

MINUTES
UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS
FINANCE AND ADMINISTRATION COMMITTEE

Wednesday, August 14, 2013 – The members of the Finance and Administration Committee of the University of Houston System convened at 10:00 a.m. on Wednesday, August 14, 2013 at the University of Houston, Conrad Hilton Ballroom, Second Floor, 4800 Calhoun, Houston, Texas, with the following members participating:

ATTENDANCE –

Present

Jarvis V. Hollingsworth, Chair
Spencer D. Armour, III, Vice Chair
Welcome W. Wilson, Jr., Member
Nelda Luce Blair, Ex Officio

Member(s) Absent

Tilman J. Fertitta, Member

Non-Member(s) Present

Nandita V. Berry, Regent
Roger F. Welder, Regent
Benjamin P. Wells, Student Regent

In accordance with a notice being timely posted with the Secretary of State and there being a quorum of the board present, Chair of the Committee, Jarvis V. Hollingsworth, called the meeting to order.

Regent Hollingsworth thanked everyone for attending the meeting and reiterated that all of the meetings were important but this meeting in particular would be because the board would be approving the budget for the upcoming year. Regent Hollingsworth stated he had requested Dr. Carl Carlucci, Executive Vice Chancellor for Administration and Finance, conduct a Budget Workshop, Item C on the agenda, to address the way the University earns its revenue, spends its revenue, and how we balance that with our debt structure.

Regent Hollingsworth moved to the first item on the agenda, Item B, the approval of the minutes from the following Finance and Administration Committee meetings:

1. May 14, 2013, Finance and Administration Committee Minutes; and
2. June 17, 2013, Special Called Finance and Administration Committee Minutes.

AGENDA ITEMS

Action Items:

1. Approval of Minutes – Item B

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the members in attendance, the minutes from the following meetings listed below were approved:

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- May 14, , 2013, Finance and Administration Committee Meeting
 - June 17, 2013, Special Called Finance and Administration Committee Meeting.
2. Following the approval of the minutes, Regent Hollingsworth moved to Item C, Budget Workshop regarding State Higher Education Revenue, Expenditures and Finances – UH System, and asked Dr. Carl Carlucci, Executive Vice Chancellor for Administration and Finance, to introduce this item.

Dr. Carlucci presented an overview of the budget process; and once it was addressed, the FY2014 Financial Plan and Budget would be discussed. A powerpoint presentation was given and below is a summary of Dr. Carlucci's remarks.

- An overview of sources and uses was given and as shown on the pie charts, operating sources were reflected by the type of funds and operating uses were reflected by program type. The display given was for FY2013 and ends as of August 31, 2013.
- Total budget was \$1,494.7 billion; and of that amount \$247.2 million was for capital.
- How these funds were applied and used was discussed and included in the Financial Life Cycle.
- There were a number of important points in the Financial Life Cycle whereby the Board must act and/or is responsible. Below is a breakdown of the UHS Financial Life Cycle for reference:
 - (Re-)Define individual campus missions and annual goals, enrollment plan – BOR approval required.
 - These categories are used every year to project new resources.
 - (a) State Appropriation – Projection based on enrollment;
 - (b) Tuition – BOR approved item; and
 - (c) Local Revenue – Projection based on enrollment.
 - Campus budget is then developed
 - (a) Consultation is completed with each of the UH System campuses;
 - (b) Performance analysis is completed in order to understand how programs are progressing; and
 - (c) Expenditure projections.Ultimately, these are all compiled and brought to the Board for approval.
 - Once the budget has been implemented, the university goes through revenue collection for the major sources that are listed as follows:
 - (a) State Appropriation;
 - (b) Tuition collection;
 - (c) Auxiliary Revenues; and
 - (d) Research and Grant Funds.
 - Monthly expenditures for program operations are tracked and contract approvals are brought to the Board for approval.
 - Expenditure recording and reporting is monitored.
 - Annual Financial Report (AFR) is given to the Board. This is a statement of how spending matched the budget. This report is also given to the State.
 - Progress Cards are updated each year; and then the cycle repeats itself.

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- An update was given over time which compares State support; student support; contracts-research; grants-financial aid; and other support. It was noted that the total budget for the UH System almost doubles every ten (10) years.
- UH System Operating Budget – Revenues FY2010-FY2014 (\$ in millions) was outlined. The General Fund is comprised of:
 - (a) State Appropriation;
 - (b) HEAF/National Research University Fund; and
 - (c) Tuition and Fees.The following three (3) items are in the Restricted Funds category:
 - (d) Other Operating;
 - (e) Contracts and Grants (which includes Federal financial aid); and
 - (f) Endowment / Gifts.

The six (6) sources listed above are the university's primary, revenue sources.

Tom Ehardt, Associate Vice Chancellor for Finance, gave a brief summary of each fund as listed above to the committee for reference.

- The primary driver of State Appropriations is the Instruction and Operations (I&O) Formula which is based on enrollment. A history of how this had been funded from the Legislature over the past 15 years was addressed.
- The Texas Funding Formula is a “student credit hour enrollment (SCH) X State weighting formula (based on a data collection of all universities for every course and for every enrollment and every faculty member) X Legislative set \$ per weighted SCH.” The next base enrollment period begins in Fall 2014, including prior summer, following spring. What the university does in the Fall of 2014 will determine our funding for the next biennium – Fall 2016 and Fall 2017, stated Dr. Carlucci; if we were going to increase our State appropriation, we have to increase our credit hours generated during this time period. A lengthy discussion followed on this topic.

Dr. Carlucci mentioned that the Texas Higher Education Coordinating Board has a committee to which Dr. Paula Myrick Short, Senior Vice Chancellor and Provost had been recently appointed and will be representing the University of Houston System due to her experience in formula funding. Dr. Short's first meeting as a member on the committee will take place later in the day of the Board of Regents' meeting, August 14, 2013.

At Regent Hollingsworth's request, Dr. Short addressed the outcomes based funding formula that is on the horizon that the State is now considering. The outcomes based funding formula would be that for high need areas including STEM areas which were weighted higher than other areas should this formula be implemented. A discussion followed.

Regent Hollingsworth inquired as to whether House Bill (HB) 29 had passed in the current Legislative session. Chancellor Khator commented that the outcomes based funding model had not been passed this session; but stated she had been very vocal about supporting an outcomes based funding model. Dr. Khator reiterated the need to make certain that whatever method, model is put into place achieves the desired outcomes. The University of Houston has already implemented a 10% outcomes based funding model when it comes to all colleges on campus. Dr. Khator explained that the way this was being done was that the costs were not being re-distributed from one college to another, but rather 10% of their budget was being withheld.

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Based on the goals for each college, if those goals were met - their 10% funding would be released to them. If they did not meet their goals - the 10% funding would not be released. Dr. Khator stated this was a good incentive; but the question then becomes, what does one do with the 10% funding? The university would take that 10% funding and centrally apply it towards central initiatives that also focus on student success, said Dr. Khator. This model has been distributed to the Coordinating Board's office; the chair of Senate Higher Education; as well as the House Higher Education for their consideration; and Dr. Khator stated to them that this was what the university was proposing and outlined the benefits of the model. Dr. Khator disliked a model, as Dr. Short had pointed out earlier, where re-distribution was so steep that two-thirds of the institutions lose funding and it goes to one-third of the institutions; and even if two-thirds of the institutions improve, they still keep on losing money year-after-year. Dr. Khator stated she is hopeful that the next time we will be able to pass an outcomes based funding model because it is a good thing, important, but it must be accomplished in the right text. A discussion followed.

- Dr. Carlucci stated HB 29 also dealt with fixed four-year tuition which did pass; and the requirements of this bill were that institutions set a four-year fixed rate tuition. He stated it would be the Board's decision as to the details of how this would be done; and proposals for fixed rate would be brought to the Board, most likely in the Fall for review. It would apply to both first time freshmen (FTIC) and transfers. The way the legislation was written, it states it would be for 12-consecutive semesters, including summers, or four years of continuous enrollment. It will be the Board's responsibility to decide how to define it.
- The proposed FY2014 budget for the new fiscal year was discussed. UH System Operating Budget by source of funds and use of funds was outlined and Dr. Carlucci stated that the budget would be addressed in further detail and submitted for approval later in the meeting.
- The Annual Financial Report (AFR) was where we compare projected budget to actuals. It is a statement of net worth for the year completed for submission to the State. It is an inventory of all UH System assets compared to all claims and potential claims against the UH System; and the balance is what we are worth.
- It was mentioned that each campus has been monitored in terms of their revenue and spending. Cash reserves were addressed and over a 12-month period, the average spending per month was calculated (monthly burn rate); and their average cash balance (the goal is to have a minimum of three (3) months of working cash on average). A discussion followed.
- Regent Hollingsworth mentioned the importance of balancing all factors as we go through this analysis. The Board felt that out of some level of prudence, some policy should be in place that gives comfort that should there be an issue, we are fiscally sound. Based on the presentation given at the meeting, we are, but that something in writing should be in place to assure the Board that that will be maintained. Regent Hollingsworth requested that before our next meeting, a proposed policy be drafted; a policy based on peer reviews, industry standards, NACUBO, etc. and a recommendation be made to the Board for consideration.

This concluded Dr. Carlucci's presentation to the Board on the budget workshop. A complete copy of his presentation has been filed in the Board office.

This item was presented for information only and required no committee action.

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3. Following this presentation, Regent Hollingsworth requested Dr. Carlucci move to the next item on the agenda, Item D, Approval is requested for the University of Houston System FY2014 Financial Plan and Budget – University of Houston System.

Dr. Carlucci presented a powerpoint presentation on the proposed FY2014 budget and reviewed the operating source and use of funds. The current year FY2013 budget and the proposed FY2014 budget were discussed. Below is a summary of Dr. Carlucci's remarks.

- Total Budget for FY2013 was \$1,494.7 billion and the Total Budget for FY2014 will increase to \$1,565.8 billion - a \$71 million increase and a growth of 4.8 %.
- The growth in capital spending decreased by approximately \$24 million from FY2013 total of \$247.2 million vs. the FY2014 total of \$223.5 million due to the completion of major projects.
- Operating expenditures grew by \$95 million or 7.6% due to enrollment growth, residential student growth, and new space coming on board.
- Capital spending decreased from FY2013 to FY2014 due to the completion of capital projects. This reflects the budgeted spending not the budget for the projects. The budgeted spending, particularly at the University of Houston and UH-Victoria, were completed in 2013; therefore, they were not included in the FY2014 budget.
- The FY2014 budget reflects new projects being started as well as the major rehabs.
- The operating expenditures were compared over a 5-year period and Dr. Carlucci reminded the Board that over this timeframe the Board had approved over 34 new degree programs; two (2) off-campus sites that were now functional; and an enrollment growth of over 13% during this period.
- During this same timeframe, our residential population grew by over 66%, from 5,100 to 8,500 residents.
- Twenty (20) new buildings have been added totaling 6 million GSF; and there has been an overall revenue growth of approximately 15%.
- The major sources of revenue were:
 - (a) State Appropriations which are driven by formula funding; and
 - (b) Other Operating (mostly auxiliary revenues due to an increase in our businesses of serving students).
- In aggregate, the general spending has grown by 16% (which includes State Appropriations, HEAF/National Research University Fund and Tuition and Fees); Other Operating, Contracts & Grants, (which includes Federal financial aid) and Endowment/Gifts have grown by 12% over 5 years; and the total has grown by 15%.
- Expenditures over a 5-year period was outlined as noted below:
 - (a) Student Access and Success is approximately two-thirds of our spending;
 - (b) National Competitiveness has grown over 24% over 5 years;
 - (c) Infrastructure and Administration (includes debt service and utilities); and
 - (d) Community Advancement (which is largely public broadcasting).
- FY2014 Operating Budget Expenditures by Function was outlined and addressed.
- This year all UH System institutions used the same expenditure detail; the same breakdown for personal service; and the same breakdown for non-personal spending.

Dr. Carlucci reported that due to the fact we were going to the market, the rating agencies were requested to give an updated rating for both our immediate and long-term debt. Standard &

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Poors upgraded our rating from AA- to AA; and they specifically stated it was due to the UH System's strong financial performance in our discipline in financial management.

University of Houston Budget Outlined

Dr. Carlucci outlined the University of Houston's proposed FY2014 annual budget. Below is a brief summary of his remarks.

- The total proposed budget for FY2014 will increase by approximately \$50 million from \$1,125.8 in FY2013 to \$1,174.8 for FY2014. The majority of this increase is due to the operating budget of approximately \$70+ million. There was no major change in the distribution spending.
- Operating revenues reflect the same categories that show a proposed increase from FY2013 of \$907.3 to FY2014 of \$981.8. This is enrollment driven as shown in the State Appropriations and the Tuition and Fees lines.

Dr. Short gave a brief summary of the university's budget for FY2014 which included student success and national competitiveness initiatives. Some of those mentioned were:

- (a) Graduate Tuition Fellowships and Stipends;
- (b) Residential Life and Housing
- (c) Professional Program Enhancements
- (d) Strategic Academic Initiatives
- (e) New Faculty Positions; Retention & Benefits
- (f) Research Infrastructure Projects
- (g) University Libraries
- (h) Increase Graduation Rates, Fixed Four-Year Degree, etc.

Chancellor Khator stated that each college had been requested to take 10% of their budget and move it from low priority to high priority and they had to specifically identify them. Dr. Khator pointed out that student success and national competitiveness were two major goals. Below are some specific areas that were mentioned:

- (a) Graduate Assistants (review their stipends)
- (b) Advisors (individual advisor-based accountability system)
- (c) Library (remain committed to maintaining a Tier One designation as we continue to grow our student body and faculty)
- (d) Faculty / Student Ratio has been 24:1 and we are trying to move the needle to 22:1
- (e) "UH in 4" (objective is less costs, less time, less effort for students)
- (f) Building Core Facilities

University of Houston-Clear Lake Budget Outlined (\$ millions)

Dr. Carlucci outlined the UH-Clear Lake proposed FY2014 annual budget. Below is a brief summary of his remarks.

- The total proposed budget for FY2014 will increase by approximately \$8 million from \$104.4 in FY2013 to \$112.2 for FY2014.
- Operating revenues reflect a proposed increase from FY2013 budget of \$102.0 to FY2014 proposed budget of \$108.9 driven by State Appropriations and Tuition and Fees.
- Their budget reflects the goals consistent with those of downward expansion and Dr. Carlucci asked President William Staples address this issue.

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President Staples reiterated that UH-Clear Lake was in the midst of downward expansion. UH-Clear Lake has opened applications for the Fall of 2014 for freshmen and sophomores as of August 1, 2013; and it is anticipated they will have approximately 300-400 freshmen and sophomores for the first time ever at UH-Clear Lake. Funding has been a challenge and some serious reallocations have been made to support this initiative.

University of Houston-Downtown Budget Outlined (\$ millions)

Dr. Carlucci outlined the UH-Downtown proposed FY2014 annual budget. Below is a brief summary of his remarks.

- The total proposed budget for FY2014 will increase by approximately \$23 million from \$152.4 in FY2013 to \$175.6 for FY2014 which is primarily driven by the capital portion of the budget – a new parking garage and Welcome Center.
- Operating revenues reflect a proposed increase from FY2013 budget of \$150.8 to FY2014 proposed budget of \$158.3 driven by enrollment growth.
- UH-Downtown has targeted programs in student success and initiatives and Dr. Carlucci requested President William Flores address this issue.

President Flores stated that this was the first year that students would be admitted under new admission standards (UHD admission was previously done by open enrollment). A large portion of their focus was assuring that students would be successful; and they improve their six-year graduation rate for the currently enrolled students. Money would be placed in mentoring students, advising, improving six-year graduation rates, high impact experiences, increasing faculty, and those things that will improve student success.

University of Houston-Victoria Budget Outlined (\$ millions)

Dr. Carlucci outlined the UH-Victoria proposed FY2014 annual budget. Below is a brief summary of his remarks.

- The total proposed annual budget for FY2014 has decreased due to their capital facilities that were completed this year. Total FY2013 annual budget was \$78.4 vs. the proposed FY2014 annual budget of \$69.0.
- Operating revenues reflect a proposed increase from FY2013 budget of \$53.6 to FY2014 of \$59.1 driven by enrollment growth.
- UH-Victoria's operating expenditures has also grown due to their now being a residential campus. Downward expansion was now being reflected in their revenue and spending patterns and Dr. Carlucci requested President Philip Castille address this issue.

President Castille pointed out that in FY2011 the State appropriations had been \$18.9; the following year's FY2013 budget had dropped to \$16.7 (17% decrease after the Legislature met); and the proposed FY2014 budget was \$18.5 - still below the level it had been in FY2011. Nevertheless, UH-Victoria has continued to invest in student access and success. In FY2011, the total expenditures for student access and success was \$39.2 and the proposed budget for FY2014 was \$46.2. Despite State cuts, Dr. Castille mentioned that UH-Victoria has invested over \$7 million, nearly all from fund balances. He stated UH-Victoria had turned the corner on auxiliaries and where their revenue was below \$2 million in FY2011, they will now be over \$5 million in FY2014. A new residential hall will open in the Fall and it will double the capacity of their dining hall. Their investment in downward expansion has paid off, said President Castille.

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University of Houston System Budget Outlined (\$ millions)

Dr. Carlucci outlined the UH System proposed FY2014 annual budget. Below is a brief summary of his remarks.

Dr. Carlucci stated that 65% of the money in the UH System was for TRB debt service.

Chancellor Khator also added that in all of the budgets for all of the UH System universities, there was a salary raise for faculty and staff which has been included and all raises will be merit-based.

A complete copy of Dr. Carlucci's budget presentation has been filed in the Board office.

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the regents in attendance, the request for the University of Houston System FY2014 Financial Plan and Budget was approved.

4. The next item introduced was Item E, Approval of changes for the University of Houston System FY2014 holiday schedule – University of Houston System.

Dr. Carlucci introduced this item to the committee and said the State allows for 15 holidays for FY2014; and the University decided on these dates and what would work best for our academic calendar. Dr. Carlucci requested committee approval of the proposed schedule as submitted for consideration.

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the regents in attendance, the request of changes for the University of Houston System FY2014 holiday scheduled was approved.

5. Regent Hollingsworth requested Dr. Carlucci present the next action item listed on the agenda, Item F, Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for design and construction of the New Football Stadium, Phase III at the University of Houston – University of Houston.

Dr. Carlucci introduced this item and stated this was for the final phase of the stadium funding. The project total would be \$120 million; the last phase of the financing for the project would be \$15 million; and the Board had previously approved \$105 million for the project. We have relied on the student fee cash, which has been collected; the student fee bond proceeds; as well as donations/pledges, said Dr. Carlucci. All funding sources have been identified to the Coordinating Board (CB); therefore, any funding source that does come in under any of these categories can be substituted. The CB does not require that we go back to them so as long as all of the sources are listed. As donations continue to increase, we can move money into the donation category which then frees-up money in other categories; and can then be used for other athletic facilities, said Dr. Carlucci.

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the members in attendance, the request to delegate authority to the Chancellor to negotiate and

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execute contracts for design and construction of the New Football Stadium, Phase III at the University of Houston was approved.

6. Regent Hollingsworth asked Dr. Carlucci to introduce the next item for approval, Item G, Approval is requested to delegate authority to the Chancellor to negotiate and execute a contract to manage the maintenance, repair, and operations (MRO) inventory for Facilities Management, which maintains the University's building, grounds and vehicles – University of Houston.

Dr. Carlucci stated this was a contract for a firm to manage our supplies for the University of Houston campus. There is an annual budget of approximately \$5 million for maintenance and operations supplies; and the firm that will be used to manage this, guaranties just-in-time delivery. The university does not need to maintain an inventory and our expectation is that the university would save at least \$250,000 per year in direct supply cost; and improves the efficiency of inventory operations.

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the members in attendance, the request to delegate authority to the Chancellor to negotiate and execute a contract to manage the maintenance, repair, and operations (MRO) inventory for Facilities Management which maintains the University's building, grounds and vehicles at the University of Houston was approved.

7. Dr. Carlucci introduced the next item on the agenda, Item H, Approval is requested to delegate authority to the Chancellor to campus-wide purchase Microsoft licenses for the University of Houston covering November 1, 2013 to October 31, 2014 – University of Houston.

Dr. Carlucci stated this was a request for a campus-wide purchase of Microsoft licenses. This would be purchased through the State and the contract would be with Dell, who is the provider of the product. The total cost of the campus-wide Microsoft licenses would not exceed \$1.3 million.

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the members in attendance, the request to delegate authority to the Chancellor to campus-wide purchase Microsoft licenses for the University of Houston covering November 1, 2013 to October 31, 2014 was approved.

8. The last item on the agenda was Item I, Approval is requested to delegate authority to the Chancellor to negotiate and execute a ground lease for development of housing on University property on Calhoun Road – University of Houston.

Dr. Carlucci presented this item and mentioned that this was the third time the Board had been requested to grant authority for a ground lease with the Delta Upsilon Fraternity. The original approval was given by the Board in 2002. Due to a 10-year lag between the original approval and Delta Upsilon coming back to the university, the university stated 10-years had been enough time and that the university would do something else with the property. Delta Upsilon came

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back to the university and stated they would like to actually construct a fraternity house. It was brought back to the Board in 2013 at which time the Board stated they were not ready to approve and asked that the university do further work on developing the plan and making certain that Delta Upsilon would be able to finance the project. The Board made it clear that they do not back private projects even if we give them a lease.

Dr. Carlucci described the Delta Upsilon project as follows:

- The project is located on a small piece of property on Calhoun;
- The tract of land is approximately a quarter of an acre (1/4);
- The lease term will be for 40 years;
- The operations and occupancy would be covered by all of the university's rules and regulations.
- The fraternity would need to conform to the rules on housing that the university has in place; and
- The university would retain approval on the actual construction of the property.
- The pro forma for the construction of the project; and three (3) expressions of interest from banks were included in the materials. These letters were not approvals; Delta Upsilon would still need to go through the application process for the financing of the project.
- The university would give them a two-year contract to either complete construction of the project or the university would take back the property. A brief discussion followed

Dr. Richard Walker, Vice Chancellor for Student Affairs, addressed the contract and stated the fraternity already has an architectural design and sketch; but all of the construction documents, approvals, etc. would have to go through our Facilities Planning team for review to make certain they were acceptable in standards and quality; and they would have to go through all of the necessary permitting that would be required to build on that particular parcel of land.

Regent Hollingsworth asked that once the facility was constructed and was inhabited, how would the university manage continually to inspect and/or maintain this type of facility on campus?

Dr. Walker stated that, as Dr. Carlucci had indicated earlier, in their ground lease the fraternity would need to conform to all of the student's Code of Conduct and any other policies that govern other Greek organizations who occupy townhouses in Bayou Oaks, e.g., the serving of alcohol and the university's social policy. This would be monitored not only through our Housing office, but Greek life and our Center for Fraternities Life staff. The university would work out with the fraternity an opportunity to inspect, on a regular basis, to assure they were meeting all of the fire codes as we currently do on all of our other properties. For example, when a State Fire Marshall inspection is done, they not only inspect our property but they inspect our partnership properties as well. Dr. Walker stated that if it is on our land, the university has an obligation to make certain that we are upholding all codes which include fire and safety codes.

The two-year timeframe issue was also raised. During this timeframe Delta Upsilon would have to secure the financing and complete the project. Dr. Carlucci stated that the lease negotiations would not begin until Delta Upsilon showed they had financial institutions willing to entertain their application. Dr. Walker stated the banks would not actually give them final approval on the loan until the ground lease was executed. Therefore, there would be stipulations included in the

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ground lease stating that from the time the ground lease was executed, we will negotiate with them a definitive date from the date of execution to date of completion; and a two-year timeframe has been discussed. Therefore, within the two-year timeframe, they have to get everything accomplished from securing their financing, permitting, etc. The terminology of “substantial completion” would be used in the lease in order to assure the completion of the project was met stated Dr. Walker. A brief discussion followed.

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the members in attendance, the request to delegate authority to the Chancellor to negotiate and execute a ground lease for development of housing on University property on Calhoun Road – University of Houston was approved.

At the conclusion of the presentation of this item, Regent Hollingsworth requested a motion to move the following five (5) action items to the Board of Regents’ Consent Docket Agenda for final Board approval; and hold the sixth (6) action item, the Approval is requested for the University of Houston System FY2014 Financial Plan and Budget for the review and consideration by the full board at the Board of Regents’ meeting later today, August 14, 2014.

On motion of Regent Armour, seconded by Regent Wilson, Jr., and by a unanimous vote of the members in attendance, the following five (5) items will be placed on the Board of Regents’ Consent Docket Agenda for final Board approval. They are as follows:

1. Approval is requested of changes for the University of Houston System FY2014 holiday schedule – University of Houston System;
2. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for design and construction of the New Football Stadium, Phase III at the University of Houston – University of Houston;
3. Approval is requested to delegate authority to the Chancellor to negotiate and execute a contract to manage the maintenance, repair, and operations (MRO) inventory for Facilities Management, which maintains the University ‘s buildings, grounds and vehicles – University of Houston – University of Houston;
4. Approval is requested to delegate authority to the Chancellor to campus-wide purchase Microsoft licenses for the University of Houston covering November 1, 2013 to October 31, 2014 – University of Houston; and
5. Approval is requested to delegate authority to the Chancellor to negotiate and execute a ground lease for development of housing on University property on Calhoun Road – University of Houston.

There was no Executive Session held.

There being no further business to come before the committee the meeting adjourned at 12:02 p.m.

All documentation submitted to the Committee in support of the foregoing action items, including but not limited to “Passed” agenda items and supporting documentation presented to

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the Committee, is incorporated herein and made a part of these minutes for all purposes; however, this does not constitute a waiver of any privileges contained herein.

Others Present:

Renu Khator
Carl Carlucci
Paula Myrick Short
Dona Cornell
Rathindra Bose
Eloise Dunn Stuhr
Elwyn Lee
Richard Walker
Philip Castille
William Flores
William Staples
Jeffrey Cass
Maria Elena Soliña
Phil Booth
Frank Castro
Ed Jones
Victor Duran
Brenda Robles

Wayne Beran
Mike Glisson
Dick Phillips
David Bradley
Tom Ehardt
Jonathan Thurston
Raymond Bartlett
Dan Maxwell
Caesar Moore
Dan Wells
Willie Munson
Nam-My Lei
Rani Ramichandani
Matthew Brawley
Joe Brueggeman
Jon Aldrich
Margie Hattenbach
Marquette Hobbs

Craig Ness
Emily Messa
Valerie Coleman-Ferguson
Carl Stockton
Mike Emery
Chris Stanich
Ed Hugetz
Cedric Bando
Troy Golden
Mark Clarke
Michelle Dotter
Dana Rooks
Mark Yzaguirre
Ivonne Montalbano
Landon Jullian
Brandon Alexander
Don Price
Gerry Mathisen