
AGENDA

UNIVERSITY OF HOUSTON SYSTEM FINANCE AND ADMINISTRATION COMMITTEE MEETING

DATE: Thursday, December 3, 2020

TIME: 2:30 PM

PLACE: The University of Houston System Board of Regents will convene this meeting remotely by videoconference from various locations.
It is necessary to conduct this committee meeting remotely due to the COVID-19 pandemic.
Link to live broadcast of meeting: <https://uh.edu/bor-live>

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

I. Finance and Administration Committee

A. Call to Order

Presenter: Chair Gerald W. McElvy

B. Approval of Minutes

- May 21, 2020, Finance and Administration Committee Meeting
- August 20, 2020, Finance and Administration Committee Meeting

Action: Approval

Presenter: Chair Gerald W. McElvy

C. Update Report on the Impact, Planning, and Actions Regarding COVID-19 for the 4 University of Houston System - University of Houston System.

Action: Information

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

D. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts exceeding \$1 million for the purchase of goods or services, 18

excluding construction contracts, at the University of Houston System - University of Houston System.

Action: Approval

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

- E. 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. 21

Action: Approval

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

- F. Approval is requested to modify banking and investment resolutions for the University of Houston System - University of Houston System 23

Action: Approval

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

- G. Approval is requested for the annual review of the University of Houston System Board of Regents Finance and Administration Committee Charter - University of Houston System. 28

Action: Approval

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

- H. Presentation of the Fiscal Year 2020 University of Houston System Annual Financial Report - University of Houston System. 30

Action: Information

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

- I. Report on Fiscal Year 2020 Historically Underutilized Business results and efforts at the University of Houston System - University of Houston System. 42

Action: Information

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

II. **Executive Session**

Presenter: Chair Gerald W. McElvy

- A. 1. Consultation with System Attorney Regarding Legal Matters and/or Contemplated Litigation or Settlement Offers
TEXAS GOV'T CODE SECTION 551.071
- 2. Deliberations regarding the Purchase, Exchange, Sale or Value of Real Property
TEXAS GOV'T CODE SECTION 551.072
- 3. Deliberation Regarding a Prospective Gift
TEXAS GOV'T CODE SECTION 551.073
- 4. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees including but not limited to the Chancellor, Presidents, 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**

Presenter: Chair Gerald W. McElvy

IV. **Adjourn**

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. Raymond Bartlett, 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 Raymond S. Bartlett

11/12/2020

DATE



CHANCELLOR Renu Khator

11/12/2020

DATE

DRAFT

COVID-19 Update

UH System Board of Regents
Administration and Finance Committee
December 3, 2020

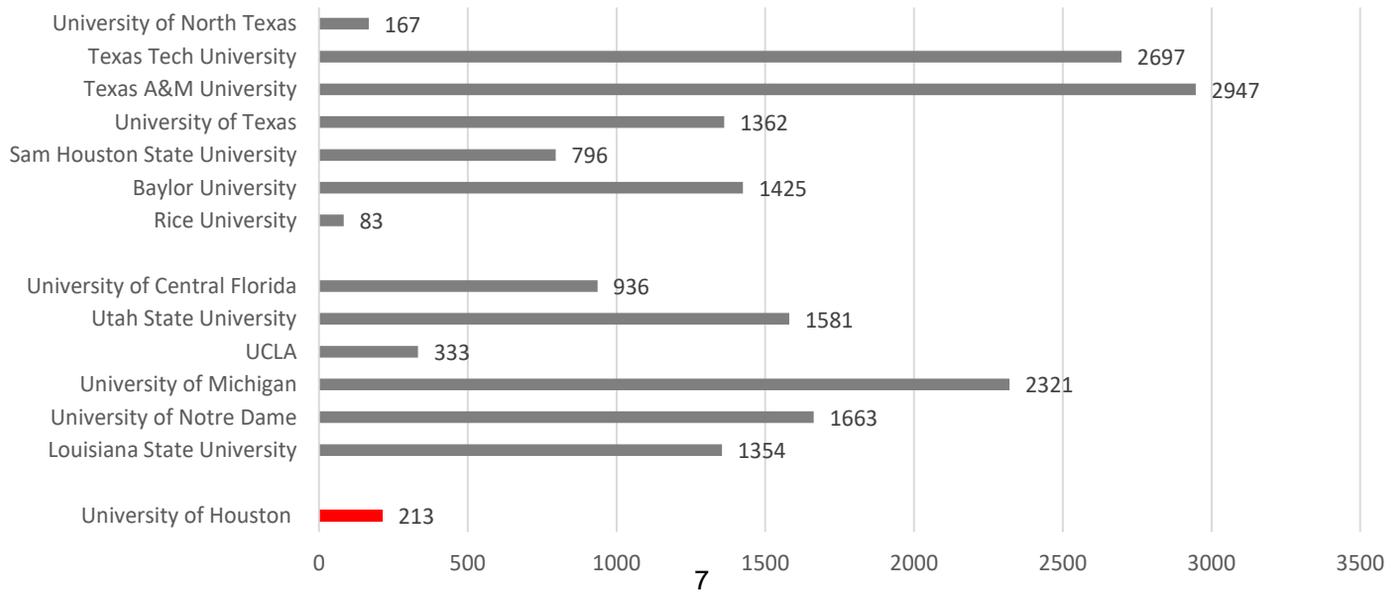
Health and Safety Practices

- Only 2% of UH resident students have contracted coronavirus.
- No UH student has contracted coronavirus in the classroom.
- UH Student Health Center has applied to be a vaccine provider.
- Monitoring Texas [COVID-19 Vaccine Plan](#) for vaccine allocation and distribution

COVID19 – Comparison with Others

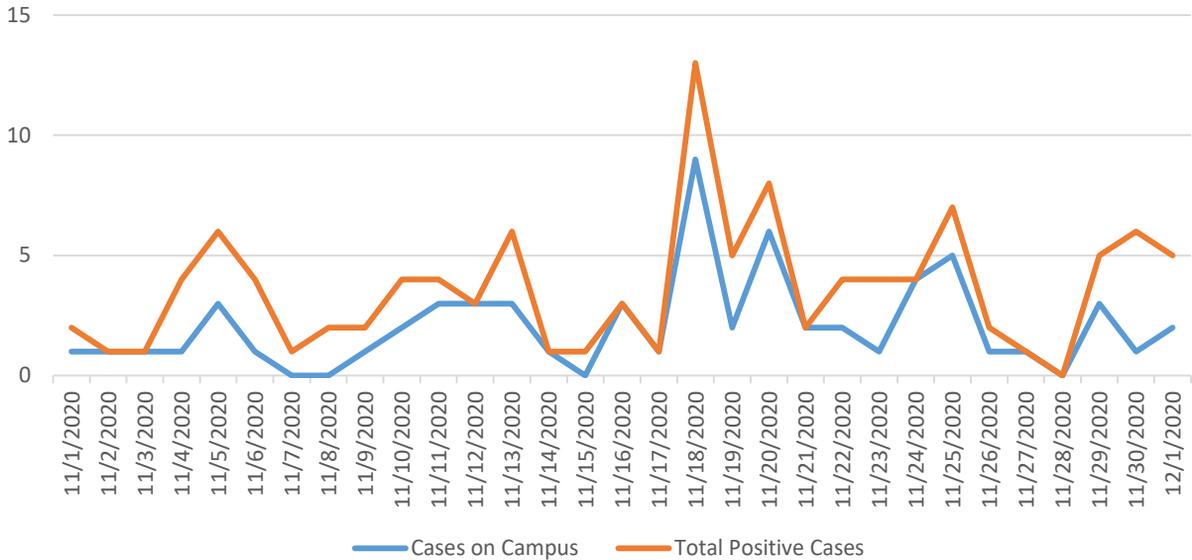
As of 11/18/2020

Total Positive Cases (Fall 2020 Semester)



UH Positive Cases Reported

Total Positive Cases vs Cases on Campus



FY2020 – COVID-19 Impact to UH

- \$80m cost
 - State cut
 - Student refunds (auxiliaries)
 - Fee discount
 - Enhanced cleaning
- Funded by
 - \$59m expense reductions
 - \$21m federal stimulus

FY 2021 – Budget Assumptions

- Assumed 5% enrollment decline
- Absorbed 5% state budget cut
- Continued online instruction in the Fall
- Anticipated fiscal impact to auxiliaries

Enrollment – Fall 2020

<u>University</u>	<u>Fully Online</u>	<u>Hybrid</u>	<u>Face-to-Face</u>	<u>Fall HC Change</u>
UH	83.7%	12.6%	3.7%	+2%
UHCL	75.2%	7.9%	16.9%	0%
UHD	84.1%	15.5%	0.4%	+4%
UHV	76.0%	24.0%	0.0%	+10%

Enrollment – Spring 2021

- UH System universities assuming similar online instruction percentage for Spring.
- 48% of UH students would enroll in at least one traditional F2F class if offered in Spring.
- UH faculty survey: 33% of faculty are willing to teach at least one F2F class.

Auxiliaries – FY 2021

(Housing, Parking, Meal Plans)

COVID-19 Impact Compared to Original Budget			
<u>University</u>	<u>Housing Occupancy</u>	<u>Parking Permit Sales</u>	<u>Meal Plan Sales</u>
UH	-56%	-40%	-64%
UHCL	-16%	-78%	-37%
UHD	N/A	-30%	N/A
UHV	-54%	+6%*	-34%

*First year UHV charged a parking fee to all students, faculty and staff within 50 miles of the campus, which explains the slight increase in the year-over-year figure.

Auxiliaries – FY 2021

Athletics

- 55% reduction in self-generated revenue
- Testing costs projected at \$2.5m
- Expense reductions
 - Eliminated 12 positions
 - Discretionary spending

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Potential UHS Losses

FY2021 Potential Losses (\$ Millions)	
<u>University</u>	<u>Total</u>
UH	\$95
UHCL	4
UHD	3
UHV	6
Total	\$108

FY2021 – COVID-19 Impact to UH

- \$95 million possible loss at UH
- What will impact the loss and the final financial plan?
 - Spring semester format
 - State legislative action
- Financial plan includes
 - Consolidation/elimination of operations
 - Payroll reductions
 - Discretionary spending cuts
 - Construction projects delayed/eliminated
 - Bond refunding
 - FEMA recovery of COVID-19 related costs
 - Federal stimulus?
 - Savings/reserves

UH Priorities

- Student access and success
- Competitive research
- Retention of talent
- Implementation of strategic plan

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



SENIOR VICE CHANCELLOR

Raymond S. Bartlett

11/12/2020

DATE



CHANCELLOR

Renu Khator

11/12/2020

DATE

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

Component	Project	Procurement Method	Vendor	Purpose	Term	\$ Amount	Funding Source	HUB Goal	Comments
Goods and Services Contracts Greater than \$1 Million									
UH	Copier Lease and Maintenance	Request for Proposal	TBD	Obtain a master copier lease and maintenance provider for the University of Houston	Initial term: 5 years	Initial Term: \$4,500,000	Various	21.10%	Current contract expires 7/21. \$900k/yr. cost
UH	Hilton College of Hotel and Restaurant Management Food and Beverage Management Services	Request for Proposal	Aramark Educational Services, LLP	Renew the existing contract with Aramark Educational Services, who provides brand required food and beverage services at the Hilton Hotel at the University of Houston, for an additional two years.	Initial term: 5 years Optional term: 1 year, 4 months	Initial Term Revenue: \$7,900,000 Optional Term Revenue: \$1,800,000 Initial Term Expense: \$8,470,000 Optional Term Expense: \$1,930,000	Auxiliary	26.00%	Aramark manages Eric's Restaurant and banquets.
UH	Captioning Services	Request for Proposal	Capture It Unlimited	Renew the contract with Capture It Unlimited to provide captioning services to students, which is a federally mandated activity.	Initial term: 3 years Optional term: 2 years	Initial Term: \$875,000 Optional Term: \$435,000	Designated	26.00%	Capture It Unlimited is a HUB vendor.
UHS	Campus and Networking Connectivity	Request for Proposal	TBD	Obtain contracts with two to five vendors to provide campus connectivity and networking connectivity technology at the best price for the 17 existing connectivity locations plus meet future connectivity needs. Network connectivity provides technology and resources to students, faculty, researchers, and staff.	Initial term: 3 years Optional term: 2 years	Initial Term: \$1,500,000 Optional Term: \$1,000,000	Designated State	21.10%	Current contract expires 1/21. \$500k/yr. cost WAN services to off campus locations.
UH	DMU Extension Program	Revenue Agreement	Dalian Maritime University	Enter into an agreement with Dalian Maritime University for three joint undergraduate degree programs.	Initial term: 8 years	Initial term: \$31,970,000	Designated	N/A	College of ENGR cost is \$25m over 8 years to deliver this program. Net is \$7m to ENGR after expenses.
UHS	Trademark Licensing Agency Representation	Request for Proposal	Affinity Licensing LLC	Enter into an agreement with Affinity Licensing for the management of more than 80 UH System trademarks, including licensee contract negotiation and management, management of licensee sales reporting, collection of royalties, and assistance with trademark enforcement.	Initial term: 3 years Optional term: 2 years	Initial Term Revenue: \$2,460,000 Optional Term Revenue: \$1,640,000 Initial Term Expense: \$ 246,000 Optional Term Expense: \$ 164,000	Designated	N/A	Current contract expires 12/31/20. Net \$2.2m over initial term and \$3.7m including optional term. Expense represents sales commission (10%) to vendor. Prior vendor commission was 20% with sliding scale to 10% based on sales.

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

Component	Project	Procurement Method	Vendor	Purpose	Term	\$ Amount	Funding Source	HUB Goal	Comments
UHCL	CenterPoint Energy Easement	Revenue Agreement	CenterPoint Energy	Provide a permanent easement to CenterPoint Energy for the purpose of installing a power pole to provide energy to a new Exxon-Mobil valve site. CenterPoint Energy cannot safely set a service pole within the existing electric transmission line easement that it has with the University of Houston System. Instead, they want to set a new service pole just outside of the existing easement; thereby creating the need for this new easement.	Initial term: in perpetuity	Initial term: to be negotiated	Designated	N/A	The final settlement amount is being negotiated.
UH	City of Houston Sidewalk Easement	Easement Agreement	City of Houston	The University of Houston is constructing a sidewalk in conjunction with the College of Medicine project. The University is granting the easement because the sidewalk is partially outside of the City right of way, and encroaches on University property.	Initial term: in perpetuity	Initial term: \$1	Designated	N/A	

**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



SENIOR VICE CHANCELLOR Raymond S. Bartlett

11/12/2020

DATE



CHANCELLOR Renu Khator

11/12/2020

DATE

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

Component	Project	Procurement Method	Vendor	Purpose	Amount	Funding Source	HUB Goal	Comments
UHS	Architectural Services CSA	Request for Qualifications	TBD	CSA Contract: Architectural and engineering design services to be performed on an as-needed basis for new construction, minor repair and renovation projects. Contracts available to all campuses.	Per Contract: \$1,500,000 Contracts: Up to 10 Maximum Value: \$15,000,000	Various Project Funds	23.70%	Award of maximum of ten vendors at \$1.5m each. Each contract to have a maximum term of 5 years (3 years initial term plus two 1-year renewal options). On average, most of the projects are \$80,000 or less and this could translate to 400-600 in total projects.

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

COMMITTEE: Finance and Administration

ITEM: Approval is requested to modify banking and investment resolutions for the University of Houston System.

DATE PREVIOUSLY SUBMITTED: February 19, 2015

SUMMARY:

Approval is requested to delete Jim McShan from the authorized list of authorized persons who may conduct banking transactions for the System. Mr. McShan retired August 31, 2020. We are also updating the title for Raymond Bartlett and adding Karin Livingston.

**SUPPORTING
DOCUMENTATION:**

Summary of Authorized Persons by Account
Banking Resolutions on file in the Board Office

FISCAL NOTE:

None

**RECOMMENDATION/
ACTION REQUESTED:**

Administration recommends approval of this item

COMPONENT:

University of Houston System



SENIOR VICE CHANCELLOR Raymond S. Bartlett

11/12/2020

DATE



CHANCELLOR Renu Khator

11/12/2020

DATE

University of Houston System
 Authorized Staff with Bank Transaction Authority
 As of December 3, 2020

UH System Component	Account Name	Primary Account Purpose	Signatory & Wire Authority	Title	Comments	
University of Houston	Disbursement	Fund clearing of checks issued by the University of Houston main campus	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change	
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority	
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority	
			Roberta Puryear	Treasurer	Existing authority	
			Dan Corcoran	Assistant Treasurer	Existing authority	
			Fred Burnett	Manager, Treasury Operations	Existing authority	
				Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Credit Card Clearing	Receive credit card payments from merchant activity throughout UH campus	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change	
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority	
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority	
			Roberta Puryear	Treasurer	Existing authority	
			Dan Corcoran	Assistant Treasurer	Existing authority	
			Fred Burnett	Manager, Treasury Operations	Existing authority	
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority	
Operating ⁽¹⁾	Primary depository account for checks, fed wire & ach transactions, etc. at UH	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change		
		Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority		
		Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority		
		Roberta Puryear	Treasurer	Existing authority		
		Dan Corcoran	Assistant Treasurer	Existing authority		
		Fred Burnett	Manager, Treasury Operations	Existing authority		
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority	
UH Clear Lake	Disbursement	Fund clearing of checks issued by UH Clear Lake	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change	
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority	
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority	
			Roberta Puryear	Treasurer	Existing authority	
			Dan Corcoran	Assistant Treasurer	Existing authority	
			Fred Burnett	Manager, Treasury Operations	Existing authority	
				Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Credit Card Clearing	Receive credit card payments from merchant activity at CL campus	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change	
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority	
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority	
			Roberta Puryear	Treasurer	Existing authority	
			Dan Corcoran	Assistant Treasurer	Existing authority	
			Fred Burnett	Manager, Treasury Operations	Existing authority	
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority	
Operating ⁽²⁾	Primary depository account for checks, fed wire & ach transactions, etc. at UHCL	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change		
		Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority		
		Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority		
		Roberta Puryear	Treasurer	Existing authority		
			Dan Corcoran	Assistant Treasurer	Existing authority	

University of Houston System
 Authorized Staff with Bank Transaction Authority
 As of December 3, 2020

UH System Component	Account Name	Primary Account Purpose	Signatory & Wire Authority	Title	Comments
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
UH Downtown	Disbursement	Fund clearing of checks issued by UH Downtown	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Credit Card Clearing	Receive credit card payments from merchant activity throughout UHD campus	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Operating ⁽³⁾	Primary depository account for checks, fed wire & ach transactions, etc. at UHD	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
UH Victoria	Disbursement	Fund clearing of checks issued by UH Victoria	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Operating ⁽⁴⁾	Primary depository account for checks, fed wire & ach transactions, etc. at UHV	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
System Administration	Operating	Primary depository account for checks, fed wire & ach transactions, etc. at System Administration	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim McShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority

University of Houston System
 Authorized Staff with Bank Transaction Authority
 As of December 3, 2020

UH System Component	Account Name	Primary Account Purpose	Signatory & Wire Authority	Title	Comments
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Disbursement	Fund clearing of checks issued by UH System Administration	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim MeShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Payroll Clearing	Fund the issuance of payroll checks for all UH System components	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim MeShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Payroll Direct Deposit	Fund the issuance of direct deposit payroll for all UH System components	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim MeShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Master Concentration	Fund payroll accounts and act as the clearing account for all excess or deficit funds movement from/to UH System operating accounts and the sweep account	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim MeShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority
	Student Loan Repayment	Receipt of federal student loan repayment proceeds for UHS	Raymond Bartlett	Senior Vice Chancellor for Admin. and Finance	Existing authority Title Change
			Jim MeShan	Senior Vice Chancellor for Admin. and Finance	Delete authority
			Karin Livingston	Assoc. Vice Chancellor for Finance	New Authority
			Roberta Puryear	Treasurer	Existing authority
			Dan Corcoran	Assistant Treasurer	Existing authority
			Fred Burnett	Manager, Treasury Operations	Existing authority
			Sheryl L. Smith	Manager, Cash & Bank Administration	Existing authority

(1) In addition to the persons listed above, Andrew J. Startz, Nancy Tran, have authority to endorse checks, drafts and/or payments to UH .

University of Houston System
 Authorized Staff with Bank Transaction Authority
 As of December 3, 2020

UH System Component	Account Name	Primary Account Purpose	Signatory & Wire Authority	Title	Comments
(2) In addition to the persons listed above, Mark Denney and Bobby kregresse have authority to endorse checks, drafts and/or payments to UH Clear Lake.					
(3) In addition to the persons listed above, David Bradley, Christine Ordonez Campos, and Lauren Bellenger have authority to endorse checks, drafts and/or payments to UH Downtown .					
(4) In addition to the persons listed above, Wayne Beran, Erin Goodwin, and Tim Michalski have authority to endorse checks, drafts and/or payments to UH Victoria.					

UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA

COMMITTEE: Finance and Administration

ITEM: Approval is requested for the annual review of the University of Houston System Board of Regents Finance and Administration Committee Charter

DATE PREVIOUSLY SUBMITTED: August 23, 2018

SUMMARY:

In accordance with the UH System Board of Regents Bylaws, the Finance and Administration Committee shall review this charter at least once a year. There are no recommended changes to the charter during this review period.

SUPPORTING DOCUMENTATION: Finance and Administration Committee Charter

FISCAL NOTE: None

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

COMPONENT: University of Houston System



SENIOR VICE CHANCELLOR

Raymond S. Bartlett

11/12/2020

DATE



CHANCELLOR

Renu Khator

11/12/2020

DATE

Finance and Administration Committee

Charter: The finance and administration committee has oversight of budget, finance, and business operations policy and performance, including reviewing the Chancellor's recommendations on annual budgets and tuition and fees.

More specifically, the committee shall:

- (a) review and recommend approval of fiscal policies and major financial plans including annual operating budgets;
- (b) review and recommend approval of tuition and fees;
- (c) review and recommend delegation of authority to the Chancellor for banking agreements;
- (d) review major financial and management reports;
- (e) review and recommend delegation of authority to the Chancellor for major financial contracts and expenditures (single procurements greater than \$1 million annually);
- (f) review and recommend delegation of authority to the Chancellor for land acquisition by purchase or gift;
- (g) review and recommend delegation of authority to the Chancellor for new construction or major repair and rehabilitation of building and facilities when the total cost is equal to or greater than the submittal threshold requiring Texas Higher Education Coordinating Board notification; and
- (h) review and recommend approval for bond issuance.

The committee is required to perform a review of the charter annually, as required by Board of Regent Bylaws.

UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA

COMMITTEE: Finance and Administration

ITEM: Presentation of the Fiscal Year 2020 University of Houston System Annual Financial Report

DATE PREVIOUSLY SUBMITTED:

SUMMARY:

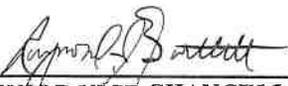
Ms. Karin Livingston, Associate Vice Chancellor for Finance, will present a summary of the Fiscal Year 2020 University of Houston System Annual Financial Report.

SUPPORTING DOCUMENTATION: Presentation

FISCAL NOTE: N/A

RECOMMENDATION/
ACTION REQUESTED: Information

COMPONENT: University of Houston System



SENIOR VICE CHANCELLOR Raymond S. Bartlett

11/12/2020

DATE



CHANCELLOR Renu Khator

11/12/2020

DATE

University of Houston System

Overview of the Results of Operations

Annual Financial Report

For FY 2020

December 3, 2020

*To view an electronic version of UHS's **Annual Financial Reports**, visit
http://www.uh.edu/finance/pages/Annual_Fin_Reports.htm

University of Houston System FY 2020 Annual Financial Report Timeline

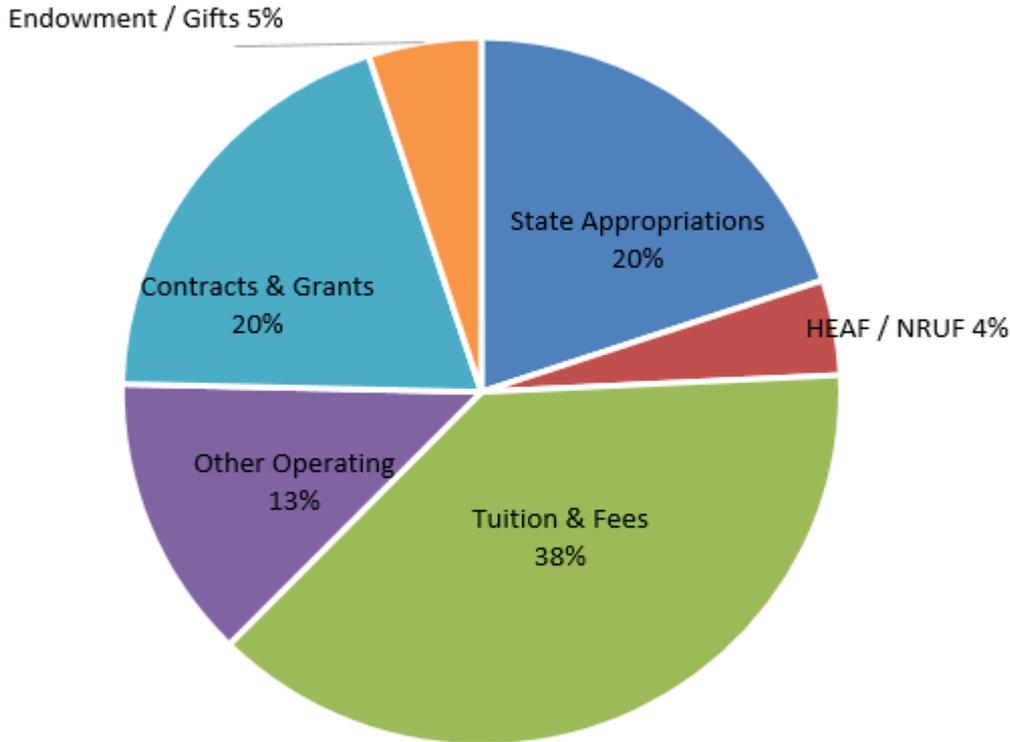
- **Aug 31** - Fiscal year end
- **Sep 16**- Departmental accounting activity completed
- **Oct 22** - Ledger closed and preliminary management review completed
- **Nov 4** - Mid-level management review completed
- **Nov 11**- Senior management review completed
- **Nov 20** - AFR submitted to State Comptroller & State Auditor
- **Dec 3** - Financial results for all UHS presented to Board of Regents
- **Feb 28**- Statewide comprehensive audit completed

University of Houston System Methodology used for Data Analysis

- AFR prepared using Oracle (Hyperion) data warehouse
- Data analysis and review employed data warehouse tools
- Budget to Actual comparison of data
- Use categories consistent with those previously presented to Board

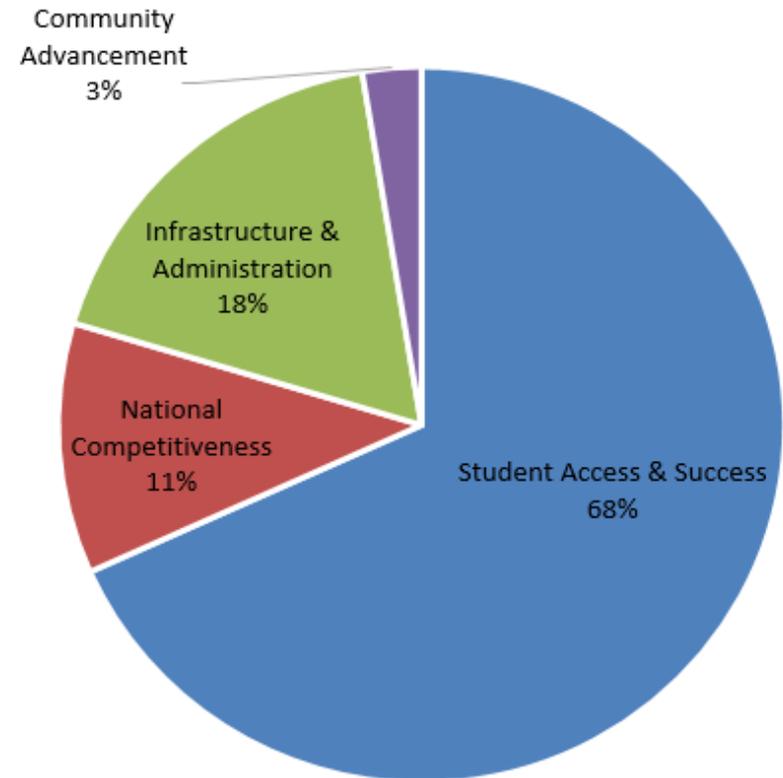
University of Houston System Combined FY 2020 Results of Operations

ACTUAL REVENUES



Actual Total \$1,955.9 M
(Total Budget \$1,775.8)

ACTUAL EXPENSES



ACTUAL TOTAL \$1,756.0 M
(Total Budget \$1,775.8 M)
Note Expenses exclude construction spending

University of Houston System Combined Analysis of Revenues

FY 2017 - 2020

(\$ Millions)

	History years			AFR year	FY budget
	A 2017 Actual	B 2018 Actual	C 2019 Actual	D 2020 Actual	E 2020 Budget *
1 State Appropriations	\$ 305.8	\$ 324.0	\$ 326.8	\$ 389.2	\$ 342.4
2 HEAF / NRUF	86.5	84.5	84.7	85.0	84.7
3 Tuition & Fees	664.5	684.6	710.8	745.9	736.9
4 Other Operating	191.7	219.1	272.9	253.8	273.1
5 Contracts & Grants	261.2	268.0	306.5	382.6	269.2
6 Endowment / Gifts	92.8	99.1	103.3	99.4	69.5
7 Total	<u>\$ 1,602.5</u>	<u>\$ 1,679.3</u>	<u>\$ 1,805.0</u>	<u>\$ 1,955.9</u>	<u>\$ 1,775.8</u>

* FY2020 Budget Plan as adopted on 8-22-2019

University of Houston System Combined Analysis of Operating Expenses

FY 2017 - 2020

(\$ Millions)

	----- History years -----			AFR year	FY budget
	A	B	C	D	E
	2017	2018	2019	2020	2020
	Actual	Actual	Actual	Actual	Budget *
1 Student Access and Success	\$ 1,043.2	\$ 1,082.3	\$ 1,146.3	\$ 1,199.1	\$ 1,178.9
2 National Competitiveness	193.1	192.8	210.3	198.7	215.8
3 Infrastructure & Administration	295.0	298.3	297.6	312.2	337.6
4 Community Advancement	44.1	46.8	46.9	46.0	43.5
5 Total	\$ 1,575.4	\$ 1,620.2	\$ 1,701.1	\$ 1,756.0	\$ 1,775.8

* FY2020 Budget Plan as adopted on 8-22-2019

University of Houston System Combined Analysis of Asset Balances

FY 2017 - 2020

On August 31 (\$ Millions)

	A	B	C	D
	2017	2018	2019	2020
	Actual	Actual	Actual	Actual
Assets				
1 Cash, Appropriations, & Investments	\$ 1,824.0	\$ 1,922.0	\$ 1,764.9	\$ 2,125.6
Consisting of:				
2 Cash & appropriation balances	234.6	251.7	279.5	326.0
3 Investments (includes Endowment)	1,589.4	1,670.3	1,485.4	1,799.6
4 Capital Assets, net of depreciation	\$ 1,535.0	\$ 1,718.2	\$ 1,955.0	\$ 2,072.9
Consisting of:				
5 Land	141.8	142.2	146.0	145.2
6 Construction in progress	181.7	301.3	326.4	348.3
7 Buildings, facilities, infrastructure	1,082.6	1,145.7	1,352.7	1,450.4
8 Equipment, art, software, books	128.9	129.0	129.9	129.0
9 Other Assets	\$ 1,547.0	\$ 1,697.4	\$ 2,355.4	\$ 2,489.5
Consisting of:				
10 Receivables (student, loans, & gifts)	258.3	310.7	335.0	346.6
11 Prepaid expenses	43.2	49.9	56.6	55.7
12 Assets held by other UHS componer	1,201.0	1,323.1	1,172.7	1,417.0
13 Inventories, deferred charges	4.1	0.3	0.1	3.2
14 Def resources (TRS pensions/OPEB)	40.4	13.4	791.0	667.0
15 Total Assets	\$ 4,906.0	\$ 5,337.6	\$ 6,075.3	\$ 6,688.0

University of Houston System Combined Analysis of Liability Balances & Equity Balances

FY 2017 - 2020

On August 31 (\$ Millions)

		----- History years -----			AFR year
		A	B	C	D
		2017	2018	2019	2020
		Actual	Actual	Actual	Actual
Liabilities					
1	Payables & Accrued Liabilities	\$ 136.3	\$ 164.6	\$ 132.6	\$ 148.1
Consisting of:					
2	Accounts payable & accruals	33.6	43.6	43.9	46.1
3	Payroll payable	102.7	121.0	88.7	102.0
4	Bonds & Long Term Obligations	\$ 1,394.8	\$ 1,541.7	\$ 1,478.3	\$ 1,713.9
5	Other Liabilities	\$ 1,720.2	\$ 1,922.9	\$ 2,763.3	\$ 3,017.7
Consisting of:					
6	Deferred revenue	260.7	282.5	296.7	288.7
7	Deposits held for others	26.3	26.4	22.8	14.0
8	Asset held for UHS components	1,201.0	1,323.1	1,172.7	1,417.0
9	Other commitments & defer chg	15.8	20.0	23.2	23.6
10	Pension/OPEB liabilities (TRS)	216.4	270.9	1,247.9	1,274.4
11	Total Liabilities	\$ 3,251.3	\$ 3,629.2	\$ 4,374.2	\$ 4,879.7
12	Total Equity Balance	\$ 38654.7	\$ 1,708.4	\$ 1,701.1	\$ 1,808.3

University of Houston System Combined Revenues by UHS Component

FY 2020 (Final)

(\$ Millions)

	State Appropriations	HEAF / NRUF	Tuition & Fees	Other Operating	Contracts & Grants	Endowment / Gifts	Actual 2019 Total
1 University of Houston	\$ 259.5	\$ 60.9	\$ 529.7	\$ 228.8	\$ 284.3	\$ 88.2	\$ 1,451.4
2 UH - Clear Lake	36.7	8.0	76.6	5.0	25.2	2.0	\$ 153.5
3 UH - Downtown	32.5	11.8	106.9	6.6	55.5	3.7	\$ 217.0
4 UH - Victoria	18.5	4.3	32.7	4.1	17.0	0.9	\$ 77.5
5 UH System Admin	42.0	-	-	9.3	0.6	4.6	\$ 56.5
6 UH System Total	\$ 389.2	\$ 85.0	\$ 745.9	\$ 253.8	\$ 382.6	\$ 99.4	\$ 1,955.9

University of Houston System Combined Expenses by UHS Component

FY 2020 (Final)

(\$ Millions)

	A	B	C	D	E
	Student Access & Success	National Competitiveness	Infrastructure & Administration	Community Advancement	Actual 2019 Total
1 University of Houston	\$ 869.4	\$ 193.5	\$ 183.0	\$ 42.2	\$ 1,288.1
2 UH - Clear Lake	107.7	1.7	31.1	-	\$ 140.5
3 UH - Downtown	159.0	2.6	36.0	3.1	\$ 200.7
4 UH - Victoria	61.7	0.4	10.1	0.7	\$ 72.9
5 UH System Admin	1.3	0.5	52.0	-	\$ 53.8
6 UH System Total	\$ 1,199.1	\$ 198.7	\$ 312.2	\$ 46.0	\$ 1,756.0

University of Houston System Combined Analysis of Asset, Liability, & Equity Balances by UHS Component

FY 2020 (Final)

On August 31 (\$ Millions)

	University of Houston	UH Clear Lake	UH Downtown	UH Victoria	UH System Admin	UH System 2019 Total
Assets						
1 Cash, Appropriations, & Investments	\$ 522.9	\$ 56.7	\$ 58.1	\$ 15.0	\$ 1,472.9	\$ 2,125.6
2 Capital Assets, net of depreciation	1,476.2	193.0	199.8	130.2	73.7	2,072.9
3 Other Assets	1,937.5	149.5	232.2	82.5	87.8	2,489.5
4 Total Assets	\$ 3,936.6	\$ 399.2	\$ 490.1	\$ 227.7	\$ 1,634.4	\$ 6,688.0
Liabilities						
5 Payables & Accrued Liabilities	\$ 90.1	\$ 11.6	\$ 22.9	\$ 5.5	\$ 17.9	\$ 148.0
6 Bonds & Long Term Obligations	1,202.3	148.7	144.0	121.9	97.0	1,713.9
7 Other Liabilities	1,166.7	169.9	226.3	80.9	1,374.0	3,017.8
8 Total Liabilities	\$ 2,459.1	\$ 330.2	\$ 393.2	\$ 208.3	\$ 1,488.9	\$ 4,879.7
9 Total Equity Balance	\$ 1,477.5	\$ 69.0	\$ 96.9	\$ 19.4	\$ 145.5	\$ 1,808.3

Note: Resources and obligations related to TRS pensions, as attributable to each component, have been included in the above display.

UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA

COMMITTEE: Finance and Administration

ITEM: Report on FY2020 Historically Underutilized Business results and efforts at the University of Houston System

DATE PREVIOUSLY SUBMITTED:

SUMMARY:

Dr. Linelle Clark, Director of Historically Underutilized Business Operations, will present to the Committee a report on the Historically Underutilized Business results and efforts at the University of Houston System.

SUPPORTING DOCUMENTATION: Presentation

FISCAL NOTE: N/A

RECOMMENDATION/
ACTION REQUESTED: Information

COMPONENT: University of Houston System



SENIOR VICE CHANCELLOR Raymond S. Bartlett

11/12/2020

DATE



CHANCELLOR Renu Khator

11/12/2020

DATE

HUB Program Update

Presentation to:
UH System Board of Regents
Administration and Finance Committee

December 3, 2020

The logo for the University of Houston, featuring the words "UNIVERSITY of" in a light grey font above the word "HOUSTON" in a large, bold, red font.The logo for the University of Houston Clear Lake, featuring a stylized green and blue wave icon above the text "University of Houston Clear Lake" in a black serif font.The logo for the University of Houston - Victoria, featuring the letters "UHV" in a large, bold, red font with a white outline, followed by the text "UNIVERSITY OF HOUSTON - VICTORIA" in a smaller black font.The logo for the University of Houston Downtown, featuring the letters "UHD" in a large, bold, blue font with a red outline, followed by the text "University of Houston DOWNTOWN" in a smaller blue font.

System-wide HUB Goal:

University personnel will purchase from state certified Historically Underutilized Businesses (HUBs) to the fullest extent possible regardless of the source of funds or dollar level of purchase.

HUB Staffing

Campus	FTE
UH-Main	3 FTEs dedicated to HUB
UHD	2 FTEs Purchasing/HUB
UHCL	2 FTEs Purchasing/HUB
UHV	2 FTEs Purchasing/HUB

HUB Eligible Expenditures Comparison FY 2020

University	Total Eligible Expenditures (\$ Millions)	Total HUB Expenditures (\$ Millions)	HUB Percentage of Expenditures
U.T. Austin	\$670	\$109	16.2%
Texas A&M	455	96	21.1%
University of Houston	322	52	16.2%
Texas Tech	196	41	21.1%

Eligible Expenditures FY2020

	Total Spent HUBs (\$ Millions)	Total Spent Non HUBs (\$ Millions)	Total Eligible Expenditures (\$ Millions)	HUB Percentage (FY 20)	HUB Percentage (FY19)
UH	\$52	\$291	\$322	16.2%	18.2%
UHS	0.4	3.5	3.9	11.6%	7.0%
UHD	9	22	31	29.9%	28.8%
UHCL	4	18	23	18.3%	18.1%
UHV	6	39	41	14.3%	14.8%

University Support

- Departmental guidance and assistance
- HUB vendor database
- Targeted HUB Vendor Fair

Community Outreach

Asian Chamber	HMSDC
East End Chamber	NAMC
Greater Houston Black Chamber	Women Contractors Assoc.
Houston Business Procurement	TAAACC
Hispanic Chamber	Women's Business Enterprise
Tri-County Black Chamber	D-Mars
Spot Bid Fairs	

HUB Vendor Support

- Provided education for HUB Vendors on obtaining state cooperative contracts
- Provided training on timely and accurate reporting of sub-contracting
- Provide ongoing and timely information to frequently asked questions

HUB Vendor Support

- Created the Construction Management Talent Pipeline Program
- Held Kick off meetings for large capital projects
- Ready, Willing, and Able



Questions?