
AGENDA

UNIVERSITY OF HOUSTON SYSTEM FINANCE AND ADMINISTRATION COMMITTEE MEETING

DATE: Wednesday, November 17, 2010
TIME: 9:00 a.m.
PLACE: University of Houston-Downtown
Special Events Center
Academic Building, Third Floor
One Main Street
Houston, Texas 77002

Chair: Jim P. Wise
Vice Chair: Jarvis V. Hollingsworth
Members: Nandita V. Berry
Carroll Robertson Ray, Ex Officio

FINANCE AND ADMINISTRATION COMMITTEE

- A. Call to Order
- B. Approval of Committee Minutes
- August 11, 2010, Finance and Administration Committee Minutes
- Action:** Approval
- C. Approval is requested to delegate authority to the Chancellor to negotiate and execute a multi-year contract for vendor managed inventory (VMI) at University Stores at the University of Houston F&A – 1
- Action:** Approval
- D. Approval is requested for the purchase and installation of a Metal Organic Chemical Vapor Deposition (MOCVD) System for Photovoltaics, Thermoelectrics and Solid State Lighting – University of Houston F&A – 2
- Action:** Approval

- E. Approval is requested for delegation of authority to the Chancellor to negotiate and execute the contract to provide custodial service for the University of Houston-Downtown – University of Houston Downtown F&A – 3

Action: Approval

- F. Purchase Order for Public Broadcasting Services – University of Houston F&A – 4

Action: Approval

- G. Presentation of Preliminary Fiscal Year 2010 University of Houston System Annual Financial Report Summary – University of Houston System F&A – 5

Action: Information

- H. Presentation of projected revenues and expenses for Fiscal Year 2021 Based on Campus Master Plan Enrollment Targets – University of Houston System F&A – 6

Action: Information

- I. Adjourn

**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 a multi-year contract for vendor managed inventory (VMI) at University Stores at the University of Houston.

**DATE PREVIOUSLY
SUBMITTED:**

SUMMARY:

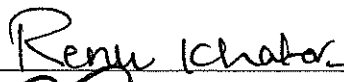

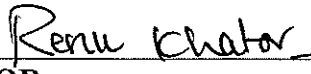
Approval is requested to delegate authority to the Chancellor to negotiate and execute a multi-year contract for vendor managed inventory (VMI) at University Stores, which purchases all materials and supplies for the Facilities Department at the University of Houston.

**SUPPORTING
DOCUMENTATION:** Description of inventory

FISCAL NOTE: Estimated annual purchases under the VMI contract are \$1.4 million with an estimated annual savings of 10% or \$140,000.

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

COMPONENT: University of Houston

		<i>11-3-10</i>
PRESIDENT	Renu Khator	DATE
		<i>10/29/10</i>
EXECUTIVE VICE CHANCELLOR	Carl Carlucci	DATE
		<i>11-3-10</i>
CHANCELLOR	Renu Khator	DATE

University Stores Inventory Items

University Stores purchases all materials and supplies for the Facilities Maintenance department at the University of Houston. Below is a list of common items purchased by Stores for different areas of Facilities Maintenance. Most of these items would be purchased through the vendor-managed inventory (VMI) contract for a cost savings of approximately \$140,000 per year.

Facilities Maintenance Area	Items Typically Purchased by Stores
Auto Shop	<ul style="list-style-type: none"> • Tires • Batteries • Engine belts • Oil • Filters
Utilities Services <ul style="list-style-type: none"> • Electrical • HVAC • Fire Alarm • Elevator 	<ul style="list-style-type: none"> • Lamps • Fuses • Wire • Outlet covers • Filters • Masks
Skilled Trades <ul style="list-style-type: none"> • Painting • Plumbing • Carpentry • Exterior Maintenance 	<ul style="list-style-type: none"> • Paint and paint supplies • Pipe and pipe fittings • Lumber • Nails • Saw blades • Masks • Rubber boots • Rain jackets • Small tools • Ladders • Cement • Roofing products
Lock Shop	<ul style="list-style-type: none"> • Keys • Locks • Aerosol sprays and lubricants
Custodial and Grounds	<ul style="list-style-type: none"> • Trash cans • Liners • Cleaning products • Paper towels • Floor dry • Goggles • Cleaning solvent • Toilet paper
All Areas	<ul style="list-style-type: none"> • Uniforms • Gatorade

**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 Photovoltaics, Thermoelectrics and Solid State Lighting.

**DATE PREVIOUSLY
SUBMITTED:**

SUMMARY:

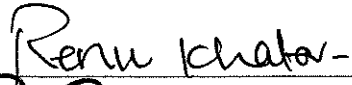

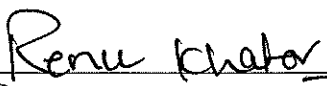
Approval requested for the purchase and installation of a Metal Organic Chemical Vapor Deposition (MOCVD) System for Photovoltaics, Thermoelectrics and Solid State Lighting.

SUPPORTING DOCUMENTATION: Purchase of MOCVD System Description

FISCAL NOTE: Estimated purchase under the MOCVD System contract is \$1.5 million.

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

COMPONENT: University of Houston

 _____ PRESIDENT	Renu Khator	<u>11-3-10</u> DATE
 _____ EXECUTIVE VICE CHANCELLOR	Carl Carlucci	<u>10/29/10</u> DATE
 _____ CHANCELLOR	Renu Khator	<u>11-3-10</u> DATE

Purchase of MOCVD System

The University of Houston has unique technology to fabricate high-performance thin films on inexpensive substrates. This technology has been commercially implemented in production of high temperature superconducting wires for electric-power applications. In a project funded by the U.S. Department of Energy, researchers at UH have already demonstrated that this technology can be beneficially applied to thin film photovoltaics for the development and commercialization of high-efficiency, low-cost solar cells. Also, in a National Science Foundation-funded program, UH researchers are proving out the potential benefit of this approach to fabricate high-efficiency thermoelectrics that generate electricity directly from waste heat (no moving parts).

The University of Houston needs to purchase equipment to complete the fabrication of thin film photovoltaic cells and thermoelectric modules, in order to fully prove the commercial feasibility of the University's underlying thin film technology in these applications. For this purpose, Dr. Selvamanickam's research team has identified a novel Metal Organic Chemical Vapor Deposition (MOCVD) system with multifunctional features to fabricate various types of materials on the University's unique templates using a reel-to-reel thin film process. This type of equipment does not exist anywhere in the world and therefore is being custom designed. The requested MOCVD equipment will provide a common platform that can be applied towards a number of energy applications that are of significant interest to both public and private institutions. The equipment is to be housed in the UH Energy Research Park in a dedicated building (Building 15).

The University of Houston will benefit from this purchase in the following ways:

- Unique capability to create low cost, high efficiency photovoltaics, thermoelectrics, and solid state lighting by reel-to-reel continuous scale-able processing. Industry and federal agencies have shown great interest in this technology, and possessing this unique capability should help to attract well funded research programs as well as develop valuable intellectual property for the University.
- Transition of know-how to industry should spur economic development and create significant royalty revenue for University of Houston.
- Attract energy companies to University of Houston's Energy Research Park that can benefit from contracting the use of this equipment as a test bed to prove novel concepts.
- Training of UH students in advanced materials processing and state-of-the-art advanced commercial scale process equipment.
- Meeting milestones of the University of Houston's Texas Center for Superconductivity – Applied Research Hub that was recently funded by the State of Texas Emerging Technology Fund (ETF), which included development and commercialization of at least two new energy areas in addition to superconductors. The purchase of this equipment will also be counted as part of the University's match required by the ETF.

F&A2: Metal Organic Chemical Vapor Deposition (MOCVD) System for Photovoltaics, Thermoelectrics and Solid State Lighting.

Applied Research Hub of Texas Center for Superconductivity
at University of Houston

Professor Venkat Selvamanickam

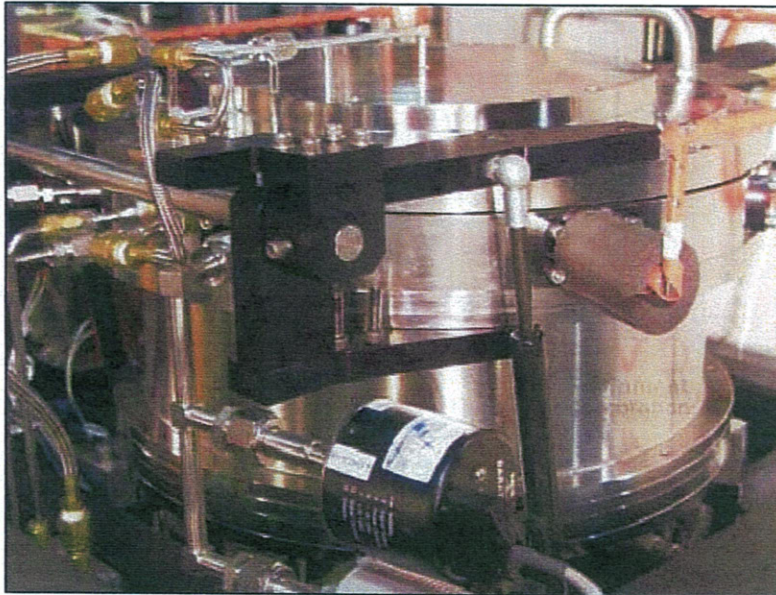
*M.D. Anderson Chair Professor of Mechanical Engineering,
Director, Applied Research Hub, TCSUH*

F&A - 2.1.2

Metal Organic Chemical Vapor Deposition (MOCVD) System for Photovoltaics, Thermoelectrics and Solid State Lighting.

Metalorganic CVD System (MOCVD/MOVPE)

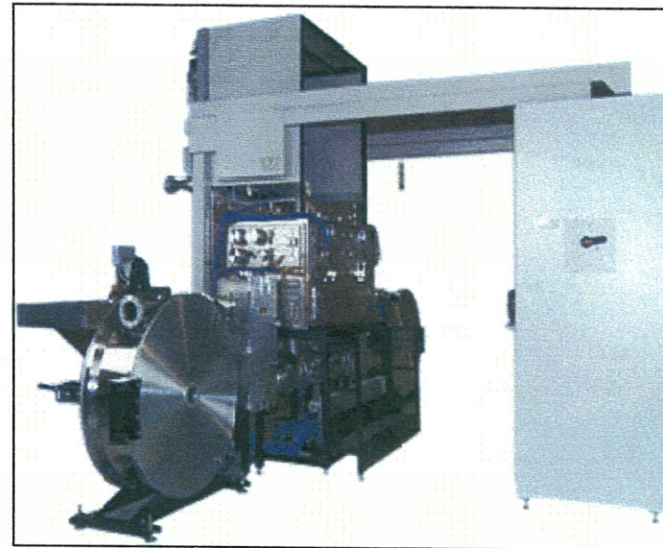
Chamber



CVD Equipment Corporation's Metalorganic CVD, MOVPE system offers Stainless Steel or Quartz Chamber.

Motion Control/Vacuum Chamber

MOCVD Reel-to-Reel tape process system



Complete MOCVD process system for tape loading/protective tape covering removal , MOCVD (multi pass) and unloading all under vacuum.

F&A - 2.1.3

Similar to first tool approved by BOR May 2010

Applied Research Hub

- Formed in 2010 with funding from the state of Texas through the Emerging Technology Fund.
- Objective is technology development for specific applications and technology transfer leading to a commercial cluster of industries in Texas.

F&A • 2.1.4

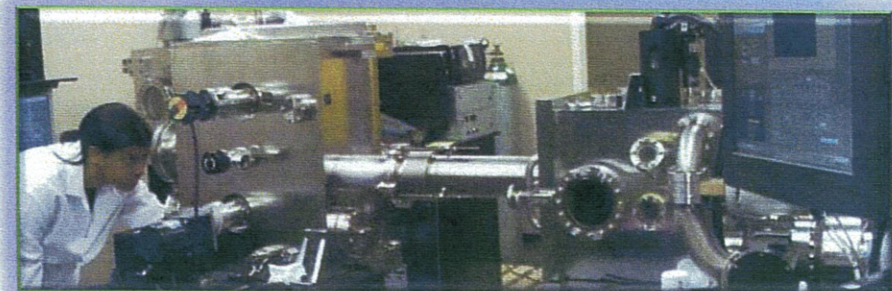
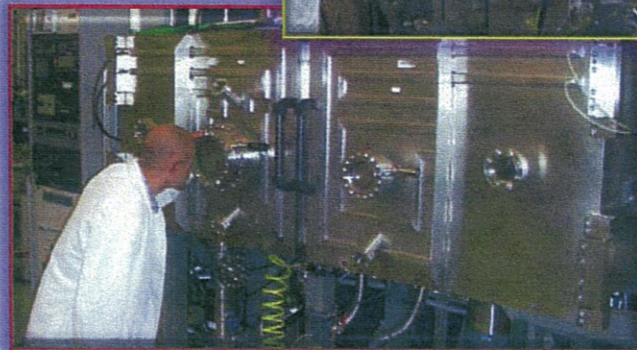
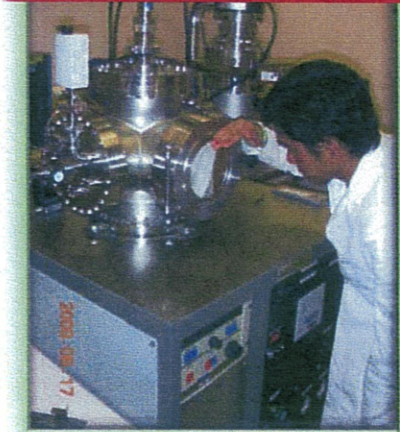
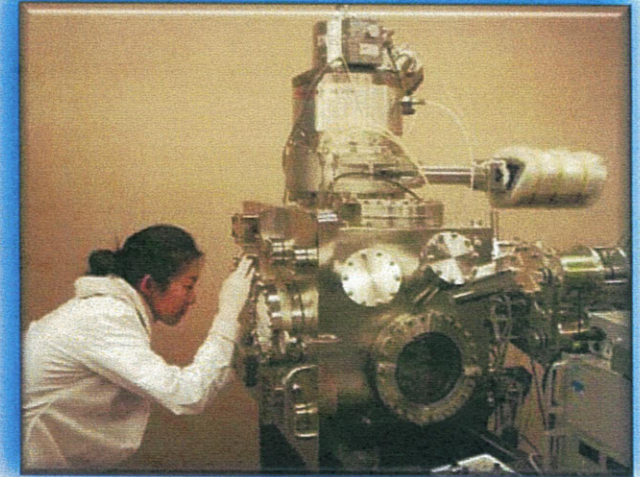
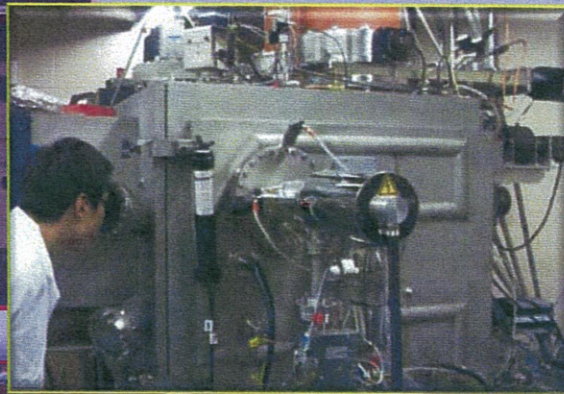
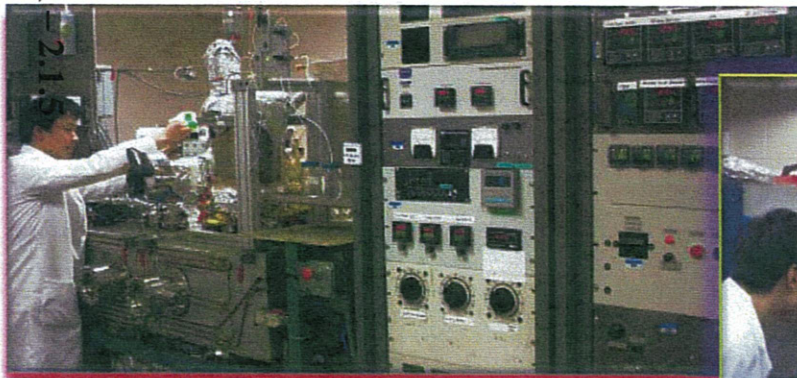
The initial focus of the Applied Research Hub is on power applications of high temperature superconducting wire.

Expanding to:

- high magnetic field applications of superconducting wire.
- new energy applications (photovoltaics, etc) using foundation technology developed for superconducting wire.
- Labs now in Engineering and TCSUH, expanding to UH ERP Building #15

State-of-the-art facilities for materials research for energy applications

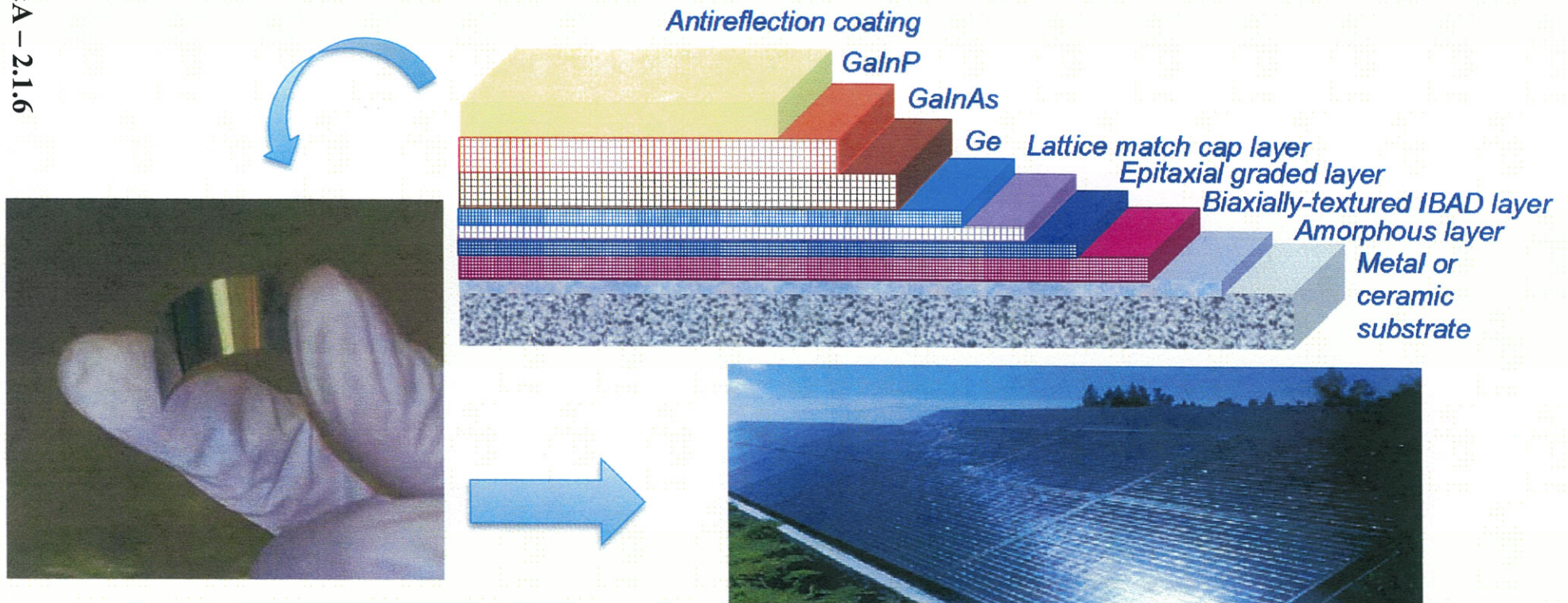
- State-of-the-art reel-to-reel systems for Ion Beam Assisted Deposition, Magnetron & Ion Beam Sputtering, Electron-beam Evaporation, Metal Organic Chemical Vapor Deposition (MOCVD), Solution coating for various materials
- Advanced characterization facilities (two TEMs, XRD, SEM, Microprobe, FIB, SIMS, XPS, Raman Spectroscopy). New tools being set up using Emerging Technology Fund.



Novel photovoltaic thin film technology for high performance, lower cost solar cells

- 90% of solar cells are made of crystalline silicon. The material itself constitutes $\frac{1}{2}$ of the module cost.
- Compound semiconductor solar cells are lot more efficient (40%) compared to silicon ($\sim 20\%$), but are very expensive because of single crystal substrates needed.
- Our approach is to fabricate high efficiency PV cells on inexpensive flexible, practical substrates that have been used for superconducting tapes.

F&A - 2.1.6



Proof of concept demonstrated in early-stage demonstration project

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 the contract to provide custodial service for the University of Houston Downtown.

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY:

Approval is requested to delegate authority to the Chancellor to negotiate and execute the custodial service contract with SSC Service Solutions upon agreement of the general terms and conditions. The existing custodial service expires on December 31, 2010. The contract will be for four and a half years ending June 30, 2015, with options to renew for two additional years consecutively.

FISCAL NOTE: \$4,191,229 (for an initial 4.5 year term)

SUPPORTING DOCUMENTATION: UHD Campus Custodial Services Process Review

ACTION REQUESTED: Administration recommends the approval of this item.

COMPONENT: University of Houston-Downtown

PRESIDENT

William Flores

11-1-2010
DATE

EXECUTIVE VICE CHANCELLOR

Carl Carlucci

11/1/2010
DATE

CHANCELLOR

Renu Khator

11-3-10
DATE

Evaluation Criteria / Scoring Methodology
UHD Custodial Contract – Nov. 2010

Below are the criteria and scoring system used in evaluating the bids received by UHD for custodial services. The University disqualified numbers when there was a very significant deviation from the median (considered ‘outliers’).

Total Base Bid (65 points max) – Formula driven. The lowest-price bidder received the maximum points, with the other bidders awarded points on a pro-rata basis according to the relationship between their bid and the low bid. Ex., if the next-lowest bid were 10 percent below the lowest bid, that bidder would receive 58.5 points (65 X .90)

Minimum Monthly Personnel Hours (10 points max) – Formula driven. The bidder (of those not disqualified due to their posting of an ‘outlier’ number) offering the highest *Minimum Monthly Personnel Hours* figure received the maximum points, with the other bidders awarded points on a pro-rata basis according to the relationship between their bid and the best bid.

Minimum Monthly Personnel Head Count (10 points max) - Formula driven. The bidder (of those not disqualified due to their posting of an ‘outlier’ number) offering the highest *Minimum Monthly Personnel Head Count* figure received the maximum points, with the other bidders awarded points on a pro-rata basis according to the relationship between their bid and the best bid.

Total Square Footage of Buildings (5 points max) - Formula driven. The bidder (of those not disqualified due to their posting of an ‘outlier’ number) whose number was the median of those submitted for *Total Square Footage of Buildings* received the maximum points, with the other bidders awarded points on a pro-rata basis according to the relationship between their estimate and the median figure (regardless of whether above or below).

AIA Qualifications Statement (5 points max) – This is a more subjective category. Each evaluator ‘scored’ each bidder independently based on the evaluator’s determination of the bidder’s AIA and financial qualifications, with those scores then being averaged. Therefore, it was possible for more than one bidder to achieve the same score.

Higher Education Experience (5 points max) – This is a more subjective category. Each evaluator ‘scored’ each bidder independently based on the evaluator’s determination of the bidder’s Higher Education Experience, with those scores then being averaged. Therefore, it was possible for more than one bidder to achieve the same score.

(Submitted 10/27/2010)

Narrative - Custodial Contract – UH Downtown – November 2010 BOR Meeting

At its April 21, 2009 meeting, the UHS Board of Regents (BOR) approved a five-year contract for WFF Facilities Services to provide custodial services for the UH-Downtown (UHD) campus. The contract went into effect on July 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. WFF's last day to perform custodial services for UHD was May 14, 2010.

In April 2010, exercising the emergency provisions in university procurement policy, UHD approached SSC Service Solutions (SSC), its previous custodial services provider, to see if SSC would be interested in picking up the service from the time WFF vacated until the time a new provider could be selected through a competitive bidding process. SSC was contacted because it was expected that their previous experience with UHD would enable them to come in and be immediately effective. The ensuing agreement with SSC ran from May 14, 2010 through December 31, 2010. SSC would be paid per the bid they had submitted in Spring 2009, which was \$78,917/mo. The university had been paying WFF \$74,668/mo for these services.

The December 31st date was selected because UHD needed to re-write the bid specifications to ensure no future misunderstandings regarding scope, and because under normal circumstances there needs to be a sufficient break in the university's normal operations to allow for the transition to a new contractor (staff training, bringing in equipment, etc.). The ideal time to make such a transition is the summer, which is why the UHD custodial contract typically expires on June 30th. The contract the university is asking the Board to approve on Nov. 17th will expire on June 30, 2015 (with a two year renewal option).

After it was determined in mid-March 2010 to terminate with WFF, UHD did not have adequate time to revise the specifications and solicit bids for the May 2010 BOR meeting. The August 2010 BOR meeting was also problematic in that the meeting date (August 17th) was only six days before the start of the Fall 2010 semester (August 23rd). The 2010 Winter Break was viewed as the most opportune time to make a changeover, so the November 2010 meeting was determined to be the best time to bring the new contract before the Board.

The key dates/event in the course of this re-bid are as follows:

Posted to the Electronic State Business Daily (August 12, 2010)
Voluntary Pre-Proposal Conference (August 31, 2010)
Mandatory Site Visit (by September 13, 2010, must have signed in with Purchasing Dept)
Bids received/opened by UHD Purchasing Dept (September 22, 2010)
Recommended vendor submitted to BOR for approval (November 17, 2010)

As can be seen from the bid tabulation sheet (attached), the bidder/contractor receiving the highest point score based on the evaluation criteria used by the UHD evaluation team was SSC Service Solutions. SSC's aggregate score was 94.9, with the next highest score of 81.3 going to GCA Services. In terms of price, which is of particular interest in these times of tightening budgets, SSC was 19 percent below the next-lowest bid (McLemore), which equates to approximately \$978,000 less over the life of the 4.5 year contract. A detailed description of the evaluation criteria and how they were applied is also attached.

While the bidders are not required to use HUB subcontractors, they are required to submit a HUB plan. In the case of SSC they pointed out that they are currently outsourcing to a HUB firm 18% of the contract, and that they expect to meet or exceed that if selected. The bidders cannot lock their HUB participation numbers in until after they have been awarded the contract.

Another positive aspect to the selection of SSC is that because they are already operating on campus, there will be no need to pay for the overlap associated with a transition (generally 10-14 days where you are paying two vendors as one leaves and the other comes on). This will result in a one-time savings to the university of \$37,021.

(Submitted 10/27/2010)

SUMMARY SCORES

bidder	total base bid - 65 points available	% over lowest base bid	points earned	min monthly personnel hours - 10 points available	points earned	min monthly personnel heads - 10 points available	points earned	total square footage of bldgs - 5 points available	points earned	AIA qualifications statement - 5 points available	points earned	higher education experience - 5 points available	points earned	TOTAL POINTS EARNED
OJS Maintenance	\$5,609,324.00	33.8	43.0	11483	0	1798	0	1,388,000	0	-	3.0	-	1.3	47.3
SSC Service Corp	\$4,191,229.07	n/a	65	5833	8.3	35	8.3	934,309	4.6	-	4.3	-	4.3	94.9
Aztec Facility Services	\$5,528,180.50	31.9	44.3	272	0	34	8.1	1,026,997	4.9	-	4.0	-	5.0	66.3
GCA Services	\$5,398,218.48	28.8	46.3	7000	10	42	10	1,013,618	5	-	5.0	-	5.0	81.3
McLemore Building Maint	\$5,169,046.00	23.3	49.8	5833	8.3	735	0	915,834	4.5	-	4.3	-	3.7	70.7
	lowest	\$4,191,229.07		median	5833	median	42	median	1,013,618					

F&A - 3.1.4

UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA

COMMITTEE: Finance and Administration

ITEM: Purchase Order for Public Broadcasting Services

DATE PREVIOUSLY SUBMITTED:

SUMMARY:

Approval is requested to continue KUHT's 100% participation in the Public Broadcasting Service's National Program Service, Member Service, Plus Assessment, Copyright Assessment and Station Independence Programs for Fiscal Year 2011.

Public Broadcasting Service – 2011 fees \$1,964,451.00



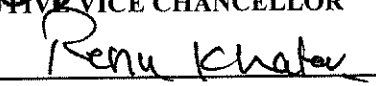
Paid by Corporation for Public Broadcasting's Community Service Grant \$1,576,516 and the Television Interconnection Grant \$30,387 with the remainder paid from community support.

SUPPORTING
DOCUMENTATION:

FISCAL NOTE: \$ 1,964,451.00

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

COMPONENT: University of Houston

PRESIDENT	 Renu Khator	11/5/10 DATE
EXECUTIVE VICE CHANCELLOR	 Carl Carlucci	11/4/10 DATE
CHANCELLOR	 Renu Khator	11/5/10 DATE

Public Broadcasting Services

The 2011 fee for KUHT's participation in the Public Broadcasting Service is \$1,964,451.00. Payment of this fee allows channel 8 to continue to broadcast the following programs: Nature, NOVA, American Masters, Antique Roadshow, Great Performances, Masterpiece, Frontline, Newshour, Nightly Business Report, NOW, Washington Week plus many children's programs as Arthur, Barney & Friends, Cyberchase, Mister Rogers', Sesame Street and many others.

KUHT

***PBS National Program Service
Costs for Continuing Series
FY 2009***

Estimated Program Costs for Member Station		KUHT	
Pricing Factor =	0.00953678	Purchase Power =	83.47%
Participation Factor =	100%	Delay Factor =	100%

F&A - 4.2.1

		Total NPS Funding Commitment	KUHT Share of Station Costs	KUHT Average Cost per Program Hour
Documentary Programs (102 original hours)				
Independent Lens	}			
Nature	}			
NOVA	}			
NOVA ScienceNow	}	\$18,647,039	\$213,041	\$2,099
P.O.V.	}			
Wide Angle	}			
Arts & Cultural Programs (137 original hours)				
American Masters	}			
Antiques Roadshow	}			
Great Performances	}	\$20,374,023	\$232,772	\$1,705
Great Performances at the Met	}			
Masterpiece (rebranded Theatre & Mystery)	}			
News & Public Affairs Programs (964 original hours)				
Frontline	}			
NewsHour	}			
Nightly Business Report	}			
NOW	}	\$37,406,377	\$427,365	\$443
Tavis Smiley	}			
Washington Week	}			

Children's Programs (168 original hours)

Arthur	}			
Barney & Friends	}			
Cyberchase	}			
Fetch with Ruff Ruffman	}			
Martha Speaks	}	\$14,889,746	\$170,114	\$1,016
Mister Rogers' Neighborhood	}			
Sesame Street	}			
SuperWhy	}			
WordGirl	}			

History Programs (31 original hours)

American Experience	}			
History Detectives	}	\$13,403,842	\$153,138	\$5,021
Secrets of the Dead	}			

For further information or questions, please contact:

Tom Tardivo	Natalie Robinson
Vice President, Finance	Director of Finance, Content
ttardivo@pbs.org	nrobinson@pbs.org

F&A-4.2.2

Overview of PBS Dues

The PBS Board of Directors fully recognizes the challenging financial environment facing public television. The board expects these economic trends to continue for the public television system for the remainder of 2010 and into 2011, so it has approved management's recommendation to hold the overall assessments (NPS, MSA, PFP, PLUS) for FY 2011 at the same level as FY 2010. In addition, the board approved management's recommendation to "unfreeze" and "roll forward" the input factors into the current dues formula to update the values that determine the level of dues each station will pay.

The board also approved the implementation of a "capping" protocol in which the upward or downward variability of stations' dues will be capped at 5% to mitigate the variance from the FY 2010 dues (frozen at FY 2009 levels) to the FY 2011 dues. PBS utilized a similar capping methodology in calculating the FY 2009 dues. While the overall assessments will not increase, each member station's dues will change due to the updating of the input factors in the dues formula.

For FY 2010, you may recall that the PBS board established 25% as the minimum level of NPS participation for Program Differentiation Plan (PDP) stations. However, due to the challenging economic climate, the requirement to participate at 25% was moved to FY 2011, which begins July 1, 2010. The 2011 dues information below reflects this minimum level of NPS participation by PDP stations.

Regarding PBS Fundraising Programming (PFP) dues for PDP stations in FY 2011, the PBS board approved the extension of the 25% PFP surcharge for PDP stations through FY 2011, or until the current PBS dues review process is complete and the board implements a new formula that addresses PFP in multiple station markets.

As a reminder, PDP stations have the option to choose between the following two alternatives for their PFP dues:

- o Option 1: The PDP station must delay, by one pledge drive, its first broadcast of pledge programming designated for the current drive, with no alteration to the dues formula; or
- o Option 2: The PDP station may broadcast current-drive pledge programming without a delay, but must pay a 25% surcharge on top of its PFP dues. Any surcharges paid would be rebated back to the full member station in that market.

PBS Dues Calculations

PBS Dues Calculations

- **Assessments** refer to the total amount PBS aggregates from member stations for services. There are four main components of the assessments to stations:
 - NPS
 - MSA
 - Fundraising Programming (optional)
 - PLUS (optional)
- When PBS announces **assessment** increases, the percentage increase refers to the change in the total dollar figure PBS is recouping over the previous year.
- **Dues** refer to each licensee's share of the assessment.
- Stations' **dues** vary year to year due to three primary causes:
 - Changes in the total amount assessed
 - Changes in individual station factors
 - Changes in total system factors
- An individual licensee's dues are influenced by *its position relative to all other stations (total system factors)*. For example, a station that experienced a decline in its financial position may not see a dues reduction if the system as a whole also had a challenging fiscal year.

NATIONAL PROGRAMMING SERVICE (NPS)

- The NPS pays for over 2000 hours of high quality television content, promotion, education, and online content.
- The NPS dues model recoups the cost that PBS incurs in providing and promoting NPS content:
 - NPS Assessment Content Budget: the budget to acquire television and online content as well as promotion, education, and media relations activities around specific titles.

- Institutional Promotion Budget: the activities that establish and promote the PBS brand and identity.
- The proportion of the NPS assessment that a station pays (its dues) is decided using an allocation factor called the **Averaged Program Pricing Factor**, or Averaged PPF.
- To calculate the Averaged Program Pricing Factor, the last 3 years of available data for a number of different inputs is taken into consideration. Some of these inputs positively correlate with the total dues payment (when this input increases, a station's dues payment increases), while others negatively correlate (when this input increases, a station's dues payment decreases):

POSITIVE CORRELATIONS (+/+)

- Size of grant from CPB
- Amount of non-federal money generated by the station
- Population served by the station

NEGATIVE CORRELATIONS (+/-)

- Amount of national production funding generated by the station
- Number of station transmitters

NPS DUES CALCULATION

Station NPS Dues =

$$\begin{array}{c} \text{Average} \\ \text{Program} \\ \text{Pricing} \\ \text{Factor} \\ \text{(PPF)} \end{array} \times \left(\begin{array}{c} \text{Institutional} \\ \text{Promotion} \\ \text{Budget} \end{array} + \begin{array}{c} \text{NPS Assessment} \\ \text{Content Budget} \\ \times \text{ Program Differentiation Plan (PDP)\%} \\ \times \text{ Airing Delay Factor} \\ \hline \text{DIVIDED BY} \\ \text{NPS Purchase} \end{array} \right)$$

Formula Inputs:

- *Averaged PPF* = Average of past 3 years' PPF (Program Pricing Factor)

Single year PPF =	FY11 Adjusted Budget Factor	FY11 Population Factor =	FY09 CSG Factor =
0.45 x Adjusted Budget Factor	=	<i>The lower of:</i>	<u>2009 CSG</u>
0.30 x Population Factor	(2010 CSG	Grade A transmitter coverage;	Sum of all stations'
0.25 x CSG Factor	+ 2008 NFFS	125% Nielsen DMA; <i>or</i>	2009 CSGs
	- 2008 National Production Funds	<u>125% state population</u>	
	- <u>Transmitter Deduction</u>)	Sum of all stations' population	
	Sum of all Stations' Adjusted	for FY11	
	Budgets for FY11		

- **NFFS** = Non-Federal Financial Support (reported by stations to CPB)
- **National Production Funds/NPF** = Credit provided for stations making an investment in programming (in recognition of the importance of station involvement in securing production funds).
- **Transmitter Deduction** = \$500K per transmitter in excess of one.

- The three factors above are calculated separately for FY11, FY10 and FY09, then each factor is plugged into the single year PPF, then the three PPF's are averaged.
- Note the lagged data inputs. For example, FY08 NFFS amount is an input into the FY11 Adjusted Budget Factor.
- *Institutional Promotion Budget* FY11= \$2.2M
This budget pays for the activities that establish and promote the PBS brand and identity. Since all member stations have access to the brand image, all pay a share of these costs, regardless of their PDP status (described below).

- *NPS Assessment Content Budget FY11 = \$136.2M*
This budget goes to acquire television and online content as well as promotion, education, and media relations activities around specific titles. PDP stations (described below) have access restrictions and airing delays for NPS content and thus pay a share of these costs, proportional to their access to content.
- PDP Stations: Stations that qualify can apply to participate as Program Differentiation Plan (PDP) members of PBS (receiving restricted content); these stations receive a dues discount.
 - The discounts are percentage-based and known as *PDP and Airing Delay Factor*. These discounts are linked with each other; meaning that a station is only entitled to an *Airing Delay Factor* discount when it qualifies as a PDP station, i.e. when its PDP percentage is less than 100%. The discounts affect the NPS Assessment Content part of the model only, not the Institutional Promotion part.
- *NPS Purchase Power FY11 = 84.35%*
This input adjusts assessments to account for partial-participant member stations (PDPs). If no adjustment were made for partial participants, the sum of all assessments would be less than the total NPS budget.

MEMBER SERVICES ASSESSMENT (MSA)

- MSA is used to recoup the costs that PBS incurs in providing the essential activities and services required to operate the system (e.g. interconnection, engineering, professional development).
- Similar to the NPS, this is achieved by dividing the total MSA budget between stations based on their ability to pay.
- The total MSA budget accounts for only 2/3 of what is actually required to supply member services, the balance is made up by PBS from revenue generating activities.
- MSA dues operate on similar principles to NPS dues: based on ability to pay; use an allocation factor to divide the total budget between stations; provide discounts to PDP stations (both formulas use a participation factor)

- However, the factors used for allocation and participation in the MSA formula are different from those used in the NPS calculation and are described in the calculation explanation that follows.
- MSA calculations are generally not finalized until late summer, once the CPB has calculated stations Community Service Grants (CSG). For example, the MSA estimates provided in the Spring 2010 for FY2011 are preliminary and will be updated and communicated to stations when finalized.

MSA DUES CALCULATION

$$\text{Station MSA} = \frac{\text{Total MSA}}{\text{MSA Purchase Power}} \times \frac{\text{Station CSG Grant}}{\text{Sum of all CSG Grants}} \times \text{Participation Factor}$$

- PDP = 100%, then participation factor =100%
- 25% < PDP < 41.67%, then participation factor =PDP% x 2.4
- PDP < 25%, then participation factor =60%

F&A – 4.2.10

Formula Inputs:

- *Total MSA Budget* FY11: \$32.1M
- *MSA Purchase Power* FY11: 94.87%
This input accounts for PDP member stations. If no adjustment were made, the sum of all MSA dues paid would be less than the Total MSA Budget.
- *Station CSG Grant* FY11: Individual input for each station
- *Sum of all CSG Grants* FY11: \$193.5M (Note: This is the FY10 number as FY11 information has not yet been issued)
- *Participation Factor*: 100% for full-participation stations;
60% for PDP stations with participation <25%;
PDP% times 2.4 for PDP stations with participation 25%-41.67%.
No station has a PDP% between 41.67% and 99.99%

FUNDRAISING PROGRAMMING (FRP) formerly known as SIP

- Fundraising Programming dues cover the costs that PBS incurs in providing stations with special programming designed to support and enhance stations' fundraising efforts.
- Unlike NPS and MSA dues, stations are not obliged to purchase Fundraising Programming from PBS; but over 90% of stations participate.
- The basis for the Fundraising Programming dues calculation is similar to that for NPS and MSA dues:
 - Based on ability to pay
 - Uses an allocation factor to divide the total budget between stations
 - Utilizes a purchase power factor to 'bump up' every station's payment and offset the budget deficit caused by some stations' non participation
- The allocation factor used by Fundraising Programming is the same as that utilized in the NPS model, Averaged Program Pricing Factor. As highlighted in the NPS section, Averaged PPF takes 3 years of data into consideration from:
 - Size of grant from CPB
 - Amount of non-federal money generated by the station
 - Population served by the station
 - Amount of production funding generated by the station
 - Number of station transmitters

F&A - 4.2.11

FUNDRAISING PROGRAMMING DUES CALCULATION

Formula Inputs:

$$\text{Station Fundraising Programming Dues} = \frac{\text{Total Fundraising Prog. Budget}}{\text{DIVIDED BY Fundraising Prog. Purchase Power}} \times \text{3 Year Average PPF}$$

- *Total Fundraising Programming Budget* for FY11 = \$11.8M
- *Fundraising Programming Purchase Power* for FY11= 88% (Note: This is an estimate until full level of participation for FY11 is known). This input accounts for the fact that not all stations choose to participate in Fundraising Programming in a given year. If the purchase power adjustment was not made, the sum of all participating stations would be less than the FRP budget.
- *3 Year Average PPF*: See NPS Dues Calculation for an explanation and calculation of the PPF.
- *FRP Increase for FY11*: \$0

PBS PLUS

- PBS PLUS provides stations with fully underwritten programming and is distributed as a weekly soft feed. Participation in this service is optional.
- PLUS assessments were originally established many years ago, and individual assessments are based on historical increases to that original assessment level. Participation level is near 97% and no adjustment is made for non-participating stations.

PBS PLUS DUES CALCULATION

Formula Input:

Stations' PLUS Dues = Station's previous year PLUS dues X PLUS Increase

PLUS increase FY11: \$0

KUHT FY 2010 Station Dues Estimate

Public Broadcasting Service

Dues Information Sheet

Station:	KUHT	KUHT
Membership % - Delay Factor:	100% - No delay	100% - No delay
PBS Fiscal Year:	FY 2009	FY2010
Dues data status (Actual or Estimate):	Actual	Estimate

Assessment Totals:

Core Services

National Program Service Assessment	\$1,586,023	\$1,586,023
Member Service Assessment	235,811	235,811
Subtotal Core Services:	1,821,834	1,821,834

Optional Services

SIP Assessment	127,492	127,492
PLUS Assessment	9,828	9,828
World Channel	0	32,000
Subtotal Optional Services:	137,319	169,319

TOTAL OF ALL ASSESSMENTS

	\$1,959,153	\$1,991,153
--	--------------------	--------------------

MEMBER SERVICE ASSESSMENT and associated variables:

Adjusted MSA = Total MSA Budget / Current Year MSA Purchase Power

If PDP% = 100%, then formula is: Adjusted MSA x CSG Factor

If PDP% < 25%, then formula is: Adjusted MSA x (CSG Factor x 60%)

If 25% < PDP% < 41.67%, then formula is: Adjusted MSA x (CSG Factor x PDP% x 2.4)

VARIABLES:

Participation % (PDP%)	100%
Total PBS Member Service Assessment	\$32,096,457
MSA Purchase Power Factor	94.65%
CSG Year for MSA calculation (Updated to current FY once CSGs are final)	2009
Individual Station's CSG	\$1,333,703
Sum of all PBS member stations' CSGs	\$188,671,322
CSG Factor for MSA (individual CSG / Sum of all PBS members' CSGs)	0.00706892
MSA as calculated by Dues formula	\$239,704
MSA adjustment related to +/- 4.5% Cap	-\$3,893

NATIONAL PROGRAMMING SERVICE (NPS) ASSESSMENT and associated variables:

Formula = (Average PPF x NPS Instit. Promo.)
 + ((Average PPF x PDP% x Airing Delay) x (Net NPS Content Budget / NPS Purchase Power))

VARIABLES:

Averaged PPF (avg. three most recent PPFs, see below))	0.00953678
NPS Institutional Promotion Budget	\$4,989,375
Net NPS Content Budget (=Total NPS - Institutional Promo. portion)	<u>\$133,479,347</u>
Total PBS NPS Budget (Inst. Promo + Net NPS Content)	\$138,468,722
Participation % (PDP%)	100%
NPS Airing Delay	100%
NPS Purchase Power Factor	83.47%
NPS as calculated by Dues formula	\$1,572,574
NPS adjustment related to +/- 4.5% Cap	\$13,449

STATION INDEPENDENCE PROGRAM (SIP) ASSESSMENT and associated variables:

SIP assessment = Average PPF x (Current Year SIP budget / SIP Purchase Power)

VARIABLES:

SIP Averaged PPF (different than NPS Avg PPF)	0.00950307
Total PBS SIP Budget	\$11,805,930
SIP Purchase Power Factor	88.00%

AVERAGE PPF CALCULATION (result used in NPS and SIP formulas)

PPF = Program Pricing Factor = 45% of Adjusted Budget Factor + 30% of Population Factor + 25% of CSG Factor

Average PPF = an average of the three most recent PPFs (softens the effects of year-to-year changes)

Adjusted Budget factor (proportion of all Adjusted budgets) - 45% weight in PPF calculation

Adjusted Budget = two year's prior Non-Federal Funding Sources (NFFS) -
 two year's prior National Production Funds (NPF) + prior year CSG -
 Transmitter Credit)

Example: FY08 Adjusted Budget = 2005 NFFS - 2005 NPF + 2007 CSG - Transmitter Deduction

NFFS Year for PPF calculation	2006
NFFS (Non-Federal Financial Support)	\$8,963,734
NPF Year for PPF calculation	2005-2006
NPF (National Production Funds) for PPF calculation	\$0
CSG Year for PPF calculation	2008
CSG for PPF calculation	\$1,283,187
# Transmitters	1
Transmitter Credit (\$500K for each transmitter in excess of 1)	\$0
Adjusted Budget (NFFS - NPF + CSG - Transmitter Credit)	\$10,246,921
Total Adjusted Budget - Sum of all PBS members' Adjusted Budgets	\$1,171,102,039
Adj. Bud. factor for PPF (Individ. Adj. Bud. / Sum of All Adj. Budgets)	0.00874981

Population factor (proportion of all population) - 30% weight in PPF calculation

Population equals lesser of: A) 125% of Nielsen DMA; or B) Grade A transmitter coverage; or c) 125% of state population

The exception are 10 stations designated in Metropolitan Statistical Areas, in which case Population = 50% of Grade A transmitter coverage)

Calculated Population coverage for individual station	4,708,000
Total Population - Sum of all PBS members's calculated population	394,195,510
Pop. Factor for PPF (Individual Pop. / Sum of All Pops.)	0.01194331

CSG factor (proportion of all CSGs) - 25% weight in the PPF calculation

CSG for PPF = prior year CSG (i.e. the FY08 CSG for PPF = FY06 CSG)

CSG Year for CSG Factor in PPF calculation	2008
Individual station's CSG award	\$1,283,187
Total of all PBS members' CSGs for that year	\$186,703,200
CSG factor for PPF (Individual CSG / Sum of All CSGs)	0.00687287

Current Year PPF (45% Adj Budg + 30% Pop + 25% CSG)	0.00923863
Averaged PPF (Average of 3 most recent PPFs: used in current year for	0.00953678

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

COMMITTEE: Finance and Administration

ITEM: Presentation of the Preliminary Fiscal Year 2010 University of Houston System Annual Financial Report Summary

**DATE PREVIOUSLY
SUBMITTED:**

SUMMARY:

Presentation of the Preliminary Fiscal Year 2010 University of Houston System Annual Financial Report Summary.

SUPPORTING DOCUMENTATION: Annual Financial Report Summary

FISCAL NOTE: N/A

**RECOMMENDATION/
ACTION REQUESTED:** Information

COMPONENT: University of Houston System

PRESIDENT



DATE

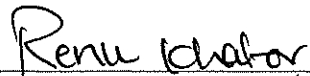
10/29/10

EXECUTIVE VICE CHANCELLOR

Carl Carlucci

DATE

CHANCELLOR



Renu Khator

DATE

11-3-10

University of Houston System

Overview of the Preliminary Annual Financial Report For FY 2010

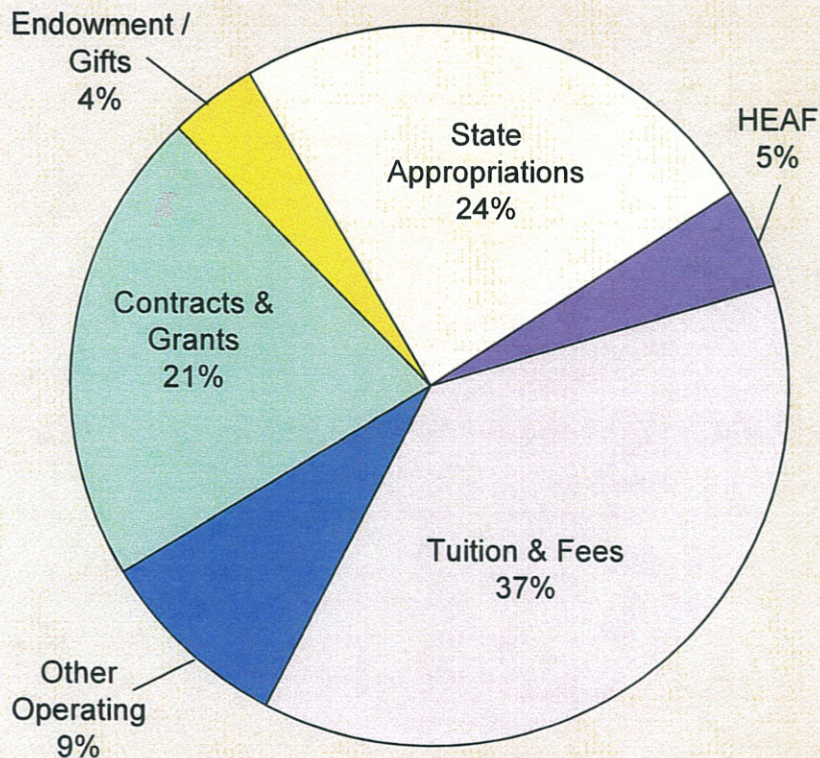
November 17, 2010

University of Houston System FY 2010 Annual Financial Report Timeline

- **Aug 31** - Fiscal year end
- **Sep 27** - Departmental accounting activity completed
- **Oct 22** - Ledger closed and preliminary management review completed
- **Oct 28** - Final management review completed
- **Nov 17** - Financial results for all UHS presented to Board of Regents
- **Nov 20** - AFR submitted to State Comptroller & State Auditor
- **Feb 28** - Statewide comprehensive audit completed

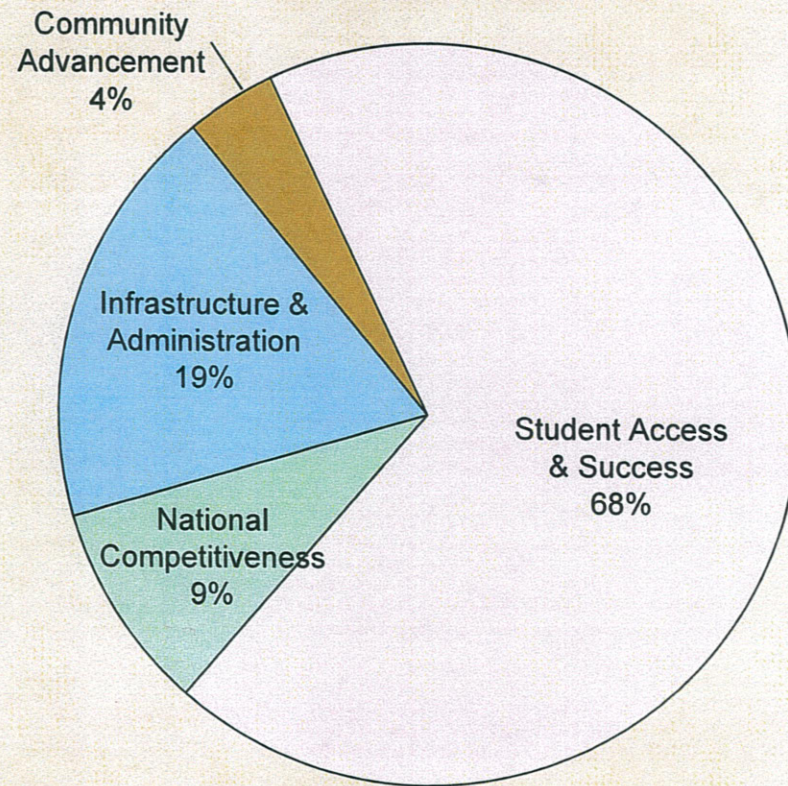
University of Houston System Combined FY 2010 Preliminary Results of Operations

Revenues



Total \$1,174.2 Million

Expenses



Total \$1,078.3 Million

Note: Expenses exclude construction spending from revenue bond proceeds.

University of Houston System Combined Analysis of Revenues FY 2007 - 2010

(\$ Millions)

	A 2007 Actual	B 2008 Actual	C 2009 Actual	D 2010 Preliminary	E 2010 Budget *
1 State Appropriations	\$ 254.1	\$ 283.0	\$ 289.0	\$ 284.4	\$ 296.9
2 HEAF	35.5	53.2	53.3	53.3	53.3
3 Tuition & Fees	336.0	365.3	399.0	436.5	414.0
4 Other Operating	100.0	99.0	97.3	102.1	127.1
5 Contracts & Grants	133.0	154.4	187.0	251.2	198.9
6 Endowment / Gifts	45.0	54.4	43.5	46.7	29.5
7 Total	<u>\$ 903.6</u>	<u>\$ 1,009.3</u>	<u>\$ 1,069.1</u>	<u>\$ 1,174.2</u>	<u>\$ 1,119.7</u>

* FY2010 Budget as adopted on 8-18-2009

University of Houston System Combined Revenues by UHS Component FY 2010 (Preliminary)

(\$ Millions)

	A	B	C	D	E	F	G
	State Appropriations	HEAF	Tuition & Fees	Other Operating	Contracts & Grants	Endowment / Gifts	Preliminary 2010 Total
1 University of Houston	\$ 192.1	\$ 36.1	\$ 321.0	\$ 92.2	\$ 196.3	\$ 40.6	\$ 878.3
2 UH - Clear Lake	35.7	5.4	43.4	4.0	12.4	0.9	\$ 101.8
3 UH - Downtown	33.6	9.5	54.9	5.5	35.4	2.2	\$ 141.1
4 UH - Victoria	18.8	2.3	17.2	0.6	7.1	0.7	\$ 46.7
5 UH System Admin	4.2	-	-	(0.2)	-	2.3	\$ 6.3
6 UH System Total	\$ 284.4	\$ 53.3	\$ 436.5	\$ 102.1	\$ 251.2	\$ 46.7	\$ 1,174.2

F&A - 5.1.5

University of Houston System Combined Analysis of Operating Expenses FY 2007 – 2010

(\$ Millions)

	A	B	C	D	E
	2007	2008	2009	2010	2010
	Actual	Actual	Actual	Preliminary	Budget *
1 Student Access and Success	\$ 559.3	\$ 613.1	\$ 670.5	\$ 737.1	\$ 691.3
2 National Competitiveness	75.0	81.0	87.8	98.3	133.5
3 Infrastructure & Administration	160.0	173.0	206.1	200.1	261.5
4 Community Advancement	34.6	40.3	41.0	42.8	33.4
5 Total	<u>\$ 828.9</u>	<u>\$ 907.4</u>	<u>\$ 1,005.4</u>	<u>\$ 1,078.3</u>	<u>\$ 1,119.7</u>

* FY2010 Budget as adopted on 8-18-2009

University of Houston System Combined Expenses by UHS Component FY 2010 (Preliminary)

(\$ Millions)

	A	B	C	D	E
	Student Access & Success	National Competitiveness	Infrastructure & Administration	Community Advancement	Preliminary 2010 Total
1 University of Houston	\$ 533.6	\$ 94.5	\$ 129.7	\$ 38.9	\$ 796.7
2 UH - Clear Lake	69.1	1.3	24.1	0.2	\$ 94.7
3 UH - Downtown	97.3	1.3	30.2	2.9	\$ 131.7
4 UH - Victoria	31.5	0.1	7.6	0.8	\$ 40.0
5 UH System Admin	5.6	1.1	8.5	-	\$ 15.2
6 UH System Total	\$ 737.1	\$ 98.3	\$ 200.1	\$ 42.8	\$ 1,078.3

F&A - 5.1.7

University of Houston System Combined Analysis of Asset Balances

FY 2007 – 2010

On August 31 (\$ Millions)

	A	B	C	D
	2007	2008	2009	2010
	Actual	Actual	Actual	Preliminary
Assets				
1 Cash, Appropriations, & Investments	\$ 922.7	\$ 1,146.0	\$ 1,039.2	\$ 1,150.9
Consisting of:				
2 Unrestricted cash balances	(58.1)	(26.2)	(19.2)	(38.4)
3 Restricted cash balances	62.5	55.3	66.6	60.2
4 Investments (includes Endow ment)	842.7	1,023.2	842.9	970.8
5 Appropriation balances	75.6	93.7	148.9	158.3
6 Capital Assets, net of depreciation	\$ 560.8	\$ 626.4	\$ 775.1	\$ 859.8
Consisting of:				
7 Land	60.8	86.3	100.8	100.9
8 Construction in progress	22.4	81.2	47.2	93.5
9 Buildings, facilities, infrastructure	379.8	361.6	528.1	529.2
10 Equipment, software, art, books	97.8	97.3	99.0	136.2
11 Other Assets	\$ 111.8	\$ 135.6	\$ 155.1	\$ 193.0
Consisting of:				
12 Receivables	65.7	72.9	65.3	100.3
13 Loans receivable	19.2	21.0	31.4	40.3
14 Prepaid expenses	23.9	39.4	55.9	50.2
15 Inventories	3.0	2.3	2.5	2.2
16 Total Assets	\$ 1,595.3	\$ 1,908.0	\$ 1,969.4	\$ 2,203.7

University of Houston System Combined Analysis of Liability Balances & Equity Balance FY 2007 – 2010

On August 31 (\$ Millions)

		A	B	C	D
		2007 Actual	2008 Actual	2009 Actual	2010 Preliminary
Liabilities					
1	Payables & Accrued Liabilities	\$ 56.0	\$ 55.0	\$ 69.0	\$ 71.7
Consisting of:					
2	Accounts payable	24.0	20.0	34.2	34.7
3	Federal funds payable	0.5	1.7	1.0	0.1
4	Payroll payable	31.1	33.0	33.5	36.6
5	Claims payable (WCI / UCI)	0.4	0.3	0.3	0.3
6	Revenue Bonds Payable	\$ 306.2	\$ 453.0	\$ 610.9	\$ 683.3
7	Other Liabilities	\$ 170.0	\$ 215.6	\$ 161.2	\$ 225.8
Consisting of:					
8	Deferred revenue	144.1	181.3	124.0	189.9
9	Compensable leave	19.9	21.8	23.1	23.1
10	Funds held in custody	6.0	12.5	14.1	12.8
11	Total Liabilities	\$ 532.2	\$ 723.6	\$ 841.1	\$ 980.8
12	Total Equity Balance	\$ 1,063.1	\$ 1,184.4	\$ 1,128.3	\$ 1,222.9

F&A – 5.1.9

University of Houston System Combined Asset, Liability & Equity Balances by UHS Component Preliminary FY 2010 On August 31 (\$ Millions)

F&A - 5.1.10

	A	B	C	D	E	F
	University of Houston	UH Clear Lake	UH Downtown	UH Victoria	UH System Admin	UH System 2010 Total
Assets						
1 Cash, Appropriations, & Investments	\$ 267.9	\$ 23.6	\$ 34.9	\$ 15.3	\$ 809.2	\$ 1,150.9
2 Capital Assets, net of depreciation	613.1	55.5	97.2	20.8	73.2	859.8
3 Other Assets	128.2	13.5	25.3	25.0	1.0	193.0
4 Total Assets	\$ 1,009.2	\$ 92.6	\$ 157.4	\$ 61.1	\$ 883.4	\$ 2,203.7
Liabilities						
5 Payables & Accrued Liabilities	\$ 49.3	\$ 4.2	\$ 5.6	\$ 4.5	\$ 8.1	\$ 71.7
6 Revenue Bonds Payable	547.2	33.8	57.9	44.4	-	683.3
7 Other Liabilities	152.4	23.7	21.6	10.2	17.9	225.8
8 Total Liabilities	\$ 748.9	\$ 61.7	\$ 85.1	\$ 59.1	\$ 26.0	\$ 980.8
9 Total Equity Balance	\$ 260.3	\$ 30.9	\$ 72.3	\$ 2.0	\$ 857.4	\$ 1,222.9

University of Houston System Combined Estimated Cost of a General Revenue Reduction FY 2012 – 2013 Biennium

(\$ Millions)

A
GR Reduction
10%

1	University of Houston	\$	(29.6)
2	UH - Clear Lake		(5.5)
3	UH - Downtown		(4.6)
4	UH - Victoria		(2.5)
5	UH System Admin		(0.5)
6	UH System Total	\$	(42.7)

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

COMMITTEE: Finance and Administration

ITEM: Presentation of projected revenues and expenses for Fiscal Year 2021 based on Campus Master Plan enrollment targets.

**DATE PREVIOUSLY
SUBMITTED:**

SUMMARY:

A set of four revenue scenarios and four expense scenarios will be presented for each campus. The scenarios will be based on the Campus Master Plan enrollment targets presented to the Board at the June 2010 retreat.

SUPPORTING DOCUMENTATION: Revenue and Expense Projection Tables

FISCAL NOTE: N/A

**RECOMMENDATION/
ACTION REQUESTED:** Information

COMPONENT: University of Houston System

PRESIDENT



EXECUTIVE VICE CHANCELLOR

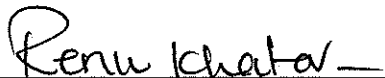
Carl Carlucci

DATE

16/29/10

DATE

CHANCELLOR



Renu Khator

11-3-10

DATE

University of Houston System

Revenue and Expense Summary Based on Master Plan Enrollment Targets

November 17, 2010

F&A - 6.1.1

**University of Houston
Master Plan Enrollment Targets**

	Actual				Targets		
	Fall 2000	Fall 2005	Fall 2009	% Change Fall 00-09	Fall 2015	Fall 2020	% Change Fall 09-20
<u>Undergraduate</u>							
Semester Credit Hours	290,198	331,490	345,494	19%	368,513	375,075	9%
Full-Time Equivalent Students	24,183	27,624	28,791	19%	30,709	31,256	9%
Student Headcount	25,095	27,510	29,298	17%	30,206	30,006	2%
<u>Master's</u>							
Semester Credit Hours	37,089	30,307	41,058	11%	50,388	68,629	67%
Full-Time Equivalent Students	3,788	3,367	4,562	20%	5,599	7,625	67%
Student Headcount	4,062	3,607	4,287	6%	5,928	8,074	88%
<u>Doctoral</u>							
Semester Credit Hours	8,053	9,250	9,071	13%	10,752	15,084	66%
Full-Time Equivalent Students	895	1,028	1,008	13%	1,195	1,676	66%
Student Headcount	1,391	1,463	1,647	18%	1,792	2,514	53%
<u>Special Professional</u>							
Semester Credit Hours	20,790	27,059	26,014	25%	28,841	34,721	33%
Full-Time Equivalent Students	1,733	2,255	2,168	25%	2,403	2,893	33%
Student Headcount	1,575	2,002	1,768	12%	1,962	2,362	34%
<u>Total</u>							
Semester Credit Hours	356,130	398,106	421,637	18%	458,494	493,509	17%
Full-Time Equivalent Students	30,599	34,274	36,529	19%	39,906	43,450	19%
Student Headcount	32,123	34,582	37,000	15%	39,888	42,956	16%
<u>Percent Graduate & Professional</u>							
	21.9%	20.4%	20.8%		24.3%	30.1%	

F&A – 6.1.2

University of Houston Revenue and Expense Summary

Based on Campus Master Plan Enrollments

FY2021 Revenue Increase

(vs FY2010 Revenue)

		Annual Change in State-wide GR	
		Low (-2%)	High (0%)
Annual Tuition & Fee Increases	Low (0%)	\$20.6	\$46.6
	High (2%)	\$99.0	\$125.0

FY2021 Expense Increase *

(vs FY2010 Expense)

		Increased Faculty Appointments	
		Low (163 FTE)	High (325 FTE)
Annual Salary Increases	Low (0%)	\$68.6	\$137.1
	High (3%)	\$162.2	\$230.7

F&A - 6.1.3

* Expense includes the cost of additional faculty appointments plus associated increases in academic, administrative, and plant infrastructure.

UH-Clear Lake Master Plan Enrollment Targets

Enrollment by Level	Actual				Targets		
	Fall 2000	Fall 2005	Fall 2009	% Change Fall 00-09	Fall 2015	Fall 2020	% Change Fall 09-20
<u>Undergraduate</u>							
Semester Credit Hours	42,070	43,309	43,063	2%	66,990	79,324	84%
Full-Time Equivalent Students	3,506	3,610	3,586	2%	5,583	6,610	84%
Student Headcount	3,946	4,151	4,450	13%	6,397	7,481	68%
<u>Master's</u>							
Semester Credit Hours	19,900	22,299	21,138	6%	24,743	27,994	32%
Full-Time Equivalent Students	2,211	2,478	2,349	6%	2,749	3,110	32%
Student Headcount	3,634	3,702	3,121	-14%	3,866	4,374	40%
<u>Doctoral</u>							
Semester Credit Hours	-	-	480	NA	600	900	88%
Full-Time Equivalent Students	-	-	53	NA	67	100	89%
Student Headcount	-	-	72	NA	100	150	108%
<u>Total</u>							
Semester Credit Hours	61,970	65,608	64,681	4%	92,333	108,218	67%
Full-Time Equivalent Students	5,717	6,088	5,988	5%	8,399	9,820	64%
Student Headcount	7,580	7,853	7,643	1%	10,363	12,005	57%

UH-Clear Lake

Revenue and Expense Summary

Based on Campus Master Plan Enrollments

FY2021 Revenue Increase

(vs FY2010 Revenue)

		Annual Change in State-wide GR	
		Low (-2%)	High (0%)
Annual Tuition & Fee Increases	Low (0%)	\$16.5	\$22.9
	High (2%)	\$33.5	\$39.9

FY2021 Expense Increase *

(vs FY2010 Expense)

		Increased Faculty Appointments	
		Low (82 FTE)	High (164 FTE)
Annual Salary Increases	Low (0%)	\$20.2	\$40.2
	High (3%)	\$40.5	\$60.7

* Expense includes the cost of additional faculty appointments plus associated increases in academic, administrative, and plant infrastructure.

F&A – 6.1.5

UH-Downtown Master Plan Enrollment Targets

Enrollment by Level	Actual				Targets		
	Fall 2000	Fall 2005	Fall 2009	% Change Fall 00-09	Fall 2015	Fall 2020	% Change Fall 09-20
<u>Undergraduate</u>							
Semester Credit Hours	88,674	115,327	125,102	41%	150,153	185,873	49%
Full-Time Equivalent Students	7,390	9,611	10,425	41%	12,513	15,489	49%
Student Headcount	8,934	11,359	12,579	41%	15,098	18,857	50%
<u>Master's (1)</u>							
Semester Credit Hours	114	681	879	671%	5,445	16,162	1739%
Full-Time Equivalent Students	13	76	98	654%	605	1,796	1733%
Student Headcount	18	125	163	806%	1,007	2,988	1733%
<u>Total</u>							
Semester Credit Hours	88,788	116,008	125,981	42%	155,598	202,035	60%
Full-Time Equivalent Students	7,403	9,687	10,523	42%	13,118	17,285	64%
Student Headcount	8,952	11,484	12,742	42%	16,105	21,845	71%

(1) Masters SCHs to grow to 3.5% of total by 2015 and 8% of total by 2020.

UH-Downtown Revenue and Expense Summary

Based on Campus Master Plan Enrollments

FY2021 Revenue Increase

(vs FY2010 Revenue)

		Annual Change in State-wide GR	
		Low (-2%)	High (0%)
Annual Tuition & Fee Increases	Low (0%)	\$22.4	\$29.6
	High (2%)	\$43.9	\$51.1

FY2021 Expense Increase *

(vs FY2010 Expense)

		Increased Faculty Appointments	
		Low (128 FTE)	High (256 FTE)
Annual Salary Increases	Low (0%)	\$25.1	\$50.2
	High (3%)	\$44.3	\$69.4

F&A - 6.1.7

* Expense includes the cost of additional faculty appointments plus associated increases in academic, administrative, and plant infrastructure.

UH- Victoria Master Plan Enrollment Targets

Enrollment by Level	Actual				Targets		
	Fall 2000	Fall 2005	Fall 2009	% Change Fall 00-09	Fall 2015	Fall 2020	% Change Fall 09-20
<u>Undergraduate</u>							
Semester Credit Hours	7,437	11,082	17,057	129%	38,667	52,547	208%
Full-Time Equivalent Students	620	924	1,421	129%	3,222	4,380	208%
Student Headcount	851	1,303	1,873	120%	3,805	4,941	164%
<u>Graduate</u>							
Semester Credit Hours	4,365	7,164	10,905	150%	15,105	19,725	81%
Full-Time Equivalent Students	485	796	1,212	150%	1,679	2,191	81%
Student Headcount	849	1,188	1,782	110%	2,275	2,803	57%
<u>Total</u>							
Semester Credit Hours	11,802	18,246	27,962	137%	53,772	72,272	158%
Full-Time Equivalent Students	1,105	1,720	2,633	138%	4,901	6,571	150%
Student Headcount	1,700	2,491	3,655	115%	6,080	7,744	112%

UH-Victoria Revenue and Expense Summary

Based on Campus Master Plan Enrollments

FY2021 Revenue Increase

(vs FY2010 Revenue)

		Annual Change in State-wide GR	
		Low (-2%)	High (0%)
Annual Tuition & Fee Increases	Low (0%)	\$17.4	\$21.1
	High (2%)	\$26.0	\$29.7

FY2021 Expense Increase *

(vs FY2010 Expense)

		Increased Faculty Appointments	
		Low (59 FTE)	High (117 FTE)
Annual Salary Increases	Low (0%)	\$14.1	\$28.3
	High (3%)	\$31.6	\$45.8

F&A - 6.1.9

* Expense includes the cost of additional faculty appointments plus associated increases in academic, administrative, and plant infrastructure.

FY2021 Incremental Revenues and Expenses

(To Meet Enrollment Targets)

	<u>Revenue (a)</u>	<u>Expense (b)</u>	<u>Shortfall Gap</u>
University of Houston	\$125.0	\$230.7	(\$105.7)
UH-Clear Lake	\$39.9	\$60.7	(\$20.8)
UH-Downtown	\$51.1	\$69.4	(\$18.3)
UH-Victoria	\$29.7	\$45.8	(\$16.1)

F&A 6.1.10

(a) Revenue Assumptions

- Level state appropriations
- Annual average tuition & fee Increases of 2%

(b) Expense Assumptions

- Faculty, staff and Infrastructure fully funded to meet enrollment targets
- Average annual faculty and staff salary increases of 3%

Closing the Revenue/Expense Gap

- Cut costs and increase productivity
- Increased enrollment and tuition
- Professional and differential tuition
- Cost shifting to contract and grants
- IDC income
- Patent and Licensing Revenue
- Philanthropy

UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA

COMMITTEE: Finance and Administration

ITEM: Update on remodeling of the Jaguar Hall building and its opening for students

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY:

University of Houston-Victoria will provide a financial report updating the committee on the remodeling of Jaguar Hall at UHV and its opening for students in Fall 2010.

SUPPORTING DOCUMENTATION: Summary will be distributed at the meeting

FISCAL NOTE: None

RECOMMENDATION/
ACTION REQUESTED: Information

COMPONENT: University of Houston-Victoria

For Don Smith by Ed Smith

PRESIDENT Don Smith

11-8-10
DATE

Carl Carlucci

VICE CHANCELLOR Carl Carlucci

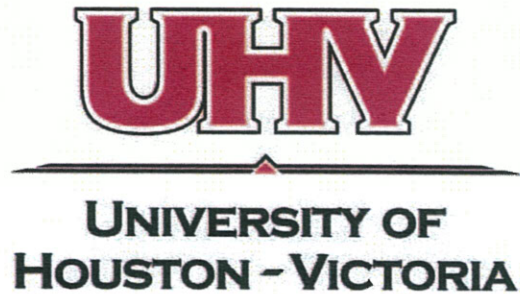
11/8/10
DATE

Renu Khator

CHANCELLOR Renu Khator

11-8-10
DATE

JAGUAR HALL PROJECT UPDATE



Comparison: Cost per gross square foot

<u>Renovation Cost:</u>	per GSF
Jaguar Hall	\$58
Coordinating Board - Cost Estimate for Dormitory	\$135
 <u>New Construction Cost:</u>	
Coordinating Board - Cost Estimate for Dormitory	\$212
Victoria College Nursing/ Allied Health	\$185
 Jaguar Hall (Total Cost) *	 \$95

* In addition to sleeping quarters, Jaguar Hall also has a dining facility, offices for athletics and student services, classrooms, a student activity center, a computer lab, and a large social area.

Budget Comparison For the Life of the Project

F&A - 7.1.3

		BOR	BOR	BOR	Estimated Final Project Cost
		August 18, 2009	December 2, 2009	May 18, 2010	November 16, 2010
Site Acquisition	estimate	\$ 3,500,000	estimate \$ 2,900,000	estimate \$ 2,821,000	actual \$ 2,706,249
Professional Fees		280,000	796,570	689,000	957,747
Repair and Renovation Costs	RS&M Consultants	1,220,000	SKA Cons. 4,903,430	Raze Annex 5,490,000	6,362,104
Furniture		-	400,000	500,000	423,899
Total		\$ 5,000,000	\$ 9,000,000	\$ 9,500,000	\$ 10,450,000

Steps UHV has taken to reduce costs on the Jag Hall Renovation Project:

•Eliminated the following areas:

- Fitness Area
- Athletic Trainers Area
- Super graphics package
- Parking area with lights

•Reduced the scope of the following items:

- Used modest chain link fencing as opposed to ornamental fence
- Utilized existing furniture in several offices

•Utilized University personnel for various projects

- Site landscaping
- IT wireless networking
- Demolition of the old kitchen equipment
- Removed all of the existing hotel furniture
- Reworking of the dorm room door hardware
- Cleaning and repairs to dorm room air conditioners

•Budget Reductions expected from Construction Company

- Contingency funds
- Reduction in itemized budgets



Apartments for Next Year