



REGION 18 EDUCATION SERVICE CENTER

2811 La Force Boulevard, Midland, TX 79706

Notice: Of a Regular Meeting of the Board of Directors Thursday, February 10, 2022 at 11:30 AM, in the Conference Rooms A and B, Region 18 Education Service Center, 2811 La Force Boulevard, Midland, TX 79706. The Board may retire to executive session at any time between the meeting's opening and adjournment for purposes of deliberating business as authorized in Texas Government Code, Title 5, Subchapter D, Sections 551.071-551.074 and 551.076. Action, if any, will be taken in open session. (Texas Government Code Chapter 551.102)

AGENDA

1. Call to Order
2. Invocation
3. Roll Call
4. Audience
5. Informational Items
 - a) Financial Statement
The Financial Report as of January 31, 2022 is shown in three sections. The first is the Financial Statement, which shows the budget to actual variances for both revenues and expenditures. The Statement of Position uses projected revenues and expenditures to estimate a fund balance at fiscal year-end, August 31, 2022. The third page is an investment report, which reflects investment balances, interest earned and shows a comparison of our interest rates to market trends.
 - b) Report on Region 18 ESC Board of Directors Charter School Representative
Per TEC §53.1002, a charter school member of an ESC board of directors is appointed for a one-year term which may be extended for up to three years by the Commissioner of Education. Mr. Carter James, current Region 18 charter school member serving his first year, is eligible for reappointment.
6. Director Reports
 - a) Dr. Dewitt Smith - Executive Director/Chief Executive Officer
 - b) Britt Hayes - Chief Financial Officer
 - 1) Joann Taylor - Chief TxCEE Officer
 - c) Linda Jolly - Deputy Director of School Improvement and Federal Programs
 - 1) Dr. Autumn Sloan - Chief School Improvement & Accountability Officer
 - 2) Jill Rivera - Chief Instructional & Federal Programs Officer
 - 3) Chris Enriquez - Director of Instructional Technology & Analytics
 - d) Ronnie Golson - Deputy Director of Leadership & Superintendent Support
 - 1) Casey Ritchie - Chief Technology Officer
7. Action Items
 - a) Consider Approval of Minutes for December 9, 2021 Board Meeting
The December 9, 2021 Board of Directors Meeting minutes are attached for review and approval.
 - b) Consider Approval of Budget Amendment #3
The Texas Education Agency requires the Service Center to adopt a General Fund budget by function code. Amendments to the adopted budget between functions must be reflected in the official minutes. The following summary includes amendments for the 2021-2022 budget year. Please note that Transfers only move appropriations within the approved budget. In other words, they do not increase the total amount budgeted for

the given fiscal year. Amounts in the Amendments section are in addition to the total amount approved in the initial budget and may impact fund balance.

c) Consider Adoption of Resolution and Approve the Annual Investment Policy and Strategy Review. CBF(LOCAL)

According to chapter 2256.005(f) in the Texas Government Code, Region 18 ESC must review its investment policy and investment strategies not less than annually.

Management believes that cash in excess of what is needed for daily operations should be invested in ways that first prioritize the protection of principal and liquidity, then maximize the yield. Region 18 ESC invests excess funds in the Texas Class Investment Pool. Our ESC policy allows Pools to invest in things such as:

- Obligations of the United States Government or its agencies and instrumentalities.
- Fully collateralized repurchase agreements and reverse repurchase agreements, secured by any obligation of the United States, its agencies or its instrumentalities.
- No-load money market mutual funds regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized statistical rating organization (NRSRO).
- Certificates of deposit issued by national or state banks or credit unions, including savings banks, provided that such bank or credit union is domiciled in Texas. The certificates of deposit must be guaranteed or insured by the Federal Deposit Insurance Company or the National Credit Union Share Insurance Fund. In addition, the certificates of deposit must be secured by obligations of the United States, its agencies or instrumentalities or as otherwise required by law.
- Commercial paper that matures in 270 days or less from the date of its issuance. The commercial paper must be rated at least A-1 or P-1 (or the equivalent thereof) by (1) two NRSROs or (2) one NRSRO and fully secured by an irrevocable letter of credit by a national or state bank.
- Guaranteed investment contracts from bond proceeds.

All investments must be made in accordance with the Public Funds Investment Act.

For reasons mentioned above, safeguards are in place and Pools are considered a safe investment. Pools provide a competitive rate of return while offering next day withdrawals. They provide an ability to initiate and monitor investment transactions and balances electronically. And lastly, the pools are required to disclose available market trends and the pool manager's investment decisions and activities to participants on a monthly basis. In our opinion, an investment pool is the most prudent avenue to invest excess funds when the pool's interest rates exceed that of the depository bank.

In addition to the investment pools, Region 18 ESC also had accounts with Prosperity Bank, our depository bank through 2021-2022. These accounts are used for daily operations. The bank has agreed to collateralize these accounts at 110% of our ledger balance.

Management feels our investments have met district objectives and meet all requirements of the Public Funds Investment Act. No changes to the CBF (legal) or to CBF (local) Investment Policies are recommended at this time.

Consideration: Interest Rates as of January 2022

- Prosperity Bank 0.25%
- Texas Class 0.1039%
- TexPool 0.0433%
- TexPool Prime 0.1060%
- First Public 0.1018%

d) Consider Approval to Solicit and Approve Proposals for Landscaping/Xeroscaping
Region 18 Education Service Center (Region 18 ESC) is calling for proposals for landscaping/xeroscaping of the Education Service Center property, located at 2811 LaForce Blvd, Midland, TX and Annex building, located at 2700 LaForce Blvd, Midland, TX. Region 18 ESC's objective with this RFP is to refresh the grounds and avoid costly and/or high

maintenance landscaping systems given West Texas extreme weather.

e) Consider Approval of Bid to Paint Building Exteriors

Initially, the bid was awarded to Ward Painting in the amount of \$48,478. The bid covered the exteriors of all building located on the Education Service Center property, located at 2811 LaForce Blvd, Midland, TX; and the Annex building, located at 2700 LaForce Blvd, Midland, TX. The ESC requested addendums to the original bid for painting trim and entrances a different color and painting light poles. The changes will increase the bid over the \$50,000 threshold that requires board approval. We are asking the board to approve the revision.

f) Consider Approval of Intergovernmental Cooperative Purchasing Agreement for Continued Region 18 ESC Participation in the Purchasing Cooperative Administered by OMNIA Partners on behalf of Principal Procurement Agencies

The Texas Education Code, Section 44.031, authorizes educational entities, including education service centers, to enter into interlocal agreements with other government entities. An interlocal agreement is a contract between a local government such as a school district and another local government, a state agency, or another state, that can be used to procure goods or services. One such agreement is a purchasing cooperative. The Texas Local Government Code, Section 271.102, authorizes a local government, including a school district, to participate in a cooperative purchasing program with a local government or cooperative organization of Texas or another state. By doing so, a local government entity automatically satisfies any requirement to seek competitive bidding.

g) Consider Approval of Board Meeting Dates for 2022-2023

Attached is a list of Board meeting dates and times for 2022-2023 for consideration and approval.

h) Consider Approval of Region 18 ESC Calendar for 2022-2023

Attached is the proposed ESC calendar for 2022-2023. It remains the same as previous years, with 235 working days and 26 holidays. There are 10 days built into the calendar for the Christmas/New Year's break, one week for spring break and one week for summer break. Employees may choose to work a "flex schedule" by working 8.5-hour days for nine days and having the tenth day, or every other Friday, as a flex day.

8. Executive Session

a) Personnel

b) Seek and receive legal advice regarding pending litigation in the 250th Judicial District of Travis County, Texas. (Closed Session under Tex. Gov't Code 551.071)

c) Consultation with Region 18 ESC general counsel to seek and receive legal advice regarding pending legal matters including, but not limited to, personnel matters and/or pending or contemplated litigation. (Closed Session under Tex. Gov't Code 551.071)

d) Evaluation of Executive Director (Closed Session under Tex. Gov't Code 551.071 and 551.074)

9. Adjourn Meeting