

*Board of Trustees  
Meeting*

*January 28, 2019*

**NOTICE OF MEETING  
BOARD OF TRUSTEES  
SAN JACINTO COMMUNITY COLLEGE DISTRICT**

The Board of Trustees of the San Jacinto Community College District will meet at 5:00 p.m., Monday, January 28, 2019, in Room 201 of the Thomas S. Sewell District Administration Building, 4624 Fairmont Parkway, Pasadena, Texas.

**BOARD WORKSHOP  
AGENDA**

- I. Call the Meeting to Order**
- II. Roll Call of Board Members**
- III. Adjournment to closed or executive session pursuant to Texas Government Code Section 551.071, 551.072, 551.074, and 551.073 of the Texas Open Meetings Act, for the following purposes:**
  - a. Legal Matters - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.
  - b. Real Estate - For the purpose of discussing the purchase, exchange, lease or value of real property.
  - c. Personnel Matters - For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.
  - d. Prospective Donation - For the purpose of considering a negotiated contract for a prospective gift or donation.
- IV. Reconvene in Open Meeting**
- V. Presentation and Discussion Regarding Issuance of General Obligation Bonds**
- VI. Update on 86<sup>th</sup> Legislative Session**
- VII. Review of Board Election Calendar and Processes**
- VIII. Discuss Generation Park Proposed Schematic Designs**
- IX. Review of Calendar**
- X. General Discussion of Meeting Items**
- XI. Adjournment**

**Additional Closed Session Authority**

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required in relation to any items included in this Notice, then such closed or executive meeting or session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour and place given in this Notice or as soon after the commencement of the meeting covered by the Notice as the Board may conveniently meet in such closed

or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Sections 551.071, inclusive, of the Open Meetings Act, including, but not limited to:

Section 551.071 – For the purpose of a private consultation with the Board’s attorney on any or all subjects or matters authorized by law.

Section 551.072 – For the purpose of discussing the purchase, exchange, lease or value of real property.

Section 551.073 – For the purpose of considering a negotiated contract for a prospective gift or donation.

Section 551.074 – For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.

Section 551.076 – To consider the deployment, or specific occasions for implementation, of security personnel or devices.

Section 551.084 – For the purpose of excluding a witness or witnesses from a hearing during examination of another witness.

Section 551.087– To discuss or deliberate regarding commercial or financial information that the Board has received from a business prospect that the Board seeks or may seek to have locate, stay, or expand in or near the territory of the College and with which the Board is conducting economic development negotiations or to deliberate the offer of a financial or other incentive to such business prospect.

Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed or executive meeting or session, then such final action, final decision, or final vote shall be at either:

- A. The open meeting covered by this Notice upon the reconvening of the public meeting, or
- B. At a subsequent public meeting of the Board upon notice thereof, as the Board shall determine.

Certification as to Posting or Giving of Notice

On this day, January 25, 2019, this notice was posted on a bulletin board located at a place convenient to the public in the central administrative office of the San Jacinto Community College District, 4624 Fairmont Parkway, Pasadena, Texas, the College’s website, and is readily accessible to the public upon request.

---

Brenda Hellyer, Ed.D.

**NOTICE OF MEETING  
BOARD OF TRUSTEES  
SAN JACINTO COMMUNITY COLLEGE DISTRICT**

The Board of Trustees of the San Jacinto Community College District will meet at 7:00 p.m. on Monday, January 28, 2019, in Room 104 of the Thomas S. Sewell District Administration Building, 4624 Fairmont Parkway, Pasadena, Texas.

**BOARD MEETING  
AGENDA**

**I. Call the Meeting to Order**

**II. Roll Call of Board Members**

**III. Invocation and Pledge to the Flags**

**IV. Special Announcements, Recognitions, Introductions, and Presentations**

|   |                   |
|---|-------------------|
| Recognition of the 2018-2019 Excellence Award and Minnie Piper Recipients | Laurel Williamson |
|---|-------------------|

**V. Student Success Presentations**

|   |                   |
|---|-------------------|
| Presentation on the Economic Value of San Jacinto College | Teri Crawford     |
| Presentation on Diverse Student Populations               | Laurel Williamson |
| KPI Dashboard Update – Favorable Outcomes                 | George González   |

**VI. Communications to the Board of Trustees**

**VII. Hearing of Such Citizens or Groups of Citizens Desiring to be Heard Before the Board**

*In accordance with the San Jacinto Community College District Board of Trustees Bylaws, located on the College's website, a citizen desiring to appear before the Board of Trustees shall complete the Application for Hearing before the Board of Trustees and file said application along with any supporting information concerning the citizen's concern, complaint or commendation, with the Executive Assistant to the Chancellor, ten (10) minutes prior to the start of the posted meeting time. The time allotted each citizen or organization for presentation shall be no more than five (5) minutes. The total time for hearing of citizens shall be no more than 60 minutes at any one meeting. Presentation of matters concerning a complaint or charge against a San Jacinto Community College District employee or officer will be heard in closed session unless the individual who is the subject of the change or complaint requests a public hearing.*

**VIII. Informative Reports to the Board**

- A. San Jacinto College Financial Statements
- B. San Jacinto College Foundation Financial Statements
  - 1. November 2018
  - 2. Financial Audit – June 30, 2018 and 2017
- C. Capital Improvement Program
- D. San Jacinto College Building Committee Minutes
- E. San Jacinto College Finance Committee Minutes

## **ACTION ITEMS**

- IX. Consideration of Approval of Amendment to the 2018-2019 Budget for Restricted Revenue and Expenses Relating to Federal and State Grants**
- X. Consideration of Approval of Policy III.3001.D, Debt Management – Second Reading**
- XI. Consideration of Approval of Policy IV.4000.A, Educational Advancement Incentive for Full-Time Staff and Administrators – Second Reading**
- XII. Consideration of Approval of Policy III.3005.A College Mail – Second Reading**
- XIII. Consideration of Approval of Financing Team and Related Expenditures**
- XIV. Consideration of Approval to Adopt an Order Authorizing the Issuance of San Jacinto Community College District Limited Tax General Obligation Building and/or Refunding Bonds; Setting Certain Parameters for the Bonds; Authorizing the Vice Chancellor of Fiscal Affairs to Approve the Amount, the Interest Rate, Price, including the Terms thereof and Certain Other Procedure and Provisions Related Thereto**
- XV. Consideration of Approval of Spaceport Training MOA with City of Houston**
- XVI. Consideration of Approval to Authorize Resolution to Order a General Election and Execution of Such Order to Hold Trustee Election**
- XVII. Consideration of Approval of 2019-2020 Academic Calendar**

## **PURCHASING REQUESTS**

- XVIII. Consideration of Purchasing Requests**

## **CONSENT AGENDA**

- XIX. Consent Agenda**  
(Any item placed on the consent agenda shall be removed and taken up as a separate matter, if so requested by any member of the Board, otherwise all items will be voted on with one (1) motion.)
  - A. Approval of the Minutes for the December 3, 2018 Board Workshop and Regular Board Meeting**
  - B. Approval of the Budget Transfers**
  - C. Approval of Personnel Recommendations**
  - D. Approval of the Affiliation Agreements**
  - E. Approval of the Next Regularly Scheduled Meeting**
- XX. Items for Discussion/Possible Action**  
(Items removed from the Consent Agenda or items discussed in closed session, will be considered at this time)
- XXI. Adjournment**

### **Closed Session Authority**

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required in relation to any items included in this Notice, then such closed or executive meeting or

session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour and place given in this Notice or as soon after the commencement of the meeting covered by the Notice as the Board may conveniently meet in such closed or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Sections 551.071, inclusive, of the Open Meetings Act, including, but not limited to:

Section 551.071 – For the purpose of a private consultation with the Board’s attorney on any or all subjects or matters authorized by law.

Section 551.072 – For the purpose of discussing the purchase, exchange, lease or value of real property.

Section 551.073 – For the purpose of considering a negotiated contract for a prospective gift or donation.

Section 551.074 – For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.

Section 551.076 – To consider the deployment, or specific occasions for implementation, of security personnel or devices.

Section 551.084 – For the purpose of excluding a witness or witnesses from a hearing during examination of another witness.

Section 551.087 – To discuss or deliberate regarding commercial or financial information that the Board has received from a business prospect that the Board seeks or may seek to have locate, stay, or expand in or near the territory of the College and with which the Board is conducting economic development negotiations or to deliberate the offer of a financial or other incentive to such business prospect.

Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed or executive meeting or session, then such final action, final decision, or final vote shall be at either:

- A. The open meeting covered by this Notice upon the reconvening of the public meeting,  
or
- B. At a subsequent public meeting of the Board upon notice thereof, as the Board shall determine.

Certification as to Posting or Giving of Notice

On this day, January 25, 2019, this notice was posted on a bulletin board located at a place convenient to the public in the central administrative office of the San Jacinto Community College District, 4624 Fairmont Parkway, Pasadena, Texas, the College’s website, and is readily accessible to the public upon request.

---

Brenda Hellyer, Ed.D.

SAN JACINTO COMMUNITY COLLEGE DISTRICT  
Statement of Net Position - PRELIMINARY  
November 30,

| <u>Assets</u>  | <u>2018</u>          | <u>2017</u>           |
|--|----------------------|-----------------------|
| Current assets:  |                      |                       |
| Cash and cash equivalents                              | \$ 72,080,827        | \$ 64,148,287         |
| Accounts receivable - taxes                            | 3,606,911            | 93,277,538            |
| Accounts receivable                                    | 19,447,193           | 17,157,136            |
| Deferred charges                                       | 888,568              | 969,829               |
| Inventories  | 359,413              | 363,167               |
| Total current assets                                   | <u>96,382,912</u>    | <u>175,915,957</u>    |
| Noncurrent assets:                                     |                      |                       |
| Restricted cash and cash equivalents                   | 119,378,599          | 162,737,813           |
| Capital assets, net                                    | <u>463,043,264</u>   | <u>432,236,610</u>    |
| Total noncurrent assets                                | <u>582,421,863</u>   | <u>594,974,423</u>    |
| Total assets   | <u>678,804,775</u>   | <u>770,890,380</u>    |
| Deferred outflows of resources:                        |                      |                       |
| Deferred outflow related to pensions                   | 4,631,718            | 6,924,946             |
| Deferred outflow related to OPEB                       | 2,581,254            | -                     |
| Deferred outflow related to defeased debt              | 9,829,833            | 11,363,499            |
| Total deferred outflows of resources                   | <u>17,042,805</u>    | <u>18,288,445</u>     |
| <u>Liabilities</u>                                     |                      |                       |
| Current liabilities:                                   |                      |                       |
| Accounts payable                                       | 11,547,490           | 9,238,134             |
| Accrued liabilities                                    | 5,608,251            | 5,490,412             |
| Accrued compensable absences and deferred compensation | 2,259,299            | 2,282,788             |
| Deferred revenues                                      | <u>709,160</u>       | <u>89,736,642</u>     |
| Total current liabilities                              | <u>20,124,200</u>    | <u>106,747,976</u>    |
| Noncurrent liabilities:                                |                      |                       |
| Net pension liability                                  | 26,598,961           | 31,890,143            |
| Net OPEB liability                                     | 91,125,036           | -                     |
| Bonds and notes payable                                | <u>464,495,288</u>   | <u>480,237,769</u>    |
| Total noncurrent liabilities                           | <u>582,219,285</u>   | <u>512,127,912</u>    |
| Total liabilities                                      | <u>602,343,485</u>   | <u>618,875,888</u>    |
| Deferred inflows of resources -                        |                      |                       |
| Deferred inflow related to pensions                    | 6,007,220            | 3,795,258             |
| Deferred inflow related to OPEB                        | <u>20,148,183</u>    | -                     |
| Total deferred inflows of resources                    | <u>26,155,403</u>    | <u>3,795,258</u>      |
| <u>Net assets</u>                                      |                      |                       |
| Beginning of year                                      | 60,632,834           | 164,328,451           |
| Current year addition                                  | <u>6,715,858</u>     | <u>2,179,228</u>      |
| Total net position - PRELIMINARY                       | <u>\$ 67,348,692</u> | <u>\$ 166,507,679</u> |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

11 Unrestricted Funds

|   | Adjusted<br>Budget | Actual<br>(25%)      | % Actual to<br>Adjusted<br>Budget | 11/30/17            | % of<br>8/31/18<br>Actual |
|---|--------------------|----------------------|-----------------------------------|---------------------|---------------------------|
| REVENUES:                               |                    |                      |                                   |                     |                           |
| State Appropriations                    | \$ 38,785,179      | \$ 12,997,181        | 33.51                             | \$ 12,998,006       | 33.50                     |
| Local Taxes - Maintenance & Operations  | 69,786,000         | 1,272,216            | 1.82                              | 388,372             | 0.59                      |
| Credit Tuition                          | 45,790,671         | 30,218,758           | 65.99                             | 30,120,422          | 68.90                     |
| Credit Fees                             | 16,710,897         | 11,569,854           | 69.24                             | 10,376,403          | 65.50                     |
| Credit Exemptions & Waivers             | (5,600,000)        | (4,039,733)          | 72.14                             | (3,625,727)         | 64.96                     |
| Bad Debt                                | (1,900,000)        | (474,999)            | 25.00                             | (450,000)           | 24.06                     |
| Continuing Professional Development     | 4,438,000          | 1,772,180            | 39.93                             | 1,397,033           | 24.60                     |
| Sales & Services                        | 1,778,000          | 698,787              | 39.30                             | 598,822             | 15.92                     |
| Investment Income                       | 1,000,000          | 452,842              | 45.28                             | 154,902             | 12.71                     |
| Total                                   | <u>170,788,747</u> | <u>54,467,086</u>    | <u>31.89</u>                      | <u>51,958,233</u>   | <u>31.01</u>              |
| EXPENDITURES:                           |                    |                      |                                   |                     |                           |
| Instruction                             | 69,009,927         | 19,398,617           | 28.11                             | 19,413,155          | 28.32                     |
| Public Service                          | 4,789,493          | 1,415,588            | 29.56                             | 1,360,351           | 21.19                     |
| Academic Support                        | 14,937,031         | 3,959,258            | 26.51                             | 4,084,936           | 32.09                     |
| Student Services                        | 15,526,487         | 3,444,350            | 22.18                             | 3,339,532           | 23.93                     |
| Institutional Support                   | 45,727,244         | 8,761,657            | 19.16                             | 9,885,748           | 25.98                     |
| Physical Plant                          | 17,276,063         | 3,767,882            | 21.81                             | 3,776,907           | 19.48                     |
| Total                                   | <u>167,266,245</u> | <u>40,747,352</u>    | <u>24.36</u>                      | <u>41,860,629</u>   | <u>26.28</u>              |
| TRANSFERS AMONG FUNDS:                  |                    |                      |                                   |                     |                           |
| Transfers In                            | -                  | -                    | -                                 | (850)               | -                         |
| Transfers Out                           | 3,522,502          | -                    | -                                 | 166,980             | -                         |
| Net Increase (Decrease) in Net Position | <u>\$ -</u>        | <u>\$ 13,719,734</u> |                                   | <u>\$ 9,931,474</u> |                           |



San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

Federal Restricted Funds

|   | Adjusted<br>Budget | Actual<br>(25%)   | % Actual to<br>Adjusted<br>Budget | 11/30/17          | % of<br>8/31/18<br>Actual |
|---|--------------------|-------------------|-----------------------------------|-------------------|---------------------------|
| REVENUES:                               |                    |                   |                                   |                   |                           |
| Grants                                  | 54,601,502         | 19,051,863        | 34.89                             | 20,949,876        | 43.76                     |
| Total                                   | <u>54,601,502</u>  | <u>19,051,863</u> | <u>34.89</u>                      | <u>20,949,876</u> | <u>43.75</u>              |
| EXPENDITURES:                           |                    |                   |                                   |                   |                           |
| Instruction                             | 894,591            | 113,047           | 12.64                             | 104,657           | 24.67                     |
| Public Service                          | 274,788            | 50,752            | 18.47                             | 44,746            | 23.26                     |
| Academic Support                        | 5,225,446          | 1,152,045         | 22.05                             | 1,500,929         | 33.22                     |
| Student Services                        | 492,076            | 51,634            | 10.49                             | 103,218           | 27.63                     |
| Institutional Support                   | 1,070,657          | 208,605           | 19.48                             | 211,534           | 22.34                     |
| Scholarships and Fellowships            | 46,643,944         | 17,475,780        | 37.47                             | 18,984,792        | 45.84                     |
| Total                                   | <u>54,601,502</u>  | <u>19,051,863</u> | <u>34.89</u>                      | <u>20,949,876</u> | <u>43.75</u>              |
| TRANSFERS AMONG FUNDS:                  |                    |                   |                                   |                   |                           |
| Transfers In                            | -                  | -                 | -                                 | -                 | -                         |
| Transfers Out                           | <u>-</u>           | <u>-</u>          | <u>-</u>                          | <u>-</u>          | <u>-</u>                  |
| Net Increase (Decrease) in Net Position | <u>\$ -</u>        | <u>\$ -</u>       |                                   | <u>\$ -</u>       |                           |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

State Restricted Funds

|   | Adjusted<br>Budget | Actual<br>(25%)  | % Actual to<br>Adjusted<br>Budget | 11/30/17         | % of<br>8/31/18<br>Actual |
|---|--------------------|------------------|-----------------------------------|------------------|---------------------------|
| REVENUES:                               |                    |                  |                                   |                  |                           |
| State Paid Benefits                     | \$ 10,632,000      | \$ 2,939,888     | 27.65                             | \$ 2,813,253     | 24.77                     |
| Grants                                  | 5,034,072          | 1,081,979        | 21.49                             | 1,141,718        | 35.15                     |
| Total                                   | <u>15,666,072</u>  | <u>4,021,867</u> | <u>25.67</u>                      | <u>3,954,971</u> | <u>27.08</u>              |
| EXPENDITURES:                           |                    |                  |                                   |                  |                           |
| Instruction                             | 4,052,288          | 1,432,765        | 35.36                             | 1,243,845        | 22.81                     |
| Public Service                          | 95,526             | 88,081           | 92.21                             | 87,256           | 22.52                     |
| Academic Support                        | 421,506            | 313,449          | 74.36                             | 296,671          | 18.73                     |
| Student Services                        | 402,142            | 408,208          | 101.51                            | 350,802          | 20.88                     |
| Institutional Support                   | 8,385,206          | 820,081          | 9.78                              | 982,080          | 32.32                     |
| Scholarships and Fellowships            | 2,309,404          | 959,283          | 41.54                             | 994,317          | 40.36                     |
| Total                                   | <u>15,666,072</u>  | <u>4,021,867</u> | <u>25.67</u>                      | <u>3,954,971</u> | <u>27.08</u>              |
| TRANSFERS AMONG FUNDS:                  |                    |                  |                                   |                  |                           |
| Transfers In                            | -                  | -                | -                                 | -                | -                         |
| Transfers Out                           | -                  | -                | -                                 | -                | -                         |
| Total                                   | <u>-</u>           | <u>-</u>         | <u>-</u>                          | <u>-</u>         | <u>-</u>                  |
| Net Increase (Decrease) in Net Position | <u>\$ -</u>        | <u>\$ -</u>      |                                   | <u>\$ -</u>      |                           |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

Local Restricted Funds

|   | <u>Adjusted Budget</u> | <u>Actual<br/>(25%)</u> | <u>% Actual to<br/>Adjusted<br/>Budget</u> | <u>11/30/17</u> | <u>% of<br/>8/31/18<br/>Actual</u> |
|---|------------------------|-------------------------|--|-----------------|------------------------------------|
| REVENUES:                               |                        |                         |  |                 |                                    |
| Local Grants                            | \$ 2,599,990           | \$ 984,492              | 37.87                                      | \$ 786,068      | 41.02                              |
| Total                                   | <u>2,599,990</u>       | <u>984,492</u>          | <u>37.87</u>                               | <u>786,068</u>  | <u>41.02</u>                       |
| EXPENDITURES:                           |                        |                         |  |                 |                                    |
| Instruction                             | 22,156                 | 2,000                   | 9.03                                       | 36,592          | 93.79                              |
| Public Service                          | 218,084                | 42,304                  | 19.40                                      | 41,012          | 24.28                              |
| Academic Support                        | 719,449                | 18,844                  | 2.62                                       | 32,939          | 35.34                              |
| Student Services                        | 75,006                 | 10,030                  | 13.37                                      | 4,476           | 13.02                              |
| Institutional Support                   | 71,047                 | 33,671                  | 47.39                                      | 2,508           | 9.29                               |
| Scholarships and Fellowships            | 1,744,300              | 915,517                 | 52.49                                      | 704,114         | 41.42                              |
| Total                                   | <u>2,850,042</u>       | <u>1,022,366</u>        | <u>35.87</u>                               | <u>821,641</u>  | <u>39.84</u>                       |
| TRANSFERS AMONG FUNDS:                  |                        |                         |  |                 |                                    |
| Transfers In                            | (250,052)              | -                       | -  | (42,292)        | -                                  |
| Transfers Out                           | <u>-</u>               | <u>-</u>                | <u>-</u>                                   | <u>-</u>        | <u>-</u>                           |
| Net Increase (Decrease) in Net Position | <u>\$ -</u>            | <u>\$ (37,874)</u>      |  | <u>\$ 6,719</u> |                                    |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

27 Texas Public Education Grant

|   | <u>Adjusted<br/>Budget</u> | <u>Actual<br/>(25%)</u> | <u>% Actual to<br/>Adjusted<br/>Budget</u> | <u>11/30/17</u>   | <u>% of<br/>8/31/18<br/>Actual</u> |
|---|----------------------------|-------------------------|--|-------------------|------------------------------------|
| REVENUES:                               |                            |                         |  |                   |                                    |
| Credit Tuition                          | 2,000,000                  | 1,326,712               | 66.34                                      | 1,311,418         | 66.98                              |
| Total                                   | <u>2,000,000</u>           | <u>1,326,712</u>        | <u>66.34</u>                               | <u>1,311,418</u>  | <u>66.98</u>                       |
| EXPENDITURES:                           |                            |                         |  |                   |                                    |
| Scholarships and Fellowships            | 2,000,000                  | 761,475                 | 38.07                                      | 956,349           | 54.88                              |
| Total                                   | <u>2,000,000</u>           | <u>761,475</u>          | <u>38.07</u>                               | <u>956,349</u>    | <u>54.88</u>                       |
| TRANSFERS AMONG FUNDS:                  |                            |                         |  |                   |                                    |
| Transfers In                            | -                          | -                       | -  | -                 | -                                  |
| Transfers Out                           | <u>-</u>                   | <u>-</u>                | <u>-</u>                                   | <u>-</u>          | <u>-</u>                           |
| Net Increase (Decrease) in Net Position | <u>\$ -</u>                | <u>\$ 565,237</u>       |  | <u>\$ 355,069</u> |                                    |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

28 Private Gifts and Donations

|   | <u>Adjusted<br/>Budget</u> | <u>Actual<br/>(25%)</u> | <u>% Actual to<br/>Adjusted<br/>Budget</u> | <u>11/30/17</u>    | <u>% of<br/>8/31/18<br/>Actual</u> |
|---|----------------------------|-------------------------|--|--------------------|------------------------------------|
| REVENUES:                               |                            |                         |  |                    |                                    |
| Sales & Service                         | \$ -                       | \$ -                    | -  | \$ 3,000           | 42.30                              |
| Total                                   | <u>-</u>                   | <u>-</u>                | <u>-</u>                                   | <u>3,000</u>       | <u>42.30</u>                       |
| EXPENDITURES:                           |                            |                         |  |                    |                                    |
| Instruction                             | -                          | 840                     | -  | 638                | 2.19                               |
| Student Services                        | -                          | 528                     | -  | 15,777             | 30.91                              |
| Total                                   | <u>-</u>                   | <u>1,368</u>            | <u>-</u>                                   | <u>16,415</u>      | <u>20.48</u>                       |
| TRANSFERS AMONG FUNDS:                  |                            |                         |  |                    |                                    |
| Transfers In                            | -                          | -                       | -  | -                  | -                                  |
| Transfers Out                           | <u>-</u>                   | <u>-</u>                | <u>-</u>                                   | <u>-</u>           | <u>-</u>                           |
| Net Increase (Decrease) in Net Position | <u>\$ -</u>                | <u>\$ (1,368)</u>       |  | <u>\$ (13,415)</u> |                                    |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

Auxiliary Enterprises

|   | <u>Adjusted Budget</u> | <u>Actual<br/>(25%)</u> | <u>% Actual to<br/>Adjusted<br/>Budget</u> | <u>11/30/17</u>  | <u>% of<br/>8/31/18<br/>Actual</u> |
|---|------------------------|-------------------------|--|------------------|------------------------------------|
| REVENUES:                               |                        |                         |  |                  |                                    |
| Auxiliary Services                      | 3,281,000              | 1,241,771               | 37.85                                      | 1,178,420        | 40.50                              |
| Total                                   | <u>3,281,000</u>       | <u>1,241,771</u>        | <u>37.85</u>                               | <u>1,178,420</u> | <u>40.50</u>                       |
| EXPENDITURES:                           |                        |                         |  |                  |                                    |
| Non-Instructional Labor                 | 466,669                | 118,362                 | 25.36                                      | 198,490          | 32.04                              |
| Benefits                                | 77,175                 | 103,854                 | 134.57                                     | 112,632          | 27.17                              |
| Supplies                                | 671,732                | 112,412                 | 16.73                                      | 185,995          | 33.42                              |
| Travel                                  | 157,016                | 22,362                  | 14.24                                      | 107,186          | 23.53                              |
| Contracted Services                     | 409,525                | 53,973                  | 13.18                                      | 68,628           | 23.24                              |
| Scholarships and Fellowships            | 647,480                | 332,597                 | 51.37                                      | 629,327          | 40.23                              |
| Utilities                               | 200                    | -                       | -  | -                | -                                  |
| Total                                   | <u>2,429,797</u>       | <u>743,560</u>          | <u>30.60</u>                               | <u>1,302,258</u> | <u>33.30</u>                       |
| TRANSFERS AMONG FUNDS:                  |                        |                         |  |                  |                                    |
| Transfers In                            | -                      | -                       | -  | (123,838)        | -                                  |
| Transfers Out                           | <u>-</u>               | <u>-</u>                | <u>-</u>                                   | <u>-</u>         | <u>-</u>                           |
| Net Increase (Decrease) in Net Position | <u>\$ 851,203</u>      | <u>\$ 498,211</u>       |  | <u>\$ -</u>      |                                    |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

95 Retirement of Indebtedness

|   | <u>Adjusted<br/>Budget</u> | <u>Actual<br/>(25%)</u> | <u>% Actual to<br/>Adjusted<br/>Budget</u> | <u>11/30/17</u>       | <u>% of<br/>8/31/18<br/>Actual</u> |
|---|----------------------------|-------------------------|--|-----------------------|------------------------------------|
| <b>REVENUES</b>                         |                            |                         |  |                       |                                    |
| Investment Income                       | \$ -                       | \$ 78,182               | -  | \$ 416,771            | 134.05                             |
| Local Taxes - Debt Service              | 29,268,000                 | 513,064                 | 1.75                                       | 358,267               | 1.26                               |
| Total                                   | <u>29,268,000</u>          | <u>591,246</u>          | <u>-</u>                                   | <u>775,038</u>        | <u>2.70</u>                        |
| <b>EXPENDITURES</b>                     |                            |                         |  |                       |                                    |
| Institutional Support                   | 32,540,450                 | 4,639,212               | 14.26                                      | 4,615,842             | 25.41                              |
| Total                                   | <u>32,540,450</u>          | <u>4,639,212</u>        | <u>14.26</u>                               | <u>4,615,842</u>      | <u>25.41</u>                       |
| <b>TRANSFERS AMONG FUNDS:</b>           |                            |                         |  |                       |                                    |
| Transfers In                            | (3,272,450)                | -                       | -  | -                     | -                                  |
| Transfers Out                           | <u>-</u>                   | <u>-</u>                | <u>-</u>                                   | <u>-</u>              | <u>-</u>                           |
| Net Increase (Decrease) in Net Position | <u>\$ -</u>                | <u>\$ (4,047,966)</u>   |  | <u>\$ (3,840,804)</u> |                                    |

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

97 Investment in Plant

|   | <u>Adjusted Budget</u> | <u>Actual<br/>(25%)</u> | <u>% Actual to<br/>Adjusted<br/>Budget</u> | <u>11/30/17</u>       | <u>% of<br/>8/31/18<br/>Actual</u> |
|---|------------------------|-------------------------|--|-----------------------|------------------------------------|
| EXPENDITURES                            |                        |                         |  |                       |                                    |
| Depreciation                            | \$ 17,500,000          | \$ 4,077,319            | 23.30                                      | \$ 4,694,240          | 28.04                              |
| Capital Purchases                       | -                      | (97,203)                | -  | (434,425)             | 26.74                              |
| Total                                   | <u>17,500,000</u>      | <u>3,980,116</u>        | <u>22.74</u>                               | <u>4,259,815</u>      | <u>28.18</u>                       |
| Net Increase (Decrease) in Net Position | <u>\$ (17,500,000)</u> | <u>\$ (3,980,116)</u>   |  | <u>\$ (4,259,815)</u> |                                    |



San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

Consolidated -All Funds  
(Not Including Capital Improvement Program)

|   | <u>Adjusted Budget</u> | <u>Actual<br/>(25%)</u> | <u>% Actual to<br/>Adjusted<br/>Budget</u> | <u>11/30/17</u>     | <u>% of<br/>8/31/18<br/>Actual</u> |
|---|------------------------|-------------------------|--|---------------------|------------------------------------|
| REVENUES:                               |                        |                         |  |                     |                                    |
| State Appropriations                    | \$ 49,417,179          | \$ 15,937,069           | 32.25                                      | \$ 15,811,259       | 31.52                              |
| Local Taxes - Maintenance & Operations  | 69,786,000             | 1,272,216               | 1.82                                       | 388,372             | 0.59                               |
| Local Taxes - Debt Service              | 29,268,000             | 513,064                 | 1.75                                       | 358,267             | 1.26                               |
| Credit Tuition                          | 47,790,671             | 31,545,470              | 66.01                                      | 31,431,840          | 68.82                              |
| Credit Fees                             | 16,710,897             | 11,569,854              | 69.24                                      | 10,376,403          | 65.50                              |
| Credit Exemptions & Waivers             | (5,600,000)            | (4,039,733)             | 72.14                                      | (3,625,727)         | 64.96                              |
| Bad Debt                                | (1,900,000)            | (474,999)               | 25.00                                      | (450,000)           | 24.06                              |
| Continuing Professional Development     | 4,438,000              | 1,772,180               | 39.93                                      | 1,397,033           | 24.60                              |
| Sales & Services                        | 1,778,000              | 698,787                 | 39.30                                      | 601,822             | 15.97                              |
| Investment Income                       | 1,000,000              | 531,024                 | 53.10                                      | 571,673             | 37.38                              |
| Auxiliary Services                      | 3,281,000              | 1,241,771               | 37.85                                      | 1,178,420           | 40.50                              |
| Grants                                  | 59,635,574             | 20,133,842              | 33.76                                      | 22,091,594          | 43.22                              |
| Local Grants                            | 2,599,990              | 984,492                 | 37.87                                      | 786,068             | 41.02                              |
| Total                                   | <u>278,205,311</u>     | <u>81,685,037</u>       | <u>29.36</u>                               | <u>80,917,024</u>   | <u>30.47</u>                       |
| EXPENDITURES:                           |                        |                         |  |                     |                                    |
| Instruction                             | 73,978,962             | 20,947,269              | 28.32                                      | 20,798,887          | 27.92                              |
| Public Service                          | 5,377,891              | 1,596,725               | 29.69                                      | 1,533,365           | 21.39                              |
| Academic Support                        | 21,303,432             | 5,443,596               | 25.55                                      | 5,915,475           | 31.26                              |
| Student Services                        | 16,495,711             | 3,914,750               | 23.73                                      | 3,813,805           | 23.70                              |
| Institutional Support                   | 87,794,604             | 14,463,226              | 16.47                                      | 15,697,712          | 26.06                              |
| Physical Plant                          | 17,276,063             | 3,767,882               | 21.81                                      | 3,776,907           | 19.48                              |
| Scholarships and Fellowships            | 52,697,648             | 20,112,055              | 38.16                                      | 21,639,572          | 45.73                              |
| Auxiliary Enterprises                   | 2,429,797              | 743,560                 | 30.60                                      | 1,302,258           | 33.30                              |
| Depreciation                            | 17,500,000             | 4,077,319               | 23.30                                      | 4,694,240           | 28.04                              |
| Capital Purchases                       | -                      | (97,203)                | -  | (434,425)           | 26.74                              |
| Total                                   | <u>294,854,108</u>     | <u>74,969,179</u>       | <u>25.43</u>                               | <u>78,737,796</u>   | <u>29.95</u>                       |
| TRANSFERS AMONG FUNDS:                  |                        |                         |  |                     |                                    |
| Transfers In                            | (3,522,502)            | -                       | -  | (166,980)           | -                                  |
| Transfers Out                           | <u>3,522,502</u>       | <u>-</u>                | <u>-</u>                                   | <u>166,980</u>      | <u>-</u>                           |
| Net Increase (Decrease) in Net Position | <u>\$ (16,648,797)</u> | <u>\$ 6,715,858</u>     |  | <u>\$ 2,179,228</u> |                                    |

# Capital Improvement Program

San Jacinto Community College District  
Statement of Revenues, Expenditures and Changes In Net Position - PRELIMINARY  
For the Three Months Ended November 30, 2018

91 Capital Projects

|   | Adjusted<br>Budget | Actual<br>(25%) | 11/30/17       |
|---|--------------------|-----------------|----------------|
| REVENUES:                               |                    |                 |                |
| Investment Income                       | \$ -               | \$ 535,453      | \$ -           |
| Total                                   | -                  | 535,453         | -              |
| EXPENDITURES:                           |                    |                 |                |
| Bond Programs                           | -                  | 6,320,669       | 6,933,679      |
| Total                                   | -                  | 6,320,669       | 6,933,679      |
| Net Increase (Decrease) in Net Position | \$ -               | \$ (5,785,216)  | \$ (6,933,679) |



**Quarterly Investment Report**  
**August 31, 2018 – November 30, 2018**



# The Fed Giveth and the Fed Taketh Away

The Federal Reserve is widely expected to raise rates again in December but the messages emanating from the Fed appear to foretell increased **patience** and a possible **pause** in 2019. A hike in December will be the tenth in the series but perceptions of the US economy have changed in the past month raising doubts of the dot plot's projection of 3 hikes in 2019. A change in January with press conferences after each meeting Powell will make the markets focus on ongoing data and not quarterly meetings.

Within the minutes this month the market keyed on a change of phrase showing a definite dovish *coo* from Powell. He was quoted 7 weeks ago saying that the funds rate was "far away" from the neutral rate. This month this changed to as "just below" the neutral rate. He could be preparing the market for a pause but we will have to see a skipped meeting or two for the market to confirm such a move.

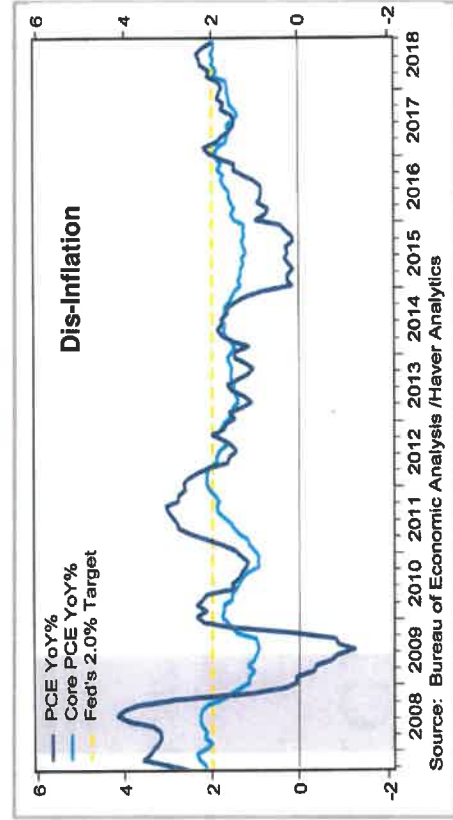
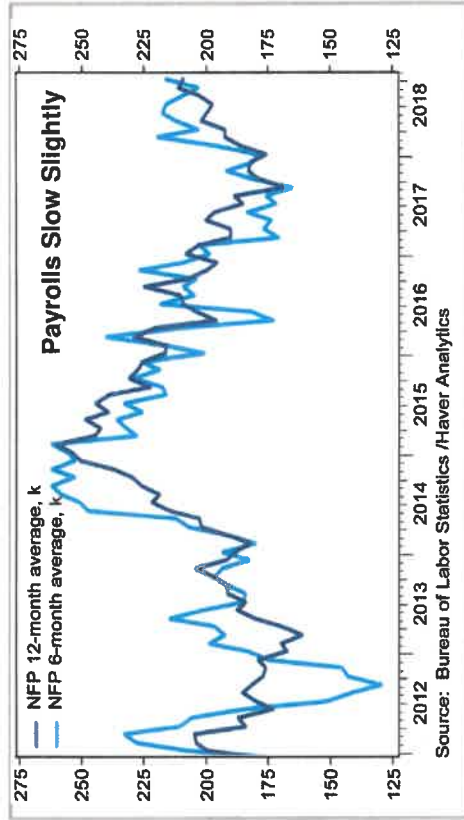
The economy has cooled slightly with the Fed's monetary tightening moves and with a **fading fiscal stimulus**. This recovery from the Great Recession has been the slowest in history and it isn't stopping but surely slowing. Housing has slowed, especially in the west, south and mid-west, with the increase in mortgage rates. Those rates have increased 20% in 2018. Contract signing is at its lowest point since January. A recent Fed report noted that the much maligned millennials are not so different but poorer at this point in their lives.

**Inflation** and housing are key factors now. Inflation has stubbornly remained under the Fed target and now inflation in Europe is decreasing as they end their bond buying campaigns. Oil slid to sub-\$50 adding to dis-inflation. Supply issues and US sanctions on Iran have not

**Job gains** are growing only slightly although the unemployment rate has been through the Fed target since March. Job participation continues to lag. Recently blame has been laid on opiate use (20—25% according to the Brookings Institute), childcare costs (up 168% in past 25 years), an aging population, and increased disability status (now 20% of the work force).

Despite the slowing **consumer spending** remains amazingly robust.

Part of the cooling comes from a mid-term election which left us with a split Congress. The markets took this as a good sign counting on encroaching gridlock. Of course, gridlock, while it implies a level of certainty that massive legislation is unlikely to pass, it could also prove detrimental for the same reason. After all, the market has fared well in the past few years thanks in part to fiscal stimulus amid still-solid economic fundamentals. Major factors to watch here will be possible consensus infrastructure, increasing regulation and importantly deficits.



# Wild Card International Red Flags

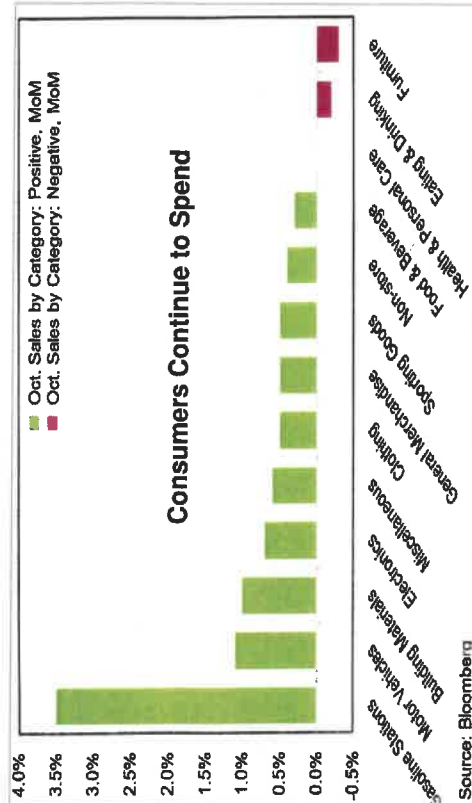
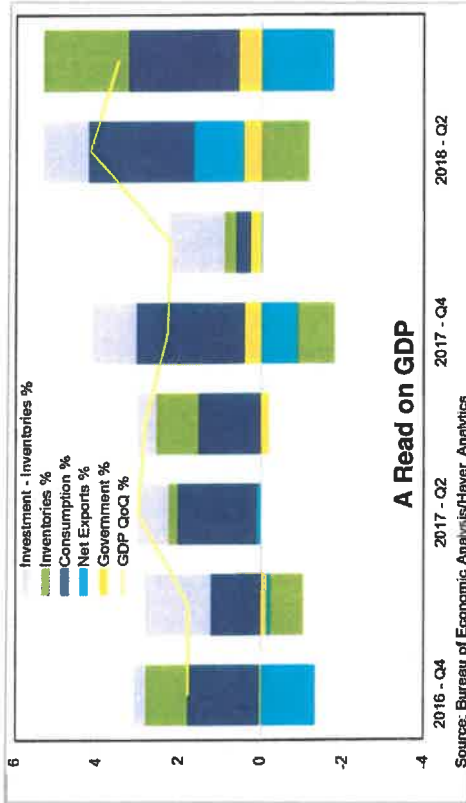
**Trade issues** continue to trouble all the markets. The US, Mexico and Canada signed a NAFTA 2.0 (USMCA) this month and while some tensions remain concerning specific conditions, this could augur a positive result for the December talks between Trump and Chairman Xi. Both the leaders represent now slightly weaker economies with China weakening probably further with an ongoing slowdown in credit growth.

Clearly, countries and markets are learning that trade is not a simple one-on-one transaction. International supply chains make sourcing decisions and impacts murky let alone when applied to tariffs. Politics find their way into the talks also as seen with China focusing on Trump's support strongholds in the mid-west with farms and autos to weaken his position.

The **geopolitics** of international trade continues to be complicated by international politics and strong man posturing. Putin's Russian-Ukrainian conflict is escalating and putting a strain on Europe; Italy has only slightly bowed to the EU demand for a more responsible budget; the tumultuous reaction to Brexit's nearing deadlines hit economies directly. Add to that the Saudis inability to recover from the Khashoggi murder to address key questions on Yemen and oil supply. Actions by the US, Australian and Japan, among others, which are directly enforcing their Freedom of Navigation Rights around China's man-made islands has tensions and risks growing. These military actions could aide or hinder trade talks.

UK officials estimate an 1.1% negative impact from Brexit (if indeed the deal can be sealed). The pressure on the EU compounded by a economic slowing in Germany, which has been the engine of Europe, is great especially when added to Italian, Spanish and Greek weakness.

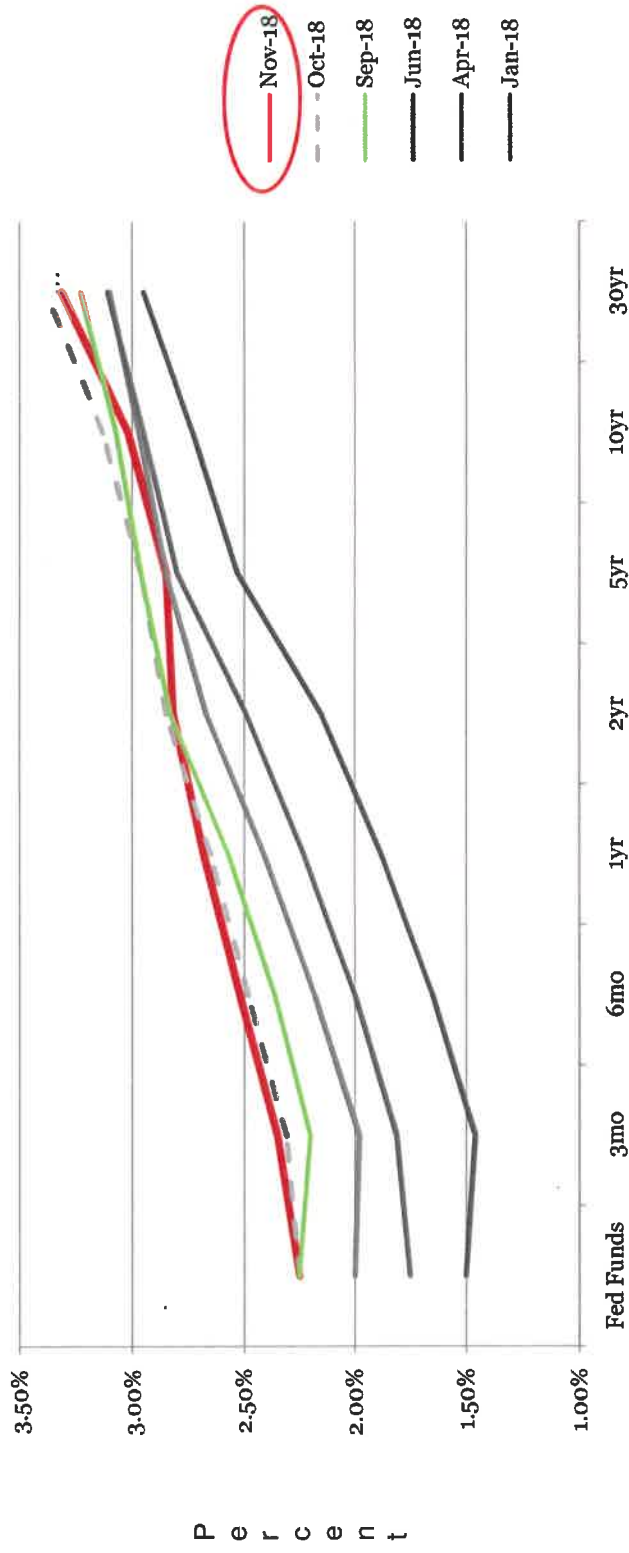
Trade wars are essentially an **excise tax** to consumers and producers and consumer feel it. Greenspan's recent new book (Capitalism in America) cites it as one of the 7 risks to the economy. The other risks he identifies are: deficits, soaring inflation, lower savings rates, decreased productivity, a bond market bubble, and undercapitalized banks. We will have to see which comes first if at all.





# The Flattening Curve

- Fears of an inverted curve remain for as the Fed advances to hike the overnight rates the spreads on key curve points continue to narrow forecasting a flat to inverted curve.
- The basis point (bp) spread between the two and ten year has come in from 58 to 20 bps in the year and dipped further in November as the ten year broke the psychologically important support of 3%.
- The key to the curve continues to come from global forces and weakening economic situations globally.
- The 10-year U.S. Treasury clawed its way back over the 3% barrier by month-end settling but is far from its 3.23% high.
- A further hike in rates taking the Fed Funds rate to a top rate of 2.50% is anticipated by the 80% of the market for December. A view of hikes in 2019 are getting murkier.



End of Month Rates - Full Yield Curve - Fed Funds to 30yr

*San Jacinto College District*  
 Quarterly Investment Report  
 August 31, 2018 – November 30, 2018

**Portfolio Summary Management Report**

This quarterly report is prepared in compliance with the Investment Policy and Strategy of the District and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

|  |   |
|--|---|
| <p><b>Portfolio as of 08/31/18:</b><br/>         Beginning Book Value           \$ 214,976,053<br/>         Beginning Market Value       \$ 214,976,053</p> <p>WAM at Beginning Period Date<sup>1</sup>   1 day</p> <p><i>(Decrease in market value is due to seasonal cash outflows)</i></p> <p style="text-align: right;">Average Yield to Maturity for period   2.102 %<br/>         Average Yield 180-Day Treasury Bill for period   2.440 %</p> | <p><b>Portfolio as of 11/30/18:</b><br/>         Ending Book Value               \$ 191,459,426<br/>         Ending Market Value           \$ 191,459,426<br/>         Investment Income for the period   \$ 1,066,477<br/>         Unrealized Gain/Loss           \$ 0<br/>         WAM at Ending Period Date<sup>1</sup>   1 day</p> <p style="text-align: right;">Change in Market Value<sup>2</sup>           \$ (23,516,627)</p> |
|--|---|

  
 Teri Zamora, Vice Chancellor of Fiscal Affairs  
 San Jacinto College District

  
 Linda F. Patterson, Investment Advisor, SJCD  
 Patterson & Associates

<sup>1</sup> WAM – weighted average maturity

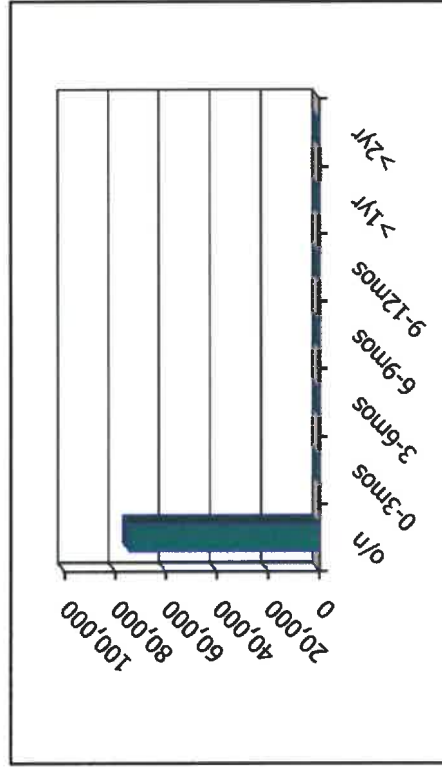
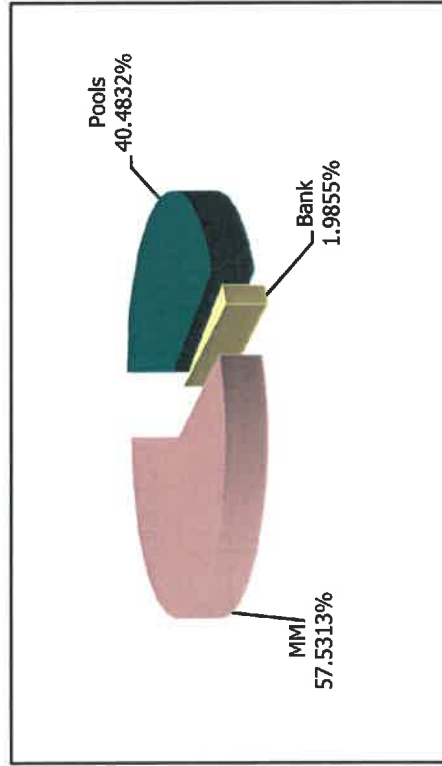
<sup>2</sup> “Change in Market Value” is required data, but will primarily reflect the receipt and expenditure of the College’s funds from month to month. Patterson & Associates has assisted in the preparation of this consolidated investment report, with additional input provided by the College District.



# General Portfolio

As of November 30, 2018

- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions.
- The graphs below show asset allocations by market sector and by maturity. They do reflect our anticipation of another rate increase in September – and perhaps one in December – which keeps the portfolios slightly shorter overall.



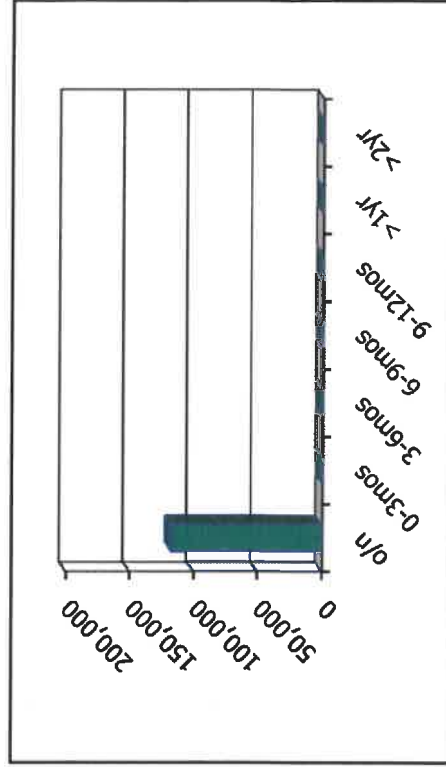
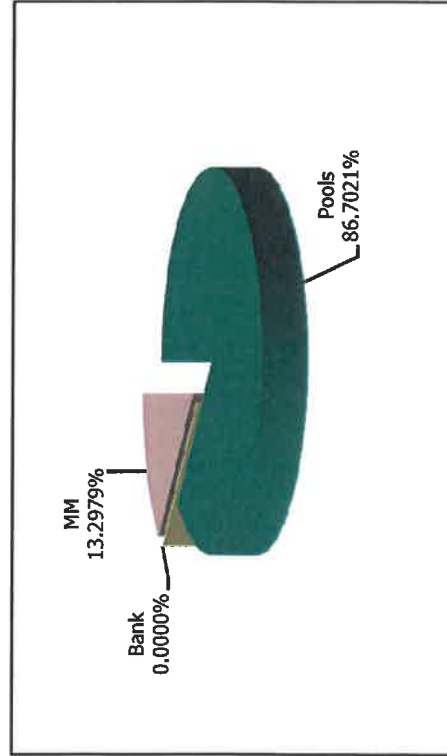
# Bond Portfolio

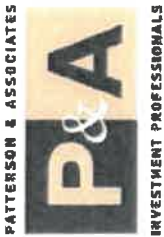
As of November 30, 2018

PATTERSON & ASSOCIATES



- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions.
- The graphs below show asset allocations by market sector and by maturity. They do reflect our anticipation of another rate increase in September – and perhaps one in December – which keeps the portfolios slightly shorter overall.





**San Jacinto Community College  
Portfolio Management  
Portfolio Summary  
November 30, 2018**

Patterson & Associates  
901 S. MoPac  
Suite 195  
Austin, TX 78746

| Investments                    | Par Value             | Market Value          | Book Value                 | % of Portfolio | Term     | Days to Maturity | YTM          |
|--------------------------------|-----------------------|-----------------------|----------------------------|----------------|----------|------------------|--------------|
| Passbook/Checking Accounts     | 1,474,808.35          | 1,474,808.35          | 1,474,808.35               | 0.77           | 1        | 1                | 0.000        |
| Investment Pools/Money Markets | 189,984,617.59        | 189,984,617.59        | 189,984,617.59             | 99.23          | 1        | 1                | 2.239        |
| <b>Investments</b>             | <b>191,459,425.94</b> | <b>191,459,425.94</b> | <b>191,459,425.94</b>      | <b>100.00%</b> | <b>1</b> | <b>1</b>         | <b>2.222</b> |
| <b>Total Earnings</b>          | <b>November 30</b>    | <b>Month Ending</b>   | <b>Fiscal Year To Date</b> |                |          |                  |              |
| Current Year                   | 357,911.96            |                       | 1,066,477.03               |                |          |                  |              |

The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of the San Jacinto Community College/Foundation of the position and activity within the College's and Foundation's portfolio of investments. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic representations of the portfolio to provide full disclosure to the governing body.

*Teri Zamora* 12/20/18  
Teri Zamora, Vice Chancellor of Fiscal Affairs

Reporting period 11/01/2018-11/30/2018  
Data Updated: SET\_SJCC: 12/20/2018 10:25  
Run Date: 12/20/2018 - 10:25

Portfolio SJCC  
AP  
PM (PRF\_PM1) 7.3.0  
Report Ver. 7.3.6.1



Patterson & Associates  
 901 S. MoPac  
 Suite 195  
 Austin, TX 78746

**San Jacinto Community College**  
**Summary by Type**  
**November 30, 2018**  
**Grouped by Fund**

| Security Type                       | Number of Investments | Par Value             | Book Value            | % of Portfolio | Average YTM 365 | Average Days to Maturity |
|-------------------------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------|--------------------------|
| <b>Fund: Bond Funds</b>             |                       |                       |                       |                |                 |                          |
| Investment Pools/Money Markets      | 8                     | 117,169,256.49        | 117,169,256.49        | 61.20          | 2.209           | 1                        |
| <b>Subtotal</b>                     | <b>8</b>              | <b>117,169,256.49</b> | <b>117,169,256.49</b> | <b>61.20</b>   | <b>2.209</b>    | <b>1</b>                 |
| <b>Fund: Consolidated Portfolio</b> |                       |                       |                       |                |                 |                          |
| Passbook/Checking Accounts          | 9                     | 1,474,808.35          | 1,474,808.35          | 0.77           | 0.000           | 1                        |
| Investment Pools/Money Markets      | 6                     | 72,815,361.10         | 72,815,361.10         | 38.03          | 2.287           | 1                        |
| <b>Subtotal</b>                     | <b>15</b>             | <b>74,290,169.45</b>  | <b>74,290,169.45</b>  | <b>38.80</b>   | <b>2.242</b>    | <b>1</b>                 |
| <b>Total and Average</b>            | <b>23</b>             | <b>191,459,425.94</b> | <b>191,459,425.94</b> | <b>100.00</b>  | <b>2.222</b>    | <b>1</b>                 |



**San Jacinto Community College  
Fund BOND - Bond Funds  
Investments by Fund  
November 30, 2018**

Patterson & Associates  
901 S. MoPac  
Suite 195  
Austin, TX 78746

| CUSIP                                 | Investment # | Issuer                        | Purchase Date | Book Value            | Par Value             | Market Value          | Current Rate | YTM 360      | YTM 365      | Maturity Date | Days To Maturity |
|---------------------------------------|--------------|-------------------------------|---------------|-----------------------|-----------------------|-----------------------|--------------|--------------|--------------|---------------|------------------|
| <b>Investment Pools/Money Markets</b> |              |                               |               |                       |                       |                       |              |              |              |               |                  |
| 708340211                             | 10064        | JPM - Debt Service            | 12/05/2007    | 0.00                  | 0.00                  | 0.00                  |              |              |              |               | 1                |
| 86-72000794                           | 10231        | East West MM 08 Bond Proceeds | 09/09/2014    | 2,003,690.40          | 2,003,690.40          | 2,003,690.40          | 2.270        | 2.238        | 2.270        | 2.270         | 1                |
| 86-72004242                           | 10233        | East West MM 15 Bond Proceeds | 08/06/2015    | 5,009,226.02          | 5,009,226.02          | 5,009,226.02          | 2.270        | 2.238        | 2.270        | 2.270         | 1                |
| 86-72000844                           | 10232        | East West MM Debt Service     | 09/09/2014    | 8,567,993.15          | 8,567,993.15          | 8,567,993.15          | 2.270        | 2.238        | 2.270        | 2.270         | 1                |
| 999999999                             | 10084        | LSIP GOF - 2008 Bond Proceeds | 10/03/2008    | 1,944,150.68          | 1,944,150.68          | 1,944,150.68          | 2.200        | 2.169        | 2.200        | 2.200         | 1                |
| 9999999917                            | 10234        | LSIP GOF - 2015 Bond Proceeds | 08/06/2015    | 1,791,206.59          | 1,791,206.59          | 1,791,206.59          | 2.200        | 2.169        | 2.200        | 2.200         | 1                |
| 9999999918                            | 10235        | LSIP GOF - 2016 Bond Proceeds | 04/20/2016    | 97,525,140.49         | 97,525,140.49         | 97,525,140.49         | 2.200        | 2.169        | 2.200        | 2.200         | 1                |
| 9999999916                            | 10106        | LSIP GOF - Debt Service       | 07/30/2009    | 327,849.16            | 327,849.16            | 327,849.16            | 2.200        | 2.169        | 2.200        | 2.200         | 1                |
| <b>Subtotal and Average</b>           |              |                               |               | <b>117,169,256.49</b> | <b>117,169,256.49</b> | <b>117,169,256.49</b> |              | <b>2.179</b> | <b>2.209</b> |               | <b>1</b>         |
| <b>Total Investments and Average</b>  |              |                               |               | <b>117,169,256.49</b> | <b>117,169,256.49</b> | <b>117,169,256.49</b> |              | <b>2.179</b> | <b>2.209</b> |               | <b>1</b>         |

Portfolio SJCC  
AP  
FI (PRE\_FI) 7.1.1  
Report Ver. 7.3.6.1

**Fund GEN - Consolidated Portfolio**  
**Investments by Fund**  
**November 30, 2018**

| CUSIP                                 | Investment # | Issuer                      | Purchase Date | Book Value           | Par Value            | Market Value         | Current Rate | YTM          | YTM          | Maturity Days To Date Maturity |
|---------------------------------------|--------------|-----------------------------|---------------|----------------------|----------------------|----------------------|--------------|--------------|--------------|--------------------------------|
|                                       |              |                             |               |                      |                      |                      |              | 360          | 365          |                                |
| <b>Passbook/Checking Accounts</b>     |              |                             |               |                      |                      |                      |              |              |              |                                |
| 1390012195A                           | 10164        | Bank of America - Operating | 09/01/2018    | 139.81               | 139.81               | 139.81               |              |              |              | 1                              |
| 9999999914                            | 10089        | Credit Cards - In Transit   | 09/01/2018    | 6,156.12             | 6,156.12             | 6,156.12             |              |              |              | 1                              |
| 708340062                             | 10086        | Disbursements               | 09/01/2018    | -387,820.77          | -387,820.77          | -387,820.77          |              |              |              | 1                              |
| 707759296                             | 10069        | JPM - Federal Programs      | 09/01/2018    | 0.00                 | 0.00                 | 0.00                 |              |              |              | 1                              |
| 707759338                             | 10062        | JPM - Operating             | 09/01/2018    | 1,864,168.17         | 1,864,168.17         | 1,864,168.17         |              |              |              | 1                              |
| 707759346                             | 10085        | Payroll Fund                | 09/01/2018    | -27,485.19           | -27,485.19           | -27,485.19           |              |              |              | 1                              |
| 9999999913                            | 10088        | Peity Cash                  | 09/01/2018    | 20,025.00            | 20,025.00            | 20,025.00            |              |              |              | 1                              |
| 707759353                             | 10181        | Student Deferred Income     | 09/01/2018    | 0.00                 | 0.00                 | 0.00                 |              |              |              | 1                              |
| 707759361                             | 10103        | JPM - Workmen's Comp        | 09/01/2018    | -374.79              | -374.79              | -374.79              |              |              |              | 1                              |
| <b>Subtotal and Average</b>           |              |                             |               | <b>1,474,808.35</b>  | <b>1,474,808.35</b>  | <b>1,474,808.35</b>  | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>1</b>                       |
| <b>Investment Pools/Money Markets</b> |              |                             |               |                      |                      |                      |              |              |              |                                |
| 86-7200810                            | 10230        | East West MM                | 09/09/2014    | 41,496,775.81        | 41,496,775.81        | 41,496,775.81        | 2.270        | 2.238        | 2.270        | 1                              |
| 999999993                             | 10034        | LSIP GDF - Operating        | 09/01/2007    | 5,011,726.06         | 5,011,726.06         | 5,011,726.06         | 2.200        | 2.169        | 2.200        | 1                              |
| 707759320                             | 10035        | JPM - Money Market          | 09/01/2007    | 1,000,846.30         | 1,000,846.30         | 1,000,846.30         | 1.030        | 1.015        | 1.030        | 1                              |
| 999999996                             | 10038        | TGB - Money Market          | 09/26/2007    | 242,772.11           | 242,772.11           | 242,772.11           | 1.210        | 1.193        | 1.210        | 1                              |
| 999999991                             | 10032        | TexPool                     | 09/01/2007    | 14,042.97            | 14,042.97            | 14,042.97            | 2.203        | 2.172        | 2.203        | 1                              |
| 999999919                             | 10236        | Texpool Prime               | 11/01/2018    | 25,049,197.85        | 25,049,197.85        | 25,049,197.85        | 2.394        | 2.361        | 2.394        | 1                              |
| <b>Subtotal and Average</b>           |              |                             |               | <b>72,815,361.10</b> | <b>72,815,361.10</b> | <b>72,815,361.10</b> | <b>2.256</b> | <b>2.211</b> | <b>2.287</b> | <b>1</b>                       |
| <b>Total Investments and Average</b>  |              |                             |               | <b>74,290,169.45</b> | <b>74,290,169.45</b> | <b>74,290,169.45</b> | <b>2.211</b> | <b>2.211</b> | <b>2.242</b> | <b>1</b>                       |

**San Jacinto Community College**  
**Interest Earnings**  
 Sorted by Fund - Fund  
 September 1, 2018 - November 30, 2018  
 Yield on Beginning Book Value

| CUSIP                               | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Ending Book Value     | Maturity Date | Current Annualized Rate | Yield        | Interest Earned     | Adjusted Interest Earnings |                            |
|-------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|--------------|---------------------|----------------------------|----------------------------|
|                                     |              |      |                 |                       |                       |                       |               |                         |              |                     | Amortization/ Accretion    | Adjusted Interest Earnings |
| <b>Fund: Bond Funds</b>             |              |      |                 |                       |                       |                       |               |                         |              |                     |                            |                            |
| 999999999                           | 10084        | BOND | RRP             | 1,944,150.68          | 2,216,096.63          | 1,944,150.68          |               | 2.200                   | 1.937        | 10,699.37           | 0.00                       | 10,699.37                  |
| 9999999916                          | 10106        | BOND | RRP             | 327,849.16            | 183,770.05            | 327,849.16            |               | 2.200                   | 3.148        | 1,442.26            | 0.00                       | 1,442.26                   |
| 86-72000794                         | 10231        | BOND | RRP             | 2,003,690.40          | 2,003,381.97          | 2,003,690.40          |               | 2.270                   | 2.155        | 10,761.33           | 0.00                       | 10,761.33                  |
| 86-72000844                         | 10232        | BOND | RRP             | 8,567,993.15          | 8,511,625.42          | 8,567,993.15          |               | 2.270                   | 2.164        | 45,914.83           | 0.00                       | 45,914.83                  |
| 86-72004242                         | 10233        | BOND | RRP             | 5,009,226.02          | 5,008,454.93          | 5,009,226.02          |               | 2.270                   | 2.155        | 26,903.32           | 0.00                       | 26,903.32                  |
| 9999999917                          | 10234        | BOND | RRP             | 1,791,206.59          | 1,790,891.62          | 1,791,206.59          |               | 2.200                   | 2.097        | 9,363.86            | 0.00                       | 9,363.86                   |
| 9999999918                          | 10235        | BOND | RRP             | 97,525,140.49         | 106,960,747.73        | 97,525,140.49         |               | 2.200                   | 2.008        | 535,453.37          | 0.00                       | 535,453.37                 |
|                                     |              |      | <b>Subtotal</b> | <b>117,169,256.49</b> | <b>126,674,988.35</b> | <b>117,169,256.49</b> |               |                         | <b>2.028</b> | <b>640,538.34</b>   | <b>0.00</b>                | <b>640,538.34</b>          |
| <b>Fund: Consolidated Portfolio</b> |              |      |                 |                       |                       |                       |               |                         |              |                     |                            |                            |
| 999999991                           | 10032        | GEN  | RRP             | 14,042.97             | 43,202,833.71         | 14,042.97             |               | 2.203                   | 1.236        | 133,177.05          | 0.00                       | 133,177.05                 |
| 999999996                           | 10038        | GEN  | RRP             | 242,772.11            | 242,047.23            | 242,772.11            |               | 1.210                   | 1.201        | 724.88              | 0.00                       | 724.88                     |
| 707759320                           | 10035        | GEN  | RRP             | 1,000,846.30          | 1,000,762.20          | 1,000,846.30          |               | 1.030                   | 0.942        | 2,350.01            | 0.00                       | 2,350.01                   |
| 707759338                           | 10062        | GEN  | PA1             | 1,864,168.17          | 1,806,276.88          | 1,864,168.17          |               |                         |              | 0.00                | 0.00                       | 0.00                       |
| 707759346                           | 10085        | GEN  | PA1             | -27,485.19            | 0.00                  | -27,485.19            |               |                         |              | 0.00                | 0.00                       | 0.00                       |
| 708340062                           | 10086        | GEN  | PA1             | -387,820.77           | 0.00                  | -387,820.77           |               |                         |              | 0.00                | 0.00                       | 0.00                       |
| 9999999913                          | 10088        | GEN  | PA1             | 20,025.00             | 0.00                  | 20,025.00             |               |                         |              | 0.00                | 0.00                       | 0.00                       |
| 9999999914                          | 10089        | GEN  | PA1             | 6,156.12              | 0.00                  | 6,156.12              |               |                         |              | 0.00                | 0.00                       | 0.00                       |
| 707759361                           | 10103        | GEN  | PA1             | -374.79               | 0.00                  | -374.79               |               |                         |              | 0.00                | 0.00                       | 0.00                       |
| 999999993                           | 10034        | GEN  | RRP             | 5,011,726.06          | 1,993,571.70          | 5,011,726.06          |               | 2.200                   | 3.635        | 18,067.55           | 0.00                       | 18,067.55                  |
| 1390012195A                         | 10164        | GEN  | PA1             | 139.81                | 0.00                  | 139.81                |               |                         |              | 0.00                | 0.00                       | 0.00                       |
| 86-7200810                          | 10230        | GEN  | RRP             | 41,496,775.81         | 41,248,222.23         | 41,496,775.81         |               | 2.270                   | 2.163        | 222,421.35          | 0.00                       | 222,421.35                 |
| 9999999919                          | 10236        | GEN  | RRP             | 25,049,197.85         | 0.00                  | 25,049,197.85         |               | 2.394                   | 2.394        | 49,197.85           | 0.00                       | 49,197.85                  |
|                                     |              |      | <b>Subtotal</b> | <b>74,280,169.45</b>  | <b>89,493,713.95</b>  | <b>74,280,169.45</b>  |               |                         | <b>1.770</b> | <b>425,938.69</b>   | <b>0.00</b>                | <b>425,938.69</b>          |
|                                     |              |      | <b>Total</b>    | <b>191,459,425.94</b> | <b>216,168,682.30</b> | <b>191,459,425.94</b> |               |                         | <b>1.916</b> | <b>1,066,477.03</b> | <b>0.00</b>                | <b>1,066,477.03</b>        |



**San Jacinto Community College**  
**Texas Compliance Change in Val Report**  
**Sorted by Fund**  
**September 1, 2018 - November 30, 2018**

Patterson & Associates  
 901 S. McPac  
 Suite 195  
 Austin, TX 78746

| Inv #                                   | Issuer        | Fund  | Purch Date | Interest Accrual  | Beginning Book Value   | Purchases/ Additions | Redemptions   | Change in Value | Ending Book Value   |
|---|---------------|-------|------------|-------------------|------------------------|----------------------|---------------|-----------------|---------------------|
| Cusip                                   | Par Value     | YTM   | Mat Date   | Interest Received | Beginning Market Value |                      |               |                 | Ending Market Value |
| <b>Fund: Bond Funds</b>                 |               |       |            |                   |                        |                      |               |                 |                     |
| 10064                                   | DS            | BOND  | 12/05/2007 | 0.00              | 0.00                   | 0.00                 | 0.00          | 0.00            | 0.00                |
| 708340211                               | 0.00          | 0.000 | / /        | 0.00              | 0.00                   | 0.00                 | 0.00          | 0.00            | 0.00                |
| 10084                                   | LSIP08        | BOND  | 10/03/2008 | 10,699.37         | 2,216,096.63           | 10,699.37            | 282,645.32    | -271,945.95     | 1,944,150.68        |
| 999999999                               | 1,944,150.68  | 2.200 | / /        | 10,699.37         | 2,216,096.63           | 10,699.37            | 282,645.32    | -271,945.95     | 1,944,150.68        |
| 10106                                   | LSIPDS        | BOND  | 07/30/2009 | 1,442.26          | 183,770.05             | 144,079.11           | 0.00          | 144,079.11      | 327,849.16          |
| 999999916                               | 327,849.16    | 2.200 | / /        | 1,442.26          | 183,770.05             | 144,079.11           | 0.00          | 144,079.11      | 327,849.16          |
| 10231                                   | EWM08         | BOND  | 09/09/2014 | 10,761.33         | 2,003,381.97           | 10,761.33            | 10,452.90     | 308.43          | 2,003,690.40        |
| 86-72000794                             | 2,003,690.40  | 2.270 | / /        | 10,761.33         | 2,003,381.97           | 10,761.33            | 10,452.90     | 308.43          | 2,003,690.40        |
| 10232                                   | EWMDS         | BOND  | 09/09/2014 | 45,914.83         | 8,511,625.42           | 56,367.73            | 0.00          | 56,367.73       | 8,567,993.15        |
| 86-72000844                             | 8,567,993.15  | 2.270 | / /        | 45,914.83         | 8,511,625.42           | 56,367.73            | 0.00          | 56,367.73       | 8,567,993.15        |
| 10233                                   | EWM015        | BOND  | 08/06/2015 | 26,903.32         | 5,008,454.93           | 26,903.32            | 26,132.23     | 771.09          | 5,009,226.02        |
| 86-72004242                             | 5,009,226.02  | 2.270 | / /        | 26,903.32         | 5,008,454.93           | 26,903.32            | 26,132.23     | 771.09          | 5,009,226.02        |
| 10234                                   | LSIP15        | BOND  | 08/06/2015 | 9,363.86          | 1,790,891.62           | 9,363.86             | 9,048.89      | 314.97          | 1,791,206.59        |
| 999999917                               | 1,791,206.59  | 2.200 | / /        | 9,363.86          | 1,790,891.62           | 9,363.86             | 9,048.89      | 314.97          | 1,791,206.59        |
| 10235                                   | LSIP16        | BOND  | 04/20/2016 | 535,453.37        | 106,960,747.73         | 535,453.37           | 9,971,060.61  | -9,435,607.24   | 97,525,140.49       |
| 999999918                               | 97,525,140.49 | 2.200 | / /        | 535,453.37        | 106,960,747.73         | 535,453.37           | 9,971,060.61  | -9,435,607.24   | 97,525,140.49       |
| <b>Sub Totals For: Fund: Bond Funds</b> |               |       |            |                   |                        |                      |               |                 |                     |
|   |               |       |            | 640,538.34        | 126,674,968.35         | 793,628.09           | 10,299,339.95 | -9,505,711.86   | 117,169,256.49      |
|   |               |       |            | 640,538.34        | 126,674,968.35         | 793,628.09           | 10,299,339.95 | -9,505,711.86   | 117,169,256.49      |
| <b>Fund: Consolidated Portfolio</b>     |               |       |            |                   |                        |                      |               |                 |                     |
| 10032                                   | TXPOOL        | GEN   | 09/01/2007 | 133,177.05        | 43,202,833.71          | 14,101,398.90        | 57,290,189.64 | -43,188,790.74  | 14,042.97           |
| 999999991                               | 14,042.97     | 2.203 | / /        | 133,177.05        | 43,202,833.71          | 14,101,398.90        | 57,290,189.64 | -43,188,790.74  | 14,042.97           |



San Jacinto Community College  
Texas Compliance Change in Val Report  
September 1, 2018 - November 30, 2018

| Inv # | Cusip       | Issuer | Fund | YTM   | Purch Date | Mat Date | Interest Received | Interest Accrued | Beginning Book Value | Beginning Market Value | Purchases/ Additions | Redemptions  | Change in Value | Ending Book Value | Ending Market Value |
|-------|-------------|--------|------|-------|------------|----------|-------------------|------------------|----------------------|------------------------|----------------------|--------------|-----------------|-------------------|---------------------|
|       | 10034       | LSIP   | GEN  | 0.000 | 09/01/2007 |          | 18,067.55         | 2,350.01         | 1,993,571.70         | 1,993,571.70           | 10,269,613.41        | 7,251,459.05 | 3,018,154.36    | 5,011,726.06      | 5,011,726.06        |
|       | 999999993   |        |      | 2.200 | / /        | / /      | 18,067.55         |                  | 1,993,571.70         | 1,993,571.70           | 10,269,613.41        | 7,251,459.05 | 3,018,154.36    | 5,011,726.06      | 5,011,726.06        |
|       | 10035       | MM     | GEN  | 0.000 | 09/01/2007 |          | 2,350.01          | 2,350.01         | 1,000,762.20         | 1,000,762.20           | 2,350.01             | 2,265.91     | 84.10           | 1,000,846.30      | 1,000,846.30        |
|       | 707759320   |        |      | 1.030 | / /        | / /      | 2,350.01          |                  | 1,000,762.20         | 1,000,762.20           | 2,350.01             | 2,265.91     | 84.10           | 1,000,846.30      | 1,000,846.30        |
|       | 10038       | TXCIT  | GEN  | 0.000 | 09/26/2007 |          | 724.88            | 724.88           | 242,047.23           | 242,047.23             | 724.88               | 0.00         | 724.88          | 242,772.11        | 242,772.11          |
|       | 999999996   |        |      | 1.210 | / /        | / /      | 724.88            |                  | 242,047.23           | 242,047.23             | 724.88               | 0.00         | 724.88          | 242,772.11        | 242,772.11          |
|       | 10062       | OPER   | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 1,806,276.88         | 1,806,276.88           | 3,298,395.69         | 3,240,504.40 | 57,891.29       | 1,864,168.17      | 1,864,168.17        |
|       | 707759338   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 1,806,276.88         | 1,806,276.88           | 3,298,395.69         | 3,240,504.40 | 57,891.29       | 1,864,168.17      | 1,864,168.17        |
|       | 10069       | FPRO   | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | 0.00                 | 0.00         | 0.00            | 0.00              | 0.00                |
|       | 707759296   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | 0.00                 | 0.00         | 0.00            | 0.00              | 0.00                |
|       | 10085       | PAY    | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | -39,769.92           | 11,312.02    | -27,485.19      | -27,485.19        | -27,485.19          |
|       | 707759346   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | -39,769.92           | 11,312.02    | -27,485.19      | -27,485.19        | -27,485.19          |
|       | 10086       | DIS    | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | -1,563,516.34        | 57,845.95    | -387,820.77     | -387,820.77       | -387,820.77         |
|       | 708340062   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | -1,563,516.34        | 57,845.95    | -387,820.77     | -387,820.77       | -387,820.77         |
|       | 10088       | PC     | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | 39,825.00            | 745.00       | 20,025.00       | 20,025.00         | 20,025.00           |
|       | 999999913   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | 39,825.00            | 745.00       | 20,025.00       | 20,025.00         | 20,025.00           |
|       | 10089       | CC     | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | 98,286.04            | 45,299.27    | 6,156.12        | 6,156.12          | 6,156.12            |
|       | 999999914   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | 98,286.04            | 45,299.27    | 6,156.12        | 6,156.12          | 6,156.12            |
|       | 10103       | WC     | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | -1,378.93            | 1,070.86     | -374.79         | -374.79           | -374.79             |
|       | 707759361   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | -1,378.93            | 1,070.86     | -374.79         | -374.79           | -374.79             |
|       | 10164       | BAOP   | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | 1,471.04             | 633.21       | 139.81          | 139.81            | 139.81              |
|       | 1390012195A |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | 1,471.04             | 633.21       | 139.81          | 139.81            | 139.81              |
|       | 10181       | SDI    | GEN  | 0.000 | 09/01/2018 |          | 0.00              | 0.00             | 0.00                 | 0.00                   | 0.00                 | 0.00         | 0.00            | 0.00              | 0.00                |
|       | 707759353   |        |      | 0.000 | / /        | / /      | 0.00              |                  | 0.00                 | 0.00                   | 0.00                 | 0.00         | 0.00            | 0.00              | 0.00                |
|       | 10230       | EWBMM  | GEN  | 0.000 | 09/09/2014 |          | 222,421.35        | 222,421.35       | 41,248,222.23        | 41,248,222.23          | 248,553.58           | 0.00         | 248,553.58      | 41,496,775.81     | 41,496,775.81       |
|       | 86-7200810  |        |      | 2.270 | / /        | / /      | 222,421.35        |                  | 41,248,222.23        | 41,248,222.23          | 248,553.58           | 0.00         | 248,553.58      | 41,496,775.81     | 41,496,775.81       |

San Jacinto Community College  
 Texas Compliance Change in Val Report  
 September 1, 2018 - November 30, 2018

| Inv #   | Issuer        | Fund  | Purch Date | Interest Accrued  | Beginning Book Value   | Purchases/ Additions | Redemptions   | Change in Value | Ending Book Value   |
|---|---------------|-------|------------|-------------------|------------------------|----------------------|---------------|-----------------|---------------------|
| Cusip   | Par Value     | YTM   | Mat Date   | Interest Received | Beginning Market Value |                      |               |                 | Ending Market Value |
| 10236   | TXPRIM        | GEN   | 11/01/2018 | 49,197.85         | 0.00                   | 25,049,197.85        | 0.00          | 25,049,197.85   | 25,049,197.85       |
| 9999999919  | 25,049,197.85 | 2.394 | / /        | 49,197.85         | 0.00                   | 25,049,197.85        | 0.00          | 25,049,197.85   | 25,049,197.85       |
| <b>Sub Totals For: Fund: Consolidated Portfol</b> |               |       |            |                   |                        |                      |               |                 |                     |
|   |               |       |            | 425,938.69        | 89,493,713.95          | 51,505,151.21        | 67,901,325.31 | -15,203,544.50  | 74,290,169.45       |
|   |               |       |            | 425,938.69        | 89,493,713.95          | 51,505,151.21        | 67,901,325.31 | -15,203,544.50  | 74,290,169.45       |
| <b>Report Grand Totals:</b>                       |               |       |            |                   |                        |                      |               |                 |                     |
|   |               |       |            | 1,066,477.03      | 216,168,682.30         | 52,298,779.30        | 78,200,665.26 | -24,709,256.36  | 191,459,425.94      |
|   |               |       |            | 1,066,477.03      | 216,168,682.30         | 52,298,779.30        | 78,200,665.26 | -24,709,256.36  | 191,459,425.94      |

# Foundation Financials

## November 2018

## San Jacinto College Foundation

### Statement of Financial Position

As of November 30, 2018

| ASSETS                                    | Current Year               | Previous Year              | Difference              |
|---|----------------------------|----------------------------|-------------------------|
| Current Assets                            |                            |                            |                         |
| Checking/Savings                          |                            |                            |                         |
| General Fund                              | \$996,751                  | \$810,696                  | \$186,054               |
| Other Funds                               | -                          | -                          | -                       |
| Total Checking/Savings                    | <u>996,751</u>             | <u>810,696</u>             | <u>186,054</u>          |
| Accounts Receivable                       |                            |                            |                         |
| Other Receivables                         | 9,150                      | 750                        | 8,400                   |
| Pledge Receivables                        | 221,600                    | 312,800                    | (91,200)                |
| Scholarship Receivables                   | 2,040                      | 20,655                     | (18,615)                |
| Special Events Receivables                | 7,196                      | -                          | 7,196                   |
| Sponsorship Receivables                   | 50                         | -                          | 50                      |
| Total Accounts Receivable                 | <u>240,036</u>             | <u>334,205</u>             | <u>(94,169)</u>         |
| Other Current Assets                      |                            |                            |                         |
| Short Term Investments                    |                            |                            |                         |
| Goldman Sachs                             | 10,781,487                 | 10,534,039                 | 247,448                 |
| Capital Bank CD                           | 205,473                    | 204,142                    | 1,330                   |
| Prosperity Bank                           | 204,343                    | 202,818                    | 1,525                   |
| Total SJC Short Term Investments          | <u>11,191,303</u>          | <u>10,941,000</u>          | <u>250,304</u>          |
| Total Current Assets                      | <u>12,428,090</u>          | <u>12,085,901</u>          | <u>342,189</u>          |
| <b>TOTAL ASSETS</b>                       | <b><u>\$12,428,090</u></b> | <b><u>\$12,085,901</u></b> | <b><u>\$342,189</u></b> |
| <b>LIABILITIES &amp; NET ASSETS</b>       |                            |                            |                         |
| Liabilities                               |                            |                            |                         |
| Current Liabilities                       |                            |                            |                         |
| Accounts Payable                          |                            |                            |                         |
| Event Payable                             | 0                          | 635                        | (635)                   |
| Grants Payable                            | 66,525                     | 58,137                     | 8,388                   |
| Programs Payable                          | 34,100                     | 39,209                     | (5,109)                 |
| Endowments Payable                        | 104,033                    | 84,071                     | 19,962                  |
| Scholarship Payables                      | 232,724                    | 223,806                    | 8,919                   |
| Student Success Payables                  | 18,877                     | 5,719                      | 13,158                  |
| Total Accounts Payable                    | <u>456,259</u>             | <u>411,576</u>             | <u>44,683</u>           |
| Total Current Liabilities                 | <u>456,259</u>             | <u>411,576</u>             | <u>44,683</u>           |
| Total Liabilities                         | 456,259                    | 411,576                    | 44,683                  |
| NET ASSETS                                |                            |                            |                         |
| Net Assets Without Donor Restrictions     | 2,540,407                  | 2,482,220                  | 58,187                  |
| Net Assets With Donor Restrictions        | 9,435,651                  | 8,994,562                  | 441,089                 |
| Net Assets                                | <u>11,976,058</u>          | <u>11,476,782</u>          | <u>543,959</u>          |
| Net Income                                | (4,227)                    | 197,543                    | (201,770)               |
| Total Net Assets                          | <u>11,971,831</u>          | <u>11,674,325</u>          | <u>297,506</u>          |
| <b>TOTAL LIABILITIES &amp; NET ASSETS</b> | <b><u>\$12,428,090</u></b> | <b><u>\$12,085,901</u></b> | <b><u>\$342,189</u></b> |

**San Jacinto College Foundation**  
**Statement of Activities**  
For the Period Ending November 30, 2018

|                                  | Current<br>Year  | Last<br>Year     | Effect on<br>Net Income | Annual<br>Budget | Remaining        |
|----------------------------------|------------------|------------------|-------------------------|------------------|------------------|
| <b>Ordinary Income/Expense</b>   |                  |                  |                         |                  |                  |
| <b>Income</b>                    |                  |                  |                         |                  |                  |
| <b>Contributions</b>             |                  |                  |                         |                  |                  |
| Grant Contributions              | 68,112           | 148,280          | (80,168)                | 95,500           | 27,388           |
| Endowments                       | 11,281           | 31,305           | (20,024)                | 256,000          | 244,719          |
| Program Sponsorship              | 249,695          | 55,223           | 194,471                 | 250,000          | 306              |
| Scholarships                     | 147,843          | 239,325          | (91,482)                | 602,000          | 454,157          |
| <b>Total Contributions</b>       | <u>476,930</u>   | <u>474,133</u>   | <u>2,797</u>            | <u>1,203,500</u> | <u>726,570</u>   |
| <b>Other Income</b>              |                  |                  |                         |                  |                  |
| Special Events                   | 97,279           | 61,728           | 35,551                  | 160,000          | 62,721           |
| Investment Income                | 95,540           | 79,488           | 16,052                  | 141,823          | 46,283           |
| Realized Gain / (Loss)           | (2,674)          | 15,242           | (17,916)                | 62,500           | 65,174           |
| Unrealized Gain / (Loss)         | (112,370)        | 102,646          | (215,015)               | 62,500           | 174,870          |
| <b>Total Other Income</b>        | <u>77,775</u>    | <u>259,104</u>   | <u>(181,329)</u>        | <u>426,823</u>   | <u>349,048</u>   |
| <b>Total Income</b>              | 554,705          | 733,237          | (178,531)               | 1,630,323        | 1,075,618        |
| <b>Expense</b>                   |                  |                  |                         |                  |                  |
| <b>Programs</b>                  |                  |                  |                         |                  |                  |
| Scholarships Awarded             | 292,601          | 413,442          | 120,840                 | 710,000          | 417,399          |
| Programs Sponsored               | 176,969          | 59,912           | (117,056)               | 165,000          | (11,969)         |
| Student Success Initiatives      | 11,694           | 0                | (11,694)                | 35,000           | 23,306           |
| <b>Total Programs</b>            | <u>481,265</u>   | <u>473,354</u>   | <u>(7,911)</u>          | <u>910,000</u>   | <u>428,736</u>   |
| <b>Supporting Services</b>       |                  |                  |                         |                  |                  |
| Bad Debt Expense                 | 0                | 0                | 0                       | 2,000            | 2,000            |
| <b>Supporting Services</b>       |                  |                  |                         |                  |                  |
| Management and General           | 13,808           | 11,831           | (1,977)                 | 51,830           | 38,022           |
| Fundraising Expense              | 61,980           | 47,657           | (14,323)                | 80,000           | 18,020           |
| Sponsorship Expense              | 1,880            | 2,852            | 972                     | 10,000           | 8,120            |
| <b>Total Supporting Services</b> | <u>77,668</u>    | <u>62,340</u>    | <u>(15,328)</u>         | <u>141,830</u>   | <u>64,162</u>    |
| <b>Total Expense</b>             | <u>558,933</u>   | <u>535,694</u>   | <u>(23,239)</u>         | <u>1,053,830</u> | <u>494,897</u>   |
| <b>Net Ordinary Income</b>       | (4,227)          | 197,543          | (201,770)               | 576,493          | 580,720          |
| Other Income / Expenses          |                  |                  |                         |                  |                  |
| <b>Net Other Income</b>          | <u>(\$4,227)</u> | <u>\$197,543</u> | <u>(\$201,770)</u>      | <u>\$576,493</u> | <u>\$580,720</u> |



Contributions Report  
November 2018

| <b>Donors</b> | <b>Amount</b> | <b>Fund</b>   |
|---------------|---------------|---|
| Corporations  | 154,000       | Golf, Process Technology Building,  |
| Foundations   | 3,250         | Chancellor Cultivation, Veterans Center   |
| Individuals   | 5,290         | Alumni, College Prep Scholarships, EHCMA, Flickinger Endowed Scholarship, Food Pantry, Foundation Memorial, Golf, Kaye Moon & Dick Gregg, Ralph & Krista Hovey Scholarship, Tank Terminal Group |

**Total Donation            162,540**

|                        |       |  |
|------------------------|-------|--|
| Employee Contributions | 2,013 | Alumni, Brysch Garza Firefighter Scholarship, EHCMA, Finish Industry Ready, Food Pantry, Gala, Golf, John Locke Memorial, Promise for their Future, San Jac Star, Tank Terminal Group, Veterans Center |
|------------------------|-------|--|

**Total Contributions        164,553**

**Foundation Audit – Financial Statements**  
**June 30, 2018 and 2017**

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.**

**(a Texas Nonprofit Corporation)**

**FINANCIAL STATEMENTS**

**JUNE 30, 2018 and 2017**

*(With Independent Auditor's Report Thereon)*

**Insight. Oversight. Foresight.™**

 **DoerenMayhew**  
CPAs AND ADVISORS



**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**TABLE OF CONTENTS**

---

|  | <u>Page</u> |
|--|-------------|
| <b>INDEPENDENT AUDITOR'S REPORT .....</b>                | <b>1</b>    |
| <b>FINANCIAL STATEMENTS</b>                              |             |
| Statements of Financial Position .....                   | 3           |
| Statements of Activities and Changes in Net Assets ..... | 4           |
| Statements of Cash Flows.....                            | 5           |
| Notes to Financial Statements .....                      | 6           |

## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
of **San Jacinto Community College Foundation, Inc.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of San Jacinto Community College Foundation, Inc. (the Foundation), which comprise the statements of financial position as of June 30, 2018 and 2017 and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Jacinto Community College Foundation, Inc. as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.



Houston, Texas  
November 29, 2018

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2018 and 2017**

| <u>Assets</u>   | <u>2018</u>              | <u>2017</u>              |
|---|--------------------------|--------------------------|
| Cash and cash equivalents                                 | \$ 889,102               | \$ 1,161,246             |
| Pledges receivable (Notes 3 and 9)                        | 218,200                  | 314,955                  |
| Investments (Notes 4 and 9)                               | 11,211,900               | 10,292,513               |
| Permanently restricted pledges receivable (Notes 3 and 9) | 15,000                   | 20,000                   |
| <br>Total assets  | <br><u>\$ 12,334,202</u> | <br><u>\$ 11,788,714</u> |
| <br><u>Liabilities and Net Assets</u>                     |                          |                          |
| Liabilities:  |                          |                          |
| Scholarships and programs payable (Note 5)                | \$ 358,145               | \$ 311,932               |
| <br>Total liabilities                                     | <br><u>358,145</u>       | <br><u>311,932</u>       |
| Net assets:   |                          |                          |
| Unrestricted (Notes 6 and 7)                              | 2,754,543                | 2,560,256                |
| Temporarily restricted (Notes 6 and 7)                    | 4,460,970                | 4,400,824                |
| Permanently restricted (Notes 6 and 7)                    | 4,760,544                | 4,515,702                |
| <br>Total net assets                                      | <br><u>11,976,057</u>    | <br><u>11,476,782</u>    |
| <br>Total liabilities and net assets                      | <br><u>\$ 12,334,202</u> | <br><u>\$ 11,788,714</u> |

See accompanying notes to financial statements.

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.**  
(a Texas Nonprofit Corporation)

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
YEARS ENDED JUNE 30, 2018 AND 2017**

|  | 2018         |                        |                        | 2017          |              |                        |                        |               |
|--|--------------|------------------------|------------------------|---------------|--------------|------------------------|------------------------|---------------|
|  | Unrestricted | Temporarily Restricted | Permanently Restricted | Total         | Unrestricted | Temporarily Restricted | Permanently Restricted | Total         |
| Public support and revenues:                   |              |                        |                        |               |              |                        |                        |               |
| Contributions (Notes 7 and 8)                  | \$ 562,596   | \$ 1,061,165           | \$ 223,098             | \$ 1,846,859  | \$ 473,281   | \$ 741,061             | \$ 282,292             | \$ 1,496,634  |
| Special events                                 | 147,870      | -                      | -                      | 147,870       | 87,826       | -                      | -                      | 87,826        |
| Interest and dividends                         | 263,019      | -                      | -                      | 263,019       | 199,832      | -                      | -                      | 199,832       |
| Net change in fair value of investments        | (34,406)     | (59,376)               | -                      | (93,782)      | 63,880       | 72,277                 | -                      | 136,157       |
| Net assets released from restrictions (Note 6) | 919,899      | (941,643)              | 21,744                 | -             | 585,286      | (586,496)              | 1,210                  | -             |
| Total public support and revenues              | 1,858,978    | 60,146                 | 244,842                | 2,163,966     | 1,410,105    | 226,842                | 283,502                | 1,920,449     |
| Expenses:                                      |              |                        |                        |               |              |                        |                        |               |
| Programs:                                      |              |                        |                        |               |              |                        |                        |               |
| Student scholarships                           | 780,162      | -                      | -                      | 780,162       | 356,720      | -                      | -                      | 356,720       |
| Grants awarded                                 | -            | -                      | -                      | -             | 46,645       | -                      | -                      | 46,645        |
| Student success initiatives                    | 37,132       | -                      | -                      | 37,132        | 34,677       | -                      | -                      | 34,677        |
| Programs sponsored                             | 161,481      | -                      | -                      | 161,481       | 181,920      | -                      | -                      | 181,920       |
| Total programs                                 | 978,775      | -                      | -                      | 978,775       | 619,962      | -                      | -                      | 619,962       |
| Supporting services:                           |              |                        |                        |               |              |                        |                        |               |
| Management and general (Note 8)                | 523,552      | -                      | -                      | 523,552       | 452,900      | -                      | -                      | 452,900       |
| Fundraising                                    | 150,520      | -                      | -                      | 150,520       | 89,494       | -                      | -                      | 89,494        |
| Sponsorship expenses                           | 11,844       | -                      | -                      | 11,844        | 7,275        | -                      | -                      | 7,275         |
| Total supporting services                      | 685,916      | -                      | -                      | 685,916       | 549,669      | -                      | -                      | 549,669       |
| Total expenses                                 | 1,664,691    | -                      | -                      | 1,664,691     | 1,169,631    | -                      | -                      | 1,169,631     |
| Change in net assets                           | 194,287      | 60,146                 | 244,842                | 499,275       | 240,474      | 226,842                | 283,502                | 750,818       |
| Net assets, beginning of year                  | 2,560,256    | 4,400,824              | 4,515,702              | 11,476,782    | 2,319,782    | 4,173,982              | 4,232,200              | 10,725,964    |
| Net assets, end of year                        | \$ 2,754,543 | \$ 4,460,970           | \$ 4,760,544           | \$ 11,976,057 | \$ 2,560,256 | \$ 4,400,824           | \$ 4,515,702           | \$ 11,476,782 |

See accompanying notes to financial statements.

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2018 AND 2017**

|   | <b>2018</b> | <b>2017</b>  |
|---|-------------|--------------|
| Cash flows from operating activities:   |             |              |
| Change in net assets  | \$ 499,275  | \$ 750,818   |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |             |              |
| Net change in fair value of investments   | 93,782      | (136,157)    |
| Contributions permanently restricted  | (223,098)   | (282,292)    |
| Decrease (increase) in pledges receivable   | 96,755      | (30,760)     |
| Increase (decrease) in scholarships and programs payable                                    | 46,213      | (14,487)     |
| Net cash provided by operating activities   | 512,927     | 287,122      |
| Cash flows from investing activities:   |             |              |
| Purchases of investments  | (1,013,169) | (8,505,284)  |
| Sales of investments  | -           | 7,764,335    |
| Net cash used by investing activities   | (1,013,169) | (740,949)    |
| Cash flows from financing activities:   |             |              |
| Proceeds from contributions permanently restricted  | 228,098     | 262,292      |
| Net decrease in cash and cash equivalents   | (272,144)   | (191,535)    |
| Cash and cash equivalents, beginning of year  | 1,161,246   | 1,352,781    |
| Cash and cash equivalents, end of year  | \$ 889,102  | \$ 1,161,246 |

See accompanying notes to financial statements.

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

---

**Note 1 - Description of Organization**

San Jacinto Community College Foundation, Inc. (the Foundation) was organized in the State of Texas on November 4, 1996 to function as a not-for-profit corporation. The duration of the Foundation is perpetual. The Foundation was established to raise private funds for the San Jacinto Community College District (the College) for charitable, scientific, literary, and educational purposes, which are to be administered by the Foundation solely for the benefit of the College, and to account for and enhance the value of funds submitted to it in support of the educational mission of the College.

The Foundation is supported by private gifts, bequests and donations from individuals and private organizations.

**Note 2 - Summary of Significant Accounting Policies**

Financial Statement Presentation

The Foundation reports information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Net assets, including endowment funds, and changes therein are classified and reported as follows:

- Unrestricted net assets - net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purpose by action of the Board of Directors.
- Temporarily restricted net assets - net assets subject to donor imposed stipulations that may or will be met either by action of the Foundation and/or passage of time.
- Permanently restricted net assets - net assets subject to donor imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on the related investments for specific or general purposes.

Public Support and Revenue

Contributions are generally available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give that are due in the next year are recorded at their net realizable value. Unconditional promises to give that are due in subsequent years are discounted to estimate the present value of future cash flows, if material. An allowance for potentially uncollectable promises is provided based on management's evaluation at year end. As of June 30, 2018 and 2017, no allowance was recorded.

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.**  
(a Texas Nonprofit Corporation)

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

---

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Public Support and Revenue (Continued)

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction and or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statements of activities and changes in net assets.

Certain donors have required that investment return (investment income and gains and losses) be restricted for specific purposes. Such amounts are reported as additions or reductions to temporarily restricted net assets.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents held for investment purposes are classified as investments in the statements of financial position and are not considered cash equivalents for the purposes of the statements of cash flows.

Investments

Investments are recorded at fair value as described in Note 4. Investment income and realized and unrealized gain and losses from investment transactions are initially recorded as unrestricted, temporarily restricted, or permanently restricted, based on donor imposed restrictions, if any, and are reflected as net assets released from restrictions in the statements of activities and changes in net assets to the extent amounts become available for use during the period. Realized gains and losses are determined using the specific identification method.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities and changes in net assets. Expenses are charged directly to programs and supporting services based on specific identification. No indirect expenses have been allocated to programs.



**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

---

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Donated Services

The Foundation receives a significant amount of donated services from unpaid volunteers who assist in fundraising and special projects. No amounts have been recognized in the statements of activities and changes in net assets because the criteria for recognition have not been satisfied.

Federal Income Tax

The Foundation is a non-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes pursuant to Section 501(a) of the Code. The Foundation is not classified as a private foundation.

GAAP requires the Foundation's management to evaluate tax positions taken by the Foundation and recognize a tax liability if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Foundation and has concluded that as of June 30, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require recognition or disclosure within the financial statements. The Foundation is subject to audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes that the Foundation is no longer subject to income tax examinations for years prior to 2014.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Note 3 - Pledges Receivable**

Pledges receivable consist of the following at June 30, 2018 and 2017:

|   | <u>2018</u>       | <u>2017</u>       |
|---|-------------------|-------------------|
| Amounts to be collected within one year   | \$ 153,200        | \$ 164,955        |
| Amounts to be collected one to five years | <u>80,000</u>     | <u>170,000</u>    |
| Total pledges receivable                  | <u>\$ 233,200</u> | <u>\$ 334,955</u> |

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.**  
(a Texas Nonprofit Corporation)

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

---

**Note 4 - Fair Value Measurements**

The Foundation has estimated the fair value of financial instruments in accordance with the requirements of fair value reporting. The Foundation utilizes observable market data when available, or models that utilize observable market data. In addition to market information, the Foundation incorporates transaction specific details that, in management's judgment, market participants would utilize in a fair value measurement.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). Inputs used in determining fair value are characterized using a hierarchy that prioritizes inputs depending on the degree to which they are observable. The three levels of the fair value hierarchy are as follows:

Level 1 - Quoted prices in active markets for identical investments.

Level 2 - Other significant observable inputs, including quoted prices for similar investments in active markets or in markets not considered to be active.

Level 3 - Inputs that are not observable from objective sources, including the Foundation's own assumptions in determining the fair value of investments.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis at June 30, 2018 and 2017. There have been no changes in the methodologies used at June 30, 2018 from June 30, 2017.

*Mutual and exchange traded funds:* Valued at the underlying price per unit, which approximates fair value based on the publicly quoted market price of these funds.

*Fixed income securities:* Valued based on pricing models that consider standard input factors such as observable market data and benchmark yields.

*Bank deposit account:* Valued at cost, which approximates fair value.

*Certificates of deposit:* Valued at carrying amount, which approximates fair value.

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

**Note 4 - Fair Value Measurements (Continued)**

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables present the Foundation's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2018:

|                              | <u>Level 1</u>      | <u>Level 2</u>      | <u>Level 3</u> | <u>Total</u>         |
|------------------------------|---------------------|---------------------|----------------|----------------------|
| <b>Mutual Funds:</b>         |                     |                     |                |                      |
| U.S. Fixed Income            | \$ 389,862          | \$ -                | \$ -           | \$ 389,862           |
| U.S. Equity                  | 395,204             | -                   | -              | 395,204              |
| Foreign Equity               | 1,197,903           | -                   | -              | 1,197,903            |
| <b>Exchange Traded Fund:</b> |                     |                     |                |                      |
| U.S. Equity                  | 1,627,768           | -                   | -              | 1,627,768            |
| Corporate Fixed Income       | -                   | 7,024,148           | -              | 7,024,148            |
| Bank Deposit Account         | 168,641             | -                   | -              | 168,641              |
| Certificates of Deposit      | 408,374             | -                   | -              | 408,374              |
|                              | <u>\$ 4,187,752</u> | <u>\$ 7,024,148</u> | <u>\$ -</u>    | <u>\$ 11,211,900</u> |

The following tables present the Foundation's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2017:

|                              | <u>Level 1</u>      | <u>Level 2</u>      | <u>Level 3</u> | <u>Total</u>         |
|------------------------------|---------------------|---------------------|----------------|----------------------|
| <b>Mutual Funds:</b>         |                     |                     |                |                      |
| U.S. Fixed Income            | \$ 390,556          | \$ -                | \$ -           | \$ 390,556           |
| Foreign Equity               | 644,584             | -                   | -              | 644,584              |
| <b>Exchange Traded Fund:</b> |                     |                     |                |                      |
| U.S. Equity                  | 947,824             | -                   | -              | 947,824              |
| U.S. Equities                | 159,155             | -                   | -              | 159,155              |
| Corporate Fixed Income       | -                   | 7,575,293           | -              | 7,575,293            |
| Bank Deposit Account         | 169,369             | -                   | -              | 169,369              |
| Certificates of Deposit      | 405,732             | -                   | -              | 405,732              |
|                              | <u>\$ 2,717,220</u> | <u>\$ 7,575,293</u> | <u>\$ -</u>    | <u>\$ 10,292,513</u> |

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.**  
(a Texas Nonprofit Corporation)

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

---

**Note 4 - Fair Value Measurements (Continued)**

Investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the net assets of the Foundation.

**Note 5 - Scholarships and Programs Payable**

Scholarships and programs payable consist of amounts awarded but not paid. The amounts payable of \$358,144 and \$311,932 as of June 30, 2018 and 2017, respectively, are expected to be paid within one year.

**Note 6 - Restrictions and Use of Net Assets**

Unrestricted net assets of \$849,129 and \$861,270 as of June 30, 2018 and 2017, respectively, have been designated by the Board of Directors to function as an endowment for scholarships to be funded through the Promise for Their Future program.

Temporarily restricted net assets of \$4,460,970 and \$4,400,824 as of June 30, 2018 and 2017, respectively, were available primarily to fund scholarships. Net assets of \$919,899 and \$585,286 were released from donor restrictions during the years ended June 30, 2018 and 2017, respectively, by incurring expenses satisfying the purpose specified by donors.

Permanently restricted net assets of \$4,760,544 and \$4,515,702 as of June 30, 2018 and 2017, respectively, consist of endowment funds for scholarships.

**Note 7 - Endowment Funds**

The Foundation's endowments consist of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. The classification of the net assets of these funds is based upon the existence or absence of donor imposed restrictions. The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

**Note 7 - Endowment Funds (Continued)**

As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment funds that are not classified as permanently restricted net assets is classified as temporarily restricted or unrestricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by the UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the Foundation and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Foundation; and
- The investment policies of the Foundation.

The composition of endowment net assets consist of the following at June 30, 2018:

|                                  | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>Total</u>        |
|----------------------------------|---------------------|-----------------------------------|-----------------------------------|---------------------|
| Donor restricted endowment funds | \$ 739,161          | \$ 713,180                        | \$ 4,760,544                      | \$ 6,212,885        |
| Board-designated endowment funds | 849,129             | -                                 | -                                 | 849,129             |
| Total endowment funds            | <u>\$ 1,588,290</u> | <u>\$ 713,180</u>                 | <u>\$ 4,760,544</u>               | <u>\$ 7,062,014</u> |

The composition of endowment net assets consist of the following at June 30, 2017:

|                                  | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>Total</u>        |
|----------------------------------|---------------------|-----------------------------------|-----------------------------------|---------------------|
| Donor restricted endowment funds | \$ 715,493          | \$ 765,482                        | \$ 4,515,702                      | \$ 5,996,677        |
| Board-designated endowment funds | 861,270             | -                                 | -                                 | 861,270             |
| Total endowment funds            | <u>\$ 1,576,763</u> | <u>\$ 765,482</u>                 | <u>\$ 4,515,702</u>               | <u>\$ 6,857,947</u> |

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

**Note 7 - Endowment Funds (Continued)**

The changes in the endowment funds for the years ended June 30, 2018 and 2017 are as follows:

|   | <u>Unrestricted</u>     | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>Total</u>            |
|---|-------------------------|-----------------------------------|-----------------------------------|-------------------------|
| Endowment net assets,<br>July 1, 2016         | \$ 1,501,909            | \$ 693,205                        | \$ 4,232,200                      | \$ 6,427,314            |
| Investment return:                            |                         |                                   |                                   |                         |
| Investment income                             | 118,798                 | -                                 | -                                 | 118,798                 |
| Net appreciation<br>(realized and unrealized) | 10,147                  | 72,277                            | -                                 | 82,424                  |
| Contributions                                 | -                       | -                                 | 282,292                           | 282,292                 |
| Change in donor designations                  | -                       | -                                 | 1,210                             | 1,210                   |
| Expenditures                                  | <u>(54,091)</u>         | <u>-</u>                          | <u>-</u>                          | <u>(54,091)</u>         |
| <br>Endowment net assets,<br>June 30, 2017    | <br><u>\$ 1,576,763</u> | <br><u>\$ 765,482</u>             | <br><u>\$ 4,515,702</u>           | <br><u>\$ 6,857,947</u> |
| Investment return:                            |                         |                                   |                                   |                         |
| Investment income                             | 150,710                 | -                                 | -                                 | 150,710                 |
| Net depreciation<br>(realized and unrealized) | (7,074)                 | (52,302)                          | -                                 | (59,376)                |
| Contributions                                 | -                       | -                                 | 223,098                           | 223,098                 |
| Change in donor designations                  | -                       | -                                 | 21,744                            | 21,744                  |
| Expenditures                                  | <u>(132,109)</u>        | <u>-</u>                          | <u>-</u>                          | <u>(132,109)</u>        |
| <br>Endowment net assets,<br>June 30, 2018    | <br><u>\$ 1,588,290</u> | <br><u>\$ 713,180</u>             | <br><u>\$ 4,760,544</u>           | <br><u>\$ 7,062,014</u> |

The Foundation has adopted an investment and spending policy for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. Actual returns in any given year may vary from this amount. To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity based investments to achieve its long-term objective within prudent risk constraints.

**SAN JACINTO COMMUNITY COLLEGE  
FOUNDATION, INC.  
(a Texas Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 and 2017**

---

**Note 7 - Endowment Funds (Continued)**

Over the long term, the Foundation expects its endowment assets to grow based on the current spending policy. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity for a specific term as well as to provide additional real growth through new gifts and investment returns.

**Note 8 - Related Party Transactions**

The College provides the Foundation with employees, professional services and office supplies at no charge. The College also provides office space to the Foundation at no charge. The donated services and facilities from the College for the years ended June 30, 2018 and 2017 was \$491,788 and \$415,985, respectively, and is included as contributions and as management and general expense in the statements of activities.

**Note 9 - Concentrations**

Contributions

Donor amounts that exceed 10% of total receivables or contributions are considered significant. At June 30, 2018, unconditional promises to give totaling \$220,000 are due from three donors and represents 94% of total unconditional promises to give at June 30, 2018 and one contribution of \$250,000 was received during the year ended June 30, 2018. At June 30, 2017, unconditional promises to give totaling \$310,000 are due from three donors and represents 92% of total unconditional promises to give at June 30, 2017.

Credit Risk

Certain financial instruments subject the Foundation to concentrations of credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in net values of investment securities will occur in the near term and that such change could materially affect the amounts recorded in the statement of financial position.

**Note 10 - Subsequent Events**

Management has evaluated subsequent events through November 29, 2018, the date which the financial statements were available to be issued. Management has determined that no subsequent events require recognition or disclosure in these financial statements.

\* \* \* End of Notes \* \* \*

## 2008 Bond Program

Report as of November 30, 2018

| Project   | Base Budget        | Budget Adjustments | Current Budget     | Program Management Fees | Total Budget       | Encumbered Funds | Total Expenditures | Remaining Balance | Percent of Budget Encumbered/ Expensed |
|---|--------------------|--------------------|--------------------|-------------------------|--------------------|------------------|--------------------|-------------------|--|
| <b>Central</b>                                  |                    |                    |                    |                         |                    |                  |                    |                   |  |
| <b>Sub-total</b>                                | -                  | -                  | -                  | -                       | -                  | -                | -                  | -                 | -                                      |
| <b>North</b>                                    |                    |                    |                    |                         |                    |                  |                    |                   |  |
| 722919 - NC Welcome Center Reconfiguration      | -                  | 400,000            | 400,000            | -                       | 400,000            | -                | -                  | 400,000           | -                                      |
| <b>Sub-total</b>                                | -                  | 400,000            | 400,000            | -                       | 400,000            | -                | -                  | 400,000           | -                                      |
| <b>South</b>                                    |                    |                    |                    |                         |                    |                  |                    |                   |  |
| 723914 - SC Softball Improvements               | 850,000            | -                  | 850,000            | -                       | 850,000            | 199,874          | 649,682            | 444               | 99.95%                                 |
| 723917 - SC Welcome Center Reconfiguration      | -                  | 400,000            | 400,000            | -                       | 400,000            | 38,500           | -                  | 361,500           | 9.63%                                  |
| <b>Sub-total</b>                                | 850,000            | 400,000            | 1,250,000          | -                       | 1,250,000          | 238,374          | 649,682            | 361,944           | 71.04%                                 |
| <b>District</b>                                 |                    |                    |                    |                         |                    |                  |                    |                   |  |
| 720100 - Program Management                     | -                  | -                  | -                  | (9,605,947)             | 9,605,947          | -                | -                  | -                 | -                                      |
| 726800 - Contingency                            | 14,626,260         | (14,405,240)       | 221,020            | -                       | 221,020            | -                | -                  | 221,020           | -                                      |
| 726907 - Wayfinding Signage                     | 50,000             | 950,000            | 1,000,000          | 10,924                  | 989,076            | 15,510           | 47,628             | 936,862           | 6.31%                                  |
| 726811 - A.1/A.2 Building Renovations           | -                  | 1,311,000          | 1,311,000          | -                       | 1,311,000          | 166,231          | 164,820            | 979,949           | 25.25%                                 |
| 726812 - Science Parks                          | -                  | 490,000            | 490,000            | -                       | 490,000            | 6,000            | -                  | 484,000           | 1.22%                                  |
| <b>Sub-total</b>                                | 14,676,260         | (11,654,240)       | 3,022,020          | (9,595,023)             | 12,617,043         | 187,741          | 212,448            | 2,621,831         | 13.24%                                 |
| <b>2008 Contingency Supplemental Projects</b>   |                    |                    |                    |                         |                    |                  |                    |                   |  |
| 721915 - CC Police Vehicles                     | -                  | 127,783            | 127,783            | -                       | 127,783            | 1,038            | 121,623            | 5,122             | 95.99%                                 |
| 721916 - CC FS Passenger Van                    | -                  | 85,000             | 85,000             | -                       | 85,000             | 78,671           | -                  | 6,329             | 92.55%                                 |
| 721917 - CC FS Pick-Up/Mini Van                 | -                  | 80,000             | 80,000             | -                       | 80,000             | 77,728           | -                  | 2,272             | 97.16%                                 |
| 726912 - Dist MAC Computer Refresh              | -                  | 615,000            | 615,000            | -                       | 615,000            | -                | 361,679            | 253,321           | 58.81%                                 |
| 726913 - Dist Dell Lease Refresh/Bond Comp      | -                  | 125,000            | 125,000            | -                       | 125,000            | -                | 63,822             | 61,178            | 51.06%                                 |
| 726914 - Dist - System Admin Storage Refresh    | -                  | 167,000            | 167,000            | -                       | 167,000            | 10,903           | 128,827            | 27,270            | 83.67%                                 |
| 726915 - Dist - Inv/Procure Ford Transit 250    | -                  | 64,000             | 64,000             | -                       | 64,000             | 63,600           | -                  | 400               | 99.38%                                 |
| 726916 - Dist - College Wide Scheduling Sys     | -                  | 200,000            | 200,000            | -                       | 200,000            | -                | -                  | 200,000           | -                                      |
| 726917 - Dist - CPD Evolve Software             | -                  | 100,000            | 100,000            | -                       | 100,000            | 19,418           | 19,570             | 61,012            | 38.99%                                 |
| 726918 - Dist Marketing Website Devel           | -                  | 250,000            | 250,000            | -                       | 250,000            | 140,625          | 59,375             | 50,000            | 80.00%                                 |
| 726919 - Dist Marketing Printer                 | -                  | 7,500              | 7,500              | -                       | 7,500              | 851              | 4,083              | 2,566             | 65.79%                                 |
| 726921 - Dist - Transcripts Solution Lexmark    | -                  | 248,954            | 248,954            | -                       | 248,954            | 57,083           | 191,871            | -                 | 100.00%                                |
| 726810 - 2008 Contingency Supplemental Projects | -                  | 72,966             | 72,966             | -                       | 72,966             | -                | -                  | 72,966            | -                                      |
| <b>Sub-total</b>                                | -                  | 2,143,203          | 2,143,203          | -                       | 2,143,203          | 449,917          | 950,850            | 742,436           | 65.36%                                 |
| <b>Supplemental Projects closed</b>             |                    |                    |                    |                         |                    |                  |                    |                   |  |
| 721911 - CC OR Electric Bed                     | -                  | 19,146             | 19,146             | -                       | 19,146             | -                | 19,146             | -                 | 100.00%                                |
| 721912 - CC Full Body Phantom                   | -                  | -                  | -                  | -                       | -                  | -                | -                  | -                 | -                                      |
| 721913 - CC - GE Ultrasound Machine             | -                  | 45,633             | 45,633             | -                       | 45,633             | -                | 45,633             | -                 | 100.00%                                |
| 721914 - CC Engine Driver Welder                | -                  | 18,288             | 18,288             | -                       | 18,288             | -                | 18,288             | -                 | 100.00%                                |
| 722911 - NC Library Security Gates              | -                  | -                  | -                  | -                       | -                  | -                | -                  | -                 | -                                      |
| 722912 - NC Cardiac Monitor                     | -                  | 8,995              | 8,995              | -                       | 8,995              | -                | 8,995              | -                 | 100.00%                                |
| 722913 - NC Nursing Kelley                      | -                  | 24,385             | 24,385             | -                       | 24,385             | -                | 24,385             | -                 | 100.00%                                |
| 722914 - NC Tablet/Capsule Counter              | -                  | 4,590              | 4,590              | -                       | 4,590              | -                | 4,590              | -                 | 100.00%                                |
| 722915 - NC Monument Room AV Update             | -                  | 20,818             | 20,818             | -                       | 20,818             | -                | 20,818             | -                 | 100.00%                                |
| 723915 - SC - Traveler, Border, and Leg Curt    | -                  | 60,545             | 60,545             | -                       | 60,545             | -                | 60,545             | -                 | 100.00%                                |
| 723916 - SC SimMan 3G                           | -                  | 90,568             | 90,568             | -                       | 90,568             | -                | 90,568             | -                 | 100.00%                                |
| 726909 - Dist Network/Wireless Equipment        | -                  | 780,871            | 780,871            | -                       | 780,871            | -                | 780,871            | -                 | 100.00%                                |
| 726910 - Dist Juniper Switches                  | -                  | 902,012            | 902,012            | -                       | 902,012            | -                | 902,012            | -                 | 100.00%                                |
| 726911 - Dist Enterprise Applications: ILP      | -                  | 79,965             | 79,965             | -                       | 79,965             | -                | 79,965             | -                 | 100.00%                                |
| 726920 - Dist Marketing Computers               | -                  | -                  | -                  | -                       | -                  | -                | -                  | -                 | -                                      |
| <b>Sub-total</b>                                | -                  | 2,055,816          | 2,055,816          | -                       | 2,055,816          | -                | 2,055,816          | -                 | 100.00%                                |
| <b>Projects Closed</b>                          |                    |                    |                    |                         |                    |                  |                    |                   |  |
| <b>Sub-total</b>                                | 279,473,740        | 6,655,221          | 286,128,961        | 9,595,023               | 276,533,938        | -                | 286,128,961        | -                 | 100.00%                                |
| <b>TOTALS</b>                                   | <b>295,000,000</b> | <b>-</b>           | <b>295,000,000</b> | <b>-</b>                | <b>295,000,000</b> | <b>876,032</b>   | <b>289,997,757</b> | <b>4,126,211</b>  | <b>56</b> 98.60%                       |



**2015 Bond Program**

Report as of November 30, 2018

| Project  | Base Budget        | Budget Adjustments  | Current Budget     | Program Management Fees | Total Budget       | Encumbered Funds  | Total Expenditures | Remaining Balance  | Percent of Budget Encumbered /Expensed |
|--|--------------------|---------------------|--------------------|-------------------------|--------------------|-------------------|--------------------|--------------------|--|
| <b>Central</b>                                     |                    |                     |                    |                         |                    |                   |                    |                    |  |
| 731601 - CC Petrochemical Center                   | 52,450,000         | (1,746,788)         | 50,703,212         | 2,084,418               | 52,787,630         | 15,968,403        | 31,862,421         | 4,956,806          | 90.61%                                 |
| 71601A - CC Petrochem Process Plant                | -                  | 7,630,389           | 7,630,389          | -                       | 7,630,389          | 3,787,700         | 2,429,669          | 1,413,020          | 81.48%                                 |
| 71601B - CC Petrochem Extended Site Development    | -                  | 7,946,009           | 7,946,009          | -                       | 7,946,009          | 9                 | 6,315,232          | 1,630,768          | 79.48%                                 |
| 731602 - CC Welcome Center                         | 16,600,000         | 6,014,205           | 22,614,205         | 528,262                 | 23,142,467         | 1,594,712         | 1,194,200          | 20,353,554         | 12.05%                                 |
| 71602A - CC Welcome Center Site Development        | -                  | 3,000,000           | 3,000,000          | -                       | 3,000,000          | 12,387            | 61,639             | 2,925,975          | 2.47%                                  |
| 731603 - CC Class Room Building                    | 47,155,000         | 8,483,049           | 55,638,049         | 1,500,610               | 57,138,659         | 365,588           | 864,532            | 55,908,539         | 2.15%                                  |
| 731604 - CC Central Data Closets                   | 2,444,000          | (76,497)            | 2,367,503          | 77,777                  | 2,445,280          | 63,999            | 257,422            | 2,123,859          | 13.14%                                 |
| 731605 - CC Central Access Security                | 1,852,000          | (57,968)            | 1,794,032          | 58,942                  | 1,852,974          | 76,338            | 80,803             | 1,695,834          | 8.48%                                  |
| 731606 - CC Frels Renovation                       | 1,153,000          | 3,411,000           | 4,564,000          | -                       | 4,564,000          | 120,604           | 172,862            | 4,270,535          | 6.43%                                  |
| 731607 - CC Davison Building Reno                  | 14,970,000         | (2,773,561)         | 12,196,439         | 476,390                 | 12,672,829         | 186,389           | 271,320            | 12,215,120         | 3.61%                                  |
| 731608 - CC McCollum Center Reno Phase I           | 24,685,000         | (13,804,821)        | 10,880,179         | 785,541                 | 11,665,720         | 193,050           | 455,359            | 11,017,310         | 5.56%                                  |
| 71608A - CC McCollum Center Reno Phase II          | -                  | 10,879,179          | 10,879,179         | -                       | 10,879,179         | -                 | -                  | 10,879,179         | -                                      |
| 731609 - CC McCollum North Reno                    | 2,535,000          | 1,388,655           | 3,923,655          | 80,671                  | 4,004,326          | 19,546            | 42,413             | 3,942,367          | 1.55%                                  |
| 731610 - CC Ball Demo                              | 1,725,000          | -                   | 1,725,000          | -                       | 1,725,000          | -                 | 248                | 1,724,752          | 0.01%                                  |
| 731611 - CC Anderson Demo                          | 2,654,000          | (83,070)            | 2,570,930          | 84,456                  | 2,655,386          | 20,464            | 44,775             | 2,590,147          | 2.46%                                  |
| 731612 - CC Stadium and Track Demo                 | 174,000            | (107,273)           | 66,727             | 5,538                   | 72,265             | 1,792             | 67,158             | 3,315              | 95.41%                                 |
| 731613 - CC Central DDC Network                    | 1,160,000          | (36,308)            | 1,123,692          | 36,917                  | 1,160,609          | 126,124           | 433,969            | 600,516            | 48.26%                                 |
| 731614 - CC Central Plant Upgrades                 | 1,160,000          | 313,692             | 1,473,692          | 36,917                  | 1,510,609          | 1,127,780         | 87,910             | 294,919            | 80.48%                                 |
| <b>Sub-total</b>                                   | <b>170,717,000</b> | <b>30,379,892</b>   | <b>201,096,892</b> | <b>5,756,439</b>        | <b>206,853,331</b> | <b>23,664,883</b> | <b>44,641,933</b>  | <b>138,546,515</b> | <b>33.02%</b>                          |
| <b>North</b>                                       |                    |                     |                    |                         |                    |                   |                    |                    |  |
| 732601 - NC Cosmetology & Culinary Center          | 22,845,000         | 4,584,952           | 27,429,952         | 726,989                 | 28,156,941         | 22,167,217        | 1,317,171          | 4,672,554          | 83.41%                                 |
| 732602 - NC North Data Closets                     | 915,000            | (28,640)            | 886,360            | 29,112                  | 915,472            | 125,171           | 251,544            | 538,757            | 41.15%                                 |
| 732604 - NC Lehr Library Demo                      | 650,000            | (441,896)           | 208,104            | 20,680                  | 228,784            | -                 | 225,634            | 3,150              | 98.62%                                 |
| 732605 - NC North Access/Security                  | 877,000            | (27,450)            | 849,550            | 27,907                  | 877,457            | 48,661            | 47,224             | 781,572            | 10.93%                                 |
| 732606 - NC Wheeler Reno                           | 14,300,000         | 1,511,410           | 15,811,410         | 455,068                 | 16,266,478         | 827,731           | 330,138            | 15,108,610         | 7.12%                                  |
| 732607 - NC Brightwell Reno                        | 6,628,000          | 2,449,544           | 9,077,544          | 210,929                 | 9,288,473          | 447,043           | 158,157            | 8,683,272          | 6.52%                                  |
| 732608 - NC Spencer Reno                           | 13,000,000         | (850,900)           | 12,149,100         | 413,693                 | 12,562,793         | 643,065           | 300,042            | 11,619,686         | 7.51%                                  |
| 732609 - NC North DDC Network                      | 580,000            | (18,154)            | 561,846            | 18,459                  | 580,305            | 110,008           | 214,645            | 255,652            | 55.95%                                 |
| 732610 - NC Underground Utility Tunnel             | 11,600,000         | (6,100,000)         | 5,500,000          | -                       | 5,500,000          | 2,847,202         | 982,412            | 1,670,386          | 69.63%                                 |
| 732611 - NC 24 Acres Wetlands Mitigation           | 2,000,000          | (2,000,000)         | -                  | -                       | -                  | -                 | -                  | -                  | -                                      |
| 732612 - NC Uvalde Expansion                       | 5,000,000          | (5,000,000)         | -                  | -                       | -                  | -                 | -                  | -                  | -                                      |
| 732613 - NC - Burlison Renovation                  | -                  | 3,525,000           | 3,525,000          | -                       | 3,525,000          | 130,885           | 38,992             | 3,355,123          | 4.82%                                  |
| <b>Sub-total</b>                                   | <b>78,395,000</b>  | <b>(2,396,134)</b>  | <b>75,998,866</b>  | <b>1,902,837</b>        | <b>77,901,703</b>  | <b>27,346,982</b> | <b>3,865,959</b>   | <b>46,688,762</b>  | <b>40.07%</b>                          |
| <b>South</b>                                       |                    |                     |                    |                         |                    |                   |                    |                    |  |
| 733601 - SC Engineering & Technology Center        | 28,400,000         | 1,690,080           | 30,090,080         | 903,770                 | 30,993,850         | 1,107,987         | 1,444,999          | 28,440,865         | 8.24%                                  |
| 733602 - SC Cosmetology Center                     | 16,213,000         | (107,466)           | 16,105,534         | 515,950                 | 16,621,484         | 12,959,231        | 1,060,006          | 2,602,247          | 84.34%                                 |
| 733603 - SC Longenecker Reno                       | 22,555,000         | (1,155,972)         | 21,399,028         | 717,760                 | 22,116,788         | 821,239           | 918,921            | 20,376,627         | 7.87%                                  |
| 733604 - SC South Data Closets                     | 765,000            | (23,944)            | 741,056            | 24,340                  | 765,396            | 59,852            | 198,372            | 507,172            | 33.74%                                 |
| 733605 - SC South Primary Electrical Upgrade       | 5,800,000          | (181,540)           | 5,618,460          | 184,571                 | 5,803,031          | 59,454            | 97,038             | 5,646,539          | 2.70%                                  |
| 733606 - SC South Access/ Security                 | 599,000            | (18,750)            | 580,250            | 19,069                  | 599,319            | 36,256            | 44,412             | 518,651            | 13.46%                                 |
| 733607 - SC South HW/CW Relocation                 | 10,266,000         | (321,326)           | 9,944,674          | 326,687                 | 10,271,361         | 93,889            | 171,754            | 10,005,718         | 2.59%                                  |
| 733608 - SC South Sanitary Sewer Rehabilitation    | 1,160,000          | (36,308)            | 1,123,692          | 36,917                  | 1,160,609          | 23,678            | 19,411             | 1,117,521          | 3.71%                                  |
| 733609 - SC Fire House Expansion                   | 5,585,000          | (5,585,000)         | -                  | -                       | -                  | -                 | -                  | -                  | -                                      |
| 733610 - SC Jones Reno                             | 13,803,000         | 365,966             | 14,168,966         | 439,253                 | 14,608,219         | 106,428           | 230,940            | 14,270,851         | 2.31%                                  |
| 733611 - SC Bruce Student Center Reno              | 10,400,000         | (8,415,222)         | 1,984,778          | 330,957                 | 2,315,735          | 80,818            | 2,142,786          | 92,131             | 96.02%                                 |
| 733612 - SC HVAC Tech                              | 312,000            | 3,500,000           | 3,812,000          | 177,720                 | 3,989,720          | 2,268,338         | 531,679            | 1,189,704          | 70.18%                                 |
| 733613 - SC South DDC Network                      | 580,000            | (18,154)            | 561,846            | 18,459                  | 580,305            | 111,947           | 264,682            | 203,676            | 64.90%                                 |
| 733614 - SC Academic Building Renovation (S-7&S-9) | -                  | 8,010,000           | 8,010,000          | -                       | 8,010,000          | 156,534           | 206,541            | 7,646,925          | 4.53%                                  |
| <b>Sub-total</b>                                   | <b>116,438,000</b> | <b>(2,297,636)</b>  | <b>114,140,364</b> | <b>3,695,453</b>        | <b>117,835,817</b> | <b>17,885,651</b> | <b>7,331,540</b>   | <b>92,618,626</b>  | <b>21.40%</b>                          |
| <b>Maritime</b>                                    |                    |                     |                    |                         |                    |                   |                    |                    |  |
| 736603 - MC Maritime Expansion                     | 28,000,000         | (20,500,000)        | 7,500,000          | -                       | 7,500,000          | -                 | -                  | 7,500,000          | -                                      |
| <b>Sub-total</b>                                   | <b>28,000,000</b>  | <b>(20,500,000)</b> | <b>7,500,000</b>   | <b>-</b>                | <b>7,500,000</b>   | <b>-</b>          | <b>-</b>           | <b>7,500,000</b>   | <b>-</b>                               |
| <b>Admin</b>                                       |                    |                     |                    |                         |                    |                   |                    |                    |  |
| 736602 - College Development                       | 30,000,000         | (19,544,000)        | 10,456,000         | -                       | 10,456,000         | 62,091            | 72,672             | 10,321,237         | 1.29%                                  |
| 736604 - Dist Construction Studies                 | 283,820            | 74,028              | 357,848            | -                       | 357,848            | 38,252            | 319,596            | -                  | 100.00%                                |
| 720100 - Program Management - AECOM                | -                  | 9,118,003           | 9,118,003          | (9,118,003)             | -                  | -                 | -                  | -                  | -                                      |
| 720100 - Program Management - Other                | -                  | 2,084,418           | 2,084,418          | (2,084,418)             | -                  | -                 | -                  | -                  | -                                      |
| 736601 - Contingency                               | 1,166,180          | 3,081,429           | 4,247,609          | (152,308)               | 4,095,301          | -                 | -                  | 4,095,301          | -                                      |
| <b>Sub-total</b>                                   | <b>31,450,000</b>  | <b>(5,186,122)</b>  | <b>26,263,878</b>  | <b>(11,354,729)</b>     | <b>14,909,149</b>  | <b>100,343</b>    | <b>392,268</b>     | <b>14,416,538</b>  | <b>3.30%</b>                           |
| <b>TOTALS</b>                                      | <b>425,000,000</b> | <b>-</b>            | <b>425,000,000</b> | <b>-</b>                | <b>425,000,000</b> | <b>68,997,859</b> | <b>56,231,700</b>  | <b>299,770,441</b> | <b>29.47%</b>                          |

## Repair and Renovation

Report as of November 30, 2018

| Project   | Base Budget      | Budget Adjustments | Current Budget   | Program Management Fees | Total Budget     | Encumbered Funds | Total Expenditures | Remaining Balance | Percent of Budget Encumbered/ Expensed |
|---|------------------|--------------------|------------------|-------------------------|------------------|------------------|--------------------|-------------------|--|
| <b>Central</b>                                  |                  |                    |                  |                         |                  |                  |                    |                   |  |
| F18053 - CC C26.150 Acoustics Assessment        | -                | 60,000             | 60,000           | -                       | 60,000           | 4,000            | -                  | 56,000            | 6.67%                                  |
| F18058 - CC C34.132 Heat Units                  | -                | 15,000             | 15,000           | -                       | 15,000           | -                | -                  | 15,000            | -                                      |
| F18070 - CC C26.100 Repair Hydraulic Lift       | -                | 10,000             | 10,000           | -                       | 10,000           | -                | -                  | 10,000            | -                                      |
| F18071 - CC C6.105 AV System                    | -                | 7,569              | 7,569            | -                       | 7,569            | 7,569            | -                  | -                 | 100.00%                                |
| F19001 - CC Central Misc.                       | -                | 50,000             | 50,000           | -                       | 50,000           | -                | -                  | 50,000            | -                                      |
| F19012 - CC - C6 Retaining Wall Repair          | -                | 14,783             | 14,783           | -                       | 14,783           | 14,783           | -                  | -                 | 100.00%                                |
| <b>Sub-total</b>                                | -                | 157,352            | 157,352          | -                       | 157,352          | 26,352           | -                  | 131,000           | 16.75%                                 |
| <b>North</b>                                    |                  |                    |                  |                         |                  |                  |                    |                   |  |
| F18073 - NC N12 Structural Condition Assessment | -                | 10,000             | 10,000           | -                       | 10,000           | 10,000           | -                  | -                 | 100.00%                                |
| F19002 - NC North Misc.                         | -                | 50,000             | 50,000           | -                       | 50,000           | 2,999            | -                  | 47,001            | 6.00%                                  |
| <b>Sub-total</b>                                | -                | 60,000             | 60,000           | -                       | 60,000           | 12,999           | -                  | 47,001            | 21.67%                                 |
| <b>South</b>                                    |                  |                    |                  |                         |                  |                  |                    |                   |  |
| F18040 - SC S8 Roof Replacement                 | -                | 880,000            | 880,000          | -                       | 880,000          | 56,000           | -                  | 824,000           | 6.36%                                  |
| F18059 - SC Softball Dugout Renovation          | -                | 60,000             | 60,000           | -                       | 60,000           | -                | -                  | 60,000            | -                                      |
| F19003 - SC South Misc.                         | -                | 50,000             | 50,000           | -                       | 50,000           | 2,780            | -                  | 47,220            | 5.56%                                  |
| <b>Sub-total</b>                                | -                | 990,000            | 990,000          | -                       | 990,000          | 58,780           | -                  | 931,220           | 5.94%                                  |
| <b>District</b>                                 |                  |                    |                  |                         |                  |                  |                    |                   |  |
| F18046 - DIST A1.200/202 Install Acoustics      | -                | 20,000             | 20,000           | -                       | 20,000           | -                | -                  | 20,000            | -                                      |
| F18051 - DIST M1 MTTC Repairs                   | -                | 35,000             | 35,000           | -                       | 35,000           | -                | -                  | 35,000            | -                                      |
| F19004 - DIST College Admin Misc.               | -                | 50,000             | 50,000           | -                       | 50,000           | 3,700            | -                  | 46,300            | 7.40%                                  |
| F19016 - Marketing Renovation DA2-205           | -                | 18,500             | 18,500           | -                       | 18,500           | -                | -                  | 18,500            | -                                      |
| <b>Sub-total</b>                                | -                | 123,500            | 123,500          | -                       | 123,500          | 3,700            | -                  | 119,800           | 3.00%                                  |
| <b>Contingency (720700)</b>                     | 1,493,652        | (1,338,176)        | 155,476          | -                       | 155,476          | -                | -                  | 155,476           | -                                      |
| <b>Sub-total</b>                                | 1,493,652        | (1,338,176)        | 155,476          | -                       | 155,476          | -                | -                  | 155,476           | -                                      |
| <b>Projects Closed</b>                          |                  |                    |                  |                         |                  |                  |                    |                   |  |
| F19007 - SC S15.121 Power and Data Add          | -                | 2,515              | 2,515            | -                       | 2,515            | -                | 2,515              | -                 | 100.00%                                |
| F19008 - SC S7.266 Power Add                    | -                | 3,292              | 3,292            | -                       | 3,292            | -                | 3,292              | -                 | 100.00%                                |
| F19009 - CC C14 Café Door                       | -                | 1,517              | 1,517            | -                       | 1,517            | -                | 1,517              | -                 | 100.00%                                |
| <b>Sub-total</b>                                | -                | 7,324              | 7,324            | -                       | 7,324            | -                | 7,324              | -                 | 100.00%                                |
| <b>TOTALS</b>                                   | <b>1,493,652</b> | <b>-</b>           | <b>1,493,652</b> | <b>-</b>                | <b>1,493,652</b> | <b>101,831</b>   | <b>7,324</b>       | <b>1,384,497</b>  | <b>7.31%</b>                           |

**SAN JACINTO COLLEGE DISTRICT**  
**Building Committee Meeting**  
**January 15, 2019**

Members Present: Dan Mims, John Moon, Jr., Erica Davis Rouse

Members Absent: Marie Flickinger

Others Trustees Present: None

Others Present: Bill Dowell, Kelly Davis, Scott Gernander, Allatia Harris, Joe Hebert, Brenda Hellyer, Bryan Jones, Mini Izaguirre, Angela Klaus, Ann Kokx-Templett, Charles Smith, Teri Zamora, Bryan Jones, Jeff Tambrella

- I. The meeting was called to order at 3:33 p.m. by Committee Chair, Dan Mims.
- II. Roll Call of Committee Members by Dan Mims
  - a. John Moon, Jr., present
  - b. Erica Davis Rouse, present
  - c. Other Trustees present: None
  - d. Members absent: Marie Flickinger
- III. Approval of Minutes from the November 27, 2018 Building Committee Meeting
  - a. Dan Mims presented the minutes of the November 27, 2018 Building Committee meeting. A motion was made by Erica Davis Rouse to accept the minutes as presented. John Moon Jr. seconded the motion. The minutes were approved as presented.
- IV. Recommended Projects and Delivery Methods which will provide the best value to the College (discussions were led by Bryan Jones)
  - a. Consideration of approval of Contract Amendment for 2015 Bond Program Management Services
    - i. This item requests consideration of approval for an amendment to the contract with AECOM Technical Services, Inc. (AECOM) to include program management services for the initial building at the San Jacinto College Generation Park campus, as well as for expanded assignments within the 2015 Bond Program.
    - ii. Explanation was provided that funds are available in the 2015 Bond budget. The current action allocates the contracted 3.13 percent of each project budget to AECOM.

- iii. A question was asked regarding the College's experience with AECOM's services, and it was verified that the College is satisfied with the services received so far.
    - iv. It was also clarified that Rizzo rather than AECOM is managing the Petrochem project.
  - b. Consideration of Approval to Purchase Audio Visual Equipment and Services for renovations and new construction projects
    - i. This item requests consideration to approve the purchase with Network Cabling Services (NCS) for three (3) renovation and three (3) new construction projects included the 2015 Bond Program.
    - ii. Explanation was provided that funds are available in the 2015 Bond budget. Prices from cooperative contracts were compared to select the best option for the College.
  - c. Consideration of Approval to Purchase Audio Visual Equipment and Services for the Central Campus Center for Petrochemical, Energy, and Technology (CPET) facility
    - i. This item requests consideration to approve the purchase of audio visual equipment and related installation services from Network Cabling Services (NCS) for the Central Campus Center for Petrochemical, Energy, and Technology (CPET) facility.
    - ii. Further discussion confirmed that Network Cabling Services is locally owned and located near the College.
  - d. Consideration of Approval to Purchase Data Network Equipment for the South Campus Longenecker Building
    - i. This item requests consideration to approve the purchase of data network, wireless, and paging equipment from Layer 3 Communications, LLC (Layer 3) for the South Campus Longenecker Building.
  - e. Consideration of Approval of Method of Procurement for South Campus Utilities Upgrades
    - i. This item requests consideration to approve the Competitive Sealed Proposal (CSP) methodology for three campus utility upgrade projects at the South Campus, including the Primary Electrical Upgrade, the Heated Water/Chilled Water relocation, and the Domestic Water Rehabilitation, as included in the 2015 Bond Program.
  - f. Consideration of Approval to Contract for Engineering Services for South Campus Utilities Upgrades
    - i. This item requests consideration to authorize ACR Engineering, Inc.

(ACR) to provide engineering services for the South Campus Primary Electrical Upgrade and Hot Water/Chilled Water (HW/CW) Relocation projects.

- ii. A discussion followed confirming ownership of this firm.
- g. Consideration of Approval to Amend Contract for Construction Services for the Central Campus Petrochemical Process Training Unit
  - i. This item requests consideration to approve a contract amendment of up to ten percent of the approved amount with Austin Maintenance and Construction, Inc. (Austin) for additional construction services at the Petrochemical Process Training Unit of the Center for Petrochemical, Energy, and Technology at Central Campus (CPET).
  - ii. The increases generally relate to delays stemming from weather, delayed deliveries of needed items, and changes due to revised scope.
  - iii. A member requested clarification regarding the College process on accepting donations that impact capital projects. Charles Smith elaborated on the process, and on some of the issues that have surfaced and been resolved regarding acceptance of donations in this project. Some issues were of a legal nature, and some were related to modifications needed to fit the exact specifications of the donated item into the project design.
  - iv. A discussion ensued regarding the College's responsibility to compensate the contractor for weather delays. Mr. Smith explained that some weather days are built into the contract, and detailed billings for ongoing cost items are reviewed and settled on before closing out the project.
- h. Consideration of Approval to Amend Contract for Engineering Services for the Central Campus Petrochemical Process Training Unit
  - i. This item requests consideration to approve a contract amendment with Tellepsen Engineering LLC (Tellepsen Engineering) to provide construction administration services for the Central Campus Petrochemical Process Training Unit.
- i. Consideration of Approval for Job Order Contracting
  - i. This item requests consideration to approve the use of Job Order Contracting (JOC) with Lee Construction & Maintenance Company (LMC Corporation) for repairs and minor construction projects.

V. Project Updates – Bond

- a. Safety - Bond Program (presentation led by Charles Smith)

- b. Safety Data
  - i. Charles Smith presented the safety metrics. All metrics reported as favorable, but it was emphasized that with ever changing number of personnel on worksites everyone must stay vigilant to assure safe work environments.
- c. Bond Program Construction Costs
  - i. Information was presented to communicate that construction costs are continuing to climb. The College has been experiencing GMPS within the ranges anticipated by the last budget adjustment, but projects at the end of the program are at greatest risk. In order to mitigate this, staff is beginning to evaluate some alternate construction methods as well as looking at savings realized in recently approved GMPs. The most current information about all College projects will move forward, with recommendations, in the near future.
- d. South Campus – Softball Improvements
  - i. The Softball Practice Facility is at substantial completion. Interior flooring is being installed.
- e. Central Campus – Center for Petrochemical, Energy, and Technology (CPET)
  - i. The main focus at this time is on internal finishes. Conditioned (dry) air is being supplied in one-third of the building. The chillers are running, chilled and hot hydronic lines are being flushed and circulating. Painting, work on the ceiling grid, and work on the interior glass is ongoing. Electricians are completing the wiring of overhead equipment. Interior lights have been installed throughout. Sidewalks and planters around the building are in progress. Energy recovery units have been installed on the roof and are being connected. Porcelain tile has been installed in most areas. Irrigation system installation is ongoing. Data and building automation system installation is ongoing. Epoxy floor coating began on January 14, 2019.
- f. Central Campus – Glycol Unit, Process Plant
  - i. Structural steel and pipe racks have been largely completed. Process equipment will be installed beginning in mid-February as it is received. The Hunter building has been delivered to the site and will be moved to its final location in the near future.
- g. Central Campus – Welcome Center
  - i. The City of Pasadena approved the building permit one week ago, and the building pad is being prepared.
- h. Central Campus- Frels Renovation
  - i. Work on the third Floor of Frels continues. Fire sprinklers and pumps have passed inspection. The final step to be accomplished with the fire marshal is approval of the new emergency generator, which is expected to occur within two weeks. The third floor will be returned to the campus following the inspections by the fire marshal.

- i. Central Plant Upgrade
  - i. The majority of the work planned was completed over the recent winter break. Remaining rewiring will be completed during the coming weekend. The thermal storage tank was also removed.
- j. North Campus – Cosmetology and Culinary Center
  - i. Contractor has begun pouring of the slab structure. The final pour of foundation concrete is planned for next week.
- k. North Campus – Underground Utility Tunnel
  - i. The heated and chilled water systems were emptied in late December. During this time, piping and valves were replaced to provide more operating flexibility. This portion of the system will be completed in late January 2019. Abandoned wiring and equipment continue to be removed from the tunnel.
- l. North Campus – Spencer, Brightwell, Wheeler, and Burleson Renovation
  - i. Asbestos abatement and renovation began on January 11, 2019 at the Burleson building. The intent is to return the building to the College in July 2019. Design Development documents are in process for the Spencer, Brightwell, and Wheeler building renovations.
- m. South Campus – Engineering & Technology Building
  - i. The Harris County building permit was received last week. Tellepsen is in the process of marking locations for piers. Installation of these will begin next Monday.
- n. South Campus – Cosmetology Building
  - i. All piers have been drilled and concrete poured. All plumbing has been installed and half the grade beams for the foundation have been poured.
- o. South Campus – Longenecker Renovation
  - i. Temporary walls have been installed in renovation areas. Asbestos abatement and renovation demolition work has begun.
- p. South Campus – HVAC Building
  - i. The project is very near complete with electrical work completing yesterday. City of Houston inspections remain. Furniture and instruction equipment is planned to move next week. Punch list inspection was completed January 15, 2019. The attic simulator will be constructed during Spring Break. Codes require that the simulator be fabricated from steel which has increased costs.
- q. South Campus – Academic Building Renovation (S-7, S-9)
  - i. Renovations began January 2, 2019 with asbestos abatement and renovation demolition activities on the second floor.

- r. Generation Park
  - i. Page has generated a Schematic Design package.
  - ii. The members expressed concern about the final look of the outside of the building. The Chancellor tasked Charles Smith to go back to the design team and develop other building exterior options.
  - iii. Design is progressing on a drainage plan. It is expected that the cost of the site development will pose budget pressure.

VI. Financial Report – 2008 Bond, 2015 Revenue, and 2015 Bond Projects

- a. 2008 Bond
  - i. Wayfinding Signage Project
    - a. Third round of concepts are in development.
  - ii. A1/A2 Administration Renovation
    - a. Project is moving forward as planned.
  - iii. Science Park Projects
    - a. Project is on hold pending review of alternatives.
- b. 2015 Revenue Bond
  - i. Remaining contingency to be allocated to Generation Park.
- c. 2015 Bond
  - i. No issues.

VII. Project Updates – Operating

- a. Safety Metrics
  - i. This report was presented. A question was asked about measures printed in red. These are measures that have incomplete information due to the timing of this month's meeting as related to payment of invoices.
- b. Schedule Update
  - i. This report was presented with no comments.
- c. Financial Reports
  - i. This report was presented with no comments.

VIII. Status of Delegated Authority and Other Pending Items

- a. An updated report on status of delegation of authority was presented.
- b. A listing of the recipients of major construction contracts from the 2008 Bond, 2015 Revenue Bond, and 2015 Bond programs was distributed for information.

IX. Adjournment – The meeting was adjourned at 4:54 p.m.



**FINANCE COMMITTEE  
SAN JACINTO COMMUNITY COLLEGE DISTRICT  
JANUARY 15, 2019**

Members Present: Marie Flickinger, Keith Sinor, Dr. Ruede Wheeler, and Larry Wilson

Members Absent: None

Other Trustees Present: None

Others Present: Brenda Hellyer, Teri Zamora, Linda Torres, and Rosselle Helms

- I. The meeting was called to order at 5:00 p.m. by Dr. Ruede Wheeler, Chair, Finance Committee.  
Roll call of the Committee members was taken:
  - Marie Flickinger, present
  - Keith Sinor, present
  - Dr. Ruede Wheeler, present
  - Larry Wilson, present (arrived after the meeting started).
  
- II. Approval of Minutes from the October 16, 2018, Finance Committee Meeting
  - R. Wheeler presented the minutes from the October 16, 2018, Finance Committee Meeting.
    - A motion was made by K. Sinor, and seconded by M. Flickinger to accept the minutes as presented.
  
- III. Response to pending item
  - The decision was made to discuss item IV, then return to item III on the agenda.
  - B. Hellyer reminded the Committee of the pending item during the audit discussion of the October 16, 2018 meeting. The question was posed as to how the College verifies in-district and out-of-district rates.
    - T. Zamora continued that research L. Torres provided, verified the current process. As a student completes the application to attend the College, the address provided is accepted as the primary residence. If the student changes an address, then verification is required.
      - This process was compared with our peers, including Collin College, Tarrant County College, Alamo College, El Paso Community College, and Dallas County Community College. All except Dallas County Community College were using the same process as San Jacinto College.
    - T. Zamora added district-wide statistical enrollment data from 2018 reflecting that 58.1 percent were in-district, 38.1 percent were out-of-district, and 3.8 percent were either out-of-state or international students.
  - B. Hellyer summarized a change to the current process could create an unnecessary bottleneck to enrollment.

- The Committee agreed.

IV. Review and Discuss Internal Audit Departmental Audit

- L. Torres reviewed the executive summary of the Campus Business Offices audit report, which included a detailed evaluation of the operational efficiency, internal controls, and compliance with internal and external regulations and policies surrounding the three Campus Business Offices between September 1, 2017 and April 30, 2018. The following observations with their Correction Action Plans (CAP) were noted:
  - Some procedures utilized by the Campus Business Offices are outdated.
    - CAP – All procedures will be updated with an estimated completion date of January 2019.
    - M. Flickinger asked for clarification between updated procedures from Banner 8 to Banner 9.
    - L. Torres explained that some of the procedural documents reference forms and sequences from Banner 8, and need to be updated following the upgrade to Banner 9, which caused some forms to change.
  - Several Campus Business Offices employees have not completed required internal training.
    - CAP – Lead Supervisor has created a master spreadsheet to track employee trainings with completion dates and future due dates. Sign-off sheets for internal training will be updated on an annual basis. Estimated completion date is January 2019.
  - The Web-Time Entry Payroll System is not utilized efficiently and effectively.
    - CAP – All Campus Business Office Staff have been reassigned to re-take BNNR 5893 – Web Time Entry Non-Exempt. Leaders will meet with staff if manual adjustments are deemed to be excessive.
    - K. Sinor asked if we have talked about the web-time entry before.
    - B. Hellyer confirmed that the Committee has reviewed the topic before and new procedures have been implemented to encourage further compliance.
    - K. Sinor had the follow up question as to who was permitted to make manual adjustments to the system.
    - T. Zamora responded that it is non-exempt employees that use the system to clock in or out. There are various reasons why an adjustment might be made. For instance, an employee might start the day at another location than their office, they forgot, etc. The Committee hears about this frequently because departmental audits bring up common issues that are not only College-wide but specific to that department being audited.
  - Physical security measures in place could be strengthened to enhance the safety of College employees and property.
    - CAP – Internal Audit recommends updated security measures and procedures reviewed with all campus staff.

V. Review and discuss upcoming Debt Issuance and Refinance Transaction

- T. Zamora reviewed the current status of the authorized bonds.

- Voters approved \$425 million in General Obligation Debt in November 2015.
  - Of that, \$150 million was issued in March 2016, with a planned issuance of \$150 million in February 2019.
  - The remaining authorized \$125 million will be issued in approximately 18 to 24 months following the February 2019 issuance. Timing is based on actual project spending.
- A refund of approximately \$12.3 million in callable General Obligation Funds will be transacted at the same time.
  - By completing this refund, the College saves an estimated \$822,000 (6.7%) over the life of the remaining payment.
    - L. Wilson asked if interest rates have gone down.
    - T. Zamora replied yes, since these bonds were issued.
- The names of the professional team were reviewed with the Committee.
  - The underwriters were selected a few years ago by a Request for Proposal (RFP) to select an approved pool of firms.
    - The goal is to get a mix of some the College has previously used and some new underwriters. Additionally, the College is looking for diversified strengths. For example, some may be strong in the retail market, while others may market well with insurance companies. This optimizes the possible buyers of our bonds.
    - The underwriting team will include:
      - Morgan Stanley – Senior
      - Citigroup
      - Piper Jaffray
      - Ramirez & Co.
    - Other professionals:
      - PFM Financial Advisors LLC as Independent Municipal Advisor
        - Their representatives will be at the College’s January 28, 2019 Board Workshop and Meeting to answer any questions.
      - Hunton Andrews Kurth LLP as Bond Counsel
        - Counsel drafted the Bond Parameter Order.
      - Holland and Knight LLP as Disclosure Counsel
        - Added as another participant of the team following recent governmental changes that places more liability on the issuer of the bond.
        - L. Wilson asked how this differs from the Bond Counsel.
        - T. Zamora advised that the Bond Counsel operates more as a Tax Counsel.
- The updated timeline was reviewed.
  - Bond Parameter Order will be pending approval at the January 28, 2019 Board Meeting.
  - The Closing and Delivery is scheduled for March 5, 2019.
- Interest rates as of January 10, 2019, have improved since the last review in November 2018.
  - M. Flickinger asked if costs have also improved.

January 15, 2019 Draft Finance Committee Meeting Minutes - Final after Committee approval at next meeting

- T. Zamora responded that costs are consistently a flat rate, based on the dollar amount of the bond.
- M. Flickinger added that there can be some flexibility.
- This was agreed and B. Hellyer advised that T. Zamora negotiated the participants to a more favorable rate.
- T. Zamora added that the underwriters are set by the RFP but the legal services are typically set through a conversation.
- L. Wilson asked if the College had to pay fees if the bonds do not sell.
- T. Zamora confirmed that fees are contingent on the deal and payment is made at closing.

VI. The meeting Adjourned at 5:30 p.m.

**Action Item “IX”**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval of Amendment to the 2018-2019 Budget**  
**for Restricted Revenue and Expenses Relating to Federal and State Grants**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve an amendment to the 2018-2019 budget for restricted revenue and expenses related to grants.

**BACKGROUND**

Federal, state, and local grants may require amendments for receipt of newly awarded grants or changes to existing grants. These amendments should be processed in a timely manner in order to provide the access to funding to meet the objectives set forth within the grant requirements. This budget amendment request includes the additions to restricted revenues and restricted expenses as a result of new awards and changes to existing grants received during the month of December 2018.

**IMPACT OF THIS ACTION**

Approval of the budget amendment will allow the College’s staff to implement the programs in accordance with the requirements of funded award amounts.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

Restricted revenues and restricted expenses will each be increased by \$39,575, so the net impact on the College budget is zero.

**MONITORING AND REPORTING TIMELINE**

The Office of Grants Management provides continuous monitoring of grant operations, which are included in the annual financial report to the Board of Trustees.

**ATTACHMENTS**

Attachment 1- Budget Amendments-01-28-19

Attachment 2- Grant Detail-01-28-19

**RESOURCE PERSONNEL**

Teri Zamora

281-998-6306

teri.zamora@sjcd.edu

Tomoko Olson

281-998-6146

tomoko.olson@sjcd.edu

SAN JACINTO COLLEGE DISTRICT  
Federal, State, and Local Grant Amendments  
January 28, 2019

|  | Fund   | Org.  | Account | Prog.  | Amount<br>Debit<br>(Credit) |
|--|--------|-------|---------|--------|-----------------------------|
| <u>National Science Foundation/Tidewater Community College - Southwest Maritime and Transportation</u> |        |       |         |        |                             |
| <u>(SMART) (Additional Funds)</u>  |        |       |         |        |                             |
| Federal Grant Revenue  | 534711 | 56700 | 554100  | 110000 | (15,000)                    |
| Supplies   | 534711 | 56700 | 710000  | 460911 | 5,900                       |
| Travel   | 534711 | 56700 | 721000  | 460911 | 6,000                       |
| Contractual Services   | 534711 | 56700 | 731000  | 460911 | 3,100                       |
|  |        |       |         |        | \$ -                        |
| <u>Texas Higher Education Coordinating Board - Nursing Shortage Reduction Program FY2019</u>           |        |       |         |        |                             |
| <u>Regular South (New Grant)</u>   |        |       |         |        |                             |
| State Grant Revenue  | 555043 | 56700 | 554200  | 110000 | (23,994)                    |
| Contractual Services   | 555043 | 56700 | 731000  | 160912 | 23,994                      |
|  |        |       |         |        | -                           |
| <u>Robert Wood Johnson Foundation/The University of Texas Health Science Center at Houston -</u>       |        |       |         |        |                             |
| <u>Summer Health Professions Education Program (SHPEP) FY19 (Additional Funds)</u>                     |        |       |         |        |                             |
| Local Grant Revenue  | 577010 | 56700 | 554300  | 110000 | (506)                       |
| PT - Extra Service Agreement   | 577010 | 56700 | 614200  | 460913 | 406                         |
| Fringe Benefits  | 577010 | 56700 | 650000  | 460913 | 100                         |
|  |        |       |         |        | -                           |
| <u>Small Business Development Center (SBDC) Program Income (Additional Funds)</u>                      |        |       |         |        |                             |
| Local Grant Revenue  | 565902 | 56750 | 554300  | 110000 | (75)                        |
| Contractual Services   | 565902 | 56750 | 731000  | 320100 | 75                          |
|  |        |       |         |        | -                           |
| Net Increase (Decrease)  |        |       |         |        | \$ -                        |

Note: Credits to revenues are increases and credits to expenses are decreases.  
Conversely, debits to revenue are decreases and debits to expenses are increases.

Grant Funding Summary by Agency:

|   |           |
|---|-----------|
| National Science Foundation               | \$ 15,000 |
| Texas Higher Education Coordinating Board | 23,994    |
| Robert Wood Johnson Foundation            | 506       |
| Small Business Development                | 75        |
|   | \$ 39,575 |

National Science Foundation/Tidewater Community College - Southwest Maritime and Transportation (SMART) (Additional Funds)

The SMART Center serves as a regional educational and economic model for preparing a sustainable, globally-prepared maritime and transportation workforce for the 21<sup>st</sup> century. The Center focuses on improving STEM (science, technology, engineering, and mathematic) education to meet the technician workforce needs of advanced technological maritime and transportation industries in the U.S. The grant program's goals are to: a) increase participant knowledge of maritime and transportation careers and the career pathways that exist for students to enter these industries; b) identify, develop, and expand industry career pathways; and c) expand the SMART Center repository of information, industry data, and professional resources. The additional funding is a result of the success of last year's partnership with Tidewater Community College in Virginia.

Texas Higher Education Coordinating Board – Nursing Shortage Reduction Program FY2019 Regular South (New Grant)

This program provides dedicated funds to increase the number of students who enroll and graduate from ADN nursing programs, helping to meet the state's need for registered nurses.

Robert Wood Johnson Foundation/The University of Texas Health Science Center at Houston - Summer Health Professions Education Program (SHPEP) FY19 (Additional Funds)

The SHPEP project is a free six-week academic enrichment summer program to help qualified undergraduate students from minority and disadvantaged backgrounds compete successfully for medical and dental school admission. The College collaborates with The University of Texas Health Science Center at Houston on this project and provides basic science instruction and testing including components of Physics, Organic Chemistry, and Statistics.

Small Business Development Center (SBDC) Program Income (Additional Funds)

The College's SBDC earns income by providing a QuickBooks class and supports small businesses in the community through the SBDC Federal Grant Program. The program provides a vast array of technical assistance to small businesses and aspiring entrepreneurs. By supporting business growth, sustainability and enhancing the creation of new businesses entities, SBDCs foster local and regional economic development through job creation and retention.

## **ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve a revised policy III.3001.D on Debt Management.

## **BACKGROUND**

The purpose of this policy is to establish and maintain well-defined debt management guidelines for issuing new debt as well as managing outstanding debt to sustain a strong debt management program focused on the lowest available borrowing costs and greatest amount of management flexibility.

## **IMPACT OF THIS ACTION**

This policy and associated procedures were sent to the College community on November 30, 2018. No comments were received. Additional reviews were conducted by the College’s bond counsel and financial advisor. One edit was made to the policy, clarifying that approved procurement processes will be used in selecting professional teams participating in debt transactions. One change was made to the procedure, expanding the number of parties with responsibility for maintaining contracts for capital projects.

## **BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

No budgetary impact.

## **MONITORING AND REPORTING TIMELINE**

The Board will be notified of any changes that require its action.

## **ATTACHMENTS**

Attachment 1 – Summary of Changes

Attachment 2 – Policy V-P: Policy on Debt Management (current policy)

Attachment 3 – Policy III.3001.D, Debt Management (proposed policy)

Informational Items Only:

Attachment 4 – Procedure III.3001.D.a, Debt Management: Post Issuance Compliance  
(proposed procedure)

## **RESOURCE PERSONNEL**

|                      |              |                         |
|----------------------|--------------|-------------------------|
| Teri Zamora          | 281-998-6306 | teri.zamora@sjcd.edu    |
| William E. Dickerson | 281-991-6142 | bill.dickerson@sjcd.edu |



# Attachment 1

## Summary of Changes

## Policies and Procedures Summary of Changes

New Policy Number: **III.3001.D**

Proposed Policy Name: **Debt Management**

Current Policy Number/Name: V-P Policy on Debt Management

New Procedure Number: **III.3001.D.a**

Proposed Procedure Name(s): **Debt Management: Post Issuance Compliance**

Current Procedure Number(s)/Name(s): NA

Action Recommended for Policy: Revised

Action Recommended for Procedures: New

Web Links: <https://www.sanjac.edu/policy-v-p-policy-debt-management>

Primary Owner: Vice Chancellor, Fiscal Affairs

Secondary Owner: Director, Accounting and Financial Services

### Summary of Changes to Policy:

- Streamline list of available borrowing methods to those applicable for the College
- Summarize and clarify debt financing and refinancing guidelines
- Reference post-issuance compliance and move details to new Procedure

### Summary of New Procedure:

- List items needed for post-issuance compliance
- Identify responsibility for each item

## Attachment 2

# Policy V-P: Policy on Debt Management (current policy)

# Policy V-P: Policy on Debt Management

## Statement of Purpose

The purpose of the San Jacinto College Debt Management Policy is to establish and maintain well defined debt management guidelines for issuing new debt as well as managing outstanding debt to sustain a strong debt management program, toward lowest available borrowing costs and greatest management flexibility.

## Scope

The San Jacinto College Debt Management Policy applies to all debt instruments issued by the College regardless of the purpose for which issued or the funding source for repayment.

## Objective

The primary objective is to ensure prudent debt management practices which:

- Maintain financial stability
- Preserve public trust
- Minimize costs to taxpayers
- Minimize borrowing costs
- Preserve access to financial markets
- Demonstrate adequate administrative oversight of debt programs to credit rating agencies

## Available Borrowing Methods

The College is authorized to issue the following types of debt as approved by the Texas Education Code and the Texas Government Code:

- General Obligation Bonds ("GO Bonds" or "Limited Tax Debt") - The Texas Education Code Section 130.122 authorizes community colleges to issue bonds for the construction, acquisition, and equipment of school buildings and the purchase of necessary sites for school buildings. The College secures these bonds through levying, pledging, assessing and collecting annual ad valorem taxes sufficient to pay the principal and interest on the bonds as they become due provided that the annual bond tax shall never exceed 50 cents on the \$100 valuation of taxable property in the district. The combined rate for bond taxes and maintenance taxes shall never exceed the aggregate of \$1 on the \$100 valuation of taxable property in the district. Bonds may be issued in various series or issues and shall mature serially or otherwise not more than 40 years from their issuance date and shall bear interest at the rate established by the Board of Trustees and may be redeemed before maturity. The bonds require voter approval to be issued (§ 130.122 (b)).
- Maintenance Tax Notes ("MTN") - The College may pledge any available funds of the College, including the proceeds of its maintenance tax, to secure negotiable maintenance tax notes under Section 45.108, Section 130.084 and Section 130.126 of the Texas Education Code. The proceeds of these notes may be used for any legal maintenance expenditure including environmental clean-up and asbestos removal programs or maintenance, repair, rehabilitation, or replacement of heating, air conditioning, water,

## Attachment 2 – Current Policy

sanitation, roofing, flooring, electric or other building systems of existing school properties. Notes issued pursuant to this section may not at any time exceed 75 percent of the previous year's income, may be issued only after a budget has been adopted for the current school year, and must mature not more than 20 years from their date. Voter approval is not required.

- Tax Anticipation Notes ("TAN") - The College may issue short-term notes (less than one year) for working capital (cash-flow) purposes. TAN can provide low-cost funding for expenditures prior to receipt of maintenance taxes or other revenues. No election is required. TAN are issued under Section 45.108 and Section 130.084 of the Texas Education Code. Voter approval is not required.
- Delinquent Tax Notes - Section 45.104 of the Texas Education Code authorizes the College to pledge any delinquent taxes levied for maintenance purposes to secure a loan and may evidence such loan with negotiable notes. The proceeds of these loans may be employed for any legal maintenance expenditure including all costs incurred in connection with environmental clean-up and asbestos removal programs or maintenance, repair, rehabilitation or replacement of heating, air conditioning, water, sanitation, roofing, flooring, electric or other building systems of existing school properties. Negotiable notes issued under this section must mature not more than 20 years from their date. Voter approval is not required.
- Time Warrants - Section 45.103 of the Texas Education Code authorizes the College to issue time warrants. The warrants must mature in not more than 5 years from their date of issuance and are payable out of any available funds of the College. No election is required to issue time warrants. Time warrants may be issued to provide funds to construct, repair, or renovate school buildings, purchase school buildings and school equipment, or equip school properties with necessary heating, water, sanitation, lunch room, or electric facilities. A school district may not have more than \$500,000 in time warrants outstanding at any one time. Voter approval is not required.
- Contractual Obligations - The College is authorized to incur contractual obligations under Chapter 271 of the Local Government Code to pay for school buses, computers, furniture and other moveable personal property. These contractual obligations are payable from maintenance taxes. The maturity of a contractual obligation may not exceed 25 years. Voter approval is not required.
- Lease Purchase Agreement - The College is authorized to form a Public Property Finance Corporation under Chapter 303 of the Local Government Code. This corporation has the authority to issue bonds to construct any necessary facilities for the College without an election. These bonds are secured by lease payments, payable from the College's maintenance tax and any other lawfully available funds, paid by the College to the Corporation. A 60-day public notice must be given prior to sale, which permits a petition process. If 15% of voters sign a petition the sale is blocked pending a separate election. The statutory authority is Section 271.004 of the Public Property Finance Act.
- Revenue Bonds - Under Section 130.123 of the Texas Education Code, the College is authorized to issue revenue bonds to provide funds to acquire, purchase, construct, improve, renovate, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, or operations of any nature. The bonds are payable from and secured by liens on and pledges of all or any part of any of the non-ad valorem tax revenues from any tuition and fees, rentals, rates, charges, fees, or other resources of the College. Voter approval is not required.
- Refunding Bonds - Chapter 1207, Texas Government Code, authorizes school districts to refund or refinance all or any part of the College's outstanding bonds and matured or unmatured but unpaid interest on those bonds payable from ad valorem taxes by issuing refunding bonds payable from ad valorem taxes.

## Attachment 2 – Current Policy

- **Certificates of Indebtedness** - A College in a county with a population of 200,000 or more may issue Certificates of Indebtedness for the purpose of providing funds for the erection and equipment of buildings. Certificates of Indebtedness are payable from and secured by maintenance taxes. The maximum principal amount that College may have outstanding at any one time is limited to \$250,000. Certificates of Indebtedness are also subject to maximum debt service requirements based on the College's assessed valuation. Voter approval is not required. Statutory authority for issuance is § 45.111 of the Texas Education Code.
- **Credit Agreements** - A college with over 40,000 in enrollment or with at least \$100 million in authorized and outstanding debt may enter into credit agreements in connection with its debt offerings. These agreements permit more aggressive structures, sweeps and hedges.

### Debt Financing Guidelines

The College will consider all possible debt structures which, when combined allow for flexibility in responding to future needs, do not utilize all available debt capacity, continue to emphasize credit considerations, and match well with the useful life of the assets for which debt is incurred.

- Debt is a financing tool which should be judiciously used within the College's legal, financial and debt market capacities.
- **Debt Defined** - The creation of debt occurs when a governing body incurs a financial obligation that cannot or will not be repaid over a period greater than the current fiscal year.
  - **Cash Flow Financing** - Cash flow financing refers to tax and revenue anticipation notes (TANS) that are issued in anticipation of the receipt of revenues, and the tax dollars are levied, appropriated, and expected to be received in the fiscal year in which the note is issued. TANS are payable from current year revenues and, therefore, do not constitute debt.
  - **Short-Term Debt** - For purposes of this policy, short-term debt refers to debt with a repayment term of less than five (5) years.
  - **Long-Term Debt** - For purposes of this policy, long-term debt refers to debt with a repayment term greater than the maximum term of short-term debt, up to the maximum term allowable by law.
- **Conditions for Which Short-Term Debt May Be Issued** - Short-term financing will be considered for projects that cannot be funded from available current resources. The repayment term of any issue will be the greater of five (5) years or the longest useful life of any asset class purchased from the proceeds of the issue. The total amount financed may not exceed 10% of operating revenue.
- **Conditions for Which Long-Term Debt May Be Issued** - Long-term debt is generally issued to finance major capital improvements: i.e. to purchase facility/venue sites, to finance infrastructure improvements, construction of new facilities, significant expansions of existing facilities, extensive remodeling of existing structures and the equipping thereof.
  - **General Obligation Bonds** - Capital requirements for the construction, acquisition, and equipping of buildings, and the purchase of necessary sites for buildings will be identified through the College's Master Planning activities. Capital improvements recommended as a result of the Master Planning process are formalized in a capital improvement program (CIP) subject to voter approval. The capital planning process may incorporate demographic data, facility planning data, and debt financing data from the College's Financial Advisor, architects and other professionals.

## Attachment 2 – Current Policy

- Debt Refunding - The refinancing and/or restructuring of debt are valuable debt management tools used to provide the College with debt service savings or debt payment relief. Debt is often restructured through the issuance of refunding bonds. Current refundings occur when the refunding bonds are settled within 90 days of an optional prepayment date. Advance refundings occur when the refundings are settled more than 90 days in advance of an optional prepayment date. Federal restrictions allow an issue to be advance refunded only once on a tax exempt basis. Current refundings will require a 3% net present value threshold to be deemed appropriate. Advance refunding transactions should be considered when the net present value savings as a percentage of the par amount of refunded bonds is at least 4%.
- Variable Rate Debt - Variable rate debt, when issued prudently, can help lower the cost of borrowing and provide a hedge against interest rate risk. Interest rates on variable rate debt instruments are at the short end of the yield curve because they are periodically reset (e.g. daily, weekly, or monthly) based on current market conditions. Variable rate debt gives investors the right to "put" securities back to the issuer at their discretion at specified future intervals. When issuing variable rate debt (as opposed to fixed rate debt), the College team will involve additional parties - a Remarketing Agent, a Liquidity Provider, and a Tender Agent. The Remarketing Agent determines the interest rate for the reset period, notifies the bondholders (through the Tender Agent) and remarkets any bonds tendered to either different bond buyers or the Liquidity Provider. The Liquidity Provider is usually a national or multi-national bank that provides the College with liquidity through a Standby Bond Purchase Agreement or other credit agreement. Should there be a failed remarketing, the Bonds would be placed with the Liquidity Provider until the bonds can be effectively remarketed. The Tender Agent accepts the tender bonds from the holders and notifies the College, remarketing agent, liquidity provider, and the bondholders of required mandatory or optional tender notices or rate changes. As a general rule, some rating agencies recommend that variable rate debt not exceed 25 percent of total bonds outstanding, although other factors may affect their evaluation of the amount they regard as acceptable. The College may consider issuing variable rate bonds when fixed-rate interest costs are high as variable short-term interest rates are consistently lower than long-term fixed rates. Total variable debt will not exceed 20% of the College's total outstanding debt.
- Unauthorized Structures - The College will not utilize swaps, hedges and other similar derivative products as a method of issuance.
- Restrictions / Limitations of Debt Issuance:
  - Maintenance Tax Limitations - Maintenance Tax Notes may not at any time exceed 75 percent of the previous year's income, may be issued only after a budget has been adopted for the current school year, and must mature not more than 20 years from their date. The maximum maintenance tax rate allowable by statute is \$0.20 per \$100 of taxable assessed valuation.
  - Debt Tax Limitations - The College will evaluate debt limitations in developing debt issuance plans. The College is authorized to issue bonds and levy taxes for repayment subject to voter approval of a proposition under Section 130.122(b) of the Texas Education Code. Section 130.122(a) provides for a maximum tax levy of \$0.50 per \$100 of taxable valuation of property in the district for the support of College bonded indebtedness. Section 130.122(d) requires the College to demonstrate to the Texas Attorney General that the bonds have been authorized in accordance with the law before bonds may be issued.

## Attachment 2 – Current Policy

- Maturity Levels -The term of debt shall in no case exceed 30 years. The average (weighted) bond maturities shall be kept at or below 20 years.
- Repayment Provisions - The College will structure its debt in compliance with all federal, state, and local requirements as to repayment terms and seek to repay its debt in an expeditious manner within the College's overall financial objectives and in consideration of the useful life of the project and dedicated repayment revenue sources. The College will structure its debt with five primary goals:
  1. to ensure the earliest possible maturity of the bonds,
  2. matching or improving upon the Interest and Sinking tax rate assumptions and projections as discussed with the citizens of the College at the time of the bond election,
  3. attempt to maintain a debt service tax rate that is stable and avoids significant year-to-year fluctuations,
  4. seek to repay at least 33% of the principal amount within 10 years, 50% of principal within 15 years, 67% within 20 years,
  5. maintain or improve the College's bond ratings.
- Debt Ratios - The College will also evaluate debt affordability ratios in developing debt issuance plans:
  - Ratio of Net Bonded Debt to Assessed Value
  - Ratio of Total Debt to Assessed Value
  - Ratio of Net Bonded Debt per Student
  - Ratio of Total Debt per Student
- Debt Issuance Process:
  - Preferred Method of Sale - The College will sell bonds through a competitive sale unless specific market conditions exist which warrant a different process. In a competitive sale, bonds are marketed to a wide spectrum of investment banking (underwriting) firms. Their bids are submitted at a specified time. The underwriter is selected based on the best bid (lowest true interest cost).
  - For negotiated sales, the College will select one or more underwriters through a competitive process. This process will include a request for proposals from firms considered appropriate for the underwriting of a particular issue. The College's Financial Advisor will set criteria deemed appropriate for the evaluation of underwriter proposals and make a recommendation to College staff based on such criteria. After review and discussion of the proposals and selection criteria by the Finance Committee and the Board of Trustees, the Board will select one or more underwriters that it believes will provide the College with the lowest possible true interest cost.
    - External Financial Professionals
      - Financial Advisor The College's Financial Advisor will work with College staff to:
        - Insure that the College's bonds are issued at the lowest possible interest cost and are structured in accordance with the College's financing guidelines
        - Prepare the Notice of Sale, Preliminary Official Statement, and the Official Statement
        - Assist with credit enhancements
        - Evaluate the bids submitted and recommend that they be accepted or rejected
        - Review draft closing documents and monitor the closing process



## Attachment 2 – Current Policy

- Assist in the preparation of and submit the College's Annual Disclosure Report in accordance with SEC Rule 15c2-12
- Assist in establishing repayment schedules that complement existing requirements and maintain a repayment pace acceptable to credit rating agencies
- Bond Counsel - The College's Bond Counsel will:
  - Certify that the College has the legal authority to issue bonds
  - Prepare required orders, resolutions, and tax certificates
  - Work with the Attorney General to obtain approval of the bond issue
  - Provide a legal opinion as to the enforceability and the federal income tax implications of the bonds
  - Coordinate transactions
- Paying Agent / Registrar - The College's Paying Agent will:
  - Authenticate the bonds
  - Send/receive transfers of money at closing
  - Maintain a listing of bondholders and applicable addresses
  - Receive principal and interest payments from the College and remit to bondholders
  - Represents bondholders in case of default
- Rating Agencies - The College will obtain a credit rating from at least two nationally recognized bond rating agencies on all bond issues. There are currently three nationally recognized rating agencies: Moody's Investors Service, Standard and Poor's, and Fitch Ratings, Inc. Rating agencies assign a credit rating to bonds based on rating agency assessment of the College's financial position and ability to make full and timely payments of principal and interest, and provide a ratings report to the market prior to the sale.
- Timing of Sales - The College's Financial Advisor will work with College's Fiscal Affairs department to assure that bond proceeds are available for projects prior to the execution of construction or purchase contracts
- Bond Rating Goals - The College will strive to maintain excellent bond ratings through:
  - Strong financial management practices
  - Timely disclosure of annual financial information including the Comprehensive Annual Financial Report prepared by management and attested to by the external auditors
  - Maintaining good relationships with bond rating agencies including site visits or meetings in person when required
- Disclosure Requirements - The Securities and Exchange Commission (SEC) regulates both primary disclosure (the initial marketing of bonds) and continuing disclosure (the ongoing information to the market about the status of the issue and issuer). The Securities and Exchange Commission Rule 15c2-12, as amended, requires the College to provide updated annual financial information within six months of the fiscal year end to designated state and national information repositories. Timely and accurate information can improve the marketability of the College's bonds. The College will work with its Financial Advisor to prepare and file the annual report with each nationally recognized municipal securities information repository (NRMSIR) and the state information depository (SID) in order to fully comply with regulations.

## Management of Bond Proceeds

When bonds are issued, the proceeds are deposited in various accounts, which may include a construction fund, debt service fund, and an escrow fund in a refunding. Monies allocated to these funds are invested until needed. The investment strategy for each fund will depend, in part, on federal and state statutes and regulations governing the types of instruments permitted to be used, the yield permitted for the fund, and the anticipated drawdown of bond proceeds. Investment of bond proceeds shall comply with College policy, the Public Funds Investment Act (PFIA) (Texas Government Code 2256), the Public Funds Collateral Act (Texas Government Code 2257), federal and state laws according to the cash flow schedule for capital projects. The College's Financial Advisor may not bid on investment products. Interest income generated from bond proceeds will be transferred from the Capital Project Fund(s) to the Debt Service Fund for the purpose of paying principal and interest costs on current and future debt.

The College will incur within six months of the date on which proceeds are issued, a binding obligation to a third party to expend at least five percent of the sale proceeds of the Bonds on a Bond Project. The College reasonably expects that work on or acquisition of the Project will proceed with due diligence to completion and that the proceeds of the Bonds will be expended on the Project within reasonable dispatch. The College reasonably expects that 85 percent of the sale Proceeds of the Bonds will have been expended on the Project prior to the date that is three years after the Issue Date. Any Sale Proceeds not expended prior to the date that is three years after the Issue Date, will be either invested at a yield not "materially higher" or make yield restriction payments, not less often than every fifth anniversary date of the delivery of the Bonds and within 60 days following the final maturity of the Bonds.

## Management of Debt Service Fund

The College has created or continued a debt service fund (the "Debt Service Fund") and the proceeds from all taxes levied, assessed, and collected for and on account of bonds are to be deposited in such Fund. The College will manage the Interest and Sinking portion of its tax rate to assure that taxes levied, assessed and collected for and on account of voted debt will be sufficient each year to pay such debt service. The investment objective for the Debt Service Fund will be to achieve a proper matching of investment maturities with principal and interest requirements within each bond year.

- Interest Earnings - Interest earnings in the Debt Service Fund will be used for the purpose of paying principal, interest costs, and related fees on current and future debt.
- Unreserved, Undesignated Fund Balance - The College shall target a minimum debt service fund balance of 25% of the annual debt service requirements on all outstanding debt issuance.
- Tax Rate:
  - Stabilization - The College will call or defease variable rate bonds as required by the bond order. The College may also call or defease additional variable rate bonds in order to stabilize the I&S tax rate or the total tax rate. This process will be conducted in the spring or early summer of each year.
  - Increases - When required, tax rate increases associated with the issuance of new bonds will be implemented in the current and succeeding fiscal year. Due to construction fund interest earnings being used and other factors, the variable rate bonds of the College may need to be called or defeased to manage fund balance.

## Compliance

Compliance with Statutory Regulations - The College will comply with all statutory regulations in the issuance and structuring of debt obligations.

## Attachment 2 – Current Policy

- Federal Arbitrage and Rebate Compliance - The arbitrage rules are statutory rules set forth in the Internal Revenue Code of 1986, as interpreted from time to time by regulations promulgated by the U. S. Treasury Department and rulings by the Internal Revenue Service. Generally, the rules fall into two broad categories, investment rules and rebate rules. The investment rules limit the amount that can be earned by investing bond-related money. The rebate rules are designed to require the local governmental issuer to pay to the United States certain amounts of "arbitrage profit" that may be earned under the investment rules. Both sets of rules require compliance. The College will take all necessary steps to comply with the requirements that "rebate arbitrage earnings" on the investment of "gross proceeds" of bonds, within the meaning of section 148(f) of the Code be rebated to the federal government. Specifically, the College will:
  1. Maintain records regarding the investment of the "gross proceeds" of bonds as may be required to calculate such "rebateable arbitrage earnings" separately from records of amounts on deposit in the funds and accounts of the College which are allocable to other bond issues of the College,
  2. Calculate at such intervals as may be required by applicable Regulations, the amount of "rebateable arbitrage earnings" earned from the investment of "gross proceeds" of bonds
  3. Pay, not less often than every fifth anniversary date of the delivery of bonds and within 60 days following the final maturity of bonds, or on such other dates required or permitted by applicable Regulations, all amounts required to be rebated to the federal government. The College will maintain a copy of any such calculations, and all documentation necessary to produce such calculations or necessary to establish qualification for an exemption from the need to produce such calculations, for at least six years after the close of the final calendar year during which any bond is outstanding. In addition to bond counsel, the College has contracted with a third party arbitrage compliance specialist to insure that the College maintains compliance with arbitrage rules.
- Issuers of municipal bonds with an aggregate of \$10 million or more in outstanding debt are required by SEC Rule 15c2-12 as amended, to annually disclose certain operating data as well as audited financial statements. The required secondary market or ongoing disclosure documents are due to the state information depository (SID) and each nationally recognized municipal securities information repository (NRMSIR) within six months of the fiscal year end. For San Jacinto College District, the deadline is February 28th following the fiscal year end of August 31st. Accurate and timely filing of ongoing disclosure information is important as it relates to the liquidity of the College's bonds and insures that the College has the best results when accessing the capital markets.

## Reporting to Committee/Board

The Vice Chancellor of Fiscal Affairs and the College's Financial Advisor will provide summary debt management reports to the Board Audit and Budget Committee at a minimum annually or with every bond sale. The Debt Management Policy will be reviewed on an annual basis and updated as needed.

Attachment 2 – Current Policy

|                                |                                  |
|--------------------------------|----------------------------------|
| <b>Policy #:</b>               | <b>V-P</b>                       |
| <b>Policy Name:</b>            | <b>Policy on Debt Management</b> |
| <b>Pages:</b>                  | <b>8</b>                         |
| <b>Adopted Date:</b>           | <b>April 7, 2008</b>             |
| <b>Revision/Reviewed Date:</b> |                                  |
| <b>Effective Date:</b>         | <b>April 7, 2008</b>             |
| <b>Associated Procedure:</b>   |                                  |

Attachment 3  
Policy III.3001.D, Debt Management  
(proposed policy)

**Policy #III.3001.D, Debt Management**

**Purpose**

This purpose of this Debt Management Policy (the “Policy”) is to provide the San Jacinto Community College District’ (the “College” or “College District”) with guidelines to establish and maintain a well-defined debt management program for issuing new debt and managing outstanding debt. The Policy will help the College sustain a strong debt management program focused on supporting the lowest available borrowing costs and greatest amount of management flexibility for the College.

**Policy**

This policy establishes conditions for the use of debt and creates parameters designed to manage the debt obligations of the College within available resources, minimize the debt service and issuance costs, achieve the highest credit ratings, maintain full, complete, and accurate financial disclosure and reporting, and to comply with appropriate and applicable laws of the State of Texas (the “State”) and federal law.

**Scope** - Within the applicable laws of the State, the College may enter into debt obligations to finance the construction or acquisition of buildings and infrastructure and other assets, maintenance of existing facilities, to purchase land and personal property, or to refinance or restructure existing debt, also known as a “refunding.” This Policy applies to all debt issued by the College regardless of the purpose for which issued or the funding source for repayment. The Vice Chancellor of Fiscal Affairs is responsible for the debt management for the College. Responsibility for the operational activity related to management of debt may be delegated to other administrative employees as appropriate.

**Objective** - The objective of the Policy is to ensure prudent debt management practices that include:

- Maintain financial stability;
- Preserve public trust;
- Minimize costs to taxpayers;
- Manage the cost of capital;
- Mitigate risks associated with its debt;
- Monitor the overall capital structure and use of debt instruments;
- Preserve or enhance the College’s credit ratings;
- Execute debt issuance in an efficient and cost-effective manner;
- Assure full, complete, and accurate financial disclosure and post-issuance reporting compliance;
- Comply with State and federal laws.

**Available Borrowing Methods** – The available borrowing methods include:

## Attachment 3 – Proposed Policy

General Obligation Bonds - General Obligation (“GO”) bonds are issued for the acquisition of land, building construction costs, and the furnishing and equipping of buildings. The College District secures GO bonds through levying, assessing and collecting ad valorem taxes sufficient to pay the principal and interest when due, provided that the annual interest and sinking fund (“I&S”) tax rate will never exceed the State statutory limit or the limits established by the College District’s qualified voters. The College District’s statutory maximum tax rate is established pursuant to Section 130.122, as amended, Texas Education Code at \$.70 per \$100 of taxable assessed value (of which a maximum of \$0.50 may be utilized for debt service purposes). GO bonds require voter authorization.

Maintenance Tax Notes – Maintenance Tax Notes may be issued for any legal maintenance expenditures, including furnishing and equipping existing buildings, and for making renovations and repairs at existing facilities. Maintenance Tax Notes may be paid and secured from any available funds. Repayment may be made through either ad valorem tax revenues or non-tax revenues. Maintenance Tax Notes do not require voter authorization. Maintenance Tax Notes may not at any time exceed 75 percent of the previous year’s unrestricted revenues, and must mature not more than 20 years from their issue date.

Revenue Bonds – Revenue Bonds may be issued for the acquisition of land, buildings, building construction costs, and the furnishing and equipping of buildings. Revenue Bonds are payable from and are secured by pledged operating revenues, such as tuition and other fees, generally a reserve fund, or other resources. Voter approval is not required. Debt service coverage ratios or other bond provisions contained in existing bond covenants must be considered when issuing new revenue debt.

Lease Revenue Bonds – Lease Revenue Bonds may be used for construction, furnishing, and equipping the facilities. Under Chapter 303 of the Texas Local Government Code, the College District is authorized to establish a Public Finance Corporation (“PFC”) with authority to issue bonds to construct facilities for the College District without an election. The College District would lease these facilities from the PFC to pay the debt service. These bonds are payable based upon an annual appropriation from lawfully available funds, including from maintenance and operating (“M&O”) tax revenues. The funds Public notice must be given prior to sale, which permits a petition process to require an election.

Contractual Obligations – The College is authorized to incur contractual obligations under Section 271.005 of the Local Government Code to pay for items such as buses, computers, furniture and other moveable personal property. These contractual obligations may be in the form of a lease, a lease with an option or options to purchase, an installment purchase, or any other form considered appropriate.

Refunding Bonds- All or any part of the College District’s outstanding bond issues may be refunded or refinanced.

Other - From time to time, other financing options may be considered, including:

- Contract Revenue Bonds - Capital improvements may be financed through Contract Revenue Bonds, which requires the District to enter into a contract with a third-party

entity. They are payable from either taxes, revenues, or both. Voter approval is not generally required.

- **Taxable Debt** - When market conditions are favorable, taxable debt may be used for all or part of a debt issue and to comply with limitations imposed by the Internal Revenue Code of 1986, as amended (the “Code”). Taxable debt may also be issued for refunding if favorable savings will be achieved and the refunded tax-exempt issue cannot be advance refunded per the Code.
- **Private Placements** - Private placements are sold directly to investors. They can be short or medium term, fixed or floating rate, and the term will match the useful life of the financed assets. Private placements may be used for financing specific assets or programs when it provides more advantageous terms than the capital markets, has a favorable structure, and financing is needed more quickly than what may be obtained through a public offering.

**Alternative Structures** – The College District will not use alternative methods of financial management products such as interest rate swaps, derivative products, etc., in connection with any outstanding and newly issued bonds without the express authorization from the Board of Trustees.

**Parameter Orders** - When the Capital Improvement Program (“CIP”) requires a previously approved debt issuance for which a market opportunity is realized, a Parameter Order with reference to a specific debt issuance will be submitted for approval of the Board of Trustees, allowing the Chancellor or Vice Chancellor of Fiscal Affairs to commit to certain financing decisions. The Parameter Order allows the execution of a pricing certificate evidencing final sale terms of a debt financing. The Parameter Order provides flexibility for the College District’s Administration to react when market conditions warrant. Parameter Orders will be limited as to size and scope to comply with State law and per direction by the Board of Trustees.

**Conditions for New Money Debt Issuance** - The timing of borrowing will be structured to meet the CIP and other needs, and to minimize the effect of negative arbitrage. When the investment earnings on borrowed proceeds are below the cost of borrowing, borrowed capital may have to be increased to provide sufficient funds to pay project expenses. Since this practice increases the cost and limits the productivity of borrowed capital, the College District will seek to minimize negative arbitrage where practical.

Any external borrowing will be coordinated to the extent possible so that multiple project needs can be accommodated in a single borrowing. Under a Parameter Order for a specific new money debt, the Chancellor or Vice Chancellor of Fiscal Affairs may proceed with a new money debt issuance if the appropriate conditions are met as set forth in the Parameter Order.

The term of long-term debt shall in no case exceed 30 years.

**Conditions for Short-Term Debt Issuance** – Short-term financing will be considered for projects that cannot be funded from available current resources. The repayment term of any issue will be the greater of five (5) years or the longest useful life of any asset class purchased



from the proceeds of the issue. The total amount financed may not exceed 10% of operating revenue.

**Conditions for Debt Refunding** - Periodic reviews of outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered based on economic benefit, or as needed to alter covenants, restructure debt, or stabilize the tax rate. Current refundings will generally require at least a 3% net present value as a percentage of the par amount of the refunded bonds to be considered. The threshold rates may be disregarded for a refunding undertaken solely for business reasons, such as for restructuring purposes. The term of the refunding funds should not exceed the term of the bonds being refunded unless the debt is being restructured. Under a Parameter Order for a refunding bond, the Chancellor or Vice Chancellor of Fiscal Affairs may proceed with a debt refunding if the appropriate conditions are met as set forth in the Parameter Order.

**Conditions for Debt Defeasance** - Defeasance of debt with funds on hand will be undertaken only after careful consideration of the District's cash flow. Generally, a defeasance will require the engagement of the College's municipal advisor, bond counsel, disclosure counsel, and a verification agent to provide an opinion on the sufficiency of funds in the escrow funded to defease debt. The College will ensure that any material event filings required in connection with the defeasance are posted timely to Electronic Municipal Market Access (EMMA).

**Parameters for Debt Issuance –**

*Term* – The term of debt will generally not exceed 30 years. Debt may be issued on a fixed or variable rate basis. Variable rate debt may serve as a natural interest rate hedge but should be used judiciously. Variable rate debt shall not exceed more than 20% of the College's total outstanding debt. The College District will normally seek to avoid the use of capitalized interest.

In general, debt should be issued with the earliest optional redemption date that is determined to be cost-effective. Typically, debt with a final maturity beyond ten years will be structured with an optional redemption in ten years at par. Debt may be structured with serial or term bonds or any combination thereof.

**Method of Sale** - The Vice Chancellor of Fiscal Affairs, in consultation with the College's municipal advisor, shall determine the method of sale best suited for each issue of debt. Possible methods of sale include a competitive sale, a negotiated sale, or a private placement.

*Competitive Sale* – A competitive sale is a public securities offering in which the College will request underwriters to submit a firm offer to purchase its bonds. The bonds are awarded to an underwriter or a syndicate of underwriters based on the lowest True Interest Cost bid, provided the bid meets all other requirements sale parameters included in the official Notice of Sale.

*Negotiated Sale* – A negotiated sale is a public securities offering in which the College pre-selects an underwriter or an underwriting syndicate, generally from its pre-approved pool of underwriters, to reoffer bonds to investors. The primary points of negotiation for the College with the underwriting syndicate are the interest rate, call features, and purchase price of the issue.

*Private Placement* – A private placement is a method of sale in which the College engages a placement agent to sell its bonds directly to a financial institution. A private placement typically does not require an offering document or public ratings and may have lower costs of issuance. A private placement is generally an option when a proposed bond issue has a final maturity not exceeding 15 years. A private placement may be used if it is determined to provide greater efficiencies and overall value for the College relative to a public competitive or negotiated sale.

**External Financial Professionals** - The College District will select its independent municipal advisor, [bond counsel](#), [disclosure counsel](#) and arbitrage rebate compliance specialist using a ~~formal~~ [an approved](#) procurement process. An underwriting pool will be competitively created, from which the underwriting syndicate will be chosen for each negotiated bond transaction.

### **Compliance Reporting/Procedures**

- **Continuing Disclosure** - The College District will comply with SEC Rule 152-12 by filing directly, or through a third party dissemination agent, with the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”)/ The College will file annual financial statements and certain required financial and operating data, as agreed to its Continuing Disclosure Agreements with bondholders.
- **Arbitrage Rebate Compliance** - Adequate recordkeeping will be maintained to meet arbitrage rebate compliance requirements. This includes careful tracking of investment earnings on debt proceeds and remitting any rebates due to the federal government in a timely manner. An outside compliance specialist will be retained to calculate rebate payments and ensure that the College District maintains compliance with arbitrage rules.

Post-issuance Procedures are outlined in Procedure #, Debt Management – Post-Issuance Compliance. The College will make every effort to ensure and manage other post-issuance compliance procedures including debt covenants and compliance with federal tax law.

**Rating Agencies** - The Vice Chancellor of Fiscal Affairs is responsible for maintaining the primary relationship and communicating with the national rating agencies. This communications effort includes providing periodic updates on the College District’s general financial condition along with coordinating meetings and presentations in conjunction with debt issuances.

The College District will request a rating from at least two major rating agencies prior to the issuance of debt.

**Investment of Bond Proceeds** - Investment of debt proceeds will comply with the Board of Trustees approved Investment Policy, State laws and, as appropriate, the Code.

**Debt Structure and Repayment Provisions** – The College will structure and seek to repay its debt in an expeditious manner within the College’s overall financial objectives and in consideration of the useful life of the project and dedicated repayment revenue sources. Debt will be structured with the following goals:

Attachment 3 – Proposed Policy

- Ensure earliest possible maturity of bonds in consideration of the useful life of the asset(s) being financed and budget or tax rate considerations;
- Match or improve upon tax rate assumptions and projections as discussed with citizens at the time of bond election;
- Maintain a debt service tax rate that is stable and minimizes significant year-to-year fluctuations; and
- Maintain or improve the College’s bond ratings.

**Management of Debt Service Fund** – The College shall maintain a Debt Service Fund into which the proceeds from all taxes levied, assessed and collected for and on account of bonds are deposited, and from which debt service on Bonds will be paid. The Fund will be managed to ensure that taxes collected for and on account of voted debt will be sufficient each year to pay such debt service. The revenue, expenditures, and balance of the Debt Service Fund will be approved annually as part of the College’s budget.

**Reporting** – The Vice Chancellor of Fiscal Affairs will provide summary debt management reports to the Board Finance Committee annually or with every bond sale.

The Authority, Applicability, Sanctions, Exclusions, and Interpretation do not differ from Policy II.2000.A, Policy and Procedures Development, Review, Revision, and Rescission.

**Associated Procedures**

Procedure [#III.3001.D.a](#), Debt Management: Post Issuance Compliance

|                        |   |
|------------------------|---|
| Date of Board Approval | Anticipated January 28, 2019                |
| Effective Date         | Anticipated January 29, 2019                |
| Primary Owner          | Vice Chancellor, Fiscal Affairs             |
| Secondary Owner        | Director, Accounting and Financial Services |

Attachment 4

Procedure III.3001.D.a, Debt  
Management: Post Issuance Compliance  
(proposed procedure)

**Procedure #III.3001.D.a, Debt Management: Post Issuance Compliance****Associated Policy**

Policy #III.3001.D, Debt Management

**Procedures**

This procedure sets forth the College’s methodology for ensuring continued post-issuance compliance with Internal Revenue Service (IRS) requirements pertaining to tax-exempt bonds and notes (TEBs), and post-issuance compliance with disclosure and contractual obligations pursuant to the requirements of the Exchange Act and the Securities Act including, in particular, Rule 15C2-12 and other applicable rules, regulations and orders.

The Vice Chancellor of Fiscal Affairs (VCFA) has primary responsibility for post-issuance compliance efforts. Specific tasks are delegated as listed below.

|  |   |
|--|---|
| Director of Accounting and Financial Services  | Administration of the investment files related to arbitrage calculations required by the IRS, and coordination with the external arbitrage firm |
| Director of Accounting and Financial Services  | Tracking of expenditures of all debt proceeds, including for cost of issuance and working capital   |
| Director of Accounting and Financial Services, in coordination with Campus Deans of Administration                             | Tracking and recording private use in the financed facilities   |
| Director of Contract and Purchasing Services, <a href="#">in coordination with AVC Fiscal Initiatives and Capital Projects</a> | Monitoring and maintaining all contracts for bond-financed facilities   |
| Vice Chancellor of Fiscal Affairs  | Review of private business use calculations and review of other tax implications pertaining to bond issuance and post-issuance compliance       |
| Vice Chancellor of Fiscal Affairs, in coordination with Financial Advisor  | Coordinate annual filing of financial and operating data and event notices with the MSRB through EMMA   |
| Vice Chancellor of Fiscal Affairs, in coordination with Financial Advisor  | Communicate with bond counsel and tax attorney  |

TEBs are debt obligations, the proceeds of which are used by the College to finance construction of all or a portion of its facilities. The obligation to maintain the tax-exempt status of the TEBs remains throughout the life of the bonds.

Post-issuance tax compliance begins with the debt issuance process itself and provides for a continuing focus on investments of debt proceeds and use of debt-financed property. Post-issuance compliance responsibilities include:

- Tracking bond proceeds spending for qualified purposes
- Maintaining detailed records of the expenditure and investment of the proceeds of the TEBs
- Ensuring the project financing is used in a manner consistent with the federal income tax requirements
- Providing necessary disclosure information regarding financial and operating status

**Definitions**

**Annual Filing:** The annual financial information and operating data to be filed with the MSRB pursuant to Rule 15c2-12 and Disclosure Agreements

**Arbitrage:** The difference between the interest paid on tax-exempt bonds and the interest earned by investing the proceeds of the tax-exempt bonds in higher-yielding taxable securities

**EMMA:** The Electronic Municipal Market Access system maintained by the MSRB

**Event Notice:** The notice to be filed with the MSRB through EMMA upon the occurrence of events defined as reportable by the MSRB

**Financial Advisor:** Firm providing financial advisory services to the College

**MSRB:** The Municipal Securities Rulemaking Board

**Private Business Use:** The use of a facility financed with TEBs by any person or entity that is not a state or local government entity, or certain entities described in section 501(c)(3) of the IRS Code

**Rule 15c2-12:** SEC Rule 15c2-12, as amended, under the Exchange Act

|   |   |
|---|---|
| Date of SLT Approval                                    | November 26, 2018                                     |
| Effective Date  | Anticipated January 29, 2019                          |
| Associated Policy                                       | Policy # <a href="#">III.3001.D</a> , Debt Management |
| Primary Owner of Policy Associated with the Procedure   | Vice Chancellor, Fiscal Affairs                       |
| Secondary Owner of Policy Associated with the Procedure | Director, Accounting and Financial Services           |

**Action Item “XI”**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval of Policy IV.4000.A, Educational Advancement Incentive  
for Full-Time Staff and Administrators - Second Reading**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve a new policy on Educational Advancement Incentive for Full-Time Staff and Administrators

**BACKGROUND**

The purpose of this policy is to formalize in policy the educational advancement incentive currently available to full-time staff and administrators who choose to further their formal education. There is a current procedure in place for the Educational Advancement Incentive (Procedure IX), but no written policy. Through the College’s policy review work, all procedures must be associated with a policy. This action complies with that requirement. The procedure for faculty members related to educational advancement is addressed in Policy IV.4001.A, Compensation and associated Procedure IV.4001.A.b, Faculty Salaries.

**IMPACT OF THIS ACTION**

This policy and associated procedures were sent to the College community on November 30, 2018 through December 17, 2018. One comment was received that did not result in a change to the policy or procedures. Procedures are provided for informational purposes and will not be voted on.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

No additional budgetary impact than in prior years.

**MONITORING AND REPORTING TIMELINE**

The Board will be notified of any changes that require its action.

**ATTACHMENTS**

Attachment 01 – Summary of Changes

Attachment 02 – Policy IV.4000.A, Educational Advancement Incentive for Full-Time Staff and Administrators (proposed policy)

Informational Items Only:

Attachment 03 – Procedure IX: Educational Advancement Incentive for Full-Time Non-Teaching Employees (current procedure)

Attachment 04 – Procedure IV.4000.A.a, Educational Advancement Incentive for Full-Time Staff and Administrators (proposed procedure)

**RESOURCE PERSONNEL**

Sandra Ramirez

281-998-2648

sandra.ramirez@sjcd.edu

## Policies and Procedures Summary of Changes

New Policy Number: **IV.4000.A**

Proposed Policy Name: **Educational Advancement Incentive for Full-Time Staff and Administrators**

Current Policy Number/Name: N/A

New Procedure Number: **IV.4000.A.a**

Proposed Procedure Name(s): **Educational Advancement Incentive for Full-Time Staff and Administrators**

Current Procedure Number(s)/Name(s): IX/ Procedure on Educational Advancement Incentive for Non-teaching Employees

Action Recommended for Policy: New

Action Recommended for Procedures: Revision

Web Links:

<http://www.sanjac.edu/procedure-ix-education-supplement> (current Procedure IX)

Primary Owner: Vice Chancellor, Human Resources

Secondary Owner: Vice President, Human Resources

Summary of Changes:

### Policy

- New policy

### Procedure

- Changed title from Procedure on Educational Advancement Incentive for Non-teaching Employees to Educational Advancement Incentive for Full-Time Staff and Administrators.
- Added a sentence that states - In order to be eligible for the incentive payment, employees must be employed in a full-time staff or administrator position at the time of payment.
- Added a sentence that refers faculty to the Procedure on Faculty Salaries.



**Policy IV.4000.A, Educational Advancement Incentive for Full-Time Staff and Administrators**

**Purpose**

To recognize full-time staff and administrators who choose to further their formal education.

**Policy**

A full-time staff or administrator may receive an incentive for each degree level obtained above that with which they were hired.

The Authority, Applicability, Sanctions, Exclusions, and Interpretation do not differ from Policy II.2000.A, Policy and Procedures Development, Review, Revision, and Rescission.

**Associated Procedures**

Procedure IV.4000.A.a, Educational Advancement Incentive for Full-Time Staff and Administrators

|   |                                  |
|---|----------------------------------|
| Date of Board Approval                                  | Anticipated January 28, 2019     |
| Effective Date  | Anticipated January 29, 2019     |
| Primary Owner of Policy Associated with the Procedure   | Vice Chancellor, Human Resources |
| Secondary Owner of Policy Associated with the Procedure | Vice President, Human Resources  |

# Procedure IX: Educational Advancement Incentive for Full-Time Non-Teaching Employees

## 1. Introduction

San Jacinto College recognizes the need for employees to improve their job knowledge and skills. To reward employees who choose to further their education, effective September 1, 2014, full-time, non-teaching\* employees may receive an incentive for each degree level obtained above that with which they were hired. Each employee may only receive one incentive for each degree level (e.g., if an employee receives two Masters Degrees, they will only receive the incentive for the first).

If you are planning to apply for the Educational Advancement Incentive, notify Human Resources by March 31 of each year. If you do not notify Human Resources by the deadline, you may not be eligible for the incentive payment, as funds are limited.

## 2. Procedure

The degree must be received from a regionally accredited institution of higher education. The Educational Advancement Incentive is contingent upon receipt of official transcripts by Human Resources, directly from the degree-granting institution.

The Educational Advancement Incentive is a one-time payment for each degree level attained and does not become part of the employee's base salary.

- A \$1,500 incentive will be given for receipt of an Associate's Degree.
- A \$2,000 incentive will be given for receipt of a Bachelor's Degree.
- A \$2,500 incentive will be given for receipt of a Master's Degree.
- A \$3,000 incentive will be given for receipt of a Doctoral Degree.

For current employees, the Educational Advancement Incentive will be processed following receipt of official transcripts documenting the degree attained. Official transcripts must be received by Human Resources directly from the institution granting the credit by the published payroll cut-off date in September of each year.

The Educational Advancement Incentive will only be processed for degrees obtained during the fiscal year in which the employee applies for the incentive. The incentive will not be processed retroactively for degrees obtained in previous fiscal years.

Employees anticipating receiving a degree from an accredited institution and thus qualifying for an Educational Advancement Incentive in future years should advise the appropriate supervisor during the budget planning process for the next fiscal year. In order to qualify for an education incentive, transcripts must be received by Human Resources by the published payroll cut-off date in September in order to be processed for that fiscal year. Transcripts received after the September payroll cut-off date will be processed effective the next fiscal year.

\* Full-time Faculty receive additional compensation if they have a Master's + 18 graduate hours, a Master's + 36 graduate hours, ABD, or a doctoral degree. Please see the Faculty

Attachment 3 – Current Procedure

Salary Schedule or contact the Compensation office in the Human Resources Department for more information.

|                                |   |
|--------------------------------|---|
| <b>Procedure #:</b>            | <b>IX</b>   |
| <b>Procedure Name:</b>         | <b>Educational Advancement Incentive for Full-Time Non-Teaching Employees</b> |
| <b>Pages:</b>                  | <b>2</b>  |
| <b>Adopted Date:</b>           | <b>August 6, 2001</b>   |
| <b>Revision/Reviewed Date:</b> | <b>December 15, 2014</b>  |
| <b>Effective Date:</b>         | <b>August 6, 2001 and December 16, 2014</b>                                   |
| <b>Associated Policy:</b>      |   |

## **Procedure IV.4000.A.a, Educational Advancement Incentive for Full-Time Staff and Administrators**

### **Associated Policy**

Policy IV.4000.A, Educational Advancement Incentive for Full-Time Staff and Administrators

### **Procedure**

San Jacinto College recognizes the need for employees to improve their job knowledge and skills. To reward employees who choose to further their education, full-time staff and administrators may receive an incentive for each degree level obtained above that with which they were hired. Each employee may only receive one incentive for each degree level (e.g., if an employee receives two Masters Degrees, they will only receive the incentive for the first degree). This procedure does not apply to faculty.\*

Employees who are planning to apply for the Educational Advancement Incentive, must notify Human Resources by March 31 of each year. If Human Resources is not notified by the deadline, employees may not be eligible for the incentive payment, as funds are limited.

The degree must be received from a regionally accredited institution of higher education. The Educational Advancement Incentive is contingent upon receipt of official transcripts by Human Resources, directly from the degree-granting institution.

The Educational Advancement Incentive is a one-time payment for each degree level attained and does not become part of the employee's base salary.

- A \$1,500 incentive will be given for receipt of an Associate's Degree.
- A \$2,000 incentive will be given for receipt of a Bachelor's Degree.
- A \$2,500 incentive will be given for receipt of a Master's Degree.
- A \$3,000 incentive will be given for receipt of a Doctoral Degree.

For current employees, the Educational Advancement Incentive will be processed following receipt of official transcripts documenting the degree attained. Official transcripts must be received by Human Resources directly from the institution granting the credit by the published payroll cut-off date in September of each year for payment in November. Transcripts received after the September payroll cut-off date will be processed effective the next fiscal year.

The Educational Advancement Incentive will only be processed for degrees obtained during the fiscal year in which the employee applies for the incentive. The incentive will not be processed retroactively for degrees obtained in previous fiscal years.

Employees anticipating receiving a degree from an accredited institution and thus qualifying for an Educational Advancement Incentive in future years should advise the appropriate leader during the budget planning process for the next fiscal year.

In order to be eligible for the incentive payment, employees must be employed in a full-time staff or administrator position at the time of payment.

Attachment 4 – Proposed Procedure

\* Faculty should refer to Human Resources Procedure IV.4001.A.b, Faculty Salaries

---

|   |  |
|---|--|
| Date of SLT Approval                                    | November 6, 2018   |
| Effective Date  | Anticipated January 29, 2019   |
| Associated Policy                                       | Policy IV.4000.A, Educational Advancement Incentive for Full-Time Staff and Administrators |
| Primary Owner of Policy Associated with the Procedure   | Vice Chancellor, Human Resources   |
| Secondary Owner of Policy Associated with the Procedure | Vice President, Human Resources  |

---

## **ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve a revised policy III.3005.A on College Mail.

### **BACKGROUND**

The purpose of this policy is to identify the services provided and define the intended use of the campus mail system. The policy sets the following standards:

- Campus mail service will be available for official college use only
- Internal mail boxes will be available for official college use only

### **IMPACT OF THIS ACTION**

This policy and associated procedures were sent to the College community on November 30, 2018 through December 17, 2018. No comments were received. Procedures are included for informational purposes.

### **BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

No budgetary impact.

### **MONITORING AND REPORTING TIMELINE**

The Board will be notified of any changes that require its action.

### **ATTACHMENTS**

Attachment 1 – Summary of Changes

Attachment 2 – Policy V-F: Policy on School Mail (current policy)

Attachment 3 – Policy III.3005.A, College Mail (proposed policy)

Informational Items Only:

Attachment 4 – Procedure 2-17: Copy Center Services (current procedure - rescind)

Attachment 5 - Procedure III.3005.A.a, College Mail (proposed procedure)

### **RESOURCE PERSONNEL**

|             |              |                      |
|-------------|--------------|----------------------|
| Teri Zamora | 281-998-6306 | teri.zamora@sjcd.edu |
| Hilda Boyce | 281-991-2627 | hilda.boyce@sjcd.edu |

## Policies and Procedures Summary of Changes

New Policy Number: **III.3005.A**

Proposed Policy Name: **College Mail**

Current Policy Number/Name: V-F Policy on School Mail

New Procedure Number: **III.3005.A.a**

Proposed Procedure Name(s): **College Mail**

Current Procedure Number(s)/Name(s): 2-17 Copy Center Services

Action Recommended for Policy: Revise

Action Recommended for Procedures:

New – College Mail

Rescind – 2-17 - Copy Center Services

Web Links: <https://www.sanjac.edu/policy-v-f-policy-school-mail>

Primary Owner: Vice Chancellor, Fiscal Affairs

Secondary Owner: Director, Auxiliary Services

### Summary of Changes:

- Changes name from Policy on School Mail to **College Mail**
- Includes a Policy purpose
- Eliminates mail recipient information requirement(s)
- Eliminates the placement of noncommercial communications in mailboxes
- Includes internal mail boxes
- Includes Procedures that outline the daily operation and mail services provided to the College community by the Print and Mail Centers
- Recommend to rescind Copy Center procedures

## Policy V-F: Policy on School Mail

The college will provide a mail service on each campus and between campuses. Any communications received through the United States mail shall be distributed through the college mail system. In accordance with federal law, the inter-campus mail system (service between campuses) is reserved for communications pertaining to San Jacinto College District business and activities. The names of the recipient shall be written on all materials deposited in campus mail.

Any individual employee may place noncommercial communications in the mail boxes of other employees at the individual employee's campus, provided the names of the recipients are written on the materials.

|                                |                                      |
|--------------------------------|--------------------------------------|
| <b>Policy #:</b>               | <b>V-F</b>                           |
| <b>Policy Name:</b>            | <b>Policy on School Mail</b>         |
| <b>Pages:</b>                  | <b>1</b>                             |
| <b>Adopted Date:</b>           | <b>July 6, 1981</b>                  |
| <b>Revision/Reviewed Date:</b> | <b>May 2, 1994</b>                   |
| <b>Effective Date:</b>         | <b>July 6, 1981; and May 2, 1994</b> |
| <b>Associated Procedure:</b>   |                                      |



**Policy III.3005.A, College Mail**

**Purpose**

The College Mail Policy identifies the services provided and defines the intended use of the campus mail system.

**Policy**

The San Jacinto College District mail system delivers items between College District buildings and shall not be available for use other than for official College business. Internal mailboxes provided on each campus are for official College use, to be used solely by departments and College-sponsored or College-support groups.

The Authority, Applicability, Sanctions, Exclusions, and Interpretation do not differ from Policy II.2000.A, Policy and Procedures Development, Review, Revision, and Rescission.

**Associated Procedures**

Procedure III.3005.A.a, College Mail

|                        |                                 |
|------------------------|---------------------------------|
| Date of Board Approval | Anticipated January 28, 2019    |
| Effective Date         | Anticipated January 29, 2019    |
| Primary Owner          | Vice Chancellor, Fiscal Affairs |
| Secondary Owner        | Director, Auxiliary Services    |

# Procedure 2-17: Copy Center Services

## Print & Mail Center Guidelines

The Print & Mail Center facilitates college business processes by offering copy and mail services to all college personnel. The Print Center requires a thirty-six hour turn-around for requests as staffing at the Center has been reduced. Please note; print jobs may be completed prior to this window and may in some instances be copied while you wait; however, this is NOT the norm.

The Print Centers coordinate projects to provide you with features/options previously only provided to a particular campus. Posters, lamination and color copies can be provided to all college personnel if a thirty-six hour window is provided as jobs are coordinated between campuses.

### Print Center

The Print Center will copy all college tests, handouts and other materials; however, “copyright” materials must be accompanied by a letter of authorization from the publisher or author. Copies of “copyright” materials will NOT be made without the proper authorization.

All print jobs should be copy ready and accompanied by a completed Print Request Form. This form should be used when a print request is submitted to the Center. Banner information MUST be included.

The form can be found on the website: <http://internal.sanjac.edu/node/5902> under the Miscellaneous Forms tab. Print Requests can be emailed or hand delivered to the Center. Email addresses are:

|                | In Outlook                     | Outside Outlook  |
|----------------|--------------------------------|--|
| <b>Central</b> | DL – Central Print Mail Center | <a href="mailto:DL-CentralPrintMailCenter@sjcd.edu">DL-CentralPrintMailCenter@sjcd.edu</a> |
| <b>North</b>   | DL – North Print Mail Center   | <a href="mailto:DL-NorthPrintMailCenter@sjcd.edu">DL-NorthPrintMailCenter@sjcd.edu</a>     |
| <b>South</b>   | DL – South Print Mail Center   | <a href="mailto:DL-SouthPrintMailCenter@sjcd.edu">DL-SouthPrintMailCenter@sjcd.edu</a>     |

CPD Print Request forms should be stamped approved indicating to Print Center personnel the job is approved and is ready for copy.

|                                |                             |
|--------------------------------|-----------------------------|
| <b>Procedure #:</b>            | <b>2-17</b>                 |
| <b>Procedure Name:</b>         | <b>Copy Center Services</b> |
| <b>Pages:</b>                  | <b>1</b>                    |
| <b>Adopted Date:</b>           |                             |
| <b>Revision/Reviewed Date:</b> |                             |
| <b>Effective Date:</b>         |                             |
| <b>Associated Policy:</b>      |                             |

## **Procedure III.3005.A.a, College Mail**

### **Associated Policy**

Policy III.3005.A, College Mail

### **Procedures**

The procedures outline the daily operation and mail services provided to the College community by the Print & Mail Centers.

### **Mail Service**

The campus Print & Mail Centers (PMCs) are responsible for: the delivery of incoming mail, the processing all outgoing mail, providing shipping services, assigning mail boxes and handling the exchange of inter-office communications. Hazardous materials are not accepted or delivered via the College's mail service.

### **Incoming Mail**

The United States Postal Service (USPS) delivers incoming mail and packages to the College's PMCs daily during normal business hours. The mail is sorted and distributed to the campus mailboxes and delivered directly to satellite locations and the District Offices.

Incoming USPS mail may be opened by PMC Operators for the following reasons:

- Improperly addressed mail is *returned* by USPS and no visible department is identified on the envelope, or
- Mail is *received* by USPS without a department or individual name specified in the address. Delivery can only be made by opening the mail piece and trying to identify to whom it was sent.

### **Outgoing mail**

All outgoing mail will be sent first class, unless otherwise specified. The PMCs provide the following services to College personnel for College items:

- First Class metering of all outgoing mail
- Priority mail
- Express mail
- Certified return receipt
- Insurance
- Tracking
- Media mail rates

All mail is processed the same day for pick-up unless otherwise communicated to the sender.

### **Shipping - FedEx and UPS**

## Attachment 5 – Proposed Procedure

The PMC can ship or mail packages via FedEx or UPS. Departments must include its department's accounting information to ensure billing is accurate and charged to the correct organization.

### **Campus Mailboxes**

Mailboxes are assigned by the PMC Operator to individuals and/or departments to facilitate the delivery of all campus mail (USPS and inter-office). Use of mailboxes must be limited to official College business.

### **Inter-Office Mail**

Inter-office mail like USPS mail and packages are delivered to the Campus PMCs, or satellite locations for distribution. Mail addressed to District Offices is delivered to each suite for dissemination.

### **Postage Chargebacks**

Like FedEx and UPS packages, all outgoing mail must have Departmental accounting information to accurately charge the department for its postal costs associated with metered mail. On a weekly basis, chargebacks will be processed and input into Banner for proper allocation of metered postage expenses.

### **Excluded mailings**

The mail system should not be used for any other purpose beyond official College business. The College does not condone the use of postage or other materials in the preparation or receipt of any mail or package that cannot be construed as official College business by its employees. The PMC does not process any letters or packages containing hazardous materials.

### **Definitions**

**Hazardous Materials** – Article or substance designated by the U.S. Department of Transportation as being capable of posing an unreasonable risk to health, safety or property during transportation. Hazardous materials include but not limited to: common consumer and household items such as perfumes, aerosols and electronic products that contain certain batteries. A complete list of hazardous materials can be found in Appendix D in USPS publication 52.

**Satellite location** – Smaller campus or office in a different location from the larger College campuses or offices.

**First Class Mail** - Type of mail often sent through the U.S. Postal Service. It includes postcards, letters, large envelopes and small packages that are under 13 ounces in weight.

**Chargeback** – Expense for goods or services charged to one College department by another College department (as opposed to a purchase made from an off-campus supplier).

Attachment 5 – Proposed Procedure

|   |                                 |
|---|---------------------------------|
| Date of SLT Approval                                    | November 26, 2018               |
| Effective Date  | Anticipated January 29, 2019    |
| Associated Policy                                       | Policy III.3005.A, College Mail |
| Primary Owner of Policy Associated with the Procedure   | Vice Chancellor, Fiscal Affairs |
| Secondary Owner of Policy Associated with the Procedure | Director, Auxiliary Services    |

**Action Item "XIII"**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval of Financing Team and Related Expenditures**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the team of professionals and estimated expenditures associated with upcoming issuance and refinancing of General Obligation Bonds.

**BACKGROUND**

The administration is proposing to issue approximately \$150 million of Limited Tax General Obligation Bonds and refinance up to \$13 million of Limited Tax General Obligation Bonds during 2019. The order authorizing these transactions is proposed separately.

This approval accepts the proposed team and estimated expenditures that will be participating in any approved transactions, as outlined on Attachment 1.

**IMPACT OF THIS ACTION**

Approval by the Board of Trustees allows expenditures estimated to total \$555,000 for underwriting services and \$550,000 for other professional services and related expenses. These expenses will be paid at closing as part of the transaction and will not consume any regularly budgeted funds of the College.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

Debt service on the issued bonds will be paid for by an annual interest and sinking tax levy authorized by the voters. The estimated expenses associated with issuance will be netted from funds received in the upcoming transaction.

**MONITORING AND REPORTING TIMELINE**

Updates will be provided to the Board of Trustees regarding the final costs of the bond transactions.

**ATTACHMENTS**

Attachment 1 - Professionals Participating in Debt Transaction and Estimated Expenditures

**RESOURCE PERSONNEL**

Teri Zamora

281-998-6306

teri.zamora@sjcd.edu

Attachment 1

**Professionals Participating in Debt Transaction and Estimated Expenditures**

|   |                          |
|---|--------------------------|
| <u>Underwriters:</u>  | <u>\$555,000</u>         |
| <ul style="list-style-type: none"><li>• Morgan Stanley – Senior</li><li>• Citigroup</li><li>• Piper Jaffray &amp; Co.</li><li>• Ramirez &amp; Co.</li></ul> |                          |
| <br><u>Other Professional Services:</u>   |                          |
| Independent Municipal Advisor – PFM   | \$163,200                |
| <br>Bond Counsel – Hunton Andrews Kurth LLP (Tom Sage)  | <br>\$135,000            |
| Disclosure Counsel – Holland and Knight LLP (Derrick Mitchell)  | \$50,000                 |
| <br>Ratings Agencies:   |                          |
| <ul style="list-style-type: none"><li>• Moody’s</li><li>• S&amp;P</li></ul>   | <br>\$65,000<br>\$71,000 |
| Attorney General  | \$19,000                 |
| Other (Paying Agent, Escrow Agent, misc.)   | \$24,350                 |
| Contingency   | <u>\$22,450</u>          |
| Total   | <u>\$550,000</u>         |

**CONSIDERATION OF APPROVAL TO ADOPT AN ORDER AUTHORIZING THE ISSUANCE OF SAN JACINTO COMMUNITY COLLEGE DISTRICT LIMITED TAX GENERAL OBLIGATION BUILDING AND/OR REFUNDING BONDS; SETTING CERTAIN PARAMETERS FOR THE BONDS; AUTHORIZING THE VICE CHANCELLOR OF FISCAL AFFAIRS TO APPROVE THE AMOUNT, THE INTEREST RATE, PRICE, INCLUDING THE TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the parameter order authorizing the issuance of a maximum of \$150 million of Limited Tax General Obligation Buildings Bonds and/or a maximum of \$13 million Limited Tax General Obligation Refunding Bonds and authorizing the Vice Chancellor of Fiscal Affairs to approve the amount, interest rate, price, terms and other related provisions.

**BACKGROUND**

On November 3, 2015, the voters of the San Jacinto Community College District (College) passed an election authorizing the issuance of \$425 million in bonds for the purpose of the construction, renovation, acquisition, and equipment of college buildings and the purchase of the necessary sites for college buildings, in conformity with laws of the State of Texas. The proceeds of the building bonds are only to be used for the voter approved purposes and the associated expenses authorized by law relating to the issuance of the bonds.

General Obligation Bonds (GO Bonds) issued by the College are structured as serial bond issues, meaning that they are a series of “layers” of fixed rate, fixed maturity bonds. In addition, GO Bonds may have a call feature which grants the College the opportunity to pay off the outstanding bonds at the determined date which is generally 10 years from the bond issuance date. Depending upon the economic cycles and interest rate levels, institutions may be able to save money by redeeming bonds early. In practice, this is accomplished by issuing new bonds at a lower interest rate and using the proceeds to pay off the older, higher interest rate bonds.

The first installment of \$150 million of GO bonds were issued in March 2016. The second installment of \$150 million of GO bonds is proposed to be priced in February 2019 with a closing date in March 2019.

If favorable market conditions continue, the College may have an opportunity to issue refunding bonds to effectively replace bonds that were originally issued in 2007 through 2009 (see Exhibit A of the attachment) and realize annual reductions to interest cost over the remaining life of the bonds.

The College may issue both types of bonds in the same issuance document to achieve cost savings by combining some costs of issuances, but achieving these efficiencies in a manner to allow proper segregation of authority and use of proceeds.



**CONSIDERATION OF APPROVAL TO ADOPT AN ORDER AUTHORIZING THE ISSUANCE OF SAN JACINTO COMMUNITY COLLEGE DISTRICT LIMITED TAX GENERAL OBLIGATION BUILDING AND/OR REFUNDING BONDS; SETTING CERTAIN PARAMETERS FOR THE BONDS; AUTHORIZING THE VICE CHANCELLOR OF FISCAL AFFAIRS TO APPROVE THE AMOUNT, THE INTEREST RATE, PRICE, INCLUDING THE TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO**

**IMPACT OF THIS ACTION**

Adoption of this order authorizing a parameter sale will allow the College to choose the time to issue bonds in one or more series when it is advantageous to the College. The parameters that must be satisfied before the College will issue bonds are:

- (1) For the New Buildings Bonds - the maximum issuance is \$150 million; the price shall not be less than 90% of the aggregate original principal amount of the bonds plus accrued interest; the maximum maturity date will not exceed 30 years; and
- (2) For the Refunding Bonds - the maximum issuance is \$13 million, the net present value savings in debt service resulting from any refunding of the refunded bonds shall be, in the case of any current refunding, at least 3% of the principal amount of the refunded bonds as shown by a table of calculations prepared by the College’s financial advisor and attached to the Officer’s Pricing Certificate; the amount of the bonds must be sufficient to provide the amounts necessary to fund the costs and related issuance expenses of the refunded bonds; and
- (3) For Either Bond Series - the parameter sale is authorized for 1 year from the date of the Order; the net effective interest rate shall not exceed the maximum rate allowed by Chapter 1204, Texas Government Code, as amended; the costs of issuance shall be paid by the bonds.

The order authorizes the Vice Chancellor of Fiscal Affairs to act on behalf of the college in the issuance of the bonds. The Building Bonds and/or the Refunding Bonds will not be issued if the applicable conditions are not met.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

Debt service on the issued bonds will be paid for by an annual interest and sinking tax levy authorized by the voters.

**MONITORING AND REPORTING TIMELINE**

Updates will be provided to the Board of Trustees regarding any bond issuances of the College.

**ATTACHMENTS**

Attachment 1 - Parameter Order Authorizing the Issuance of Building and/or Refunding Bonds

**CONSIDERATION OF APPROVAL TO ADOPT AN ORDER AUTHORIZING THE ISSUANCE OF SAN JACINTO COMMUNITY COLLEGE DISTRICT LIMITED TAX GENERAL OBLIGATION BUILDING AND/OR REFUNDING BONDS; SETTING CERTAIN PARAMETERS FOR THE BONDS; AUTHORIZING THE VICE CHANCELLOR OF FISCAL AFFAIRS TO APPROVE THE AMOUNT, THE INTEREST RATE, PRICE, INCLUDING THE TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO**

**RESOURCE PERSONNEL**

Teri Zamora

281-998-6306

Teri.Zamora@sjcd.edu

ORDER AUTHORIZING THE ISSUANCE OF SAN JACINTO COMMUNITY COLLEGE DISTRICT LIMITED TAX GENERAL OBLIGATION BUILDING AND/OR REFUNDING BONDS; SETTING CERTAIN PARAMETERS FOR THE BONDS; AUTHORIZING THE VICE CHANCELLOR OF FISCAL AFFAIRS TO APPROVE THE AMOUNT, THE INTEREST RATE, PRICE, INCLUDING THE TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO

THE STATE OF TEXAS §  
COUNTIES OF HARRIS AND CHAMBERS §  
SAN JACINTO COMMUNITY COLLEGE DISTRICT §

WHEREAS, San Jacinto Community College District (the “District”) has heretofore issued the bonds described in Exhibit A attached hereto and as more particularly described in the Officer’s Pricing Certificate; and

WHEREAS, the District desires to refund a portion of said bonds (the “Refunded Bonds”) in advance of their maturities; and

WHEREAS, Chapter 1207, Texas Government Code, authorizes the District to issue refunding bonds for the purpose of refunding the Refunded Bonds in advance of their maturities, and to accomplish such refunding by depositing directly with a paying agent for the Refunded Bonds (or other qualified escrow agent), the proceeds of such refunding bonds, together with other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded Bonds, and provides that such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Bonds; and

WHEREAS, upon the issuance of the refunding bonds herein authorized and the deposit of funds referred to above, the Refunded Bonds shall no longer be regarded as being outstanding, except for the purpose of being paid pursuant to such deposit, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the orders authorizing the issuance of the Refunded Bonds shall be, with respect to the Refunded Bonds, discharged, terminated and defeased; and

WHEREAS, the District also wishes to issue bonds hereinafter authorized that were duly and favorably voted at an election held in the District on the 3rd day of November, 2015 (the “Election”); and

WHEREAS, the Board of Trustees of the District does hereby determine that bonds and any premium charged against such voted authority in an aggregate amount not to exceed \$150,000,000 should be issued as the second installment of a total \$425,000,000 bonds voted at the Election pursuant to Chapter 130, Texas Education Code, and

WHEREAS, the District has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-

term debt instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore, the District qualifies as an “Issuer” under Chapter 1371, Texas Government Code; and

WHEREAS, pursuant to Sections 1207.007 and 1371.053, Texas Government Code, the District desires to delegate the authority to the Vice Chancellor of Fiscal Affairs to effect the sale of the Bonds, from time to time and in one or more installments; Now, therefore

BE IT ORDERED BY THE BOARD OF TRUSTEES OF SAN JACINTO COMMUNITY COLLEGE DISTRICT:

1. Recitals; Consideration. It is hereby found and determined that the matters and facts set out in the preamble to this Order are true and correct.

It is hereby found and determined that the refunding contemplated in this Order will benefit the District by providing a present value savings in the debt service payable by the District, and that such benefit is sufficient consideration for the refunding of the Refunded Bonds, and that the issuance of the refunding bonds is in the best interests of the District.

2. Definitions. Throughout this Order the following terms and expressions as used herein shall have the meanings set forth below:

“Acts” means Chapters 1207 and 1371, Texas Government Code.

“Blanket Issuer Letter of Representations” means the Blanket Issuer Letter of Representations between the District, the Registrar and DTC.

“Bonds” means one or more series of the San Jacinto Community College District Limited Tax General Obligation \_\_\_<sup>1</sup>\_\_\_, Series \_\_\_<sup>2</sup>\_\_\_ authorized in this Order and more fully described in the Officer’s Pricing Certificate, unless the context clearly indicates otherwise.

“Business Day” means any day that is not a Saturday, Sunday or a day that the Registrar is authorized by law or executive order to close.

“Capital Appreciation Bonds” means those Bonds bearing compound interest at the rate set out in the Officer’s Pricing Certificate to accrete from their date of delivery and compounding on the dates set forth in the Officer’s Pricing Certificate, payable only at maturity.

“Code” means the Internal Revenue Code of 1986.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas.

“Current Interest Bonds” means those Bonds on which interest is paid semiannually on the

---

<sup>1</sup>Insert from Officer’s Pricing Certificate.

<sup>2</sup>Insert from Officer’s Pricing Certificate.

## Interest Payment Dates.

“Debt Service Fund” means the interest and sinking fund for payment of the Bonds established by the District in Section 19 of this Order.

“District” means the San Jacinto Community College District.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Escrow Agent” means the place of payment for the Refunded Bonds or trust company or commercial bank identified in the Escrow Agreement and its successors in such capacity.

“Escrow Agreement” means the agreement between the District and the Escrow Agent relating to the escrow of funds to pay the Refunded Bonds.

“Initial Bonds” means the Initial Current Interest Bond and the Initial Capital Appreciation Bond.

“Initial Capital Appreciation Bond” means the Initial Capital Appreciation Bond authorized by Section 4(b)(ii).

“Initial Current Interest Bond” means the Initial Current Interest Bond authorized by Section 4(b)(i).

“Interest Payment Date”, when used in connection with any Current Interest Bond, means the dates set forth in the Officer’s Pricing Certificate.

“Issuance Date” means the date on which the Bonds are delivered to and paid for by the Underwriters.

“MSRB” means the Municipal Securities Rulemaking Board.

“Officer’s Pricing Certificate” means a certificate signed by the Pricing Officer and containing the information specified herein regarding any series of Bonds issued hereunder.

“Order” as used herein and in the Bonds means this order authorizing the Bonds.

“Owner” means any person who shall be the registered owner of any outstanding Bond.

“Pricing Officer” means the Vice Chancellor of Fiscal Affairs of the District.

“Purchase Agreement” means the agreement between the District and the Underwriters described in Section 4(e) of this Order.

“Record Date” means, for any Interest Payment Date, the close of business of the last Business Day of the month next preceding each Interest Payment Date.

“Refunded Bonds” means the bonds described in Exhibit A attached hereto and as more particularly described in the Officer’s Pricing Certificate.

“Register” means the books of registration in which the Registrar maintains the names and addresses of each Owner as well as the principal amounts of the Bonds registered to each Owner.

“Registrar” means the bank or trust company identified in the Officer’s Pricing Certificate, and its successors in that capacity.

“Report” means the report of Grant Thornton LLP (or one or more certified public accountants or a firm thereof), verifying the accuracy of certain mathematical computations relating to each issuance of the Bonds and the Refunded Bonds.

“Rule” means SEC Rule 15c2-12.

“SEC” means the United States Securities and Exchange Commission.

“Underwriters” means the individual underwriter or underwriting syndicate identified in the Officer’s Pricing Certificate.

“Vice Chancellor of Fiscal Affairs” means Teri Zamora, or such other person servicing the District as a successor in that capacity.

3. Authorization. The Bonds shall be issued in fully registered form, in one or more series, in a maximum principal amount (i) not to exceed \$150,000,000 including any premium counted against voted authorization, for the purpose of the construction, renovation, acquisition, and equipment of school buildings in the District and the purchase of the necessary sites for school buildings, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 130, Texas Education Code and Chapter 1371, Texas Government Code and (ii) not to exceed \$125,000,000 for the purpose of refunding the Refunded Bonds, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 1207, Texas Government Code.

4. Delegation of Authority. As authorized by Sections 1207.007 and 1371.053, Texas Government Code, the Pricing Officer is authorized to act on behalf of the District through a date one year from the date of this Order, from time to time, in selling and delivering one or more series of Bonds, subject to the conditions and carrying out the other procedures as set forth below:

(a) Designation. The Bonds shall be designated as “SAN JACINTO COMMUNITY COLLEGE DISTRICT LIMITED TAX GENERAL OBLIGATION \_\_\_<sup>3</sup>\_\_\_, SERIES \_\_\_<sup>4</sup>\_\_\_” and more fully described in the Officer’s Pricing Certificate.

(b) The Bonds may be issued as Current Interest Bonds and/or Capital Appreciation Bonds.

(i) The Initial Current Interest Bond shall be numbered ICI-1 and all other Current Interest Bonds shall be numbered in sequence beginning with RCI-1. Current Interest Bonds delivered on transfer of or in exchange for other Current Interest Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

(ii) The Capital Appreciation Bonds, if any, shall be initially issued bearing compound interest at the rates set out in the Officer’s Pricing Certificate. The Initial Capital Appreciation Bond shall be numbered ICA-1 and all other Capital Appreciation Bonds shall be numbered in sequence beginning with RCA-1. Capital Appreciation Bonds delivered on transfer of or in exchange for other Capital Appreciation Bonds shall be numbered in order of their authentication by the Registrar, shall be in the Maturity Amount of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

(c) Date, Denomination, Interest Rates and Maturities. The Bonds shall be dated, mature on the dates in each of the years and in the amounts set out in the Officer’s Pricing Certificate, shall be subject to prior optional and/or mandatory redemption on the dates, for the redemption prices and in the amounts, set out in the Officer’s Pricing Certificate and shall bear interest at the rates and from the date as set out in the Officer’s Pricing Certificate payable on each Interest Payment Date.

(d) Selling and Delivering Bonds. The Pricing Officer is hereby authorized to act on behalf of the District in selling and delivering the Bonds and carrying out the other procedures specified in this Order, including, without limitation, determining the date on and price at which the Bonds will be sold, the method and manner of sale (public or private), the issuance date and dated date of the Bonds, the designation or title of the Bonds, whether particular Bonds will be issued as Current Interest Bonds or Capital Appreciation Bonds, the years in which the Bonds will mature, the aggregate principal amount of the Bonds, the principal amount or Maturity Amount, as the case may be, to mature in each year of maturity, the rate of interest to be borne by each such maturity, the

---

<sup>3</sup>Insert from Officer’s Pricing Certificate.

<sup>4</sup>Insert from Officer’s Pricing Certificate.

interest payment and record dates, any redemption terms and provisions (including terms and provisions for optional and mandatory sinking fund redemption), whether to apply for and obtain municipal bond insurance, and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in Officer's Pricing Certificate; provided that:

PARAMETERS FOR NEW MONEY BONDS:

- (i) the aggregate principal amounts of all series of Bonds issued hereunder for the purposes set forth in Section 3(i), plus any premium charged against the voted authority, shall never exceed the maximum principal amount authorized in Section 3(i);
- (ii) the price to be paid for the Bonds shall not be less than 90% of the aggregate original principal amount of the Bonds plus accrued interest thereon from their date to their delivery;
- (iii) the net effective interest rate on the Bonds shall not exceed the maximum rate allowed by Chapter 1204, Texas Government Code; and
- (iv) the maximum maturity date shall be no later than 40 years from the Dated Date;

PARAMETERS FOR REFUNDING BONDS:

- (i) the aggregate principal amounts of all series of the Bonds issued for the purposes set forth in Section 3(ii) shall never exceed the maximum principal amount authorized in Section 3(ii);
- (ii) the net effective interest rate on the Bonds shall not exceed the maximum rate allowed by Chapter 1204, Texas Government Code.
- (iii) the net present value savings in debt service resulting from any refunding of the Refunded Bonds shall be, in the case of any current refunding, at least 3.00% of the principal amount of the Refunded Bonds, as shown by a table of calculations prepared by the District's financial advisor and attached to the Officer's Pricing Certificate;
- (iv) the sum of the principal amounts of each series of the Bonds, plus any net premium from the sale of such Bonds, plus other available funds of the District, must be sufficient to provide amounts necessary to fund the costs and expenses of refunding the Refunded Bonds and the estimated costs of issuance of the Bonds, including underwriters' discount.

(e) Sale; Purchase Agreement. The Bonds shall be sold and delivered to the Underwriters at a price to be set forth in the Officer's Pricing Certificate, plus accrued interest to the date of delivery, in accordance with the terms of one or more Purchase Agreements to be approved by the Pricing Officer. The Pricing Officer is hereby authorized and directed to execute one or more Purchase Agreements on behalf of the District, and the Chair and the Vice Chair and all other



officers, agents and representatives of the District are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

(f) Use of Proceeds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the District, be applied as follows:

- (i) Accrued interest in the amount of \$\_\_\_\_\_ <sup>5</sup>\_\_\_\_\_ and, if necessary, net premium on the Bonds in the amount of \$\_\_\_\_\_ <sup>6</sup>\_\_\_\_\_, shall be deposited into the Debt Service Fund.
- (ii) Net premium on the Bonds in the amount of \$\_\_\_\_\_ <sup>7</sup>\_\_\_\_\_ shall be used to pay the costs of issuance.
- (iii) Net premium on the Bonds in the amount of \$\_\_\_\_\_ <sup>8</sup>\_\_\_\_\_ shall be used to pay the underwriters' discount.
- (iv) If for new money purposes, bond proceeds in the amount of \$ \_\_\_\_\_ <sup>9</sup>\_\_\_\_\_ shall be used for the purposes described in Section 3(i). Any proceeds of the Bonds remaining after making all deposits and payments shall be deposited into the Debt Service Fund.
- (v) If for refunding purposes, bond proceeds in the amount of \$ \_\_\_\_\_ <sup>10</sup>\_\_\_\_\_, and, if necessary, other available funds from the District in the amount of \$ \_\_\_\_\_ <sup>11</sup>\_\_\_\_\_ from the Debt Service Fund shall be applied to establish an escrow fund to refund the Refunded Bonds, as more fully provided in Section 23 of the Order, and, to the extent not otherwise provided for, to pay all expenses arising in connection with the issuance of the Bonds, the establishment of such escrow fund and the refunding of the Refunded Bonds.

Any proceeds of the Bonds remaining after making all such deposits and payments shall be deposited into the Debt Service Fund.

---

<sup>5</sup>Insert from Officer's Pricing Certificate.

<sup>6</sup>Insert from Officer's Pricing Certificate.

<sup>7</sup>Insert from Officer's Pricing Certificate.

<sup>8</sup>Insert from Officer's Pricing Certificate.

<sup>9</sup> Insert from Officers Pricing Certificate.

<sup>10</sup>Insert from Officer's Pricing Certificate.

<sup>11</sup>Insert from Officer's Pricing Certificate.

5. Execution and Registration of Bonds. (a) The Bonds shall be signed by the Chair or Vice Chair of the Board and countersigned by the Secretary of the Board, by their manual, lithographed, or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds.

(b) If any officer of the District whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless and until there appears thereon the Registrar's Authentication Certificate substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Registrar. In lieu of the executed Registrar's Authentication Certificate described above, the Initial Bonds delivered at the Issuance Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by her duly authorized agent, which certificates shall be evidence that the Initial Bonds have been duly approved by the Attorney General of the State of Texas and that they are valid and binding obligations of the District, and have been registered by the Comptroller.

(d) On the Issuance Date, the Initial Bonds, payable in stated installments to the Underwriters or their designee, executed by manual or facsimile signature of the Chair of the Board and Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the Underwriters or their designee. Upon payment for the Initial Bonds, the Registrar shall cancel the Initial Bond and definitive Bonds shall be delivered to DTC.

6. Payment of Principal and Interest. The Registrar is hereby appointed as the registrar and paying agent for the Bonds. The principal of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable at the corporate trust office of the Registrar. The interest on each Bond shall be payable on each Interest Payment Date, by check mailed by the Registrar on or before the Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due.

7. Successor Registrars. The District covenants that at all times while any Bonds are

outstanding it will provide a commercial bank or trust company, organized under the laws of the United States or any state, duly qualified to serve as and perform the duties and services of Registrar for the Bonds. The District reserves the right to change the Registrar for the Bonds on not less than thirty (30) days written notice to the Registrar, so long as any such notice is effective not less than sixty (60) days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

8. Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the District. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Owner of record as of the close of business on the day prior to the mailing of such notice.

9. Book-Entry Only System. (a) The Initial Bonds shall be registered in the name designated in the Officer's Pricing Certificate. Except as provided in Section 10 hereof, all other Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such DTC Participant holds an interest in the Bonds, except as provided in this Order. Without limiting the immediately preceding sentence, the District and the Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, the District and the Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payments of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as

shown in the Register, shall receive a Bond certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Order. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Order with respect to interest checks being mailed to the Owner of record as of the Record Date, the phrase "Cede & Co." in this Order shall refer to such new nominee of DTC.

10. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the District, in its sole discretion, determines that the beneficial owners of the Bonds should be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the District shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934 notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Order.

11. Payments to Cede & Co. Notwithstanding any other provision of this Order to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Blanket Letter of Representations.

12. Ownership; Unclaimed Principal and Interest. The District, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal of or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the District and the Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code.

13. Registration, Transfer and Exchange. So long as any Bonds remain outstanding, the Registrar shall keep the Register at its corporate trust office. Subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Bonds in

accordance with the terms of this Order.

Each Bond shall be transferable only upon the presentation and surrender thereof at the corporate trust office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bond for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three (3) Business Days after such presentation, a new Bond or Bonds of the same type registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the corporate trust office of the Registrar, for a Bond or Bonds of the same type, maturity and interest rate in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The District or the Registrar may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the District.

14. Mutilated, Lost or Stolen Bonds. Upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authorize and the Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The District or the Registrar may require the Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The District or the Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

- (1) furnish to the District and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (2) furnish such security or indemnity as may be required by the Registrar and the District to save them harmless;

- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (4) meet any other reasonable requirements of the District and the Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the District and the Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the District in its discretion may, instead of issuing a replacement Bond, authorize the Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

15. Cancellation of Bonds. All Bonds paid in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be cancelled and destroyed upon the making of proper records regarding such payment. The Registrar shall furnish the District with appropriate certificates of destruction of such Bonds.

16. Optional and/or Mandatory Redemption; Defeasance. The Bonds are subject to optional and/or mandatory redemption as set forth in the Form of Bonds.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by first class mail to the Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds of a particular maturity are to be redeemed, the numbers of the Bonds or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for

redemption shall terminate on the date fixed for redemption.

The Bonds may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

17. Forms. The form of the Bonds, including the form of Registration Certificate of the Comptroller, which shall be attached or affixed to each Initial Bond, the form of the Registrar's Authentication Certificate and the form of Assignment, shall be, respectively, substantially as follows, with such additions, deletions and variations as may be required by the Pricing Officer, necessary or desirable and not prohibited by this Order:

*[Remainder of this page intentionally left blank]*

(a) Form of Current Interest Bond.

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTIES OF HARRIS AND CHAMBERS

REGISTERED  
NUMBER

\_\_\_\_\_

REGISTERED  
DENOMINATION

\$ \_\_\_\_\_

SAN JACINTO COMMUNITY COLLEGE DISTRICT  
LIMITED TAX GENERAL OBLIGATION  
\_\_\_\_\_ <sup>12</sup> \_\_\_\_, SERIES \_\_\_\_\_ <sup>13</sup> \_\_\_\_\_

INTEREST RATE:

MATURITY DATE:

ISSUANCE DATE:

CUSIP:

\_\_\_\_\_ <sup>14</sup> \_\_\_\_\_

\_\_\_\_\_ <sup>15</sup> \_\_\_\_\_

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

SAN JACINTO COMMUNITY COLLEGE DISTRICT (the "District") promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Bond at the corporate trust office of \_\_\_\_\_ <sup>16</sup> \_\_\_\_\_ (the "Registrar"), the principal amount identified above, payable in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the Issuance Date, or the most recent interest payment date to which interest has been paid or duly provided for. The dated date of the Bonds is \_\_\_\_\_ <sup>17</sup> \_\_\_\_\_. Interest on this Bond is payable by check on \_\_\_\_\_ <sup>18</sup> \_\_\_\_\_ and \_\_\_\_\_ <sup>19</sup> \_\_\_\_\_ beginning on \_\_\_\_\_ <sup>20</sup> \_\_\_\_\_, mailed to the registered

<sup>12</sup>Insert from Officer's Pricing Certificate.

<sup>13</sup>Insert from Officer's Pricing Certificate.

<sup>14</sup> Insert from Officer's Pricing Certificate.

<sup>15</sup> Insert from Officer's Pricing Certificate.

<sup>16</sup>Insert from Officer's Pricing Certificate.

<sup>17</sup> Insert from Officer's Pricing Certificate.



owner as shown on the books of registration kept by the Registrar as of the close of business on the last business day of the month next preceding each interest payment date.

THIS BOND is one of a duly authorized issue of Bonds, aggregating \$\_\_\_\_\_ <sup>21</sup>\_\_\_\_\_ (the “Bonds”), issued [(i) for the purpose of the construction, renovation, acquisition, and equipment of school buildings in the District and the purchase of the necessary sites for school buildings, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 130, Texas Education Code and Chapter 1371, Texas Government Code and (ii) for the purpose refunding the Refunded Bonds, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 1207, Texas Government Code,]<sup>22</sup> and pursuant to an order adopted by the Board of Trustees of the District (the “Order”), which Order is of record in the official minutes of the District. [The Bonds are issued as (i) Bonds in the aggregate principal amount of \$\_\_\_\_\_ <sup>23</sup>\_\_\_\_\_ which pay interest only at maturity, and (ii) Bonds in the aggregate principal amount of \$\_\_\_\_\_ <sup>24</sup>\_\_\_\_\_ which pay interest semiannually until maturity or earlier redemption.]<sup>25</sup>

THE DISTRICT RESERVES THE RIGHT, at its option, to redeem Bonds maturing on or after \_\_<sup>26</sup>\_\_, in whole or from time to time in part, in integral multiples of \$5,000, on \_\_<sup>27</sup>\_\_, or any date thereafter at par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If less than all the Bonds are to be redeemed, the District shall select the Bonds to be redeemed.

[If applicable, mandatory redemption language]<sup>28</sup>

NOTICE OF ANY REDEMPTION shall be given by the Registrar at least thirty (30) days prior to the date fixed for redemption by first class mail, addressed to the registered owners of each

---

<sup>18</sup>Insert from Officer’s Pricing Certificate.

<sup>19</sup>Insert from Officer’s Pricing Certificate.

<sup>20</sup>Insert from Officer’s Pricing Certificate.

<sup>21</sup> Insert from Officer’s Pricing Certificate.

<sup>22</sup> Insert from Officer’s Pricing Certificate..

<sup>23</sup> Insert from Officer’s Pricing Certificate.

<sup>24</sup> Insert from Officer’s Pricing Certificate.

<sup>25</sup>Remove bracketed language if there are no CABs.

<sup>26</sup> Insert from Officer’s Pricing Certificate.

<sup>27</sup> Insert from Officer’s Pricing Certificate.

<sup>28</sup> Insert from Officer’s Pricing Certificate.

Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the corporate trust office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Order.

THIS BOND IS EXCHANGEABLE at the corporate trust office of the Registrar for Bonds in the denomination of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Order.

THE DISTRICT has covenanted in the Order that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District, and have been pledged irrevocably for such payment.

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the Chair and countersigned with the manual or facsimile signature of the Secretary, and the official seal of the District has been duly impressed, or placed in facsimile, on this Bond.

(AUTHENTICATION  
CERTIFICATE)

(SEAL)

SAN JACINTO COMMUNITY COLLEGE  
DISTRICT

---

Chair, Board of Trustees

---

Secretary, Board of Trustees

(b) Form of Capital Appreciation Bonds (if required).

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTIES OF HARRIS AND CHAMBERS

REGISTERED  
NUMBER

\_\_\_\_\_

REGISTERED  
DENOMINATION

\$ \_\_\_\_\_

SAN JACINTO COMMUNITY COLLEGE DISTRICT  
LIMITED TAX GENERAL OBLIGATION

\_\_\_\_\_ <sup>29</sup> \_\_\_\_\_, SERIES \_\_\_\_\_ <sup>30</sup> \_\_\_\_\_

MATURITY DATE:

ISSUANCE DATE:

CUSIP:

\_\_\_\_\_ <sup>31</sup> \_\_\_\_\_

REGISTERED OWNER:

MATURITY AMOUNT:

DOLLARS

SAN JACINTO COMMUNITY COLLEGE DISTRICT (the "District") promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Bond at the corporate trust office of \_\_\_\_\_ <sup>32</sup> \_\_\_\_\_ (the "Registrar"), the Maturity Amount identified above, representing the principal amount hereof and accrued and compounded interest hereon (both as shown in the table attached to this Bond), in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America. The date of this Bond is \_\_\_\_\_ <sup>33</sup> \_\_\_\_\_, but interest shall accrue on the principal amount hereof from the Issuance Date at the per annum rate specified on the Table of Accreted Values attached hereto. The Accreted Value (per \$5,000 of Maturity Amount) of this Bond, as of the Issuance Date and as of each \_\_\_\_\_ <sup>34</sup> \_\_\_\_\_ and \_\_\_\_\_ <sup>35</sup> \_\_\_\_\_ is set forth in the Table of Accreted

<sup>29</sup>Insert from Officer's Pricing Certificate.

<sup>30</sup>Insert from Officer's Pricing Certificate.

<sup>31</sup> Insert from Officer's Pricing Certificate.

<sup>32</sup>Insert from Officer's Pricing Certificate.

<sup>33</sup> Insert from Officer's Pricing Certificate.

<sup>34</sup>Insert from Officer's Pricing Certificate.

Values attached hereto. Such value as of any other date shall be determined by straight-line interpolation between such values.

THIS BOND is one of a duly authorized issue of Bonds, aggregating \$\_\_\_\_\_<sup>36</sup> (the “Bonds”), issued [(i) for the purpose of the construction, renovation, acquisition, and equipment of school buildings in the District and the purchase of the necessary sites for school buildings, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 130, Texas Education Code and Chapter 1371, Texas Government Code and (ii) for the purpose refunding the Refunded Bonds, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 1207, Texas Government Code, and pursuant to an order adopted by the Board of Trustees of the District (the “Order”),]<sup>37</sup> which Order is of record in the official minutes of the District. [The Bonds are issued as (i) Bonds in the aggregate principal amount of \$\_\_\_\_\_<sup>38</sup> which pay interest only at maturity, and (ii) Bonds in the aggregate principal amount of \$\_\_\_\_\_<sup>39</sup> which pay interest semiannually until maturity or earlier redemption.]<sup>40</sup>

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the corporate trust office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Order.

THIS BOND IS EXCHANGEABLE at the corporate trust office of the Registrar for Bonds in the denomination of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Order.

THE DISTRICT has covenanted in the Order that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

---

<sup>35</sup>Insert from Officer’s Pricing Certificate.

<sup>36</sup> Insert from Officer’s Pricing Certificate.

<sup>37</sup> Insert from Officer’s Pricing Certificate.

<sup>38</sup> Insert from Officer’s Pricing Certificate.

<sup>39</sup> Insert from Officer’s Pricing Certificate.

<sup>40</sup>Remove bracketed language if there are no CABs.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, within the limits prescribed by law, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District, and have been pledged irrevocably for such payment.

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the Chair and countersigned with the manual or facsimile signature of the Secretary, and the official seal of the District has been duly impressed, or placed in facsimile, on this Bond.

(AUTHENTICATION  
CERTIFICATE)

(SEAL)

SAN JACINTO COMMUNITY COLLEGE  
DISTRICT

\_\_\_\_\_  
Chair, Board of Trustees

\_\_\_\_\_  
Secretary, Board of Trustees

**TABLE OF ACCRETED VALUES**<sup>41</sup>

(c) Form of Comptroller's Registration Certificate.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

<sup>41</sup> Insert from Officer's Pricing Certificate.

(d) Form of Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Order described in the text of this Bond.

[ \_\_\_\_\_ ]  
As Paying Agent/Registrar

By \_\_\_\_\_  
Authorized Signature  
Date of Authentication \_\_\_\_\_

(e) Form of Assignment.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

\_\_\_\_\_  
\_\_\_\_\_  
(Please print or type name, address, and zip code of Transferee)

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number of Transferee)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_  
attorney to transfer said Bond on the books kept for registration thereof, with full power of  
substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

\_\_\_\_\_  
Registered Owner

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.

(g) The Initial Bond shall be in the form set forth in paragraphs (a), (b), (c), and (e) of this Section, except for the following alterations:

(i) immediately under the name of the Current Interest Bond, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As Shown Below” and the word “CUSIP” deleted; immediately under the name of the Capital Appreciation Bond, the heading “MATURITY DATE” shall be completed with the words “As Shown Below” and the word “CUSIP” deleted;

(ii) in the first paragraph of the Current Interest Bond, the words “on the maturity date specified above” and “at the rate shown above” shall be deleted and the following shall be inserted at the end of the first sentence “..., with such principal to be paid in installments on the dates, in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:”

[Information to be inserted from schedule in the Officer’s Pricing Certificate]

(iii) in the first paragraph of the Capital Appreciation Bond, the words “on the maturity date specified above” shall be deleted, and the words “the Maturity Amount identified above” shall be replaced with “the Maturity Amounts shown in the schedule below”.

[Information to be inserted from schedule in the Officer’s Pricing Certificate]

(iv) the Initial Bonds shall be numbered ICI-1 and ICA-1, respectively.

18. CUSIP Numbers. CUSIP Numbers may be printed on the Bonds, but errors or omissions in the printing of such numbers shall have no effect on the validity of the Bonds.

19. Debt Service Fund; Tax Levy. A special fund to be designated “San Jacinto Community College District Limited Tax <sup>42</sup> Bonds, Series <sup>43</sup>, Debt Service Fund” is hereby created, and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by this Order shall be deposited, as collected, in such Fund. While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed and collected in due time, form and manner, and at the same time as other District taxes are assessed, levied and collected, in each year, an annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the District, sufficient

---

<sup>42</sup>Insert from Officer’s Pricing Certificate.

<sup>43</sup>Insert from Officer’s Pricing Certificate.

to pay the interest on the Bonds as the same becomes due and to pay each installment of the principal of the Bonds as the same matures, full allowance being made for delinquencies and costs of collection, and said taxes are hereby irrevocably pledged to the payment of the interest on and principal of the Bonds and to no other purpose.

To pay any debt service coming due on the Bonds prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

20. Application of Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the District under Section 19 of this Order, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the District under Section 19 of this Order is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

21. Further Proceedings. After the Initial Bonds have been executed, it shall be the duty of the Chair of the Board and other appropriate officials and agents of the District to deliver the Initial Bonds and all pertinent records and proceedings to the Attorney General of the State of Texas, for examination and approval. After the Initial Bonds have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Initial Bonds, the Comptroller (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

22. Covenants to Maintain Tax Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“Code” means the Internal Revenue Code of 1986.

“Computation Date” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Investment” has the meaning stated in Section 1.148-1(b) of the Regulations.



“Issue Date” for each series or sub-series of the Bonds or other obligations of the District is the respective date on which such series or sub-series of the Bonds or other obligations of the District is delivered against payment therefor.

“Net Sale Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Rebate Amount” has the meaning stated in Section 1.148-3 of the Regulations.

“Regulations” means the temporary or final Income Tax Regulations applicable to the Bonds issued pursuant to Sections 141 through 150 of the Code. Any reference to a section of the Regulations shall also refer to any successor provision to such section hereafter promulgated by the Internal Revenue Service pursuant to Sections 141 through 150 of the Code and applicable to the Bonds.

“Yield of”

(1) any Investment shall be computed in accordance with Section 1.148-5 of the Regulations, and

(2) the Bonds shall be computed in accordance with Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The District shall not use, permit the use of or omit to use Gross Proceeds of the Bonds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the District shall have received a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the District shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the District shall, at all times after the Issue Date of any Bond and prior to the last stated maturity of the Bonds

(i) exclusively own, operate, and possess all property the acquisition,

construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Bonds) and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or

(ii) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Bonds) other than taxes of general application and interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the regulations and rulings thereunder, the District shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be "loaned" to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds (including property financed with Gross Proceeds of the Refunded Bonds) is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the District shall not, at any time prior to the earlier of the final stated maturity or final payment of the Bonds, directly or indirectly invest Gross Proceeds of the Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the regulations and rulings thereunder, the District shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the regulations and rulings thereunder.

(g) Information Report. The District shall timely file with the Secretary of the Treasury the information required by Section 149(e) of the Code with respect to the Bonds on such forms and in such place as such Secretary may prescribe.

(h) Payment of Rebate Amount. Except to the extent otherwise provided in Section 148(f) of the Code and the regulations and rulings thereunder, the District shall:

(i) account for all Gross Proceeds of the Bonds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of such accounting for at least nine years after the final Computation Date. The District may, however, to the extent permitted by law, commingle Gross Proceeds of the Bonds with other money of the District, provided that the District separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith,

(ii) calculate the Rebate Amount with respect to the Bonds not less frequently than each Computation Date, in accordance with rules set forth in Section 148(f) of the Code, Section 1.148-3 of the Regulations, and the rulings thereunder. The District shall maintain a copy of such calculations for at least three years after the final Computation Date,

(iii) as additional consideration for the purchase of the Bonds by the initial purchasers thereof and the loan of the money represented thereby, and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, pay to the United States the amount described in paragraph (2) above at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by Section 148(f) of the Code and the regulations and rulings thereunder, and

(iv) exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (2) and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter, including payment to the United States of any interest and any penalty required by the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the District shall not, at any time after the Issue Date of the Bonds and prior to the earlier of the final stated maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Not Hedge Bonds. The District did not invest more than 50 percent of the Proceeds of the Refunded Bonds, and will not invest more than 50 percent of the proceeds of the Bonds, in Nonpurpose Investments having a guaranteed yield for four years or more. On the Issue Date of the Bonds, the District will reasonably expect, and on the Issue Date of the Refunded Bonds, the District reasonably expected, that at least 85 percent of the Net Sale Proceeds of the Bonds and Refunded Bonds, respectively, would be used to carry out the governmental purpose of such series within three years after the Issue Date of such series.

23. Escrow Agreement. If required, the discharge and defeasance of the Refunded Bonds shall be effectuated pursuant to the terms and provisions of an Escrow Agreement to be entered into by and between the District and the Escrow Agent, the terms and provisions of which are hereby approved, subject to such insertions, additions and modifications as shall be necessary (a) to carry out the program designed for the District by the Underwriters, which shall be certified as to mathematical accuracy by the Report, (b) to maximize the District's present value savings and/or to minimize the District's costs of refunding, (c) to comply with all applicable laws and regulations relating to the refunding of the Refunded Bonds and (d) to carry out the other intents and purposes of this Order, and the Chair or Vice Chair is hereby authorized to execute and deliver such Escrow Agreement on behalf of the District in multiple counterparts and the Secretary or the Assistant Secretary is hereby authorized to attest thereto.

24. Purchase of Escrowed Securities. To assure the purchase of the Escrowed Securities referred to in the Escrow Agreement, the Chair or Vice Chair of the Board of Trustees, the Pricing Officer, and the Escrow Agent are hereby authorized to subscribe for, agree to purchase, and purchase obligations which are authorized investments for escrow accounts pursuant to Section 1207.062, Texas Government Code, in such amounts and maturities and bearing interest at such rates as may be provided for in the Report, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved.

25. Redemption Prior to Maturity of Refunded Bonds. The District has irrevocably exercised its option to call the bonds of the District for redemption prior to maturity on the dates and at the prices shown on Exhibit A attached to the Officer's Pricing Certificate, and authorized and directed notice of such redemption to be given in accordance with the orders authorizing the issuance of such bonds.

26. Continuing Disclosure Undertaking. (a) Annual Reports. The District will provide annually to the MSRB via the Electronic Municipal Market Access ("EMMA") system at [www.emma.msrb.org](http://www.emma.msrb.org), (1) within six months after the end of each fiscal year of the District, financial information and operating data with respect to the District of the general type included in the Official Statement in Appendix A (except for the information under "Estimated Overlapping Debt Statement"), and (2) if not provided as part such financial information and operating data, audited financial statements of the District, when and if available, or as otherwise set forth in the Officer's Pricing Certificate. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described Appendix D to the Official Statement, or such other accounting principles as the District may be required to employ, from time to time, by state law or regulation, and (ii) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the District shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such financial statements becomes available.

If the District changes its fiscal year, it will submit a notice of such change to the MSRB, and the date of the new fiscal year end prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document), if it is available from the MSRB or filed with the SEC.

(b) Event Notices. The District shall submit a notice to the MSRB, in a timely manner (not in excess of ten (10) business days after the occurrence of an event), of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the District;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in (xii) in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any

other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District. The District shall notify the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with this Section by the time required by this Section.

The District shall notify the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with Section 27(a) of this Order by the time required by such Section.

(c) Limitations, Disclaimers, and Amendments. The District shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the District remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the District in any event will give notice of any deposit made in accordance with Texas law that causes Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and the beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The District undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the District in observing or performing its obligations under this Section shall comprise a breach of or default under this Order for purposes of any other provision of this Order.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the District under federal and state securities laws.

The provisions of this Section may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, or status or type of principal payment of the District, if (1) the agreement, as so amended, would have permitted an underwriter to purchase or sell Bonds in the initial primary offering in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate amount of the outstanding Bonds consent to such amendment or (b) a person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The District may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If any such amendment is made, the District will include in its next annual update an explanation in narrative form of the reasons for the change and its impact on the type of operating data or financial information being provided.

27. Official Statement. The District hereby approves the form and content and distribution of the Preliminary Official Statement prepared in the initial offering and sale of the Bonds and hereby authorizes the preparation of a final Official Statement reflecting the terms of the Bond Purchase Agreement and other relevant information. The use of such final Official Statement by the Underwriters is hereby approved and authorized and the proper officials of the District are authorized to sign such Official Statement.

28. Related Matters. To satisfy in a timely manner all of the District's obligations under this Order and the Bond Purchase Agreement, the Chair or Vice Chair, the Secretary or the Assistant Secretary, and all other appropriate officers and agents of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Order.

29. Power to Revise Form of Documents. Notwithstanding any other provision of this Order, the Chair of the Board is hereby authorized to make or approve such revisions, additions, deletions, and variations to this Order and in the form of the documents attached hereto as exhibits as, in the judgment of the Chair, and in the opinion of Bond Counsel to the District, may be necessary or convenient to carry out or assist in carrying out the purposes of this Order, the Preliminary Official Statement, the final Official Statement, or as may be required for approval of the Bonds by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Bonds or such documents shall be subject to the prior approval of the Board.

30. Registrar. The form of agreement setting forth the duties of the Registrar is hereby approved, and the appropriate officials of the District are hereby authorized to execute such agreement for and on behalf of the District.

31. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Order, against any official or employee of the District or any person executing any Bonds.

32. Open Meeting. It is hereby officially found and determined that the meeting at which this Order was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act.



PASSED AND APPROVED this 28th day of January, 2019.

---

Chair, Board of Trustees  
San Jacinto Community College District

ATTEST:

---

Secretary, Board of Trustees  
San Jacinto Community College District

(SEAL)

**EXHIBIT A**

**DISTRICT'S OUTSTANDING BONDS**

Limited Tax General Obligation Building and Refunding Bonds, Series 2007  
Limited Tax Refunding Bonds, Series 2008  
Limited Tax General Obligation Bonds, Series 2008 (a/k/a Limited Tax General  
Obligation Building Bonds, Series 2008A)  
Limited Tax General Obligation Bonds, Series 2009  
Limited Tax General Obligation Building and Refunding Bonds, Series 2011  
Maintenance Tax Refunding Bonds, Series 2011  
Limited Tax General Obligation, Series 2012  
Limited Tax General Obligation Refunding Bonds, Series 2015  
Limited Tax General Obligation Buildings Bonds, Series 2016A  
Limited Tax General Obligation Refunding Bonds, Series 2016B  
Limited Tax General Obligation Refunding Bonds, Series 2016C

**Action Item “XV”**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval of Spaceport Training MOA with City of Houston**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the execution of a Memorandum of Agreement (MOA) with the City of Houston regarding the development of an aerospace training center located in the Houston Spaceport area of Ellington Field.

**BACKGROUND**

The administration is proposing to enter into an MOA with the City of Houston, for the purpose of creating an Aerospace Training Center of Excellence with the Houston Airport System, focusing on meeting aerospace workforce demands and fostering innovation.

The MOA, which is anticipated to be approved by the City of Houston in February 2019, contains provisions stating that the College will separately enter into an agreement with the City of Houston to annex the Houston Spaceport, via a phased-in approach. This annexation will move the portion of Ellington Field currently designated as the Houston Spaceport into the College’s taxing district. The first phase of annexation is comprised of 153.6 acres, and will be approved by the City of Houston at the same time that the MOA is approved.

Both parties will work in good faith to negotiate an agreement allowing the College to establish a presence at the Spaceport, initially in one facility, and additionally in other space as necessary to support the mission of the training.

After execution of the MOA and completion of the annexation, the College will be issued a license to begin work in a portion of a facility available within the Spaceport at 13150 Space Center Boulevard, with an appropriate lease agreement to be executed within six months of the issuance of the license.

**IMPACT OF THIS ACTION**

Approval by the Board of Trustees allows the College to move forward in the planning process and in the annexation process. Both processes are intended to support a future aerospace training center located at the Houston Spaceport.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

Planned capital expenditures, along with operating revenue and expenditure budgets, will be brought to the Board for approval. It is anticipated that some initial investment will be required in early years, to develop a training center that is self-sufficient.

**MONITORING AND REPORTING TIMELINE**

Updates on progress will be provided to the Board of Trustees, and all budgets and agreements will be brought for consideration and approval.

**Action Item “XV”**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval of Spaceport Training MOA with City of Houston**

**ATTACHMENTS**

Attachment 1 – MOA for Spaceport Training Center with City of Houston

**RESOURCE PERSONNEL**

|               |              |                        |
|---------------|--------------|------------------------|
| Teri Crawford | 281-998-6151 | teri.crawford@sjcd.edu |
| Sarah Janes   | 281-478-3605 | sarah.janes@sjcd.edu   |
| Teri Zamora   | 281-998-6306 | teri.zamora@sjcd.edu   |

**MEMORANDUM OF AGREEMENT****FOR THE DEVELOPMENT OF AN AEROSPACE TRAINING CENTER  
ON THE HOUSTON SPACEPORT AT ELLINGTON AIRPORT**

---

**THIS MEMORANDUM OF AGREEMENT** (this “MOA”) is entered into on the Effective Date by and between the **CITY OF HOUSTON, TEXAS**, a home-rule city and municipal corporation principally situated in Harris County, Texas (“City”) and **SAN JACINTO COMMUNITY COLLEGE DISTRICT** (“San Jac”) (the City and San Jac are each individually referred to as a “Party” and collectively, the “Parties”) regarding the development of an aerospace training center on the Houston Spaceport at Ellington Airport (“Spaceport” or “EFD”), as more specifically described herein.

**WITNESSETH:**

**WHEREAS**, the City is the owner of EFD, a portion of which was licensed by the Federal Aviation Administration (“FAA”) as the Houston Spaceport on June 26, 2015, and EFD is managed and operated by the City’s Houston Airport System (“HAS”), as an enterprise fund, whose functions are public and governmental, exercised for a public purpose, and matters of public necessity; and

**WHEREAS**, the City has commenced development of the Houston Spaceport by initiating Phase 1 infrastructure for construction and installation of roadways, utilities and fiber optic cable; and

**WHEREAS**, the Parties have an interest in creating an aerospace training center of excellence (“Training Center”) focusing on meeting aerospace workforce demands and fostering innovation; and

**WHEREAS**, in order to initiate this project, the City has determined it is necessary and beneficial to create a collaborative partnership where the Parties work together to encourage development of the Spaceport wherein San Jac can train the workforce of various aerospace companies wishing to establish a presence at the Spaceport, the first of which may be a tenant of the Spaceport’s Houston Aerospace Support Center (“HASC”) located at 13150 Space Center Boulevard; and

**WHEREAS**, San Jac is separately entering into an agreement with the City to annex the Spaceport, in a phased-in approach, which may result in creating a revenue source from ad valorem taxes to allow it to develop the Training Center, and to partner with other governmental entities, educational institutions and private corporations in support of development and operation of the Training Center; and,

**WHEREAS**, the Parties will work in good faith to negotiate an agreement allowing San Jac to establish a presence at the Spaceport, initially in the HASC building, with the right to develop additional space as necessary to support its mission of workforce training for the aerospace industry;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, the City and San Jac agree as follows:

**1.0 Parties**

**1.1 Addresses** – The initial addresses of the Parties, which one Party may change by giving written notice of its changed address to the other Party, are as follows:

**City**

Director, Houston Airport System  
or designee  
City of Houston  
P.O. Box 60106  
Houston, TX 77205-0106

**San Jac**

Dr. Brenda Hellyer, Chancellor  
San Jacinto College District  
4624 Fairmont Parkway  
Pasadena, TX 77504

**1.2 Controlling Parts** - In the event of any conflict or inconsistency between or among the provisions within the body of this MOA and the exhibits, appendices or other attachments to this MOA, it is agreed that the provisions contained within the body of this MOA shall control.

**2.0 Training Center Development Scope**

**2.1 Overview** - The Parties agree that subsequent to the Effective Date of this MOA (as defined herein), San Jac shall coordinate with HAS to plan the development of the Training Center in phases. The purpose of the Training Center shall be education, technical training and job development for the aerospace community, as well as a site to foster aerospace innovation. HAS is currently negotiating with a third party to occupy a portion of the HASC building at the Spaceport and San Jac is also determining the training needs of such third party which will help initiate the implementation of the objectives of the Training Center.

**3.0 Phasing of the Spaceport Annexation by San Jac**

**3.1 Phase 1** – Complementary to the MOA, and pursuant to approval by City Council of the City (“City Council”), San Jac will annex Phase 1 of the Spaceport, comprised of approximately 153.6 acres, as shown on Attachment A, into the San Jacinto College District which may result in the imposition of ad valorem taxes, which would result in the creation of a revenue source allowing San Jac to expend monies to develop the Training Center on the Spaceport.

**3.2 Future Phases** – The City hereby agrees that San Jac shall have the authority to annex additional lands, in one or more additional phases, contained within the Spaceport for a total, through all phases if authorized, of approximately 246.3 acres, as shown on Attachment B, following all regulations governing the annexation process, and which shall be triggered by San Jac’s capital investment

in the Training Center, which shall be documented to the HAS Director for his approval and certification.

**4.0 Planning and Management** - San Jac and HAS shall coordinate to create a development plan for the first and future phases of the Training Center, determining which portions of the HASC building will be licensed and/or leased to San Jac, and which will be available for lease by third party aerospace companies. Subsequent to the passage by City Council of this MOA and of the annexation documents, HAS shall, upon acceptable terms, issue a temporary six-month license to San Jac which will enable San Jac to begin work in the HASC building. Thereafter, the HAS Director will negotiate terms with San Jac, acceptable to the FAA, for a subsequent mutually acceptable lease agreement, anticipated to be brought to City Council for approval within such six-month license period.

**5.0 Effective Date and Expiration Date of MOA**

5.1 This MOA will be effective on the date of countersignature to this MOA by the City Controller (“Effective Date”) after execution by San Jac and approval by City Council.

5.2 This MOA shall expire on the earlier of: City Controller’s countersignature of a mutually acceptable lease agreement which has been executed by the Parties; or, 180 days of the effective date of the annexation of Phase 1 of the Spaceport.

**6.0 Additional Terms**

6.1 This MOA is subject to (a) applicable City Council approval and (b) the approval of the Board of Directors of San Jac.

6.2 The Parties acknowledge that this MOA, and a subsequent license and/or lease agreement between the Parties, are subject to all City, State and Federal laws and regulations, including regulations, grant assurances, and policies of the FAA.

6.3 **Electronic Signature** - The Parties hereby agree that each Party may sign and deliver this MOA electronically or by electronic means and that an electronic transmittal of a signature, including but not limited to, a scanned signature page, will be as good, binding, and effective as an original signature.

**REMAINDER OF PAGE LEFT INTENTIONALLY BLANK**

**IN WITNESS WHEREOF**, this MOA has been entered into and effective as of the Effective Date. The Parties have executed this MOA in multiple copies and/or counterparts, each of which is an original. Each person signing this MOA represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this MOA. Each Party represents and warrants to the other that the execution and delivery of this MOA and the performance of such Party's obligations hereunder have been duly authorized and that this MOA is a valid and legal agreement binding on such Party and enforceable in accordance with its terms.

**Signatures:**

ATTEST/SEAL:

**SAN JACINTO COLLEGE DISTRICT**  
"San Jac"

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

TAX ID No.: \_\_\_\_\_

ATTEST/SEAL:

**CITY OF HOUSTON, TEXAS**  
"City"

\_\_\_\_\_  
Anna Russell  
City Secretary

\_\_\_\_\_  
Sylvester Turner  
Mayor

COUNTERSIGNED:

\_\_\_\_\_  
Mario C. Diaz, Director  
Houston Airport System

\_\_\_\_\_  
Chris Brown  
City Controller

APPROVED AS TO FORM:

DATE COUNTERSIGNED:

\_\_\_\_\_  
Sr. Assistant City Attorney  
L. D. File No.

\_\_\_\_\_



ATTACHMENT A  
Annexation Phase 1 of Spaceport  
Approximately 153.6 Acres

ELLINGTON AIRPORT  
SPACEPORT  
Page 1 of 3

**Metes and Bounds Description**  
**153.6 Acres (6,690,739 Square Feet)**

FIELD NOTES FOR 153.6 ACRES (6,690,739 SQUARE FEET) OF LAND LOCATED IN THE M.C. FRIEDENHAUS SURVEY, ABSTRACT 1183, THE SYLVESTER MURPHY SURVEY, ABSTRACT 53, AND THE THOMAS EARL, JR. SURVEY, ABSTRACT 248, HARRIS COUNTY, TEXAS AND BEING OUT OF A CALLED 246.3 ACRE TRACT CONVEYED TO THE CITY OF HOUSTON, TEXAS BY DEED DATED JUNE 24, 1998, RECORDED UNDER HARRIS COUNTY CLERK'S FILE (HCCF) T111297 IN THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, HARRIS COUNTY, TEXAS (OPRRPHC), AND ALL OF RESTRICTED RESERVE "A", BLOCK 1, CLEARPOINT SECTION THREE REPLAT NO. 1, RECORDED IN FILM CODE 495030, MAP RECORDS OF HARRIS COUNTY (MRHC), DESCRIBED IN DEED DATED NOVEMBER 3, 2015 TO THE CITY OF HOUSTON, TEXAS, RECORDED UNDER HCCF 20150506581 OPRRPHC; SAID 153.6 ACRES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: (Bearings are referenced to the Texas Coordinate System, South Central Zone, North American Datum of 1983, 2011 adjustment. Distances are surface values and may be converted to grid by multiplying by a project scale factor of 0.9998771847.)

**BEGINNING** at a 5/8-inch iron rod with cap stamped "ROE SURVEYING" found in the northwest right-of-way line of Space Center Boulevard (100 feet wide) as described in Volume 344, Page 136 MRHC, for the northerly east corner of said Clearpoint Section Three Replat No. 1 and the south corner of Unrestricted Reserve "A", Clearpoint Section Two, recorded in Volume 345, Page 136 MRHC, described as TRACT 4 in deed to Billipp Space Center L.P. recorded under HCCF RP-2018-256363 OPRRPHC;

- 1) **THENCE** South 33°50'30" West, along the southeast line of said Clearpoint Section Three Replat No. 1 and said northwest right-of-way line of Space Center Boulevard, a distance of 60.00 feet to a PK nail found at the east corner of Restricted Reserve "A", Block 1, Boeing Parking Lot Subdivision, recorded in Film 603062 MRHC, described as TRACT 1 in deed to Billipp Space Cener L.P. recorded under HCCF RP-2018-256363 OPRRPHC;
- 2) **THENCE** North 56°11'50" West, along the northeast line of said Boeing Parking Lot Subdivision and the southwest line of said Clearpoint Section Three Replat No. 1, a distance of 370.74 feet to a 5/8-inch iron rod with cap stamped "ROE SURVEYING" found for corner;
- 3) **THENCE** South 33°48'10" West, along the northwest line of said Boeing Parking Lot Subdivision and the southeast line of said Clearpoint Section Three Replat No. 1, a distance of 205.54 feet to a point for corner, from which a found 5/8-inch iron rod with cap stamped "ROE SURVEYING" bears South 72°56'11" East, a distance of 0.25 feet;

- 4) **THENCE** South 33°18'18" West, continuing along the northwest line of said Boeing Parking Lot Subdivision, a distance of 207.20 feet to a fence post, from which a found 5/8-inch iron rod with cap (illegible) bears North 65°39'15" East, a distance of 0.42 feet;
- 5) **THENCE** South 56°03'11" East, along the southwest line of said Boeing Parking Lot Subdivision, a distance of 368.57 feet to a 5/8-inch iron rod with cap stamped "LANDTECH" set in the southeast line of said 246.3 acre tract and said northwest right-of-way line of Space Center Boulevard, from which a found 5/8-inch iron rod bears North 34°33'01" East, a distance of 1.56 feet;
- 6) **THENCE** South 33°51'27" West, along the southeast line of said 246.3 acre tract and said northwest right-of-way line of Space Center Boulevard, a distance of 457.80 feet to a point at the beginning of a curve to the left, from which a found 5/8-inch iron rod with cap stamped "SURVCON INC" bears South 29°24'02" East, a distance of 0.19 feet;
- 7) **THENCE** southwesterly, along the arc of said curve to the left having a radius of 2,050.00 feet, a distance of 642.84 feet through a central angle of 17°58'01", a chord bearing and distance of South 24°56'02" West, 640.21 feet to a 5/8-inch iron rod found in the northwest line of Exxon Corporation Easement recorded in Volume 4915, Page 272 of the Deed Records of Harris County;
- 8) **THENCE** South 33°51'47" West, along the southeasterly line of said 246.3 acre tract and said northwest line of Exxon Corporation Easement, a distance of 1,235.06 feet to a 3/4-inch iron rod with cap stamped "SURVCON INC" found for corner;
- 9) **THENCE** South 33°53'10" West, continuing along the southeasterly line of said 246.3 acre tract and said northwest line of Exxon Corporation Easement, a distance of 88.24 feet to a 5/8-inch iron rod with cap stamped "LANDTECH" set for the south corner of the herein described tract;
- 10) **THENCE** North 48°01'58" West, a distance of 2,326.51 feet to a 5/8-inch iron rod with cap stamped "LANDTECH" set for the southerly west corner of the herein described tract;
- 11) **THENCE** North 04°38'45" West, a distance of 281.60 feet to a 5/8-inch iron rod with cap stamped "LANDTECH" set for the northerly west corner of the herein described tract;
- 12) **THENCE** North 41°57'42" East, a distance of 3,350.00 feet to a 5/8-inch iron rod with cap stamped "LANDTECH" set for the north corner of the herein described tract in the east line of said 246.3 acre tract and the west line of Unrestricted Reserve "A", Clearpoint Section One, recorded in Volume 344, Page 137 MRHC, described in deed to the United States of America recorded under HCCF S251931 OPRRPHC;

- 13) **THENCE** South 23°01'17" East, along the east line of said 246.3 acre tract and said west line of Clearpoint Section One, a distance of 1,023.22 feet to a 5/8-inch iron rod with cap stamped "SURVCON INC" found for corner;
- 14) **THENCE** South 34°04'57" West, along the east line of said 246.3 acre tract and said west line of Clearpoint Section One, a distance of 87.64 feet to an "X" cut in concrete set at the west corner of said Clearpoint Section One and the north corner of said Clearpoint Section Two;
- 15) **THENCE** South 33°48'50" West, along the east line of said 246.3 acre tract and the northwest line of said Clearpoint Section Two, a distance of 332.04 feet to a 5/8-inch iron rod with aluminum cap in concrete found at the west corner of said Clearpoint Section Two, from which a fence post bears South 73°18'38" West, a distance of 2.92 feet;
- 16) **THENCE** South 56°11'30" East, along the east line of said 246.3 acre tract and the southwest line of said Clearpoint Section Two, passing at a distance of 57.26 feet a 5/8-inch iron rod with cap stamped "ROE SURVEYING" found at the north corner of said Clearpoint Section Three Replat No. 1, in all a total distance of 1,050.15 feet to the **POINT OF BEGINNING** and containing 153.6 acres (6,690,739 square feet) of land.

This property description is accompanied by a separate survey plat of equal date and is based on a survey completed on the ground in August through September, 2018.

September 17, 2018

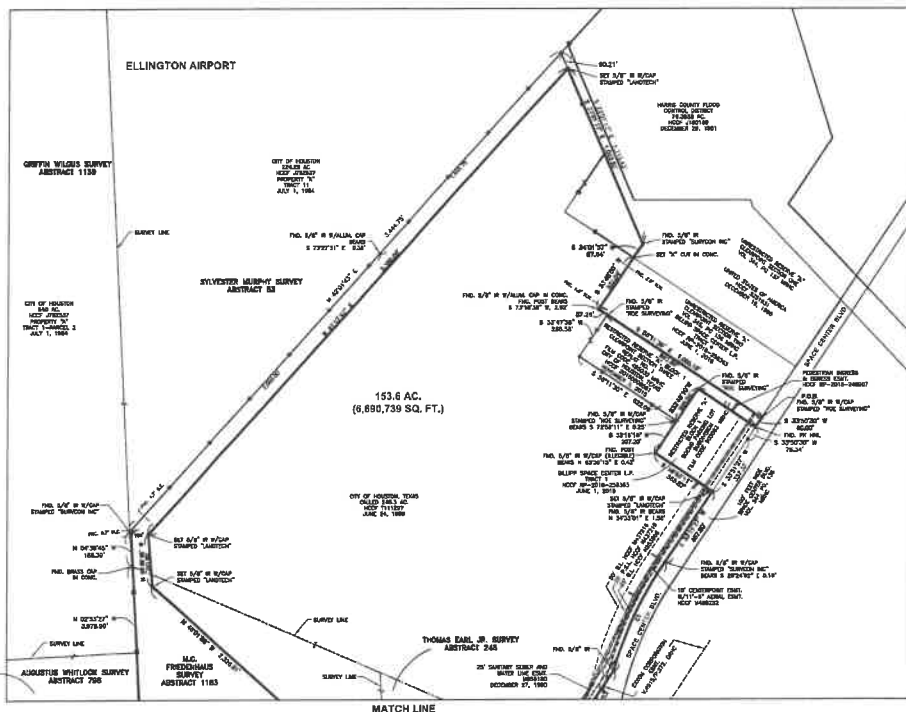
Landtech, Inc.  
2525 North Loop West, Suite 300  
Houston, Texas 77008  
Phone: 716-861-7068 TBPLS Firm No. 10019100

Hong Yang  
Registered Professional Land Surveyor  
No. 6557



Project No. 18-2-0159.00 LCI Dwg. No. 1961-E-387  
S:\2018\1820159\Survey\EFD-SPACEPORT BOUNDARY\_Description.docx

Attachment 1



|      |                      |      |                |
|------|----------------------|------|----------------|
| ALM. | ALABAMA              | P.V. | FLORIDA        |
| AR.  | ARKANSAS             | R.P. | GEORGIA        |
| CA.  | CALIFORNIA           | S.   | ILLINOIS       |
| CO.  | COLORADO             | S.E. | INDIANA        |
| DC.  | DISTRICT OF COLUMBIA | S.W. | IOWA           |
| DE.  | DELAWARE             | T.   | KANSAS         |
| HI.  | HAWAII               | W.   | KENTUCKY       |
| IA.  | IOWA                 | W.M. | LOUISIANA      |
| IL.  | ILLINOIS             | W.S. | MAINE          |
| IN.  | INDIANA              | W.V. | MARYLAND       |
| KS.  | KANSAS               | X.   | MASSACHUSETTS  |
| KY.  | KENTUCKY             |      | MICHIGAN       |
| LA.  | LOUISIANA            |      | MINNESOTA      |
| MO.  | MISSOURI             |      | MISSISSIPPI    |
| MS.  | MISSISSIPPI          |      | MONTECARLO     |
| MT.  | MONTANA              |      | NEBRASKA       |
| NC.  | NORTH CAROLINA       |      | NEVADA         |
| ND.  | NORTH DAKOTA         |      | NEW HAMPSHIRE  |
| NH.  | NEW HAMPSHIRE        |      | NEW JERSEY     |
| NJ.  | NEW JERSEY           |      | NEW YORK       |
| NM.  | NEW MEXICO           |      | OHIO           |
| NY.  | NEW YORK             |      | OKLAHOMA       |
| OH.  | OHIO                 |      | OREGON         |
| OK.  | OKLAHOMA             |      | PENNSYLVANIA   |
| OR.  | OREGON               |      | RHODE ISLAND   |
| PA.  | PENNSYLVANIA         |      | SOUTH CAROLINA |
| RI.  | RHODE ISLAND         |      | TENNESSEE      |
| SC.  | SOUTH CAROLINA       |      | TEXAS          |
| SD.  | SOUTH DAKOTA         |      | VIRGINIA       |
| TN.  | TENNESSEE            |      | WASHINGTON     |
| TX.  | TEXAS                |      | WEST VIRGINIA  |
| VA.  | VIRGINIA             |      | WISCONSIN      |
| VT.  | Vermont              |      | WYOMING        |
| WA.  | WASHINGTON           |      |                |
| WI.  | WISCONSIN            |      |                |
| WV.  | WEST VIRGINIA        |      |                |
| WY.  | WYOMING              |      |                |

- NOTES:
1. THIS IS A PERIMETER BOUNDARY SURVEY ONLY. INTERIOR PARCELS, LINES AND IMPROVEMENTS WERE NOT SURVEYED AT THE REQUEST OF THE CLIENT.
  2. BEARINGS ARE REFERENCED TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983. 2014 ADJUSTMENT. BEARINGS ARE USUALLY VALUES AND MAY BE CONVERTED TO GRID BY MULTIPLYING BY A PROJECT SCALE FACTOR OF 0.99999746.
  3. THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A CURRENT TITLE REPORT. TO THE BEST OF THE SURVEYOR'S KNOWLEDGE, ALL HELDOUT TIES AS REFLECTED IN THE SURVEY PERFORMED BY THE SURVEYOR IN AUGUST, 2014 HAVE BEEN THOROUGHLY DOCUMENTED AND SHOWN IN THEIR APPROXIMATE LOCATIONS. FIELD MEASUREMENT RECORDS EXISTENCE AND WERE NOT FIELD VERIFIED.
  4. THIS FILE IS ACCOMPANIED BY A SEPARATE METES AND BOUNDS DESCRIPTION.

SURVEY OF 153.6 ACRES (6,680,739 SQUARE FEET) OF LAND LOCATED IN THE M.C. FREDERICKS SURVEY, ABSTRACT 1183, THE SYLVESTER MABRY SURVEY, ABSTRACT 63, AND THE THOMAS EARL JR. SURVEY, ABSTRACT 238, COUNTY, TEXAS AND BEING OUT OF A CALLED 284.2 ACRES TRACT CONVEYED TO THE CITY OF HOUSTON, TEXAS BY DEED DATED JUNE 04, 1998, RECORDED UNDER HARRIS COUNTY CLERK'S FILE 111287 IN THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF HARRIS COUNTY, TEXAS AND ALL OF DISTRICTS BOUNDARY, AT BEAR 1, CLEARCROSS SECTION THREE, REFILE NO. 1, RECORDED IN FILM BOOK 480030, DATED NOVEMBER 5, 2016 TO THE CITY OF HOUSTON, TEXAS, RECORDED UNDER HARRIS COUNTY CLERK'S FILE 218881 IN THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF HARRIS COUNTY, TEXAS.

|           |               |           |
|-----------|---------------|-----------|
| LINE 1883 | DATE 1883     | DATE 1883 |
| LINE NO.  | BEARING       | DISTANCE  |
| 18        | S 27°27'12" E | 1.1212    |
| 19        | N 89°30'10" W | 182.00    |



| NO. | DESCRIPTION | DATE BY |
|-----|-------------|---------|
|     |             |         |

**ELLINGTON AIRPORT  
BOUNDARY SURVEY  
OF  
ELLINGTON AIRPORT  
SPACEPORT**

**LANTITECH, INC.**  
 2525 North Loop West  
 Suite 300 #7008  
 Houston, Texas 77008  
 Tel: (713) 861-2000  
 Fax: (713) 861-2122  
 Survey 1883, 18, P-1884

|             |           |
|-------------|-----------|
| PROJECT NO. | D.E.      |
| DESIGNER    |           |
| DRAWN BY    | S.T.      |
| CHECK BY    | Z.C.      |
| SCALE       | 1"=500'   |
| DATE        | 8/17/2016 |



|              |        |
|--------------|--------|
| APPROVED BY: |        |
|              |        |
| PROJECT NO.  |        |
|              |        |
| A.S.P. NO.   |        |
|              |        |
| C.L.P. NO.   |        |
|              |        |
| H.A.S. NO.   |        |
|              |        |
| SHEET NO.    | 1 OF 1 |

HWB FILE:  
HWB DATE:



ATTACHMENT B - Total Spaceport Eligible for Annexation - Approximately 246.3 Acres

EXHIBIT A

519-50-0640

**Mates and Bounds Description  
246.3 Acres (10,727,972 Square Feet)  
M.C. Friedenhaus Survey, A-1183  
Sylvester Murphy League, A-53  
Thomas Earle, Jr. 1/3 League, A-248  
Harris County, Texas**

U

Being a tract of land containing 246.3 acres (10,727,972 square feet) of land located in the M.C. Friedenhaus Survey, A-1183, the Sylvester Murphy League, A-53, and the Thomas Earle, Jr. 1/3 League, A-248, Harris County, Texas and being all of a called 211.2494 acre tract described in deed from Red Bluff Development Company to Friendswood Development Company recorded under File Number N573104, Film Code Number 017-48-2212 of the Harris County Official Public Records of Real Property (H.C.O.P.R.R.P.) and being 35.03 acres out of a called 89.2936 acre tract referred to as Parcel One described in deed from Red Bluff Development Company to Friendswood Development Company recorded under File Number M242084, Film Code Number 152-63-2398 of the H.C.O.P.R.R.P.; said 246.3 acre tract being more particularly described by mates and bounds as follows with all bearings and coordinates being referenced to the Texas State Plane Coordinate System, South Central Zone, North American Datum 1927. Coordinate values herein are in U.S. survey feet on the plane. Distance values herein are in feet at the surface and may be converted to the plane by multiplying by the combined scale factor 0.99987680:

**BEGINNING** at a copperweld rod (X = 3,222,313.54, Y = 659,460.49) found at the northwesterly corner of a Harris County Flood Control District (H.C.F.C.D.) drainage easement (200 feet wide) recorded in Volume 3037, Page 464 of the Harris County Deed Records (H.C.D.R.) and being in an easterly line of Ellington Field as described in deed to the City of Houston recorded under File Number J762537, Film Code Number 098-92-1992 of the H.C.O.P.R.R.P., also being the line common to said M.C. Friedenhaus Survey, A-1183 and the August Whitlock Survey, A-798, said rod being the most southerly corner of the herein described tract;

**THENCE**, North 02°54'03" West, 3,978.92 feet along said common survey line and the line common to said Ellington Field and said 211.2494 acre tract to a copperweld rod found at an angle point being the common westerly corner of said M.C. Friedenhaus Survey, A-1183 and Sylvester Murphy League, A-53 and being in the easterly line of the Griffin Wilgus Survey, A-1139;

**THENCE**, North 04°36'23" West, 186.48 feet continuing along said easterly line of Ellington Field also being the line common to said Sylvester Murphy League, A-53 and Griffin Wilgus Survey, A-1139 to a 3/4-inch iron rod with plastic cap stamped "SURVCON INC." set for a northwesterly corner of the herein described tract from which a found 5/8-inch iron rod bears South 02°41'15" West, 2.20 feet;

519-50-0641

THENCE, North 42°01'22" East, 3,441.75 feet departing said common line and now along a southeasterly line of said Ellington Field to a 3/4-inch iron rod with plastic cap stamped "SURVCON INC." set for the most northerly corner of the herein described tract and being the most westerly corner of a called 1.7107 acre tract referred to as Tract B of Clearpoint, Section One, a subdivision of record according to the map or plat thereof recorded in Volume 344, Page 137 of the Harris County Map Records (H.C.M.R.);

THENCE, South 22°59'39" East, 1,113.42 feet along a southwesterly line of said Tract B to a 3/4-inch iron rod with plastic cap stamped "SURVCON INC." set for the most northerly northeast corner of the herein described tract and being in the northwesterly line of a called 12.0000 acre tract referred to as Tract A of said Clearpoint, Section One;

THENCE, South 83°48'21" West, along said northwesterly line, at 87.61 feet passing the common northerly corner of said Tract A and a called 8.0000 acre tract known as Clearpoint, Section Two, a subdivision of record according to the map or plat thereof recorded in Volume 345, Page 136 of the H.C.M.R., continuing along the northwesterly line of said Clearpoint, Section Two, in all 419.50 feet to a copperweld rod found for an inside corner of the herein described tract and being the most westerly corner of said Clearpoint, Section Two;

THENCE, South 56°11'38" East, along the southwesterly line of said Clearpoint, Section Two, at 400.08 feet passing a 3/4-inch iron rod with plastic cap stamped "SURVCON INC." set for the most northerly corner of the earlier mentioned 89.2936 acre Parcel One, in all 1,050.00 feet to an "X" set in concrete for the most easterly corner of the herein described tract and being the most southerly corner of the earlier mentioned 8.0000 acre tract and being in the northerly right-of-way line for Space Center Boulevard (100 feet wide) recorded in Volume 344, Page 136 of the H.C.M.R.;

THENCE, Southwesterly, along the northwesterly right-of-way line of said Space Center Boulevard being the southeasterly line of the earlier mentioned 89.2936 acre Parcel One, the following courses:

South 33°48'20" West, 136.34 feet to an "X" set in concrete for an angle point;

South 33°52'34" West, 795.07 feet to a 3/4-inch iron rod with plastic cap stamped "SURVCON INC." set for the point of curvature for a tangent curve to the left;

Attachment 1

519-50-0642

Southwesterly, 642.93 feet along the arc of said curve to the left (Central Angle = 17°58'10"; Radius = 2,050.00 feet; Chord Bearing and Distance = South 24°53'29" West, 640.30 feet) to a 5/8-inch iron rod found for a point on curve and being a southeasterly corner of the herein described tract;

THENCE, South 33°52'34" West, departing said northwesterly right-of-way line of Space Center Boulevard and said southeasterly line of the earlier mentioned 89.2936 acre Parcel One, along a northwesterly line of Exxon Corporation Easement recorded in Volume 4915, Page 272 of the H.C.D.R., at 1,235.05 feet passing a 3/4-inch iron rod with plastic cap stamped "SURVCON INC." set for a southeasterly corner of the earlier mentioned 211.2494 acre tract and being in a westerly line of said 89.2936 acre Parcel One from which a found 5/8-inch iron rod bears South 04°43'16" East, 0.47 feet, at 2,078.26 feet passing a point in a survey line common to Thomas Earle, Jr. 1/3 Leagus, A-248 and M.C. Friedenhaus Survey, A-1188, in all 4,097.74 feet to a 3/4-inch iron rod with plastic cap stamped "SURVCON INC." set for a southerly corner of the herein described tract from which a found 5/8-inch iron rod bears South 35°54'51" East, 0.39 feet;

THENCE, South 87°04'13" West, 91.20 feet departing said northwesterly line of Exxon easement to the POINT OF BEGINNING and containing a computed area 246.8 acres (10,727,972 square feet) of land.

This description was prepared based on a field survey and is to accompany a Plat of Survey, SURVCON Drawing No. 5971-01, dated 04-02-98.

Compiled by:  
SURVCON INC.  
Houston, Texas  
Job No. 5971-01  
April 02, 1998

*Thomas K. Massey*

Thomas K. Massey  
Registered Professional Land Surveyor  
Texas Registration No. 4696



02 Apr 98



**Action Item “XVI”**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Authorize Resolution to Order a General Election and Execution of Such Order to Hold Trustee Election**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees authorize a resolution to order a general election and to execute such Order to hold an election for a six-year term for San Jacinto Community College District Trustee Position Three (3) and Trustee Position Four (4) on May 4, 2019, being the first Saturday in May 2019.

**BACKGROUND**

Texas Election Code Section 3.004(b) and Section 3.005(c) provides authority for the governing body of a Texas political subdivision to order an election for the general election of its members. Such election must be ordered no later than the 78th day prior to the election for elections that are to be held on the general election date for state and county officers. The election order requirements are that the order must state the date of the election and the offices or measures to be voted on at the election.

The attached Election Order has been reviewed by legal counsel and conforms to the requirements of the Texas Election Code.

**IMPACT OF THIS ACTION**

Adoption of the Election Order will allow the College to conduct an election on May 4, 2019, to fill the vacant trustee positions.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

Adoption of the Election Order has no budget impact. The related costs of an election are included in the fiscal year 2019 budget.

**MONITORING AND REPORTING TIMELINE**

None

**ATTACHMENTS**

Attachment 1 - Resolution to Order Trustee Election

Attachment 2 - Election Order

**RESOURCE PERSONNEL**

Teri Zamora

281-998-6306

teri.zamora@sjcd.edu

Rosselle Helms

281-998-6306

rosselle.helms@sjcd.edu

**RESOLUTION TO ORDER TRUSTEE ELECTION**

**RESOLUTION AUTHORIZING BOARD OF TRUSTEES OF SAN JACINTO COMMUNITY COLLEGE DISTRICT TO:**

- 1. ORDER A GENERAL ELECTION WITHIN THE SAN JACINTO COMMUNITY COLLEGE DISTRICT FOR SAN JACINTO COMMUNITY COLLEGE DISTRICT TRUSTEES FOR THE REGULAR SIX (6) YEAR TERM FOR POSITIONS THREE (3) AND FOUR (4) TO BE HELD ON THE 1st SATURDAY OF THE MONTH OF MAY, 2019, BEING MAY 4, 2019 AND ANY RUNOFF ELECTION; AND**
- 2. AUTHORIZE SAN JACINTO COMMUNITY COLLEGE DISTRICT TO CONDUCT ELECTIONS AND ENTER INTO INTERLOCAL AGREEMENT WITH HARRIS COUNTY FOR JOINT ELECTIONS, INCLUDING ALL FACILITIES, EQUIPMENT, PERSONNEL, AND SERVICES NECESSARY FOR THE ELECTION.**

**NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF SAN JACINTO COMMUNITY COLLEGE DISTRICT OF HARRIS COUNTY, TEXAS:**

**That the Board of Trustees by and through its Chairman and Secretary of San Jacinto Community College District, and/or Chancellor and/or Vice Chancellor of San Jacinto Community College District shall execute an Order calling for general elections for Trustees on May 4, 2019, and enter into Election and Interlocal Agreements to conduct said election or joint elections and any runoff, if necessary.**

**PASSED AND APPROVED on January 28, 2019.**

**ATTEST:**

**SAN JACINTO COMMUNITY COLLEGE DISTRICT**

**By: \_\_\_\_\_  
Secretary, Board of Trustees**

**By: \_\_\_\_\_  
Chairperson, Board of Trustees**

**ORDER FOR ELECTIONS OF TRUSTEES FOR THE  
SAN JACINTO COMMUNITY COLLEGE DISTRICT**

An election is hereby ordered to be held on May 4, 2019 for the purpose of filling the San Jacinto Community College District Board of Trustees Positions No. Three (3) and Position No. four (4), each of which is a six-year term.

Applications for a place on the ballot shall be filed by 5:00 p.m. on February 15, 2019.

The locations, dates and times for early voting in this election are determined by the Harris County Clerk and are set forth in Exhibit A which is attached and included by reference as a part of this Order for all purposes. Should the Harris County Clerk's Office revise the locations, dates, and/or times for early voting, San Jacinto Community College will revise Exhibit A accordingly.

The early voting clerk's mailing address to which applications for ballot by mail shall be mailed to is:

Diane Trautman  
Harris County Clerk  
P.O. Box 1525  
Houston, TX 77251-1525

An application for ballot by mail must be received no later than the close of business on April 23, 2019.

**Issued this the 28<sup>th</sup> day of January, 2019.**

PASSED AND APPROVED on January 28, 2019.

ATTEST: SAN JACINTO COMMUNITY COLLEGE DISTRICT

By: \_\_\_\_\_  
Secretary, Board of Trustees

By: \_\_\_\_\_  
Chairperson, Board of Trustees

Attachment 2

EXHIBIT A

The main early voting by personal appearance will begin April 22, 2019 and end April 30, 2019 at:

The Harris County Law Library – Conference Center  
1019 Congress Avenue  
Houston, TX 77002

Monday – Saturday between the hours of 7:00 a.m. and 7:00 p.m.

Sunday between the hours of 1:00 p.m. and 6:00 p.m.

*Location and hours are subject to change.*

*Please visit <https://www.sanjac.edu/polling-locations> or <https://www.harrisvotes.com/PollLocations> for the most current information regarding all polling locations for San Jacinto Community College District Board of Trustees election. Information regarding polling sites may also be obtained by emailing [elections@sjcd.edu](mailto:elections@sjcd.edu).*

## **ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the proposed 2019-2020 Academic Calendar.

### **BACKGROUND**

An academic calendar is approved annually, providing dates for College functions, activities, and due dates. The development of the academic calendar is a process that takes several months. It begins with discussions with the local independent school districts about their proposed calendars in order to eliminate conflicts and establish, to the extent possible, consistency in holiday breaks and coordination around opening and closing dates for the terms. Development also includes reviewing the semester start dates of other colleges in the Gulf Coast region. Calendar development is led by an internal committee consisting of faculty, staff, and administrators to ensure that schedule conflicts and internal priorities are addressed.

### **IMPACT OF THIS ACTION**

The proposed calendar is in line with the opening date as set by the Texas Common Calendar for the fall 2019 and summer 2020 semesters. The spring 2020 opening date is set one week earlier than the Texas Common Calendar date to be more in line with the anticipated start dates of the surrounding local community colleges. The fall 2019 start dates align at this time with the calendars proposed by Lone Star College and Alvin Community College. The other local community colleges have not published dates for fall and spring start dates at this time. The University of Houston Main fall semester is scheduled to start August 19, 2019. Some of the high school districts have not finalized their start and end dates for fall 2019; however, should they not align, the school districts will arrange transportation for dual credit students affected by the different start dates. The dates for the December 2019 and May 2020 commencement ceremonies are set for December 15, 2019 and May 9, 2020. The proposed winter holiday break of December 23, 2019 through January 1, 2020, includes eight working days as usual. The total annual number of employee holidays is 21, which is consistent with prior years.

### **BUDGET INFORMATION**

No budgetary impact.

### **MONITORING AND REPORTING TIMELINE**

The academic calendar is monitored closely during the year to evaluate the effectiveness and continuance of current and new processes. Occasionally dates for operational activities such as registration open or close, maintenance, etc. may need to be amended. Such operational changes will not require Board approval. Conversely, any modifications to semester start or end dates or holidays will be brought back to the Board of Trustees.

**Action Item “XVII”  
Regular Board Meeting January 28, 2019  
Consideration of Approval of 2019-2020 Academic Calendar**

**ATTACHMENTS**

Attachment 1 - Draft 2019-2020 Academic Calendar

Attachment 2 - Academic Calendar Constituent Groups Roster

**RESOURCE PERSONNEL**

Laurel Williamson

281-998-6182

Laurel.Williamson@sjcd.edu

Kevin McKisson

281-669-4711

Kevin.McKisson@sjcd.edu

**Proposed**  
San Jacinto College  
Academic Calendar  
**2019-2020**

**SUBJECT TO CHANGE**

**San Jacinto College District  
Academic Calendar 2019-2020**

|   |   |
|---|---|
| February 14, 2019 (TH)                                  | Campus-Based and Foundation Scholarship Application opens for Fall 2019 (202010)  |
| March 4, 2019 (M)                                       | Open SOS and Course Finder for View Access Only   |
| April 8 (M)-April 21, 2019 (SU)                         | Priority Registration for Fall 2019 (202010) (Currently Enrolled Students Only)   |
| April 22 (M)-August 15, 2019 (TH)                       | Registration (All Students & Applicants)  |
| May 31, 2019 (F)  | Foundation Scholarship Application closes for Fall 2019 (202010)  |
| June 28, 2019 (F)                                       | Financial Aid Deadline for Fall 2019 (202010)   |
| June 30, 2019 (SU)                                      | Campus-Based Scholarship Application closes for Fall 2019 (202010)  |
| July 23, 2019 (T)                                       | Fall 2019 (202010) Installment Payment Plan Available<br>Installment Payment Plan Due Dates:<br>September 16, 2019 (M)<br>October 14, 2019 (M)<br>November 11, 2019 (M)<br>All payments due by 7:00 PM              |
| August 11-17, 2019 (SU-SA)                              | Blackboard Maintenance (System Unavailable)   |
| August 12 - 16, 2019 (M-F)                              | New Faculty Blitz   |
| August 15, 2019 (TH)                                    | Payment Deadline for ALL registrations through August 15, 2019 at 7:00 pm<br>Any unpaid or partially unpaid registrants will be subject to being removed from one or more courses.                                  |
| August 16, 2019 - November 17, 2019 (F-SU)              | Registration Open for Fall 2019 (202010) and all financial obligations not covered by financial aid, installment payment plan, third party agreement, exemption, or scholarship must be paid on day of registration |
| August 18, 2019 (SU)                                    | Campus-Based and Foundation Scholarship Application opens for Spring 2020 (202020)  |
| August 19-23, 2019 (M-F)                                | College Community Week  |
| August 26, 2019 (M)                                     | Full Semester (1), First Twelve-Week (12A), First Eight-Week (8A), Six-Week (6A), First Five-Week (5A), & First Four-Week (4A), Classes Begin   |
| August 30, 2019 Noon - September 1, 2019 1:00 AM (F-SU) | Banner Down-Fiscal End-of-Year Processing   |
| September 1, 2019 (SU)                                  | Banner Reopens at 1:00 AM   |
| August 31, 2019-September 2, 2019 (SA-M)                | Facilities & Utility System Maintenance   |
| September 2, 2019 (M)                                   | Labor Day Holiday (No Classes Held)   |
| September 6, 2019 (F)                                   | Fourteen-Week Weekend (14S) Classes Begin   |
| September 9, 2019 (M)                                   | Fourteen-Week (14), Take2 Thirteen-Week (13B) Classes Begin   |
| September 13, 2019 (F)                                  | Thirteen-Week Weekend Full Term (1W) & Six-Week Weekend (6AS) Classes Begin   |
| September 16, 2019 (M)                                  | Installment Payment Plan Due Date by 7:00 PM  |
| September 20, 2019 (F)                                  | First Four-Week (4A) Ends (Last Day of Finals)  |
| September 21, 2019 (SA)                                 | Banner Maintenance (Banner & SOS unavailable)   |
| September 23, 2019 (M)                                  | Second Twelve-Week (12B) & Second Four-Week (4B) Classes Begin  |
| September 27, 2019 (F)                                  | First Five-Week (5A) Ends (Last Day of Finals)  |
| September 30, 2019 (M)                                  | Second Five-Week (5B) Classes Begin   |
| October 4, 2019 (F)                                     | Six-Week (6A) Ends (Last Day of Finals)   |
| October 7, 2019 (M)                                     | Ten-Week (10) Classes Begin   |
| October 14, 2019 (M)                                    | Installment Payment Plan Due Date by 7:00 PM  |
| October 18, 2019 (F)                                    | First Eight-Week (8A) & Second Four-Week (4B) End (Last Day of Finals)  |
| October 20, 2019 (SU)                                   | Six-Week Weekend (6AS) Ends (Last Day of Finals)  |
| October 21, 2019 (M)                                    | Second Eight-Week (8B) & Third Four-Week (4C) Classes Begin   |
| October 24, 2019 (TH)                                   | Last Day to submit name to be included in December Commencement Program to Educational Planning, Counseling, and Completion   |
| October 25, 2019 (F)                                    | Seven-Week Weekend (7BS) Classes Begin  |
| October 26, 2019 (SA)                                   | Banner Maintenance (Banner & SOS unavailable)   |
| October 30, 2019 (W)                                    | Campus-Based and Foundation Scholarship Application closes for Spring 2020 (202020)   |
| November 1, 2019 (F)                                    | Second Five-Week (5B) Ends (Last Day of Finals)   |
| November 4, 2019 (M)                                    | Third Five-Week (5C) Classes Begin  |
| November 9, 2019 (SA)                                   | Banner Maintenance (Banner & SOS unavailable)   |
| November 11, 2019 (M)                                   | Installment Payment Plan Due Date by 7:00 PM  |



**San Jacinto College District  
Academic Calendar 2019-2020**

|   |   |
|---|---|
| November 15, 2019 (F)   | First Twelve-Week (12A) & Third Four-Week (4C) End (Last Day of Finals)   |
| November 18, 2019 (M)   | Fourth Four-Week (4D) Classes Begin   |
| November 27-December 1, 2019 (Inclusive) (W-SU)   | Thanksgiving Holidays (No Classes Held)   |
| November 27-December 1, 2019 (Inclusive) W-SU)  | Facilities & Utility System Maintenance   |
| December 6, 2019 (F)  | Take2 Thirteen-Week (13B) & Third Five-Week (5C) End (Last Day of Finals)   |
| December 8, 2019 (SU)   | Fourteen-Week Weekend (14S), Thirteen-Week Weekend Full Term (1W) & Seven-Week Weekend (7BS) End (Last Day of Finals)   |
| December 13, 2019 (F)   | Full Semester (1), Fourteen-Week (14), Second Twelve-Week (12B), Ten-Week (10), Second Eight-Week (8B), Fourth Four-Week (4D) End (Last Day of Finals)  |
| December 14, 2019 (SA)  | Grades due for Final Parts of Term (1, 14, 12B, 10, 8B, 7B, 4D)   |
| December 15, 2019 (SU)  | College-Wide Commencement - Location and Time TBD   |
| <b>Please consult the Fall 2019 (202010) Online Schedule of Classes for Registration &amp; Payment Times, Refund Dates, Drop Deadlines, Final Exam Schedule, Grades Due, and possible additional part-of-term information or changes.</b> |   |
| <b>Spring 2020 (Term 202020) Winter Mini Term, Spring Term, Take2, Weekend, All Parts of Term</b>   |   |
| August 18, 2019 (SU)  | Campus-Based and Foundation Scholarship Application opens for Spring 2020 (202020)  |
| September 23, 2019 (M)  | Open SOS and Course Finder for View Access Only   |
| October 7 (M)-October 20, 2019 (SU)   | Priority Registration for Spring 2020 (202020) (Currently Enrolled Students Only)   |
| October 21 (M) -December 12, 2019 (TH)  | Registration for Winter Mini 2019 (202020) (All Students & Applicants)  |
| October 21, 2019 - January 6, 2020 (M-M)  | Registration for Spring 2020 (202020) (All Students & Applicants)   |
| October 26, 2019 (SA)   | Banner Maintenance (Banner & SOS unavailable)   |
| October 30, 2019 (W)  | Campus-Based Foundation Scholarship Application closes for Spring 2020 (202020)   |
| November 9, 2019 (SA)   | Banner Maintenance (Banner & SOS unavailable)   |
| November 12, 2019 (T)   | Spring 2020 (202020) Installment Payment Plan Available<br>Installment Payment Plan Due Dates:<br>February 17, 2020 (M)<br>March 23, 2020 (M)<br>April 13, 2020 (M)<br>All payments due by 7:00 PM                        |
| November 27-December 1, 2019 (Inclusive) (W-SU)   | Thanksgiving Holidays (No Classes Held)   |
| November 27-December 1, 2019 (W-SU)   | Facilities & Utility System Maintenance   |
| December 12, 2019 (TH)  | Payment Deadline by 7:00 PM for Winter Mini 2019 (202020)   |
| December 13-15, 2019 (F-SU)   | Registration Open And Payment Due on Day of Registration for Winter Mini 2019   |
| December 16, 2019 (M)   | Winter Mini Term (3) Classes Begin  |
| December 23, 2019 - January 1, 2020 (M-TH)  | Winter Holidays - Administrative Offices Closed   |
| December 23, 2019 - January 1, 2020 (M-TH)  | Facilities & Utility System Maintenance   |
| December 25, 2019 (W)   | Winter Mini Holiday (No Classes Held)   |
| January 1, 2020 (W)   | New Year's Holiday (No Classes Held)  |
| January 3, 2020 (F)   | New Faculty Blitz   |
| January 3, 2020 (F)   | Winter Mini Term (3) Ends (Last Day of Finals)  |
| January 5-7, 2020 (SU-T)  | Blackboard Maintenance - System Unavailable   |
| January 6, 2020 (M)   | Registration Payment Deadline by 7:00 PM for ALL registrations through January 6, 2020 for Spring 2020 (202020).<br>Any unpaid or partially unpaid registrants will be subject to being removed from one or more courses. |
| January 7 - April 12, 2020 (T-SU)   | Registration Open for Spring 2020 (202020) and all financial obligations not covered by financial aid, installment payment plan, third party agreement, exemption, or scholarship must be paid on day of registration.    |
| January 6-10, 2020 (M-F)  | College Community Week  |
| January 13, 2020 (M)  | Full Semester (1), First Twelve-Week (12A), First Eight-Week (8A), Six-Week (6A), First Five-Week (5A), & First Four-Week (4A) Classes Begin  |
| January 17, 2020 (F)  | Fifteen-Week Weekend (15S) Classes Begin  |
| January 20, 2020 (M)  | Martin Luther King Jr., Holiday (No Classes Held)   |
| January 20, 2020 (M)  | Facilities & Utility System Maintenance   |
| January 24, 2020 (F)  | First Six-Week Weekend (6AS) Classes Begin  |
| January 27, 2020 (M)  | Take2 Thirteen-Week (13B) Classes Begin   |

**San Jacinto College District  
Academic Calendar 2019-2020**

|  |   |
|--|---|
| January 31, 2020 (F)   | Thirteen-Week Weekend Full Term (1W) Classes Begin  |
| February 7, 2020 (F) (any exams on Friday)   | First Four-Week (4A) Ends (Last Day of Finals)  |
| February 10, 2020 (M)  | Second Four-Week (4B) & Second Twelve-Week (12B) Classes Begin  |
| February 20th, 2020 (TH)   | College Community Day (No Classes Held Day & Evening)   |
| February 14, 2020 (F)  | First Five-Week (5A) Ends (Last Day of Finals)  |
| February 15, 2020 (SA)   | Campus-Based and Foundation Scholarship Application opens for Fall 2020 (202110)  |
| February 17, 2020 (M)  | Installment Payment Plan Due Date by 7:00 PM  |
| February 17, 2020 (M)  | Second Five-Week (5B) Classes Begin   |
| February 21, 2020 (F)  | Six-Week (6A) Ends (Last Day of Finals)   |
| February 22, 2020 (SA)   | Banner Maintenance (Banner & SOS unavailable)   |
| February 24, 2020 (M)  | Ten-Week (10B) Classes Begin  |
| March 1, 2020 (SU)   | First Six-Week Weekend (6AS) Ends (Last Day of Finals)  |
| March 6, 2020 (F)  | Second Four-Week (4B) & First Eight-Week (8A) End (Last Day of Finals)  |
| March 9-15, 2020 (Inclusive) (M-SU)  | Spring Break (No Classes Held)  |
| March 9-15, 2020 (M-SU)  | Facilities & Utility System Maintenance   |
| March 16, 2020 (M)   | Second Eight-Week (8B) & Third Four-Week (4C) Classes Begin   |
| March 20, 2020 (F)   | Second Six-Week Weekend (6BS) Classes Begin   |
| March 21, 2020 (SA)  | Banner Maintenance (Banner & SOS unavailable)   |
| March 23, 2020 (M)   | Installment Payment Plan Due Date by 7:00 PM  |
| March 26, 2020 (TH)  | Last Day to submit name to be included in May Commencement Program to Educational Planning, Counseling, and Completion              |
| March 27, 2020 (F)   | Second Five-Week (5B) Ends (Last Day of Finals)   |
| March 30, 2020 (M)   | Third Five-Week (5C) Classes Begin  |
| April 9, 2020 (TH)   | Third Four-Week (4C) & First Twelve-Week (12A) End (Last Day of Finals)   |
| April 10-April 12, 2020 (F-SU)   | Spring holidays (No Weekend Classes)  |
| April 10-April 12, 2020 (F-SU)   | Facilities & Utility System Maintenance   |
| April 13, 2020 (M)   | Installment Payment Plan Due Date by 7:00 PM  |
| April 13, 2020 (M)   | Fourth Four-Week (4D) Classes Begin   |
| April 25, 2020 (SA)  | Banner Maintenance (Banner & SOS unavailable)   |
| May 1, 2020 (F)  | Take2 Thirteen-Week (13B) & Third Five-Week (5C) End (Last Day of Finals)   |
| May 3, 2020 (SU)   | Fifteen-Week Weekend (15S), Thirteen-Week Weekend Full Term (1W), & Second Six-Week Weekend (6BS) End (Last Day of Finals)          |
| May 8, 2020 (F)  | Full Semester (1), Second Twelve-Week (12B), Ten-Week (10B), Second Eight-Week (8B), Fourth Four-Week (4D) End (Last Day of Finals) |
| May 9, 2020 (SA)   | Grades due for Final Parts of Term (1, 12B, 10B, 8B, 4D)  |
| May 9, 2020 (SA) Tentative   | College-Wide Commencement - Location:TBD- Time:TBD  |
| <b>Please consult the Spring 2020 (202020) Online Schedule of Classes for Registration &amp; Payment Times, Refund Date, Drop Deadlines, Final Exam Schedule, Grades Due, and possible additional part-of-term information or changes.</b> |   |
| <b>Summer 2020 (202030) May Mini Term-May, Summer I-June, Summer II-July, Weekend, All Parts of Term</b>   |   |
| <b>May 15, 2020 through August 7, 2020 (Administrative Offices Closed Friday at Noon)</b>  |   |
| January 27, 2020 (M)   | Open SOS and Course Finder for View Access Only   |
| February 15, 2020 (SA)   | Campus-Based and Foundation Scholarship Applications open for Fall 2020 (202110)  |
| February 22, 2020 (SA)   | Banner Maintenance (Banner & SOS unavailable)   |
| February 24 - April 30, 2020 (M-TH)  | Registration for Classes Beginning May 11, 2020   |
| February 24 - May 21, 2020 (M-TH)  | Registration for Classes Beginning June 1, 2020   |
| March 9-15, 2020 (Inclusive) (M-SU)  | Spring Break  |
| March 9-15, 2020 (M-SU)  | Facilities & Utility System Maintenance   |
| March 21, 2020 (SA)  | Banner Maintenance (Banner & SOS unavailable)   |
| April 10-April 12, 2020 (F-SU)   | Spring Holidays (No Weekend Classes)  |

**San Jacinto College District  
Academic Calendar 2019-2020**

|   |  |
|---|--|
| April 10-April 12, 2020 (F-SU)  | Facilities & Utility System Maintenance  |
| April 14, 2020 (T)  | Summer 2020 (202030) Installment Payment Plan Available<br>Installment Payment Plan Dates:<br>June 15, 2020 (M)<br>July 6, 2020 (M)<br>July 20, 2020 (M)<br>All dates due by 7:00 PM   |
| April 25, 2020 (SA)   | Banner Maintenance (Banner & SOS unavailable)  |
| April 30, 2020 (TH)   | Registration Payment Deadline by 7:00 PM for Classes Beginning May 11, 2020<br>Any unpaid or partially unpaid registrants will be subject to being removed from one or more courses.   |
| May 1-10, 2020 (F-SU)   | Registration Open And Payment Due on Day of Registration for classes beginning May 11, 2020  |
| May 11, 2020 (M)  | May Mini (3), First Eight-Week (8), Eleven-Week (11) & Thirteen-Week (13) Classes Begin  |
| May 15, 2020 (F)  | Weekend Twelve-Week Full Term (1W) Classes Begin   |
| May 15, 2020 (F)  | Administrative Offices Closed Every Friday at Noon through August 7, 2020  |
| May 16, 2020 (SA)   | Banner Maintenance (Banner & SOS unavailable)  |
| May 18, 2020 (M)  | Twelve-Week (12) Classes Begin   |
| May 21, 2020 (TH)   | Registration Payment Deadline by 7:00 PM for ALL registrations through May 21, 2020 for Summer 2020 (202030).<br>Any unpaid or partially unpaid registrants will be subject to being removed from one or more courses.                       |
| May 22 - May 31, 2020 (F-SU)  | Registration Open for Classes beginning on June 1, 2020 (202030) and all financial obligations not covered by financial aid, installment payment plan, third party agreement, exemption, or scholarship must be paid on day of registration. |
| May 22 - July 5, 2020 (F-SU)  | Registration Open for Classes beginning on July 6, 2020 (202030) and all financial obligations not covered by financial aid, installment payment plan, third party agreement, exemption, or scholarship must be paid on day of registration. |
| May 23-24, 2020 (SA-SU)   | Facilities & Utility System Maintenance  |
| May 25, 2020 (M)  | Memorial Day Holiday (No Classes Held)   |
| May 29, 2020 (F)  | May Mini (3) Ends (Last Day of Finals)   |
| June 1, 2020 (M)  | Full Ten-Week Semester (1), First Five-Week (5A), Second Eight-Week (8A) Classes Begin   |
| June 15, 2020 (M)   | Installment Payment Plan Due Date due by 7:00 PM   |
| June 20, 2020 (SA)  | Banner Maintenance (Banner & SOS unavailable)  |
| June 30, 2020 (SA)  | Campus-Based and Foundation Scholarships close for Fall 2020 (202110)  |
| June 30, 2020 (T)   | Financial Aid Application Priority Deadline for Fall 2020 (202110)   |
| July 2, 2020 (TH)   | First Five-Week (5A) & First Eight-Week (8) End (Last Day of Finals)   |
| July 3, 2020 (F)  | Independence Day Holiday Observed- (No Classes Held)   |
| July 6, 2020 (M)  | Second Five-Week (5B) Classes Begin  |
| July 6, 2020 (M)  | Installment Payment Plan Due Date due by 7:00 PM   |
| July 9, 2020 (TH)   | Last Day to submit name to be included in December Commencement Program to Educational Planning, Counseling, and Completion  |
| July 18, 2020 (SA)  | Banner Maintenance (Banner & SOS unavailable)  |
| July 20, 2020 (M)   | Installment Payment Plan Due Date by 7:00 PM   |
| July 23, 2020 (TH)  | Second Eight-Week (8A) & Eleven-Week (11) End (Last Day of Finals)   |
| August 2, 2020 (SU)   | Weekend Full Term (1W) Ends (Last Day of Finals)   |
| August 6, 2020 (TH)   | Full Semester (1), Thirteen-Week (13), Twelve-Week (12), Second Five-Week (5B) End (Last Day of Finals)  |
| August 8, 2020 (SA)   | Grades due for Final Parts of Term (1, 13, 12, 5B)   |
| <b>Please consult the Summer 2020 (202030) Online Schedule of Classes for Registration &amp; Payment Times, Refund Dates, Drop Deadlines, Final Exam Schedule, Grades Due, and possible additional part-of-term information or changes.</b> |  |

**San Jacinto College District  
Academic Calendar 2019-2020**

| <b>Date(s)</b>                            | <b>Holidays</b>             | <b>Number of Holidays</b> |
|---|-----------------------------|---------------------------|
| September 2, 2019                         | Labor Day                   | 1                         |
| November 27-29, 2019 (No Weekend Classes) | Thanksgiving                | 3                         |
| December 23, 2019-January 1, 2020 (8)     | Winter Break                | 8                         |
| January 20, 2020                          | Martin Luther King, Jr. Day | 1                         |
| March 9-15, 2020 (No Weekend Classes)     | Spring Break                | 5                         |
| April 10-12, 2020 (No Weekend Classes)    | Spring Holidays             | 1                         |
| May 25, 2020                              | Memorial Day                | 1                         |
| July 3, 2020                              | Independence Day Holiday    | 1                         |
| Total Holidays 2019-2020                  |                             | 21                        |

**Fall 2020 (202110) – TENTATIVE (not Board approved) DO NOT PRINT IN ANY PUBLICATIONS**

| <b>Fall Semester 2020 (Term 202110)</b>          |  |
|--|--|
| February 24, 2020 (M)                            | Open SOS and Course Finder for View Access Only          |
| April 6 - April 19, 2020 (M-SU)                  | Priority Registration (Currently Enrolled Students Only) |
| April 20, 2020 (M) - Last Part of Term           | Registration (All Students & Applicants)                 |
| August 9-14, 2020 (SU-F)                         | Blackboard Maintenance                                   |
| August 17-21, 2020 (M-F)                         | College Community Week                                   |
| August 24, 2020 (M) (Texas Common Calendar Date) | Regular Classes Begin                                    |
| December 11, 2020 (F)                            | Regular Classes End                                      |

Academic Calendar Development Committee and Constituent Groups  
(2019-2020)

Please be sure to communicate any calendar issues and solicit feedback from your constituent groups to bring to the committee.

SLT Sponsor: Laurel Williamson

| Constituent Groups                                | Members                             | Campus* |
|---|-------------------------------------|---------|
| Administrative Organization                       | Lynn Garner                         | N       |
| Auxilliary Services                               | Hilda Boyce                         | D       |
| Banner Student System Services                    | April Kearns                        | D       |
| Blackboard  | Niki Whiteside                      | D       |
| Business Office/Finance                           | Bill Dickerson                      | D       |
| Center for Teaching & Learning                    | Martha Robertson                    | D       |
| College Preparatory Division                      | Rebecca Goosen                      | D       |
| Committee Chair                                   | Kevin McKisson                      | D       |
| Contact Center                                    | Ernesto Wallmark                    | D       |
| Continuing & Professional Development             | Sarah Janes                         | D       |
| Curriculum/Catalog Manager/Developer              | Martha Robertson                    | D       |
| Deans (Academic)                                  | Shawn Sillman                       | N       |
| Deans (Administration)                            | Mini Izaguirre                      | N       |
| Deans (Health Sciences)                           | Veronica Jammer / Alexandar Okwanna | C/S     |
| Deans (Technical)                                 | Kevin Morris                        | S       |
| Deapartment Chair                                 | William Wolfe                       | C       |
| Dual Credit & Early College High Schools          | Pam Campbell                        | D       |
| Educational Planning Counseling & Completion      | Tami Kelly                          | N       |
| Facilities and Construction                       | Bryan Jones / Ron Andell            | D       |
| Faculty Member Central                            | Regina Julian                       | C       |
| Faculty Member North                              | John Gillespie / Floyd McConnell    | N       |
| Faculty Member South                              | Connie Duren                        | S       |
| Faculty Senate Representative                     | Lee Benjamins                       | N/D     |
| Financial Aid                                     | Robert Merino                       | D       |
| Foundation (Scholarships)                         | Tammy McAdams                       | D       |
| Human Resources                                   | Shanna Dement                       | D       |
| Information Technology Services                   | Linda Pennington                    | D       |
| Institutional Research                            | George Gonzalez                     | D       |
| Instructional Technology/DE/Blackboard            | Niki Whiteside                      | D       |
| Marketing   | Amanda Fenwick                      | D       |
| Police  | Bruce Caldwell                      | D       |
| Provosts  | Bill Raffetto                       | N       |
| Records Management                                | Joan Rondot                         | D       |
| Asst Vice Chancellor, Inst Eff, Assessment, Acred | Chris Duke                          | D       |
| Staff Organization                                | Angela Perkins                      | D       |
| Student Representative                            | Jeffrey Amie                        | D       |
| Associate Vice Chancellor of Student Services     | Joanna Zimmermann                   | D       |
| Weekend College & Evening Division                | Chris Crumley                       | C       |

\*C (Central); D (District); N (North); S (South)

**SAN JACINTO COMMUNITY COLLEGE DISTRICT  
PURCHASE RECAP  
January 28, 2019**

|            |   |                            |
|------------|---|----------------------------|
| <b>I.</b>  | <b>EQUIPMENT, SUPPLIES &amp; SERVICES BIDS</b>  |                            |
|            | IFP 19-09   |                            |
|            | Contract for Steel Supplies (pg. 2)   | <u>\$60,000</u>            |
|            | <b>TOTAL OF ALL BIDS</b>  | <b>60,000</b>              |
| <b>II.</b> | <b>PURCHASE REQUESTS,<br/>SOLE SOURCE VENDORS,<br/>COOPERATIVES, AND CONTRACT RENEWALS</b>                      |                            |
|            | Purchase Request #1   |                            |
|            | Contract Amendment for 2015 Bond Program Management Services (pgs. 3-6)   | 2,234,081                  |
|            | Purchase Request #2   |                            |
|            | Purchase Audio Visual Equipment and Services (pgs. 7-8)   | 1,200,000                  |
|            | Purchase Request #3   |                            |
|            | Purchase Audio Visual Equipment and Services (CPET) (pgs. 9-10)   | 80,000                     |
|            | Purchase Request #4   |                            |
|            | Purchase Data Network Equipment (pgs. 11-12)  | 50,735                     |
|            | Purchase Request #5   |                            |
|            | Method of Procurement for South Campus Utilities Upgrades (pg. 13)  | -                          |
|            | Purchase Request #6   |                            |
|            | Contract for Engineering Services for South Campus Utilities Upgrades (pgs. 14-15)                              | 900,000                    |
|            | Purchase Request #7   |                            |
|            | Funding for Job Order Contracting (pg.16)   | 150,000                    |
|            | Purchase Request #8   |                            |
|            | Additional Funds for Oracle Software Licenses (pgs. 17-18)  | 100,000                    |
|            | Purchase Request #9   |                            |
|            | Renew the Contract for Apprenticeship Training Services (pg. 19-21)   | 193,721                    |
|            | Purchase Request #10  |                            |
|            | Renew the Contract for Lean Six Sigma and Project Management Training Services (pgs. 22-23)                     | 100,000                    |
|            | Purchase Request #11  |                            |
|            | Purchase Drug and Background Screenings (pgs. 24-25)  | 100,000                    |
|            | Purchase Request #12  |                            |
|            | Renew the Contract for Plumbing Services (pg. 26)   | 165,000                    |
|            | Purchase Request #13  |                            |
|            | Purchase Training Program Services with COM and ACC (pgs. 27-28)  | 185,000                    |
|            | Purchase Request #14  |                            |
|            | Contract for Electricity (pgs. 29-30)   | 3,000,000                  |
|            | Purchase Request #15  |                            |
|            | Amend Contract for Construction Services for the Central Campus Petrochemical Process Training Unit (pg. 31)    | 539,593                    |
|            | Purchase Request #16  |                            |
|            | Amend Contract for Engineering Services for the Central Campus Petrochemical Process Training Unit (pgs. 32-33) | <u>118,932</u>             |
|            | <b>TOTAL OF PURCHASE REQUESTS</b>   | <b>9,117,062</b>           |
|            | <b>GRAND TOTAL:</b>   | <b><u>\$ 9,177,062</u></b> |

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve a contract for steel supplies with North Shore Supply Company for the San Jacinto College Welding Technology, Continuing and Professional Development (CPD) Applied Technology, and Automotive Body departments.

**BACKGROUND**

An invitation for bids, Project Number 19-09, was issued to procure steel supplies used for instructional purposes by the Welding Technology, CPD Applied Technology, and Automotive Body programs. One response was received and it was determined that the bid submitted by North Shore Supply Company was responsive to all bid requirements and would provide the best value to the College.

North Shore Supply Company has been providing steel supplies to the College for nineteen years at competitive rates and receives satisfactory approval ratings from the departments who procure their products.

**IMPACT OF THIS ACTION**

Approval of this request will provide the College with a vendor that will serve as a reliable source for steel supplies and will accommodate the fluctuations inherent to the steel market with regard to availability and pricing. North Shore Supply Company will supply products which include structural steel and steel pipe on an as needed basis for the programs.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated annual expenditure is \$60,000. This expenditure will be funded from the Welding Technology, CPD Applied Technology, and Automotive Body departments' 2018-2019 operating budgets and subsequent year budgets, subject to approval by the Board.

**MONITORING AND REPORTING TIMELINE**

The initial award term will be one (1) year from the date of the final execution of the contract, with renewal options of three (3) additional one-year terms.

**RESOURCE PERSONNEL**

|                |                   |                         |
|----------------|-------------------|-------------------------|
| James Ragaisis | 281-476-1806      | james.ragaisis@sjcd.edu |
| Heather Rhodes | 281-998-6150x7106 | heather.rhodes@sjcd.edu |
| Patsy Laredo   | 281-998-6106      | patsy.laredo@sjcd.edu   |

**Purchase Request #1**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval of Contract Amendment for 2015 Bond**  
**Program Management Services**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve an amendment to the contract with AECOM Technical Services, Inc. (AECOM) to include program management services for the initial building at the San Jacinto College Generation Park campus, as well as for expanded assignments within the 2015 Bond Program.

**BACKGROUND**

The 2015 Bond Program was approved by voters in November 2015. AECOM was subsequently selected as the Bond program manager through request for qualifications Project No. 16-14, approved by the Board in July 2016. During the past year, revisions to the Bond program projects and the assignment of additional projects to the AECOM scope of services, including the Expanded Welcome Center Site Development, Ball Building Demolition, Underground Utility Tunnel Renovations, Early College High School Renovations, and the HVAC Technology Building have increased the total value of AECOM assignments from \$292.76 million to \$342.08 million.

In September 2018, the Board of Trustees authorized a new general academic classroom facility at Generation Park with an anticipated budget of approximately \$22 million to be completed before August 2020. Given that the size and timing of this project is similar to many of the 2015 Bond projects, the administration determined that the utilization of AECOM as concurrent project manager would allow for completion of the Generation Park project in the shortest time possible with minimal overlap in services.

**IMPACT OF THIS ACTION**

Approval of this request will allow the College to continue accelerated work on the 2015 Capital Improvement Bond and the Generation Park project while leveraging College resources to their best advantage.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The program management fee for the proposed additional services will be the same 3.13 percent of the project budget approved for the 2015 Bond Program as shown in the attachment. Expenditures for project management services will be funded as part of each project's respective total budget. The combined project assignments are being funded from the 2015 Revenue Bond, proceeds from the sale of surplus land in Clear Lake, and the 2015 Bond Program. The total increase in the AECOM contract will not exceed \$2,234,081; with final compensation based on the actual final expenditures incurred with each project.

**MONITORING AND REPORTING TIMELINE**

The award term for these services will be for approximately twenty (20) months, which is concurrent with the 2015 Bond program. Projects will be monitored by the College's Facilities Services personnel and reported monthly to the Building Committee.



**Purchase Request #1  
Regular Board Meeting January 28, 2019  
Consideration of Approval of Contract Amendment for 2015 Bond  
Program Management Services**

**ATTACHMENTS**

Attachment 1 – Revised AECOM Contract Exhibit B Schedule

**RESOURCE PERSONNEL**

|                 |              |                           |
|-----------------|--------------|---------------------------|
| Chuck Smith     | 281-998-6341 | charles.smith@sjcd.edu    |
| Ann Kokx-Temple | 281-998-6103 | ann.kokx-templet@sjcd.edu |
| Angela Klaus    | 281-998-6327 | angela.klaus@sjcd.edu     |

# AECOM PM Project Assignments - EXHIBIT B (REVISED)

## San Jacinto College District

| Campus  | General Description                   | Funding  | Original "EXHIBIT B" Program Budget<br>[A] | Proposed "EXHIBIT B" Program Budget<br>[B] | Original AECOM Assignment Value<br>[C] | Current AECOM Assignment Value<br>[D] | Original Fee (at 3.13xx%)<br>[E] | Revised Fee (at 3.13%)<br>[F] | Fee Delta<br>[F] - [E] | Comments                           |
|---------|---------------------------------------|----------|--|--|--|---------------------------------------|----------------------------------|-------------------------------|------------------------|------------------------------------|
| Central | Welcome Center                        | 2015 CIP | \$16,600,000                               | \$23,142,467                               | \$16,600,000                           | \$23,142,467                          | \$519,957                        | \$724,884                     | \$204,928              | Project Budget Increased           |
| Central | Expanded Welcome Center Ext Site Dev  | 2015 CIP | \$0  | \$3,000,000                                | \$0                                    | \$3,000,000                           | \$0                              | \$93,968                      | \$93,968               | New Project - Not yet approved.    |
| Central | Classroom Building                    | 2015 CIP | \$47,155,000                               | \$57,138,659                               | \$47,155,000                           | \$57,138,659                          | \$1,477,022                      | \$1,789,737                   | \$312,715              | Project Budget Increased           |
| Central | Data Closets (Campus Wide)            | 2015 CIP | \$2,444,000                                | \$2,445,280                                | \$2,444,000                            | \$2,445,280                           | \$76,553                         | \$76,593                      | \$40                   | Accounting Adjustment.             |
| Central | Access/Security (Campus Wide)         | 2015 CIP | \$1,852,000                                | \$1,852,974                                | \$1,852,000                            | \$1,852,974                           | \$58,010                         | \$58,040                      | \$31                   | Accounting Adjustment.             |
| Central | Frels Building Renovation / ECHS      | 2015 CIP | \$1,153,000                                | \$4,564,000                                | \$0                                    | \$4,564,000                           | \$0                              | \$142,957                     | \$142,957              | Scope Revised and Budget Increased |
| Central | Davison Building Renovation           | 2015 CIP | \$14,970,000                               | \$12,672,829                               | \$14,970,000                           | \$12,672,829                          | \$468,901                        | \$396,947                     | (\$71,954)             | Project Budget Decreased           |
| Central | McCollum (Center Section) - Phase I   | 2015 CIP | \$24,685,000                               | \$11,665,720                               | \$24,685,000                           | \$11,665,720                          | \$773,201                        | \$365,402                     | (\$407,799)            | Scope Revision.                    |
| Central | McCollum (Center Section) - Phase II  | 2015 CIP | \$0  | \$10,879,179                               | \$0                                    | \$10,879,179                          | \$0                              | \$340,765                     | \$340,765              | Scope Revision.                    |
| Central | McCollum (North Wing)                 | 2015 CIP | \$2,535,000                                | \$4,004,326                                | \$2,535,000                            | \$4,004,326                           | \$79,403                         | \$125,426                     | \$46,023               | Scope Revision.                    |
| Central | Ball Building Demolition              | 2015 CIP | \$1,725,000                                | \$1,725,000                                | \$0                                    | \$1,725,000                           | \$0                              | \$54,032                      | \$54,032               | Previously Unassigned              |
| Central | Anderson Building Demolition          | 2015 CIP | \$2,654,000                                | \$2,655,386                                | \$2,654,000                            | \$2,655,386                           | \$83,130                         | \$83,174                      | \$43                   | Accounting Adjustment.             |
| Central | Stadium and Track Demolition          | 2015 CIP | \$174,000                                  | \$72,265                                   | \$174,000                              | \$72,265                              | \$5,450                          | \$2,264                       | (\$3,187)              | Project Completed Below Budget.    |
| Central | DDC Network (Campus Wide)             | 2015 CIP | \$1,160,000                                | \$1,160,609                                | \$1,160,000                            | \$1,160,609                           | \$36,334                         | \$36,353                      | \$19                   | Accounting Adjustment.             |
| Central | Central Plant Upgrade                 | 2015 CIP | \$1,160,000                                | \$1,510,609                                | \$1,160,000                            | \$1,510,609                           | \$36,334                         | \$47,316                      | \$10,982               | Accounting Adjustment.             |
| North   | Cosmetology/Culinary Center           | 2015 CIP | \$22,845,000                               | \$28,156,941                               | \$22,845,000                           | \$28,156,941                          | \$715,567                        | \$881,951                     | \$166,384              | Scope Revised and Budget Increased |
| North   | Data Closets (Campus Wide)            | 2015 CIP | \$915,000                                  | \$915,472                                  | \$915,000                              | \$915,472                             | \$28,660                         | \$28,675                      | \$15                   | Accounting Adjustment.             |
| North   | Lehr Library Demolition               | 2015 CIP | \$650,000                                  | \$228,784                                  | \$650,000                              | \$228,784                             | \$20,360                         | \$7,166                       | (\$13,194)             | Project Completed Below Budget.    |
| North   | Access/Security (Campus Wide)         | 2015 CIP | \$877,000                                  | \$877,457                                  | \$877,000                              | \$877,457                             | \$27,470                         | \$27,484                      | \$14                   | Accounting Adjustment.             |
| North   | Wheeler Building                      | 2015 CIP | \$14,300,000                               | \$16,266,478                               | \$14,300,000                           | \$16,266,478                          | \$447,915                        | \$509,510                     | \$61,595               | Project Budget Increased           |
| North   | Brightwell Building                   | 2015 CIP | \$6,628,000                                | \$9,288,473                                | \$6,628,000                            | \$9,288,473                           | \$207,607                        | \$290,940                     | \$83,333               | Project Budget Increased           |
| North   | Spencer Building                      | 2015 CIP | \$13,000,000                               | \$12,562,793                               | \$13,000,000                           | \$12,562,793                          | \$407,195                        | \$393,501                     | (\$13,695)             | Project Budget Decreased           |
| North   | DDC Network (Campus Wide)             | 2015 CIP | \$580,000                                  | \$580,305                                  | \$580,000                              | \$580,305                             | \$18,167                         | \$18,177                      | \$10                   | Accounting Adjustment.             |
| North   | Underground Utility Tunnel Renovation | 2015 CIP | \$11,600,000                               | \$5,500,000                                | \$0                                    | \$5,500,000                           | \$0                              | \$172,275                     | \$172,275              | Previously Unassigned              |
| North   | Burleson / ECHS                       | 2015 CIP | \$0  | \$3,525,000                                | \$0                                    | \$3,525,000                           | \$0                              | \$110,412                     | \$110,412              | New Project                        |
| South   | Engineering and Technology Center     | 2015 CIP | \$28,400,000                               | \$30,993,850                               | \$28,400,000                           | \$30,993,850                          | \$889,565                        | \$970,811                     | \$81,246               | Project Budget Increased           |
| South   | Cosmetology Center                    | 2015 CIP | \$16,213,000                               | \$16,621,484                               | \$16,213,000                           | \$16,621,484                          | \$507,835                        | \$520,630                     | \$12,795               | Project Budget Increased           |
| South   | Longenecker Building                  | 2015 CIP | \$22,555,000                               | \$22,116,788                               | \$22,555,000                           | \$22,116,788                          | \$706,483                        | \$692,757                     | (\$13,726)             | Project Budget Decreased           |
| South   | Data Closets (Campus Wide)            | 2015 CIP | \$765,000                                  | \$765,396                                  | \$765,000                              | \$765,396                             | \$23,962                         | \$23,974                      | \$12                   | Accounting Adjustment.             |
| South   | Primary Electrical Service Upgrade    | 2015 CIP | \$5,800,000                                | \$5,803,031                                | \$5,800,000                            | \$5,803,031                           | \$181,672                        | \$181,767                     | \$95                   | Accounting Adjustment.             |
| South   | Access/Security (Campus Wide)         | 2015 CIP | \$599,000                                  | \$599,319                                  | \$599,000                              | \$599,319                             | \$18,762                         | \$18,772                      | \$10                   | Accounting Adjustment.             |
| South   | HW/CW Piping Replacement              | 2015 CIP | \$10,266,000                               | \$10,271,361                               | \$10,266,000                           | \$10,271,361                          | \$321,559                        | \$321,727                     | \$168                  | Accounting Adjustment.             |
| South   | Potable Water Rehabilitation          | 2015 CIP | \$1,160,000                                | \$1,160,609                                | \$1,160,000                            | \$1,160,609                           | \$36,334                         | \$36,353                      | \$19                   | Accounting Adjustment.             |
| South   | Expansion of Building 23              | 2015 CIP | \$5,585,000                                | \$0  | \$5,585,000                            | \$0                                   | \$174,937                        | \$0                           | (\$174,937)            | Project Cancelled                  |

|          |   |          |                      |                      |                      |                      |                    |                     |                    |                          |
|----------|---|----------|----------------------|----------------------|----------------------|----------------------|--------------------|---------------------|--------------------|--------------------------|
| South    | Jones Building                                  | 2015 CIP | \$13,803,000         | \$14,608,219         | \$13,803,000         | \$14,608,219         | \$432,347          | \$457,569           | \$25,222           | Project Budget Increased |
| South    | Bruce Student Center                            | 2015 CIP | \$10,400,000         | \$2,315,735          | \$10,400,000         | \$2,315,735          | \$325,756          | \$72,535            | (\$253,221)        | Project Budget Decreased |
| South    | <del>Auto Body Bldg Demo</del> / HVAC Tech Bldg | 2015 CIP | \$312,000            | \$3,989,720          | \$0                  | \$3,989,720          | \$0                | \$124,969           | \$124,969          | Previously Unassigned    |
| South    | DDC Network (Campus Wide)                       | 2015 CIP | \$580,000            | \$580,305            | \$580,000            | \$580,305            | \$18,167           | \$18,177            | \$10               | Accounting Adjustment.   |
| South    | Academic Bldg Renos / ECHS                      | 2015 CIP | \$0                  | \$8,010,000          | \$0                  | \$8,010,000          | \$0                | \$250,895           | \$250,895          | New Project              |
| Maritime | Maritime Expansion                              | 2015 CIP | \$28,000,000         | \$7,500,000          | \$0                  | \$7,500,000          | \$0                | \$234,920           | \$234,920          | Contingent Assignment    |
| CW       | District Construction Studies                   | 2015 CIP | \$283,820            | \$357,848            | \$0                  | \$357,848            | \$0                | \$11,209            | \$11,209           | Previously Unassigned    |
|          | <b>2015 CIP Sub-Total</b>                       |          | \$334,383,820        | \$342,084,671        | \$291,310,000        | \$342,084,671        | \$9,124,614        | \$10,715,013        | \$1,590,399        |                          |
| GenPark  | Generation Park Initial Building                | Various  | \$0                  | \$22,000,000         | \$0                  | \$22,000,000         | \$0                | \$689,099           | \$689,099          | New Project              |
|          | <b>Grand Totals</b>                             |          | <b>\$334,383,820</b> | <b>\$364,084,671</b> | <b>\$291,310,000</b> | <b>\$364,084,671</b> | <b>\$9,124,614</b> | <b>\$11,404,113</b> | <b>\$2,279,499</b> |                          |

**Purchase Request #2**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Purchase Audio Visual Equipment and Services**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the purchase of audio visual equipment and installation services from Network Cabling Services (NCS) for three (3) renovation and three (3) new construction projects in the 2015 Bond Program.

**BACKGROUND**

This request provides for the purchase of audio visual equipment and related installation services for the South Campus Early College High School, South Campus Longenecker, South Campus Cosmetology, North Campus Early College High School, North Campus Cosmetology and Culinary, and the Central Campus Welcome Center projects.

The six (6) facilities require multiple classroom audio visual equipment installations in order to support the instructional programs planned for these facilities. The majority of these installations will comply with the College's standard Tier 1 classrooms. The specialty program spaces such as Cosmetology and Culinary, require variations to the standard configuration in order to display information around multiple physical classroom obstructions. With approval of this request, installation of audio visual systems will be included in over one hundred (100) spaces throughout the named facilities.

The College obtained comparative price quotes from three firms who all have competitively awarded cooperative contracts and NCS's rates proved the best overall value. NCS has a contract awarded through the Texas BuyBoard cooperative contracts program to provide audio visual equipment and installation, Contract Number 563-18, which satisfies the requirement for competitive bidding as stated in Section 44.031 of the Texas Education Code and 791.001(g) of the Government Code.

**IMPACT OF THIS ACTION**

Approval of this request will authorize the materials and installation services necessary for the audio visual systems to support instruction in both regular and dual credit college classes. The systems are essential for use in the instructional spaces to support current instructional methods and curriculums.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The maximum total expenditure for audio visual equipment and installation services necessary to supply these projects is \$1,200,000 and is included in the respective building project budgets. This expenditure will be funded from the 2015 Bond Program.

**Purchase Request #2**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Purchase Audio Visual Equipment and Services**

**MONITORING AND REPORTING TIMELINE**

All work will be completed by September 2020. This project will be monitored by San Jacinto College Facilities Services and Information Technology Services personnel. Program management will be provided by AECOM.

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                 |              |                          |
|-----------------|--------------|--------------------------|
| Chuck Smith     | 281-998-6341 | charles.smith@sjcd.edu   |
| Jeff Tambrella  | 281-998-6353 | jeff.tambrella@sjcd.edu  |
| Charity Simpson | 281-998-6328 | charity.simpson@sjcd.edu |

**Purchase Request #3**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Purchase Audio Visual Equipment and Services**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the purchase of audio visual equipment and installation services from Network Cabling Services (NCS) for the Central Campus Center for Petrochemical, Energy, and Technology (CPET) facility.

**BACKGROUND**

On the June 4, 2018, the Board approved the expenditure of \$1,050,000 for audio visual equipment and installation services for the CPET facility that is scheduled for completion in the third quarter of 2019. This request provides for an additional funding approval in an amount not to exceed \$80,000.

Additional funds are requested to provide for two specific changes to the original plan. These changes include the elimination of the Walltalker systems in all of the classrooms except those with the ultra-short throw projection systems. The change requiring use of projection screens has resulted in a cost impact to the project of \$60,000. Additionally, the instructional program for the simulation lab has changed from originally requiring one system to now requiring three separate projection systems. The additional two projection systems have resulted in a cost impact of \$20,000.

NCS has a contract awarded through the Texas BuyBoard cooperative contracts program to provide audio visual equipment and installation, Contract Number 563-18, which satisfies the requirement for competitive bidding as stated in Section 44.031 of the Texas Education Code and 791.001(g) of the Government Code.

**IMPACT OF THIS ACTION**

This proposed change in scope of work will include all materials and installation services necessary to reconfigure the audio visual systems as described above. The installation of these audio visual systems will provide for the desired instructional delivery method and will support student success, and workforce and economic development.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The new total estimated expenditure for audio visual equipment is \$1,130,000. This is an increase of \$80,000 from the original approved amount of \$1,050,000 and will be funded from the 2015 Bond Program.

**MONITORING AND REPORTING TIMELINE**

All work will be completed by August 2019. This project will be monitored by San Jacinto College Facilities Services and Information Technology Services personnel. Program management will be provided by Rizzo and Associates.

**Purchase Request #3**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Purchase Audio Visual Equipment and Services**

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                 |              |                          |
|-----------------|--------------|--------------------------|
| Chuck Smith     | 281-998-6341 | charles.smith@sjcd.edu   |
| Jeff Tambrella  | 281-998-6353 | jeff.tambrella@sjcd.edu  |
| Charity Simpson | 281-998-6328 | charity.simpson@sjcd.edu |

**Purchase Request #4**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Purchase Data Network Equipment**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the purchase of data network, wireless, and paging equipment from Layer 3 Communications, LLC (Layer 3) for the South Campus Longenecker Building.

**BACKGROUND**

The purchase and installation of data network, wireless, and paging equipment is a construction component required to complete the renovation of the Longenecker building's data network. This equipment includes Juniper data switches, Aruba wireless access points, internet protocol (IP) paging speakers, and IP phones. The Longenecker building currently utilizes some of this equipment; however, with the planned expansions and reconfiguration of the interior spaces in Longenecker, additional network equipment is required to support the reconfigured spaces.

Layer 3 has a contract through the Texas Department of Information Resources (DIR) cooperative contracts program, Contract Number DIR-SDD-2641, to provide network, wireless, and paging equipment, and complies with the competitive procurement requirement in Section 44.031 of the Texas Education Code and is permitted through Section 791.011(g) of the Texas Government Code. Additional quotes from vendors who also have contracts awarded through co-op organizations were also obtained to ensure the College is procuring these products at the best price.

**IMPACT OF THIS ACTION**

Data network, wireless, and paging equipment is essential to fulfill the project requirements included in the architectural program. Installation of network equipment provides support to life safety, building automation, as well as providing instructors necessary teaching resources required for successful learning outcomes and student success. Approval of this request will provide for the installation of this critical data infrastructure needed in the Longenecker building.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The expenditure will not exceed \$50,735 and is included in the respective project budget. This expenditure will be funded from the 2015 Bond Program.

**MONITORING AND REPORTING TIMELINE**

All network equipment will be purchased, installed and operational by June 2019. This project will be monitored by San Jacinto College Facilities Services and Information Technology Services personnel. Program management will be provided by AECOM.



**Purchase Request #4**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Purchase Data Network Equipment**

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                |              |                         |
|----------------|--------------|-------------------------|
| Chuck Smith    | 281-998-6341 | charles.smith@sjcd.edu  |
| Jeff Tambrella | 281-998-6353 | jeff.tambrella@sjcd.edu |
| Patsy Laredo   | 281-998-6106 | patsy.laredo@sjcd.edu   |

**Consideration of Approval of Method of Procurement for South Campus Utilities Upgrades**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the Competitive Sealed Proposal (CSP) methodology for all South Campus Utility Upgrade projects included in the 2015 Bond Program.

**BACKGROUND**

The 2015 Capital Improvement Program Bond includes provisions for three utility upgrade projects at the South Campus. The projects are: 1) 3605 Primary Electrical Upgrade, 2) 3607 Heated Water/Chilled Water Relocation, and 3) 3608 Domestic Water Rehabilitation.

The CSP methodology is recommended for these projects once a complete design package is available, as it allows for post-bid negotiations, thus controlling risk and assuring delivery at the best overall value. A unique package of specifications and plans will be used as the documentation required for public solicitation of construction proposals for each project in accordance with the Texas Government Code, Section 2269.151.

**IMPACT OF THIS ACTION**

The CSP method will assure the delivery of best value on all projects with a minimal level of risk. Approval of method at this point will allow solicitations for electrical upgrades to begin immediately, ensuring that permanent power is available to the South Campus Cosmetology Center when required.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated cost of construction for the South Campus Utilities Upgrade project will be funded from the 2015 Bond Program and will not exceed \$11.7 million.

**MONITORING AND REPORTING TIMELINE**

The timeline for the design and construction of these project is approximately twenty-four (24) months. Design and construction will be monitored by the College's Facilities Services personnel. Program management will be provided by AECOM.

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                 |              |                          |
|-----------------|--------------|--------------------------|
| Chuck Smith     | 281-998-6341 | charles.smith@sjcd.edu   |
| Ann Kokx-Temple | 281-998-6103 | ann.kokxtemplet@sjcd.edu |
| Angela Klaus    | 281-998-6327 | angela.klaus@sjcd.edu    |

**Purchase Request #6**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Contract for Engineering Services for**  
**South Campus Utilities Upgrades**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees authorize ACR Engineering, Inc. (ACR) to provide engineering services for the South Campus Primary Electrical Upgrade and Hot Water/Chilled Water (HW/CW) Relocation projects.

**BACKGROUND**

The 2015 Capital Improvement Program Bond included provisions for three utility upgrade projects at the South Campus. The projects are: 1) 3605 Primary Electrical Upgrade, 2) 3607 HW/CW Relocation, and 3) 3608 Domestic Water Rehabilitation. A Utility Master Plan for the South Campus was prepared by ACR Engineering to provide guidelines for the conduct of these projects.

ACR is recommended as the Engineer of Record for the Primary Electrical Upgrade and HW/CW Upgrades. The Domestic Water Rehabilitation project will be assigned to a firm with more extensive drinking water distribution experience.

ACR was included in a pool of recommended technical professional consultants that were screened, pre-qualified and approved by the Board on November 7, 2016, for use on projects on an as needed basis. Engineering services are classified as professional services pursuant to Section 2254 of the Texas Government Code.

**IMPACT OF THIS ACTION**

This request for one firm to design both utility systems will result in expeditious completion of plans and specifications for the upgrades, allowing these projects to be integrated into the ongoing new construction and renovation projects at the South Campus. This reduces the College's overall expenditure for the capital improvement program.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The maximum not to exceed expenditure requested for engineering services is \$900,000, which represents 7.5 percent of the estimated cost of construction. This expenditure will be funded from the 2015 Bond Program.

**MONITORING AND REPORTING TIMELINE**

All services are estimated to be completed within twenty-four (24) months from notice to proceed to project completion. This project will be monitored by San Jacinto College Facilities Services personnel and program management will be provided by AECOM personnel.

**Purchase Request #6**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Contract for Engineering Services for**  
**South Campus Utilities Upgrades**

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                 |              |                           |
|-----------------|--------------|---------------------------|
| Chuck Smith     | 281-998-6341 | charles.smith@sjcd.edu    |
| Ann Kokx-Temple | 281-998-6103 | ann.kokx-templet@sjcd.edu |
| Angela Klaus    | 281-998-6327 | angela.klaus@sjcd.edu     |

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the use of Job Order Contracting (JOC) with Lee Construction & Maintenance Company (LMC Corporation) for repairs and minor construction projects.

**BACKGROUND**

JOC is a method of procurement that enables commonly encountered repairs and minor construction projects to be done quickly by reducing procurement time. JOC contracts are competitively procured based on overall best-value, including the contractor's coefficient (a multiplier) which is applied as a discount to preset regional unit prices, such as RSMeans.

LMC Corporation has a contract through the Choice Partners cooperative contracts program to provide JOC construction services, Contract Number 15/041JN-07, and complies with the competitive procurement requirement in Section 44.031 of the Texas Education Code and Section 2269.401 of the Texas Government Code and is permitted through Section 791.001 of the Texas Government Code.

**IMPACT OF THIS ACTION**

Approval of this request will allow the College to engage LMC Corporation for repairs and minor construction projects on an as needed basis.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

This request provides expenditure authorization in an amount not to exceed \$150,000. Individual purchases greater than \$50,000 will require the Board to approve the method of procurement and approval before engaging the firm on the project. This expenditure will be funded from Facilities Services 2018-2019 operational funds.

**MONITORING AND REPORTING TIMELINE**

JOC will be used as needed during the 2018-2019 fiscal year. The work will be managed by Facilities Services personnel.

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                  |              |                           |
|------------------|--------------|---------------------------|
| Bryan Jones      | 281-998-6343 | bryan.jones@sjcd.edu      |
| Bill Dowell      | 281-998-6122 | william.dowell@sjcd.edu   |
| Ann Kokx-Templet | 281-998-6103 | ann.kokx-templet@sjcd.edu |
| Angela Klaus     | 281-998-6327 | angela.klaus@sjcd.edu     |

**Purchase Request #8**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval of Additional Funds for Oracle Software Licenses**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the expenditure of additional funds for the purchase of Oracle database software licenses from Mythics for the Information Technology Services (ITS) department.

**BACKGROUND**

The Banner system is an Enterprise Resource Planning system that supports the College's student services and administrative functions. The College initially installed Banner in 2001. Oracle is the relational database management system that Banner, and other systems, run on. The College's license is reviewed annually for compliance by Oracle Licensed Management services and advised when additional licenses must be procured due to enrollment growth. The College has been informed by Oracle of the need to add additional licenses to the College's current license model.

Mythics has a contract through the National IPA cooperative contracts program to provide Oracle software licenses and maintenance, Contract Number # R141801, and complies with the competitive procurement requirement in Section 44.031 of the Texas Education Code and is permitted through Section 791.001(g) of the Texas Government Code.

**IMPACT OF THIS ACTION**

The purchase of the additional Oracle licensing will allow for all Banner-related databases, Institutional Research data warehouse reporting and the secure San Jacinto College Online System for Students (SOS) environments to continue to serve the needs of the College's students and employees.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

In July 2018, the Board approved an estimated expenditure of \$400,000 for Oracle software licenses and maintenance. This request will increase the total amount approved by \$100,000 to a total of \$500,000. This expenditure will be funded from the ITS department's 2018-2019 operating budget and subsequent year budgets.

**MONITORING AND REPORTING TIMELINE**

None

**ATTACHMENTS**

None

**Purchase Request #8**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval of Additional Funds for Oracle Software Licenses**

**RESOURCE PERSONNEL**

|                 |              |                          |
|-----------------|--------------|--------------------------|
| Suzanne DeBlanc | 281-998-6360 | suzanne.deblanc@sjcd.edu |
| Charity Simpson | 281-998-6328 | charity.simpson@sjcd.edu |

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees renew the contract for apprenticeship training services with the Texas Carpenters and Millwrights Training Trust Fund (TCMTTF) for Continuing and Professional Development department.

**BACKGROUND**

San Jacinto Community College District (SJCCD) has begun working with organizations that offer apprenticeship programs with organizations who are registered with the Department of Labor (DOL). SJCCD is a registered Apprenticeship Community College (RACC). Registered DOL apprenticeship organizations have the opportunity to partner with a RACC and receive Chapter 133 funding for equipment and a portion of the instructor salaries. The College serves as the fiscal agent and oversees the companies to ensure they comply with DOL Apprenticeship Guidelines. The College is responsible for all Texas Workforce Commission reporting requirements and receives funding to cover administrative expenses. The College was asked by TCMTTF and approved by TWC to be their partner.

**IMPACT OF THIS ACTION**

By approving this request, the College can fulfill its responsibility as outlined in the agreement with Texas Workforce Commission. It will also show that the College is a good partner with whom other registered apprenticeship companies may want to partner.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The total expenditure for this apprenticeship program with the Texas Carpenters and Millwrights Training Trust Fund will be \$193,721 and will be funded from U.S. Department of Labor and Texas Workforce Commission.

**MONITORING AND REPORTING TIMELINE**

The Office of Grants Management will monitor the grant monthly. The contract will be effective September 1, 2018 through August 31, 2019.

**ATTACHMENTS**

Attachment 1 – Agreement Appendices A-1, B-1

**RESOURCE PERSONNEL**

|                       |              |                            |
|-----------------------|--------------|----------------------------|
| Sarah Janes           | 281-478-3605 | sarah.janes@sjcd.edu       |
| Allatia Harris        | 281-459-7140 | allatia.harris@sjcd.edu    |
| Tomoko Olson          | 281-998-6146 | tomoko.olson@sjcd.edu      |
| Genie Freeman-Scholes | 281-998-6349 | genevieve.scholes@sjcd.edu |



TEXAS WORKFORCE COMMISSION  
 PROGRAM GRANT/COOPERATIVE AGREEMENT  
 GRANT AWARD TERMS AND CONDITIONS

Attachment A-1

**SAN JACINTO COLLEGE**  
**APPRENTICESHIP TRAINING PROGRAM**  
**CONTACT HOUR RATE FOR CONTINUATION PROGRAMS**

| Row Number | Name of Program                         | DOL Program Registration Number    | Occupation | Est. or Actual | Approved Class Hours       | Number of Apprentices    | Contact Hours       |
|------------|---|------------------------------------|------------|----------------|----------------------------|--------------------------|---------------------|
| 1          | Houston Carpenters and Millwrights JATC |                                    | Millwright | Estimated      | 200                        | 368                      | 73,600              |
| 2          | Houston Carpenters and Millwrights JATC |                                    | Carpenter  | Estimated      | 160                        | 79                       | 12,640              |
| 3          |   |                                    |            |                |                            |                          | 0                   |
| 4          |   |                                    |            |                |                            |                          | 0                   |
| 5          |   |                                    |            |                |                            |                          | 0                   |
| 6          |   |                                    |            |                |                            |                          | 0                   |
| 7          |   |                                    |            |                |                            |                          | 0                   |
| 8          |   |                                    |            |                |                            |                          | 0                   |
| 9          |   |                                    |            |                |                            |                          | 0                   |
| 10         |   |                                    |            |                |                            |                          | 0                   |
| 11         |   |                                    |            |                |                            |                          | 0                   |
| 12         |   |                                    |            |                |                            |                          | 0                   |
| 13         |   |                                    |            |                |                            |                          | 0                   |
| 14         |   |                                    |            |                |                            |                          | 0                   |
| 15         |   |                                    |            |                |                            |                          | 0                   |
| 16         |   |                                    |            |                |                            |                          | 0                   |
| 17         |   |                                    |            |                |                            |                          | 0                   |
| 18         |   |                                    |            |                |                            |                          | 0                   |
| 19         |   |                                    |            |                |                            |                          | 0                   |
| 20         |   |                                    |            |                |                            |                          | 0                   |
| 21         |   |                                    |            |                |                            |                          | 0                   |
| 22         |   |                                    |            |                |                            |                          | 0                   |
| 23         |   |                                    |            |                |                            |                          | 0                   |
| 24         |   |                                    |            |                |                            |                          | 0                   |
| 25         |   |                                    |            |                |                            |                          | 0                   |
|            |   | <b>Total Number of Apprentices</b> |            |                |                            |                          |                     |
|            |   | 447                                |            |                |                            |                          |                     |
|            |   |                                    |            |                | <b>Total Contact Hours</b> | <b>Contact Hour Rate</b> | <b>Total Budget</b> |
|            |   |                                    |            |                | 86,240                     | \$ 3.209                 | \$ 276,744          |

|                            |                   |
|----------------------------|-------------------|
| <b>70% of Total Budget</b> | <b>\$ 193,721</b> |
|----------------------------|-------------------|

TEXAS WORKFORCE COMMISSION  
 PROGRAM GRANT/COOPERATIVE AGREEMENT  
 GRANT AWARD TERMS AND CONDITIONS

Attachment B-1

**SAN JACINTO COLLEGE**  
**APPRENTICESHIP TRAINING PROGRAM**  
**BUDGET SUMMARY FORM**

| <b>Cost Categories</b>  | <b>Administrative Costs<br/>(Cannot exceed 15% of<br/>Total Final Funds<br/>Expended)</b> | <b>Program Costs</b> | <b>Total Funds<br/>(Administrative and Program<br/>Costs)</b> |
|---|---|----------------------|---|
| Personnel Salary/Wage   |   |                      | \$0.00  |
| Fringe Benefits   |   |                      | \$0.00  |
| Travel  |   |                      | \$0.00  |
| Equipment   |   |                      | \$0.00  |
| Supplies  |   |                      | \$0.00  |
| Contractual   |   | \$164,663.00         | \$164,663.00  |
| Other   |   |                      | \$0.00  |
| Administrative Costs  | \$29,058.00   |                      | \$29,058.00   |
| <b>Total Funds</b>  | <b>\$29,058.00</b>  | <b>\$164,663.00</b>  | <b>\$193,721.00</b>   |
| <b>For Agency Use Only</b>                                      |   |                      |   |
| Direct cost category budget{s} associated with the above costs: |   |                      |   |
| 100 Administration (Direct Recipient Only)                      |   | \$29,058.00          |   |
| 709 Subrecipient Operating Costs (Non-One-Stop Operator)        |   |                      |   |
| 611 Direct Program – Education and Training                     |   | \$164,663.00         |   |
| 612 Direct Program – Core/Intensive Services                    |   |                      |   |
| 651 Support Services – Transportation                           |   |                      |   |
| 675 Support Services – Work-Related Incentives                  |   |                      |   |
| 819 Support Services – Other                                    |   |                      |   |

Identify the relevant direct cost categories as referenced in applicable WD Letters and subsequent issuances and the associated budget for each applicable direct cost category. Insert additional rows, as needed, if a cost category other than those listed above applies.

End of Worksheet

**Purchase Request #10**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Renew the Contract for Lean Six Sigma and**  
**Project Management Training Services**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees renew the contract for Six Sigma and Project Management training classes with TKL Management Group for the Continuing Professional Development department (CPD).

**BACKGROUND**

A request for proposals, Project Number 16-18, was issued in December 2015 to procure lean Six Sigma and Project Management training classes for CPD. The Board approved the original contract with TKL Management Group on March 7, 2016.

Project Management Professional (PMP) and Six Sigma certifications continue to be held in high regard and sought by many professionals. Industry certifications continue to hold their value in a number of industry sectors, as many employers value these industry certifications as much as a college degree. These certifications benefit incumbent workers because they do not take as long to earn and can cost significantly less than a return to school with the intent to earn a degree.

**IMPACT OF THIS ACTION**

Students in Six Sigma classes perform live projects with area companies. The current TKL lead instructor is a highly respected PMP and Six Sigma Master Black Belt with deep cross industry experience. Students and client companies continue to express their pleasure with the training offered by CPD, increasing goodwill for the College with the community and its workforce.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated annual expenditure for this request is \$100,000. This expenditure will be funded from the CPD department's 2018-2019 operating budget and subsequent year budget.

**MONITORING AND REPORTING TIMELINE**

This renewal will exercise the final of three one-year renewal options available. The new contract term will be March 8, 2019 through March 7, 2020.

**ATTACHMENTS**

None

**Purchase Request #10**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Renew the Contract for Lean Six Sigma and**  
**Project Management Training Services**

**RESOURCE PERSONNEL**

|                       |              |                            |
|-----------------------|--------------|----------------------------|
| Craig Zimmerman       | 281-478-3684 | craig.zimmerman@sjcd.edu   |
| John Suarez           | 281-542-2061 | john.suarez@sjcd.edu       |
| Genie Freeman-Scholes | 281-998-6349 | genevieve.scholes@sjcd.edu |

**Purchase Request #11**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Purchase Drug and Background Screenings**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve the purchase of drug and background screening services from AccuSource, HireRight, and Information Discovery Services LLC for the College.

**BACKGROUND**

The College requires drug and background screenings as a requirement for participation in various academic programs and as a requirement for employment. In order to maximize the resources available and best meet the College's varying needs, it is recommended that the College broadens the available vendor options to a wider array of drug and background providers who can best meet the needs of each department.

The following firms have all been awarded contracts through cooperative agencies: AccuSource, The Interlocal Purchasing System (TIPS), Contract Number 180703, HireRight, E & I Cooperative, Contract Number CNR-01336, and Information Discovery Services, LLC, TXMAS co-operative, Contract Number TXMAS-15-738X01. All awards comply with the competitive procurement requirement in Section 44.031 of the Texas Education Code and are permitted through Section 791.011(g) of the Texas Government Code.

**IMPACT OF THIS ACTION**

The College requires drug and background screenings to meet federal requirements and to ensure the qualifications of potential employment candidates. The Health Professions Opportunity Grant (HPOG) has funded drug/background screens since 2017-2018 for prospective participants as part of the process for recruitment and efficient registration into health occupation training programs as required to meet the College's deliverables on the project.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated annual combined expenditure for this request is \$100,000. This expenditure will be funded from the fiscal year 2018-2019 operating budgets, and subsequent year budgets as approved, of each department that will utilize drug and background screenings.

**MONITORING AND REPORTING TIMELINE**

None

**ATTACHMENTS**

None

**Purchase Request #11**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Purchase Drug and Background Screenings**

**RESOURCE PERSONNEL**

|                     |              |                             |
|---------------------|--------------|-----------------------------|
| Craig Zimmerman     | 281-478-3684 | craig.zimmerman@sjcd.edu    |
| Lydia Chavez-Garcia | 281-476-1815 | lydia.chavezgarcia@sjcd.edu |
| Gwen Henderson      | 281-998-6326 | gwen.henderson@sjcd.edu     |

**Purchase Request #12**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Renew the Contract for Plumbing Services**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees renew the contract for plumbing maintenance and repair services with Modern Plumbing Company for the Facilities Services department.

**BACKGROUND**

A request for proposals, Project Number 16-06, was issued in January 2016 to procure general plumbing services for the Facilities Services department. The Board approved the original contract with Modern Plumbing Services in March 2016.

The Facilities Services department is responsible for the College's plumbing equipment and performs the majority of repairs with College employees. However, for larger projects and emergency repairs, services are often provided by an outside contractor. Modern Plumbing Services provides quality service and is responsive to service requests during both regular and after-hour emergencies.

**IMPACT OF THIS ACTION**

Approval of this renewal will authorize Modern Plumbing Services to perform repair services, on an as needed basis, for larger projects and to assist with emergency repairs that may arise throughout the year.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated annual expenditure for this request is \$165,000. This expenditure will be funded from the Facilities Services department's 2018-2019 operating budget and subsequent year budget.

**MONITORING AND REPORTING TIMELINE**

This renewal will exercise the third of four one-year renewal options available. The new contract term will be March 8, 2019 through March 7, 2020.

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                       |              |                            |
|-----------------------|--------------|----------------------------|
| Bryan Jones           | 281-998-6343 | bryan.jones@sjcd.edu       |
| Ron Andell            | 281-542-2016 | ron.andell@sjcd.edu        |
| Genie Freeman-Scholes | 281-998-6327 | genevieve.scholes@sjcd.edu |

**Purchase Request #13**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Purchase Training Program Services with COM and ACC**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve a contract for training program services with Alvin Community College (ACC) and College of the Mainland (COM) for the Continuing & Professional Development (CPD) Division.

**BACKGROUND**

At the November 6, 2017 and December 11, 2017 Board meetings respectively, the Board approved interlocal agreements with ACC and COM to provide recruiting, employer engagement, career readiness and placement services for qualified participants selected in accordance with a grant-funded training program focused on healthcare training for a targeted segment of the population. ACC and COM will also provide assistance to participants on filing for financial aid at Workforce Solutions Offices in order for participants to receive supportive resources.

Use of an interlocal contract between two or more such parties is one of the approved methods of procurement for the College in accordance with Section 44.031 (4) of the Texas Education Code and Chapter 791.011 of the Local Government Code.

**IMPACT OF THIS ACTION**

The College is the recipient of a Health Profession Opportunity Grant (HPOG) whose goal is to assist the healthcare industry increase the number of trained workers certified in order to increase the applicant pool of qualified workers. The HPOG funded Health Career Pathways Partnership (HCPP) program is a demonstration project focused on Temporary Assistance for Needy Families recipients and other low-income individuals.

The goals of HCPP are to increase the recruitment reach for this project, provide additional training opportunities, eliminate travel barriers for participants, and increase access to additional pathways. By continuing the partnerships with ACC and COM, the College will better achieve the funding agency's goal of providing work-based learning and employment opportunities in health career pathways to low income individuals with a broader outcome of promoting self-sufficiency.

**BUDGET INFORMATION**

Training will be funded from the HPOG from the Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, Award No. 90FX0035-01-00. The estimated expenditure with ACC is \$85,000 and COM is \$100,000, and subsequent year expenditures will be reviewed and adjusted based on program participation.



**Purchase Request #13**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Purchase Training Program Services with COM and ACC**

**MONITORING AND REPORTING TIMELINE**

The agreement shall commence on November 5, 2018 and terminate on September 29, 2019 and will automatically renew for subsequent one year terms for the duration of the grant.

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                       |              |                             |
|-----------------------|--------------|-----------------------------|
| Craig Zimmerman       | 281-478-3684 | craig.zimmerman@sjcd.edu    |
| Lydia Chavez-Garcia   | 281-476-1815 | lydia.chavezgarcia@sjcd.edu |
| Tomoko Olson          | 281-998-6146 | tomoko.olson@sjcd.edu       |
| Ann Kokx-Templet      | 281-998-6103 | ann.kokx-templet@sjcd.edu   |
| Genie Freeman-Scholes | 281-998-6349 | genevieve.scholes@sjcd.edu  |

## **ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees authorize the Chancellor to enter into a contract for electricity for the College.

### **BACKGROUND**

In August 2018, the College engaged the services of Tradition Energy to provide energy procurement advisory services for the College. Tradition Energy has a contract through the U.S. Communities cooperative contracts program to provide energy management and consulting services, Contract Number 2018-017, and complies with the competitive procurement requirement in Section 44.031 of the Texas Education Code and is permitted through Section 791.011(g) of the Texas Government Code.

Due to the deregulated market for electricity in Texas, the College must competitively procure electricity for the College on the open market through a formal procurement process. Through the use of Tradition Energy, the College can take advantage of requesting a combination of possible rates, types of energy including brown energy or a combination of green energy sources, and contract durations in order to achieve a stable supply of energy sources at the best market rates. The energy advisor will monitor electricity rates on the College's behalf and advise the administration on the combination of energy types and the best time to lock in a supplier while remaining in compliance with all bidding requirements.

### **IMPACT OF THIS ACTION**

Prices for electricity fluctuate daily and the exact day and price at which the College will secure a rate cannot be determined with any finality. With the assistance of the energy advisor, the College will monitor electricity rates and determine the most opportune date to secure a rate that is most beneficial to the College. When it is determined that the proposed electricity rates are at their optimum, this action will authorize the Vice Chancellor of Fiscal Affairs to execute an agreement to secure a rate for a fixed term. This action will provide a mechanism to control the College's costs from a budgetary perspective while allowing the College some flexibility in the future depending on the type and duration of the contract that is most favorable at that time.

### **BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The annual expenditure for this request will be approximately \$3,000,000 per year, based on actual usage and the final contracted rate. This expenditure is funded from the Facilities Services department's 2019-2020 operating budget and subsequent year budgets.

### **MONITORING AND REPORTING TIMELINE**

Based on historical data and future cost analysis, the most favorable rates are for contract terms that extend out for sixty months or longer. The new rate will go into effect at the expiration of our current contract term in December 2019.

**Purchase Request #14  
Regular Board Meeting January 28, 2019  
Consideration of Approval to Contract for Electricity**

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                  |              |                           |
|------------------|--------------|---------------------------|
| Teri Zamora      | 281-998-6306 | teri.zamora@sjcd.edu      |
| Ann Kokx-Templet | 281-998-6103 | ann.kokx-templet@sjcd.edu |
| Chuck Smith      | 281-998-6341 | charles.smith@sjcd.edu    |

**Purchase Request #15**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Amend Contract for Construction Services for the  
Central Campus Petrochemical Process Training Unit**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends the Board of Trustees approve a contract amendment of up to ten percent with Austin Maintenance and Construction, Inc. for additional construction services at the Petrochemical Process Training Unit of the Center for Petrochemical, Energy, and Technology at Central Campus.

**BACKGROUND**

In May 2018, the Board authorized the Chancellor to enter into a contract with Austin Maintenance and Construction for an amount not to exceed \$5,514,961. Subsequent negotiations and revisions to the scope of work resulted in the issuance of purchase orders totaling \$5,395,925.

Events during construction, including changes to the scope of equipment and services to be donated by industry partners, have compounded delays resulting from extremely wet weather. To provide funding for these known changes and events, including a contingency to ensure completion of the project, approval of an amendment for a total not to exceed amount of \$539,593 (10 percent) is recommended.

**IMPACT OF THIS ACTION**

Approval of this request will allow construction of the Petrochemical Process Training Unit to continue as planned, without additional delay.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

Approval of this request will authorize necessary revisions to the Austin Maintenance and Construction Contract for a value up to 10 percent of the original contract amount. This expenditure will be funded from the 2015 Bond Program.

**MONITORING AND REPORTING TIMELINE**

Construction of this project is on-going. Construction will be monitored by the College's Capital Projects personnel and reported monthly to the Board Building Committee. Program management will be conducted by Rizzo and Associates.

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                  |              |                           |
|------------------|--------------|---------------------------|
| Chuck Smith      | 281-998-6341 | charles.smith@sjcd.edu    |
| Ann Kokx-Templet | 281-998-6103 | ann.kokx-templet@sjcd.edu |
| Angela Klaus     | 281-998-6327 | angela.klaus@sjcd.edu     |

**Purchase Request #16**  
**Regular Board Meeting January 28, 2019**

**Consideration of Approval to Amend Contract for Engineering Services for the  
Central Campus Petrochemical Process Training Unit**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends the Board of Trustees approve a contract amendment with Tellepsen Engineering LLC (Tellepsen) to provide construction administration services for the Central Campus Petrochemical Process Training Unit.

**BACKGROUND**

In September 2016, the Board authorized the Chancellor to enter into a contract with Tellepsen to provide engineering design services for the petrochemical process training unit to be constructed at the College's Central Campus Center for Petrochemical, Energy, and Technology. Tellepsen had previously been determined to be the most highly qualified respondent to the College's Request for Qualifications, project number 16-32 - Design Services for Petrochemical Process Training Unit, based on receiving the highest cumulative score in the evaluation process.

In September 2018, the Board authorized the Chancellor to amend the contract with Tellepsen to provide construction administration services.

At the recommendation of industry representatives engaged in initial planning for the project, control schemes, operating instructions, and maintenance manuals were excluded from the negotiated contract. As the process plant enters its final construction phase, the need to augment the services provided by industry has emerged. These services include developing the control system operating philosophy, instrumentation list, operating instructions, and maintenance instructions.

**IMPACT OF THIS ACTION**

Approval of this request will allow construction of the Process Training Unit to continue as planned and to be placed into operation safely once trained operators are available.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

Tellepsen has proposed a time and materials fee of \$118,932 for completion of the anticipated tasks. This expenditure will be funded from the 2015 Bond Program.

**MONITORING AND REPORTING TIMELINE**

Construction of this project has begun. Additional engineering services will begin immediately upon approval of the Board. Design and construction will be monitored by the College's Capital Projects personnel and reported monthly to the Board Building Committee. Program management will be conducted by Rizzo and Associates.

**Purchase Request #16**  
**Regular Board Meeting January 28, 2019**  
**Consideration of Approval to Amend Contract for Engineering Services for the**  
**Central Campus Petrochemical Process Training Unit**

**ATTACHMENTS**

None

**RESOURCE PERSONNEL**

|                  |              |                           |
|------------------|--------------|---------------------------|
| Chuck Smith      | 281-998-6341 | charles.smith@sjcd.edu    |
| Ann Kokx-Templet | 281-998-6103 | ann.kokx-templet@sjcd.edu |
| Angela Klaus     | 281-998-6327 | angela.klaus@sjcd.edu     |

**Item "A"**  
**Regular Board Meeting January 28, 2019**  
**Approval of the Minutes for the December 3, 2018**  
**Board Workshop and Regular Board Meeting**

**RECOMMENDATION**

The Chancellor requests that the Board of Trustees approve the minutes for the December 3, 2018, Board Workshop and Regular Board Meeting.

**San Jacinto College District Board Workshop  
December 3, 2018  
District Administration Building, Suite 201**

**MINUTES**

|             |   |   |
|-------------|---|---|
|             | <b>Board Workshop Attendees:</b>  | <b>Board Members:</b> Erica Davis Rouse, Marie Flickinger, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler, Larry Wilson (Absent)<br><b>Chancellor:</b> Brenda Hellyer<br><b>Other:</b> Anita Dewease, Bill Dickerson, Elissa Posway (Doeren Mayhew), Mandi Reiland, Teri Zamora   |
|             | <b>Agenda Item:</b>   | <b>Discussion/Information</b>   |
| <b>I.</b>   | <b>Call the Meeting to Order</b>  | Board Chair, Marie Flickinger, called the workshop to order at 5:01 p.m.  |
| <b>II.</b>  | <b>Roll Call of Board Members</b>                                       | Marie Flickinger, Erica Davis Rouse, Dan Mims, John Moon, Jr., Keith Sinor, Dr. Ruede Wheeler<br><br>Larry Wilson (absent)  |
| <b>III.</b> | <b>Discuss Effect of GASB 68 and GASB 75 on Annual Financial Report</b> | Note: This item was listed as number IV on the posted agenda but was reviewed prior to the audit during the workshop.<br><br>Elissa Posway, Bill Dickerson, and Anita Dewease were present for this item.<br><br>Teri Zamora explained that GASB (Governmental Accounting Standards Board) 68 and GASB 75 were previously discussed with the Board in August 2018, and this is an update on the impacts to unrestricted net position. She stated that GASB 68 was implemented August 31, 2015 and recorded the College's share of TRS (Texas Retirement System) Unfunded Pension Liability. She explained that GASB 75 was implemented August 31, 2018 and recorded the College's share of future costs related primarily to the cost of health insurance provided for retirees. She explained that most community colleges in Texas expected to have negative Unrestricted Net Position following implementation of GASB 75. After implementation of GASB 68 and GASB 75, Unrestricted |



|  |  |   |
|--|--|---|
|  |  | <p>Net Position ceases to be a good measure of financial health for governmental institutions.</p> <p>Teri reviewed the College's net position after implementation of GASB 68 and 75. The unrestricted net position as of August 2018 is negative \$65,639,845. She also reviewed the unrestricted net position without GASB 68 and 75 effects. She showed that by adding back the effects of GASB 68 and 75 the unrestricted net position is \$71,026,583.</p> <p>Marie Flickinger recalled that the State required this change, and they were not intending to collect the liability. Teri clarified that this GASB change is a nationwide implementation and not done by the State. It is unlikely that the College would ever pay out this liability amount.</p> <p>Dr. Ruede Wheeler asked where the College stands on healthcare. Teri explained that the College already pays our portion of healthcare for retirees each year. Brenda Hellyer added that the State covers 50 percent and the College covers 50 percent. Teri stated that while the College has had to pay each year's amount annually, now we have to record the retiree benefits liability for each retiree for the rest of their lives.</p> <p>Dan Mims asked how the investment returns are addressed. Teri said they have been factoring investment returns into the calculations. Brenda explained there are financial measures calculated by the Texas Higher Education Coordinating Board. They will be eliminating these liabilities and GASB impact for the financial measures. If not, almost all the community colleges would look like they are in the negative.</p> <p>Marie asked if this will affect our bond ratings. Teri stated that she asked this specifically of Moody's a few years ago and they said it would not affect the ratings. Teri asked if Elissa Posway has any additional comments. Elissa agreed that Teri covered the item well, and the presentation includes the summary of the effects of GASB, and this is required under governmental accounting standards.</p> |
|--|--|---|

|                   |  |   |
|-------------------|--|---|
|                   |  | <p>Elissa explained that the GASB changes shifted the reporting of pension (GASB 68) and Other Post-Employment Benefits (OPEB) (GASB 75) liabilities from the notes of the CAFR onto the College’s balance sheet. The rating agencies were already evaluating the pension and OPEB liabilities prior to the implementation of GASB 68 and GASB 75. The implementation of these accounting changes does not materially change the rating agencies’ views of the credit quality of issuers now that the liabilities are on the balance sheet.</p> <p>Teri stated that the new GASB reporting standard changes do not affect or change the reality of these liabilities, but they merely provide a different means of reporting it.</p>  |
| <p><b>IV.</b></p> | <p><b>Review 2017-2018 Comprehensive Annual Financial Report</b></p> | <p>Elissa Posway, Bill Dickerson, and Anita Dewease were present for this item.</p> <p>Elissa Posway with Doeren Mayhew reviewed the audit results report for year ended August 31, 2018 and gave an overview of the audit approach, process, and findings.</p> <p>Elissa stated that with respect to the audit, Doeren Mayhew was required to report on the following items:</p> <ul style="list-style-type: none"> <li>• Auditor’s Responsibilities under Generally Accepted Government Auditing Standards – <ul style="list-style-type: none"> <li>○ Financial Statements – Unmodified Report</li> <li>○ Internal Control over Financial Reporting – No significant deficiencies or material weaknesses</li> <li>○ Major Program Compliance Report – Unmodified Report</li> </ul> </li> <li>• Significant Accounting Policies – The College adopted GASB Statements No. 75 during fiscal year 2018, which resulted in a restatement of the September 1, 2017 opening net position balance of approximately \$106 million for the cumulative effect of this change in accounting principle. The College adopted GASB Statements No. 81, 82, 85, and 86 during fiscal year 2018, all of which had no significant impact on the financial statements.</li> <li>• Management’s Judgements and Accounting Estimates – Estimates were reviewed and within an acceptable range</li> <li>• Significant Audit Adjustments – No significant adjustments</li> <li>• Major disagreements with management – None</li> </ul> |

|  |  |  |
|--|--|--|
|  |  | <ul style="list-style-type: none"> <li>• Material errors, fraud, and illegal acts – None</li> <li>• Required material written communications will be completed after the Board approval of the audit based on the engagement letter dated June 8, 2018 <ul style="list-style-type: none"> <li>○ Audit reports – to be issued within the next four days</li> <li>○ Management representation letter – to be obtained prior to issuance of audit reports</li> </ul> </li> </ul> <p>Elissa explained that an audit performed in accordance with the Uniform Guidance and the State of Texas Single Audit Circular requires tests of the College’s compliance with requirements of major Federal and State of Texas programs, including consideration of related internal controls. No findings were noted as a result of audit procedures performed, and unmodified reports will be issued for the Federal and State major programs.</p> <p>Bill Dickerson stated that the TRS and ERS numbers are from 2017 and there is a little bit of a lag because we have to use their latest audited numbers.<br/>Elissa stated this is allowed under the accounting standards.</p> <p>There were no questions regarding the audit results.</p> <p>Teri reviewed the comprehensive annual financial report (CAFR). She reviewed a summary statement of net position with and without the GASB 68/75 effects. The College is up approximately \$10 million in current assets. She reviewed the statement of revenues, expenses, and changes in net position. She stated that salaries and benefits are approximately 59 percent of expenses.</p> <p>Erica Davis Rouse asked for clarification on significant change in net position from College operations.<br/>Teri responded that at the end of 2017 the College had expenses in excess of revenues of \$2.5 million due largely to the write-off of the North Campus Library. Brenda added that this included operating expense items and depreciation.<br/>Teri reviewed program expenses by function (all non-capital funds) which shows more detail on expenses.</p> <p>Teri reviewed the statement of cash flow. These numbers are a typical reflection of cash flow when an institution is</p> |
|--|--|--|

|                  |   |   |
|------------------|---|---|
|                  |   | <p>going through a building program. Brenda clarified that this statement contains unrestricted and restricted amounts.</p> <p>Teri explained that this year the College had to add the San Jacinto College Foundation as a component unit. Several GASB Statements govern when to include foundations as component units in an entity’s annual financial reports. This year the Foundation represents significantly more than five percent of the net position of the College, so it needed to be included. Resources of the Foundation are used for the direct benefit of the College which is another criteria for determining if the Foundation should be included in the College CAFR.</p> <p>John Moon, Jr. asked if the GASB change pushed the Foundation into the 5 percent range. Teri responded that it was already close to 5 percent but now we are close to 17 percent due to the changes of GASB.</p> <p>Marie asked if an audit would reveal a problem with financial aid. Elissa explained that a sampling process is used to test the Department of Education processes and payments. Sampling is not perfect, but for most programs a large sample is used for the audit process.</p> <p>Brenda explained that an action item is on the agenda for this Board meeting. The Board members asked for a final CAFR be sent to them electronically.</p> <p>Bill Dickerson, Anita Dewease, and Elissa Posway left the meeting after the audit and CAFR review.</p> |
| <p><b>V.</b></p> | <p><b>Review Plan for Upcoming Issuance of General Obligation Bonds</b></p> | <p>Teri reviewed the debt transaction and authorized bonds. She explained that the voters approved the \$425 million in general obligation bonds in November 2015. In March 2016, \$150 million were issued. The plan is to issue another \$150 million in February 2019. This would leave a remaining \$125 million of authorized but unissued general obligation bonds to be issued at a later date. The timing is based on projections of project spending.</p> <p>Teri explained that since the College will be in the market, there are approximately \$12.3 million in callable General Obligation Bonds that will be refinanced. It is anticipated</p>   |

|                   |  |   |
|-------------------|--|---|
|                   |  | <p>that over the remaining life of the refunding bonds a net present value of savings is \$797,000 or 6.5 percent.</p> <p>Marie said she urges us to have our underwriters negotiate for the best rates.</p> <p>Teri explained that we do negotiate with professionals involved in the transaction this is what we plan to do.</p> <p>Teri reviewed the underwriters that were previously approved by the Board. From the pool, Teri is recommending Morgan Stanley as the senior firm. One of the main reasons for this choice is for continuity related to the lead staff member. The independent municipal advisor is PFM. The bond counsel is Hunton Andrews Kurth LLP with Tom Sage as the primary. The disclosure counsel will be Bracewell LLP with Holland and Knight LLP as the lead.</p> <p>Teri reviewed the proposed timeline.</p> <p>Brenda asked if any of the firms are going to have students watch the process.</p> <p>Teri said she discussed this with PFM, but they will not on this one. We will have them observe on the next transaction in approximately 18-24 months.</p> <p>There were no additional questions regarding the bond sale.</p> |
| <p><b>VI.</b></p> | <p><b>Discussion of Proposal for Bachelor of Science in Nursing (BSN) Degree</b></p> | <p>Laurel Williamson, Van Wigginton, Alexander Okwonna, and Rhonda Bell were present for this item.</p> <p>Brenda introduced the presenters and explained that an action item recommending approval of the Bachelor of Science in Nursing (BSN) degree is on the agenda for approval at this Board meeting.</p> <p>Alexander Okwonna explained the amount of internal and external stakeholder collaboration that went into this process. He reviewed the history of the nursing programs at the College. He explained that this proposal aligns with the student success, P-16, and workforce and economic development strategic goals of the College.</p> <p>Rhonda Bell explained the importance and demand for this BSN program in the community.</p>   |

|  |  |  |
|--|--|--|
|  |  | <p>Alexander expressed that the best way to look at this expansion is that we are building on our own successes.</p> <p>Rhonda reviewed the number of degrees earned in each program which demonstrates our strong current nursing program.</p> <p>Brenda asked what our numbers for this academic year graduation rates will be.</p> <p>Rhonda answered that the numbers will be between 114-150.</p> <p>Erica asked if we see a market for students that are getting undergraduates degrees in nursing from four-year schools. Rhonda replied that we would be competing with those programs.</p> <p>Erica asked what the cost savings would be for students who earn the BSN at San Jac versus at a four-year institution.</p> <p>Brenda and Rhonda explained that it would save approximately \$15,000.</p> <p>Brenda explained that when she met with leadership of local healthcare leaders they anticipated over 1,900 RN's will need to be up skilled to BSN. Our model will really be targeted towards those that are already in the workforce with an associate degree in nursing (ADN) that need to earn the BSN.</p> <p>John pointed out that we may be competing, but the universities do not have the capacity to enroll all of those students that are needing a BSN.</p> <p>Rhonda expanded on our marketing edge. Our student base prefers a more personalized educational experience, located close to work and/or home.</p> <p>Marie asked for clarification of the decrease in enrollment. She said she does not think it could be just from Harvey, because the area around the South campus was affected significantly and their numbers still increased.</p> <p>Van Wigginton clarified that there were changes in cohort and curriculum, and that they changed the graduation cohorts.</p> |
|--|--|--|

|  |  |  |
|--|--|--|
|  |  | <p>Brenda said her concern for the long term is if we sustain a ADN only program. She does not know the timeline but thinks the standard will end up being a BSN. Rhonda anticipates the beginning of the end of the ADN that will occur over the next 10 years</p> <p>Rhonda also clarified that we lost 20 students after Harvey in the nursing program. Alexander said two students were lost in nursing after Harvey at South. Rhonda explained that at Central the enrollment was lower also because we were short a faculty member.</p> <p>Brenda explained that to stay competitive (especially because we could not fill positions for a while) the Board recently approved an increased stipend for nursing faculty. This has resulted in us being able to start filling those positions that were vacant for an extended period of time.</p> <p>Dan stated that he thinks our “savings” to students will not be as big, because we need to stay competitive. In order to do this, we will need to stay competitive with our pay for faculty in this program.</p> <p>Erica asked what we do to encourage our own faculty to obtain higher degrees, so they can teach in the BSN program. Rhonda said we work with them on the timeline to complete but do not supply funds. Alexander said they can apply for grants. Brenda stated that after they obtain a higher degree they go into a higher salary grade.</p> <p>Brenda explained that in order to get approved by the State to offer the BSN program we have to show student success and completion rates. Rhonda stated that we have a retention specialist now.</p> <p>Van said we have now started new processes to assist students in studying for the licensure exams.</p> <p>Rhonda reviewed the advantages and benefits of the BSN. These include:</p> <ul style="list-style-type: none"><li>• To Students<ul style="list-style-type: none"><li>- Convenience for local nurses and our San Jacinto College graduates</li><li>- Lower cost, more convenient, and demonstrated success</li></ul></li></ul> |
|--|--|--|

|  |  |   |
|--|--|---|
|  |  | <ul style="list-style-type: none"> <li>• To Employers <ul style="list-style-type: none"> <li>- Participation in designing curriculum</li> <li>- Opportunity to upskill current employees close to work</li> </ul> </li> <li>• To San Jacinto College <ul style="list-style-type: none"> <li>- Service to graduates</li> <li>- Preference in clinical placements for ADN students</li> <li>- Positions San Jacinto College for changes likely to occur in healthcare employment market</li> </ul> </li> </ul> <p>Rhonda reviewed the admissions to the program which will be a cohort base at first. She stated that summer/fall 2020 will be 30, summer/fall 2021 will be 30, and spring 2022 will be 30. The requirements to be admitted in the program are that the student is a RN, a graduate of an ADN-RN program, and a GPA of 2.5 or higher. Priority will be given to graduates and core classes completers of San Jacinto College.</p> <p>Alexander explained that priority will also be given to students who work and reside in the College’s service area. We will be working with our hospital partners staff to encourage them to utilize the BSN at San Jacinto College. This will provide potential flexibility to students with tuition reimbursement from these hospital partners and possible work schedule flexibility.</p> <p>Marie asked if we are working with Baylor. Rhonda said we will check and if not, reach out to them.</p> <p>Rhonda reviewed the curriculum design. The advisory committee recommended distance learning and face-to-face as the types of instruction. The curriculum after the AAS in Nursing will be 30 hours of general education classes and 30 hours of upper level nursing classes. At this time, no additional clinical sites are anticipated.</p> <p>Keith Sinor asked if the general education classes are already offered at San Jacinto College. Rhonda replied yes, and Alexander said these include history, government, etc.</p> <p>Alexander pointed out the list of success measures. Those include:</p> |
|--|--|---|



|  |  |  |
|--|--|--|
|  |  | <ul style="list-style-type: none"> <li>• Enrollment and Retention Data</li> <li>• Graduation and Completion Data</li> <li>• Graduate Employment Data</li> <li>• Employer Satisfaction Surveys</li> <li>• Clinical Assessments</li> <li>• Attainment of Student Learning Outcomes, Course and Program</li> <li>• General Education Outcomes Assessment</li> <li>• Program Review Data</li> <li>• Advisory Board Feedback</li> </ul> <p>Teri reviewed the pro forma revenue and expense estimates and financial implications through year five.</p> <p>Marie said we need to start looking for some grants for funding.</p> <p>Erica asked how many faculty will be added. Teri answered that this will include two new positions. Brenda and Rhonda explained that we will be utilizing current faculty and some of those are working on completing doctorates, so they can teach higher level classes.</p> <p>Brenda explained that Dr. Belle Wheelan with SACSCOC visited in October 2017 and recommended that we need to finish our reaffirmation process first then work on this new program. The timeline and full proposal are included in the Board’s handouts to review.</p> <p>Brenda explained that if this is approved tonight, the department chair position will be posted quickly. They will begin working on next steps in process.</p> <p>Brenda stated that Rhonda and Alexander are working with the other two colleges who have been approved and implemented the BSN, so we understand processes and issues.</p> <p>Rhonda explained that she met with the Board of Nursing to work through what is needed from them. They recommended that we have a dedicated faculty member in place six months prior to the submittal of the proposal.</p> <p>Brenda pointed out that in June 2020, we anticipate that we will take the Bachelor of Applied Technology substantive change to SACSCOC.</p> |
|--|--|--|

|              |   |   |
|--------------|---|---|
|              |   | There were no additional questions on this item.  |
| <b>VII.</b>  | <b>Update on 86<sup>th</sup> Legislative Session</b>                                  | Brenda explained that there are several items that are in progress. She attended a meeting of the Texas Association of Community Colleges (TACC) legislative committee recently. There are proposed bills on free college but those have not come with any fiscal notes. TACC still has student success point funding, dual credit, and workforce as priorities.  |
| <b>VIII.</b> | <b>Review of Board Election Calendar</b>  | Teri Zamora reviewed the 2019 election pre-activities and important dates. She stated that position 3 and 4 are up for election in 2019. The current incumbents are Marie Flickinger and Larry Wilson, respectively.  |
| <b>IX.</b>   | <b>Highlight Association of Community College Trustees (ACCT) Leadership Congress</b> | <p>Brenda asked if attendees of the conference had any comments that they would like to cover in addition to Larry Wilson’s comments at the November Board meeting.</p> <p>Keith explained that he sat in a few sessions on college promise programs. He provided a summary of those sessions.</p> <p>Brenda explained that we are reviewing the Dallas College Promise model. Also, we are a part of Good Reason Houston. We are reviewing these to explore options for college promise models.</p> <p>John attended a Cisco and IBM presentation. He summarized that they are going to start recruiting at community colleges. Brenda added that at San Jacinto College, Continuing and Professional Development has developed a grant with IBM and we will know soon if we receive it.</p> |
| <b>X.</b>    | <b>Report on Transatlantic Operations Program Trip</b>                                | Brenda explained that a recap was provided at the Dow luncheon. Dow is modeling after this same program that she visited.   |
| <b>XI.</b>   | <b>Review of Calendar</b>   | Brenda reviewed the calendar with the Board.  |

|              |  |  |
|--------------|--|--|
| <b>XII.</b>  | <b>General Discussion of Meeting Items</b> | <p>Brenda asked if there were any items from the meeting agenda that the members would like to review.</p> <p>Erica asked about the policy on college mail. Brenda explained that this policy had not been updated since the early 1990's.</p> <p>Teri clarified that this is to ensure that tax payer dollars are being used to pay staff for college mail and not personal mail.</p> |
| <b>XIII.</b> | <b>Adjournment</b>                         | Workshop adjourned at 6:56 p.m.  |

**San Jacinto College District  
Regular Board Meeting Minutes**

**December 3, 2018**

**The Board of Trustees of the San Jacinto Community College District met at 7:00 p.m., Monday, December 3, 2018, in Room 104 of the Thomas S. Sewell District Administration Building, 4624 Fairmont Parkway, Pasadena, Texas, for the Regular Board Meeting.**

**Board of Trustees:** Erica Davis Rouse, Assistant Secretary  
Marie Flickinger, Chair  
Dan Mims, Vice Chair  
John Moon, Jr.  
Keith Sinor, Secretary  
Dr. Ruede Wheeler  
Larry Wilson (absent)

**Chancellor:** Brenda Hellyer

**Others Present:**

|                   |                   |                   |
|-------------------|-------------------|-------------------|
| Joshua Banks      | Robert Jeter, III | Danny Snooks      |
| Rhonda Bell       | Brenda Jones      | Rob Stanicic      |
| Lee Benjamins     | Bryan Jones       | Ann Tate          |
| Michelle Callaway | Tami Kelly        | Steve Trncak      |
| Pam Campbell      | Ann Kokx-Templet  | Eddie Weller      |
| Cristina Cardenás | Tanya Madrigal    | Van Wigginton     |
| Janet Cowey       | Ryan Martinets    | Laurel Williamson |
| Suzanne DeBlanc   | DeRhonda McWaine  | Joanna Zimmermann |
| Joanie DeForest   | Kevin Morris      |                   |
| Anita Dewease     | Lorenzo Najera    |                   |
| William Dickerson | Alexander Okwonna |                   |
| Dianne Duron      | Rosalyn Parker    |                   |
| Teddy Farias      | Elissa Posway     |                   |
| Amanda Fenwick    | Bill Raffetto     |                   |
| Scott Gernander   | JR Ragaisis       |                   |
| George González   | Sandra Ramirez    |                   |
| Rebecca Goosen    | Mandi Reiland     |                   |
| Jim Griffin       | Martha Robertson  |                   |
| Rosie Helms       | Thomas Schoebein  |                   |
| Bo Hopper         | Shawn Silman      |                   |
| Clare Iannelli    | Kelly Simons      |                   |
| Mini Izaguirre    | Brandon Smith     |                   |
| Sallie Kay Janes  | Debbie Smith      |                   |

**Call the Meeting to order:** Chair Marie Flickinger called the Regular Meeting of the Board of Trustees to order at 7:03 p.m.

|  |  |
|--|--|
| <b>Roll Call of Board Members:</b>   | Erica Davis Rouse<br>Dan Mims<br>John Moon, Jr.<br>Keith Sinor<br>Dr. Ruede Wheeler  |
| <b>Absent:</b>   | Larry Wilson   |
| <b>Invocation and Pledges to the Flags:</b>  | The invocation was given by Dr. Alexander Okwonna. The pledges to the American flag and the Texas flag were led by Dan Mims.   |
| <b>Special Announcements, Recognitions, Introductions, and Presentations:</b>                | <ol style="list-style-type: none"> <li>1. Dr. Laurel Williamson recognized Dr. Eddie Weller for receiving the Rob Brandolini Award.</li> <li>2. Dr. Laurel Williamson and Ann Tate recognized San Jacinto College for receiving an award for Exemplary Work in Mathematics Education.</li> <li>3. The presentation on the Economic Value of San Jacinto College was tabled.</li> </ol> |
| <b>Student Success Presentations:</b>  | Michelle Callaway presented an update on the KPI Dashboard – Headcount Fall 2018.  |
| <b>Communications to the Board:</b>  | <ol style="list-style-type: none"> <li>1. A thank you was sent to the Board from Renee Hendrix for the plant sent in memory of her grandfather.</li> <li>2. A copy of the Opportunity News was distributed to the Board.</li> <li>3. Dr. Brenda Hellyer thanked Steve Trncak for his years of service to the College.</li> </ol>   |
| <b>Hearing of Such Citizens or Groups of Citizens Desiring to be Heard Before the Board:</b> | Robert Jeter, III requested to be heard before the Board of Trustees.  |
| <b>Informative Reports:</b>  | <p>Chair Marie Flickinger indicated such reports were in the Board documents and online.</p> <ol style="list-style-type: none"> <li>A. San Jacinto College Financial Statements</li> <li>B. San Jacinto College Foundation Financial Statements</li> <li>C. Capital Improvement Program</li> <li>D. San Jacinto College Building Committee Minutes</li> </ol>                          |

**Motion 9925**  
**Consideration of**  
**Approval of**  
**Amendment to**  
**the 2018-2019**  
**Budget for**  
**Restricted**  
**Revenue and**  
**Expenses**  
**Relating to**  
**Federal and**  
**State Grants**

Motion was made by Dr. Ruede Wheeler, seconded by Keith Sinor, for approval of Amendment to the 2018-2019 Budget for Restricted Revenue and Expenses Relating to Federal and State Grants.

**Motion Carried.**

**Yeas:** Davis Rouse, Mims, Moon, Jr., Sinor, Wheeler  
**Nays:** None

**Motion 9926**  
**Consideration of**  
**Approval of**  
**Policy**  
**IV.4001.A,**  
**Compensation –**  
**Second Reading**

Motion was made by Dan Mims, seconded by Erica Davis Rouse, for of Approval of Policy IV.4001.A, Compensation – Second Reading.

**Motion Carried.**

**Yeas:** Davis Rouse, Mims, Moon, Jr., Sinor, Wheeler  
**Nays:** None

**Motion 9927**  
**Consideration of**  
**Acceptance of**  
**the 2017-2018**  
**Comprehensive**  
**Annual**  
**Financial Report**

Motion was made by Keith Sinor, seconded by John Moon, Jr., for Acceptance of the 2017-2018 Comprehensive Annual Financial Report.

Teri Zamora provided a summary of this item.

**Motion Carried.**

**Yeas:** Davis Rouse, Mims, Moon, Jr., Sinor, Wheeler  
**Nays:** None

**Motion 9928**  
**Consideration of**  
**Approval of the**  
**Awarding of a**  
**Posthumous**  
**Degree**

Motion was made Dr. Ruede Wheeler, seconded by John Moon, Jr., for Approval of the Awarding of a Posthumous Degree.

Brenda Hellyer provided a summary of this item.

**Motion Carried.**

**Yeas:** Davis Rouse, Mims, Moon, Jr., Sinor, Wheeler  
**Nays:** None

**Consideration of Approval of Policy #, Debt Management – First Reading (Informational Only)** Informational Item on Policy #, Debt Management – First Reading (Informational Only).  
**No vote required.**

**Consideration of Approval of Policy #, Educational Advancement Incentive for Full-Time Staff and Administrators – First Reading (Informational Only)** Information Item on Policy #, Educational Advancement Incentive for Full-Time Staff and Administrators – First Reading (Informational Only).  
**No vote required.**

**Consideration of Approval of Policy #, College Mail – First Reading (Informational Only)** Informational Item on Policy #, College Mail – First Reading (Informational Only).  
**No vote required.**

**Motion 9929 Consideration of Approval of Bachelor of Science in Nursing (BSN) Program** Motion was made Dr. Ruede Wheeler, seconded by Dan Mims, for Approval of Bachelor of Science in Nursing (BSN) Program.  
Brenda Hellyer provided a summary of this item.  
**Motion Carried.**  
**Yeas:** Davis Rouse, Mims, Moon, Jr., Sinor, Wheeler  
**Nays:** None

**Motion 9930 Consideration of Purchasing Requests** Motion was made by John Moon, Jr., seconded by Erica Davis Rouse, for approval of the purchasing requests.  
CMR #19-08  
Contract for Construction Manager at Risk for Generation Park Academic Building \$1,189,960

|  |                     |
|--|---------------------|
| IFB #19-06<br>Purchase Data Network Equipment for Central Campus Center for<br>Petrochemical, Energy, and Technology | 273,815             |
| IFB #19-01<br>Contract for Video Surveillance System Equipment and Services  | 326,500             |
| Purchase Request #1<br>Contract for Survey for Generation Park Academic Building                                     | 77,230              |
| Purchase Request #2<br>Purchase Furniture for 2015 Bond Projects   | 14,720,632          |
| Purchase Request #3<br>Contract for College Administration Building Renovations Phase II                             | 551,000             |
| Purchase Request #4<br>Method of Procurement for Construction of the South Campus<br>Science Park                    | -                   |
| Purchase Request #5<br>Method of Procurement for Acoustic Improvements at<br>Central Transportation Center           | -                   |
| Purchase Request #6<br>Renew Contracts for Temporary Personnel Services  | 500,000             |
| Purchase Request #7<br>Purchase Pediatric Simulators   | 168,000             |
| Purchase Request #8<br>Contract to Purchase Natural Gas  | 115,000             |
| Purchase Request #9<br>Additional Funds for Wi-Fi Hotspot Devices  | 84,000              |
| Purchase Request #10<br>Purchase Graduation Event License  | <u>70,200</u>       |
| <b>TOTAL OF PURCHASE REQUESTS</b>  | <b>\$18,076,337</b> |

**Motion Carried.**

**Yeas:** Davis Rouse, Mims, Moon, Jr., Sinor, Wheeler

**Nays:** None



**Motion 9931** Motion was made by John Moon, Jr., seconded by Keith Sinor, to approve the  
**Consent Agenda** consent agenda.

- A. Approval of the Minutes for the November 5, 2018 Board Workshop and Regular Board Meeting
- B. Approval of the Budget Transfers
- C. Approval of Personnel Recommendations, 2018-2019 Part-Time Hourly Rate Schedule, 2018 Educational Advancement Incentive
- D. Approval of the Affiliation Agreements
- E. Approval of the Next Regularly Scheduled Meeting

**Motion Carried.**

**Yeas:** Davis Rouse, Mims, Moon, Jr., Sinor, Wheeler

**Nays:** None

**Items for  
Discussion/  
Possible Action**

There were no additional items discussed.

**Adjournment:** Meeting Adjourned at 7:36 p.m.

## **ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve budget transfers for 2018-2019 which have been made in accordance with State accounting procedures.

### **BACKGROUND**

Adoption of the budget by the Board of Trustees prior to September 1 of each year serves as the authorization to expend funds for the next fiscal year. The budget is adopted by functional classification (or cost elements: Instruction, Academic Support, Student Services, Institutional Support, and Operation and Maintenance of Plant) as defined by the National Association of College and University Business Officers (NACUBO). Realizing that the budget is a living document that reflects the evolving needs of the College in terms of meeting goals and objectives, occasional movement of budgeted funds between cost elements is desirable and warranted. The budget transfers under consideration represent previously authorized expenditures that are requested to be reclassified from one cost element to another cost element.

### **IMPACT OF THIS ACTION**

Approval of the budget transfers will allow the College to more effectively utilize existing resources in fulfilling its instructional objectives.

### **BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

This request is a reclassification of existing authorizations.

### **MONITORING AND REPORTING TIMELINE**

None

### **ATTACHMENTS**

Attachment 1 – Budget Transfers

### **RESOURCE PERSONNEL**

|              |              |                       |
|--------------|--------------|-----------------------|
| Teri Zamora  | 281.998.6306 | teri.zamora@sjcd.edu  |
| Dianne Duron | 281.998.6347 | dianne.duron@sjcd.edu |

SAN JACINTO COLLEGE DISTRICT  
 Budget Transfers For The January 28, 2019 Board Meeting  
 Fiscal Year 2018 - 2019

| ELEMENT OF COST       | DEBIT           | CREDIT          |
|-----------------------|-----------------|-----------------|
| INSTRUCTION           | \$ 1,198        | \$ 968          |
| PUBLIC SERVICE        | \$ -            | \$ -            |
| ACADEMIC SUPPORT      | \$ 559          | \$ 1,736        |
| STUDENT SERVICES      | \$ -            | \$ -            |
| INSTITUTIONAL SUPPORT | \$ 2,202        | \$ 1,256        |
| PHYSICAL PLANT        | \$ -            | \$ -            |
| AUXILIARY ENTERPRISES | \$ -            | \$ -            |
|                       | <b>\$ 3,959</b> | <b>\$ 3,959</b> |

**RECOMMENDATION**

The administration recommends that the Board of Trustees approve the following Affiliation Agreements:

**Central Campus**

| <u>Department</u>   | <u>Affiliation Entity</u>     |
|---|-------------------------------|
| Associate Degree Nursing, Dietetic, Emergency Medical Technician, Medical Laboratory Technician, Medical Imaging Programs, Pharmacy Technician, Physical Therapy Assistant, Respiratory Therapy, Surgical Technology, EKG Technician, Sonography, Phlebotomy, Occupational Therapy Programs (Central, South and North Campuses) | HCA Gulf Coast Division, Inc. |

**South Campus**

| <u>Department</u>   | <u>Affiliation Entity</u>                          |
|---|--|
| Occupational Therapy Assistant Program                              | Noah’s House                                       |
| Occupational Therapy Assistant Program                              | BakerRipley  |
| Occupational Therapy Assistant Program                              | Kindred Rehab Services                             |
| Nursing, Therapy, Pharmacy or Other Clinical Care Rotation Programs | Encompass Rehabilitation Hospital of Pearland, LLC |

**North Campus**

| <u>Department</u>                     | <u>Affiliation Entity</u>   |
|---------------------------------------|-----------------------------|
| Health Information Management Program | Tilger Center for Dentistry |

**RATIONALE**

The Affiliation Agreements were reviewed by the College’s external legal counsel.

**FISCAL IMPLICATIONS TO THE COLLEGE**

N/A

**CONTACT PERSONNEL**

|                            |              |                            |
|----------------------------|--------------|----------------------------|
| Daniel J. Snooks, Attorney |              |                            |
| Laurel Williamson          | 281-998-6184 | laurel.williamson@sjcd.edu |

**Item "E"**  
**Regular Board Meeting January 28, 2019**  
**Approval of the Next Regularly Scheduled Meeting**

**RECOMMENDATION**

The next regularly scheduled meeting of the Board of Trustees will be Monday, March 4, 2019.