

UNIVERSITY OF HOUSTON SYSTEM
FINANCE & ADMINISTRATION COMMITTEE
Wednesday, May 12, 2010
8:30 a.m. – 10:30 a.m.

AGENDA

UNIVERSITY OF HOUSTON SYSTEM FINANCE AND ADMINISTRATION COMMITTEE MEETING

DATE: Wednesday, May 12, 2010

TIME: 8:30 a.m.

PLACE: University of Houston
Athletics/Alumni Center
Melcher Board Room 100B
3100 Cullen Blvd.
Houston, Texas 77204

Chair: Jim P. Wise

Vice Chair: Carroll Robertson Ray

Members: Nandita V. Berry
Welcome W. Wilson, Sr., Ex Officio

FINANCE AND ADMINISTRATION COMMITTEE

A. Call to Order

B. Approval of Committee Minutes

- February 10, 2010, Finance and Administration Committee Minutes

Action: Approval

C. Approval is requested for the University of Houston System FY 2011 Plan and Budget – UH System F&A – 1

Action: Approval

D. Approval is requested for the purchase and installation of a Metal Organic Chemical Vapor Deposition (MOCVD) System for Superconductivity – University of Houston F&A – 2

Action: Approval

- E. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for purchase of property adjacent to the University of Houston-Downtown (UHD) campus, needed for future campus expansion – UH-Downtown F&A – 3

Action: Approval

- F. Approval is requested for changing the project schedule and scope into a two phase project for University of Houston-Victoria Jaguar Hall – UH-Victoria F&A – 4

Action: Approval

- G. Report on the sale of the Consolidated Revenue and Refunding Bonds, Series 2010A, Series 2010B, and Series 2010C – UH System F&A – 5

Action: Information

- H. Termination of UH-Downtown custodial contract with WFF Facilities Services – UH-Downtown F&A – 6

Action: Information

- I. Adjourn

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

COMMITTEE: Finance and Administration

ITEM: Approval is requested for the University of Houston System FY 2011 Plan and Budget.

**DATE PREVIOUSLY
SUBMITTED:**

SUMMARY: Approval is requested for the FY 2011 Plan and Budget. Annual plans, plus revenue and expenditure budgets, are being presented for all university components for the period September 2010 through August 2011. The budget for the UH System includes operating, restricted and capital facilities budgets for the University of Houston, University of Houston-Downtown, University of Houston-Clear Lake, University of Houston-Victoria, and University of Houston System Administration.

FISCAL NOTE:

SUPPORTING DOCUMENTATION: FY2011 Budget – Table 1-Sources and Uses

ACTION REQUESTED: Approval

COMPONENT: University of Houston System

PRESIDENT



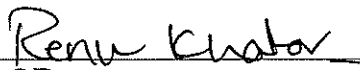
DATE

4/29/10

EXECUTIVE VICE CHANCELLOR

Carl Carlucci

DATE



CHANCELLOR

Renu Khator

DATE

4/29/10

University of Houston System Combined
Table 1 - Sources & Uses
(\$ in Millions)

	A	B		C	D	E		F	G
	<u>Historical</u>	-----Change-----			<u>Current</u>	-----Change-----			<u>New</u>
	FY2009 Budget	Dollars	Percent		FY2010 Budget	Dollars	Percent		FY2011 Budget
<u>Operating & Restricted Budget</u>									
Source of Funds									
1 State Appropriations	\$ 277.3	\$ 19.6	7.1%		\$ 296.9	\$ (2.6)	-0.9%		\$ 294.3
2 HEAF	33.9	(5.3)	-15.7%		28.6	(2.8)	-9.7%		25.8
3 Tuition & Fees	384.8	29.2	7.6%		414.0	41.4	10.0%		455.4
4 Other Operating (Auxiliaries)	128.1	(1.0)	-0.7%		127.2	25.8	20.3%		153.0
5 Contracts & Grants (Restricted)	165.4	33.5	20.3%		198.9	38.8	19.5%		237.7
6 Endowments/Gifts (Restricted)	37.7	(8.1)	-21.6%		29.5	(3.6)	-12.3%		25.9
7 Total Sources	\$ 1,027.2	\$ 67.8	6.6%		\$ 1,095.0	\$ 97.0	8.9%		\$ 1,192.0
Use of Funds by Object									
8 Salaries and Wages - Faculty	\$ 205.7	\$ 15.9	7.8%		\$ 221.6	\$ 4.5	2.0%		\$ 226.1
9 Salaries and Wages - Staff	268.2	7.1	2.7%		275.3	4.7	1.7%		280.1
10 Benefits	104.6	3.6	3.5%		108.2	3.5	3.2%		111.7
11 M&O	227.3	21.6	9.5%		248.9	29.2	11.7%		278.2
12 Capital	41.2	(2.6)	-6.2%		38.7	3.0	7.6%		41.6
13 Scholarships	115.0	17.6	15.3%		132.6	33.1	25.0%		165.7
14 Debt Service	40.9	5.9	14.4%		46.7	7.2	15.4%		54.0
15 Utilities	24.3	(1.4)	-5.9%		22.9	(0.4)	-1.7%		22.5
16 Reserve for State Budget Reduction	-	-			-	12.2			12.2
17 Total Uses	\$ 1,027.2	\$ 67.8	6.6%		\$ 1,095.0	\$ 97.0	8.9%		\$ 1,192.0
<u>Capital Facilities Budget</u>									
Source of Funds									
18 HEAF	\$ 19.3	\$ 5.5	28.4%		\$ 24.7	\$ 0.3	1.3%		\$ 25.1
19 Bonds	127.0	11.9	9.4%		138.9	(27.2)	-19.6%		111.7
20 Gifts	25.3	(7.3)	-29.0%		18.0	(14.0)	-77.7%		4.0
21 Other	50.6	(25.2)	-49.8%		25.4	(16.0)	-63.1%		9.4
22 Total Sources	\$ 222.3	\$ (15.2)	-6.8%		\$ 207.1	\$ (56.9)	-27.5%		\$ 150.1
Use of Funds by Object									
23 Construction	\$ 176.5	\$ (61.5)	-34.8%		\$ 115.0	\$ (33.5)	-29.1%		\$ 81.5
24 Major Rehabilitation	45.8	17.3	37.8%		63.1	5.6	8.8%		68.7
25 Acquisitions	-	29.0			29.0	(29.0)	-100.0%		-
26 Total Uses	\$ 222.3	\$ (15.2)	-6.8%		\$ 207.1	\$ (56.9)	-27.5%		\$ 150.1
<u>Total Operating, Restricted and Capital Budget</u>									
27	\$ 1,249.4	\$ 52.7	4.2%		\$ 1,302.1	\$ 40.1	3.1%		\$ 1,342.2

University of Houston
Table 1 - Sources & Uses
(\$ in Millions)

	A	B	C	D	E	F	G
	Historical	Change		Current	Change		New
	FY2009 Budget	Dollars	Percent	FY2010 Budget	Dollars	Percent	FY2011 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 185.4	\$ 13.4	7.3%	\$ 198.9	\$ (2.7)	-1.4%	\$ 196.1
2 HEAF	20.0	(6.3)	-31.5%	13.7	(1.8)	-13.1%	11.9
3 Tuition & Fees	281.2	22.0	7.8%	303.2	26.7	8.8%	329.9
4 Other Operating (Auxiliaries)	102.6	(1.3)	-1.2%	101.3	23.0	22.7%	124.3
5 Contracts & Grants (Restricted)	137.5	26.4	19.2%	163.9	27.6	16.9%	191.5
6 Endowments/Gifts (Restricted)	30.8	(5.8)	-18.9%	25.0	(4.3)	-17.1%	20.7
7 Total Sources	\$ 757.4	\$ 48.5	6.4%	\$ 805.9	\$ 68.5	8.5%	\$ 874.4
Use of Funds by Object							
8 Salaries and Wages - Faculty	\$ 150.0	\$ 12.8	8.5%	\$ 162.8	\$ 1.1	0.7%	\$ 163.8
9 Salaries and Wages - Staff	200.4	4.7	2.3%	205.0	0.0	0.0%	205.1
10 Benefits	74.2	2.3	3.2%	76.5	1.6	2.1%	78.1
11 M&O	180.8	17.1	9.5%	197.9	22.4	11.3%	220.3
12 Capital Equipment	26.7	(3.7)	-13.8%	23.0	4.7	20.3%	27.7
13 Scholarships	80.9	10.1	12.5%	91.0	23.3	25.6%	114.3
14 Debt Service	26.3	6.2	23.6%	32.5	6.9	21.1%	39.4
15 Utilities	18.2	(1.0)	-5.5%	17.2	-	0.0%	17.2
16 Reserve for State Budget Reduction	-	-	-	-	8.5	-	8.5
17 Total Uses	\$ 757.4	\$ 48.5	6.4%	\$ 805.9	\$ 68.5	8.5%	\$ 874.4
<u>Capital Facilities Budget</u>							
Source of Funds							
18 HEAF	\$ 15.3	\$ 7.1	46.4%	\$ 22.4	\$ 1.6	7.1%	\$ 24.0
19 Bonds	111.0	17.0	15.3%	128.0	(27.1)	-21.2%	100.9
20 Gifts	20.9	(2.9)	-13.9%	18.0	(14.1)	-78.2%	3.9
21 Other	47.0	(24.8)	-52.8%	22.2	(15.3)	-69.0%	6.9
22 Total Sources	\$ 194.2	\$ (3.7)	-1.9%	\$ 190.6	\$ (54.9)	-28.8%	\$ 135.7
Use of Funds by Object							
23 Construction	\$ 153.3	\$ (52.1)	-33.9%	\$ 101.3	\$ (29.6)	-29.2%	\$ 71.7
24 Major Rehabilitation	40.9	19.4	47.4%	60.3	3.7	6.2%	64.0
25 Acquisitions	-	29.0	-	29.0	(29.0)	-	-
26 Total Uses	\$ 194.2	\$ (3.7)	-1.9%	\$ 190.6	\$ (54.9)	-28.8%	\$ 135.7
<u>Total Operating, Restricted and Capital Budget</u>							
27	\$ 951.7	\$ 44.8	4.7%	\$ 996.5	\$ 13.6	1.4%	\$ 1,010.1

University of Houston-Clear Lake

Table 1 - Sources & Uses

(\$ in Millions)

	A	B	C	D	E	F	G
	<u>Historical</u>	<u>Change</u>		<u>Current</u>	<u>Change</u>		<u>New</u>
	FY2009 Budget	Dollars	Percent	FY2010 Budget	Dollars	Percent	FY2011 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 35.4	\$ 2.3	6.5%	\$ 37.8	\$ 0.2	0.5%	\$ 37.9
2 HEAF	6.0	(0.6)	-10.8%	5.4	(0.1)	-2.6%	5.2
3 Tuition & Fees	39.0	2.7	7.0%	41.7	5.2	12.5%	46.9
4 Other Operating (Auxiliaries)	4.1	0.3	8.2%	4.4	(0.4)	-9.8%	4.0
5 Contracts & Grants (Restricted)	6.3	2.0	31.3%	8.3	2.4	28.4%	10.6
6 Endowments/Gifts (Restricted)	1.1	(1.6)	-141.2%	(0.5)	0.9	-206.4%	0.5
7 Total Sources	\$ 92.0	\$ 5.1	5.6%	\$ 97.1	\$ 8.1	8.4%	\$ 105.2
Use of Funds by Object							
8 Salaries and Wages - Faculty	\$ 21.2	\$ 1.0	4.7%	\$ 22.2	\$ 1.0	4.4%	\$ 23.2
9 Salaries and Wages - Staff	23.7	1.8	7.8%	25.6	1.4	5.4%	26.9
10 Benefits	11.6	0.3	2.2%	11.9	0.6	4.9%	12.4
11 M&O	16.8	2.0	12.0%	18.8	0.0	0.2%	18.8
12 Capital	4.2	(0.8)	-17.8%	3.5	0.2	6.7%	3.7
13 Scholarships	7.8	1.0	13.1%	8.8	3.7	42.3%	12.5
14 Debt Service	3.6	0.0	0.1%	3.6	(0.0)	-0.1%	3.6
15 Utilities	3.1	(0.3)	-8.4%	2.9	(0.3)	-9.4%	2.6
16 Reserve for State Budget Reduction	-	-		-	1.4		1.4
17 Total Uses	\$ 92.0	\$ 5.1	5.6%	\$ 97.1	\$ 8.1	8.4%	\$ 105.2
<u>Capital Facilities Budget</u>							
Source of Funds							
19 Bonds	\$ 1.5	\$ 4.5	300.0%	\$ 6.0	\$ 0.6	10.0%	\$ 6.6
21 Other	1.7	0.8	46.9%	2.5	(0.1)	-3.0%	2.4
22 Total Sources	\$ 3.2	\$ 5.3	166.5%	\$ 8.5	\$ 0.5	6.2%	\$ 9.0
Use of Funds by Object							
23 Construction	\$ 1.5	\$ 5.4	361.2%	\$ 6.9	\$ (1.1)	-15.7%	\$ 5.8
24 Major Rehabilitation	1.7	(0.1)	-7.9%	1.5	1.6	104.1%	3.2
26 Total Uses	\$ 3.2	\$ 5.3	166.5%	\$ 8.5	\$ 0.5	6.2%	\$ 9.0
<u>Total Operating, Restricted and Capital Budget</u>							
27	\$ 95.1	\$ 10.4	10.9%	\$ 105.5	\$ 8.6	8.2%	\$ 114.2

University of Houston-Downtown
Table 1 - Sources & Uses
(\$ in Millions)

	A	B	C	D	E	F	G
	<u>Historical</u>	<u>Change</u>		<u>Current</u>	<u>Change</u>		<u>New</u>
	FY2009 Budget	Dollars	Percent	FY2010 Budget	Dollars	Percent	FY2011 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 33.6	\$ 2.5	7.6%	\$ 36.1	\$ 0.0	0.0%	\$ 36.2
2 HEAF	6.5	1.8	27.2%	8.3	(1.7)	-20.4%	6.6
3 Tuition & Fees	51.4	2.9	5.7%	54.3	6.4	11.8%	60.7
4 Other Operating (Auxiliaries)	5.2	3.0	57.3%	8.1	0.7	9.1%	8.9
5 Contracts & Grants (Restricted)	18.8	5.2	27.9%	24.0	8.4	34.9%	32.4
6 Endowments/Gifts (Restricted)	5.1	(0.6)	-11.5%	4.5	(0.2)	-5.5%	4.3
7 Total Sources	\$ 120.6	\$ 14.9	12.3%	\$ 135.5	\$ 13.6	10.1%	\$ 149.1
Use of Funds by Object							
8 Salaries and Wages - Faculty	\$ 25.9	\$ 1.2	4.5%	\$ 27.0	\$ 1.1	4.0%	\$ 28.1
9 Salaries and Wages - Staff	25.5	1.4	5.7%	26.9	2.6	9.8%	29.6
10 Benefits	12.7	1.1	8.7%	13.9	0.8	5.9%	14.7
11 M&O	17.4	2.7	15.5%	20.1	4.1	20.5%	24.2
12 Capital	6.9	2.3	33.5%	9.2	(1.7)	-18.3%	7.5
13 Scholarships	23.2	6.2	26.8%	29.4	5.5	18.7%	34.9
14 Debt Service	6.5	0.0	0.6%	6.5	(0.0)	-0.6%	6.5
15 Utilities	2.6	(0.1)	-3.9%	2.5	(0.1)	-5.1%	2.3
16 Reserve for State Budget Reduction	-	-		-	1.3		1.3
17 Total Uses	\$ 120.6	\$ 14.9	12.3%	\$ 135.5	\$ 13.6	10.1%	\$ 149.1
<u>Capital Facilities Budget</u>							
Source of Funds							
18 HEAF	\$ 3.1	\$ (1.9)	-59.7%	\$ 1.2	\$ (0.4)	-33.9%	\$ 0.8
20 Gifts	0.1	(0.1)	-100.0%	-	-		-
22 Total Sources	\$ 3.2	\$ (2.0)	-61.0%	\$ 1.2	\$ (0.4)	-33.9%	\$ 0.8
Use of Funds by Object							
24 Major Rehabilitation	\$ 3.2	\$ (2.0)	-61.0%	\$ 1.2	\$ (0.4)	-33.9%	\$ 0.8
26 Total Uses	\$ 3.2	\$ (2.0)	-61.0%	\$ 1.2	\$ (0.4)	-33.9%	\$ 0.8
<u>Total Operating, Restricted and Capital Budget</u>							
27	\$ 123.8	\$ 12.9	10.4%	\$ 136.7	\$ 13.2	9.7%	\$ 149.9

University of Houston-Victoria
Table 1 - Sources & Uses
(\$ in Millions)

	A		B		C		D		E		F		G
	<u>Historical</u>		-----Change-----				<u>Current</u>		-----Change-----				<u>New</u>
	FY2009		Dollars	Percent	FY2010		Dollars	Percent	FY2011		Dollars	Percent	FY2011
<u>Operating & Restricted Budget</u>	Budget				Budget				Budget				Budget
Source of Funds													
1 State Appropriations	\$ 19.4		\$ 1.1	5.5%	\$ 20.5		\$ (0.0)	-0.2%	\$ 20.4				\$ 20.4
2 HEAF	1.4		(0.2)	-12.0%	1.2		0.9	68.6%	2.1				2.1
3 Tuition & Fees	13.3		1.5	11.1%	14.7		3.1	21.1%	17.8				17.8
4 Other Operating (Auxiliaries)	6.1		(2.2)	-35.6%	3.9		1.6	41.9%	5.5				5.5
5 Contracts & Grants (Restricted)	2.7		(0.1)	-2.4%	2.7		0.4	14.3%	3.0				3.0
6 Endowments/Gifts (Restricted)	0.5		(0.1)	-29.3%	0.3		(0.0)	-1.6%	0.3				0.3
7 Total Sources	\$ 43.3		\$ 0.0	0.0%	\$ 43.3		\$ 5.9	13.7%	\$ 49.3				\$ 49.3
Use of Funds by Object													
8 Salaries and Wages - Faculty	\$ 8.6		\$ 1.0	11.5%	\$ 9.6		\$ 1.4	14.7%	\$ 11.0				\$ 11.0
9 Salaries and Wages - Staff	10.3		(0.6)	-6.3%	9.6		0.4	4.2%	10.0				10.0
10 Benefits	5.0		(0.0)	-0.4%	5.0		0.4	8.6%	5.4				5.4
11 M&O	8.8		0.1	1.2%	8.9		1.9	21.8%	10.9				10.9
12 Capital Equipment	2.6		(0.3)	-12.4%	2.3		0.0	0.4%	2.3				2.3
13 Scholarships	3.1		0.3	10.4%	3.4		0.6	16.8%	4.0				4.0
14 Debt Service	4.5		(0.4)	-7.9%	4.2		0.4	9.7%	4.6				4.6
15 Utilities	0.4		(0.1)	-15.2%	0.4		-	0.0%	0.4				0.4
16 Reserve for State Budget Reduction	-		-		-		0.8		0.8				0.8
17 Total Uses	\$ 43.3		\$ 0.0	0.0%	\$ 43.3		\$ 5.9	13.7%	\$ 49.3				\$ 49.3
Capital Facilities Budget													
Source of Funds													
18 HEAF	\$ 0.9		\$ 0.2	25.7%	\$ 1.1		\$ (0.9)	-78.7%	\$ 0.2				\$ 0.2
19 Bonds	14.5		(9.5)	-65.8%	5.0		(0.7)	-15.0%	4.2				4.2
20 Gifts	4.3		(4.3)	-100.0%	-		0.1		0.1				0.1
21 Other	1.9		(1.2)	-61.6%	0.7		(0.7)	-87.6%	0.1				0.1
22 Total Sources	\$ 21.6		\$ (14.8)	-68.6%	\$ 6.8		\$ (2.2)	-31.8%	\$ 4.6				\$ 4.6
Use of Funds by Object													
23 Construction	\$ 21.6		\$ (14.8)	-68.6%	\$ 6.8		\$ (2.8)	-41.2%	\$ 4.0				\$ 4.0
24 Major Rehabilitation	-		-		-		0.6		0.6				0.6
26 Total Uses	\$ 21.6		\$ (14.8)	-68.6%	\$ 6.8		\$ (2.2)	-31.8%	\$ 4.6				\$ 4.6
Total Operating, Restricted and Capital Budget													
27	\$ 65.0		\$ (14.8)	-22.8%	\$ 50.1		\$ 3.8	7.5%	\$ 53.9				\$ 53.9

University of Houston - System Administration

Table 1 - Sources & Uses

(\$ in Millions)

	A	B	C	D	E	F	G
	<u>Historical</u>	<u>Change</u>		<u>Current</u>	<u>Change</u>		<u>New</u>
	FY2009 Budget	Dollars	Percent	FY2010 Budget	Dollars	Percent	FY2011 Budget
<u>Operating & Restricted Budget</u>							
Source of Funds							
1 State Appropriations	\$ 3.4	\$ 0.3	8.8%	\$ 3.7	\$ -	0.0%	\$ 3.7
2 Other Operating	10.2	(0.8)	-7.8%	9.4	0.9	9.6%	10.3
3 Endowments/Gifts (Restricted)	0.2	(0.1)	-50.0%	0.1	-	0.0%	0.1
4 Total Sources	\$ 13.8	\$ (0.6)	-4.3%	\$ 13.2	\$ 0.9	6.8%	\$ 14.1
Use of Funds by Object							
5 Salaries and Wages - Staff	\$ 8.3	\$ (0.1)	-1.2%	\$ 8.2	\$ 0.2	2.4%	\$ 8.4
6 Benefits	1.1	(0.1)	-9.1%	1.0	-	0.0%	1.0
7 M&O	3.6	(0.3)	-8.3%	3.3	0.7	21.2%	4.0
8 Capital Equipment	0.8	(0.1)	-12.5%	0.7	(0.3)	-42.9%	0.4
9 Reserve for State Budget Reduction	-	-	0.0%	-	0.2	0.0%	0.2
10 Total Uses	\$ 13.8	\$ (0.6)	-4.3%	\$ 13.2	\$ 0.8	6.1%	\$ 14.1
<u>Total Operating, Restricted and Capital Budget</u>							
11	\$ 13.8	\$ (0.6)	-4.3%	\$ 13.2	\$ 0.8	6.1%	\$ 14.1

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

COMMITTEE: Finance and Administration

ITEM: Approval requested for the purchase and installation of a Metal Organic Chemical Vapor Deposition (MOCVD) System for Superconductivity.

**DATE PREVIOUSLY
SUBMITTED:**

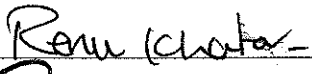
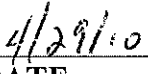


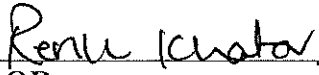
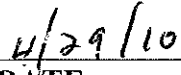
SUMMARY: Approval requested for the purchase and installation of a Metal Organic Chemical Vapor Deposition (MOCVD) System for Superconductivity.

FISCAL NOTE:

SUPPORTING DOCUMENTATION: Requisition #18825

ACTION REQUESTED: Approval

COMPONENT: University of Houston

 _____ PRESIDENT	Renu Khator	 _____ DATE
 _____ EXECUTIVE VICE CHANCELLOR	Carl Carlucci	 _____ DATE
 _____ CHANCELLOR	Renu Khator	 _____ DATE

Requisition Coversheet

Requisition # 0000018825

Business Unit: 00730
Dept. Name: TX CTR FOR SUPERCONDUCTIVITY
Address: 202 UH SCIENCE CENTER

Requestor: ESPINOZH Espinoza,Helen
Requestor Ph #:

Vendor ID: 0000091430
Name: CVD EQUIPMENT CO
Address: 1
 1860 Smithtown Ave
 Ronkonkoma, NY 11779-7321
 USA
Phone: 631/981-7081

Fax: 631/981-7095

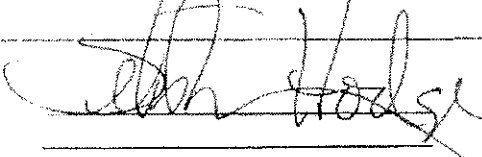
Gross Amount: \$1,500,000.00

Budget Check: Not Chk'd

Line #	Account	Fund	Dept ID	Program	Project	Budget Ref	Chartfield 1	Amount
1-1-1	58601	5016	H0452	B0001	G100777			1,250,000.00
2-1-1	58601	5016	H0452	B0001	G100777			25,000.00
3-1-1	58601	5016	H0452	B0001	G100777			50,000.00
4-1-1	58601	5016	H0452	B0001	G100777			175,000.00

Line #	Category	Description	Quantity	UOM	Price	Ext. Amount
1	49000	Main MOCVD system from CVD Equipment - per attached quote	1.0000	EA	1,250,000.00000	1,250,000.00
2	49000	Showerhead to be integrated with main system - per attached quote	1.0000	EA	25,000.00000	25,000.00
3	49000	On-line inspection tool from Northfield Automation to be integrated with main system - per attached quote	1.0000	EA	50,000.00000	50,000.00
4	49000	On-line XRD tool from Prototype Engineering to be integrated with main system - per attached quote	1.0000	EA	175,000.00000	175,000.00

Pilot MOCVD Systems, Showerhead, On-line inspection tool from Northfield Automation to be integrated with main system and On-line XRD tool from Prototype Engineering to be integrated with main system per attached quote # 6143D- DELIVERY - six (6) months from receipt of order. PRICE: \$ 1,250,000.00 to be payable as follows: 20% with placement of order, 20% upon Univ of Houston approval of Design Drawings, 45% upon source inspection at CVD facility, 15% upon systems startup at the Univ of Houston, TX. START-UP not to exceed 60 days from delivery to the Univ of Houston, Tx. Benefit: continued sponsored research funding from Superpower for enhancement in HTS wire performance and process efficiency in ongoing Superconductivity Research.

Signatures:  **Date:** 2/17/10

Prepared By: 0088055 Espinoza,Helen **Date:** 02/17/10

SCANNED

Addendum C

**Authorization and Information Summary Sheet for
Purchase Requisitions Exceeding \$100,000**

Requisition # 18825

Department: Texas Center for Superconductivity at the University of Houston (TcSUH)

1. DESCRIPTION OF GOODS, MATERIALS, OR SUPPLIES TO BE PURCHASED:

Metal Organic Chemical Vapor Deposition (MOCVD) system purchase for ETF program:

Components:

Main MOCVD system from CVD Equipment : \$ 1,250,000 (quote attached)

Showerhead to be integrated with main system : \$ 25,000 (quote attached)

On-line inspection tool from Northfield Automation to be integrated with main system: \$ 50,000

On-line XRD tool from Prototype Engineering to be integrated with main system : \$ 175,000

2. ESTIMATED COST:

\$1,500,000

3. COST CENTER:

Emerging Technology Fund Award

00730-5016-H0452-B0001-G100777, speedtype 45705

4. PROPOSED USE:

MOCVD is a preferred approach to fabricate high performance High Temperature Superconductor (HTS) wires. Using a small-scale research equipment, Dr. Venkat Selvamanickam's group is conducting research on improving the performance and improving the efficiency of the MOCVD process in collaboration with SuperPower Inc. as a part of an existing sponsored research agreement. One of the major goals of the recently funded ETF program is to transition the process know-how from the research facilities to prototype fabrication facilities. The requested MOCVD equipment is key to effectuate such a transition of solely and jointly developed process technology to industry. The equipment will be housed in the UH Research Park and will be important to meet several of the milestones of the ETF program.

5. BENEFITS TO THE UNIVERSITY:

- Transition of UH know-how to industry and resulting royalty revenue stream
- Training of UH students in advanced materials processing and state-of-the-art process equipment
- Meeting milestones of the ETF program
- Continued sponsored research funding from SuperPower for enhancement in HTS wire performance and process efficiency

6. OTHER PERTINENT INFORMATION

Addendum C

**Authorization and Information Summary Sheet for
Purchase Requisitions Exceeding \$100,000**

7. SUGGESTED BIDDERS:
CVD Equipment (sole source)

Addendum C

Authorization and Information Summary Sheet for
Purchase Requisitions Exceeding \$100,000

Sequential Review and Approvals

William J. Javor Date 2/15/10
Dean/Director

[Signature] Date 2.22.2010
Responsible Vice President

Carol J. West Date 3-11-10
Enleum Director of Purchasing

For all Athletics Department purchases that exceed \$100,000 and for all other purchases that exceed \$300,000, the approval of the Executive Vice Chancellor/Vice President for Administration and Finance is required.

[Signature] Date 3/12/10
Executive Vice Chancellor/Vice President for Administration and Finance

If the purchase exceeds \$1,000,000, the approval of the Board of Regents is required, in which case the signature of the Chancellor will indicate the Board's approval.

Renu Khator Date 3/15/10
Chancellor for the Board of Regents

Attachments: Original Purchase Requisition or Contract

Justification for Sole Source Purchases

Date 2/10/2010 Bus Unit 00730 Requisition # 18825

1 The Item is required for use in (check all that apply):
 Office _____ Classroom _____ Lab x _____
 Other (explain) _____

2 What features or functions are unique to this item?
Reel-to-reel MOCVD on moving tapes, precursor supply rates up to 36 mL/min, continuous operation over 35 hours, deposition zone 1m long and 12 cm wide, nine-track helix tape handling system, tape temperature up to 900 C over entire deposition zone, proven capability to produce kilometer-long superconducting tapes with critical current of 300 A/cm

How are these dimensions or performance characteristics essential to the accomplishment of your work?

In order to meet the milestones established in the ETF program, we need to transition UH-SuperPower technology to pilot manufacturing of HTS wires. The equipment characteristics are needed to achieve the required critical current, piece length, and throughput.

3 List all known companies, other than your suggested source, that manufactures a similar item or manufactures an item with similar functions.
CVD Equipment had custom made the MOCVD equipment for our industrial partner SuperPower who is also part of our ETF program. This systems is one of a kind and there is no other company in the world that has made a similar system or a system with similar functions.

4 Why are the above competing companies' products (if any) not satisfactory?
Equipment technology for the proposed MOCVD system was co-developed by CVD Equipment and SuperPower over the past five years. New and required features such as nine-track helix system, very long continuous operation times, high-rate precursor deposition and large area deposition were part of this development. Some of the features are protected by SuperPower patents and so, it would not be possible for a competing company to duplicate them. Furthermore, it would take a competing company several years to develop such an equipment technology. The CVD Equipment design is proven and has been refined over the years. It is the most expeditious, cost-effective, reliable option which also happens to be IP protected.

5 Will this item be used with existing equipment (yes or no)? No
 If yes, check all that apply. The item will be used . . .
 as a repair/replacement part No as a component to be interfaced No
 as an accessory or option No to match existing equipment No
 for reasons of interchangeability No

Identify brand, model, and serial number of existing equipment (if applicable): N/A ; custom made by CVI
 Brand _____ Model _____ Serial # _____

6 Provide any additional information that may aid the buyer in processing the requisition.
This system is identical to a MOCVD equipment already existing and functional at SuperPower, that was built by CVD Equipment. Hence, as a partner that is investing \$ 8.8 M in the ETF program, SuperPower has requested us to procure the identical equipment which will enable us to meet the program milestones.

I certify that the above statements are true and correct to the best of my knowledge. I also certify that neither I nor my family members will gain or receive any additional benefit because I have recommended that this acquisition be obtained solely from a designated vendor or contractor.

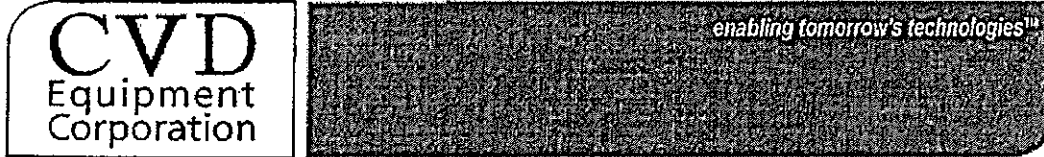
Venkat Selvamankam
 Person Requesting Proprietary Purchase *

[Signature] 2/12/10
 Signature Date

* For research grants, this person must be the Principle Investigator or designee.

[Signature]
 Department
Selesta Hodge
 College/Division Administrator
Carria West
 Purchasing Department Approver

Research
 College/Division
[Signature] 2/17/10
 Signature Date
[Signature] 3-11-10
 Signature Date

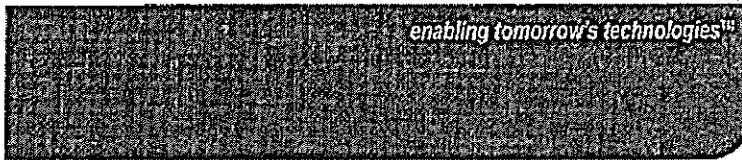


Quotation For:

Dr. Venkat Selvamanickam
M.D. Anderson Chair Professor
University of Houston
Department of Mechanical Engineering
N214 Engineering Building One
Houston, TX 77204-4006

Phone: 713 743 4044
Fax: 713 743 4513
Email: vselvama@Central.UH.EDU,
selva@uh.edu

Quotation Date: January 14, 2010
Quotation Number: CVD – 6143D
Please reference quotation number in all correspondence.



January 14, 2010

Dr. Venkat Selvamanickam
M.D. Anderson Chair Professor
University of Houston
Department of Mechanical Engineering
N214 Engineering Building One
Houston, TX 77204-4006

Ref: CVD Quotation No. 6143D

Dear Dr. Selvamanickam:

CVD Equipment Corporation is pleased to submit a formal quotation on a Pilot MOCVD system identical to the system as shipped to SuperPower on August 31, 2009 for your review. The system is controlled through our advanced computer control system for process repeatability and automatic data logging to enable further analysis. These automated features enable you to achieve a very efficient process optimization.

In an effort to reduce cost, we may use some 100% refurbished components which we will provide the same warranty for as with new components – 1 year from system start-up. These components will look and operate in the same manner as if new components are provided.

This quotation will remain in effect for a period of 60 days. Delay beyond this date may require an adjusted delivery schedule and a revalidation of quoted prices. If you cannot meet this date, kindly notify us.

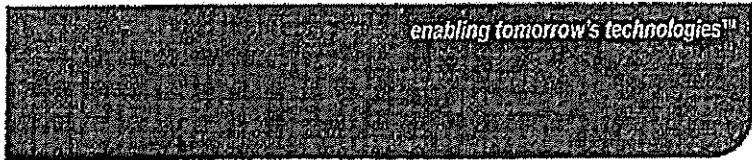
The opportunity to submit this quotation is appreciated. In the event additional information is required, please feel free to contact us.

Very truly yours,

CVD Equipment Corporation

Leonard A. Rosenbaum

Enclosures



Quotation # 6143D Prepared for:

Dr. Venkat Selvamanickam, University of Houston

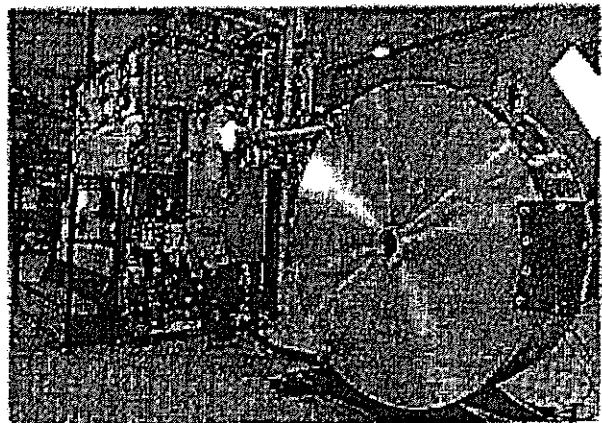
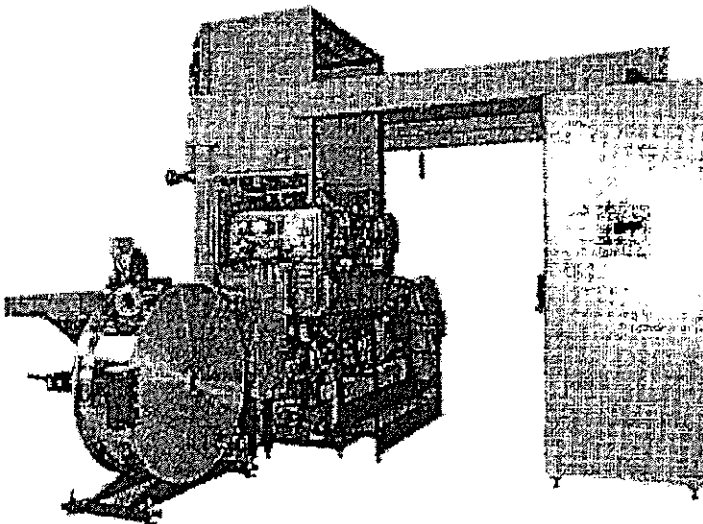
01 DESCRIPTION: Pilot MOCVD System for The University of Houston

- Meets the same salient technical features as the system shipped on 8/31/09 to SuperPower, Schenectady, NY
- To be installed at The University of Houston, Houston, TX
- Installation and Startup costs at the University of Houston are included
- Shipping and Insurance costs to the University of Houston, Houston, TX are not included

02 PRICE: \$1,250,000.00 payable as follows

- 20% with placement of order
- 20% upon University of Houston approval of Design Drawings
- 45% Upon source inspection at CVD's facility
- 15% Upon system startup at the University of Houston, Houston, TX. Start-Up not to exceed 60 days from delivery to the University of Houston, TX

03 DELIVERY: Six (6) months from receipt of order



**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 purchase of property adjacent to the University of Houston-Downtown (UHD) campus, needed for future campus expansion.

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY: Approval is requested to delegate authority to the Chancellor for purchase of a 40,651 square foot parcel of land located across Milam/Travis Streets from UHD's One Main Building complex. The property is bounded by Milam (east), Louisiana (west), the Union Pacific Railroad line (south) and a 1.43 acre tract owned by TxDOT (north). The university has initiated discussions with TxDOT on acquiring the 1.43 acres. The .93 acres, when combined with the 1.46 acres currently owned by UHD on the other side of the Union Pacific Railroad line on Washington Street, and the 1.43 acre TxDOT tract, would provide a 3.82 acre downtown footprint for future expansion of the UHD campus.

FISCAL NOTE: \$912,500 HEAF (\$23.45/sf)

SUPPORTING DOCUMENTATION: Attached

ACTION REQUESTED: Approval

COMPONENT: University of Houston-Downtown



PRESIDENT

William Flores

4/27/10
DATE



VICE CHANCELLOR

Carl Carlucci

4/27/10
DATE



CHANCELLOR

Renu Khator

4/29/10
DATE

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

COMMITTEE: Finance and Administration

ITEM: Approval is requested for changing the project scope to decrease square footage of the project for University of Houston Victoria Jaguar Hall

DATE PREVIOUSLY SUBMITTED: December 2009

SUMMARY: Approval is requested for changing the project scope. The Main Building, currently under renovations, will convert the hotel meeting rooms into classrooms, and into offices for student services, student organizations/student leadership, student orientation facility, student computer lab, and offices for the athletic department.

The Annex building will be razed due to the estimated renovation cost of \$5,000,000. Estimated cost to raze this building is \$500,000.

The original business plan developed for this project is still viable.

The project budget will increase from the approved budget of \$9 million to \$9.5 million.

FISCAL NOTE:

SUPPORTING DOCUMENTATION: Project Scope and Student Housing
Projected Revenues and Expenses

ACTION REQUESTED: Approval

COMPONENT: University of Houston-Victoria

PRESIDENT

Tim Hudson

DATE

EXECUTIVE VICE CHANCELLOR

Carl Carlucci

DATE

CHANCELLOR

Renu Khator

DATE

PROJECT BUDGET

Site Acquisition	\$2,822,000
Site Demolition	\$500,000
Construction	\$3,805,000
Fixed & Moveable Equipment	\$875,000
Professional Fees	\$429,000
Project Management	\$179,000
Misc. Fees	\$80,000
Contingency	\$ 810,000
TOTAL	\$9,500,000

Student Housing Projected Revenues and Expenses

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Revenue										
Double Rate (9 months academic year):	\$4,050	\$4,180	\$4,300	\$4,450	\$4,600	\$4,750	\$4,900	\$5,050	\$5,200	\$5,380
Academic Annual Revenue (256 beds):	\$1,036,800	\$1,069,978	\$1,100,800	\$1,139,200	\$1,177,600	\$1,216,000	\$1,254,400	\$1,292,800	\$1,331,200	\$1,377,280
Summer Revenue	150,000	160,000	170,000	180,000	190,000	200,000	210,000	220,000	230,000	240,000
Total Revenue	\$1,186,800	\$1,229,978	\$ 1,270,800	\$ 1,319,200	\$ 1,367,600	\$ 1,416,000	\$ 1,464,400	\$ 1,512,800	\$ 1,561,200	\$ 1,617,280
Expenses										
Payroll										
General Manager/Director of Housing	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191
Resident Director	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095
Bookkeeper	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619
Receptionist	18,720	19,282	19,860	20,456	21,070	21,702	22,353	23,023	23,714	24,425
Resident Assistants (7 RA's at \$1,600)	11,200	11,536	11,882	12,239	12,606	12,984	13,373	13,775	14,188	14,613
Maintenance Supervisor	37,500	38,625	39,784	40,977	42,207	43,473	44,777	46,120	47,504	48,929
Maintenance Technician	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143
Housekeeper/Porter (2)	37,440	38,563	39,720	40,912	42,139	43,403	44,705	46,046	47,428	48,851
Payroll Benefits	48,369	49,820	51,315	52,854	54,440	56,073	57,755	59,488	61,273	63,111
Total Payroll	268,229	276,276	284,564	293,101	301,894	310,951	320,280	329,888	339,785	349,978
Maintenance	63,000	64,890	66,837	68,842	70,907	73,034	75,225	77,482	79,807	82,201
Marketing	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143
Utilities	200,000	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955
General & Administrative	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143
Security	80,000	82,400	84,872	87,418	90,041	92,742	95,524	98,390	101,342	104,382
Insurance	16,000	16,480	16,974	17,484	18,008	18,548	19,105	19,678	20,268	20,876
Management Fee @ 4% of Revenue	47,472	49,199	50,832	52,768	54,704	56,640	58,576	60,512	62,448	64,691
Yearly Bond Payment \$7,000,000 @ 4.25% for 20 years	523,000	523,000	523,000	523,000	523,000	523,000	523,000	523,000	523,000	523,000
Less Expenses Funded with E&G	(65,787)	(65,787)	(65,787)	(65,787)	(65,787)	(65,787)	(65,787)	(65,787)	(65,787)	(65,787)
Total Expenses	1,191,914	1,214,258	1,237,126	1,260,935	1,285,400	1,310,540	1,336,377	1,362,930	1,390,222	1,418,582
Net Operating Income (Loss)	\$ (5,114)	\$ 15,719	\$ 33,674	\$ 58,265	\$ 82,200	\$ 105,460	\$ 128,023	\$ 149,870	\$ 170,978	\$ 198,698

R&A - 4.1.2

Note: Rent increases by approximately 3.2% annually, summer revenue increased by \$10,000 annually and expenses increase by approximately 3% annually to account for inflation

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

COMMITTEE: Finance and Administration

ITEM: Report on the sale of the Consolidated Revenue and Refunding Bonds, Series 2010A, Series 2010B, and Series 2010C

**DATE PREVIOUSLY
SUBMITTED:**

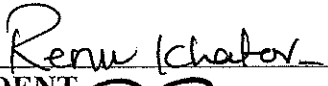

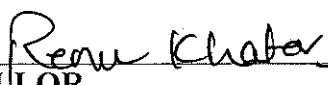
SUMMARY: Dr. Carl Carlucci, Executive Vice Chancellor and Executive Vice President for Administration and Finance and University of Houston System Finance staff will present a report on the recent sale of the System's Consolidated Revenue and Refunding Bonds, Series 2010A, Series 2010B, and Series 2010C.

FISCAL NOTE:

SUPPORTING DOCUMENTATION: Bond issuance summary

ACTION REQUESTED: Information

COMPONENT: University of Houston System

		4/29/10
PRESIDENT		DATE
	Carl Carlucci	4/26/2010
EXECUTIVE VICE CHANCELLOR		DATE
	Renu Khator	4/29/10
CHANCELLOR		DATE

**Board of Regents of
The University of Houston System
Consolidated Revenue and Refunding Bonds, Series 2010 A/B/C
Bond Issuance Summary**

The System recently sold \$121.5 million of bonds, representing three different series of bonds. The combined true interest cost of the three series of bonds is 4.02% and with issuance costs the all-in true interest cost is 4.05%. This is the lowest cost of funds that the System has achieved on new money financing in over 10 years.

The bonds were issued to finance the UH Classroom/Business Building, UH Moody Towers – Dining Hall, UH Energy Research Park, UH Health & Biomedical Sciences Center, UH Stadium Garage 1, and the UH Victoria Residence Hall.

These sales took advantage of very low market levels for interest rates as well as a new type of bond called Build America Bonds (“BABs”). The series 2010B bonds were issued as BABs.

Historically the System has sold bonds where the interest to the investor is exempt from federal income tax. Last year the stimulus bill introduced a new type of bond, BABs, where the System issues taxable bonds and receives a 35% subsidy back from the U.S. Treasury. In the ensuing 12 months, BABs have gained strong support in the market representing over 20% of all municipal debt issued.

Instead of selling a single series of traditional tax-exempt bonds, the System worked with its financial advisor, FirstSouthwest, to split the March 30th issue into two, series B and series C. We targeted the use of tax-exempts versus BABs to the maturities that yielded the lowest rates. The System would have received a rate of 4.259% if they had sold only tax-exempt bonds. Optimizing the use of both tax-exempt bonds and BABs, the combined all-in cost of funds was 3.648%. This savings of almost 0.61% represents a total interest savings of \$9.27 million over the life of the bonds.

The series 2010B bonds were sold to the underwriter offering the lowest rate to the System. *The System’s series 2010B bonds were the first BABs issue to be sold competitively in Texas.* The BABs received 9 bids indicating spirited demand for this product. The winning bidder was Ramirez & Co., a minority owned broker dealer based in New York with an office in Houston. This is the most explicit result of the finance team’s efforts to encourage minority participation in its bonds sales. The all-in net rate to the System on Ramirez’s bid was a 3.75%.

The series 2010C bonds also received 9 bids and were sold to Wells Fargo with an all-in cost of 2.23%, which was the lowest rate bid by any of the underwriters. The finance team felt like Wells Fargo’s bid saved the university significant dollars on interest cost because they were 0.10% below the second place bid of BOSC (Bank of Oklahoma) who was 0.11% ahead of the bulk of the pack.

The series 2010A bonds received 8 bids with the low bid coming from Prager, Sealy & Co., LLC at 5.58%. The next best bid was from BMO Capital Markets and then Morgan Keegan at 5.635% and 5.638%, respectively.

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

COMMITTEE: Finance & Administration Committee

ITEM: Termination of UH-Downtown custodial contract with WFF Facilities Services

**DATE PREVIOUSLY
SUBMITTED:**

SUMMARY: At its April 21, 2009 meeting the UHS Board of Regents approved a five-year contract for WFF Facilities Services to provide custodial services for the UH-Downtown campus. The contract went into effect on June 1, 2009. Shortly after commencing with service, WFF reported that it was not able to perform the required services for the agreed-upon price, claiming that important information was not conveyed during the bidding process. In March 2010 it was decided by both parties that terminating the agreement as provided by the terms of the contract would be the best course of action. UHD will re-bid its custodial services agreement, and plans to bring a new contract to the Board in November. In the interim, UHD has engaged Service Solution Corp (SSC), its previous custodial services provider, to provide these services. To ensure a smooth transition to any new service provider, the agreement with SSC will run from May 14, 2010 through December 31, 2010. SSC was contacted because of their familiarity with the UH-Downtown operation.

FISCAL NOTE: Service Solution Corp will be paid \$78,917/mo during this period, with the total contract amounting to \$598,241

**SUPPORTING
DOCUMENTATION:**

ACTION REQUESTED: Information

COMPONENT: University of Houston-Downtown



PRESIDENT

William Flores

4/27/10

DATE



EXECUTIVE VICE CHANCELLOR

Carl Carlucci

4/27/10

DATE



CHANCELLOR

Renu Khator

4/29/10

DATE