

Meeting of the Board of Regents

May 15, 2025
Red Oak, Texas



OFFICE OF THE CHANCELLOR

3801 Campus Drive
Waco, Texas 76705

254-867-4891
254-867-3960

May 1, 2025

Ron Widup, Chair
Members of the Board of Regents
Texas State Technical College
Waco, Texas 76705

RE: Action Items for the Meeting of the Board of Regents on May 15, 2025

Regents:

The attached materials have been prepared for consideration by the Board of Regents of Texas State Technical College for the May 15, 2025 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. Reaser
Chancellor & CEO

Enclosures

May 1, 2025

Ron Widup, Chair
Members of the Board of Regents
Texas State Technical College System
Waco, Texas 76705

SUBJECT: Quarterly Control & Compliance Attestation

Chairman and Regents:

I am providing this letter in connection with the College's preparation of quarterly Board reporting. I understand that you and the Board of Regents will rely on these 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, 2025, 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, 2025, 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

TEXAS STATE TECHNICAL COLLEGE

**Meeting of the
Board of Regents**

**Texas State Technical College
119 Lowrance Rd.,
Red Oak, TX 75154**

**Thursday, May 15, 2025
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 6, 2025 MEETINGS**
- VII. PUBLIC COMMENTS**
- VIII. CHANCELLOR COMMENTS**

IX. COMMITTEE REPORTS & MINUTE ORDERS

a. Committee for Student Learning and Student Development

Lizzy de la Garza Putegnat, Chair; Ron Rohrbacher, Member

Committee Chair Comments

Minute Orders:

Proposed MO#

SL 06-25(c) Approve the Updated Policy for Scholastic Standards 2

SL 07-25(c) Approve Updated Policy for Faculty Expectations and Workload 3

Reports:

None.

b. Committee for Fiscal Affairs

Robb Misso, Chair; Kathy Stewart, Member

Committee Chair Comments

Minute Orders:

Proposed MO#

None.

Reports:

1.	Quarterly Investment Report	5
2.	Pledged Collateral Report	8
3.	Debt Management Report	9
4.	Budget Performance Report	13
5.	Quarterly Lease Report	15
6.	Quarterly Report for Contracts > \$1 Million	16

c. **Committee for Facilities**

Keith Honey, Chair; Eric Beckman, Member; Curtis Cleveland, Member

Committee Chair Comments

Minute Orders:

Proposed MO#

FAC 01-25(c) Delegate authority to the Chancellor to submit the Texas Higher Education Coordinating Board Certification Form 19

FAC 02-25(c) Approve Updated Policy for Construction or Renovation of Facilities 21

Reports:

1. Oral Construction Update
2. Major Facility Projects Report 22
3. Campus Expansion & Campus Services Divisional Updates

d. **Committee for General Administration**

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

Committee Chair Comments

Minute Orders:

Proposed MO#

None.

Reports:

None.

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. Colby Walters 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 06-25(c)	Approve the Updated Policy for Scholastic Standards
SL 07-25(c)	Approve Updated Policy for Faculty Expectations and Workload
FAC 01-25(c)	Delegate authority to the Chancellor to submit the Texas Higher Education Coordinating Board Certification Form
FAC 02-25(c)	Approve Updated Policy for Construction or Renovation of Facilities

XV. UNFINISHED BUSINESS

XVI. NEW BUSINESS

XVII. CHANCELLOR COMMENTS

XVIII. BOARD COMMENTS

XIX. ADJOURN

**Audit Committee Meeting
of the Board of Regents**

**Texas State Technical College
1600 Innovation Blvd
Hutto, TX 78634***

**Thursday, February 6, 2025
9:30 a.m.**

AGENDA

[Ron Rohrbacher (Chair), Curtis Cleveland, Eric Beckman]

I. MEETING CALLED TO ORDER BY COMMITTEE CHAIR

The meeting was called to order by Audit Chair, Ron Rohrbacher, at 9:30 am with all regents being in attendance with the exception of Regent Beckman.

II. COMMITTEE CHAIR COMMENTS

Regent Rohrbacher did not have any comments and instead asked VC Jason Mallory to present his reports listed below.

III. MINUTE ORDERS & REPORTS

Jason Mallory made special note of certain projects such as the internal network penetration tests at North Texas, Fort Bend, New Braunfels. These tests were successful with no findings. He also provided additional information regarding the Clery Audit. Chair Widup asked a question regarding communication between our police force and the other police departments. The Travel Expense Audit found that we have numerous controls over travel but did find that a process to cancel credit cards in a more timely manner. Desk Audit - Regent Honey asked about why our employees have access. Full Time Equivalent Report showed that in 2024 Higher Ed had over 200,000 full time employees, which was up about 10% from 2020. We only have 1% of that workforce.

Mallory provided additional information as to the expected completion of the safety and security audit by April. Top 3 audits will most likely show up later in upcoming meetings. These auditors act similarly to an extension of Rick's team. Rick added color

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

(c) denotes Consent Agenda Item

commentary on the process. Regent Honey added feedback regarding the benefits of this process.

1. Status of Fiscal Year 2025 Audit Schedule & Other Projects
2. Status of Construction Audits
3. Summary of Audit Reports
4. Follow-up Schedule & Status
5. Internal Network Penetration Test (24-013A) – Fort Bend
6. Internal Network Penetration Test (24-011A) – North Texas
7. Internal Network Penetration Test (24-012A) – New Braunfels
8. Compliance Audit of Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (25-003A)
9. Travel Expense Audit (25-010A)
10. TAC 202 Compliance – Quarterly Update (25-007A)
11. A Statewide Desk Audit – Controls Over Expenditure Processing
12. Summary Report on Full-time Equivalent State Employees for Fiscal Year 2024
13. Attestation Disclosures

IV. CHANCELLOR COMMENTS

None.

V. BOARD COMMENTS

None.

VI. ADJOURN

The Audit Chair adjourned the meeting at 9:53 am.



Edward Vallejo
Secretary to the Board

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

(c) denotes Consent Agenda Item

TEXAS STATE TECHNICAL COLLEGE

Meeting of the Board of Regents

**Texas State Technical College
1600 Innovation Blvd
Hutto, TX 78634***

**Thursday, February 6, 2025
9:30 am**

AGENDA

I. MEETING CALLED TO ORDER

The meeting was called to order by Chairman Widup at 10:01 am.

II. INVOCATION

Jonathan Hoekstra provided the invocation for the meeting.

III. RECOGNITION OF GUESTS

IV. DETERMINATION OF QUORUM

All regents were in attendance except for Regent Eric Beckman.

Chairman Widup offered accolades for Provost Coke and the organization as a whole. He also offered gratitude for the TSTC police department.

V. ADOPTION OF AGENDA

The agenda was adopted with a motion by Regent Lizzy de la Garza Putegnath with a second motion by Regent Curtis Cleveland.

*Presiding officer will be physically present at this address

VI. APPROVAL OF MINUTES OF NOVEMBER 6 & 7, 2024 AND DECEMBER 19, 2024 MEETINGS

The minutes were approved with a motion by Regent Tremont and second motion by Regent Stewart.

VII. PUBLIC COMMENTS

None.

VIII. CHANCELLOR COMMENTS

Deputy Chancellor, Gail Lawrence, offered comments in absence of Chancellor Reeser due to his participation in the legislative session.

Lawrence provided additional comments regarding the exciting events that have taken place recently and will happen in the near future such as the State of the State where a TSTC student was recognized. She also mentioned the EWCHEC Groundbreaking, the Waco WorkSITE Ribbon Cutting, and legislative session. She gave more details regarding TSTC Days next week.

She ended her remarks with a TSTC “hype” video.

IX. COMMITTEE REPORTS & MINUTE ORDERS

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

Lizzy de la Garza Putegnat, Chair, Ron Rohrbacher, Member

Committee Chair Comments

Regent de la Garza Putegnat provided a brief overview of the topics that were discussed during the committee meeting. She then asked Vice Chancellor Hoekstra to present the five minute orders.

Minute Orders:

Proposed MO#

SL 01-25(C) Approve Associate Degree and Certificate Programs

SL 02-25(C) Approve the Amended Partnership Agreement with Assessment Technologies Institute, L.L.C.

SL 03-25(C) Approve Updated Policy for Faculty Qualifications

SL 04-25(C) Approve the Updated Policy for SACSCOC Substantive Change Compliance

SL 05-25(C) Approve the Updated Policy for Alcohol/Drug Possession and Use

Reports:

Operations Update

Vice Chancellor Jonathan Hoekstra shared information regarding the new programs beginning at various campuses. He also added additional information for each minute order.

Hoekstra then gave his Operations Board Update. He invited team members, Adele Clinton-Solis, Gina Cano Monreal, Karla Flanagan, and Celina Garza to offer subject matter expertise. Ms. Clinton-Solis provided additional information on the student experience such as the wrap-around support services they receive. Dr. Cano Monreal provided additional information on the employer experience. Dr. Flanagan provided additional information regarding the industry experience that TSTC provides. VC Hoekstra explained the plan and transformation of retooling the production floor. The process will begin with the product design, then product delivery and finally with the production line. Dr. Garza provided additional information regarding the radical accountability of future work with the PostSecondary Commission to ensure best in class results for the Texas Workforce.

VC Hoekstra finished his presentation. Committee Chair Putegnat offered accolades to the presentation team for the Operations division. Regent Cleveland asked where TSTC Connect fits in and VC Hoekstra offered more information. Chairman Widup asked if all programs will be applicable for PBE. VC Hoekstra offered information regarding examples of universal applications of PBE but explained how there may be

customizations. Regent Rohrbacher asked for clarification for general education classes.

Chairman Widup called for a break at 11:21 am. The meeting was called back to order at 11:30 am.

b. **Committee for Fiscal Affairs**

Robb Misso, Chair; Kathy Stewart, Member

Committee Chair Comments

Chair Misso gave a brief summary of the committee meeting and introduced Anju Motwani and Eric Vogelsinger to present the reports. Regent Widup asked about the ag lease contract. Regent Tremont asked about the previous media contract and Regent Cleveland asked about the WorkSITE Foundation contract. Regent Misso provided accolades for Anju and Eric's participation.

Minute Orders:

Proposed MO#

FA 01-25(c) Approve Additional Appropriation Transfers for Fiscal Year 2025

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; Curtis Cleveland, Member; Eric Beckman, Member

Committee Chair Comments

Chair Honey provided a brief overview of the committee meeting. He provided accolades for the team's great work. He invited Vice Chancellor Rick Herrera to present the Major Project Report with nothing in particular to address. No questions were asked. Regent Stewart affirmed the presentation of the CCAP project boards at each meeting.

Minute Orders:

Proposed MO#

None.

Reports:

1. Major Facility Projects Status Update

c. Committee for General Administration

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

Committee Chair Comments

Chair Stewart provided a brief overview of the committee meeting. She gave a shout out to the Foundation for raising funds by 46% of the goal in the first quarter of the year. She mentioned the continuous assessment of the survey of employee engagement and the many ongoing and new OIT projects. Regent Stewart invited VC Mayfield to present the minute order.

Minute Orders:

Proposed MO#

GA 01-25(c) Establish Fiscal Year 2026 Employee Holiday Schedule

Reports:

None.

X. RECESS OPEN MEETING

The open meeting was recessed at 11:52 pm.

XI. CLOSED MEETING

1. The Closed Meeting was called to order at 11:54 am, by Chairman Widup all regents being in attendance with the exception of Regent Beckman.

2. The regents were updated by the General Counsel on the status of the following pending litigation (Texas Government Code, Section 551.071):
 1. Ted Donovan v. TSTC
 2. Davis/Dorton v. Reeser/Rushing
 3. Colby Walters v. TSTC
3. The regents were updated regarding real property (Texas Government Code, Section 551.072)
4. The closed meeting of the Texas State Technical College Board of Regents was adjourned at 12:41 pm.

XII. OPEN MEETING RECONVENES

The open meeting reconvened at 12:45 pm.

XIII. ACTION ON CLOSED MEETING

See "Unfinished Business" section.

XIV. CONSENT AGENDA ITEMS

SL 01-25(c) Approve Associate Degree and Certificate Programs

SL 02-25(c) Approve the Amended Partnership Agreement with Assessment Technologies Institute, L.L.C.

SL 03-25(c) Approve Updated Policy for Faculty Qualifications

SL 04-25(c) Approve the Updated Policy for SACSCOC Substantive Change Compliance

SL 05-25(c) Approve the Updated Policy for Alcohol/Drug Possession and Use

FA 01-25(c) Approve Additional Appropriation Transfers for Fiscal Year 2025

GA 01-25(c) Establish Fiscal Year 2026 Employee Holiday Schedule

The consent agenda items were approved with the first motion by Regent Honey and a second motion by Regent Cleveland.

XV. UNFINISHED BUSINESS

Minute order, CS 01-25, was approved unanimously with a motion by Regent Cleveland and a second by Regent Tremont.

Minute order, CS 02-25, was approved unanimously with a motion by Regent Misso and a second by Regent Stewart.

Minute order, CS 03-25, was approved unanimously with a motion by Regent Cleveland and a second by Regent Misso.

Minute order, CS 04-25, was approved unanimously with a motion by Regent Stewart and a second by Regent De la Garza Putegnat.

XVI. NEW BUSINESS

No new business was taken up by the Board.

XVII. CHANCELLOR COMMENTS


Gail Lawrence expressed gratitude for the leadership of the Hutto campus and all of the hard work from the team to ensure that the week was successful.

XVIII. BOARD COMMENTS

Chairman Widup announced the next Board of Regents meeting will be held at the Red Oak campus on May 15, 2025.

XIX. ADJOURN

The meeting was adjourned at 12:50 pm.



Edward Vallejo
Secretary to the Board

TABLE OF CONTENTS

Committee for Student Learning and Student Development

Lizzy de la Garza Putegnat, Chair; Ron Rohrbacher, Member

Committee Chair Comments

Minute Orders:

Proposed MO#

SL 06-25(C) Approve the Updated Policy for Scholastic Standards 2
Jonathan Hoekstra

SL 07-25(C) Approve Updated Policy for Faculty Expectations and Workload 3
Jonathan Hoekstra

Reports:

None.



Board Meeting Date:	May 15, 2025	Proposed Minute Order #: SL 06-25(c)
Proposed By:	Jonathan Hoekstra, Executive Vice Chancellor & Chief Operating Officer	
Subject:	Approve the Updated Policy for Scholastic Standards	
Background:	TSTC's scholastic standards are based on a philosophy of advancing student progress toward successful course and program completion. The criteria for scholastic standing are designed to monitor student progress so that faculty and staff can intervene and assist students who have difficulty meeting minimum requirements. Scholastic Standings may fall within one of three designations: Good Standing, Scholastic Probation and Scholastic Suspension. TSTC provides necessary wrap-around services based on the student's needs.	
Justification:	Minute Order 34-10 Policy for Scholastic Standards was proposed and approved by the Texas State Technical College (TSTC) Board of Regents in May 2010 and required the College to inform students of their scholastic standing. The updated policy requires additional steps when students do not meet standards.	
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:	"It is the policy of Texas State Technical College (TSTC) that the College maintains appropriate scholastic standards, communicates those standards clearly to students, informs students about their current scholastic standing to facilitate students' successful completion of their programs, and takes appropriate action when students fail to meet established scholastic standards."	
Recommended By:	[ORIGINAL SIGNED BY] Jonathan Hoekstra, Executive Vice Chancellor & Chief Operating Officer	



Board Meeting Date:	May 15, 2025	Proposed Minute Order #: SL 07-25(c)
Proposed By:	Jonathan Hoekstra, Executive Vice Chancellor & Chief Operating Officer	
Subject:	Approve Updated Policy for Faculty Expectations and Workload	
Background:	Both Texas statute and accreditation standards require that Texas State Technical College (TSTC) establish a policy for determining sufficient employment of faculty, with recognition of the varying duties and services expected as part of faculty appointments.	
Justification:	<p>TSTC's previous policy statement was last approved by the TSTC Board of Regents by Minute Order 01-16 in February 2016. The statement heavily focused on fairness and equity. The revised policy shifts focus to outcomes and responsibilities, with a recognition of the range of expectations necessary to maintain program quality, faculty engagement, and student success.</p> <p>The proposed policy and supporting standards and procedures provide new clarity for instructional leadership and faculty as the College deploys faculty resources in a manner that adapts to the wide-ranging modalities and varying needs of the institution. This supports the College's standards for high quality student interaction and outcomes.</p>	
Additional Information:	None.	
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:	"It is the policy of Texas State Technical College (TSTC) to ensure the sufficiency of qualified full-time faculty by assigning instructional and related duties in a manner that supports quality student interaction, collaborative faculty relations, student success, and program effectiveness while ensuring participation in essential roles and responsibilities."	
Recommended By:	[ORIGINAL SIGNED BY] Jonathan Hoekstra, Executive Vice Chancellor & Chief Operating Officer	

TABLE OF CONTENTS

Committee for Fiscal Affairs

Robb Misso, Chair; Kathy Stewart, Member

Committee Chair Comments

Minute Orders:

Proposed MO#

None.

Reports:

1.	Quarterly Investment Report	5
		<i>Chad Wooten</i>
2.	Pledged Collateral Report	8
		<i>Chad Wooten</i>
3.	Debt Management Report	9
		<i>Chad Wooten</i>
4.	Budget Performance Report	13
		<i>Chad Wooten</i>
5.	Quarterly Lease Report	15
		<i>Chad Wooten</i>
6.	Quarterly Report for Contracts > \$1 Million	16
		<i>Chad Wooten</i>

TEXAS STATE TECHNICAL COLLEGE

Quarterly Investment Report

As of February 28, 2025

Description	Ending Value as of 02/28/2024	Ending Value as of 11/30/24	Ending Value as of 02/28/25	Interest Rate
<u>Operating Funds</u>				
Cash in State Treasury	5,079,844	7,207,811	8,208,033	4.46%
Statewide Operating	8,246,695	5,812,349	9,246,313	3.00%
Harlingen - Local Operating	43,429	41,669	43,684	3.76%
Sweetwater - Local Operating	26,295	26,444	26,718	4.52%
Marshall - Local Operating	27,692	26,036	32,274	0.05%
Fort Bend - Local Operating	26,414	26,071	30,776	0.00%
Brownwood - Local Operating	12,470	12,531	12,573	1.48%
Abilene - Local Operating	9,979	10,045	12,736	0.25%
North Texas - Local Operating	11,064	11,041	11,014	0.40%
Breckenridge - Local Operating	12,533	12,500	12,503	0.10%
Payroll	2,473,021	677,119	1,702,482	3.00%
Federal Funds	10	10	10	0.00%
Texas Range - Pool	22,413,673	22,396,163	24,649,571	4.38%
Total Operating Funds	38,383,119	36,259,788	43,988,688	
<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	5.00%
FNB Central Texas - MMKT	303,455	310,384	312,685	3.00%
FNB Central Texas - CD	191,574	191,574	191,574	4.75%
Liberty/Veritex Community Bank - CD	10,000	10,000	10,000	2.75%
Total Endowment Funds	614,244	621,172	623,474	
<u>Bond Proceeds / Debt Service Funds</u>				
TexPool (Series 2020 bonds)	4,267,780	3,454,658	3,438,757	4.36%
Texas Range Pool (Series 2022A CCAP bonds)	55,320,039	86,685,832	53,900,266	4.38%
FNB Central Texas (Series 2022A CCAP bonds)	1,953,567	964,235	1,902,592	3.00%
BOK Financial (Series 2022A CCAP bonds)	231,891,690	141,239,643	142,731,086	4.09%
Texas Range Pool (2022A CCAP debt service)	99,805	-	-	0.00%
Texas Range Pool (2024 bonds proceeds)	-	10,039,200	3,318,568	4.38%
Total Bond Proceeds / Debt Service Funds	293,532,881	242,383,568	205,291,269	
Total All Investments	332,530,244	279,264,528	249,903,431	

TEXAS STATE TECHNICAL COLLEGE

Quarterly Investment Report

As of February 28, 2025

Schedule of Time Deposits:

Description	Amount	Maturity Date	Days Maturity	Rate	Type
Veritex Community Bank	10,000	9/7/2025	365	2.75%	Endowment
FNB Central Texas	191,574	3/15/2025	183	4.75%	Endowment
Clear Fork Bank	65,000	4/3/2025	182	5.00%	Endowment
Clear Fork Bank	34,215	4/11/2025	182	5.00%	Endowment
Bank of America	10,000	8/10/2025	365	0.01%	Endowment
Total Time Deposits	310,789				

Weighted Average Maturity (Time Deposits): 194 days

Weighted Average Rate of Interest (All Investments): 4.20%

Current One Year Treasury Bill Rate: 4.08%

Lipper Money Market Funds Average Return (1 YR): 4.57%

FY 2025 Investment Income (All Investments): 6,808,540 *

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

4/15/25

Date

[ORIGINAL SIGNED BY]

Chad Wooten, Chief Financial Officer

4/15/25

Date

2020 - 2021

Sold BRIC for \$5 million, Overall 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: \$28.2M

2024

Continued to utilize some reserves to supplement growth during the year, however, with almost 18% increase in tuition, slight increase in reserves at year end.

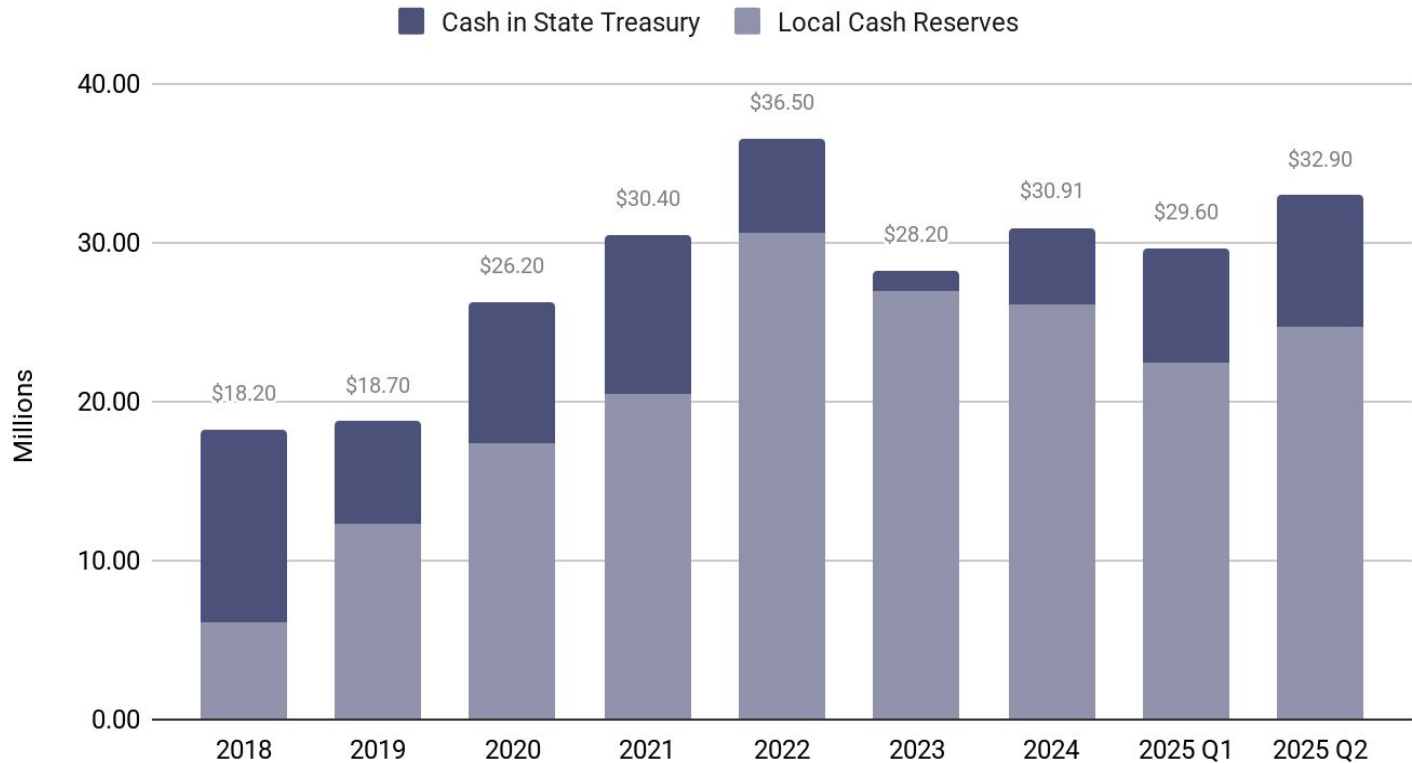
Balance: \$30.9M

2025

Through Q2, a net of \$2 million withdrawn from local reserves. About \$5 million of Cash in State Treasury reserves expected to be used during the year on payroll related expenses.

Q2 Balance: \$32.9M

Estimated FY25 Balance: \$26.7M



TEXAS STATE TECHNICAL COLLEGE

Pledged Collateral Report

February 28, 2025

	DEPOSITS			SECURITY ON DEPOSITS			Sufficient (Insufficient)
	Demand Deposits	Money Market & Time Deposits	Total Deposits	FDIC* Coverage (up to)	Required Collateral	Collateral at Market Value	
<u>Depository - Location</u>							
First Ntl Bank of Central Texas - Waco	12,851,397	504,259	13,355,656	500,000	12,855,656	27,500,000	14,644,344
Frost Bank - Harlingen/Fort Bend	74,460	-	74,460	250,000	-	309,841	485,381
Texas National Bank - Sweetwater	26,718	-	26,718	250,000	-	-	223,282
Texas Bank & Trust - Marshall	32,274	-	32,274	250,000	-	-	217,726
Citizens National Bank - Red Oak	11,014	-	11,014	250,000	-	-	238,986
Prosperity Bank - Abilene	12,736	-	12,736	250,000	-	-	237,264
Texas Bank - Brownwood	12,573	-	12,573	250,000	-	-	237,427
InterBank - Breckenridge	12,503	-	12,503	250,000	-	-	237,497
Bank of America - Waco	-	10,000	10,000	250,000	-	-	240,000
Clear Fork Bank	-	99,215	99,215	250,000	-	-	150,785
Veritex Comm. Bank - N. Richland Hills	-	10,000	10,000	250,000	-	-	240,000
Cash in State Treasury	8,208,033	-	8,208,033	No Collateral Required			
TexasTerm (Government Pool)	81,868,405	-	81,868,405	No Collateral Required			
TexPool (Government Pool)	3,438,757	-	3,438,757	No Collateral Required			
BOK Financial		142,731,086	142,731,086	No Collateral Required			
TOTAL	106,548,871	143,354,560	249,903,431				

* 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.

O: 254-867-3895

March 21, 2025

Mr. Ron Widup
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 28, 2025. 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.

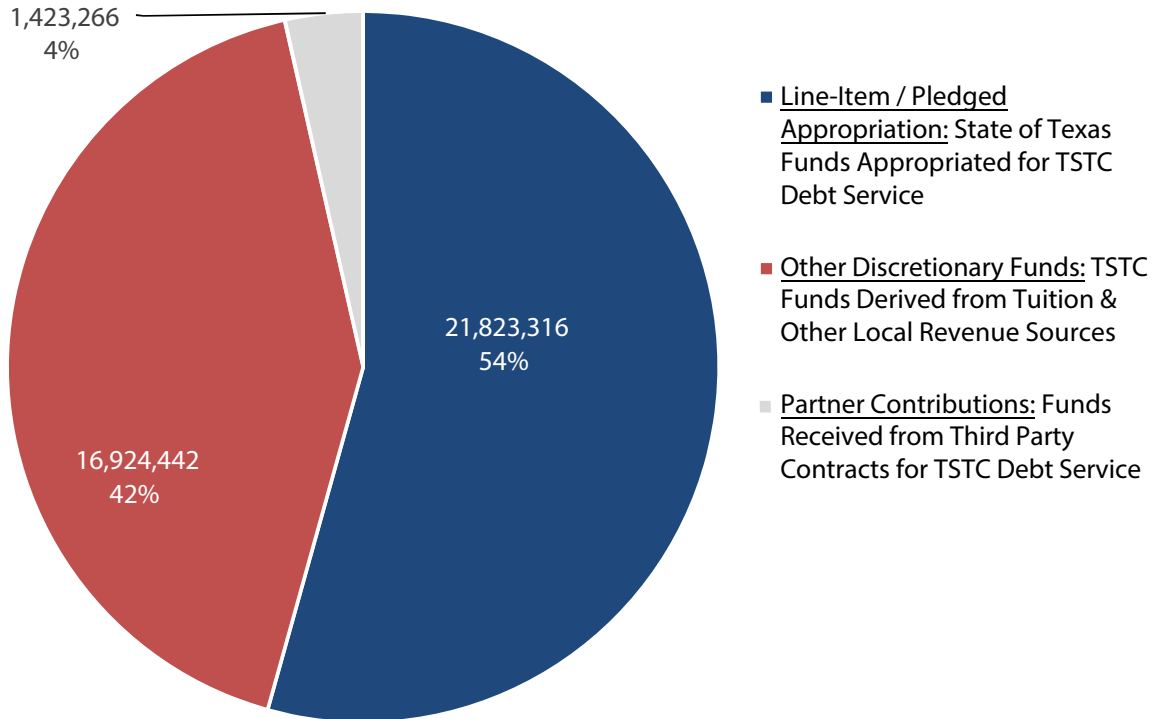
If you have any questions or need additional information, please advise.

Respectfully submitted,

Chad Wooten, CPA
Vice Chancellor & Chief Financial Officer

Anju Motwani, CPA
Associate Vice Chancellor & Controller

Texas State Technical College
Sources of Debt Service Funding for FY 2025



Bonds	FY 2025 Debt Service	Source of Funding
Constitutional Appropriation Series 2016 Bonds (HEAF)	2,971,225	pledged appropriation
RFS Series 2016 Bonds (Tuition / Local Revenue)	5,001,756	line-item appropriation (54%) other discretionary funds (46%)
RFS Series 2020 Bond (Local Revenue)	3,394,602	other discretionary funds (100%)
RFS Series 2022 Refunding Bonds (Local Revenue)	1,550,725	other discretionary funds (48%) partner contributions (52%)
RFS Series 2022A Improvement Bonds (CCAP / Local Revenue)	22,801,638	line-item appropriation (66%) other discretionary funds (34%)
RFS Series 2024 Improvement Bonds (CCAP/Local Revenue)	2,459,368	line-item appropriation (47%) other discretionary funds (53%)
Lease Purchases		
Waco Student Housing (Griffith Hall)	1,371,710	other discretionary funds
Waco WorkSITE	620,000	Partner Contributions
TOTAL FY 2025 DEBT SERVICE:	\$ 40,171,024	

Texas State Technical College
Summary of Outstanding Debt as of February 28, 2025

	<u>Outstanding Principal</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Bonds			
Constitutional Appropriation Series 2016 Bonds (HEAF)	2,915,000	4.00% - 5.00%	October 2025
RFS Series 2016 Bonds (Tuition / Local Revenue)	34,615,000	2.00% - 5.00%	October 2035
RFS Series 2020 Bond (Local Revenue)	18,900,000	2.53%	October 2030
RFS Series 2022 Refunding Bond (Local Revenue)	14,750,000	2.31%	August 2036
RFS Series 2022A Bonds (CCAP / Local Revenue)	281,110,000	5.00% - 6.00%	August 2054
RFS Series 2024 Bonds (CCAP / Local Revenue)	<u>50,195,000</u>	4.38%	August 2034
Total Bonds	<u>402,485,000</u>		
Lease Purchases			
TSTC Foundation, 2020 (Housing - Waco)	19,089,315	3.75%	August 2045
TSTC Foundation, 2023 (The WorkSITE)*	<u>4,488,325</u>	3.90%	December 2043
Total Lease Purchases	<u>23,577,640</u>		
Total Outstanding Debt:	<u>\$ 426,062,640</u>		

*Note: Payments on this lease purchase began in December 2024 (FY2025). The maximum lease principal will be \$8.5 million.

Total Outstanding Debt as of August 31:	2021	140,355,014
	2022	120,788,866
	2023	398,306,757
	2024	382,519,493
	2025	426,062,640

TSTC Bond Ratings as of February 28, 2025

TSTC Bond Series	Fitch	Moody's	Rating Description	
2016 HEAF	AAA	Aaa	Investment Grade	Prime
	AA+	Aa1		High Grade
	AA	Aa2		
	AA-	Aa3		
2016 RFS, 2022A RFS & 2024 RFS	A+	A1		Upper Medium Grade
	A	A2		
	A-	A3		
	BBB+	Baa1		Lower Medium Grade
	BBB	Baa2		
	BBB-	Baa3		
	BB+	Ba1	Below Investment Grade (Speculative)	Below Investment Grade / Speculative
	BB	Ba2		
	BB-	Ba3		
	B+	B1		Highly Speculative
	B	B2		
	B-	B3		
	CCC+	Caa1		Substantial Risks / Extremely Speculative
	CCC	Caa2		
	CCC-	Caa3		
	CC	Ca		Default Imminent
	C			
	DDD	C		In Default
	DD			

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 Moody's and Fitch 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 28, 2025**

	FY 2025 Budget	FY 2025 YTD Actual	Budget Utilized	NOTE	FY 2025 Forecast
Operating Revenues					
Returned Value Formula Appr.	95,103,614	95,103,614	100.0%		95,103,614
Special Items & Other Appropri.	27,162,626	26,342,456	97.0%		27,276,633
Debt Service Appropriations	17,699,057	18,852,092	106.5%	1	18,852,092
HEAF Appropriations	8,662,500	8,662,500	100.0%		8,662,500
Benefits Appropriations	33,019,920	18,507,031	56.0%		33,973,778
Tuition	68,750,000	52,487,970	76.3%	2	68,737,970
Student Financial Aid	50,000,000	46,845,922	93.7%	3	55,097,736
Auxiliary Enterprises	13,000,000	9,619,408	74.0%		13,868,933
Fees & Educational Sales	5,000,000	1,901,240	38.0%		4,798,135
Industry Relations	7,000,000	2,501,008	35.7%		7,012,045
Grants	7,500,000	2,641,963	35.2%	4	7,396,857
Contracts & Other	6,600,000	6,951,333	105.3%	5	7,797,333
Total Operating Revenues	339,497,717	290,416,537	85.5%		348,577,626
Operating Carryforward / Reserves	7,000,000	-		6	7,000,000
Operating Expenditures					
Instruction / Operations	94,315,875	48,551,034	51.5%	7	96,918,099
Student Financial Aid	60,268,075	55,314,042	91.8%	3	66,097,736
Statewide Benefits	37,778,524	19,477,554	51.6%		38,463,141
Marketing	24,084,844	10,586,085	44.0%	7	23,646,386
External Relations	16,273,511	6,535,579	40.2%	7	15,984,987
Auxiliary Enterprises	10,419,160	5,705,834	54.8%	7	10,931,326
Campus Services	5,320,805	2,439,447	45.8%	7	5,161,172
Physical Plant	19,679,023	9,070,378	46.1%		19,121,534
Campus Expansion/Facilities	2,373,747	984,156	41.5%		2,252,499
Information Technology	17,345,491	8,268,387	47.7%		16,710,190
Finance	8,396,957	4,293,406	51.1%	7	8,687,645
Human Resources	4,370,365	2,078,185	47.6%		4,112,420
Statewide Administration	4,355,692	2,197,636	50.5%	7	4,903,158
Debt Service	38,111,648	19,479,266	51.1%	1	39,651,016
Strategic Pool (to be allocated)	3,404,000	-		8	-
Total Operating Expenditures	346,497,717	194,980,989	56.3%		352,641,309
Operating Budget Margin (Deficit)	-	95,435,548			2,936,317

**Texas State Technical College
Operating Budget Performance
as of February 28, 2025**

Notes:

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

- 1)** During the 87th Legislature (3rd Special Session), TSTC was authorized to issue \$208.5 million in Capital Construction Assistance Projects (CCAP) bonds. \$195 million of the bonds were issued in 2022, and the remaining \$13.5 million was issued in October 2024. The appropriation revenue, and debt service expense, for these bonds was not originally budgeted in FY 25, but the forecast reflects the new issuance in both revenue and expense.
- 2)** Enrollment has increased in the Fall and Spring semesters and is reflected in tuition revenue accordingly. Tuition revenue is currently forecasted to reach the 10% budgeted revenue increase over the prior year, with only the Summer semester totals still outstanding.
- 3)** Most financial aid expenses directly offset financial aid revenue. The majority of the fiscal year's scholarship expenses are incurred in the fall semester, as most scholarships are awarded at the start of the academic year. Additionally, Pell aid awarded amount has increased by over 20% due to a change in the eligibility requirements/method, which has increased the actual revenue, and scholarship expense, by an additional \$5 million.
- 4)** Grant Revenue usually fluctuates each year, and by the nature of the grant cycle, grant activity may sometimes cross fiscal years. Forecasted grant revenue is slightly lower than budgeted, with a corresponding decrease in expenses mainly due to timing.
- 5)** Contracts and other revenue includes interest income, lease income, and reimbursements on various contracts. While interest rates are expected to decline, overall interest income is still projected to be near the budgeted amounts. A portion of the interest income forecasted relates to approximately \$3.2 million in earnings from the Series 2024 CCAP bonds, which will be used to cover interest-only debt service payments on the bonds.
- 6)** TSTC consistently employs accumulated reserves for various strategic purposes. In FY 2025, \$7.0 million of reserves is expected to be utilized to supplement current year revenues and offset new expenses associated with the CCAP buildings expected to open in Fall 2025.
- 7)** Forecasted expenditures in the primary operating divisions of the College mostly exceed the original budget, as planned. 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.
- 8)** The Strategic Pool budget has been fully deployed for FY 2025, with the majority of it allocated toward TSTC's merit pay program.

TEXAS STATE TECHNICAL COLLEGE

Quarterly Real Estate Lease Report for Minute Order 14-23

February 28, 2025

Tenant Name	Lease Description	Amount of Lease	Start Date	Term Date
Air Methods	Building 8-1 Lease Agreement at TSTC in Waco	\$361,714	7/1/2023	6/30/2028

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 does not include optional renewals even if not yet exercised.

TEXAS STATE TECHNICAL COLLEGE
Quarterly Report for Contracts > \$1 Million
As of February 28, 2025

Contractor Name	Description	Total Contract Value	Start Date	Term Date
Rogers-O'Brien Construction	Construction Manager at Risk (CMAR) CCAP TSTC in Waco	\$59,655,264	7/21/2023	9/2/2025
J.T. Vaughn Construction, LLC	Construction Manager at Risk (CMAR) CCAP TSTC in Harlingen	\$47,315,780	7/21/2023	7/28/2025
J.T. Vaughn Construction, LLC	Construction Manager at Risk (CMAR) CCAP TSTC in Fort Bend	\$41,686,757	7/21/2023	9/9/2025
Asher Media, Inc.	Advertising Services	\$22,500,000	9/1/2024	8/31/2025
Imperial Construction, Inc.	Construction Manager at Risk (CMAR) CCAP TSTC in Abilene	\$21,313,358	6/26/2023	6/16/2025
Workday, Inc.	Enterprise Resource Planning System	\$18,905,516	10/18/2019	8/31/2030
Incline Alchemy, Inc.	Workday Implementation Partner Services	\$10,626,421	9/30/2020	9/30/2025
Imperial Construction, Inc.	EEC & TSC Renovations TSTC in Waco	\$10,125,000	7/1/2023	4/15/2025
Bartlett Cocke Gen. Contractors, LLC	Construction Manager at Risk (CMAR) CCAP TSTC in Marshall	\$9,200,720	8/3/2023	6/30/2025
TXU Energy	Electric Utility Services	\$8,500,000	1/1/2024	12/31/2028
Piper Aircraft, Inc.	Aircraft Purchases	\$5,958,900	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	12/31/2025
PBK Inc.	A/E Services CCAP TSTC in Fort Bend	\$4,038,500	3/29/2023	12/1/2025
Energy Architecture, Inc.	A/E Services for CCAP, Other Buildings TSTC in Harlingen	\$3,920,695	4/11/2023	4/11/2025
Enterprise Fleet Management	Fleet Vehicle Leasing Services	\$3,839,862	10/10/2022	10/9/2027
City of Waco	Potable Water Purchase TSTC in Waco	\$3,797,131	8/6/2018	8/6/2028
PBK Inc.	A/E Services for CCAP TSTC in East Williamson County	\$3,712,000	6/13/2023	6/13/2026

TEXAS STATE TECHNICAL COLLEGE
Quarterly Report for Contracts > \$1 Million
As of February 28, 2025

Contractor Name	Description	Total Contract Value	Start Date	Term Date
Hyland LLC	Perceptive Content Software Support Services	\$3,056,689	9/1/2020	8/31/2025
Ellucian Company LP	Colleague Enterprise Resource Planning System	\$2,127,429	9/1/2022	8/31/2025
Texas Department of Transportation	Revenue - Commercial Driver's License (CDL) Training Services	(\$2,088,679)	10/28/2022	8/31/2025
AllTex Welding Supply	Welding Equipment and Services	\$2,000,000	6/4/2022	6/24/2027
MediaMonks Inc.	Interactive Digital Installation Services TSTC in Waco	\$1,835,641	12/1/2023	11/30/2025
Parkhill Smith & Cooper, Inc.	A/E Services CCAP Projects TSTC in Abilene	\$1,764,105	1/19/2024	6/16/2025
D&M Leasing	Fleet Vehicle Leasing Services	\$1,594,953	11/9/2018	5/1/2026
Salesforce, Inc.	Cloud Customer Relationship Management Platform	\$1,474,331	3/1/2021	5/31/2025
Kitchell CEM, Inc.	Construction Management Services CCAP TSTC in Waco	\$1,439,905	5/7/2023	1/7/2026
Instructure Inc.	Canvas Learning Management System Software	\$1,412,528	9/1/2022	8/31/2027
Kitchell CEM, Inc.	Construction Management Services CCAP TSTC in Harlingen	\$1,389,075	5/24/2023	11/30/2025
Prolego Consulting Solutions, LLC	Construction Management Services CCAP TSTC in Fort Bend	\$1,258,711	4/20/2023	4/20/2026

Aggregate Spend

J.T. Vaughn Construction, LLC	\$89,002,537
Imperial Construction, Inc.	\$31,438,358
PBK Inc.	\$12,687,520
Kitchell CEM, Inc.	\$2,828,980

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



TABLE OF CONTENTS

Committee for Facilities

Keith Honey, Chair; Eric Beckman, Member; Curtis Cleveland, Member

Committee Chair Comments

Minute Orders:

Proposed MO#

FAC 01-25(c) Delegate authority to the Chancellor to submit the Texas Higher Education
Coordinating Board Certification Form 19
Rick Herrera

FAC 02-25(c) Approve Updated Policy for Construction or Renovation of Facilities 21
Rick Herrera

Reports:

1. Oral Construction Update *Rick Herrera*
2. Major Facility Projects Status Update 22
Rick Herrera
3. Campus Expansion & Campus Services Divisional Updates
Rick Herrera & Kevin Semien



Board Meeting Date:	May 15, 2025	Proposed Minute Order #: FAC 01-25(c)
Proposed By:	Edward C. Vallejo, General Counsel & Deputy Vice Chancellor	
Subject:	Delegate authority to the Chancellor to submit the Texas Higher Education Coordinating Board Certification Form	
Background:	In order to assure efficient use of construction funds and the orderly development of physical plants to accommodate projected TSTC student enrollment, the Texas Higher Education Coordinating Board (THECB) determines formulas for space utilization in all educational and general buildings and facilities. In order to accomplish their goals, the THECB has promulgated regulations and published forms to be completed by an institution of higher education's board of regents.	
Justification:	The THECB's authority to determine space use formulas derives from Texas Education Code §61.0572 and Resource Planning Rule §17.21 . This includes the <i>Board of Regents Certification Form</i> , the basis of which is the Space Projection Model ("SPM") and the Space Usage Efficiency Standard ("SUE").	
Additional Information:	The SPM, created and designed for predicting the use of general academic education spaces, does not accurately predict space usage for technical education and training; thus, the SPM does not fairly account for technical education's need for expansive spaces. The SUE, created and designed to gauge how well lecture-focused institutions use classrooms and class laboratories, can unfairly penalize technical programs that require specialized equipment, lower student-to-instructor ratios for safety, and longer, less flexible lab blocks; thus, SUE may fail to capture technical education's unique space requirements.	
Fiscal Implications:	None.	
Attestation:	The Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.	
Attachment(s):	Texas Higher Education Coordinating Board Certification Form	
Recommended Minute Order:	<p>"The Texas State Technical College Board of Regents delegates authority to the Chancellor, or his designee, to complete and submit any required <i>Board of Regents Certification Form</i>, unless or until this delegation is rescinded.</p> <p>Further, the Texas State Technical College Board of Regents directs the Chancellor, or his designee, to provide a quarterly report of all <i>Board of Regents Certification Form</i> submissions from the prior quarter."</p>	
Recommended By:	[ORIGINAL SIGNED BY] Rick Herrera, Senior Vice Chancellor & Chief Campus Expansion Officer	

Board of Regents Certification Form

Institution Name
Project Name
Contact person/telephone/fax/e-mail

Resource Planning Rule §17.21 - a signed Board of Regents Certification form certifying that the institution's Board of Regents or its delegated authority has approved the project and that the project complies with applicable state and federal requirements as listed on the form shall be submitted to the Board before the start of the project.

CHECK APPLICABLE PROJECT CATEGORY:

- ☐ new construction/addition project with E&G space costing \$10 million or more
☐ repair/renovation project with E&G space costing \$10 million or more
☐ improved real property purchase intended for E&G use costing \$1 million or more
☐ energy saving performance contract
☐ capital construction assistance project (formerly known as a tuition revenue bond project)

Complete the following and submit to the THECB.

The Board of Regents hereby certify that:

<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Board standards regarding space need are met.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Board standards regarding construction cost are met.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Board standards regarding building efficiency (ratio of NASF to GSF) are met.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Board standards regarding classroom space usage efficiency are met.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Board standards regarding class lab space usage efficiency are met.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Board standards regarding overall space usage efficiency are met.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The project is included in the institution's most recently submitted Capital Expenditure Plan (MP1.)
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The project is NOT INCLUDED in the institution's most recently submitted Capital Expenditure Plan (MP1), but is an opportunity or emergency that could not have been foreseen at the time the MP1 was submitted.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	If the project includes the acquisition of real property, the acquisition is included in the institution's long-range campus master plan.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	If the project financing involves private gift and grant funds, these funds are either in-hand or the governing board has committed an alternative source of funds, should the primary source of funds not be forthcoming, or has agreed to forego the project.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	If the project will cause an increase in student fees, such increases have been executed in accordance with the applicable laws concerning approval by the student body
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	If the project involves construction of a dormitory, bookstore, food service facility, or other facility for which privatization may be a viable alternative, the governing board has considered the feasibility of privatization of both construction and operation of the facility.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The project will comply with the minimum flood plain management standards established by the Texas Commission on Environmental Quality and the Federal Emergency Management Administration (FEMA).
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The project will comply with Texas Government Code, Chapter 469 (Elimination of Architectural Barriers), regarding accessibility for persons with disabilities.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The project will comply with Life Safety Standards adopted by the State Fire Marshal.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The institution will comply with Section 447.004, Government Code, regarding energy efficiency and will provide a Certificate of Compliance to the State Energy Conservation Office prior to occupancy.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	If the project includes the acquisition of real property, appropriate consideration has been given to the effect of the acquisition on residential neighborhoods.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	This project will comply with current state guidelines requiring inclusion of a HUB Subcontracting Plan.
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	This project will comply with all applicable state and federal laws.

I hereby certify that on _____, the Board of Regents approved this project.

<i>Type or print Name</i>	<i>Type or print Title</i>

Signature _____

Date _____



Board Meeting Date:	May 15, 2025	Proposed Minute Order #: FAC 02-25(c)
Proposed By:	Rick Herrera, Sr. Vice Chancellor & Chief Campus Expansion Officer	
Subject:	Approve Updated Policy for Construction or Renovation of Facilities	
Background:	<p>By Minute Order 26-13(c), the Policy for Construction or Renovation of Facilities was approved by the Texas State Technical College (TSTC) Board of Regents in April 2013.</p> <p>The existing approved policy statement, which will change with this proposed action, states that "It is the policy of Texas State Technical College System for all construction or renovation projects to be approved by the appropriate authority prior to commitment of funds and to be managed by the appropriate authority from concept approval to acceptance of the facility."</p>	
Justification:	<p>The proposed policy and related procedures ensure that TSTC meets both objectives of operating efficiently and ensuring proper levels of approval are obtained by appropriate authorities prior to commitment of funds and during the course of major construction projects. The proposed policy and related procedures increase clarity surrounding the governance steps for construction or renovations of facilities.</p>	
Additional Information:	None.	
Attestation:	<p>The Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.</p>	
Attachment(s):	None.	
Recommended Minute Order:	<p>"It is the policy of Texas State Technical College (TSTC) that the College institute processes by which all construction and/or renovation projects are approved by the appropriate authority prior to the commitment of funds and are managed by the appropriate authority from concept approval to acceptance of the facility."</p>	
Recommended By:	<p>[ORIGINAL SIGNED BY]</p> <p>Rick Herrera, Sr. Vice Chancellor & Chief Campus Expansion Officer</p>	

Major Projects Report May 2025

#	Project Name	Campus	Delivery Method	Fund Source	Cost Allocation	Required Approvals	% Financially Complete
1	Campus Wide Drainage Project	Waco		Unfunded \$ 2,074,290	Engineering Design \$ 305,000 Construction Contract \$ 1,726,290 Owner's Cost \$ 43,000 Total Funds \$ 2,074,290	Project and Budget MO 47-20	0%
2	EEC & TSC Building Renovations Construction Complete	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 \$ 250,253 Total \$ 12,335,253	Architectural Services \$ 923,717 Construction Contract \$ 9,850,253 Abatement Costs \$ 76,774 Construction Cost (Other) \$ 35,005 Owner's Cost \$ 319,085 Owner's Reserve (Balance) \$ 1,130,419 Total Budget \$ 12,335,253	Pursuit of EDA Grant EA 26-20 Project and Budget MO 13-21 Contracts > \$1M MO 11-22 Approve Amended Budget FAC MO 08-22 Complete Project Jan 2025	91%
3	JBC Renovation Multipurpose Event Center Construction Complete	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 \$ 1,328,525 Construction Contract \$ 12,915,898 Construction Documentation \$ 14,500 Construction Cost (Other) \$ 325 Owner's Cost \$ 1,115,425 Owner's Reserve (Balance) \$ 137,927 Total Budget \$ 15,512,600	Concept EA 20-21 Project and Budget MO 43-21 Amended Budget MO 14-22 Amended Budget FAC MO 07-22 Amended Budget FAC MO 17-23 Complete Project May 2024	99%
4	TSTC Portion of North Interceptor Joint Effort	Waco	TBD	HEF Funds \$ 650,000 Unfunded \$ 850,000 Total \$ 1,500,000	Total Budget \$ 1,500,000	Concept MO 31-21 Complete Project Dec 2025	0%
5	20ME Renovation Student Enrollment	Harlingen	A/E-CMaR	Bond Funds \$ 2,100,000 Total \$ 2,100,000	Architectural Services \$ 59,100 Construction Contract Owner's Reserve (Balance) \$ 2,040,900 Total Budget \$ 2,100,000	Concept MO FAC 04-22 Complete Project 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 \$ 5,164,000 RFS LB 22 CCAP Bond Funds \$ (164,000) RFS LB 22 CCAP Bond Funds \$ (929,148) HEF Funds \$ 21,149 Local Funds \$ 21,149 Total \$ 30,011,911	Architectural Pre Design \$ 42,297 Architectural Services \$ 1,811,350 Construction Management \$ 600,000 Construction Contract \$ 21,500,000 Construction Documentation \$ 36,005 Construction Cost (Other) \$ 681,615 Equipment \$ 5,000,000 Owner's Reserve (Balance) \$ 340,644 Total Budget \$ 30,011,911	Concept & Contracts MO 46-21 Contracts > \$1M MO FAC 03-22 Project, Budget, Cont. > \$1M MO FAC 09-22 Amended Project MO FAC 20-23 Amended Budget MO FAC 08-24 Complete Project Aug 2025	53%
7	Capital Construction Assistance Project	EWCHec	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 33,300,000 RFS LB 22 CCAP Bond Funds \$ 29,440,200 RFS LB 22 CCAP Bond Funds \$ (12,740,200) Total \$ 50,000,000	Architectural Pre Design \$ 236,421 Architectural Services \$ 3,712,000 Construction Management \$ 1,015,544 Construction Contract \$ 37,282,037 Construction Documentation \$ 60,000 Construction Cost (Other) \$ 1,420,232 Equipment \$ 4,612,034 Owner's Reserve (Balance) \$ 1,661,732 Total Budget \$ 50,000,000	Concept & Contracts MO 46-21 Contracts > \$1M MO FAC 03-22 Project, Budget, Cont. > \$1M MO FAC 10-22 Complete Project TBD	4%

Major Projects Report May 2025

#	Project Name	Campus	Delivery Method	Fund Source	Cost Allocation	Required Approvals	% Financially Complete
8	Capital Construction Assistance Projects	Fort Bend	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 41,800,000 RFS LB 22 CCAP Bond Funds \$ 16,770,737 RFS LB 22 CCAP Bond Funds \$ (5,288,647) HEF Funds \$ 250,150 CCAP Interest \$ 5,612,837 Total \$ 59,145,077	Architectural Pre Design \$ 250,150 Architectural Services \$ 4,045,850 Construction Management \$ 1,258,710 Construction Contract \$ 41,591,200 Construction Documentation \$ 47,744 Equipment \$ 9,100,000 Construction Cost (Other) \$ 1,340,916 Owner's Reserve (Balance) \$ 1,510,507 Total Budget \$ 59,145,077	Concept & Contracts MO 46-21 Contracts > \$1M MO FAC 03-22 Project, Budget, Cont. > \$1M MO FAC 14-22 Amended Budget MO FAC 07-24 Complete Project Aug 2025	43%
9	Capital Construction Assistance Projects	Harlingen	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 37,800,000 RFS LB 22 CCAP Bond Funds \$ 19,533,908 RFS LB 22 CCAP Bond Funds \$ (1,793,437) HEF Funds \$ 284,363 CCAP Interest \$ 5,441,000 Total \$ 61,265,834	Architectural Pre Design \$ 284,363 Architectural/Eng. Services \$ 3,470,598 Construction Management \$ 1,345,530 Construction Contract \$ 47,315,780 Construction Documentation \$ 67,200 Construction Cost (Other) \$ 3,341,363 Equipment \$ 5,441,000 Owner's Reserve (Balance) \$ - Total Budget \$ 61,265,834	Concept & Contracts MO 46-21 Contracts > \$1M MO FAC 03-22 Project, Budget, Cont. > \$1M MO FAC 13-22 Complete Project Aug 2025	37%
10	Capital Construction Assistance Project	Marshall	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 16,343,426 CCAP Appropriations \$ (3,451,793) RFS LB 22 CCAP Bond Funds \$ 1,267,574 Total \$ 14,159,207	Architectural Pre Design \$ 99,113 Architectural Services \$ 959,719 Construction Management \$ 378,871 Construction Contract \$ 9,201,043 Construction Documentation \$ 27,236 Owner's Cost \$ 399,413 Construction Cost (Other) \$ 22,750 Equipment \$ 2,611,000 Owner's Reserve (Balance) \$ 460,062 Total Budget \$ 14,159,207	Concept & Contracts MO 46-21 Contracts > \$1M MO FAC 03-22 Project, Budget, Cont. > \$1M MO FAC 11-22 Amended Budget MO FAC 07-23 Amended Budget MO FAC 06-24 Complete Project Nov 2024	91%
11	Capital Construction Assistance Project	Waco	RFQ RFQ A/E-CMaR	CCAP Appropriations \$ 53,600,000 RFS LB 22 CCAP Bond Funds \$ 20,982,500 RFS LB 22 CCAP Bond Funds \$ (4,530,987) HEF Funds \$ 336,392 Total \$ 70,387,905	Architectural Pre Design \$ 336,392 Architectural/Eng. Services \$ 4,996,270 Construction Management \$ 1,439,905 Construction Contract \$ 59,655,264 Construction Documentation \$ 53,918 Construction Cost (Other) \$ 1,785,180 Equipment \$ 1,900,000 Owner's Reserve (Balance) \$ 220,976 Total Budget \$ 70,387,905	Concept & Contracts MO 46-21 Contracts > \$1M MO FAC 03-22 Project, Budget, Cont. > \$1M MO FAC 12-22 Complete Project Nov 2025	34%

Major Projects Report May 2025

#	Project Name	Campus	Delivery Method	Fund Source	Cost Allocation	Required Approvals	% Financially Complete
12	Waco WorkSITE	Waco	A/E-CMaR	TSTC Foundation \$ 17,000,000	Architectural Services \$ 1,115,950 Construction Management \$ 336,000 Construction Contract \$ 11,785,367 Geotech \$ 10,100 Construction Documentation \$ 29,753 Material Testing \$ 61,408 Construction Cost (Other) \$ 249,610 Owners Cost (Equip.) \$ 1,176,595 Owner's Reserve (Balance) \$ 2,235,216 Total Budget \$ 17,000,000	Complete Project Dec 2024	85%
				Total Fund Source \$ 335,492,077	Total Cost Allocation \$ 335,492,077		

TABLE OF CONTENTS

Committee for General Administration

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

Committee Chair Comments

Minute Orders:

Proposed MO#

None.

Reports:

None.