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# AGENDA

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## UNIVERSITY OF HOUSTON SYSTEM FINANCE AND ADMINISTRATION COMMITTEE MEETING

**DATE:** Thursday, August 20, 2020

**TIME:** 1:30 PM

**PLACE:**

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**Chair:** Beth Madison  
**Vice Chair:** Jack B. Moore  
**Members:** Durga D. Agrawal  
Alonzo Cantu  
John A. McCall, Jr.  
Alvaro De La Cruz  
Tilman J. Fertitta, Ex Officio

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- I. **Finance and Administration Committee Meeting**
- A. Call to Order
  - B. Approval of Committee Minutes,  
- February 27, 2020, Finance and Administration Committee
  - C. Update on COVID-19 Federal and State Financial Support - University of Houston System 3
  - D. Update Report on the Impact, Planning, and Actions Regarding COVID-19 for the University of Houston System - University of Houston System 11
  - E. Approval is requested for the University of Houston System FY2021 Financial Plan and Budget - University of Houston System 30
  - F. Approval is requested to establish tuition and fee rates for fully online degree programs at the University of Houston - University of Houston 62
  - G. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts exceeding \$1 million for the purchase of goods or services, excluding construction contracts, at the University of Houston System - University of Houston System 66
  - H. Approval is requested to delegate authority to the Chancellor to negotiate and execute construction contracts exceeding \$1 million for projects at the University of Houston System - University of Houston System 68

- I. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for design and construction of the Health and Wellness Center, Phase 1, at the University of Houston-Victoria - University of Houston-Victoria 70
- J. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction of the Science, Engineering and Research Center HVAC repairs and roof replacement at the University of Houston - University of Houston 75
- II. **Executive Session**
  - A. Consultation with System Attorney Regarding Legal Matters and/or Contemplated Litigation or Settlement Offers  
TEXAS GOV'T CODE SECTION 551.071
  - B. Deliberations Regarding the Purchase, Exchange, Sale or Value of Real Property  
TEXAS GOV'T CODE SECTION 551.072
  - C. Deliberations Regarding a Prospective Gift  
TEXAS GOV'T CODE SECTION 551.073
  - D. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees, including but not limited to the Chancellor, Vice Chancellors, in the Division of Athletics and members of the Board of Regents  
TEXAS GOV'T CODE SECTION 551.074
- III. **Report and Action from Executive Session**
- IV. **Adjourn**

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Update on COVID 19 Federal and State Financial Support

**DATE PREVIOUSLY SUBMITTED:**

**SUMMARY:**

Mr. Jason Smith, Vice Chancellor for Governmental Relations will give the Board an update on COVID-19 Federal and State Financial Support.

**SUPPORTING DOCUMENTATION:** None

**FISCAL NOTE:** None

**RECOMMENDATION/  
ACTION REQUESTED:** Approval

**COMPONENT:** University of Houston System

\_\_\_\_\_  
**CHANCELLOR**

\_\_\_\_\_  
Renu Khator

\_\_\_\_\_  
**DATE**

# COVID-19 STATE & FEDERAL FUNDING

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Jason Smith, Vice Chancellor, Governmental Affairs

August 20, 2020, Finance Committee, Board of Regents Meeting

# CARES ACT

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act which provided \$2 trillion in aid, including \$30.75 billion of funding to educational entities across the country, called the education stabilization fund.

- 46.3% of the education stabilization fund (~\$14B) was allocated direct to higher education
- 43.9% (~13.2B) was allocated to local education agencies
- 9.8% (~2.95B) was allocated to governors to use at their discretion for both higher education and k-12), known as GEER funds
- 90% of the direct allocation to higher ed was distributed based upon a formula heavily weighted towards universities with a higher number of FTE Pell eligible students
- Funding was not allocated for those students who were taking classes fully online
- Additional 7.5% (\$992 million) of direct funding distributed to HBCUs and MSIs
- Special acknowledgement to our state delegation, especially Senators John Cornyn and Ted Cruz in recognizing the need to support higher education in this legislation

# UHS UNIVERSITIES FUNDING FROM CARES ACT

- University of Houston
  - \$36.7M Institutional & Student Aid
  - \$2.3M MSI funding
- University of Houston - Clear Lake
  - \$5.5M Institutional & Student Aid
  - \$350K MSI funding
- University of Houston - Downtown
  - \$9.4M Institutional & Student Aid
  - \$588K MSI funding
- University of Houston - Victoria
  - \$2.2M Institutional & Student Aid
  - \$137K MSI funding

# DISTRIBUTION METHOD TO STUDENTS

- Guidance from US Dept of Ed required that  $\frac{1}{2}$  of all direct aid (not MSI funding) to universities be distributed directly to university students
- Initial guidance also required funding to be provided only to Title IV eligible students (primarily Pell eligible)
- UH had ~26,000 students eligible, \$15M of funds were distributed by formula, remaining portion distributed through need based application process
- UHCL, UHD, and UHV distributed their funds through need based application process
- MSI funds are still being distributed, but is being used primarily for need based financial aid for students during summer and fall semesters.

# GOVERNORS EMERGENCY EDUCATION RELIEF FUND (GEER)

As part of the GEER distribution in the CARES Act, Texas received \$307M in funding, whose distribution can be divided among any level of education and is at the discretion of the Governor.

- At this time, Governor Abbott has announced the distribution of \$175M in support towards all higher education institutions
- On July 8, 2020, \$57M was distributed to the Texas Higher Education Coordinating Board to fill financial gaps in state supported financial aid programs, including TEXAS grants
- On July 22, 2020, additional \$118M distributed to the THECB for the following uses:
  - \$46.5M in targeted financial aid for upskilling & reskilling displaced workers in high-demand fields
  - \$46.5M in emergency student support
  - \$15M for strategic education & workforce data infrastructure
  - \$10M to improve the quality of online learning

# STATE 5% BUDGET REDUCTION

On May 20, 2020, the Legislative Budget Board announced that state agencies, including higher education institutions, would be asked to identify a 5% reduction in FY 2020-21 General Revenue and GR-Dedicated appropriations.

- After further discussions with state leadership, higher education was able to exempt cuts to appropriations for the Higher Education Group Insurance (HEGI), Higher Education Fund (HEF), and that the reduction target would not include revenues from dedicated tuition.
- Biennium Budget reduction targets for our institutions were as follows:
  - UH System - \$153,423
  - University of Houston - \$19.9M
  - UH Clear Lake - \$2.9M
  - UH Downtown - \$2.6M
  - UH Victoria - \$1.5M

# PHASE IV FEDERAL FUNDING

In an effort to provide further support to areas in need, the US House passed the HEROES Act on May 15<sup>th</sup> and on July 27<sup>th</sup> Senate Majority Leader McConnell released a Senate version, the HEALS Act.

- Ever since negotiators failed to find a consensus by Friday Aug. 7<sup>th</sup>, there has been no additional talks.
- Democrats believe there should be at least \$2T in total funding, Republicans have not budged from \$1T marker
- All parties agree that there should be funding relief funding for higher education with very few strings attached
- The Heroes Act would provide \$153M in total aid, HEALS Act would provide \$127M to UH System institutions

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Update Report on the Impact, Planning, and Actions Regarding COVID-19 for the University of Houston System – University of Houston System

**DATE PREVIOUSLY SUBMITTED:**

**SUMMARY:**

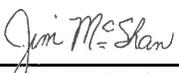
Mr. Jim McShan, Senior Vice Chancellor/Vice President for Administration & Finance, will present to the Committee an update report on the impact, planning and actions regarding COVID-19 for the University of Houston System.

**SUPPORTING DOCUMENTATION:** Presentation

**FISCAL NOTE:** N/A

**RECOMMENDATION/ ACTION REQUESTED:** Information

**COMPONENT:** University of Houston System

  
\_\_\_\_\_  
**SENIOR VICE CHANCELLOR** Jim McShan **8/6/2020**  
\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**CHANCELLOR** Renu Khator **DATE**  
\_\_\_\_\_

# COVID-19 PLANS AND PRACTICES

Thursday, August 20, 2020

UNIVERSITY of  
**HOUSTON**

# UH HEALTH & SAFETY PRACTICES

# UH HEALTH & SAFETY PRACTICES

## Physical Distancing & Signage

- Classroom seating rearranged
- Various learning options made available
- Remote work and flexible work schedules
- Campus - social distancing, masks, hygiene
- Plexiglass installed as needed

## Cleaning Practices

- Enhanced cleaning - high touch surfaces
- Nightly cleaning of instructional spaces- Electro-static fogging
- Monthly - biocide with extended microbial protectant surfaces
- Positive cases -response team disinfects area

# UH HEALTH & SAFETY PRACTICES - CONTINUED

## Hygiene Practices and Enhancements

- Sanitizing wipes in classrooms, offices, etc. to wipe down surfaces
- PPE / other sanitizing products are available
- Hand sanitizer dispensers in buildings
- HVAC - MERV 13 air filters
- HVAC set to maximize outside air flows to minimize recirculated air

# CAMPUS REQUIREMENTS

- Face coverings while on campus
- COVID-19 training/certification prior to return to campus - All
- Daily self-health assessment to screen for symptoms - All
- Protocols for COVID-19 diagnosis/symptoms, including self-quarantine/isolation - All
- Protocol for Visitors on campus
- Protocol for Vendors on campus

# COVID-19 SUSPECTED OR CONFIRMED PROTOCOLS AND PROCESSES

- COVID-19 Symptoms/Diagnosis Reporting form/procedures
- Potential Exposure procedures
- Return to Campus procedures
- Contact tracing - positive case
- Cleaning protocols - positive case
- COVID19Coordinator@uh.edu - questions/concerns

# COVID TESTING

- **Employees** - COVID-19 testing covered 100% - UH health insurance
  - may be eligible for testing at Student Health Center if working on campus and symptomatic
- **Students** - testing at Student Health Center - <48 hour results
- **Individuals** - without a primary care physician - testing and care at the Lone Star Circle of Care clinic on campus.

# COVID-19 WEBSITE/COMMUNICATION RESOURCES

- General information, including potential symptoms and what to do if sick
- FAQs addressing various COVID-19 issues and concerns
- Protocols-exposure, diagnosis/symptoms, self-quarantine/isolation, return to campus
- [coronavirus@uh.edu](mailto:coronavirus@uh.edu) and [covid19coordinator@uh.edu](mailto:covid19coordinator@uh.edu) - to address inquiries
- Social Responsibility Campaign - COOG Strong, Mask On - kicked off with web page, video, social media and digital/outdoor signage
- UH Go, mobile app - Coog Strong new module with density information, self-assessment and options for dining on campus

# STUDENT LIFE

## Student Housing Preparations:

- increased cleaning of community bathrooms and “high touch” spaces
- communication strategies - reminders re: social distancing, prevention strategies and guidelines
- limitations of guest and visitors
- 100+ rooms for quarantine of residential students

## Dining Services:

- Cougar Woods primary dining facility - open 24x7
- Food will be served to minimize touching/contact
- Increased options for to go and food delivery
- Clean high touchpoints, at least every 30 minutes.

# COVID-19 COORDINATION GROUP

- Team developed to coordinate re-opening efforts for the fall
- Led by COVID-19 Response Coordinator
- Conducted assessments and gap analysis on plans
- Includes representation from key areas
- 4 Multi-disciplinary workgroups for specific tasks & response plans:
  - Health, Safety & Prevention
  - Case & Outbreak Response
  - Accommodations
  - Events

# CONDITIONS FOR CHANGE IN CAMPUS OPERATIONS...

- State guidelines/orders
  - Governor's Executive Order
  - Texas Department of State Health Services Recommendation
- Federal guidelines/orders
  - Presidential Executive Order
  - Center for Disease Control Recommendation
- Local Factors
  - Positive case trends and transmissions on campus
  - Recommendations and guidance of campus medical experts

In case any of the above change, a recommendation will be made by presidents to the chancellor and from chancellor to the Board.

# ESTIMATED MAXIMUM PRESENCE ON-CAMPUS

	<b>UH/UHS</b>	<b>UHCL</b>	<b>UHD</b>	<b>UHV</b>
Students	12,000	2,000	3,000	1,500
Faculty	500	95	125	65
Staff	2,000	300	300	150
<b>Total Fall 2020 - Covid</b>	<b>14,500</b>	<b>2,395</b>	<b>3,425</b>	<b>1,715</b>
Total Normal Conditions	52,800	10,095	15,950	5,025
	27%	24%	21%	34%

# UHS POSITIVE CASES STATUS

Total Cases as of 8/17/2020:

UH - 173

UHD - 66

UHCL - 30

UHV - 13

# INSTRUCTION FOR FALL

# REENGINEERING PROCESS GUIDING PRINCIPLES

- Flexibility and Compassion
- Health and Safety
- Student Success
- Face-to-Face Instructional Opportunities
- Flexible Options for Timely Degree Completion

# COURSE DELIVERY OPTIONS – FALL 2020

Face-to-Face/HyFlex	Synchronous Online	Asynchronous Online
<p>HyFlex classes have a safe number of students face-to-face in a socially distanced classroom, with lectures being livestreamed to allow additional students to participate in the class remotely.</p> <p>Lectures are also recorded for viewing by students online at a later time if necessary, with additional course materials posted on line which can be accessed at any time.</p>	<p>Synchronous Online classes have no face-to-face classes but do <b>meet at a particular day and time in a virtual classroom.</b></p> <p>All class materials are available online and virtual lectures may be recorded to provide additional flexibility for students to view them at a later time.</p>	<p>Asynchronous Online classes have no face-to-face classes or regularly scheduled virtual meeting times. Most of the class materials are available online at any tie.</p> <p>Some asynchronous online classes may include virtual class meetings arranged on a class-by-class basis by the individual instructor.</p>

# STUDENT SUCCESS IS OUR PRIORITY

- Increased financial support for students
- Facilities fee waiver for online students
- All student support services online and face-to-face
- Student ability to change from face-to-face to online or vice versa at any time during the semester
- Extensive faculty training in virtual and Hyflex modalities
- Revised Excused Absence Policy
- Extension of interim grade policy for fall semester
- Extension of temporary GRE/GMAT Program waivers

# CLASSROOM IT READINESS

- 227 Rooms used for face to face instruction
- Remote students participate via desktop videoconferencing
- Classes recorded and streamed for students unable to attend
- Equipment: projection, camera, microphone, computer, sound

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Approval is requested for the University of Houston System FY2021 Financial Plan and Budget.

**DATE PREVIOUSLY SUBMITTED:** Fiscal Year Budget Submitted Annually

**SUMMARY:**

Approval is requested for the FY2021 Financial Plan and Budget. Annual plans, plus revenue and expenditure budgets, are being presented for all university components for the period September 1, 2020 through August 31, 2021. The budget for the UH System includes the University of Houston, University of Houston Downtown, University of Houston Clear Lake, University of Houston Victoria, and University of Houston System Administration.

**SUPPORTING DOCUMENTATION:** Presentation

**FISCAL NOTE:** Total Budget \$2.04 billion

**RECOMMENDATION/  
ACTION REQUESTED:** Administration recommends approval of this item

**COMPONENT:** University of Houston System

  
\_\_\_\_\_  
**SENIOR VICE CHANCELLOR** Jim McShan **DATE** 8/6/2020

\_\_\_\_\_  
**CHANCELLOR** Renu Khator **DATE**

# UNIVERSITY of **HOUSTON** SYSTEM

## FY2021 Annual Budget

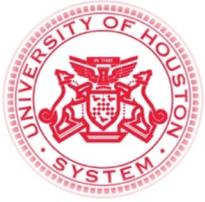
Presentation to the  
Administration and Finance Committee

August 20, 2020



# Budget Update – FY2020

- Revenue Reductions
  - State General Revenue Cut – 5%
  - Auxiliaries – Refunds / Spring Sport Revenues
  - Summer School Discount
- Funding Sources
  - Strong summer enrollment
  - Federal stimulus
  - Savings from hiring/procurement pause
  - Reserves
- Very few reductions in force prior to 8/31/2020



# Budget – FY2021

- Operating Budget
  - Central Funding
    - State Funds – 5% cut ACTUAL
    - Tuition and fees – 5% down assumption
  - Auxiliary – sales, services / break-even
  - Restricted - Contracts / Grants / Endowments
- Capital Projects Budget
  - Bonds, Gifts - restricted
  - HEAF – Capital expenses



# Budget – FY2021

- Central Budget State GR / Tuition & Fees
  - Reduction goal – minimize impact core missions
  - Reserves – fiscally sound use of reserves
  - Reallocations – fund highest priorities
- All enrollments above budget 1% to 7%
- Revenues in excess of budget will be held in reserve until resolution of the fiscal unknowns



# Budget – FY2021

- Auxiliaries
  - Budgets based upon 75% less demand
  - Expenses reduced for decreased demand
  - Larger operations – major fixed costs
    - UH - Parking, Housing, Athletics
    - Multiple scenarios developed - best to worst
- Each campus has developed fiscal plans to fund auxiliaries without material effect on fiscal integrity and core mission.



# University of Houston

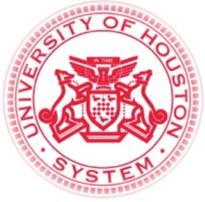
## FY2021 Annual Budget



# UH FY2021 Budget Actions

## State -5%, T&F – 5%

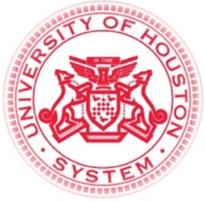
- UH 7.5% central funds reduction
  - \$35MM ATB cut – revenue reduction
  - \$12.6 recurring budget - success initiatives
  - \$5.1M Covid health/safety cost reserve
- Current - 5% - 6% over budget, 1% = \$5MM
- Revenues in excess of budget will be held in reserve until resolution of the fiscal unknowns



# UH FY2021 Budget Actions

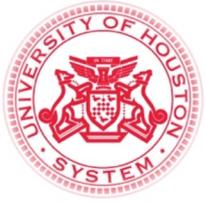
## Auxiliary Operations

- Auxiliary Budget Approach
  - Develop fiscal plans for 3 scenarios:
    - Budget – less students on campus/50% sport seats
    - Fall – 100% on-line / no Fall sports
    - FY21 – 100% on-line / no Sports
  - Operating results / shortfalls – 3 scenarios
  - Funding Plans for each scenario
  - Each scenario can be funded w/out materially impacting the fiscal position or primary mission



# UH FY2021 Budget Actions Auxiliary Operations

- Housing and Parking-
  - Current:
    - Housing 45% vs 55% Budget
    - Parking revenues ahead of budget
- Other Auxiliaries minimal impact / covered by reserves



# UH FY2021 Budget Actions Athletics

- Budget
  - All Sports (50% football capacity)
- 2 Additional fiscal plans
  - No Fall sports
  - No sports all year
- Status
  - Reduced ticket revenue, 25% capacity



## University of Houston Operating Budget Revenues FY2017 - FY2021 \$ in Millions

	A 2017 Actual	B 2018 Actual	C 2019 Actual	D 2020 Budgeted	E 2021 <b>Proposed</b>
1 State Appropriations	\$ 193.1	\$ 192.8	\$ 196.1	\$ 212.7	\$ 204.5
2 HEAF/National Research University Fund	62.3	60.4	60.6	60.6	62.7
3 Tuition & Fees	478.7	496.4	512.8	529.9	503.3
4 Other Operating	171.9	198.9	245.7	247.8	232.8
5 Contracts & Grants *	199.7	195.1	228.6	200.6	214.3
6 Endowment Income / Gifts	83.3	88.7	91.2	62.5	63.3
<b>7 Total</b>	<b>\$1,189.0</b>	<b>\$ 1,232.3</b>	<b>\$ 1,335.0</b>	<b>\$1,314.1</b>	<b>\$ 1,280.9</b>



# University of Houston-Clear Lake

## FY2021 Annual Budget



# UHCL FY2021 Planning Elements

- COVID-19 impact on FY21 budget
  - Anticipated impact: \$3.6M Entirety of enrollment decline attributable to Covid19
  - Auxiliaries projected revenue loss: \$1.9M
- UHCL Targeted Reductions 4%
- UHCL projected use of Fund Equity \$3.6 M
- Current Tuition/Fee Estimates – 8/14/2020
  - 3% - 4% above budget, 1% = \$725K



## UH-Clear Lake Operating Budget Revenues FY2017 - FY2021 \$ in Millions

	A 2017 Actual	B 2018 Actual	C 2019 Actual	D 2020 Budgeted	E 2021 <b>Proposed</b>
1 State Appropriations	\$ 36.7	\$ 34.0	\$ 33.4	\$ 36.6	\$ 35.2
2 HEAF	8.0	8.0	8.0	8.0	7.7
3 Tuition & Fees	69.0	67.5	71.7	73.4	74.9
4 Other Operating	3.0	10.7	5.2	3.5	3.7
5 Contracts & Grants *	15.9	18.8	19.1	18.1	20.0
6 Endowment / Gifts	1.3	1.5	2.0	1.6	1.7
<b>7 Total</b>	<b>\$ 133.9</b>	<b>\$ 140.5</b>	<b>\$ 139.4</b>	<b>\$ 141.2</b>	<b>\$ 143.2</b>

\* Includes Federal financial aid



**University of Houston-Clear Lake**  
**Appendix A - Allocation of New FY 2021 Resources**

<b>Revenue Changes</b>		<b>A</b>
<b>Appropriations Bill</b>		
1	General Revenue	\$ (1,487,690)
2	Subtotal Appropriations	<u>(1,487,690)</u>
<b>Tuition and Fees</b>		
3	Consolidated Tuition and Fees	1,330,680
4	Consolidated Student Fees	108,555
5	Subtotal Tuition and Fees	<u>1,439,235</u>
<b>Other</b>		
6	Indirect Cost	19,674
7	Investment/Other	223,125
8	Auxiliary	41,973
9	Fund Balance - Department	80,332
10	Fund Balance - University	<u>3,567,163</u>
11	Subtotal Other	<u>3,932,267</u>
12	<b>Total Net Revenue</b>	<b><u>\$ 3,883,812</u></b>

<b>Reallocations/Reductions (p-4.8)</b>		<b>B</b>
1	Reallocations	\$ (1,295,600)
2	Reductions - Department	(70,000)
3	Reductions - University	<u>(353,677)</u>
4	<b>Subtotal - Reallocations/Reductions</b>	<b><u>\$ (1,719,277)</u></b>

<b>Priority/Initiative Allocations</b>		<b>C</b>
<b>Priority 1. Student Success (p-4.9-4.10)</b>		
5	New Faculty Positions	\$ 731,500
6	New Staff positions and Staff Merit Increases	285,000
7	University Advancement Student Employment	45,000
8	Scholarships	<u>1,900,000</u>
9	Subtotal - Student Success	<u>2,961,500</u>
<b>Priority 2. National Competitiveness (p-4.12-4.13)</b>		
10	Faculty Distinctions & Merit Increases	464,500
11	New University Advancement Staff	67,250
12	New A VP, PC Operations	<u>195,000</u>
13	Subtotal - National Competitiveness	<u>726,750</u>
<b>Priority 3. University Infrastructure &amp; Administration (p-4.14)</b>		
14	Operations and Administration Support	265,000
15	Chief Strategic Planning Officer	185,000
16	Data Warehouse	150,000
17	Staff Merit Increases	142,500
18	Professional Development	49,663
19	Campus Facilities	<u>325,000</u>
20	Subtotal - University Infrastructure & Administration	<u>1,117,163</u>
<b>Priority 4. Community Advancement (p-4.16)</b>		
21	Center for Health & Human Performance	313,838
22	Institute for Human & Planetary Sustainability	<u>483,838</u>
23	Subtotal - Community Advancement	<u>797,676</u>
24	<b>Total Priority/Initiative Allocations</b>	<b><u>\$ 5,603,089</u></b>

45

25 **Total Net Reallocations and New Allocations** **\$ 3,883,812**



# University of Houston-Downtown

## FY2021 Annual Budget



# UHD FY2021 Planning Elements

- General Revenue / Enrollment 5%
- New initiatives deferred, only 'essential mandates'
- Fund Balance applied to ride out unprecedented uncertainty
- As Fall 2020 enrollments are known, either:
  - Over budget - Replace fund balance with revenue
  - Under budget - Take action to reduce Base Budget
- Current Tuition/Fee Estimates – 8/14/2020
  - 6% - 7% above budget, 1% = \$1MM



## UH - Downtown

### Revenues FY2017 - FY2021

\$ in Millions

	A 2017 Actual	B 2018 Actual	C 2019 Actual	D 2020 Budgeted	E 2021 <b>Proposed</b>
1 State Appropriations	\$ 30.5	\$ 31.3	\$ 31.5	\$ 32.5	\$ 31.2
2 HEAF	11.8	11.8	11.8	11.8	10.8
3 Tuition & Fees	91.2	93.2	96.7	102.2	103.9
4 Other Operating	6.9	6.2	7.7	5.8	9.4
5 Contracts & Grants *	36.5	38.3	45.4	40.6	40.5
6 Endowment / Gifts	1.8	2.9	3.5	2.8	3.4
<b>7 Total</b>	<b>\$ 178.7</b>	<b>\$ 183.7</b>	<b>\$ 196.6</b>	<b>\$ 195.7</b>	<b>\$ 199.2</b>

\* Includes Federal financial aid



**University of Houston-Downtown**  
**Appendix A - Allocation of New FY 2021 Resources**

<u>Revenue Changes</u>		A
<b>Appropriations Bill</b>		
1	General Revenue	\$ (20,696)
2	State Reduction	<u>(1,276,441)</u>
3	Subtotal General Revenue	<u>(1,297,137)</u>
<b>Tuition and Fees</b>		
4	Consolidated Tuition and Fees	<u>442,528</u>
5	Subtotal Tuition and Fees	<u>442,528</u>
<b>Other</b>		
6	Auxiliary Operations	(529,432)
7	Fund Balance	<u>3,441,370</u>
8	Subtotal Other	<u>2,911,938</u>
9	<b>Total Net Revenue</b>	<b><u>\$ 2,057,329</u></b>

<u>Reallocations</u>		B
1	Reallocations - ASA Division	\$ (469,274)
2	<b>Subtotal - Reallocations</b>	<b><u>\$ (469,274)</u></b>

<u>Priority/Initiative Allocations</u>		C
<b>Priority 1. Student Success (p-5.8)</b>		
3	Financial Aid	\$ 263,222
4	Retention & Graduation Rates	<u>519,310</u>
5	Subtotal - Student Success	<u>782,532</u>
<b>Priority 2. National Competitiveness (p-5.10)</b>		
6	Faculty Recruitment and Retention	<u>885,285</u>
7	Subtotal - National Competitiveness	<u>885,285</u>
<b>Priority 3. University Infrastructure &amp; Administration (p-5.11-12)</b>		
8	Recruit/Retain Highly Qualified Staff	536,250
9	General Administration & Operations	<u>322,536</u>
10	Subtotal - University Infrastructure & Administration	<u>858,786</u>
11	<b>Total Priority/Initiative Allocations</b>	<b><u>\$ 2,526,603</u></b>

12	<b>Total Net Reallocations and New Allocations</b>	<b><u>\$ 2,057,329</u></b>
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# University of Houston-Victoria

FY2021 Annual Budget



# UHV FY2021 Planning Elements

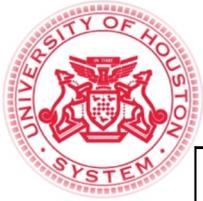
- 5% General Revenue / Enrollment Decrease
  - \$1.8 budget cuts and reallocations
  - \$1.2 use of reserves
- Current Tuition/Fee Estimates – 8/14/2020
  - 6% - 7% above budget, 1% = \$187K



## University of Houston-Victoria Operating Budget Revenues FY2017- FY2021 \$ in Millions

	A 2017 Actual	B 2018 Actual	C 2019 Actual	D 2020 Budgeted	E 2021 <b>Proposed</b>
1 State Appropriations	\$ 19.8	\$ 18.0	\$ 18.0	\$ 18.6	\$ 17.9
2 HEAF	4.3	4.3	4.3	4.3	3.5
3 Tuition & Fees	25.6	27.4	29.6	31.4	31.1
4 Other Operating	4.5	3.4	6.5	6.3	6.6
5 Contracts & Grants *	7.7	14.9	12.1	9.9	10.3
6 Endowment / Gifts	1.6	1.3	2.0	0.5	0.4
7 Total	<u>\$ 63.5</u>	<u>\$ 69.3</u>	<u>\$ 72.5</u>	<u>\$ 71.0</u>	<u>\$ 69.8</u>

\* Includes Federal financial aid



## University of Houston-Victoria

### Appendix A - Allocation of New FY 2021 Resources

<u>Revenue Changes</u>	A
<b>Appropriations Bill</b>	
1 General Revenue	\$ (43,811)
2 Special Item Funding	(688,615)
3 Subtotal Appropriations	<u>(732,426)</u>
<b>Tuition and Fees</b>	
4 Consolidated Tuition and Fees	(658,151)
5 Student Service Fee	(225,079)
6 Residential Housing & Meal Plan	(2,371,226)
7 Subtotal Tuition and Fees	<u>(3,254,456)</u>
<b>Other</b>	
8 Victoria College Service Agreement	203,216
9 Parking Fees	144,502
10 Fund Balance	1,214,531
11 Subtotal Other	<u>1,562,249</u>
<b>12 Total Net Revenue</b>	<b><u>\$ (2,424,633)</u></b>

<u>Reallocations/Reductions</u>	B
1 One-time Funded in FY20	\$ (581,800)
2 Departmental M&O Reductions & Vacant Positions	(1,267,470)
3 <b>Subtotal-Reallocations/Reductions</b>	<b><u>\$ (1,849,270)</u></b>

<u>Priority/Initiative Allocations</u>	C
<b>Priority 1. Student Success (p-6.11-6.12)</b>	
4 Student Recruitment, Retention and Success	\$ 547,444
5 Faculty and Staff in Critical Areas	267,801
6 Increase Face-to-Face Classes and Program Offerings	91,354
7 Continued Expansion of Residential Campus in Victoria	(2,424,633)
8 <b>Subtotal - Student Success</b>	<u>(1,518,034)</u>
<b>Priority 2. National Competitiveness (p-6.14)</b>	
9 Equitable and Competitive Salaries for Faculty	126,556
10 <b>Subtotal - National Competitiveness</b>	<u>126,556</u>
<b>Priority 3. University Infrastructure &amp; Administration (p-6.15-6.16)</b>	
11 Technology	(129,535)
12 Operational Support	870,968
13 Equitable and Competitive Salaries for Staff	35,841
14 Facilities	216,289
15 <b>Subtotal - University Infrastructure &amp; Administration</b>	<u>993,563</u>
<b>Priority 4. Community Advancement (p-6.18-6.19)</b>	
16 Center for Regional Collaboration	49,073
17 Athletics	(226,521)
18 <b>Subtotal - Community Advancement</b>	<u>(177,448)</u>
19 <b>Total Priority/Initiative Allocations</b>	<b><u>\$ (575,363)</u></b>

53

20 Total Net Reductions and New Allocations **\$ (2,424,633)**



# University of Houston System Administration

FY2021 Annual Budget



## University of Houston System Administration Operating Budget Revenues FY2017 - FY2021 \$ in Millions

	A 2017 Actual	B 2018 Actual	C 2019 Actual	D 2020 Budgeted	E 2021 <b>Proposed</b>
1 State Appropriations *	\$ 25.7	\$ 47.9	\$ 47.8	\$ 42.0	\$ 42.0
2 Other Operating	5.4	6.9	7.8	9.7	9.6
3 Contracts & Grants	1.5	1.4	1.3	0.0	0.0
4 Endowment Income / Gifts	4.8	4.7	4.6	2.1	2.1
5 Total	<u>\$ 37.4</u>	<u>\$ 60.9</u>	<u>\$ 61.5</u>	<u>\$ 53.8</u>	<u>\$ 53.7</u>

\* Includes TRB debt service



**University of Houston System Administration**  
**Appendix A - Allocation of New FY 2021 Resources**

<u>Revenue Changes</u>		A
<b>Appropriations Bill</b>		
<u>General Revenue</u>		
1	Tuition Revenue Bonds	\$ 36,305
2	General Revenue	(76,713)
3	State Matching Benefits	17,753
4	Subtotal General Revenue	<u>(22,655)</u>
<b>Other</b>		
5	Endow/Inv Interest Income	<u>273,445</u>
6	Subtotal Other	<u>273,445</u>
7	<b>Total Net Revenue</b>	<b><u>\$ 250,790</u></b>

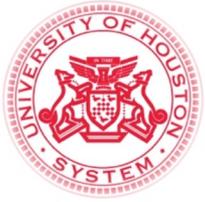
<u>Priority/Initiative Allocations</u>		B
<b>Priority 3. University Infrastructure &amp; Administration</b>		
1	Tuition Revenue Bond Debt Service	\$ 36,305
2	Administrative Operations	<u>214,485</u>
3	Subtotal - University Infrastructure & Administration	<u>250,790</u>
4	<b>Total Priority/Initiative Allocations</b>	<b><u>\$ 250,790</u></b>

# UNIVERSITY of **HOUSTON** SYSTEM

## FY2021 Annual Budget

Presentation to the  
Administration and Finance Committee

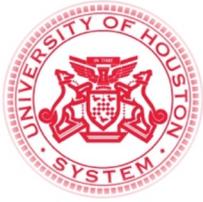
August 20, 2020



# University of Houston System FY2021 Proposed Operating Budget

(\$ in Millions)

	FY2020	-----Change-----		Proposed FY2021
		Dollars	Percent	
University of Houston	1,314.1	(33.2)	-2.5%	1,280.9
UH - Clear Lake	141.2	2.0	1.4%	143.2
UH - Downtown	195.7	3.5	1.8%	199.2
UH - Victoria	71.0	(1.2)	-1.7%	69.8
UH - System Admin	53.8	(0.1)	-0.1%	53.7
<b>Total</b>	<b>1,775.8</b>	<b>(29.0)</b>	<b>-1.6%</b>	<b>1,746.9</b>



# University of Houston System FY2021 Proposed Capital Budget

(\$ in Millions)

	FY2020	-----Change-----		Proposed FY2021
		Dollars	Percent	
University of Houston	201.4	12.2	6.1%	213.6
UH - Clear Lake	3.2			3.2
UH - Downtown	4.3	9.0	210.8%	13.3
UH - Victoria	58.0	7.1	12.3%	65.1
<b>Total</b>	266.8	28.3	10.6%	295.1

Note: The year-over-year change in budgeted capital expenditures is due to various TRB projects (approved during the 2017 legislative session) coming to completion in FY2020.



# University of Houston System

## FY2021 Proposed Operating and Capital Budget

(\$ in Millions)

	FY2020	-----Change-----		Proposed FY2021
		Dollars	Percent	
University of Houston	1,515.5	(21.0)	-1.4%	1,494.5
UH - Clear Lake	144.4	2.0	1.4%	146.4
UH - Downtown	200.0	12.5	6.3%	212.5
UH - Victoria	129.0	5.9	4.6%	134.9
UH - System Admin	53.8	(0.1)	-0.2%	53.7
<b>Total</b>	<b>2,042.6</b>	<b>(0.7)</b>	<b>0.0%</b>	<b>2,042.0</b>

Note: The combined year-over-year change includes budgeted capital expenditures for various TRB projects (approved during the 2017 legislative session) which are coming to completion in FY2020.



# University of Houston FY2021 Proposed Budget

## Questions?

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Approval is requested to establish tuition and fee rates for fully online degree programs at the University of Houston.

**DATE PREVIOUSLY SUBMITTED:**

**SUMMARY:**

UH Extend is the University of Houston program that will offer 100% online instruction to students regardless of their location. UH Extend will be a new source of revenue for the University of Houston and enable the university to compete with other universities in the online education business. The program will launch in Spring 2021 with initial degree programs being offered in business, education, engineering, and technology.

Policies governing tuition, fees, and other charges are approved by the Board of Regents of the University of Houston System and comply with applicable state statutes. Tuition and fees are subject to change by legislative or Board action and become effective on the date enacted.

**SUPPORTING DOCUMENTATION:** Proposed tuition and fee schedules

**FISCAL NOTE:** \$12 million projected year one revenue, \$15.7M 3-year average revenue

**RECOMMENDATION/  
ACTION REQUESTED:** Administration recommends approval of this item

**COMPONENT:** University of Houston

_____ <b>PRESIDENT</b>	Renu Khator	_____ <b>DATE</b>
 _____ <b>SENIOR VICE CHANCELLOR</b>	Jim McShan	_____ 8/6/2020 <b>DATE</b>
_____ <b>CHANCELLOR</b>	Renu Khator	_____ <b>DATE</b>

# Tuition and Fee Rates Online Programs

Presented to:

Administration and Finance Committee

August 20, 2020

## Proposed FY2021 Tuition and Fee Rates for Online Degree Programs at University of Houston

- The Bauer College of Business, the Cullen College of Engineering, The College of Education, and the College of Technology currently offer graduate and undergraduate degree programs.
- Each of these Colleges currently offers online courses.
- In FY2021, these Colleges will begin offering *fully online degree programs* and for-credit certification programs.

College	Undergraduate Programs	Graduate Programs	For-Credit Certificate Programs
Bauer College of Business	1	6	0
College of Education	0	3	2
Cullen College of Engineering	0	9	11
College of Technology	0	11	0

## Proposed FY2021 Tuition and Fee Rates for Online Degree Programs at University of Houston

College	Undergraduate Programs Rate Per SCH	Graduate Programs Rate Per SCH	For-Credit Certificate Programs Rate Per SCH
Bauer College of Business	\$409.25	\$866.09	NA
College of Education	NA	\$475.92	\$475.92
Cullen College of Engineering	NA	\$745.00	\$745.00
College of Technology	NA	\$624.30	NA

- Resident and Non-Resident students will pay the same rates, and the proposed online rates are competitively priced to other universities.
- Rates are equal or greater than face-to-face per-SCH resident consolidated tuition and fee charges.

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts exceeding \$1 million for the purchase of goods or services, excluding construction contracts, at the University of Houston System.

**DATE PREVIOUSLY SUBMITTED:** N/A

**SUMMARY:**

Approval is requested for contracts that are expected to exceed \$1 million that are associated with the purchase of goods or services, excluding construction contracts, at the University of Houston System. Board of Regents policy 55.01.01 states that the board must approve any contract, including any amendment, extension, or renewal thereto, that results in the value of the contract exceeding \$1 million throughout the term of the contract.

**SUPPORTING DOCUMENTATION:** Summary of Contracts

**FISCAL NOTE:** See supporting documentation for value of each contract.

**RECOMMENDATION/  
ACTION REQUESTED:** Administration recommends approval of this item

**COMPONENT:** University of Houston System

 _____ <b>SENIOR VICE CHANCELLOR</b>	Jim McShan	8/6/2020 _____ <b>DATE</b>
_____ <b>CHANCELLOR</b>	Renu Khator	_____ <b>DATE</b>

University of Houston System  
Summary of Goods and Services Contracts Greater than \$1 Million  
F&A Committee - August 2020

Component	Project	Procurement Method	Vendor	Purpose	Term	\$ Amount	Funding Source	HUB Goal	Comments
<b>Goods and Services Contracts Greater than \$1 Million</b>									
UHS	Master Food Services Contract	Request for Proposal	Chartwell's Education Services (Compass Group)	Extend the University of Houston System Master Food Services contract with Chartwells Higher Education (Compass Group) from 10 years to 15 years. Chartwells provides residential and retail food services to all campuses.	Initial Term: 5 years Optional Term: 5 years Current Amendment: 5 years	Initial Term Revenue: \$34,616,000 Initial Term Expense: \$ 8,333,333 Optional Term Revenue: \$45,684,000 Optional Term Expense: \$ 8,333,333 Amended Term Revenue: \$54,526,000 Amended Term Expense: \$ 8,333,333	Auxiliary Funds	26.00%	
UH	NPR Programming Fees	Sole Source	National Public Radio	Programming fees are needed for Houston Public Media to broadcast NPR programs on the KUHF radio stations for FY21. There is no contract for these fees.	Original Term: 1 year	Original Term: \$1,454,410	Gifts and Grant Funds	N/A	Programming fees are not subject to HUB reporting.
UH	PBS Programming Fees	Sole Source	Public Broadcasting System	Programming fees are needed for Houston Public Media to broadcast PBS programs on the KUHT TV station for FY21. There is no contract for these fees.	Original Term: 1 year	Original Term: \$2,403,339	Gifts and Grant Funds	N/A	Programming fees are not subject to HUB reporting.
UH	KUHF/KUHT Leased Tower Space	Request for Proposal	ATC Watertown LLC (American Tower)	KUHF and KUHT operate continuously, 24/7 to serve Greater Houston. In order to provide maintenance and repair support, a radio backup solution is needed to prevent service interruption. The amendment provides a backup solution with an increased cost of approximately \$1.05M over the twenty-year total lease period.	Initial Term: 15 years Optional Term: 5 years	Initial Term: \$4,285,000 Optional Term: \$1,765,000	Gift Funds	0.00%	
UHS	Executive Staffing Services	Request for Proposal	Collegiate Enterprise Solutions, LLC dba The Registry for College and University Presidents	To provide executive-level, interim placement services to the UH System. The current contract was for three years and expires August 31, 2020, with a three year cost of \$700,000. The System plans to extend the agreement for up to two additional years, with an anticipated cost of \$350,000 per year.	Original Term: 3 years Amended Term: Two 1-year extensions	Original Term: \$700,000 Amended Term: \$700,000	Designated Funds	0.00%	Vendor will self-perform all services.
UHS	UH Shuttle Bus Service	Request for Proposal	Groome Transportation	Extend the University of Houston Shuttle Services contract with Groome Transportation from 10 years to 11 years. Groome Transportation provides shuttle services on the UH campus and between UH and UH Sugar Land campus.	Original Term: 8 years Amended Term: Three 1-year extensions	Original Term: \$29,222,000 Amended Term: \$13,500,000	Auxiliary Funds	26.00%	
UH	Football Participation Guarantee	Revenue	ESPN Productions, Inc	To provide a contract for participation revenue for the UH Men's Football team to participate in the "Texas Kickoff" game at NRG Stadium in September of 2021.	Original Term: 3 days	Original Term: up to \$2,400,000	Auxiliary Funds	N/A	Revenue agreements are not subject to HUB reporting.
UHS	Trademark Licensing	Revenue	Collegiate Licensing Company	To extend the System's contract to commercialize the University of Houston System trademarks through third-party licenses who will use the Trademarks in or association with products, promotions, sponsorships, and advertising until December 31, 2020. The System is currently reviewing the results of an RFP for this service and will award a new agreement before December 31.	Original Term: 5 years Amended Term: 6 months	Original Term: \$4,760,000 Amended Term: \$ 80,000	Designated Funds	N/A	Revenue agreements are not subject to HUB reporting.

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Approval is requested to delegate authority to the Chancellor to negotiate and execute construction contracts exceeding \$1 million for projects at the University of Houston System.

**DATE PREVIOUSLY SUBMITTED:** N/A

**SUMMARY:**

Approval is requested for contracts that are expected to exceed \$1 million that are associated with construction projects at the University of Houston System as listed in the supporting documentation. Board of Regents policy 55.01.01 states that the board must approve any contract, including any amendment, extension, or renewal thereto, that results in the value of the contract exceeding \$1 million throughout the term of the contract.

**SUPPORTING DOCUMENTATION:** Summary of Construction Contracts

**FISCAL NOTE:** See supporting documentation for value of each contract.

**RECOMMENDATION/  
ACTION REQUESTED:** Administration recommends approval of this item

**COMPONENT:** University of Houston System

  
\_\_\_\_\_  
**SENIOR VICE CHANCELLOR**

Jim McShan

8/6/2020

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**CHANCELLOR**

Renu Khator

\_\_\_\_\_  
**DATE**

University of Houston System  
 Summary of Construction Contracts Greater than \$1 Million  
 F&A Committee August 2020

Component	Project	Procurement Method	Vendor	Purpose	Amount	Funding Source	HUB Goal	Comments
UH	Student Health Building -HR Renovation	CSP	TBD	<b>Construction contract.</b> Construction contract for the renovation of the Student Health Building located at the University of Houston.	\$ 2,300,000	HEAF	21.10%	Life Science project. Human Resources will move into the building once construction is complete.
UH	Lighting & Security Upgrades	CSP	TBD	<b>Construction contract.</b> Phase 1 construction contract for lighting and security upgrades in multiple parking lots located at the University of Houston.	\$ 3,800,000	HEAF	21.10%	Phase 1 of multiple future phases.
UH	General Services Roof Replacement	CSP	TBD	<b>Construction contract.</b> Construction contract for the replacement of the General Services Building roof located at the University of Houston.	\$ 4,500,000	State Funds	21.10%	Replacement of roof due to Harvey.
UH	Multiple Fire Alarm Upgrades - Phase 2	Sole Source	Johnson Controls	<b>Construction contract.</b> Construction contract for upgrades and additions to several fire alarm panels located at the University of Houston.	\$ 2,200,000	HEAF	21.10%	Buildings include but not limited to: 507 Wortham Theater, 589 Fine Arts, 520 Moores, 587 Farish Hall, 516 E Cullen, 534 Heyne.
UH	Emergency Generator Automatic Transfer Switches	CSP	TBD	<b>Construction contract.</b> Construction Contract for the replacement of multiple emergency generator automatic transfer switches located at the University of Houston.	\$ 2,300,000	HEAF	21.10%	Buildings include but not limited to: 585 GSB, 593 HSCA, 550 SR1, 551 SR2, 579 Cullen, and 579 Engineering

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction of the Health and Wellness Center at the University of Houston-Victoria.

**DATE PREVIOUSLY SUBMITTED:** N/A

**SUMMARY:**

Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction of the Health and Wellness Center at the University of Houston-Victoria. This building would be located at the intersection of North Ben Wilson St. and East Red River Rd. The facility will include sporting and fitness areas, along with E&G space and has the potential to include community partnership programmed spaces. The project will be phased and could include shell space.

**SUPPORTING  
DOCUMENTATION:**

Campus Map, Timeline, Budget, and Pro Forma

**FISCAL NOTE:**

\$22.83 million Funding Type: Student Fees, State Funds and Gifts/Donations, and Lease Revenues

**RECOMMENDATION/  
ACTION REQUESTED:**

Administration recommends approval of this item

**COMPONENT:**

University of Houston-Victoria

**PRESIDENT**

Robert Glenn

**DATE**



08/06/2020

**SENIOR VICE CHANCELLOR**

Jim McShan

**DATE**

**CHANCELLOR**

Renu Khator

**DATE**

**UNIVERSITY OF HOUSTON - VICTORIA**  
**HEALTH & WELLNESS CENTER**  
**AUGUST 2020**

**PROJECT BUDGET**

Construction Cost (w/ contingency and FF&E)	\$20,000,000
A/E Fees	\$2,000,000
Professional Service & Testing Fees/Admin	\$620,000
Miscellaneous	\$210,000
<b>TOTAL PROJECT COST</b>	<b>\$22,830,000</b>

**PROPOSED PROJECT SCHEDULE PHASE 1**

BOR Review and Approval	August 2020
Design Starts	April 2021
Construction Starts	August 2022
Occupancy	December 2023

# HEALTH & WELLNESS CENTER AUGUST 2020

## SITE PLAN



-  Proposed Master Plan Additions
  
- Admin/Academic Buildings**
- ① West Building
- ② Center Building
- ③ Athletics/PCI
- ④ Arts & Sciences/VBEC
- ⑤ VC/UHV Shared Library
- ⑥ Facilities Service Building
- ⑩ North Building
  
- Student Housing Facilities**
- ⑦ Jaguar Hall
- ⑧ Jaguar Suites
- ⑨ Jaguar Court
  
- Project Sites**
- ⑪ Student Center & Learning Commons
- ⑫ Smith Hall
- ⑬ STEM Building
- ⑭ Ben Wilson St.
- ⑯ Northwest Campus
- ⑰ Wellness Center
- ⑱ Student Housing V
- ⑳ Student Housing VI
  
- Future Acquisitions**
- ⑮ Residential Properties
- ⑰ Various Commercial Properties for Parking

University of Houston System  
 Summary of Construction Contracts Greater than \$1 Million - UHV Health & Wellness Center  
 F&A Committee - August 2020

Component	Project	Procurement Method	Vendor	Purpose	Amount	Funding Source	HUB Goal	Comments
UHV	Health and Wellness Center	RFQ	TBD	<b>Design contract.</b> Design of the Health & Wellness Center Building on the UHV campus.	\$ 2,000,000	Student Fees, State Funds, Donations	23.70%	
UHV	Health and Wellness Center	CSP	TBD	<b>Construction contract.</b> Construction of the Health & Wellness Center Building on the UHV campus.	\$ 16,000,000	Student Fees, State Funds, Donations	21.10%	

University of Houston-Victoria											
Health and Wellness Center Financial Pro Forma											
	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	
	Fall 2023	Fall 2024	Fall 2025	Fall 2026	Fall 2027	Fall 2028	Fall 2029	Fall 2030	Fall 2031	Fall 2032	
Student Enrollment on Campus (fall)	2,110	2,216	2,326	2,443	2,565	2,693	2,828	2,969	3,118	3,273	
Total Revenue all sources (annual):											<b>Total</b>
Student Fees	\$ 631,051	\$ 662,603	\$ 695,733	\$ 732,711	\$ 769,346	\$ 807,813	\$ 848,331	\$ 890,747	\$ 935,284	\$ 982,049	\$ 7,955,668
TRB - Debt Service Reimbursement from State	259,100	259,100	259,100	259,100	259,100	259,100	259,100	259,100	259,100	259,100	2,591,000
DeTar Hospital Lease	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,000,000
Student fee (\$1.38M collected prior to Bond Issue)	200,000	200,000	200,000	200,000	200,000	200,000	180,000	-	-	-	1,380,000
Faculty/staff plan (\$20 per month)	24,000	25,200	26,460	27,783	29,172	30,631	32,162	33,770	35,459	37,232	301,869
UHV family plan (\$30 per month)	36,000	37,800	39,690	41,675	43,758	45,946	48,243	50,656	53,188	55,848	452,804
Alumni plan (\$20 per month)	30,000	31,500	33,075	34,729	36,465	38,288	40,203	42,213	44,324	46,540	377,337
Visiting student plan (\$25 per month)	9,000	9,450	9,923	10,419	10,940	11,487	12,061	12,664	13,297	13,962	113,201
Revenue from Room Rentals	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	57,319
Add: E&G share of expenses at 15%	69,731	85,919	95,335	104,814	107,076	109,405	111,804	114,275	116,820	119,441	1,034,619
Add: Partner share of expenses at 15%	69,731	85,919	95,335	104,814	107,076	109,405	111,804	114,275	116,820	119,441	1,034,619
<b>Total Revenue</b>	<b>1,533,612</b>	<b>1,602,641</b>	<b>1,659,954</b>	<b>1,721,508</b>	<b>1,768,560</b>	<b>1,817,871</b>	<b>1,849,678</b>	<b>1,723,849</b>	<b>1,780,626</b>	<b>1,840,137</b>	<b>17,298,436</b>
<b>Total Expenses:</b>											
Payroll, includes benefits	165,000	169,950	175,049	180,300	185,709	191,280	197,019	202,929	209,017	215,288	1,891,540
Utilities	87,770	90,403	93,115	95,909	98,786	101,749	104,802	107,946	111,184	114,520	1,006,185
Custodial Contract	129,000	132,870	136,856	140,962	145,191	149,546	154,033	158,654	163,413	168,316	1,478,840
Security	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	458,555
Marketing	5,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	23,000
Maintenance	30,100	31,003	31,933	32,891	33,878	34,894	35,941	37,019	38,130	39,274	345,063
Insurance	8,000	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	91,711
Deferred Maintenance	-	97,125	145,688	194,250	194,250	194,250	194,250	194,250	194,250	194,250	1,602,563
<b>Total Costs</b>	<b>464,870</b>	<b>572,791</b>	<b>635,564</b>	<b>698,762</b>	<b>713,838</b>	<b>729,365</b>	<b>745,359</b>	<b>761,832</b>	<b>778,800</b>	<b>796,276</b>	<b>6,897,457</b>
Net Operating Income (Loss)	1,068,742	1,029,849	1,024,391	1,022,745	1,054,722	1,088,506	1,104,319	962,017	1,001,827	1,043,861	10,400,979
Less: Annual Debt Service	(896,841)	(896,841)	(896,841)	(896,841)	(896,841)	(896,841)	(896,841)	(896,841)	(896,841)	(896,841)	(8,968,407)
Income after debt service	171,901	133,009	127,550	125,905	157,882	191,665	207,478	65,176	104,986	147,020	1,432,572
Accumulated Revenue(Loss)	171,901	304,910	432,460	558,364	716,246	907,911	1,115,390	1,180,566	1,285,552	1,432,572	
Debt Coverage Ratio	1.19	1.15	1.14	1.14	1.18	1.21	1.23	1.07	1.12	1.16	
<b>Phase 1</b>											
<i>Financing Assumptions:</i>											
Total Project Cost: Phase 1	\$ 18,500,000										
Less: State Bond Proceeds	(4,000,000)										
Less: Johnson Foundation Gift	(2,000,000)										
Total Facility Project Cost:to Bond	12,500,000										
Rate	3.00%										
Term (years)	30										

**UNIVERSITY OF HOUSTON SYSTEM  
BOARD OF REGENTS AGENDA**

**COMMITTEE:** Finance and Administration

**ITEM:** Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction of the Science, Engineering, & Research Center HVAC repairs and roof replacement at the University of Houston.

**DATE PREVIOUSLY SUBMITTED:** February 2016

**SUMMARY:**

Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction of the Science, Engineering, & Research Building HVAC repairs & roof replacement at the University of Houston. This project is part of the Core Projects and includes HVAC repairs and new roof. Construction for the project was originally approved by the Board at the February 2016 meeting and only included the HVAC repairs. At this time we are adding the roof replacement to minimize the impact to research operations.

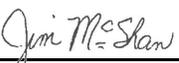
**SUPPORTING**

**DOCUMENTATION:** Campus Map, Timeline, and Budget

**FISCAL NOTE:** \$12,330,000 Funding Type: HEAF

**RECOMMENDATION/  
ACTION REQUESTED:** Administration recommends approval of this item

**COMPONENT:** University of Houston

<hr/> <b>PRESIDENT</b>	Renu Khator	<hr/> <b>DATE</b>
 <hr/> <b>SENIOR VICE CHANCELLOR</b>	Jim McShan	<hr/> 8/6/2020 <b>DATE</b>
<hr/> <b>CHANCELLOR</b>	Renu Khator	<hr/> <b>DATE</b>

**UNIVERSITY OF HOUSTON**  
**SERC HVAC REPAIRS AND ROOF REPLACEMENT**  
**AUGUST 2020**

**PROJECT BUDGET**

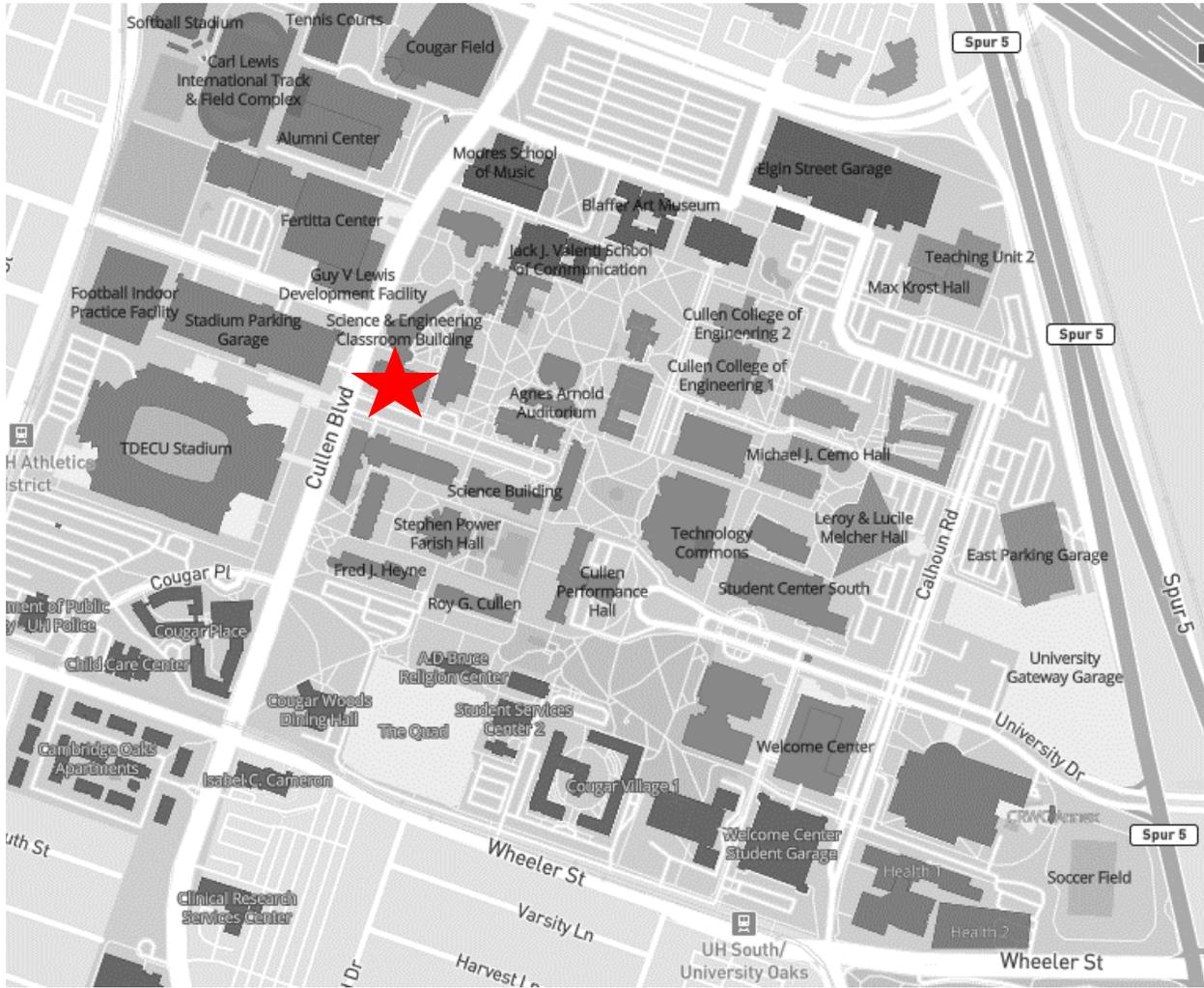
Construction Cost (w/ contingencies)	\$10.6M
A/E Fees	\$1.1M
Professional Service & Testing Fees/Admin	\$570K
Furniture and Moveable Equipment	\$0
Miscellaneous	\$60K
<b>TOTAL PROJECT COST</b>	<b>\$12,330,000</b>

**PROPOSED PROJECT SCHEDULE**

BOR Review and Approval	August 2020
Design Starts	July 2019
Construction Starts	January 2021
Occupancy	January 2022

**UNIVERSITY OF HOUSTON**  
**SERC HVAC REPAIRS AND ROOF REPLACEMENT**  
**AUGUST 2020**

**SITE PLAN**



University of Houston System  
 Summary of Construction Contracts Greater than \$1 Million  
 F&A Committee August 2020

Component	Project	Procurement Method	Vendor	Purpose	Amount	Funding Source	HUB Goal	Comments
UH	Science, Engineering, & Research HVAC Upgrades & Roof Replacement	CSP	TBD	<b>Construction contract.</b> Construction contract for the SERC HVAC repairs and roof replacement located at the University of Houston.	\$ 10,600,000	HEAF	21.10%	The SERC HVAC repairs (Core Project) was originally approved by the Board on February 2016 for \$9M. At this time, the roof replacement is being added to the total project scope and total project cost.
UH	Science, Engineering, & Research HVAC Upgrades & Roof Replacement	RFQ	TBD	<b>Design contract.</b> Design contract for the SERC HVAC repairs and roof replacement located at the University of Houston.	\$ 1,100,000	HEAF	23.70%	The SERC HVAC repairs (Core Project) was originally approved by the Board on February 2016 for \$9M. At this time, the roof replacement is being added to the total project scope and total project cost.