

Meeting of the Board of Regents

May 9, 2024
Marshall, Texas



TEXAS STATE TECHNICAL COLLEGE

**Meeting of the
Board of Regents**

**Texas State Technical College
Industrial Technology Center - Rm 515
2650 E End Blvd S
Marshall, TX 75672**

**Thursday, May 9, 2024
10:00 am**

AGENDA

- I. MEETING CALLED TO ORDER**
- II. INVOCATION**
- III. RECOGNITION OF GUESTS**
- IV. DETERMINATION OF QUORUM**
- V. ADOPTION OF AGENDA**
- VI. APPROVAL OF MINUTES OF FEBRUARY 7 & 8, 2024 MEETINGS**
- VII. PUBLIC COMMENTS**
- VIII. CHANCELLOR COMMENTS**

c. **Committee for Facilities**

Keith Honey, Chair

Committee Chair Comments

Minute Orders:

Proposed MO#

FAC 04-24(c) Approve Service Agreements for Landscaping Services at TSTC in Waco
19
Kevin Semien

Reports:

1. Campus Services Presentation *Kevin Semien*
2. Major Facility Projects Report 20
Rick Herrera
3. Oral Construction Update *Rick Herrera*

d. **Committee for General Administration**

Robb Misso, Chair

Committee Chair Comments

Minute Orders:

Proposed MO#

GA 03-24(c) Approve Naming Lab at The WorkSITE in Waco 23
Cledia Hernandez

GA 04-24(c) Certify Compliance With Executive Order GA 44 by the Governor of
the State of Texas Relating to Addressing Acts of Antisemitism in
Institutions of Higher Education 25
Edward Vallejo

GA 05-24(c) Certify Compliance With Texas Education Code, Section 51.3525,
Responsibility of Governing Boards Regarding Diversity, Equity,
and Inclusion Initiatives 29
Edward Vallejo

Reports:

Employer Engagement Presentation

Cledia Hernandez

X. RECESS OPEN MEETING

XI. CLOSED MEETING

1. The Closed Meeting is called to Order
2. Consultation with Attorney (Texas Government Code, Section 551.071)
 1. Ted Donovan v. TSTC
 2. Davis/Dorton v. Reeser/Rushing
 3. Rachel Myrick v. TSTC
 4. Colby Walters v. TSTC
 5. Eric Garcia v. TSTC
3. Deliberation Regarding Real Property (Texas Government Code, Section 551.072)
4. Personnel Matters (Texas Government Code, Section 551.074)
5. Adjourn

XII. OPEN MEETING RECONVENES

XIII. ACTION ON CLOSED MEETING

XIV. CONSENT AGENDA ITEMS

SL 03-24(c) Approve Schedule of Charges for the Incidental Cost in Aircraft Pilot Training Technology (APTT) Effective Fall 2024

FAC 04-24(c) Approve Service Agreements for Landscaping Services at TSTC in Waco

GA 03-24(c) Approve Naming Lab at The WorkSITE in Waco

GA 04-24(c) Certify Compliance With Executive Order GA 44 by the Governor of the State of Texas Relating to Addressing Acts of Antisemitism in Institutions of Higher Education

GA 05-24(c) Certify Compliance With Texas Education Code, Section 51.3525, Responsibility of Governing Boards Regarding Diversity, Equity, and Inclusion Initiatives

XV. UNFINISHED BUSINESS

XVI. NEW BUSINESS

XVII. CHANCELLOR COMMENTS

XVIII. BOARD COMMENTS

XIX. ADJOURN

Texas State Technical College

**Special Meeting
Of the Board**

**Col. James T. Connally Aerospace Center
605 Operations Drive
Waco TX 76705***

**Wednesday, February 7, 2024
12:00 pm**

MINUTES

I. MEETING CALLED TO ORDER

The meeting was called to order at 12:31 pm.

II. DETERMINATION OF QUORUM

All regents were in attendance, except for Kathy Stewart. Eric Beckman was also in attendance. A quorum was present.

III. ADOPTION OF AGENDA

The agenda was adopted with a motion by Lizzy de la Garza Putegnat with a second by Robb Misso.

IV. DISCUSSION OF UPCOMING BOARD MEETING LOCATIONS

The Board discussed the possibility of the May meeting being in Hutto or Marshall. No action was taken by the Board.

V. ADJOURN

The meeting was adjourned at 1:30 pm.

[ORIGINAL SIGNED BY]

Edward Vallejo
Secretary of the Board

**Presiding officer will be physically present at this address.*

Texas State Technical College

**Special Meeting
Of the Board of Regents**

**Col. James T. Connally Aerospace Center
605 Operations Drive
Waco TX 76705***

**Wednesday, February 7, 2024
6:00 PM**

MINUTES

I. MEETING CALLED TO ORDER

The meeting was called to order at 8:04 pm.

II. DETERMINATION OF QUORUM

Regents present: Ron Widup, Curtis Cleveland, Keith Honey, Robb Misso, Lizzy de la Garza Putegnat, Ron Rohrbacker, Eric Beckman, and Tiffany Tremont.

Regents absent: Kathy Stewart and Curtis Cleveland

III. OATH OF OFFICE - REGENT ERIC BECKMAN

Chair Tremont invited Ed Vallejo, Judge Deivanyagam, Eric Beckman and his father, John to the stage for the Oath of Office. Judge Deivanyagam performed the oath. Chair Tremont welcomed Regent Beckman to the Board.

IV. ADJOURN

The meeting was adjourned at 8:11 pm.

[ORIGINAL SIGNED BY]

Edward Vallejo
Secretary of the Board

**Presiding officer will be physically present at this address.*

TEXAS STATE TECHNICAL COLLEGE

**Special Meeting
of the Board of Regents**

**Col. James T. Connally Aerospace Center
605 Operations Drive
Waco TX 76705***

**Thursday, February 8, 2024
8:00 am**

MINUTES

I. MEETING CALLED TO ORDER

The meeting was called to order at 9:18 am.

II. DETERMINATION OF QUORUM

Regents present: Ron Widup, Curtis Cleveland, Keith Honey, Robb Misso, Lizzy de la Garza Putegnat, Ron Rohrbacker, Eric Beckman, and Tiffany Tremont.

Regents absent: Kathy Stewart

III. ADOPTION OF AGENDA

The agenda was adopted and approved with motion by Robb Misso and a second motion by Keith Honey.

IV. CHANCELLOR COMMENTS

The Chancellor provided updates on the leadership team at TSTC. No action was taken by the Board.

V. CLOSED SESSION

1. Consultation with Attorney (Texas Government Code, Section 551.071)
2. Deliberation Regarding Real Property (Texas Government Code, Section 551.072)
3. Personnel Matters (Texas Government Code, Section 551.074)

VI. ADJOURN

The meeting was adjourned at 10:31 am.

[ORIGINAL SIGNED BY]
Edward Vallejo
Secretary of the Board

**Presiding officer will be physically present at this address.*

TEXAS STATE TECHNICAL COLLEGE

**Meeting of the
Board of Regents**

**Texas State Technical College
Col. James T. Connally Aerospace Center
605 Operations Drive
Waco TX 76705***

**Thursday, February 8, 2024
9:30 am**

MINUTES

I. MEETING CALLED TO ORDER

The meeting was called to order by Chair Tremont at 10:50 am.

II. INVOCATION

Jonathan Hoekstra offered the invocation.

III. RECOGNITION OF GUESTS

None.

IV. DETERMINATION OF QUORUM

Regents present: Ron Widup, Curtis Cleveland, Keith Honey, Robb Misso, Lizzy de la Garza Putegnat, Ron Rohrbacker, Eric Beckman, and Tiffany Tremont.

Regents absent: Kathy Stewart

A quorum was present.

V. ADOPTION OF AGENDA

The agenda was adopted and approved with a motion by Regent Lizzy de la Garza Putegnat and a second motion by Ron Widup.

*Presiding officer will be physically present at this address.

VI. APPROVAL OF MINUTES OF NOVEMBER 8 & 9, 2023 MEETINGS

The minutes of the November 8-9, 2023 meetings were approved with a motion by Regent Curtis Cleveland and a second motion by Regent Keith Honey.

VII. PUBLIC COMMENTS

None.

VIII. CHANCELLOR COMMENTS

Chancellor Mike Reeser began with highlighting the first-year anniversary of the new leadership team. Growth and maturity are continuing to take place.

Chancellor Reeser explained that the college approaches growth in many different ways such as student placements, student earnings, donations, state appropriations and market share. He explained the current spring enrollment summary by presenting visuals with a slide deck presentation.

Reeser discussed the innovative plans of student learning. The college is using dual credit to onboard students into technical education.

Lastly, the Chancellor explained the role of accreditation in higher education. Instead of focusing solely on the method to receive an education, TSTC would also like to focus on the results. Soon the college will be starting the re-accreditation process with SACSCOC.

IX. COMMITTEE REPORTS & MINUTE ORDERS

- a. **Committee for Student Learning and Student Development**
Kathy Stewart, Chair; Lizzy de la Garza Putegnat, Member

Committee Chair Comments

The Student Learning/Operations committee met virtually on Tuesday, February 6.

Executive Vice Chancellor, Jonathan Hoekstra explained the context and purpose of minute order, SL 01-24(C) Approve Associate Degree and Certificate Programs.

Next, he explained minute order SL 02-24(C) Reaffirm the Mission Statement of Texas State Technical College.

Reports:

Operations Update

VC Hoekstra discussed the operations role in the strategic plan, the production line, highlights from last year and the future. He explained the transformational initiatives and how the operations division is contributing. In order to retool the factory floor, it is vital to remember the breadth of production floors that TSTC offers (11 locations, 48 statewide programs, 107 unique production floors). He discussed the new offerings in the future such as WorkSITE in 2025. To assist with the production plan, the operations team is focusing on leadership and ownership of programs with new faculty and staff members. Focus areas are people, projects, and partners. The alignment for growth includes product leadership, quality assurance, product delivery campus leadership and retention services. Centers of Excellence include power & construction, health care, transportation, manufacturing, digital transformation, technical services and academics.

VC Hoekstra explained the breakdown of production lines by campuses. Optimizing capacities, business management maturity and people growth. Partnership, accountability and innovation are the ways that the operations team will retool the production floor which are directly aligned with the BIG 3.

Regent de la Garza Putegnat offered her affirmation for the work of the operations team.

b. **Committee for Fiscal Affairs**

Ron Widup, Chair; Kathy Stewart, Member

Committee Chair Comments

Regent Widup asked Associate Vice Chancellor, Chad Wooten, to explain the minute order and discuss the reports.

Wooten explained the need for action for minute order FA 01-24(c). He then explained the quarterly reports recorded below including the Annual Financial Report. He then reported on the recent Moody bond ratings at a consistent 8.2 and an improvement from negative to stable. He explained the need to build reserves while continuing to grow. Wooten will share documentation with the regents regarding the bonds. Regent Widup added commentary on the bond rating documentation calling out special attention to the following sections: *ratings rationale, summary of TSTC, Factors that could lead to an upgrade and Factors that could lead to a downgrade*. The big highlights of the Operating Budget Performance were tuition revenue and student financial aid. Wooten

acknowledged the great work of the Office of Sponsored Programs. All bond interest rates are fixed for twenty years. Chancellor Reeser added commentary about refinancing in the past. Quarterly state lease report includes three leases of buildings in Marshall and a lease of a hangar. Currently, there are no contracts over a million dollars, but expect to have a few at the next meeting for CCAP.

Lastly, Wooten announced the purchase and implementation of the new asset management system with RFID tags.

Regent Widup expressed his gratitude for the clarity and explanation of fiscal affairs topics.

Reports:

1. Quarterly Investment Report
2. Pledged Collateral Report
3. Annual Fiscal Report
4. Budget Performance Report
5. Quarterly Lease Report
6. Quarterly Report for Contracts > \$1 Million

Committee for Facilities

Keith Honey, Chair

Committee Chair Comments

Regent Honey, Senior Vice Chancellor Rick Herrera and Vice Chancellor Semien met virtually on February 5th. Regent Honey requested VC Semien to come to the table to present the minute orders. Regent Honey also called special attention to the bimonthly CCAP update handouts. Regent Honey reported on FAC 01-24(c) and FAC 02-24(c). No questions were raised. Then VC Herrera reported on minute order FAC 03-24(c). He discussed the rationale and context for the delayed timing of the minute order.

VC Herrera explained the Master Project Report list. He called out special attention to the Abilene project and the underestimated original budget. Chancellor Reeser added affirmation of VC Herrera's work. Regent Misso also added the challenges of the supply chain. Regent Cleveland asked VC Herrera to explain further on the contractor management services such as 100% inspection

and photo documentation. He also explained the collaboration between the construction and physical plant teams. Regent de la Garza Putegnat asked a clarifying question in which Regent Semien answered. Regent Honey also added clarification regarding the Abilene equipment for construction.

Minute Orders:

Proposed MO#

FAC 01-24(c) Approve the Lease of 36,725 Square Feet of the open land on the north side of the TSTC Waco Airport for Zimin Transportation to build a hangar for Business Operations.

FAC 02-24(c) Delegate the Authority to the Chancellor to Extend an Interagency Cooperation Contract for Natural Gas with the General Land Office in Excess of One Million Dollars (\$1,000,000)

FAC 03-24(c) Approve the Project, Budget, and Contracts Exceeding \$1M for the Welcome Center Production at Texas State Technical College in Waco

c. Committee for General Administration

Robb Misso, Chair

Committee Chair Comments

The committee met virtually on February 2, 2024. Regent Misso offered accolades to the team. Enrollment is currently at a 13% increase. Dual partnerships are expanding with a focus on quality and not quantity. Career Fairs will be taking place soon with 68 employers. 280 net gain for Human Resources in 2023. Cybersecurity initiatives are taking place now. Lastly, he reported on Government Relations. Regent Misso called on Executive Vice Chancellor Michael Bettersworth to present minute order GA 01-24(c). VC Bettersworth added additional information regarding the minute order. Regent Misso asked Vice Chancellor Pamela Mayfield to present minute order GA 02-24(c).

GA 01-24(c) Delegate the Authority to the Chancellor to Extend a Service Agreement for Media Buying Service Contracts with the Asher Media Inc. in Excess of One Million Dollars (\$1,000,000)

GA 02-24(c) Establish Fiscal Year 2025 Employee Holiday Schedule

X. RECESS OPEN MEETING

Chair Tremont recessed the open meeting at 12:29 pm.

XI. CLOSED MEETING

1. The Closed Meeting is called to Order at 12:39 pm and a quorum was determined with Regents present being Ron Widup, Curtis Cleveland, Keith Honey, Robb Misso, Lizzy de la Garza Putegnat, Ron Rohrbacher, Eric Beckman, and Tiffany Tremont.
2. Consultation with Attorney (Texas Government Code, Section 551.071).

The following pending matters were discussed between the General Counsel and the Regents:

1. Ted Donovan v. TSTC
 2. Davis/Dorton v. Reeser/Rushing
 3. Rachel Myrick v. TSTC
 4. Colby Walters v. TSTC
 5. Eric Garcia v. TSTC
3. Consultation with Attorney (Texas Government Code, Section 551.071) Code of Conduct. The Regents discussed edits and comments to the Code of Conduct.
 4. Deliberation Regarding Real Property (Texas Government Code, Section 551.072)
 5. Personnel Matters (Texas Government Code, Section 551.074)

The closed session was adjourned at 1:31 pm.

XII. OPEN MEETING RECONVENES

Chair Tremont reconvened the open meeting at 1:35 pm with Regents present being Ron Widup, Curtis Cleveland, Keith Honey, Robb Misso, Lizzy de la Garza Putegnat, Ron Rohrbacher, Eric Beckman, and Chair Tremont.

XIII. ACTION ON CLOSED MEETING

The following closed session minute orders were unanimously approved:

CS 01-24 Authorize the purchase of 53.266 acres of land located at 1450 County Road 108 near the East Williamson County Higher Education Center (EWCHEC) Campus in Hutto, Texas.

1st motion - Ron Rohrbacher, 2nd motion - Curtis Cleveland

CS 02-24 Authorize the purchase of 5 tracts of land totaling 49.791 acres located along County Road 108 south of the East Williamson County Higher Education Center (EWCHEC) Campus in Hutto, Texas

1st motion - Lizzy de la Garza Putegnat, 2nd motion - Robb Misso

CS 03-24 Authorize the purchase of land and residence located at 406 West Lee Street, Brownwood, Texas, near the Brownwood campus at Texas State Technical College in Brownwood

1st motion - Ron Rohrbacher, 2nd motion - Curtis Cleveland

CS 04-24 Authorize the purchase of land and residence located at 404 West Lee Street, Brownwood, Texas, near the Brownwood campus at Texas State Technical College in Brownwood

1st motion - Ron Widup, 2nd motion - Robb Misso

The Board of Regents Code of Conduct was adopted and approved by the Board of Regents with the first motion by Lizzy de la Garza Putegnat and a second motion by Robb Misso.

XIV. CONSENT AGENDA ITEMS

SL 01-24(C) Approve Associate Degree and Certificate Programs.

SL 02-24(C) Reaffirm the Mission Statement of Texas State Technical College

FA 01-24(c) Approve Contracts Exceeding One Million Dollars for Insurance Premiums

FAC 01-24(c) Approve the Lease of 36,725 Square Feet of the open land on the north side of the TSTC Waco Airport for Zimin Transportation to build a hangar for Business Operations.

FAC 02-24(c) Delegate the Authority to the Chancellor to Extend an Interagency Cooperation Contract for Natural Gas with the General Land Office in Excess of One Million Dollars (\$1,000,000)

FAC 03-24(c) Approve the Project, Budget, and Contracts Exceeding \$1M for the Welcome Center Production at Texas State Technical College in Waco.

GA 01-24(c) Delegate the Authority to the Chancellor to Extend a Service Agreement for Media Buying Service Contracts with the Asher Media Inc. in Excess of One Million Dollars (\$1,000,000)

GA 02-24(c) Establish Fiscal Year 2025 Employee Holiday Schedule

The Consent Agenda items were unanimously approved by the Board of Regents, with the first motion by Curtis Cleveland and the second motion by Robb Misso.

XV. UNFINISHED BUSINESS

None.

XVI. NEW BUSINESS

None.

XVII. CHANCELLOR COMMENTS

August Board meeting dates to be discussed and determined by the board of regents.

XVIII. BOARD COMMENTS

Chair Tremont expressed gratitude and excitement for TSTC's new regent, Eric Beckman. She also thanked the Leadership Team for their hospitality.

XIX. ADJOURN

The meeting was adjourned at 1:42 pm.

[ORIGINAL SIGNED BY]

Edward Vallejo

Secretary of the Board



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Committee for Student Learning and Student Development

Kathy Stewart, Chair; Lizzy de la Garza Putegnat, Member

Committee Chair Comments

Minute Orders:

Proposed MO#

SL 03-24(C) Approve Schedule of Charges for the Incidental Cost in Aircraft Pilot Training
Technology (APTT) Effective Fall 2024 2

Jonathan Hoekstra

Reports:

None.



Board Meeting Date: May 9, 2024 **Proposed Minute Order #:** SL 03-24(c)

Proposed By: Jonathan Hoekstra, Executive Vice Chancellor & Chief Operating Officer

Subject: **Approve Schedule of Charges for the Incidental Cost in Aircraft Pilot Training Technology (APTT) Effective Fall 2024**

Background: Texas State Technical College (TSTC) offers an Associate of Applied Science (AAS) degree in Aircraft Pilot Training Technology (APTT) to prepare men and women for careers in the aviation industry. In addition to training airplane (fixed-wing) pilots, TSTC Aerospace prepares Aviation Maintenance Technology and Avionics Technology graduates for the expanding commercial aviation field.

Justification: The proposed Schedule of Charges for Aircraft Pilot Training Technology (APTT) includes an addition of an hourly rate for the newly acquired PA-28-181 Piper Pilot 100i aircraft. We have no change in fuel rates, simulator fees, or instructor fees. The new fee is an approximation of aircraft maintenance, updated GPS cards with weather and traffic information, and replacement costs of the aircraft to help with the long-term growth and sustainability of the program. The second proposed Schedule of Charges includes the removal of the inactive Aviation General Exam Fee.

Additional Information: The proposed APTT program rates, instructor rates, and program fees are competitive with those of other colleges, university-level pilot training programs, and aerospace degree programs.

Fiscal Implications: Proposed rates ensure sufficient cost recovery during aircraft operation, flight simulation, and flight instruction.

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

Attachment(s): Schedule of Charges for the Incidental Cost of Flight Instruction Effective Fall 2024

Recommended Minute Order: "The Texas State Technical College Board of Regents approves the Schedule of Charges for the Aircraft Pilot Training Technology (APTT) Incidental Cost increase for aircraft hourly rate, simulator fees, and fuel fees effective Fall 2024."

Recommended By: [ORIGINAL SIGNED BY]
Jonathan Hoekstra, Executive Vice Chancellor & Chief Operating Officer

Texas State Technical College
Proposed Revised Schedule of Charges for the Incidental Cost of Flight Instruction Effective Fall 2024

	A.	B.	C.	D.	
	Description of Charge	Effective Fall 2022	Recommended Effective SUMMER 2024	Comments	Program Fee for
#1	Flight Instruction Fee (ALL flight instruction)	\$65 per flight hour	\$65 per flight hour	No change/Clarity	Aircraft Pilot Training
#2	Ground Instruction Fee	\$65 per ground hour	\$65 per ground hour	No change/Clarity	Aircraft Pilot Training
#3	Redbird FMX Fixed wing (3 AXIS Motion Simulator fee)	AIRP 1215 any section PVT Pilot Flight: \$200 per registration of a flight course.	AIRP 1215 any section PVT Pilot Flight: \$200 per registration of a flight course.	No change/Clarity	Aircraft Pilot Training
		AIRP 2250 any section Instrument Flight: \$200 per registration of a flight course.	AIRP 2250 any section Instrument Flight: \$200 per registration of a flight course.		
		AIRP 2239 any section Commercial Flight: \$200 per registration of a flight course.	AIRP 2239 any section Commercial Flight: \$200 per registration of a flight course.		
		AIRP 2236 or AIRP 2251 Certified Flight Instructor Flight or Multi Engine \$200	AIRP 2236 or AIRP 2251 Certified Flight Instructor Flight or Multi Engine \$200		
		AIRP 1175 any section Intermediate Flight \$200	AIRP 1175 any section Intermediate Flight \$200		
#4	Piper Pilot 100i (NO FUEL)	NEW AIRCRAFT	\$131 per flight hour	\$10/hour more than Cessna 172. It is a new FAA approved aircraft	Aircraft Pilot Training
#5	Cessna 172 (NO FUEL)	\$121 per flight hour	\$121 per flight hour	No change/Clarity	Aircraft Pilot Training
#6	Piper Arrow PA-28R-201 (NO FUEL)	\$154 per flight hour	\$154 per flight hour	No change/Clarity	Aircraft Pilot Training
#7	Piper Seminole PA44-180 (NO FUEL)	\$192 per flight hour	\$192 per flight hour	No change/Clarity	Aircraft Pilot Training
#8	FUEL for aircraft is per gallon. TSTC calculates a set hourly per aircraft type average and we will update or check cost per semester, this cost can go up or down with inflation. If a crosscountry flight goes over the average plus 10% we will credit the precharged fee back and charge the actual receipt to the students account.	Fuel cost and 10%	No Change.	No change/Clarity	Aircraft Pilot Training
#9	Aviation Maintenance FAA General exam.	Required FAA Exam as final.	Remove	Remove since no fee has been charged students since this was approved. Per Robert Capps.	Aviation Maintenance



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Committee for Fiscal Affairs

Ron Widup, Chair; Kathy Stewart, Member

Committee Chair Comments

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Proposed MO#

None.

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TEXAS STATE TECHNICAL COLLEGE

Quarterly Investment Report

As of February 29, 2024

Description	Ending Value as of 02/28/23	Ending Value as of 11/30/23	Ending Value as of 02/29/24	Interest Rate
<u>Operating Funds</u>				
Cash in State Treasury	9,788,837	2,965,216	5,079,844	4.92%
Statewide Operating	9,909,573	8,137,318	8,246,695	3.00%
Harlingen - Local Operating	138,484	77,348	43,429	4.88%
Sweetwater - Local Operating	31,457	27,508	26,295	5.61%
Marshall - Local Operating	56,779	38,639	27,692	0.05%
Fort Bend - Local Operating	63,517	38,016	26,414	0.00%
Brownwood - Local Operating	15,983	17,868	12,470	1.83%
Abilene - Local Operating	15,332	22,249	9,979	0.25%
North Texas - Local Operating	26,188	10,996	11,064	1.00%
Breckenridge - Local Operating	10,438	17,630	12,533	0.10%
Payroll	3,370,712	1,672,126	2,473,021	3.00%
Federal Funds	10	10	10	0.00%
Texas Range - Pool	31,113,755	17,157,776	22,413,673	5.32%
Total Operating Funds	54,541,065	30,182,699	38,383,119	
<u>Endowment Funds</u>				
Bank of America - CD	10,000	10,000	10,000	0.01%
Clear Fork Bank - CD	99,215	99,215	99,215	4.25%
FNB Central Texas - MMKT	294,474	301,197	303,455	3.00%
FNB Central Texas - CD	191,889	191,574	191,574	5.00%
Liberty/Veritex Community Bank - CD	10,000	10,000	10,000	2.75%
Total Endowment Funds	605,578	611,986	614,244	
<u>Bond Proceeds / Debt Service Funds</u>				
NB Central Texas (Series 2016 HEAF/RFS bonds)	71	-	-	
TexPool (Series 2020 bonds)	10,842,228	4,909,940	4,267,780	5.35%
Texas Range Pool (Series 2022A CCAP bonds)	76,933,676	63,140,940	55,320,039	5.32%
FNB Central Texas (Series 2022A CCAP bonds)	487,321	1,659,856	1,953,567	3.00%
BOK Financial (Series 2022A CCAP bonds)	220,559,550	228,978,400	231,891,690	4.75%
Texas Range Pool (2022A CCAP debt service)	17,146,587	1,424,850	99,805	5.32%
Total Bond Proceeds / Debt Service Funds	325,969,433	300,113,987	293,532,881	
Total All Investments	381,116,075	330,908,672	332,530,244	

TEXAS STATE TECHNICAL COLLEGE

Quarterly Investment Report

As of February 29, 2024

Schedule of Time Deposits:

Description	Amount	Maturity Date	Days Maturity	Rate	Type
Veritex Community Bank	10,000	9/7/2024	731	2.75%	Endowment
FNB Central Texas	191,574	3/15/2024	84	5.00%	Endowment
Clear Fork Bank	65,000	4/4/2024	365	4.25%	Endowment
Clear Fork Bank	34,215	4/12/2024	365	4.25%	Endowment
Bank of America	10,000	8/10/2025	365	0.01%	Endowment
Total Time Deposits	310,789				

Weighted Average Maturity (Time Deposits): **377 days**

Weighted Average Rate of Interest (All Investments): **4.90%**

Current One Year Treasury Bill Rate: *5.01%*

Lipper Money Market Funds Average Return (1 YR): *4.77%*

FY 2024 Investment Income (All Investments): **8,754,866 ***

All investments, except for the funds at BOK Financial, are shown at cost. Market value equals cost due to the type of investment. All balances are per the bank as of the report date.

**Includes Change of Fair Value in Investments (Unrealized Gain/Loss)*

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).

[ORIGINAL SIGNED BY]

Anju Motwani, Controller

4/12/24

Date

[ORIGINAL SIGNED BY]

Chad Wooten, Chief Financial Officer

4/12/24

Date

2020

Building in Waco (BRIC) sold for \$5 mil. Overall decrease in spending due to the pandemic.

Balance: \$26.2M

2021

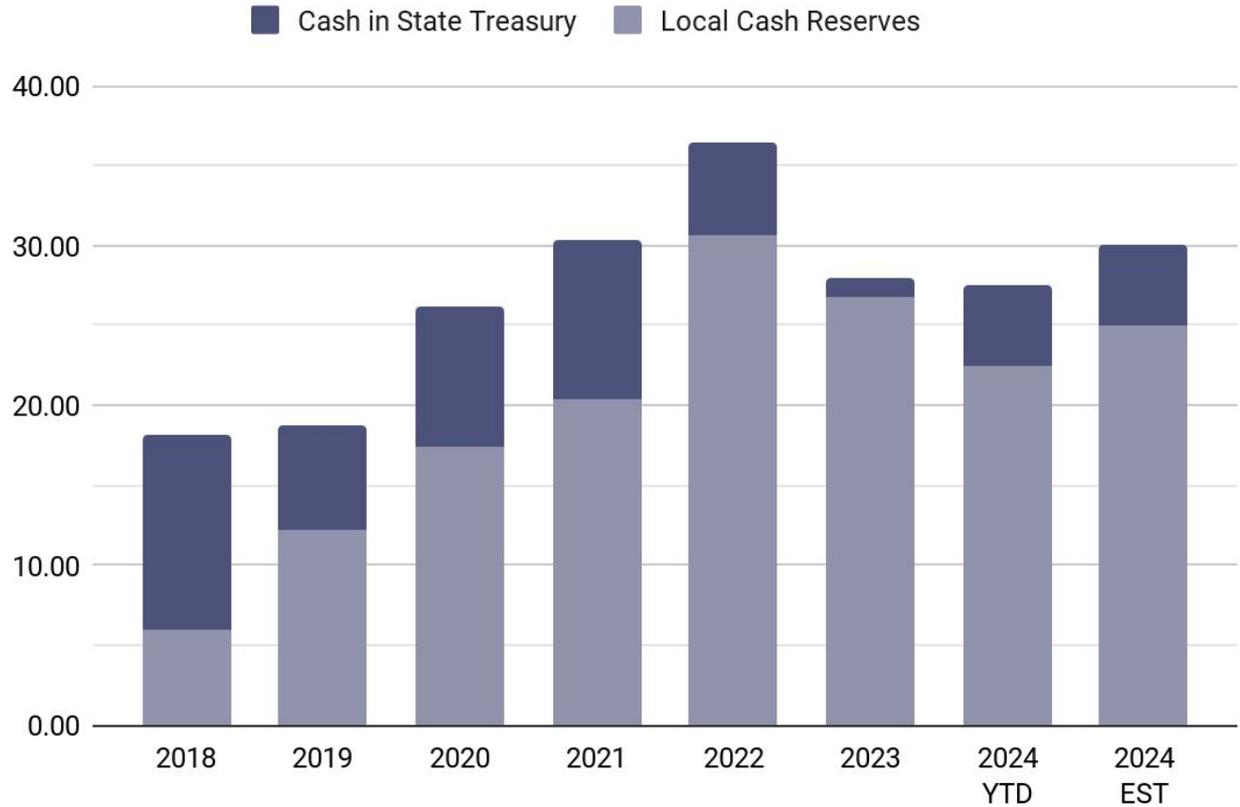
Spending continued to remain controlled due to the uncertainty of the pandemic, therefore a surplus in reserves continued. Also, early payoff of airport loan amounting to \$1.2 mil.

Balance: \$30.4M

2022

Another \$10 mil added to reserves, despite of the early payoff of the Fort Bend ITC lease amounting to \$3.6 mil and early payoff of the TPFA leases amounting to \$2.0 mil. TSTC also drew \$6 mil for lost revenue from CARES.

Balance: \$36.5M



2023

First year TSTC utilized reserves in preparation for expansion. Hiring additional FTE, equipment purchased for FAME, additional marketing strategies.

Balance: \$28.0M

2024

Through Q2, a net of \$5 mil withdrawn to cover delay in grant reimbursements. With current operating forecast, estimating ending balance of \$30M.

Balance FY24 Q2: \$27.5M

TEXAS STATE TECHNICAL COLLEGE

Pledged Collateral Report

February 29, 2024

	DEPOSITS			SECURITY ON DEPOSITS			Sufficient (Insufficient)
	Demand Deposits	Money Market & Time Deposits	Total Deposits	FDIC* Coverage (up to)	Required Collateral	Collateral at Market Value	
Depository - Location							
First Ntl Bank of Central Texas - Waco	12,673,293	495,029	13,168,322	500,000	12,668,322	34,500,000	21,831,678
Frost Bank - Harlingen/Fort Bend	69,843	-	69,843	250,000	-	345,903	526,060
Texas National Bank - Sweetwater	26,295	-	26,295	250,000	-	-	223,705
Texas Bank & Trust - Marshall	27,692	-	27,692	250,000	-	-	222,308
Citizens National Bank - Red Oak	11,064	-	11,064	250,000	-	-	238,936
Prosperity Bank - Abilene	9,979	-	9,979	250,000	-	-	240,021
Texas Bank - Brownwood	12,470	-	12,470	250,000	-	-	237,530
∞ InterBank - Breckenridge	12,533	-	12,533	250,000	-	-	237,467
Bank of America - Waco	-	10,000	10,000	250,000	-	-	240,000
First Ntl Bank - Albany/Breckenridge	-	99,215	99,215	250,000	-	-	150,785
Veritex Comm. Bank - N. Richland Hills	-	10,000	10,000	250,000	-	-	240,000
Extracto Banks, N.A. - Waco	-	-	-	250,000	-	-	250,000
Cash in State Treasury	5,079,844	-	5,079,844	No Collateral Required			
TexasTerm (Government Pool)	77,833,517	-	77,833,517	No Collateral Required			
TexPool (Government Pool)	4,267,780	-	4,267,780	No Collateral Required			
BOK Financial		231,891,690	231,891,690	No Collateral Required			
TOTAL	100,024,310	232,505,934	332,530,244				

* Federal Deposit Insurance Corp. All **demand deposits** owned by a public unit held in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all **time and savings deposits** owned by a public unit and held in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. The term "demand deposits" means both interest-bearing and noninterest-bearing deposits.

March 15, 2024

Dr. Tiffany Tremont
Members of the Board of Regents
Texas State Technical College
Waco, Texas 76705

SUBJECT: Semi-annual Report Certifying Debt Management Policy Compliance

Regents:

As detailed in Texas State Technical College *Statewide Operating Standard FA 2.4, Policy for Debt Management*, it is the policy of the College to use debt to finance capital projects needed to achieve its strategic objectives. The College will ensure that prudent practices are in place to maintain financial stability, minimize interest costs, and preserve future financial flexibility. Additionally, an annual report from the Controller's Office is to be provided to the Board of Regents certifying compliance with the policy.

Accordingly, I hereby certify that the College currently complies with *SOS FA 2.4, Policy for Debt Management*, and with all bond covenants. Further, I have verified that current and projected revenues are sufficient to fund debt service, as of February 29, 2024. Details of outstanding principal balances, current debt service due, and the sources of debt service funding have been provided to the Committee for Fiscal Affairs.

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

Respectfully submitted,

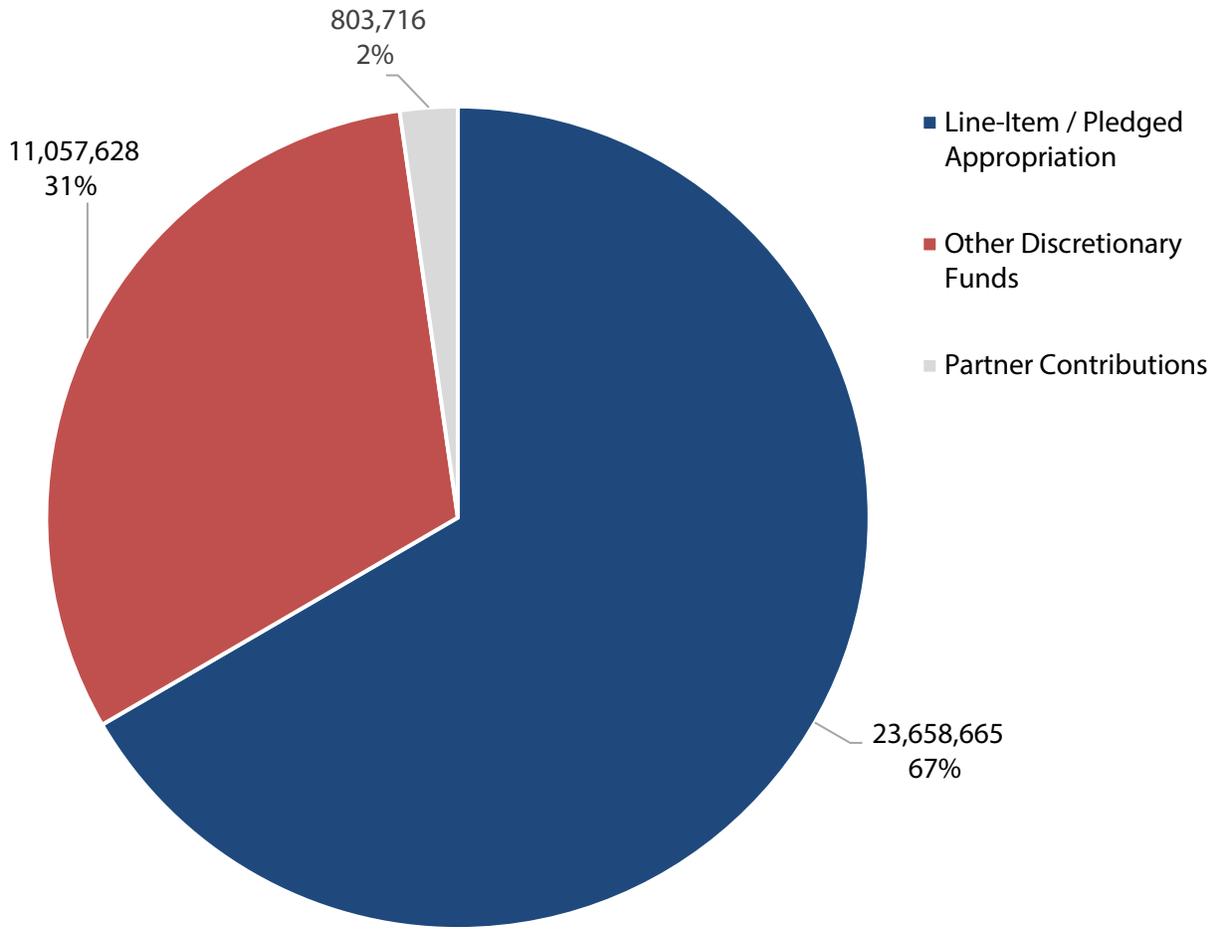
[ORIGINAL SIGNED BY]

Chad Wooten, CPA
Vice Chancellor & Chief Financial Officer

[ORIGINAL SIGNED BY]

Anju Motwani, CPA
Associate Vice Chancellor & Controller

**Texas State Technical College
Sources of Debt Service Funding for FY 2024**



Bonds	FY 2024 Debt Service	Source of Funding
Constitutional Appropriation Series 2016 Bonds (HEAF)	2,977,225	pledged appropriation
RFS Series 2016 Bonds (Tuition / Local Revenue)	4,998,756	line-item appropriation (54%) other discretionary funds (46%)
RFS Series 2020 Bond (Local Revenue)	3,396,581	pledged appropriation (88%) other discretionary funds (12%)
RFS Series 2022 Refunding Bonds (Local Revenue)	1,553,099	other discretionary funds (48%) partner contributions (52%)
RFS Improvement Bonds 2022A Series Bonds (CCAP / Local Revenue)	21,222,638	line-item appropriation (71%) other discretionary funds (29%)
Lease Purchase (Griffith Hall)	1,371,710	other discretionary funds
TOTAL:	\$ 35,520,009	

**Texas State Technical College
Summary of Outstanding Debt as of February 29, 2024**

	<u>Outstanding Principal</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Bonds			
Constitutional Appropriation Series 2016 Bonds (HEAF)	5,700,000	4.00% - 5.00%	October 2025
RFS Series 2016 Bonds (Tuition / Local Revenue)	38,040,000	2.00% - 5.00%	October 2035
RFS Series 2020 Bond (Local Revenue)	21,780,000	2.53%	October 2031
RFS Series 2022 Refunding Bond (Local Revenue)	15,935,000	2.31%	August 2036
RFS Series 2022A Bonds (CCAP / Local Revenue)	<u>286,830,000</u>	5.00% - 6.00%	August 2054
Total Bonds	<u>368,285,000</u>		
Lease Purchases			
TSTC Foundation, 2020 (Housing - Waco)	19,700,277	3.75%	August 2046
TSTC Foundation, 2023 (The WorkSITE)*	<u>1,451,251</u>	3.90%	December 2043
Total Lease Purchases	<u>21,151,528</u>		
Total Outstanding Debt:	<u>\$ 389,436,528</u>		

*Note: Debt service on this lease purchase begins once construction of The WorkSITE is completed. Payments on this lease purchase is estimated to begin in December 2024 (FY2025). The maximum lease principal will be \$8.5 million.

Total Outstanding Debt as of February 29:		
	2020	100,706,043
	2021	126,379,361
	2022	127,104,180
	2023	410,933,866
	2024	389,436,528

TSTC Bond Ratings as of February 29, 2024

TSTC Bond Series	Fitch	S&P	Moody's	Rating Description	
2016 HEAF	AAA	AAA	Aaa	Investment Grade	Prime
2016 RFS	AA+	AA+	Aa1		High Grade
2022A RFS	AA	AA	Aa2		
	AA-	AA-	Aa3		
	A+	A+	A1		Upper Medium Grade
	A	A	A2		
	A-	A-	A3		
	BBB+	BBB+	Baa1		Lower Medium Grade
	BBB	BBB	Baa2		
	BBB-	BBB-	Baa3		
	BB+	BB+	Ba1	Below Investment Grade (Speculative)	Below Investment Grade / Speculative
	BB	BB	Ba2		
	BB-	BB-	Ba3		
	B+	B+	B1		Highly Speculative
	B	B	B2		
	B-	B-	B3		
	CCC+	CCC+	Caa1		Substantial Risks / Extremely Speculative
	CCC	CCC	Caa2		
	CCC-	CCC-	Caa3		
	CC	CC	Ca		Default Imminent
	C	C			
	DDD	SD	C		
	DD	D			

Rating Outlook Summary:

2016 HEAF Bonds: Rated on the credit of the State of Texas, as pledged debt service funds are appropriated by the state's constitution. Outlook from both Fitch and Moody's is **STABLE** .

Revenue Financing System (RFS) Bonds: . Moody's and Fitch rate both public issuances of RFS bonds; Outlook from Moody's is **STABLE** , outlook from Fitch is **STABLE** .

**Texas State Technical College
Operating Budget Performance
as of February 29, 2024**

	FY 2024 Annual	FY 2024 YTD Actual	Budget Utilized	NOTE	FY 2024 Forecast
Operating Revenues					
Returned Value Formula Appropriations	95,103,614	95,103,614	100.0%		95,103,614
Special Items & Other Appropriations	27,162,626	27,162,626	100.0%		27,162,626
Debt Service Appropriations	17,696,557	17,696,557	100.0%		17,696,557
HEAF Appropriations	8,662,500	8,662,500	100.0%		8,662,500
Benefits Appropriations	32,226,640	16,863,867	52.3%		31,377,958
Tuition	60,000,000	47,225,217	78.7%	1	61,850,000
Student Financial Aid	38,576,500	23,797,156	61.7%	2	44,673,345
Auxiliary Enterprises	10,278,000	7,332,840	71.3%	3	10,914,108
Fees & Educational Sales	3,450,000	2,908,933	84.3%	3	3,450,000
Industry Relations	4,000,000	3,248,079	81.2%	3	4,500,000
Grants	8,338,539	5,169,561	62.0%		8,338,539
Contracts & Other	9,500,000	5,254,240	55.3%	4	9,509,254
Total Operating Revenues	314,994,976	260,425,190	82.7%		323,238,501
Operating Carryforward / Reserves	3,102,609	-		5	3,102,609
Operating Expenditures					
Instruction	85,954,973	43,109,534	50.2%	6	87,679,425
Student Financial Aid	48,768,078	28,631,527	58.7%	2	54,864,923
Statewide Benefits	36,845,253	18,119,340	49.2%		36,333,801
Marketing	21,857,622	10,109,527	46.3%	6	22,959,957
External Relations	14,928,622	7,125,992	47.7%	3, 6	15,405,988
Auxiliary Enterprises	9,107,190	5,050,145	55.5%	3, 6	10,184,867
Campus Services	5,035,549	2,100,262	41.7%		4,964,798
Facilities & Plant	22,280,134	10,312,834	46.3%	6	22,569,507
Information Technology	15,946,231	10,370,492	65.0%	7, 6	15,938,864
Finance	8,281,063	3,982,278	48.1%	6	8,367,847
Human Resources	4,422,719	2,152,382	48.7%	6	4,383,045
Statewide Administration	3,696,612	1,912,840	51.7%	6	4,132,063
Debt Service	34,148,539	18,823,232	55.1%		35,520,249
Strategic Pool (to be allocated)	6,825,000	-		8	-
Total Operating Expenditures	318,097,585	161,800,384	50.9%		323,305,334
Operating Budget Margin (Deficit)	-	98,624,806			3,035,776

**Texas State Technical College
Operating Budget Performance
as of February 29, 2024**

Notes:

Explanations are provided below for any notable variances from the original budget.

- 1)** Enrollment for Fall and Spring semesters have exceeded initial projections, positively impacting tuition revenue. Overall tuition revenue is expected to be about 15% higher than prior year, just slightly over the budgeted amount for FY 2024.
- 2)** Student financial aid revenue is mostly offset with scholarship expense (student financial aid expense), with the exception of the required scholarship set asides from tuition revenue and other local resources. The \$6 million additional revenue and expense forecasted for student financial aid is mainly due to additional funding awarded to most Texas higher education institutions for the Texas Education Opportunity Grant beginning in FY 2024.
- 3)** Secondary revenue sources such as Industry Relations, Auxiliary Enterprises and Fees & Educational Sales typically follow similar growth pattern as student enrollment increases and workforce training initiatives rise. Also, Waco housing (Griffith Hall) resumed full operations in Fall 2023, positively impacting Auxiliary revenues. Accordingly, with increased activity in these areas, expenses are expected to be slightly higher than budgeted.
- 4)** Increased interest rates continue to provide a favorable variance from budget in FY 2024. Approximately \$6.4 million of the interest earned on the Series 2022A CCAP bond proceeds will be used to fund the FY 2024 debt service payments on the local (non-state funded), interest only portion of the Series 2022A CCAP bonds.
- 5)** TSTC routinely utilizes accumulated reserves for various purposes. In FY 2024, \$3.1 million of reserves is expected to be utilized to supplement current year revenues and offset one-time costs in the annual budget, such as aircraft purchases of approximately \$1.8 million.
- 6)** Forecasted actual expenditures in the primary operating divisions of the College mostly exceed the original budget, as planned. Expenses in the two primary student-facing divisions of the College, Instruction and Marketing, continue to be at elevated levels as TSTC invests in growth initiatives, including adding additional faculty and staff in these areas. Much of these increases are funded by the "strategic pool," which is utilized throughout the fiscal year, reducing the pool amount and increasing the divisional operating budgets, causing a net zero impact as a whole.
- 7)** Actual expenses in Information Technology are more front loaded in the first half of the fiscal year, as one-time annual expenditures are made at the beginning of the fiscal year for annual software subscriptions and services. Also, ongoing investments in the multi-year *Workday* ERP implementation project are reflected in this line item.
- 8)** A majority of the Strategic Pool budget has been deployed for FY 2024. \$5 million of the total is allocated to fund TSTC's Pay for Performance merit program, as well as new positions. The remaining amount is set aside to fund additional operating costs arising from the CCAP projects.

TEXAS STATE TECHNICAL COLLEGE

Quarterly Real Estate Lease Report for Minute Order 14-23

February 29, 2024

Tenant Name	Lease Description	Amount of Lease	Start Date	Term Date
Zimin Transportation, LLC	East Lam Hangar Space Lease TSTC in Waco	\$20,826	12/1/2023	5/31/2024

The leases above (TSTC is the lessor) are reported to the Board of Regents, per MO 14-23, when (1) the period of the lease, including optional extensions, does not exceed five years; and (2) the dollar value of the lease, including any amendment, modification, renewal, or extension of the lease, is less than \$500,000. Any leases exceeding those thresholds are presented to the Board of Regents through a separate minute order. Amount of lease includes optional renewals even if not yet exercised.

TEXAS STATE TECHNICAL COLLEGE
Quarterly Report for Contracts > \$1 Million
As of February 29, 2024

Contractor Name	Description	Total Contract Value	Start Date	Term Date
New - Rogers-O'Brien Construction	Construction Manager at Risk (CMAR) CCAP TSTC in Waco	\$59,655,264	7/21/2023	9/2/2025
New - J.T. Vaughn Construction, LLC	Construction Manager at Risk (CMAR) CCAP TSTC in Fort Bend	\$42,095,557	8/30/2023	8/1/2025
Imperial Construction, Inc.	JBC 1st & 2nd Floor Renovations TSTC in Waco	\$12,915,898	10/12/2021	4/30/2024
Incline Alchemy, Inc.	Workday Implementation Partner Services	\$10,472,893	9/30/2020	9/30/2025
Imperial Construction, Inc.	EEC & TSC Renovations TSTC in Waco	\$9,700,000	7/1/2023	4/15/2025
New - Bartlett Cocke Gen. Contractors, LLC	Construction Manager at Risk (CMAR) CCAP TSTC in Marshall	\$9,200,720	8/3/2023	10/31/2024
Asher Media, Inc.	Advertising Services	\$9,101,995	9/1/2019	8/31/2024
TXU Energy	Electric Utility Services	\$8,500,000	1/1/2024	12/31/2028
Workday, Inc.	Enterprise Resource Planning System	\$7,642,501	10/18/2019	4/17/2025
Piper Aircraft, Inc.	Aircraft Purchases	\$5,759,900	10/19/2022	12/31/2025
Texas General Land Office	Natural Gas Utility Services	\$4,939,695	9/1/2009	8/31/2026
PBK Inc.	A/E Services CCAP TSTC in Waco	\$4,937,020	3/24/2023	12/31/2025
STVT-AAI Education Inc.	CDL License Training	\$4,455,000	1/1/2024	12/31/2024
PBK Inc.	A/E Services for CCAP TSTC in East Williamson County	\$4,155,500	6/13/2023	6/13/2026
PBK Inc.	A/E Services CCAP TSTC in Fort Bend	\$4,038,500	3/29/2023	12/1/2025
City of Waco	Potable Water Purchase TSTC in Waco	\$3,874,341	8/6/2018	8/6/2028
Enterprise Fleet Management	Fleet Vehicle Leasing Services	\$3,839,862	10/10/2022	10/9/2027
Energy Architecture, Inc.	A/E Services for CCAP, Other Buildings TSTC in Harlingen	\$3,723,520	4/11/2023	4/11/2025
Hyland LLC	Perceptive Content Software Support Services	\$2,798,088	9/1/2020	8/31/2024

TEXAS STATE TECHNICAL COLLEGE
Quarterly Report for Contracts > \$1 Million
As of February 29, 2024

Contractor Name	Description	Total Contract Value	Start Date	Term Date
Lewis Land Management LLC	Landscaping Services TSTC in Waco	\$2,600,000	10/1/2021	9/30/2024
Ellucian Company LP	Colleague Enterprise Resource Planning System	\$2,127,429	9/1/2022	8/31/2025
New - Texas Department of Transportation	Revenue - Commercial Driver's License (CDL) Training Services	\$1,911,615	10/28/2022	8/31/2025
New - MediaMonks Inc.	Interactive Digital Installation Services TSTC in Waco	\$1,835,641	12/1/2023	11/30/2024
Parkhill Smith & Cooper, Inc.	A/E Services CCAP Projects TSTC in Abilene	\$1,752,105	1/19/2024	6/16/2025
D&M Leasing	Fleet Vehicle Leasing Services	\$1,594,953	11/9/2018	5/1/2026
Kitchell CEM, Inc.	Construction Management Services CCAP TSTC in Waco	\$1,421,630	5/7/2023	1/7/2026
Salesforce, Inc.	Cloud Customer Relationship Management Platform	\$1,407,182	3/1/2021	8/31/2024
Kitchell CEM, Inc.	Construction Management Services CCAP TSTC in Harlingen	\$1,345,530	5/24/2023	11/30/2025
PBK Inc.	A/E Services JBC 1st and 2nd Floor Renovations TSTC in Waco	\$1,328,525	10/11/2021	6/30/2024
Prolego Consulting Solutions, LLC	Construction Management Services CCAP TSTC in Fort Bend	\$1,258,711	4/20/2023	4/20/2026

Aggregate Spend	
Imperial Construction, Inc.	\$22,615,898
PBK Inc.	\$14,459,545
Kitchell CEM, Inc.	\$2,767,160

* The contracts above include current contracts over one million dollars for the purchase or sale of goods or services.



Board Meeting Date: May 9, 2024 **Proposed Minute Order #:** FAC 04-24(c)

Proposed By: Kevin Semien, Vice Chancellor & Chief Campus Services Officer

Subject: **Approve Service Agreements for Landscaping Services at TSTC in Waco**

Background: Texas State Technical College (TSTC) is procuring contractors through the competitive proposal process for turf, bedding, irrigation, and shrub maintenance at TSTC in Waco. It is anticipated that the awarded contracts will have an initial term of two years and three optional twelve-month renewal periods. It is anticipated that the total contract value of at least one of the contracts will exceed \$1 million. Consequently, Board approval is required pursuant to Texas Education Code § 51.9337(f).

Justification: Contractors are currently performing landscaping services at TSTC in Waco. Utilizing contractors for these services is the most cost-effective approach.

Additional Information: None.

Fiscal Implications: Funds are 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): None.

Recommended Minute Order: "The Texas State Technical College Board of Regents approves contracts for landscaping services at TSTC in Waco where the contracts exceed \$1 million, and delegates its authority to the Chancellor, or his designee, to enter into and execute any and all necessary amendments, extensions, and renewals, including those with a value that exceeds 25 percent of the value of the original agreement."

Recommended By: **[ORIGINAL SIGNED BY]**
Kevin Semien, Vice Chancellor & Chief Campus Services Officer

Major Projects Report May 2024

#	Project Name	Campus	Delivery Method	Fund Source	Cost Allocation	Required Approvals	% Complete
1	Campus Wide Drainage Project	Waco		Unfunded \$ 2,074,290 Total Funds \$ 2,074,290	Engineering Design \$ 305,000 Construction Contract \$ 1,726,290 Owner's Cost \$ 43,000 Total Budget \$ 2,074,290	Project and Budget	MO 47-20 0%
2	EEC & TSC Building Renovations	Waco	A/E-CMaR	RFS LB 22 CCAP Bond Funds \$ 6,000,000 EDA Grant \$ 3,500,000 TSTC Matching Local Funds \$ 2,585,000 HEF Funds \$ 250,000 Total \$ 12,335,000	Architectural Services \$ 914,620 Construction Contract \$ 9,300,253 Abatement Costs \$ 57,872 Construction Cost (Other) \$ 38,984 Owner's Cost \$ 277,293 Owner's Reserve (Balance) \$ 1,745,978 Total Budget \$ 12,335,000	Pursuit of EDA Grant Project and Budget Contracts > \$1M Approve Amended Budget Complete Project	EA 26-20 MO 13-21 MO 11-22 FAC MO 08-22 Jan 2025 60%
3	JBC Renovation Multipurpose Event Center	Waco	A/E-CMaR	RFS LB 20 Bonds \$ 5,200,000 RFS LB 20 Bonds (\$37,400) RFS LB 22 CCAP Bond Funds \$7,800,000 RFS LB 22 CCAP Bond Funds \$ 1,700,000 HEF Funds \$ 850,000 Total \$ 15,512,600	Architectural Services \$ 1,399,275 Construction Contract \$ 12,915,898 Construction Documentation \$ 14,183 Construction Cost (Other) \$ 325 Owner's Cost \$ 1,002,920 Owner's Reserve (Balance) \$ 179,999 Total Budget \$ 15,512,600	Concept Project and Budget Amended Budget Amended Budget Amended Budget Complete Project	EA 20-21 MO 43-21 MO 14-22 FAC MO 07-22 FAC MO 17-23 May 2024 MO 31-21 Dec 2025 0%
4	TSTC Portion of North Interceptor Joint Effort	Waco	TBD	Local Bonds 2020 \$ 650,000 Unfunded \$ 850,000 Total \$ 1,500,000	Total Budget \$ 1,500,000	Complete Project	MO 31-21 Dec 2025 0%
5	ZOME Renovation Student Enrollment	Haringen	A/E-CMaR	Bond Funds \$ 2,100,000 Total \$ 2,100,000	Architectural Services \$ 59,100 Construction Contract \$ 2,040,900 Owner's Reserve (Balance) \$ 2,100,000 Total Budget \$ 2,100,000	Concept Complete Project	MO FAC 04-22 TBD 3%
6	Capital Construction Assistance Project	Abilene	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 13,500,000 CCAP Appropriations \$ 1,808,367 RFS LB 22 CCAP Bond Funds \$ 10,590,395 RFS LB 22 CCAP Bond Funds \$ 149,336 HEF Funds \$ 21,149 Local Funds \$ 21,149 Total \$ 26,090,395	Architectural Pre Design \$ 42,297 Architectural Services \$ 1,835,968 Construction Management \$ 600,000 Construction Contract \$ 21,313,358 Construction Documentation \$ 36,005 Construction Cost (Other) \$ 81,045 Owner's Reserve (Balance) \$ 2,181,723 Total Budget \$ 26,090,395	Concept & Contracts Contracts > \$1M Project, Budget, Cont. > \$1M Amended Project Complete Project	MO 46-21 MO FAC 03-22 MO FAC 09-22 MO FAC 20-23 Aug 2025 MO 46-21 MO FAC 03-22 MO FAC 10-22 1%
7	Capital Construction Assistance Project	EWCHEC	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 33,300,000 RFS LB 22 CCAP Bond Funds \$ 31,940,000 RFS LB 22 CCAP Bond Funds \$ (8,404,800) Total \$ 56,835,200	Architectural Pre Design \$ 236,421 Architectural Services \$ 4,155,500 Construction Management \$ - Construction Contract \$ - Construction Documentation \$ - Construction Cost (Other) \$ - Owner's Reserve (Balance) \$ 52,443,279 Total Budget \$ 56,835,200	Concept & Contracts Contracts > \$1M Project, Budget, Cont. > \$1M Complete Project	MO 46-21 MO FAC 03-22 MO FAC 10-22 TBD MO 46-21 MO FAC 03-22 MO FAC 14-22 42%
8	Capital Construction Assistance Projects	Fort Bend	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 41,800,000 RFS LB 22 CCAP Bond Funds \$ 12,308,164 HEF Funds \$ 250,150 Total \$ 54,358,314	Architectural Pre Design \$ 250,150 Architectural Services \$ 4,038,500 Construction Management \$ - Construction Contract \$ 42,095,557 Construction Documentation \$ 1,374,888 Owner's Reserve (Balance) \$ 6,599,219 Total Budget \$ 54,358,314	Concept & Contracts Contracts > \$1M Project, Budget, Cont. > \$1M Complete Project	MO 46-21 MO FAC 03-22 MO FAC 14-22 Aug 2025 42%

Major Projects Report May 2024

9	Capital Construction Assistance Projects	Harlingen	RFQ RFQ A/E-CMaR	CCAP Appropriations RFS LB 22 CCAP Bond Funds RFS LB 22 CCAP Bond Funds HEF Funds	\$ 37,800,000 \$ 26,595,000 \$ (6,595,000) \$ 284,363	Architectural Pre Design Architectural/Eng. Services Construction Management Construction Contract Construction Documentation Construction Cost (Other) Owner's Reserve (Balance) Total Budget	\$ 284,363 \$ 3,940,200 \$ 1,345,530 \$ 115,000 \$ - \$ - \$ 52,399,270 \$ 58,084,363	Concept & Contracts Contracts > \$1M Project, Budget, Cont. > \$1M	MO 46-21 MO FAC 03-22 MO FAC 13-22	13%	
10	Capital Construction Assistance Project	Marshall	RFQ RFQ A/E-CMaR	CCAP Appropriations CCAP Appropriations	\$ 15,000,000 \$ (1,808,367)	Architectural Pre Design Architectural Services Construction Management Construction Contract Construction Documentation Owner's Cost Construction Cost (Other) Total Budget	\$ 99,113 \$ 963,869 \$ - \$ 9,200,720 \$ 259,597 \$ 73,730 \$ 2,668,334 \$ 13,265,363	Concept & Contracts Contracts > \$1M Project, Budget, Cont. > \$1M	MO 46-21 MO FAC 03-22 MO FAC 11-22	45%	
11	Capital Construction Assistance Project	Waco	RFQ RFQ A/E-CMaR	CCAP Appropriations RFS LB 22 CCAP Bond Funds HEF Funds	\$ 53,600,000 \$ 18,805,000 \$ 336,392	Architectural Pre Design Architectural/Eng. Services Construction Management Construction Contract Construction Documentation Owner's Cost Construction Cost (Other) Owner's Reserve (Balance) Total Budget	\$ 336,392 \$ 5,197,372 \$ 1,421,630 \$ 59,655,264 \$ 53,918 \$ 119,356 \$ 6,130,734 \$ 72,914,666	Concept & Contracts Contracts > \$1M Project, Budget, Cont. > \$1M	MO 46-21 MO FAC 03-22 MO FAC 12-22	25%	
12	Waco Annex	Waco	A/E-CMaR	TSTC Foundation	\$ 17,000,000	Architectural Services Construction Management Construction Contract Construction Documentation Construction Cost (Other) Owners Cost (Equip.) Owner's Reserve (Balance) Total Budget	\$ 1,125,887 \$ 294,000 \$ 12,359,860 \$ 26,003 \$ 89,708 \$ 3,104,542 \$ 17,000,000	Complete Project	Nov 2025	35%	
13	Air Base Road Abate & Demo Multiple Structures	Waco	RFQ RFP RFP	Bond Funds	\$ 1,179,309	Abatement Consultant Abatement Contract Demolition Contract Owner's Reserve (Balance) Total Budget	\$ 283,117 \$ 78,200 \$ 162,951 \$ 655,041 \$ 1,179,309	Complete Project Project, Budget, and Contracts > \$1M	Dec 2024 MO FAC 16-23	90%	
				Total Fund Source	\$ 333,002,496	Total Cost Allocation	\$ 333,249,500				



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Committee for General Administration Robb Misso, Chair

Committee Chair Comments

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Employer Engagement Presentation	<i>Cledia Hernandez</i>
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Board Meeting Date: May 9, 2024 **Proposed Minute Order #:** GA 03-24(c)

Proposed By: Cledia Hernandez, Vice Chancellor & Chief External Relations Officer

Subject: **Approve Naming Lab at The WorkSITE in Waco**

Background: Texas State Technical College (TSTC) has an approved policy to honor or memorialize individuals and businesses that have made major contributions or performed outstanding service for the college by naming buildings, definable portions of buildings, geographic areas, and organizational entities for such individuals and businesses.

David and Valerie Fallas opened Fallas Automation in Waco, TX in 1979. Since 1979, the company has produced simple, compact case packers and automation support equipment. Fallas Automation hires and employs TSTC graduates, and the company donated their first gift to The TSTC Foundation in 2015. In November 2023, the founders of Fallas Automation, Dave & Valerie, donated \$1mil to the TSTC Foundation dedicated to providing scholarships to TSTC Waco students enrolled in Mechatronics, Drafting and Design or Robotics. The scholarship is also available for students at The WorkSITE in Waco.

Justification: Throughout the years, Fallas Automation has been an employer and supporter of TSTC graduates. The gift provided by Fallas Automation to the TSTC Foundation in 2023 furthers solidifies the partnership between the Fallas' and the College.

Pursuant to *SOS GA 4.7 Naming of Buildings and Other Specified Entities*, consideration of naming a lab at The WorkSITE in Waco recognizes the Fallas' dedication and care for TSTC students, and the regard for the outputs generated by TSTC.

Additional Information: None.

Fiscal Implications: None.

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

Attachment(s): None.

**Recommended
Minute Order:**

“The Texas State Technical College Board of Regents approves naming a lab at The WorkSITE in Waco in honor of Dave and Valerie Fallas of Fallas Automation .”

Recommended By:

[ORIGINAL SIGNED BY]

Cledia Hernandez, Vice Chancellor & Chief External Relations Officer



Board Meeting Date:

May 9, 2024

Proposed Minute Order #: GA 04-24(c)

Proposed By:

Edward C. Vallejo, General Counsel & Deputy Vice Chancellor

Subject:

Certify Compliance With [Executive Order GA 44](#) by the Governor of the State of Texas Relating to Addressing Acts of Antisemitism in Institutions of Higher Education.

Background:

On March 27, 2024, pursuant to his powers as Governor of the State of Texas, Governor Greg Abbott issued Executive Order No. GA-44 in response to acts of antisemitism at institutions of higher education in Texas.

In his order, Governor Abbott cites the terrorist attack by Hamas on Israel in October of 2023, which killed over 1,200 people and took 250 hostages. Governor Abbott has taken steps to address antisemitism in Texas, including allocating funds to protect synagogues and Jewish schools, prohibiting state agencies from purchasing goods from the Gaza Strip, and directing the Texas Education Agency and the Texas Holocaust, Genocide, and Antisemitism Advisory Commission to educate Texans about the Israel-Hamas War and antisemitism.

The order is intended to specifically address the increase in antisemitic incidents on college campuses, including graffiti, protests, and chants calling for the destruction of Israel. Texas unequivocally supports free speech, especially on campuses of institutions such as TSTC, but the Governor makes clear that this freedom comes with responsibilities for TSTC and its students. Such speech can never incite violence, encourage people to violate the law, harass other students or Texans, or disrupt the core educational purpose of the institution.

Justification:

TSTC administration and the Board of Regents do not tolerate harassment in any form so the college recognizes that antisemitism and the harassment of Jewish students have no place on Texas college campuses. Texas Education Code [51.9315\(f\)](#) requires all institutions of higher education to adopt policies detailing students' responsibilities regarding free expression on campus; Texas Education Code [51.9315\(c\)\(2\)](#) provides that students should not participate in, and institutions of higher education should not allow, expression that is unlawful or disrupts the operations of the institution.

To this end, Governor Abbott has directed all Texas institutions of higher education to (1) review and update free speech policies to address antisemitism and establish punishments for violators, (2) enforce these policies and discipline

groups that violate them, and (3) include the definition of “antisemitism” from Texas Government Code 448.001 in TSTC’s free speech policies.

The chair of the board of regents for each Texas public university system is required to report to the governor's office within 90 days to confirm that these actions have been taken.

Additional Information:

The Governor has further directed the Chair of TSTC’s Board of Regents to report to the Office of the Governor, Budget and Policy Division, by June 25, 2024, that the above actions were taken by TSTC. This report shall include documentation verifying revisions made to free speech policies and evidence that those policies are being enforced.

Fiscal Implications:

Executive Order GA-44 does not contain any specific financial consequences.

Attestation:

The Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment(s):

Executive Order GA-44

Recommended Minute Order:

“The Texas State Technical College Board of Regents authorizes the Chair of the Board to make the required report to the Office of the Governor that Texas State Technical College is in compliance with Executive Order GA-44.”

Recommended By:

[ORIGINAL SIGNED BY]

Edward C. Vallejo, General Counsel & Deputy Vice Chancellor

Executive Order

BY THE
GOVERNOR OF THE STATE OF TEXAS

Executive Department
Austin, Texas
March 27, 2024

EXECUTIVE ORDER
GA 44

Relating to addressing acts of antisemitism in institutions of higher education.

WHEREAS, on October 7th of last year, the terrorist group Hamas committed unspeakable and heinous acts when they launched a surprise attack on Israel; and

WHEREAS, this attack killed over 1,200 innocent civilians including women, children, and approximately 30 American citizens, and Hamas took over 250 individuals hostage, including at least 10 Americans; and

WHEREAS, immediately after the October 7th attack, Governor Abbott reiterated his longstanding support for Israel and the Texas Jewish community and took initial steps to address acts of antisemitism in Texas, including authorizing \$4 million in additional grant funds to protect synagogues and Jewish schools, prohibiting state agencies from purchasing goods from the Gaza Strip or entities that support Hamas, and directing the Texas Education Agency and the Texas Holocaust, Genocide, and Antisemitism Advisory Commission to educate Texans about the Israel–Hamas War and antisemitism; and

WHEREAS, Texas will continue to stand with Israel and support our Jewish neighbors in Texas; and

WHEREAS, incidents of antisemitism have increased since Hamas' attack, and the proliferation of antisemitism at public universities is particularly concerning; and

WHEREAS, while many Texas universities have acted quickly to condemn antisemitism and foster appropriate discourse on the terrorist attacks against Israel and the ensuing Israel–Hamas War, some radical organizations have engaged in unacceptable actions on university campuses; and

WHEREAS, protected free speech areas on Texas university campuses, as well as the buildings and parking lots of Jewish student organizations, have been covered in antisemitic graffiti; and

WHEREAS, multiple protests and walkouts have been staged by universities' student organizations, with students chanting antisemitic phrases such as "from the river to the sea, Palestine will be free," which has long been used by Hamas supporters to call for the violent dismantling of the State of Israel and the destruction of the Jewish people who live there; and

WHEREAS, Texas supports free speech, especially on university campuses, but that freedom comes with responsibilities for both students and the institutions themselves; and

WHEREAS, such speech can never incite violence, encourage people to violate the law,

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SECRETARY OF STATE
10:15AM O'CLOCK

harass other students or other Texans, or disrupt the core educational purpose of a university; and

WHEREAS, Section 51.9315(f) of the Texas Education Code requires all higher education institutions to adopt policies detailing students' responsibilities regarding free expression on campus; and

WHEREAS, Section 51.9315(c)(2) of the Texas Education Code provides that students should not participate in, and higher education institutions should not allow, expression that is unlawful or disrupts the operations of the institution; and

WHEREAS, antisemitism and the harassment of Jewish students have no place on Texas university campuses and will not be tolerated by my administration;

NOW, THEREFORE, I, Greg Abbott, Governor of Texas, by virtue of the power and authority vested in me by the Constitution and laws of the State of Texas, hereby direct all Texas higher education institutions to do the following:

1. Review and update free speech policies to address the sharp rise in antisemitic speech and acts on university campuses and establish appropriate punishments, including expulsion from the institution.
2. Ensure that these policies are being enforced on campuses and that groups such as the Palestine Solidarity Committee and Students for Justice in Palestine are disciplined for violating these policies.
3. Include the definition of antisemitism, adopted by the State of Texas in Section 448.001 of the Texas Government Code, in university free speech policies to guide university personnel and students on what constitutes antisemitic speech.

Within 90 days of this executive order, the chair of the board of regents for each Texas public university system shall report to the Office of the Governor, Budget and Policy Division, that the above actions were taken by each institution of higher education overseen by that board of regents. The report shall include documentation verifying revisions made to free speech policies and evidence that those policies are being enforced.

This executive order shall remain in effect and in full force unless it is modified, amended, rescinded, or superseded by the governor. This executive order may also be amended by proclamation of the governor.



Given under my hand this the
27th day of March, 2024.


GREG ABBOTT
Governor

ATTESTED BY:


JANE NELSON
Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
10:15AM O'CLOCK

MAR 27 2024



Board Meeting Date: May 9, 2024 **Proposed Minute Order #:** GA 05-24(c)

Proposed By: Edward C. Vallejo, General Counsel & Deputy Vice Chancellor

Subject: **Certify Compliance With Texas Education Code, Section 51.3525, Responsibility of Governing Boards Regarding Diversity, Equity, and Inclusion Initiatives.**

Background: The 88th Texas State Legislature passed, and Governor Greg Abbott signed into law, Senate Bill 17, "Responsibility of Governing Boards Regarding Diversity, Equity, and Inclusion Initiatives," which amends Texas Education Code 51.5325 effective January 1, 2024. This law requires that, the TSTC Board of Regents shall ensure that TSTC

(1) does not, except as required by federal law, (A) establish or maintain a diversity, equity, and inclusion office, (B) hire or assign an employee of the institution or contract with a third party to perform the duties of a diversity, equity, and inclusion office, (C) compel, require, induce, or solicit any person to provide a diversity, equity, and inclusion statement or give preferential consideration to any person based on the provision of a diversity, equity, and inclusion statement, (D) give preference on the basis of race, sex, color, ethnicity, or national origin to an applicant for employment, an employee, or a participant in any function of the institution, or (E) require as a condition of enrolling at the institution or performing any institution function any person to participate in diversity, equity, and inclusion training, which (i) includes a training, program, or activity designed or implemented in reference to race, color, ethnicity, gender identity, or sexual orientation, and (ii) does not include a training, program, or activity developed by an attorney and approved in writing by the institution's general counsel and the Texas Higher Education Coordinating Board for the sole purpose of ensuring compliance with any applicable court order or state or federal law; and

(2) adopts policies and procedures for appropriately disciplining, including by termination, an employee or contractor of the institution who engages in conduct in violation of Subdivision (1).

Justification: TSTC recognizes that federal and state law forbid discrimination against current or prospective employees and students at TSTC because of that person's race, color, religion, sex, national origin, age, disability, military service, or any other basis that violates applicable law. TSTC recognizes that any policy that expressly favors a demographic group to the detriment of others encourages discrimination and leads to the exclusion and alienation of individuals from TSTC. Because TSTC

recognizes its duty to follow the law, TSTC's policies have always been based on merit. TSTC recognizes that rebranding forbidden discrimination does not make the practice any less illegal.

Additional Information:

It should be noted that TSTC has never (i) had a "diversity, equity, and inclusion office" as that term is defined in Texas Education Code, § 51.3525 or otherwise, (ii) employed or contracted with persons to carry out functions of a "diversity, equity, and inclusion office", or (iii) had any official or unofficial policy in contra to Texas Education Code, § 51.3525. TSTC's policies are in compliance with Texas Education Code, § 51.3525.

Fiscal Implications:

TSTC may not spend money appropriated to TSTC for a state fiscal year until the TSTC Board of Regents submits to the legislature and the Texas Higher Education Coordinating Board a report certifying the Board's compliance with Texas Education Code, §51.3525, during the preceding state fiscal year.

Attestation:

The Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment(s):

None.

Recommended Minute Order:

"The Texas State Technical College Board of Regents certifies that Texas State Technical College is in compliance with Texas Education Code, §51.3525, during the 2024 fiscal year, and authorizes the Chancellor, or his designee, to submit required reports appropriately certifying the Board's compliance."

Recommended By:

[ORIGINAL SIGNED BY]

Edward C. Vallejo, General Counsel & Deputy Vice Chancellor