
AGENDA

UNIVERSITY OF HOUSTON SYSTEM FINANCE AND ADMINISTRATION COMMITTEE MEETING

DATE: Thursday, August 26, 2021

TIME: 1:00 PM

PLACE: Hilton University of Houston Hotel
Conrad Hilton Ballroom, Second Floor
4450 University Drive
Houston, Texas 77204

Link to live broadcast: <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**

Presenter: Chair Gerald McElvy

A. Call to Order

Presenter: Chair Gerald McElvy

B. Approval of Minutes

- February 25, 2021, Finance and Administration Committee Meeting

Action: Approval

Presenter: Chair Gerald W. McElvy

II. **Executive Session**

Presenter: Chair Gerald McElvy

III. 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

IV. **Report and Action from Executive Session**

Presenter: Chair Gerald McElvy

V. **Finance and Administration Items (cont'd)**

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

Action: Information

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

B. Approval is requested for the University of Houston System FY2022 Financial Plan and Budget - University of Houston System 10

Action: Approval

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

C. Approval is requested to establish a textbook savings pilot program incidental fee at the University of Houston - University of Houston 46

Action: Approval

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, excluding construction contracts, at the University of Houston System - University of Houston System 55

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 57

System

Action: Approval

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

- F. Approval is requested to close a portion of Calhoun Road at the
University of Houston - University of Houston

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Action: Approval

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

VI. **Adjourn**

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

COMMITTEE: Finance & Administration

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

DATE PREVIOUSLY SUBMITTED: N/A

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



DATE



CHANCELLOR

Renu Khator

8/11/2021

DATE



COVID-19 Update

UH System Board of Regents
Administration and Finance Committee
August 26, 2021

Vaccine Update

Nation, State, and Local

- Test positivity is increasing nationally, with an average positive test rate of 11.2% as of August 6 (up from 2.8% on July 6).⁽¹⁾ Most infections are of the unvaccinated.
- Texas test positivity rates are increasing as of August 6.⁽²⁾
 - Harris County new cases were 15,984 and 15,759 in the months of July and August, respectively, compared to 2,563 in June.
 - Victoria County cases were 446 and 346 in July and August, respectively, compared to 183 in June.
- Harris County Percentage of Population Vaccinated with at least one dose (as of 8/8/21): People 12+: 66.6% (55.6% fully vaccinated); People 65+: 86.8% (76.8% fully vaccinated)
- Greater Houston Area weekly average of daily new positive cases has been increasing since the end of June and are at the highest levels since January 2021.⁽³⁾
- **Vaccination remains the best intervention for reliable protection.**

⁽¹⁾ Source: Mayo Clinic

⁽²⁾ Source: Texas Department of State Health Services

⁽³⁾ Source: Texas Medical Center

Health and Safety at UHS

- The current resurgence of COVID-19 caused by the Delta variant has given rise to a new round of anxiety and concern.
- UH System universities are committed to providing a safe learning and working environment on campus. Steps taken to mitigate the risk of COVID-19 spread as we open for the Fall semester include:
 - Empowering faculty to design a soft opening for their classes during first two to three weeks
 - Masking campaign to strongly encourage the wearing of a face covering indoors
 - Vaccine and testing incentive programs (includes free testing on campus)
 - Offering vaccines via student health centers and partnerships with corporate entities
 - High touch point cleaning and fogging where applicable and contact tracing
 - Air filtration, sanitization stations, event screening, and meeting flexibility
 - Student housing rooms available to quarantine students who test positive for the coronavirus

Federal Stimulus Funds Update

- UH System universities have received awards totaling \$335M in HEERF I, II, and III allocations from the Department of Education.
 - \$138M is restricted for use for aid to students (\$62.9M distributed)
 - \$196.8M is available for use by the campuses to offset the costs of the coronavirus. (\$146.7M utilized or allocated)
- System universities will utilize remaining HEERF funds to cover health and safety measures, including providing vaccinations and vaccine incentive programs, cleaning, distance education costs, and continued recovery of lost revenues.
- End dates of awards vary, but funds will generally have to be expended by the late spring to late summer of 2022.

Fiscal Impact

- System losses projected at \$100M for FY 2021
- FY 2022
 - Preliminary estimate is \$15.3M of revenue losses
 - System will continue to incur health and safety costs for cleaning and PPE
 - Losses/costs offset with federal stimulus funding from rounds 2 and 3
 - Auxiliary operations across the System will benefit from more students, faculty, and staff returning to campus.
 - Increased housing occupancy for fall semester. UH at 92%, UHCL at 45%, UHV at 45% - compared to 23% – 44% range in FY2021.

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

COMMITTEE: Finance and Administration

ITEM: Approval is requested for the University of Houston System FY2022 Financial Plan and Budget.

DATE PREVIOUSLY SUBMITTED: Fiscal Year Budget Submitted Annually

SUMMARY:

Approval is requested for the FY2022 Financial Plan and Budget. Annual plans, plus revenue and expenditure budgets, are being presented for all university components for the period September 1, 2021 through August 31, 2022. 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 \$2.07 billion

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

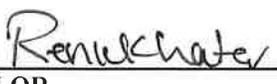
COMPONENT: University of Houston System



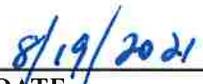
SENIOR VICE CHANCELLOR Raymond S. Bartlett



DATE



CHANCELLOR Renu Khator



DATE

FY2022 Annual Budget

Presentation to the
Administration and Finance Committee

August 26, 2021

University of Houston System FY 2022 Budget

Executive Summary

University of Houston System FY2022 Budget Key Points

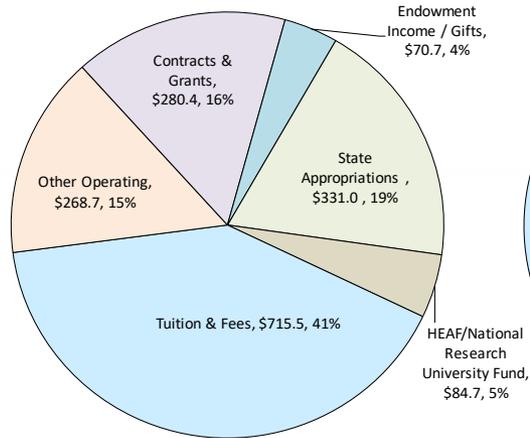
- FY 2022 budget is \$2.07b, up 1% compared to FY 2021
- Budget focuses on four priorities
 - Student success
 - Strategic initiatives
 - Retaining our talent
 - Covid-19 related health and safety
- Budget built with flexibility for enrollment variance
- Revenue and expense % by categories consistent Y-o-Y

University of Houston System Budget

FY2021

Total Budget	
	<u>\$ Millions</u>
Operating Budget	\$ 1,751.0
Capital Facilities	295.2
Total	<u>\$ 2,046.2</u>

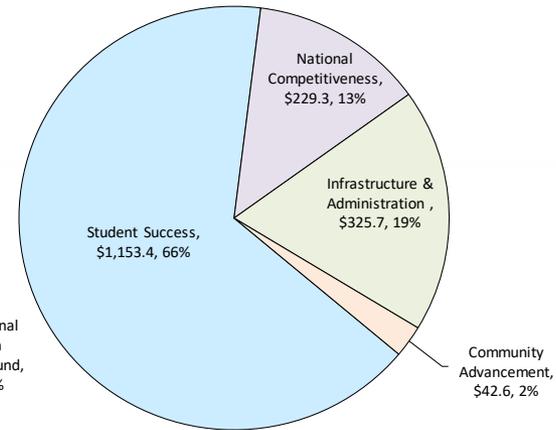
Operating Budget Source of Funds



* Includes Federal Financial Aid

Total \$1,751.0 Million

Operating Budget Use of Funds

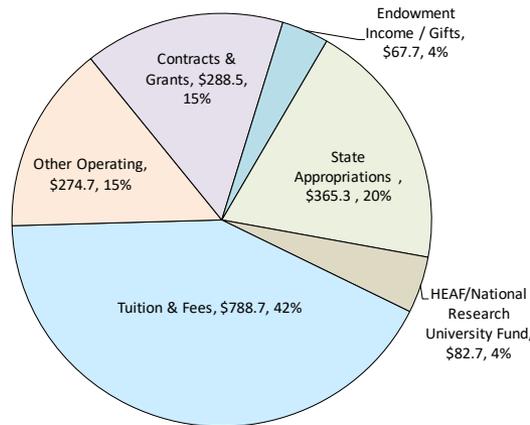


Total \$1,751.0 Million

FY2022

Total Budget	
	<u>\$ Millions</u>
Operating Budget	\$ 1,867.6
Capital Facilities	199.7
Total	<u>\$ 2,067.3</u>

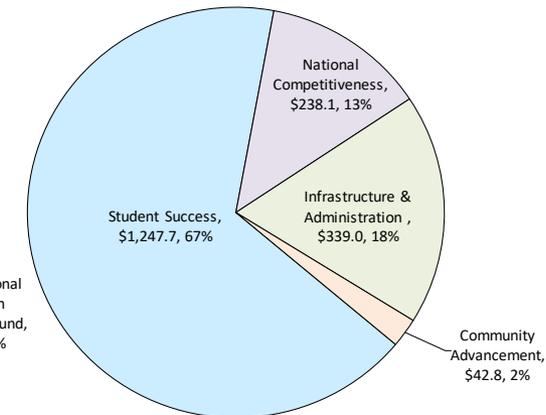
Operating Budget Source of Funds



* Includes Federal Financial Aid

Total \$1,867.6 Million

Operating Budget Use of Funds



Total \$1,867.6 Million

University of Houston System FY2022 Proposed Operating Budget

(\$ in Millions)

	FY2021	-----Change-----		Proposed FY2022
		Dollars	Percent	
University of Houston	1,286.3	79.9	6.2%	1,366.2
UH - Clear Lake	142.1	6.8	4.8%	148.9
UH - Downtown	199.2	18.7	9.4%	217.9
UH - Victoria	69.5	11.0	15.8%	80.5
UH - System Admin	53.9	0.2	0.4%	54.1
Total	1,751.0	116.6	6.7%	1,867.6

University of Houston System FY2022 Proposed Capital Budget

(\$ in Millions)

		FY2021	Dollars	Percent	FY2022
University of Houston		213.6	(61.7)	-28.9%	151.9
UH - Clear Lake		3.2	(1.3)	-40.6%	1.9
UH - Downtown		13.3	21.4	160.9%	34.7
UH - Victoria		65.1	(53.9)	-82.8%	11.2
Total		295.2	(95.5)	-32.4%	199.7

University of Houston System

FY2020 Proposed Operating and Capital Budget

(\$ in Millions)

	FY2021	-----Change-----		Proposed FY2022
		Dollars	Percent	
University of Houston	1,499.8	18.2	1.2%	1,518.0
UH - Clear Lake	145.3	5.5	3.8%	150.8
UH - Downtown	212.6	40.0	18.8%	252.6
UH - Victoria	134.6	(42.9)	-31.9%	91.7
UH - System Admin	53.9	0.2	0.4%	54.1
Total	2,046.2	21.0	1.0%	2,067.2

University of Houston System FY 2022 Budget

Summary by University

University of Houston

FY2022 Annual Budget

University of Houston

University of Houston Operating Budget Revenues FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 State Appropriations	\$ 192.8	\$ 196.1	\$ 259.5	\$ 204.5	\$ 230.6
2 HEAF/National Research University Fund	60.4	60.6	60.9	62.7	60.6
3 Tuition & Fees	496.4	512.8	529.7	508.6	557.6
4 Other Operating	198.9	245.7	228.8	232.8	245.4
5 Contracts & Grants *	195.1	228.6	284.3	214.3	211.5
6 Endowment Income / Gifts	88.7	91.2	88.2	63.3	60.5
7 Total	<u>\$ 1,232.3</u>	<u>\$ 1,335.0</u>	<u>\$ 1,451.4</u>	<u>\$ 1,286.2</u>	<u>\$ 1,366.2</u>

* Includes Federal financial aid

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University of Houston

University of Houston Operating Budget Expenditures FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 Student Success	\$ 774.2	\$ 832.6	\$ 869.4	\$ 824.1	\$ 894.6
2 National Competitiveness	186.9	204.9	193.5	222.9	231.6
3 Infrastructure & Administration	165.7	173.3	183.0	199.8	200.4
4 Community Advancement	41.8	42.3	42.2	39.4	39.6
5 Total	<u>\$1,168.6</u>	<u>\$1,253.1</u>	<u>\$ 1,288.1</u>	<u>\$ 1,286.2</u>	<u>\$ 1,366.2</u>

University of Houston Capital Projects Budget Summary

	-----Project Expenditures-----			Total Project Budget	-----Funded From-----			
	Project to Date (1)	FY2022 Budget	Future Year Budgets		HEAF	Revenue Bonds	Gifts	Other
New Construction								
Quad Housing Replacement	\$ 124,000,000	\$ -	\$ -	\$ 124,000,000	\$ -	\$ 110,625,000	\$ -	\$ 13,375,000
ACE Institute	2,892,000	200,000	-	3,092,000	292,000	-	1,500,000	1,300,000
Garage #6	49,380,000	-	-	49,380,000	-	49,380,000	-	-
College of Medicine	36,329,674	46,170,326	-	82,500,000	80,000,000	2,500,000	-	-
Auxiliary Retail Dining Center	6,652,622	19,597,378	8,750,000	35,000,000	-	35,000,000	-	-
New Law Center	37,050,000	40,000,000	-	77,050,000	-	30,000,000	10,000,000	37,050,000
Subtotal New Construction	\$ 256,304,296	\$ 105,967,704	\$ 8,750,000	\$ 371,022,000	\$ 80,292,000	\$ 227,505,000	\$ 11,500,000	\$ 51,725,000
Major Repair and Rehabilitation								
Core Renovations - SERC HVAC	\$ 2,000,000	\$ 3,000,000	\$ 4,000,000	\$ 9,000,000	\$ 7,089,177	\$ 1,910,823	\$ -	\$ -
Social Work Building Addition and Renovation	2,543,988	-	-	2,543,988	-	-	2,543,988	-
Melcher Renovation	15,771,000	-	-	15,771,000	1,221,895	14,528,105	-	21,000
Life Sciences Renovations - TMC Building	1,876,303	1,233,950	11,889,750	15,000,003	-	15,000,000	-	-
Student Health Bldg Renovation	3,500,000	-	-	3,500,000	3,028,105	471,895	-	-
Hilton Renovation and Expansion	9,284,696	15,836,478	5,278,826	30,400,000	-	30,365,457	-	34,543
Core Renovations - Science and Research I	15,600,000	4,100,000	12,300,000	32,000,000	5,000,000	27,000,000	-	-
Core Renovations - Roy G. Cullen	19,522,233	-	-	19,522,233	17,122,233	-	2,400,000	-
Core Renovations - McElhinney	1,592,018.70	6,703,991	2,703,991	11,000,000	4,200,000.00	6,000,000.00	-	800,000
Projects Budgeted Annually								
Capital Renewal Deferred Maintenance		15,000,000		15,000,000	15,000,000			
Subtotal Major Repairs & Rehabilitation	\$ 71,690,236	\$ 45,874,419	\$ 36,172,567	\$ 153,737,222	\$ 52,661,410	\$ 95,276,280	\$ 4,943,988	\$ 855,543
Total	\$ 327,994,532	\$ 151,842,123	\$ 44,922,567	\$ 524,759,221	\$ 132,953,410	\$ 322,781,280	\$ 16,443,988	\$ 52,580,543

(1) Project expenditures to date, estimated through August 31, 2021

University of Houston

Highlighted Use of New and Reallocated Funds

- Need-based financial aid
- 20 to 25 new faculty positions
- High performing and rising academic programs
- Strategic initiatives (e.g. Carbon Management, UH Extend)
- Lab renovation and classroom planned maintenance
- Classroom refreshes including technology upgrades
- Faculty and staff retention
- Graduate assistant compensation
- Strategic investment in new support staff
- IT (incl. cybersecurity), lab safety, and security initiatives

University of Houston

AY 2020-2021 Accomplishments

- Record student enrollment of 47,090
- 10,715 total degrees awarded (343 Doctorates awarded)
- 4-year graduation rate of 36%; 6-year graduation rate of 62%
- The Petroleum Engineering graduate program was ranked 9th nationally by U.S. News and World Report;
- The Political Science graduate program moved up into the top 50 rankings, with a rank of 50, up from 51 in 2018
- The Law Center had two programs ranked in the top 10 by U.S. News and World Report including Health Care Law (#5) and Intellectual Property Law (#8)
- The Cyvia and Melvyn Wolff Center for Entrepreneurship at the C.T. Bauer College of Business ranked #1 in the U.S. – list of the top 50 Best Undergraduate Programs for Entrepreneurs in 2021
- UH Library's ranking among its Association of Research Libraries (ARL) peers rose from 76th in 2013 to 61st in 2020.

University of Houston-Clear Lake

FY2022 Annual Budget

University of Houston-Clear Lake

UH-Clear Lake Operating Budget Revenues FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 State Appropriations	\$ 34.0	\$ 33.4	\$ 36.7	\$ 35.2	\$ 39.3
2 HEAF	8.0	8.0	8.0	7.7	7.7
3 Tuition & Fees	67.5	71.7	76.6	72.3	76.4
4 Other Operating	10.7	5.2	5.0	6.9	5.3
5 Contracts & Grants *	18.8	19.1	25.2	18.5	18.7
6 Endowment / Gifts	1.5	2.0	2.0	1.5	1.5
7 Total	<u>\$ 140.5</u>	<u>\$ 139.4</u>	<u>\$ 153.5</u>	<u>\$ 142.1</u>	<u>\$ 148.9</u>

* Includes Federal financial aid

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University of Houston-Clear Lake

UH-Clear Lake Operating Budget Expenditures FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 Student Success	\$ 102.6	\$101.3	\$ 107.7	\$ 110.1	\$ 112.0
2 National Competitiveness	1.8	1.7	1.7	3.5	3.7
3 Infrastructure & Administration	21.5	27.2	31.1	28.5	33.2
4 Community Advancement	-	0.1		0.0	0.0
5 Total	<u>\$ 125.9</u>	<u>\$130.3</u>	<u>\$ 140.5</u>	<u>\$ 142.1</u>	<u>\$ 148.9</u>

University of Houston-Clear Lake Capital Projects Budget Summary

	Project Expenditures			Total Project Budget	Funded From			
	Project to Date (1)	FY2022 Budget	Future Year Budgets		HEAF	Revenue Bonds	Gifts	Other
New Construction								
Dining Facilities	\$ 913,151	\$ 181,000		\$ 1,094,151				\$ 1,094,151
Subtotal New Construction	\$ 913,151	\$ 181,000	\$ -	\$ 1,094,151	\$ -	\$ -	\$ -	\$ 1,094,151
Major Repair and Rehabilitation								
Projects Budgeted Annually								
Capital Renewal Deferred Maintenance		\$ 1,619,000		\$ 1,619,000	\$ 1,619,000			
Parking Lot/Roadway Maintenance		144,000		144,000				144,000
Subtotal Major Repairs & Rehabilitation	\$ -	\$ 1,763,000	\$ -	\$ 1,763,000	\$ 1,619,000	\$ -	\$ -	\$ 144,000
Total	\$ 913,151	\$ 1,944,000	\$ -	\$ 2,857,151	\$ 1,619,000	\$ -	\$ -	\$ 1,238,151

(1) Project expenditures to date, estimated through August 31, 2021

University of Houston-Clear Lake

Highlighted Use of New and Reallocated Funds

- Need-based financial aid
- Aid to high achieving but underrepresented first time freshmen students
- Graduate assistant and student positions
- Faculty and staff retention
- Support personnel for student success
- UHCL strategic plan
- Technology, campus safety and security
- Campus infrastructure

University of Houston-Clear Lake AY 2020-2021 Accomplishments

- Ranked 17th place in U.S. News & World Report's 2019 rankings for Top Public Schools Regional Universities West.
- Ranked 15th Safest campus in the United States, the only Texas campus in the top 25.
- UHCL has continued to build on the strong team already in place and complete the structure that downward expansion demands.
- Despite the pandemic, UHCL maintained the previous year's high enrollment numbers. Enrollment growth enabled UHCL significant increases in State Appropriations from formula funding .
- The newly christened academic and student service buildings continue to support the overall academic growth and strategic mission of the University.
- UHCL has seen the positive developmental impact Hunter Residence Hall has provided UHCL student-residents. The unique residential experiences has resulted in an unprecedented rise in occupancy despite ongoing restrictions on roommates.
- Operations at Pearland continue to grow and engage a rapidly growing economy in Pearland. Community outreach events such as town hall forums on diversity and the future of policing were held at the Pearland site.

University of Houston-Downtown

FY2022 Annual Budget

University of Houston-Downtown

UH - Downtown Revenues FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 State Appropriations	\$ 31.3	\$ 31.5	\$ 32.5	\$ 31.2	\$ 33.6
2 HEAF	11.8	11.8	11.8	10.8	10.8
3 Tuition & Fees	93.2	96.7	106.9	103.9	119.4
4 Other Operating	6.2	7.7	6.6	9.4	5.1
5 Contracts & Grants *	38.3	45.4	55.5	40.5	45.9
6 Endowment / Gifts	2.9	3.5	3.7	3.4	3.1
7 Total	<u>\$ 183.7</u>	<u>\$ 196.6</u>	<u>\$ 217.0</u>	<u>\$ 199.2</u>	<u>\$ 217.9</u>

* Includes Federal financial aid

University of Houston-Downtown

UH - Downtown Expenditures FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 Student Success	\$ 145.7	\$ 151.4	\$ 159.0	\$ 158.6	\$ 172.1
2 National Competitiveness	2.7	2.4	2.6	1.6	1.9
3 Infrastructure & Administration	33.1	33.9	36.0	36.3	41.2
4 Community Advancement	4.3	3.7	3.1	2.7	2.7
5 Total	<u>\$ 185.8</u>	<u>\$ 191.4</u>	<u>\$ 200.7</u>	<u>\$ 199.2</u>	<u>\$ 217.9</u>

University of Houston-Downtown Capital Projects Budget Summary

	Project Expenditures			Total Project Budget	Funded From			
	Project to Date (1)	FY2022 Budget	Future Year Budgets		HEAF	Revenue Bonds	Gifts	Other
New Construction								
Wellness and Success Center	\$ 6,157,627	\$ 32,504,798		\$ 38,662,425	\$ -	\$ 35,000,000		\$ 3,662,425
Subtotal New Construction	\$ 6,157,627	\$ 32,504,798	\$ -	\$ 38,662,425	\$ -	\$ 35,000,000	\$ -	\$ 3,662,425
Major Repairs and Rehabilitation								
Projects Budgeted Annually								
Capital Renewal/Capital Improvement		\$ 1,660,000		\$ 1,660,000	\$ 1,660,000	\$ -	\$ -	\$ -
Additional Funding for O'Kane Theatre Renovations		500,000		500,000	\$ 500,000			
Girard Street Garage Capital Renewal		51,000		51,000				51,000
				-				
Subtotal Major Repairs & Rehabilitation	\$ -	\$ 2,211,000	\$ -	\$ 2,211,000	\$ 2,160,000	\$ -	\$ -	\$ 51,000
Total	\$ 6,157,627	\$ 34,715,798	\$ -	\$ 40,873,425	\$ 2,160,000	\$ 35,000,000	\$ -	\$ 3,713,425

(1) Project expenditures to date, estimated through August 31, 2021

University of Houston-Downtown Highlighted Use of New and Reallocated Funds

- Need-based financial aid
- Returning student counseling activities to an in-house operation
- New faculty positions
- Faculty and staff retention
- Technology, campus safety and security
- Campus infrastructure

University of Houston-Downtown

AY 2020-2021 Accomplishments

- UHD's FTIC 6- year graduation rate for FY2020 was 29.9 percent, surpassing the University's goal one full year ahead of schedule.
- The new Wellness and Success Center broke ground in May 2021, in advance of the beginning of the TXDOT highway relocation project. Completion is expected Spring 2022.
- CARES Act funds have supported strengthening the IT infrastructure to support distance education and supported students needing emergency financial assistance.
- UHD earned multiple *US News & World Report* rankings for online programs.
- UHD Ranked No. 1 for Diversity Regionally and No. 18 Nationally by *Wall Street Journal*.
- UHD was awarded two Reskilling grants totaling \$862,500 to support 575 returning students for completion in nine degree/certificate programs.
- UHD received a grant to provide a complex program for suicide prevention to increase awareness of mental health and substance use among students.

University of Houston-Victoria

FY2022 Annual Budget

University of Houston-Victoria

University of Houston-Victoria Operating Budget Revenues FY2018- FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 State Appropriations	\$ 18.0	\$ 18.0	\$ 18.5	\$ 18.2	\$ 19.4
2 HEAF	4.3	4.3	4.3	3.5	3.5
3 Tuition & Fees	27.4	29.6	32.7	30.7	35.3
4 Other Operating	3.4	6.5	4.1	9.6	9.5
5 Contracts & Grants *	14.9	12.1	17.0	7.1	12.4
6 Endowment / Gifts	1.3	2.0	0.9	0.4	0.4
7 Total	<u>\$ 69.3</u>	<u>\$ 72.5</u>	<u>\$ 77.5</u>	<u>\$ 69.5</u>	<u>\$ 80.5</u>

* Includes Federal financial aid

University of Houston-Victoria

University of Houston-Victoria Operating Budget Expenditures FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 Student Success	\$ 60.8	\$ 59.5	\$ 61.7	\$ 59.2	\$ 67.7
2 National Competitiveness	0.5	0.3	0.4	0.8	0.3
3 Infrastructure & Administration	7.9	8.7	10.1	9.1	12.0
4 Community Advancement	0.7	0.8	0.7	0.4	0.5
5 Total	<u>\$ 69.9</u>	<u>\$ 69.3</u>	<u>\$ 72.9</u>	<u>\$ 69.5</u>	<u>\$ 80.5</u>

University of Houston-Victoria Capital Projects Budget Summary

	Project Expenditures			Total Project Budget	Funded From			
	Project to Date (1)	FY2022 Budget	Future Year Budgets		HEAF	Revenue Bonds	Gifts	Other
New Construction								
Science, Technology Building (STEM)	\$ 26,566,523	\$ 1,119,921	\$ -	\$ 27,686,444	\$ 4,000,000	\$ 22,272,095	\$ 742,285	\$ 672,064
Health and Wellness Center	153,682	1,424,500	18,771,818	20,350,000		15,350,000	2,000,000	3,000,000
Ben Wilson Street renovation	1,233,988	4,466,012	1,500,000	7,200,000		7,200,000		
University Coomons	30,134,851	1,343,054		31,477,905		30,727,905		750,000
Don and Mona Smith Residence Hall	22,683,980	116,020		22,800,000	1,140,000	21,660,000		
Subtotal New Construction	\$ 80,773,024	\$ 8,469,507	\$ 20,271,818	\$ 109,514,349	\$ 4,000,000	\$ 97,210,000	\$ 2,742,285	\$ 4,422,064
Major Repair and Rehabilitation								
Town Plaza Mall (UHV Extension)	\$ 9,294,116	\$ 529,666		9,823,782	\$ 2,798,782	\$ 5,758,402		\$ 1,266,598
Renovations (North, West and Center Buildings)				-				
Subtotal Major Repairs & Rehabilitation	\$ 9,294,116	\$ 529,666	\$ -	\$ 9,823,782	\$ 2,798,782	\$ 5,758,402	\$ -	\$ 1,266,598
Land Acquisition								
Campus Expansion		\$ 2,178,429		2,178,429		\$ 2,178,429		
Subtotal Land Acquisition	\$ -	\$ 2,178,429	\$ -	\$ 2,178,429	\$ -	\$ 2,178,429	\$ -	\$ -
Total	\$ 90,067,140	\$ 11,177,602	\$ 20,271,818	\$ 121,516,560	\$ 6,798,782	\$ 105,146,831	\$ 2,742,285	\$ 5,688,662

(1) Project expenditures to date estimated through August 31, 2021

University of Houston-Victoria

Highlighted Use of New and Reallocated Funds

- Create a Center for Student Success and Achievement
- Additional funding for student scholarships
- Hire essential faculty and staff in critical areas
- Faculty and staff retention
- Classroom and network technology
- Campus infrastructure
- Increased funding for athletic travel and scholarships

University of Houston-Victoria

AY 2020-2021 Accomplishments

- Recognized by Texas Online Colleges and HealthcareDegreeSearch.com as the best value for online students in the state
- Added new degree concentrations in cybersecurity and data science
- Completed Capital Projects –Smith Hall; UHV Northwest facility; STEM facility
- Fund raising - largest single gift in university history at \$2 million; greatest number of unique foundation donors; second highest fundraising year
- Through July 2021, UHV has received approximately \$430,000 to fund construction of a beautiful garden space on campus honoring the late Regent Kay Kerr Walker
- Athletic Achievements:
 - Men's soccer complete 2nd straight undefeated Conference Schedule
 - 3 of 6 UHV teams advanced to NAIA National Championships
 - 34% of UHV student athletes earned UHV Deans List
- UHV's Center for Regional Collaboration joined an effort to help rural communities in DeWitt, Lavaca and Refugio counties get broadband internet service for their residents

University of Houston System Administration

FY2022 Annual Budget

University of Houston-System Administration

University of Houston System Administration Operating Budget Revenues FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 State Appropriations *	\$ 47.9	\$ 47.8	\$ 42.0	\$ 42.0	\$ 42.4
2 Other Operating	6.9	7.8	9.3	9.8	9.5
3 Contracts & Grants	1.4	1.3	0.6	0.0	0.0
4 Endowment Income / Gifts	4.7	4.6	4.6	2.1	2.2
5 Total	<u>\$ 60.9</u>	<u>\$ 61.5</u>	<u>\$ 56.5</u>	<u>\$ 53.9</u>	<u>\$ 54.1</u>

* Includes TRB debt service

University of Houston-System Administration

University of Houston System Administration Operating Budget Expenditures FY2018 - FY2022 \$ in Millions

	A 2018 Actual	B 2019 Actual	C 2020 Actual	D 2021 Budgeted	E 2022 Proposed
1 Student Success	\$ 1.6	\$ 1.5	\$ 1.3	\$ 1.4	\$ 1.5
2 National Competitiveness	1.0	1.0	0.5	0.5	0.5
3 Infrastructure & Administration *	66.6	54.5	52.0	52.0	52.1
4 Community Advancement	0.0	-	-	0.0	0.0
5 Total	<u>\$ 69.2</u>	<u>\$57.0</u>	<u>\$53.8</u>	<u>\$ 53.9</u>	<u>\$ 54.1</u>

* Includes TRB debt service

UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA

COMMITTEE: Finance and Administration

ITEM: Approval is requested to establish a textbook savings pilot program incidental fee at the University of Houston – University of Houston

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY:

Approval is requested to establish a textbook savings pilot program incidental fee at the University of Houston as noted in the fee presentation.

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

SUPPORTING

DOCUMENTATION: Fee and Program components presentation

FISCAL NOTE: None

RECOMMENDATION/
ACTION REQUESTED: Administration recommends approval of this item

COMPONENT: University of Houston



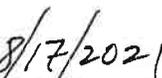
PRESIDENT Renu Khator



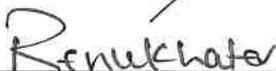
DATE 8/19/2021



SENIOR VICE CHANCELLOR Raymond S. Bartlett



DATE 8/17/2021



CHANCELLOR Renu Khator



DATE 8/19/2021

FY2022 Textbook Savings Pilot Program Recommendation

UH System Board of Regents
Administration and Finance Committee
August 26, 2021

University of Houston

Proposed FY2022 Incidental Fee

- Cougar Textbook Access Pilot Program Launches Spring 2022
- The Cougar Textbook Access fee will be charged to participating students in 8 to 10 courses included in the pilot program
- Students have the option to opt out of the fee

Fee	FY22 Proposed Rate
Cougar Textbook Access Fee	\$10/course min \$110/course max

University of Houston System

FY2022 Cougar Textbook Access Pilot Program

- Program Background
 - In Academic Year 2019-2020, according to data from the National Association of College Stores:
 - 34% of students had the majority of their course materials prior to the first day of class
 - 28% of students reported that they had not purchased at least one required course material, and 57% of those students identified price as the reason
 - 80% of students reported learning at least a moderate amount from course materials
- The UH Learning Material Affordability Task Force recommends implementing a pilot course materials program in Spring 2022
 - One tool in the toolkit to address student course material affordability, which also includes the Open Educational Resource (OER) initiative sponsored by the Provost
 - Students are asking for more affordable course material options
 - Students prefer using financial aid to pay for course materials
 - The Cougar Textbook Access Pilot program follows a model used by other Texas public universities

University of Houston System FY2022 Cougar Textbook Access Pilot Program

- Program Description
 - Participating students will be pre-registering for course materials at the same time as they register for their course
 - Course materials will be available before the first day of class, via the Blackboard learning management system
 - Advance knowledge of needed course materials allows negotiation of reduced prices, which lowers the cost for students

University of Houston System FY2022 Cougar Textbook Access Pilot Program

- Program Benefits
 - Students are expected to save between \$6 and \$280 per course during the pilot program
 - Full implementation is expected to have savings of \$7.3M annually for undergraduate students
 - Students will have their course materials on the first day of class
 - Digital materials are conveniently available via the Blackboard learning management system
 - Students can choose to opt out of the program until the 12th class day
 - Students can use their financial aid to directly pay for textbook costs via the Student System
 - Parents and students will be able to effectively budget their learning materials expense
- After the pilot program, we will seek evaluations from participating faculty and students that will be used to determine the viability for full implementation.

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End of Presentation

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FY2022 Optional Fee

University of Houston FY2022 Optional Fee Changes

	Estimated Revenue Change
SUMMARY COUGAR TEXTBOOK ACCESS PILOT PROGRAM	300,000
TOTAL UNIVERSITY OF HOUSTON	<u>\$ 300,000</u>

FY2022 Optional Fee

		University of Houston System FY2022 Optional Fee Change				
Fee Description		Current Rate	Change	Proposed Rate	Estimated Revenue Change	Justification/Revenue Use
<u>University of Houston</u>						
Optional Fees						
Auxiliary Services	Cougar Textbook Access Pilot Program	N/A	\$10/Course (\$3.33/SCH) Min \$110/Course (\$36.67/SCH) Max	\$10/Course (\$3.33/SCH) Min \$110/Course (\$36.67/SCH) Max	\$ 300,000	Revenue from the Cougar Textbook Access Fee will be used to cover the costs of course materials for the estimated 5,000 students participating in the pilot program for the selected courses.
Subtotal Optional Fees - University of Houston					<u>\$ 300,000</u>	
Total Optional Fees - University of Houston					<u>\$ 300,000</u>	

**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



DATE



CHANCELLOR

Renu Khator



DATE

University of Houston System
Summary of Goods and Services Contracts Greater than \$1 Million
F&A Committee - August 2021

Component	Project	Procurement Method	Vendor	Purpose	Term	\$ Amount	Funding Source	HUB Goal	Comments
Goods and Services Contracts Greater than \$1 Million									
UH	Classroom Upgrade Project	Request for Proposal	TBD	To obtain audiovisual equipment, installation, project management and software to equip 27 UH classrooms for enhanced teaching options.	Initial Term: 9 months	Initial Term: \$2,600,000	Grant Funds	26%	
UH	Campaign Management Gift Processing Support, NGOC Database Management Services	Sole Source	Contributor Development Partnership, PBC (CDP)	To obtain campaign management and execution services across specific fundraising channels (direct mail, texting, and automated digital renewals), gift processing support, NGOC database management, and access to proprietary cooperative purchasing pricing for fundraising and member management services.	Initial Term: 3 years Optional Term: 2 years	Initial Term: \$1,340,000 Optional Term: \$1,010,000	Gift Funds Grant Funds	N/A	
UH	Public Broadcasting Service (PBS) Programming Fees	Sole Source	Public Broadcasting System	Programming fees are needed for Houston Public Media to broadcast PBS programs on the KUHT radio stations for FY22. There is no contract for these fees.	Original Term: 1 year	Original Term: \$2,327,912	Gift Funds Grant Funds	N/A	Programming fees are not subject to HUB reporting. A contract is not required for the annual dues.
UH	National Public Radio (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 FY22. There is no contract for these fees.	Original Term: 1 year	Original Term: \$1,581,824	Gift Funds Grant Funds	N/A	Programming fees are not subject to HUB reporting. A contract is not required for the annual dues.
UHS	Legal Services	Request for Qualifications	Winstead PC	To provide legal services for FY2022 and FY2023 in the areas of intellectual property, real estate and finance transactions, corporate law, sports law, construction, and export controls.	Original Term: 2 years	Original Term: \$2,000,000	Designated Funds	0%	
UHS	Executive Search Firms	Request for Proposal	Multiple (8 firms total)	Recruiting and interim placement services for senior, executive or other highly specialized positions within the UHS.	Original Term: 3 years Optional Terms: Two 1-year options	Original Term: \$1,800,000 Optional Term: \$1,200,000	Designated Funds	26%	
UHS	Oracle Enterprise System Software Maintenance and Support	Sole Source	Oracle America, LLC	Enterprise System Software maintenance and support plus additional licenses for a period of 10 years.	Original Term: 10 years	Original Term: \$28,675,000	Designated Funds	21%	
UHS	Customer Relationship Management (CRM) for Enrollment Services	Request for Proposal	Technolutions	Comprehensive system-wide platform for admissions, enrollment management, and student success software implementation and solutions to be used for undergraduate, graduate, and professional schools.	Initial Term: 3-1/3 years Optional Terms: Two 1-year options	Initial Term: \$1,437,842 Optional Terms: \$562,500	Designated Funds	26%	
UH	Computerized Maintenance Management System (CMMS)	Cooperative Purchasing Program	AssetWorks	Provide a comprehensive, web-based and flexible system for space inventory, work order functionality, building asset management, and lock and key system management.	Initial Term: 5 years	Initial Term: \$2,100,000	Designated Funds	26%	
UHS	Building Exterior Cleaning	Request for Proposal	TBD	Provide system-wide building exterior cleaning and window washing services.	Initial Term: 3 years Optional Terms: Two 1-year options	Initial Term: \$900,000 Optional Term: \$600,000	State Funds Auxiliary Funds	26%	
UHS	Campus Wide Irrigation, Landscaping and Mowing Services	Request for Proposal	ABM Texas General Services, Inc.	Increase total contract value for system-wide irrigation, landscaping, tree maintenance and mowing for the University of Houston campuses due to increased costs from irrigation repairs, repairs and maintenance from freezing weather, and additional service needs.	Initial Term: 3 years Optional Terms: Two 1-year options	Initial Term: \$2,700,000 (\$900K increase) Optional Term: \$1,800,000 (\$600K increase)	State Funds Designated Funds	26%	
UH	Consulting services on athletic matters	Sole Source	Navigate Marketing Inc.	Advise and consult on various athletic matters	Initial Term: 2 years	Initial Term: \$3,850,000	Auxiliary Funds	26%	
UHCL	UHCL Energy Savings Performance Contract	TIPS Cooperative	Ameresco	Enter into an Energy Savings Performance Contract to reduce campus use of electricity, natural gas, water, and waste water.	Initial term: 20 years	Initial Term: \$3,435,000	Designated Funds	18%	
UH	Event Management Services	Request for Proposal	Andy Frain Services	Extend the existing Athletics contract for one year. Event management services include security, ushering, emergency, and equipment for athletic competitions for UH men's and women's sports and special events held in Athletics Department venues.	Initial term: 5 years Optional Term: 1 year	Initial Term: \$3,000,000 Optional Term: No change	Auxiliary Funds	0%	

**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

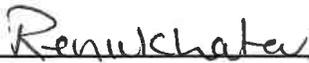
COMPONENT: University of Houston System



SENIOR VICE CHANCELLOR Raymond S. Bartlett

7/29/2021

DATE



CHANCELLOR Renu Khator

8/19/2021

DATE

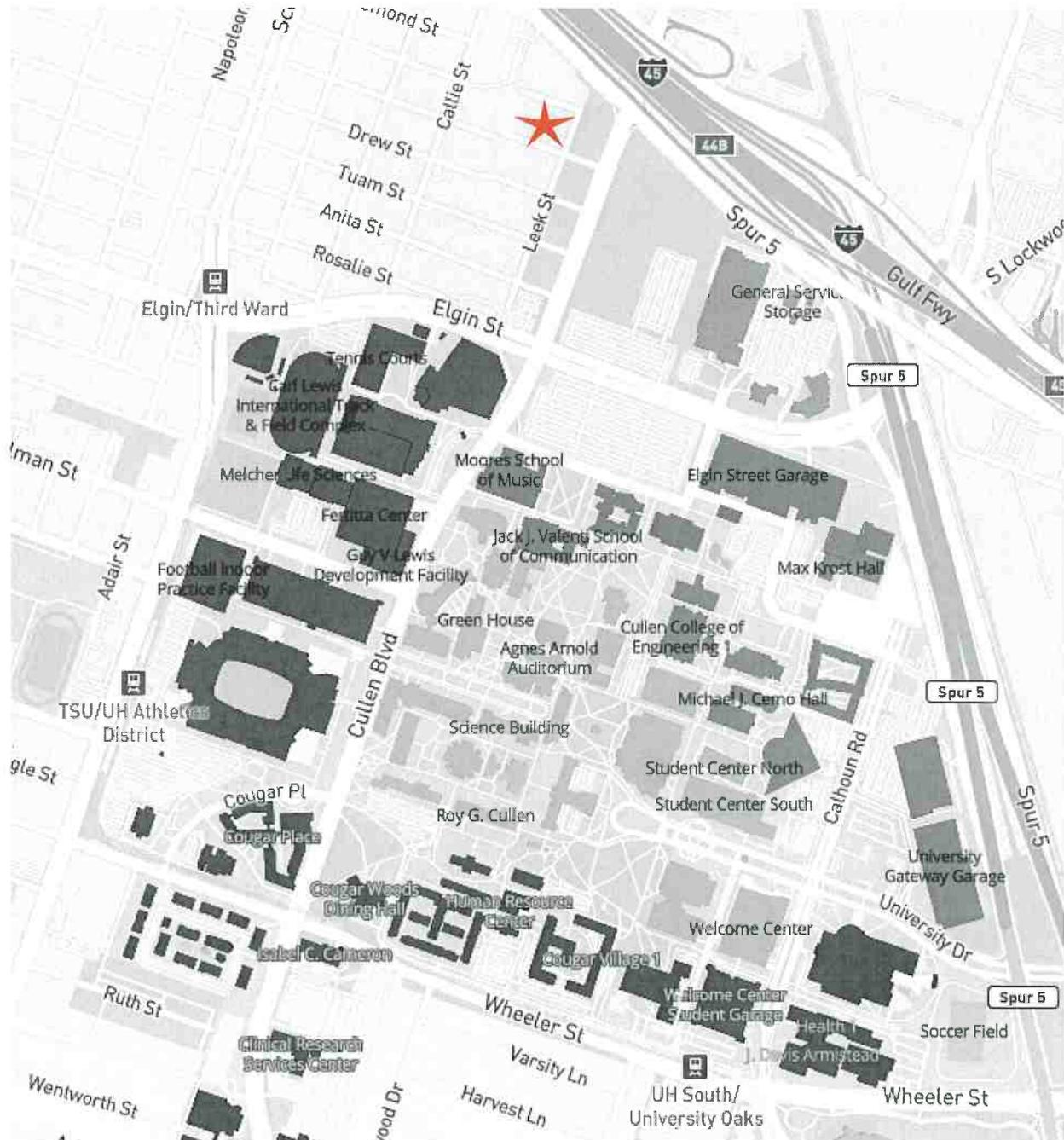
University of Houston System
 Summary of Construction Contracts Greater than \$1 Million
 F&A Committee August 26, 2021

Component	Project	Procurement	Vendor	Purpose	Amount	Funding	HUB	Comments
UH	Chung's Demolition	CSP	TBD	Construction contract. Construction contract for the Chung's building demolition and site repair at the newly acquired property located at the University of Houston.	\$ 1,500,000	HEAF	21.10%	
UH	Houston Science Center Fire Panel and Pump Replacement	CSP	TBD	Construction contract. Construction contract to install a new fire panel and fire pump on the Houston Science Center Building located at the University of Houston.	\$ 2,600,000	HEAF	21.10%	
UH & UHSL	HVAC Repairs	Sole Source	TBD	Construction contract. Construction contract for emergency HVAC repair work on several buildings. The repairs will help increase ventilation and assist with other safety repairs located in multiple buildings on the University of Houston campus and University of Houston at Sugar Land campus.	\$ 4,200,000	Federal/HEAF	21.10%	

**UNIVERSITY OF HOUSTON
CHUNG'S SITE (DEMOLITION)
SUPPORTING DOCUMENTATION**

SITE MAP

Total Acres = 1.9



UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA

COMMITTEE: Finance and Administration

ITEMS: Approval is requested to close a portion of Calhoun Road at the University of Houston.

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY:

The portion of Calhoun Road from the current terminus to Texas Spur 5 was closed under the 1999 Board of Regent's approval and the University of Houston System would like to complete the closure for the adjacent portion of Calhoun Road from that portion of Calhoun Road north of 4700 Calhoun Road, formerly known as UH Entrance 19, to the current terminus.

The original portion closed under the 1999 Board of Regents approval was converted to Parking Lot 19B. The adjacent portion to be closed will be used to create an entrance for Parking Lot 19B.

Section 51.904 of the Texas Education Code provides for circumstances under which an institution of higher education may close a street or alley through a campus, all of which are satisfied here. The University of Houston System will need to grant easements to the City of Houston and franchised utility providers for affected utility lines or facilities.

**SUPPORTING
DOCUMENTATION:**

Map of Calhoun Road closure, Resolution of Closure of a Portion of Calhoun Road

FISCAL NOTE:

Minimal costs to remove existing street signage, curbs, gutters and other reasonable requirements imposed by the City of Houston.

**RECOMMENDATION/
ACTION REQUESTED:**

Administration recommends approval of this item

COMPONENT:

University of Houston



SENIOR VICE CHANCELLOR

Raymond S. Bartlett

DATE

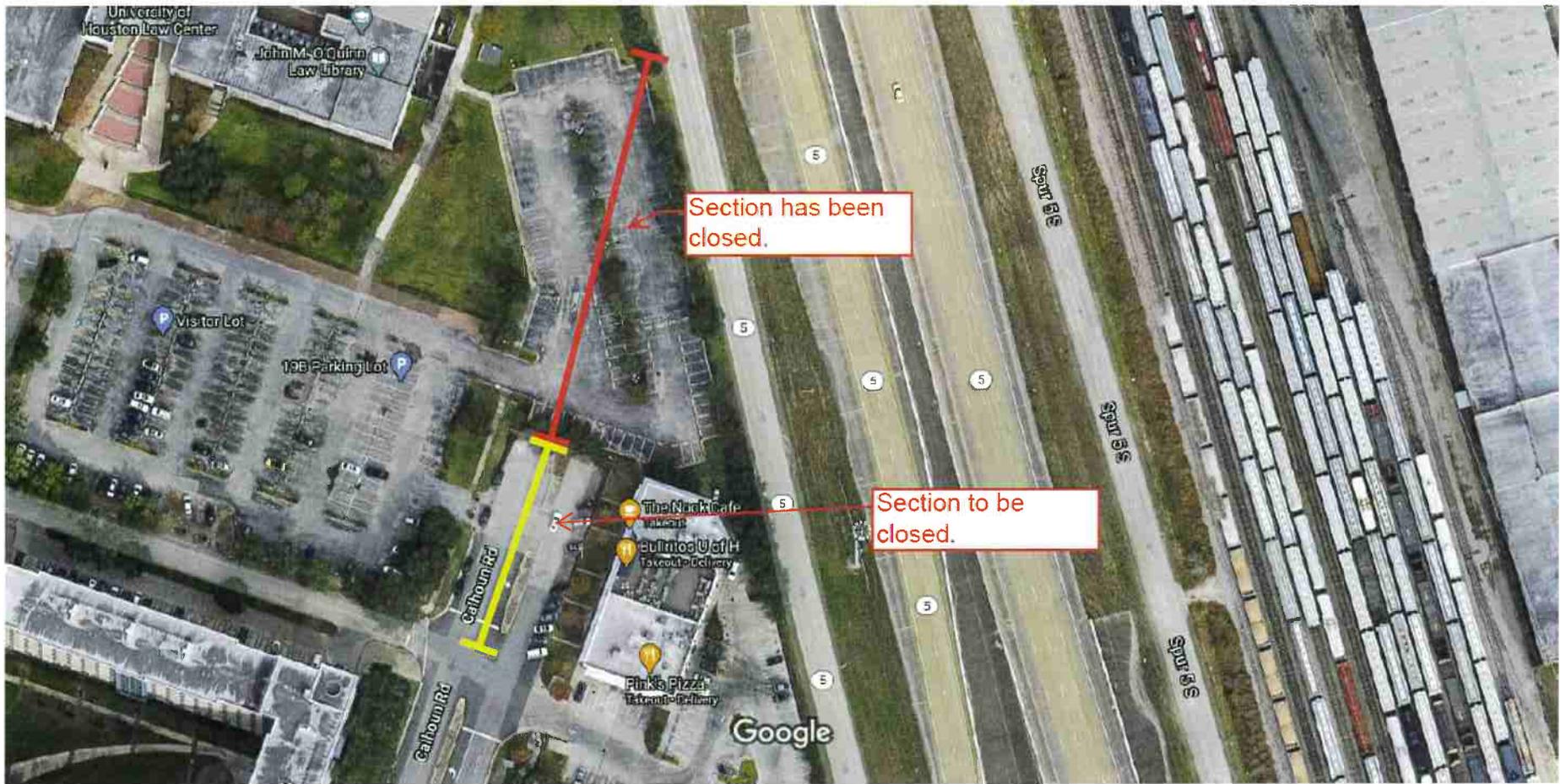


CHANCELLOR

Renu Khator

DATE





**BOARD OF REGENTS
UNIVERSITY OF HOUSTON SYSTEM
RESOLUTION OF CLOSURE OF A PORTION OF CALHOUN ROAD
NORTH OF 4700 CALHOUN ROAD, FORMERLY KNOWN AS UH ENTRANCE 19,
TO TEXAS SPUR 5**

WHEREAS, the Board of Regents of the University of Houston System is the governing body of the University Houston System and the University of Houston pursuant to Chapter 111 of the Texas Government Code;

WHEREAS, the University of Houston is located in Houston, Harris County, Texas, and the population of Harris County is in excess of 3,000,000 at the last Federal census;

WHEREAS, Calhoun Road runs through the University of Houston's campus;

WHEREAS, the Board of Regents of the University of Houston System owns all of the real property abutting the portion of Calhoun Road to be closed;

WHEREAS, the provision of Section 51.904 of the Texas Education Code authorizes the governing body of a state-supported college or university in a county having a population in excess of 3,000,000 to vacate, abandon, and close a street or alley running through the campus if the state-supported college or university:

- (a) Owns all of the real property abutting the street or alley;
- (b) Owns 20 or more acres of real property at the campus where the street or alley is located;
- (c) Provides to the governing body of the political subdivision owning, controlling, or maintaining the street or alley written notice of the institution's intent to close the street or alley 45 days before the street or alley is to close; and
- (d) Accommodates for utilities owned by a governing body or a franchise utility by granting an easement or moving the line or facility to another location.

WHEREAS, the Board of Regents of the University of Houston System is aware that the City of Houston and franchised utility providers have certain utility facilities under the above-described portion of Calhoun Road and agrees that in connection with the closure of such portion of Calhoun Road, it will provide the City of Houston, Texas, and franchised utility providers easements for general utilities, sanitary sewer, and storm sewer purposes.

NOW, BE IT THEREFORE RESOLVED, that the Board of Regents of the University of Houston System, pursuant to Section 51.904 of the Texas Education Code, hereby vacates, abandons, and closes that portion of Calhoun Road north of 4700 Calhoun Road, formerly known as UH Entrance 19, to Texas Spur 5 in Houston, Harris County, Texas.

BE IT FURTHER RESOLVED, that the Board of Regents of the University of Houston System hereby authorizes the execution of easements conveying to the City of Houston, Texas, and franchised utility providers, easements for general utilities, sanitary sewer, and storm sewer purposes.

BE IT FURTHER RESOLVED, that the Chairman of the Board of Regents, when joined by the Secretary of the Board of Regents, is hereby authorized for and on behalf of the Board of Regents of the University of Houston System to execute, sign, acknowledge to be the act of the Board of Regents of the University of Houston System, and delegates authority to the Chancellor of the University of Houston System to deliver and convey easements for general utilities, sanitary sewer, and storm sewer purposes to the City of Houston, Texas, and franchised utility providers, and in such easements, or otherwise, to make all agreements and covenants to do and perform all acts and things where, in her judgement, may be necessary expedient, or required to complete this transaction.

WITNESS my hand this _____ day of _____, 2021.

**BOARD OF REGENTS
UNIVERSITY OF HOUSTON SYSTEM**

By: _____
Tilman J. Fertitta
Chairman

By: _____
Beth Madison
Secretary

APPROVED AS TO FORM

By: _____
Dona Hamilton Cornell
General Counsel