oak Lodge   | <b>4OKL</b> | <b>B-10</b> |
| The Pecan Lodge                                       | <b>4PCL</b> | <b>C-10</b> |
| The Rolling Plains Apartments                         | <b>4RLP</b> | <b>A-11</b> |
| The WASP Apartments                                   | <b>4WSP</b> | <b>A-11</b> |

**Recreation Areas** ■

**For help, contact:**  
Campus Police: (325) 235-7400  
Campus Information: (325) 235-7300



**LODGES**

**APARTMENTS**

BALL FIELD

CAMPUS ENTRANCE

TO 170 & SWEETWATER

TO I-20

**Texas State Technical College  
Major Facility Projects-Status Update May 2018**

|                        | Project Name   | Campus              | Managing Campus | Delivery Method              | Fund Source             | Cost Allocation | Required Approvals        | % Complete    |                                     |               |      |
|------------------------|--|---------------------|-----------------|------------------------------|-------------------------|-----------------|---------------------------|---------------|-------------------------------------|---------------|------|
| 1                      | Renovation of Building 20PM Engineering Center (Phase 2)                     | Harlingen           | Harlingen       | Construction Manager At Risk | Tuition Revenue Bond    | \$ 3,750,000    | Architect/Engineer        | \$ 250,000    | Approve Concept                     | MO 34-13      | 60%  |
|                        |  |                     |                 |                              |                         |                 | Construction              | \$ 3,400,000  | Approve Budget                      | MO 55-15      |      |
|                        |  |                     |                 |                              |                         |                 | Owners Cost               | \$ 100,000    | Approved MO amount                  | \$ 3,750,000  |      |
|                        |  |                     |                 |                              | Subtotal Funds          | \$ 3,750,000    | Subtotal Construction     | \$ 3,750,000  | Acceptance                          | Fall 2018     |      |
|                        |  |                     |                 |                              | Additional Information  |                 |                           |               |                                     |               |      |
|                        |  | TPFA                | \$ 459,000      | IT, FFE, Equip.              | \$ 459,000              |                 |                           |               |                                     |               |      |
|                        |  | Total Funds         | \$ 4,209,000    | Total Cost                   | \$ 4,209,000            |                 |                           |               |                                     |               |      |
| 2                      | Central Chiller Plant Engineering and design                                 | Harlingen           | Harlingen       | Request for qualifications   | Designated Tuition      | \$ 40,000       | Engineering / Design      | \$ 578,330    | Approve Concept and design project  | MO 19-14      | 100% |
|                        |  |                     |                 |                              | HEAF Bond               | \$ 605,000      | Owners Cost               | \$ -          | Approved MO amount                  | \$ 800,000    |      |
|                        |  |                     |                 |                              | Transfer to project #3  | \$ (45,500)     |                           |               | Accept Project                      | MO-39-17      |      |
|                        |  |                     |                 |                              | Transfer to project #3  | \$ (21,170)     |                           |               |                                     |               |      |
|                        |  |                     |                 |                              | Total Funds             | \$ 578,330      | Total Cost                | \$ 578,330    |                                     |               |      |
| 3                      | Replace Central Chiller Plant  | Harlingen           | Harlingen       | Construction Manager At Risk | HEAF Bond               | \$ 8,000,000    | Construction              | \$ 7,790,658  | Approve Concept                     | MO 19-14      | 99%  |
|                        |  |                     |                 |                              | HEAF from project #2    | \$ 45,500       | Owners Cost               | \$ 251,012    | Approve Budget                      | MO 48-16      |      |
|                        |  |                     |                 |                              | Savings from project #2 | \$ 21,170       |                           |               | Approved MO amount                  | \$ 7,900,000  |      |
|                        |  |                     |                 |                              | Reduce Budget Savings   | \$ (25,000)     | Total Cost                | \$ 8,041,670  | Accept Project                      | MO 40-17      |      |
|                        |  |                     |                 |                              | Total Funds             | \$ 8,041,670    |                           |               |                                     |               |      |
| 4                      | The Brazos Center  | Fort Bend County    | Harlingen       | Construction Manager At Risk | Tuition Revenue Bond    | \$ 14,950,000   | A/E                       | \$ 998,619    | Approve Concept                     | MO 46-14      | 100% |
|                        |  |                     |                 |                              |                         |                 | Construction              | \$ 13,426,548 | Approve Budget                      | MO 56-15      |      |
|                        |  |                     |                 |                              | Donation Grant Aux.     | \$ 250,000      | Owners Cost               | \$ 774,833    | Approved MO amount                  | \$ 14,950,000 |      |
|                        |  |                     |                 |                              | Subtotal Funds          | \$ 15,200,000   | Subtotal Construction     | \$ 15,200,000 | Accept Project                      | MO 37-17      |      |
|                        |  |                     |                 |                              | Additional Information  |                 |                           |               |                                     |               |      |
|                        |  | Equipment TPFA      | \$ 2,160,000    | IT / Equipment               | \$ 2,160,000            |                 |                           |               |                                     |               |      |
|                        |  | Total Funds         | \$ 17,360,000   | Total Costs                  | \$ 17,360,000           |                 |                           |               |                                     |               |      |
| 5                      | Replace Water and Sewer Infrastructure on Main Campus                        | Waco                | Waco            | Competitive Sealed Proposal  | HEAF Bonds              | \$ 8,700,000    | Architect/Engineer        | \$ 1,169,871  | Approve Concept                     | MO 47-14      | 74%  |
|                        |  |                     |                 |                              |                         |                 | Construction              | \$ 7,400,010  | Approve project & Budget            | MO 07-16      |      |
|                        |  |                     |                 |                              |                         |                 | Owners Cost               | \$ 130,119    | Approved MO amount                  | \$ 8,700,000  |      |
|                        |  |                     |                 |                              | Total Funds             | \$ 8,700,000    | Total Cost                | \$ 8,700,000  | Accept project                      | Summer 2018   |      |
| 6                      | Accept real property and Construct TSTC Abilene Industrial Technology Center | Abilene             | Sweetwater      | Construction Manager At Risk | Tuition Revenue Bond    | \$ 12,000,000   | Architect/Engineer        | \$ 917,475    | Approve Concept                     | MO 49-14      | 85%  |
|                        |  |                     |                 |                              | HEAF Bonds              | \$ 46,321       | Construction              | \$ 11,033,407 | Issue Bonds                         | Spring 2016   |      |
|                        |  |                     |                 |                              |                         |                 | Const. Auxiliary Services | \$ -          | Approved MO Amount                  | \$12,000,000  |      |
|                        |  |                     |                 |                              |                         |                 | Owners Cost               | \$ 95,439     | Approve Project and Budget          | MO 08-16      |      |
|                        |  |                     |                 |                              | Subtotal Funds          | \$ 12,046,321   | Subtotal Construction     | \$ 12,046,321 | Approve Land Purchase from Donation | MO 68-16      |      |
| Additional Information |  |                     |                 | Accept Project               | MO 05-18                |                 |                           |               |                                     |               |      |
|                        |  | Gifts and donations | \$ 465,000      | Land purchase                | \$ 465,000              |                 |                           |               |                                     |               |      |
|                        |  | TPFA                | \$ 3,860,000    | Equipment, FFE, IT           | \$ 3,860,000            |                 |                           |               |                                     |               |      |
|                        |  | Total Funds         | \$ 16,371,321   | Total Cost                   | \$ 16,371,321           |                 |                           |               |                                     |               |      |

**Texas State Technical College  
Major Facility Projects-Status Update May 2018**

|    | Project Name                                    | Campus     | Managing Campus | Delivery Method                   | Fund Source        | Cost Allocation | Required Approvals                 | % Complete |                                    |             |      |
|----|---|------------|-----------------|-----------------------------------|--------------------|-----------------|------------------------------------|------------|------------------------------------|-------------|------|
| 7  | TSTC Monument and Wayfinding Project            | Statewide  | Statewide       | Construction Manager at Risk      | HEAF Bond          | \$ 780,000      | Construction                       | \$ 733,679 | Approve Project and Budget         | MO 03-17    | 6%   |
|    |   |            |                 |                                   | Move to ABI ITC    | \$ (46,321)     | Move to ABI ITC                    |            | Approved MO                        | \$780,000   |      |
|    |   |            |                 |                                   | Total Funds        | \$ 733,679      | Total Cost                         | \$ 733,679 |                                    |             |      |
| 8  | HVAC Replacement                                | Marshall   | Marshall        | Design Build Performance Contract | HEAF Bond          | \$ 1,000,000    | Construction                       | \$ 998,158 | Approve Project and Budget         | MO 04-17    | 100% |
|    |   |            |                 |                                   | Under run          | \$ (1,842)      |                                    |            | Approved MO                        | \$1,000,000 |      |
|    |   |            |                 |                                   | Total Funds        | \$ 998,158      | Total Cost                         | \$ 998,158 | Accept Project                     | MO 41-17    |      |
| 9  | Rework and Replace Paving                       | Sweetwater | Sweetwater      | RFQ                               | HEAF Bond          | \$ 40,000       | Engineering / Design               | \$ 40,000  | Approve Concept and design project | MO 07-17    | 10%  |
| 10 | Sweetwater Housing Study and Renovation Project | Sweetwater | Sweetwater      | Request For Qualifications        | Insurance Proceeds | \$ 70,000       | Study, Design, and opinion of cost | \$ 70,000  | Approve Concept                    | MO 06-18    | 0%   |

\$ 50,158,158

\$ 50,158,158

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[Keith Honey (Chair), Alex Meade, Pat McDonald]

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**Board Meeting Date:** May 10, 2018

**Proposed Minute Order #:** 08-18(c)

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

**Subject:** Selection of Authorized Brokers

**Background:** The Public Funds Investment Act, Government Code Chapter 2256, requires that the governing body of an entity subject to the Act shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity.

**Justification:** The Board of Regents is required to review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with Texas State Technical College at least annually as set forth in Section 2256.025 of the Public Funds Investment Act.

**Additional Information:** None

**Fiscal Implications:** Not applicable

**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 adopts the following list of qualified brokers that are authorized to engage in investment transactions with Texas State Technical College:

- Coastal Securities, Inc.
- Hilltop Securities
- Investors Brokerage of Texas
- Robert W. Baird & Co.
- Vining Sparks
- Wells Fargo Advisors”

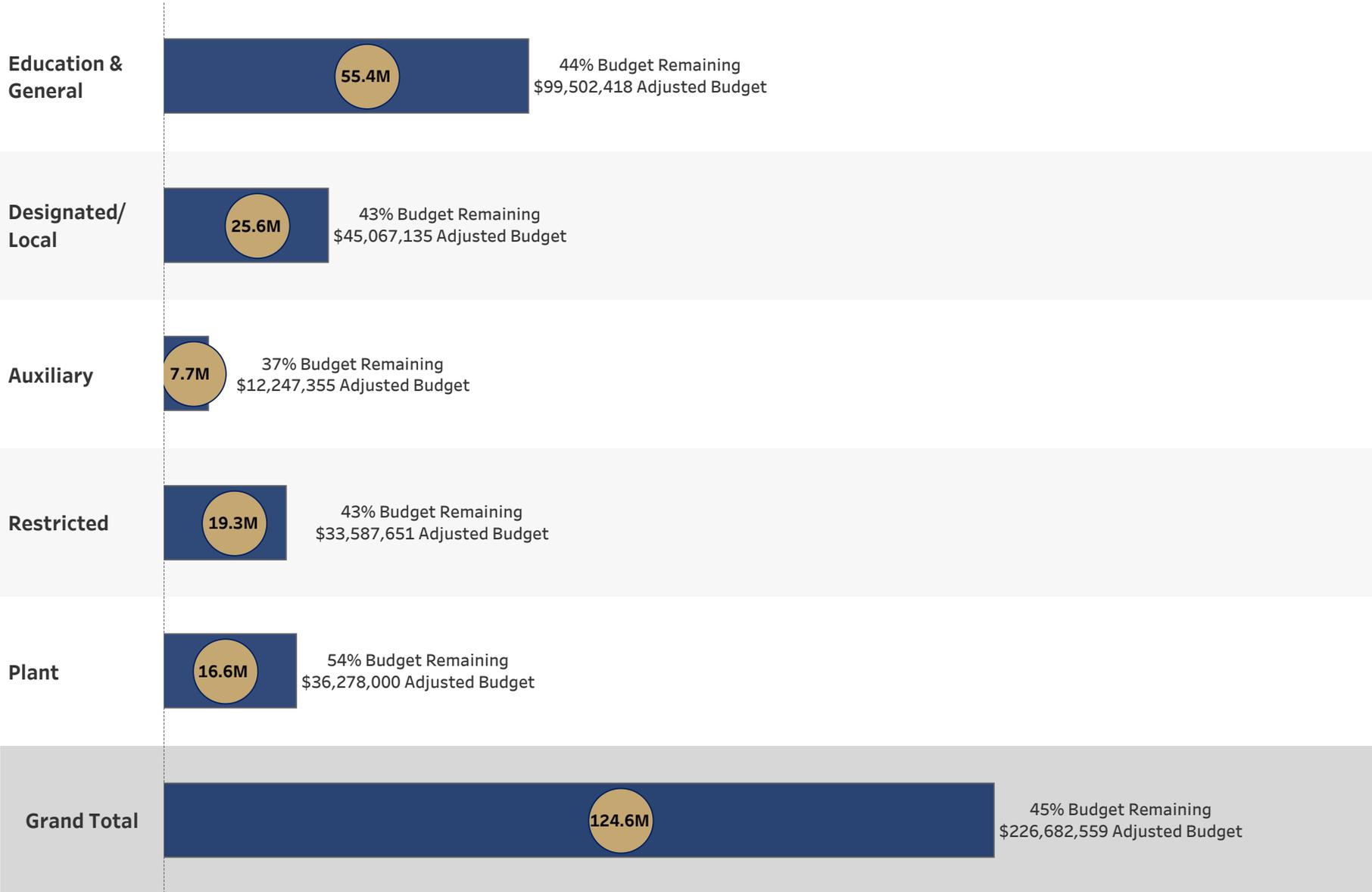
**Recommended By:**

/s/

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Jonathan Hoekstra, Vice Chancellor & Chief Financial Officer

**Texas State Technical College**  
**Variance of Adjusted Budget to Original Budget**  
**September 1, 2017 - March 31, 2018**

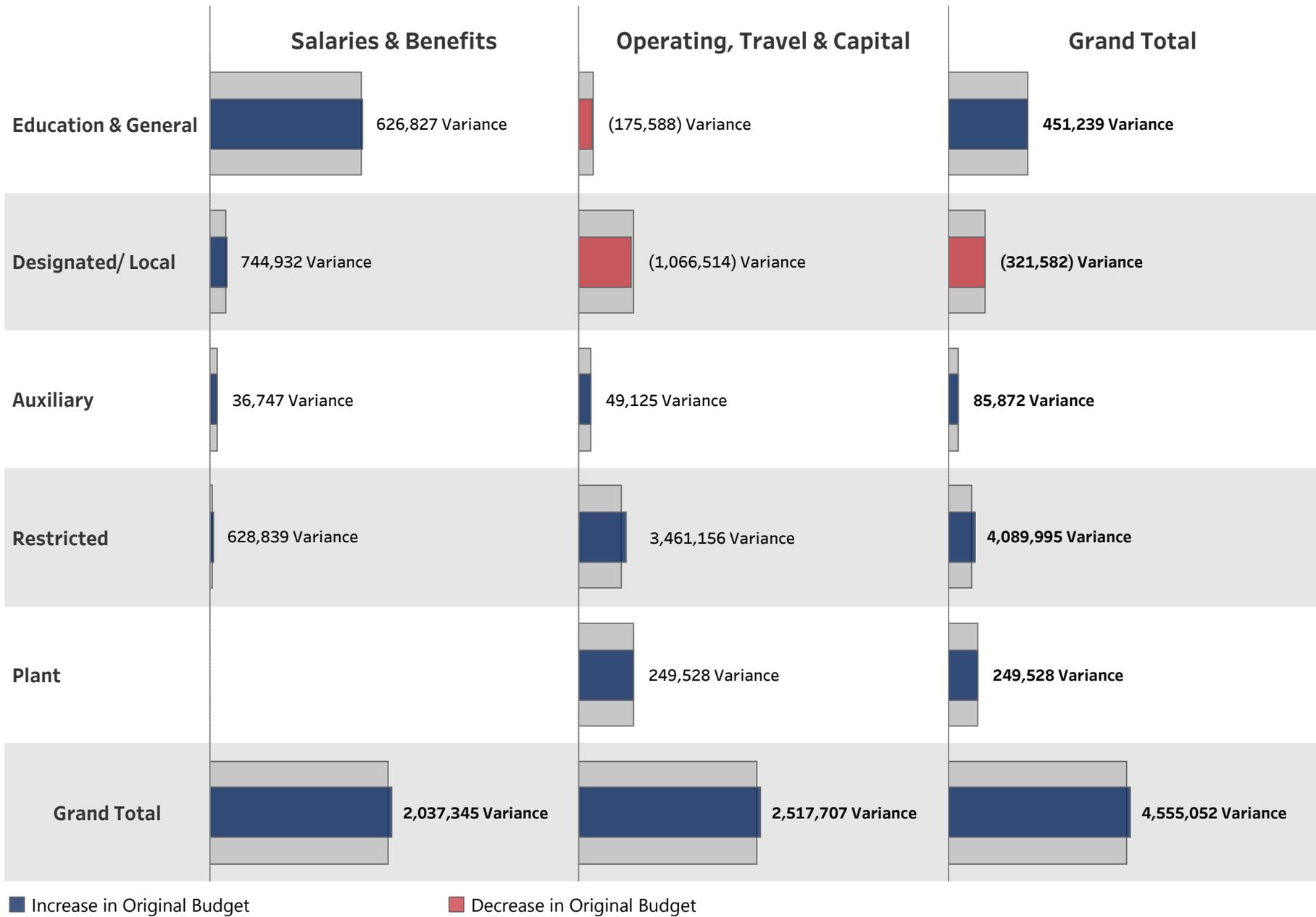


■ Adjusted Budget      ■ Expenditures + Encumbrances

**Texas State Technical College**  
**Variance of Adjusted Budget to Original Budget**  
**September 1, 2017 - March 31, 2018**

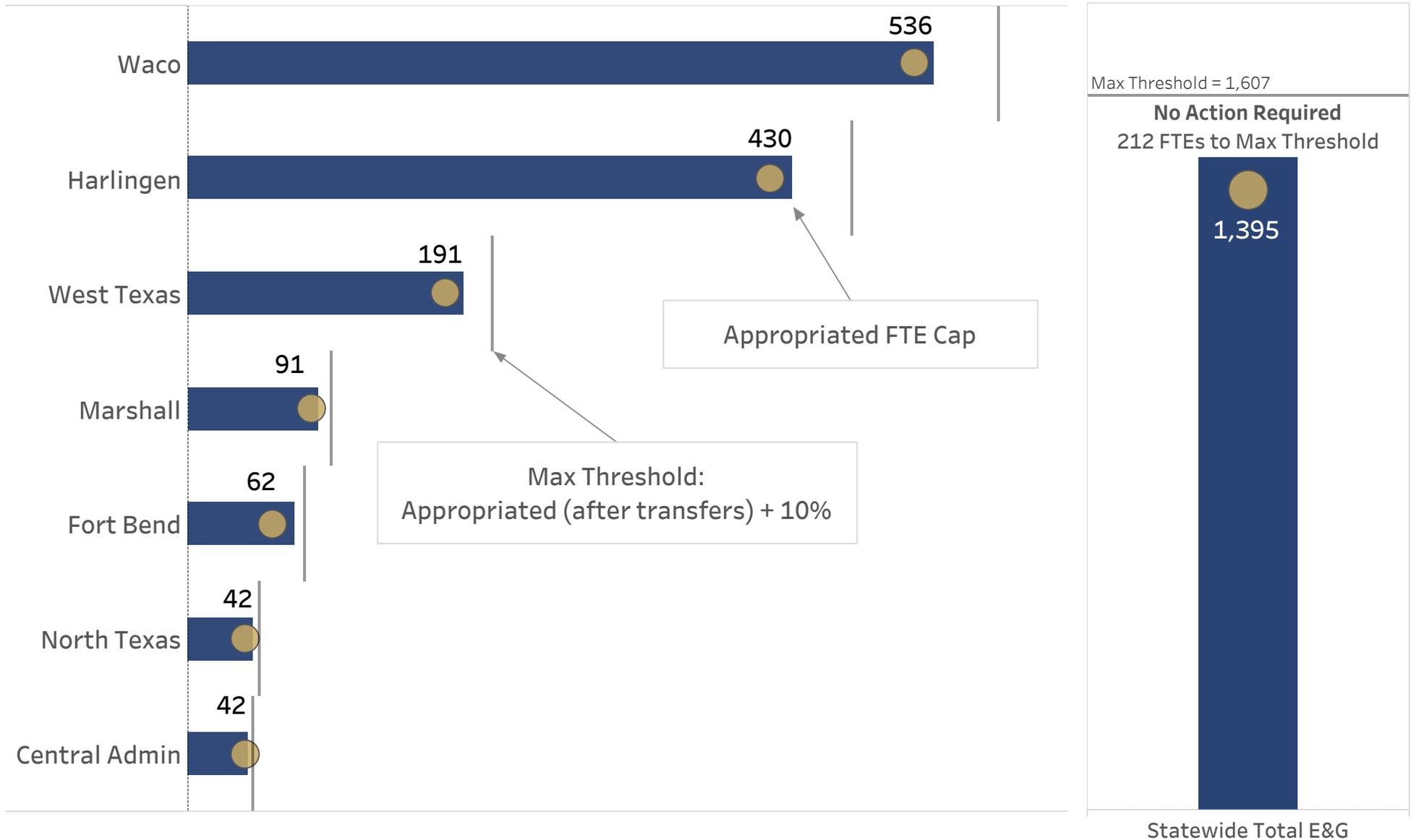


**Texas State Technical College**  
**Variance of Adjusted Budget to Original Budget**  
**September 1, 2017 - March 31, 2018**



**Texas State Technical College**  
**State Appropriated Employees - Full Time Equivalent**  
**FY 2018 - As of February 28, 2018**

The number of Full Time Equivalent employees is within the max threshold of 1607 by 212 FTEs, therefore no action is required.



■ Actual FTE

**Texas State Technical College**  
**Variance of FTEs by Location by Fund Source from FY 2014**  
**As of February 28, 2018**

| Location         | Fund Source  | 2014       | 2015         | 2016          | 2017          | 2018          |
|------------------|--------------|------------|--------------|---------------|---------------|---------------|
| Waco             | Appropriated | 552 - 0    | 515 - (37)   | 542 - (10)    | 517 - (35)    | 511 - (41)    |
|                  | Other        | 138 - 0    | 141 - 3      | 131 - (7)     | 131 - (7)     | 125 - (13)    |
| Harlingen        | Appropriated | 427 - 0    | 448 - 21     | 445 - 19      | 443 - 16      | 430 - 4       |
|                  | Other        | 161 - 0    | 139 - (22)   | 97 - (64)     | 81 - (81)     | 74 - (87)     |
| Sweetwater       | Appropriated | 98 - 0     | 93 - (5)     | 89 - (9)      | 98 - 0        | 99 - 1        |
|                  | Other        | 18 - 0     | 28 - 10      | 16 - (2)      | 14 - (4)      | 16 - (2)      |
| Marshall         | Appropriated | 105 - 0    | 92 - (13)    | 92 - (13)     | 87 - (17)     | 91 - (14)     |
|                  | Other        | 12 - 0     | 11 - (1)     | 10 - (2)      | 7 - (5)       | 7 - (5)       |
| Abilene          | Appropriated | 56 - 0     | 62 - 6       | 58 - 2        | 59 - 3        | 61 - 5        |
|                  | Other        | 6 - 0      | 4 - (2)      | 4 - (2)       | 1 - (5)       | 1 - (5)       |
| Central Admin    | Appropriated | 38 - 0     | 37 - (1)     | 29 - (9)      | 39 - 1        | 42 - 5        |
|                  | Other        | 8 - 0      | 10 - 2       | 13 - 5        | 11 - 3        | 12 - 4        |
| North Texas      | Appropriated | 2 - 0      | 24 - 22      | 29 - 27       | 36 - 34       | 42 - 40       |
|                  | Other        | 0 - 0      | 1 - 1        | 0 - 0         | 1 - 1         | 0 - 0         |
| Brownwood        | Appropriated | 26 - 0     | 23 - (3)     | 27 - 1        | 17 - (9)      | 17 - (9)      |
|                  | Other        | 5 - 0      | 4 - (1)      | 0 - (5)       | 0 - (5)       | 0 - (5)       |
| EWC              | Appropriated | 3 - 0      | 18 - 15      | 25 - 22       | 20 - 17       | 26 - 23       |
|                  | Other        | 0 - 0      | 0 - 0        | 0 - 0         | 0 - 0         | 1 - 1         |
| Fort Bend        | Appropriated | 5 - 0      | 8 - 3        | 23 - 18       | 46 - 41       | 62 - 57       |
|                  | Other        | 0 - 0      | 1 - 1        | 1 - 1         | 3 - 3         | 8 - 8         |
| Breckenridge     | Appropriated | 18 - 0     | 12 - (6)     | 14 - (4)      | 16 - (2)      | 14 - (4)      |
|                  | Other        | 2 - 0      | 2 - 0        | 0 - (2)       | 0 - (2)       | 0 - (2)       |
| Statewide Totals | Appropriated | 1,328<br>0 | 1,331<br>3   | 1,373<br>45   | 1,377<br>49   | 1,395<br>67   |
|                  | Other        | 350<br>0   | 341<br>(9)   | 272<br>(78)   | 249<br>(101)  | 244<br>(106)  |
|                  | Grand Total  | 1,678<br>0 | 1,672<br>(6) | 1,645<br>(33) | 1,626<br>(52) | 1,639<br>(39) |

# TEXAS STATE TECHNICAL COLLEGE

## PLEDGED COLLATERAL REPORT

February 28, 2018

| A   | B                       | C                                | D                               | E                              | F                    | G                   | H                              | I                         |
|---|-------------------------|----------------------------------|---------------------------------|--------------------------------|----------------------|---------------------|--------------------------------|---------------------------|
|   | PORTFOLIO               |                                  |                                 |                                | SECURITY ON DEPOSITS |                     |                                |                           |
| DEPOSITORY-LOCATION                               | REGULAR DEMAND DEPOSITS | INTEREST BEARING DEMAND DEPOSITS | MONEY MARKETS AND TIME DEPOSITS | TOTAL DEPOSITS AND INVESTMENTS | SIPC/FDIC** COVERAGE | REQUIRED COLLATERAL | COLLATERAL AT MARKET VALUE Feb | SUFFICIENT (INSUFFICIENT) |
| 1 BANK OF AMERICA - WACO                          | -                       | -                                | 10,000                          | 10,000                         | 10,000               | -                   | -                              | -                         |
| 2 BRECKENRIDGE INTERBANK                          | -                       | 56,543                           | -                               | 56,543                         | 56,543               | -                   | -                              | -                         |
| 3 CITIZENS NATIONAL BANK - RED OAK                | -                       | 337,427                          | -                               | 337,427                        | 250,000              | 87,427              | 250,000                        | 162,573                   |
| 4 COMPASS BANK - WACO                             | -                       | -                                | 880,016                         | 880,016                        | 500,000              | 380,016             | 500,000                        | 119,984                   |
| 5 EXTRACO BANKS N. A.                             | -                       | -                                | 245,000                         | 245,000                        | 245,000              | -                   | -                              | -                         |
| 6 FIRST COMMUNITY BANK - SAN BENITO               | -                       | -                                | 172,345                         | 172,345                        | 172,345              | -                   | 52,760                         | 52,760                    |
| 7 FIRST NATIONAL BANK ALBANY / BRECKENRIDGE       | -                       | -                                | 199,215                         | 199,215                        | 199,215              | -                   | 0                              | -                         |
| 8 FIRST NATIONAL BANK OF CENTRAL TX- WACO         | 58,232                  | 31,859,816                       | 1,372,753                       | 33,290,801                     | 500,000              | 32,790,801          | 39,044,422                     | 6,253,621                 |
| 9 FROST NATIONAL BANK                             | 57,580                  | 298,959                          | -                               | 356,539                        | 250,000              | 106,539             | 9,524,264                      | 9,417,725                 |
| 10 LIBERTY BANK - FORT WORTH                      | -                       | -                                | 10,000                          | 10,000                         | 10,000               | -                   | -                              | -                         |
| 11 PROSPERITY BANK (Formerly American State Bank) | -                       | 1,387,615                        | -                               | 1,387,615                      | 250,000              | 1,137,615           | 1,556,858                      | 419,243                   |
| 12 TEXAS BANK - BROWNWOOD                         | -                       | 69,819                           | -                               | 69,819                         | 69,819               | -                   | -                              | -                         |
| 13 TEXAS BANK & TRUST - LONGVIEW                  | -                       | 1,011,049                        | 15,864                          | 1,026,913                      | 265,864              | 761,049             | 1,953,826                      | 1,192,777                 |
| 14 TEXAS FIRST STATE BANK                         | -                       | -                                | 1,142,351                       | 1,142,351                      | 250,000              | 892,351             | 1,729,865                      | 837,514                   |
| 15 TEXAS NATIONAL BANK - SWEETWATER               | -                       | 1,430,722                        | -                               | 1,430,722                      | 250,000              | 1,180,722           | 2,374,945                      | 1,194,223                 |
| 16  | <b>115,812</b>          | <b>36,451,950</b>                | <b>4,047,544</b>                | <b>40,615,306</b>              | <b>3,278,786</b>     | <b>37,336,520</b>   | <b>56,986,940</b>              | <b>19,650,420</b>         |
| 17 TEXASTERM - TRB Bonds*                         |                         |                                  | 4,551,495                       | 4,551,495                      | N/A                  | N/A                 | N/A                            | N/A                       |
| 18 TEXASTERM - HEAF Bonds*                        |                         |                                  | 4,125,812                       | 4,125,812                      | N/A                  | N/A                 | N/A                            | N/A                       |
| 19 TEXPOOL - TOTAL* (Other & TRB Bonds)           |                         |                                  | 1,886,391                       | 1,886,391                      | N/A                  | N/A                 | N/A                            | N/A                       |
| 20 TEXPOOL - TOTAL* (Other & HEAF Bonds)          |                         |                                  | 647,690                         | 647,690                        | N/A                  | N/A                 | N/A                            | N/A                       |
| 21  |                         |                                  | <b>11,211,388</b>               | <b>11,211,388</b>              |                      |                     |                                |                           |
| 22 <b>TOTAL</b>                                   | <b>115,812</b>          | <b>36,451,950</b>                | <b>15,258,932</b>               | <b>51,826,694</b>              | <b>3,278,786</b>     | <b>37,336,520</b>   | <b>56,986,940</b>              | <b>19,650,420</b>         |

\* No collateral required.

\*\* Securities Investment Protection Corp/Federal Deposit Insurance Corp. The current FDIC coverage for demand deposit accounts, including money market accounts, is \$250,000 per owner and for time and savings accounts is \$250,000 per owner.

TEXAS STATE TECHNICAL COLLEGE  
 QUARTERLY INVESTMENTS REPORT  
 February 28, 2018

| 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                         | 08/10/18      | 0.05% |               | Waco      | 5        | 365      |
| 2                   |   |                         | 56,543                           |  | 56,543                         |               | 0.25% | Operating     | Breck     |          |          |
| 3                   |   |                         | 337,427                          |  | 337,427                        |               | 0.25% | Operating     | North TX  | 9        |          |
| 4                   |   |                         |                                  | 250,000                                | 250,000                        | 06/20/18      | 1.25% |               | Waco      | 4        | 365      |
| 5                   |   |                         |                                  | 250,000                                | 250,000                        | 07/19/18      | 1.35% |               | Waco      | 4        | 365      |
| 6                   |   |                         |                                  | 340,517                                | 340,517                        | MMKT          | 0.35% |               | Harl      | 3        |          |
| 7                   | * |                         |                                  | 39,499                                 | 39,499                         | MMKT          | 0.35% |               | Harl      | 8        |          |
| 8                   |   | 0                       | 0                                | 880,016                                | 880,016                        |               |       |               |           |          |          |
| 9                   |   |                         |                                  | 245,000                                | 245,000                        | 05/25/18      | 1.00% |               | Waco      | 4        | 357      |
| 10                  | * |                         |                                  | 40,120                                 | 40,120                         | 12/18/18      | 1.11% |               | Harl      | 6        | 334      |
| 11                  |   |                         |                                  | 132,225                                | 132,225                        | 09/12/18      | 1.11% |               | Harl      | 6        | 335      |
| 12                  |   | 0                       | 0                                | 172,345                                | 172,345                        |               |       |               |           |          |          |
| 11                  |   |                         |                                  | 65,000                                 | 65,000                         | 04/06/18      | 0.75% |               | Breck     | 5        | 365      |
| 12                  |   |                         |                                  | 100,000                                | 100,000                        | 04/14/18      | 0.75% |               | Swee      | 4        | 365      |
| 13                  |   |                         |                                  | 34,215                                 | 34,215                         | 04/14/18      | 0.75% |               | Abilene   | 5        | 365      |
| 14                  |   | 0                       | 0                                | 199,215                                | 199,215                        |               |       |               |           |          |          |
| 15                  |   |                         | 21,545,841                       |  | 21,545,841                     |               | 1.25% | Operating     | Statewide |          |          |
| 16                  |   |                         | 5,027,550                        |  | 5,027,550                      |               | 1.25% | Operating     | Waco      |          |          |
| 17                  |   | 58,232                  |                                  |  | 58,232                         |               | 0.00% | Fed Funds     | Waco      |          |          |
| 18                  |   |                         | 168,602                          |  | 168,602                        |               | 1.25% | Operating     | System Op |          |          |
| 19                  |   |                         | 1,902,860                        |  | 1,902,860                      |               | 1.25% | HEAF          | System Op |          |          |
| 20                  |   |                         | 1,597,454                        |  | 1,597,454                      |               | 1.25% | Bond Proceeds | System Op |          |          |
| 21                  |   |                         | 1,617,509                        |  | 1,617,509                      |               | 1.25% | TRB           | System Op |          |          |
| 22                  | * |                         |                                  | 195,552                                | 195,552                        | 12/01/18      | 1.00% | Payroll       | Waco      | 5        | 365      |
| 23                  |   |                         |                                  | 612                                    | 612                            | MMKT          | 1.25% |               | System Op | 3        |          |
| 24                  |   |                         |                                  | 111,192                                | 111,192                        | MMKT          | 1.25% |               | Waco      | 4        |          |
| 25                  |   |                         |                                  | 3,195                                  | 3,195                          | MMKT          | 1.25% |               | System Op | 3        |          |
| 26                  | * |                         |                                  | 200,355                                | 200,355                        | MMKT          | 1.25% |               | Swee      | 4        |          |
| 27                  | * |                         |                                  | 256,462                                | 256,462                        | MMKT          | 1.25% |               | Marshall  | 5        |          |
| 28                  |   |                         |                                  | 241,602                                | 241,602                        | MMKT          | 1.25% |               | NTX       | 3        |          |
| 29                  |   |                         |                                  | 1,992                                  | 1,992                          | MMKT          | 1.25% |               | System Op | 3        |          |
| 30                  |   |                         |                                  | 361,791                                | 361,791                        | MMKT          | 1.25% |               | Waco      | 3        |          |
| 31                  |   | 58,232                  | 31,859,816                       | 1,372,753                              | 33,290,801                     |               |       |               |           |          |          |
| 32                  |   | 57,580                  |                                  |  | 57,580                         |               | 0.00% | Operating     | Fort Bend |          |          |
| 33                  |   |                         | 298,959                          |  | 298,959                        |               | 0.92% | Operating     | Harl      |          |          |
| 34                  |   | 57,580                  | 298,959                          | 0                                      | 356,539                        |               |       |               |           |          |          |
| 35                  |   |                         |                                  | 10,000                                 | 10,000                         | 09/07/18      | 0.75% |               | Waco      | 5        | 731      |
| 36                  |   |                         | 1,387,615                        |  | 1,387,615                      |               | 0.20% | Operating     | Abilene   |          |          |
|                     |   |                         |                                  |  |                                |               |       |               |           |          |          |

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| 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 |   |
| 37 Texas Bank- Brownwood Total             |                         | 69,819                           |  | 69,819                         |               | 0.41% | Operating    | Swee      |          |          |   |
| 38 Texas Bank and Trust - Longview         |                         | 1,011,049                        |  | 1,011,049                      |               | 0.10% | Operating    | Marshall  |          |          |   |
| 39   |                         |                                  | 15,864                                 | 15,864                         | 03/06/18      | 1.00% |              | Marshall  | 5        | 365      |   |
| 40 Texas Bank and Trust Total              | 0                       | 1,011,049                        | 15,864                                 | 1,026,913                      |               |       |              |           |          |          |   |
| 41 Texas First State Bank                  |                         |                                  | 892,351                                | 892,351                        | 04/11/18      | 1.26% |              | System Op | 8        | 365      |   |
| 42   |                         |                                  | 250,000                                | 250,000                        | 08/08/18      | 1.25% |              | Waco      | 3        | 365      |   |
| 43 Texas First State Bank Total            |                         |                                  | 1,142,351                              | 1,142,351                      |               |       |              |           |          |          |   |
| 44 Texas National Bank- Sweetwater         |                         | 1,430,722                        |  | 1,430,722                      |               | 1.56% | Operating    | Swee      |          |          |   |
| 45 TexasTerm - Ser 2016 TRB Bond Proceeds  | 0                       | 0                                | 512,621                                | 512,621                        |               | 1.40% |              | Harlingen | 8        |          |   |
| 46 TexasTerm - Ser 2016 TRB Bond Proceeds  | 0                       | 0                                | 4,038,874                              | 4,038,874                      |               | 1.40% |              | Abilene   | 8        |          |   |
| 47 TexasTerm TRB Bonds - Total             | 0                       | 0                                | 4,551,495                              | 4,551,495                      |               |       |              |           |          |          |   |
| 48 TexasTerm - Ser 2016 HEAF Bond Proceeds | 0                       | 0                                | 4,125,812                              | 4,125,812                      |               | 1.40% |              | Waco      | 8        |          |   |
| 49 TexasTerm - Ser 2016 HEAF Bond Proceeds | 0                       | 0                                | 0                                      | 0                              |               | 1.40% |              | Harlingen | 8        |          |   |
| 50 TexasTerm HEAF Bonds - Total            | 0                       | 0                                | 4,125,812                              | 4,125,812                      |               |       |              |           |          |          |   |
| 51 TexPool - Other Total                   | 0                       | 0                                | 1                                      | 1                              |               | 1.34% |              | System Op | 8        |          |   |
| 52 TexPool - Ser 2016 TRB Bond Proceeds    | 0                       | 0                                | 1,886,390                              | 1,886,390                      |               | 1.34% |              | Harlingen | 8        |          |   |
| 53 TexPool - Ser 2016 TRB Bond Proceeds    | 0                       | 0                                | 0                                      | 0                              |               | 1.34% |              | Abilene   | 8        |          |   |
| 54 TexPool - Total                         | 0                       | 0                                | 1,886,391                              | 1,886,391                      |               |       |              |           |          |          |   |
| 55 TexPool - Other Total                   | 0                       | 0                                | 1                                      | 1                              |               | 1.34% |              | System Op | 4        |          |   |
| 56 TexPool - Ser 2016 HEAF Bond Proceeds   | 0                       | 0                                | 0                                      | 0                              |               | 1.34% |              | Waco      | 8        |          |   |
| 57 TexPool - Ser 2016 HEAF Bond Proceeds   | 0                       | 0                                | 647,689                                | 647,689                        |               | 1.34% |              | Swee      | 8        |          |   |
| 58 TexPool - Ser 2016 HEAF Bond Proceeds   | 0                       | 0                                | 0                                      | 0                              |               | 1.34% |              | Marshall  | 8        |          |   |
| 59 TexPool - Total                         | 0                       | 0                                | 647,690                                | 647,690                        |               |       |              |           |          |          |   |
| 60 TOTAL ALL INVESTMENTS                   | 115,812                 | 36,451,950                       | 15,258,932                             | 51,826,694                     |               |       |              |           |          |          |   |

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|   | A                       | B                                | C                                      | D                              | E                 | F                 | G            | H      | I        | J        | K | L |
|---|-------------------------|----------------------------------|--|--------------------------------|-------------------|-------------------|--------------|--------|----------|----------|---|---|
|   | 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 |   |   |
| <b>DEPOSITORY-LOCATION</b>  |                         |                                  |  |                                |                   |                   |              |        |          |          |   |   |
| 61 <b>TIME DEPOSITS BY FUND:</b>  |                         |                                  |  |                                |                   |                   |              |        |          |          |   |   |
| 62 DESIGNATED FUNDS   |                         |                                  |  |                                | 1,199,709         |                   |              |        |          |          |   |   |
| 63 AUXILIARY ENTERPRISES FUNDS  |                         |                                  |  |                                | 1,156,548         |                   |              |        |          |          |   |   |
| 64 ENDOWMENT FUNDS  |                         |                                  |  |                                | 587,093           |                   |              |        |          |          |   |   |
| 65 RESTRICTED FUNDS   |                         |                                  |  |                                | 172,345           |                   |              |        |          |          |   |   |
| 66 UNEXPENDED PLANT FUNDS   |                         |                                  |  |                                | 12,143,237        |                   |              |        |          |          |   |   |
| 67  |                         |                                  |  |                                | <b>15,258,932</b> |                   |              |        |          |          |   |   |
| 68 <b>TIME DEPOSITS BY LOCATION:</b>  |                         |                                  |  |                                |                   |                   |              |        |          |          |   |   |
| 69 SYSTEM OPERATIONS  |                         |                                  |  |                                | 898,152           |                   |              |        |          |          |   |   |
| 70 WACO   |                         |                                  |  |                                | 5,809,347         |                   |              |        |          |          |   |   |
| 71 HARLINGEN  |                         |                                  |  |                                | 2,951,372         |                   |              |        |          |          |   |   |
| 72 WEST TEXAS   |                         |                                  |  |                                | 5,086,133         |                   |              |        |          |          |   |   |
| 73 MARSHALL   |                         |                                  |  |                                | 272,326           |                   |              |        |          |          |   |   |
| 74 NORTH TEXAS  |                         |                                  |  |                                | 241,602           |                   |              |        |          |          |   |   |
| 75  |                         |                                  |  |                                | <b>15,258,932</b> |                   |              |        |          |          |   |   |
| 76 <b>WEIGHTED AVERAGE RATE OF INTEREST</b>                                   |                         |                                  |  |                                |                   | 1.31%             |              |        |          |          |   |   |
| <b>BENCHMARK - TREASURY BOND YIELDS AS OF</b>                                 |                         |                                  |  |                                |                   |                   |              |        |          |          |   |   |
| 77 2-28-18  |                         |                                  |  |                                |                   | 2.07%             |              |        |          |          |   |   |
| 78 1-YEAR   |                         |                                  |  |                                |                   |                   |              |        |          |          |   |   |
| 79 <b>WEIGHTED AVERAGE MATURITY (CD'S)</b>                                    |                         |                                  |  |                                |                   | 364               |              |        |          |          |   |   |
| 80 <b>INTEREST RECEIVED AND ACCRUED ON CASH IN BANK AND INVESTMENTS FY 18</b> |                         |                                  |  |                                |                   | 264,711           |              |        |          |          |   |   |
| 81 <b>INVESTMENT ACTIVITY FY18</b>  |                         |                                  |  |                                |                   |                   |              |        |          |          |   |   |
| 82 <b>Balance November 31, 2017</b>   |                         |                                  |  |                                |                   | <b>22,531,452</b> |              |        |          |          |   |   |
| 83 Interest Added to Investments  |                         |                                  |  |                                |                   | 46,611            |              |        |          |          |   |   |
| 84 Time Deposits Increase (Decrease)  |                         |                                  |  |                                |                   | (9,843,881)       |              |        |          |          |   |   |
| 85 TexPool Funds-Other Increase (Decrease)                                    |                         |                                  |  |                                |                   |                   |              |        |          |          |   |   |
| 86 TexPool Funds-TRB Increase (Decrease)                                      |                         |                                  |  |                                |                   | (1,490,044)       |              |        |          |          |   |   |
| 87 TexPool Funds-HEAF Bonds Increase (Decrease)                               |                         |                                  |  |                                |                   | (360,258)         |              |        |          |          |   |   |
| 88 TexasTerm Funds-TRB Increase (Decrease)                                    |                         |                                  |  |                                |                   | 2,046,149         |              |        |          |          |   |   |
| 89 TexasTerm Funds-HEAF Bonds Increase (Decrease)                             |                         |                                  |  |                                |                   | 2,031,100         |              |        |          |          |   |   |
| 90 Money Market-Loc Rev Bonds Increase (Decrease)                             |                         |                                  |  |                                |                   | (71,645)          |              |        |          |          |   |   |
| 91 Money Market Funds-Other Increase (Decrease)                               |                         |                                  |  |                                |                   | 369,448           |              |        |          |          |   |   |
| 92 <b>Balance February 28, 2018</b>   |                         |                                  |  |                                |                   | <b>15,258,932</b> |              |        |          |          |   |   |

\* Investment Changes December, 2017, January, 2018 and February, 2018

ALL INVESTMENTS ARE SHOWN AT COST. MARKET VALUE EQUALS COST DUE TO THE TYPE OF INVESTMENT. THE BALANCES ARE PER THE BANK AS OF THE REPORT DATE.

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

4/12/18

Date



Jonathan Hoekstra, Vice Chancellor for Finance

12 Apr 2018

Date