MINUTES
UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS MEETING

Wednesday, February 26, 2014 – The members of the Board of Regents of the University of Houston System convened at 1:19 p.m. on Wednesday, February 26, 2014, at the Hilton University of Houston Hotel, Conrad Hilton Ballroom, Second Floor, 4800 Calhoun, Houston, Texas, with the following members participating:

ATTENDANCE –

Present
Jarvis V. Hollingsworth, Chairman
Welcome W. Wilson, Jr., Secretary
Durga D. Agrawal, Regent
Spencer D. Armour III, Regent
Tilman J. Fertitta, Regent
Paula M. Mendoza, Regent
Peter K. Taaffe, Regent
Roger F. Welder, Regent
Benjamin P. Wells, Student Regent, nonvoting

In accordance with a notice being timely posted with the Secretary of State and there being a quorum in attendance, Chairman of the Board, Jarvis V. Hollingsworth called the meeting to order.

Before the meeting got underway, Chairman Hollingsworth apologized for the delayed start stating the Board had met earlier in the Audit and Finance and Administration committee meetings and addressed some very extensive and very important items which had caused the delay and start of the Board meeting.

Chairman Hollingsworth also recognized and welcomed some special guests who were in attendance at the Board of Regents meeting as follows:

- Dr. Raymund Paredes, Commissioner of the Texas Higher Education Coordinating Board;
- Welcome W. Wilson, Sr., Former Chairman of the UH System Board of Regents; and
- Dr. Dinesh Singh, Vice Chancellor of the University of Delhi. The Academic and Student Success Committee unanimously voted to award Dr. Singh an Honorary degree so it is expected the Board will give full approval of this item later on in the Board meeting stated Chairman Hollingsworth. The Chairman then asked Dr. Singh to say a few words to the Board.

  Dr. Singh stated he was honored, delighted and humbled by the events being held today. Dr. Singh mentioned that they looked up to the University of Houston, not

just from the University of Delhi (the #1 University in India), but other universities in India admired what was happening at the University of Houston which has become a beacon for directions from movement in higher education and a source of inspiration and strength; and to the City of Houston. Dr. Singh stated that personally he had great indebtedness to the University of Houston and to the City of Houston for many reasons; and that to him personally and to his country and to his institution, they respected the University of Houston, its great Chancellor, the Board of Regents and to all of the new things that were happening at the University of Houston. He thanked the University of Houston for this honor.

Chairman Hollingsworth acknowledged Dr. Singh for his remarks and asked Chancellor Khator if she would like to add any remarks. Chancellor Khator thanked Dr. Singh and stated that he was quite modest, that if you were to look at his resume, it was actually astonishing of the kinds of things that he has done and continues to do. Dr. Singh has a university which enrolls approximately 500,000 students, in 93 campuses of all types. Chancellor Khator stated we have several collaborations here and we were honored to have Dr. Singh at the meeting and very proud and very humbled ourselves to be able to confer this Honorary degree upon Dr. Singh once the Board gives their final approval.

Chairman Hollingsworth moved to the next item on the board's agenda and stated that one of the special guests attending the meeting, Dr. Raymund Paredes, Commissioner of the Texas Higher Education Coordinating Board would present Item D, a Report on laying the foundation for the future of higher education – University of Houston System. Dr. Paredes mentioned he makes regular visits to various boards around the state to address the status of higher education in Texas and to talk about some of the current and future changes that were taking place. Dr. Paredes gave a powerpoint presentation and below is a brief summary of Dr. Paredes' remarks.

- One of the primary goals for the Texas Higher Education Coordinating Board (THECB) Closing the Gaps is to increase student enrollments by 630,000 students by 2015.
- If fall 2013 preliminary figures hold, we are about 44,000 students short of the 2015 goal.
- Texas is still above the trend line and within striking range of meeting this important benchmark; however, the slower enrollment growth over the past two years is certainly creating some headwind for the State's efforts.
- The estimate in 2013 preliminary data includes certified enrollments at public institutions and ICUT schools, and preliminary estimates for career schools and flex entries at 2-year colleges.
- The final data will be received in March 2014.
- Texas did experience a slight decline in overall enrollments.
- Participation rates among African American and Hispanic males continue to lag behind goals.
- The African American and Hispanic female population within these groups nevertheless outperformed the target of 5.7% participation; however, the African American and Hispanic males underperformed.
- Total enrollments for Hispanics and African Americans have roughly doubled since 2000, and there are still more challenges ahead.

- UH System enrollments were summarized as follows:
  - The University of Houston – Fall 2013 Totaled 39,540 - down from Fall 2012 by 1,207 – a (-3%) decline;
  - The University of Houston-Clear Lake – Fall 2013 Totaled 8,164 which was relatively flat from the Fall 2012 Total of 11 – 0% increase;
  - The University of Houston-Downtown – Fall 2013 Totaled 13,754 – down from Fall 2012 by 161 – a (-1%) decline; and
  - The University of Houston-Victoria – Fall 2013 Totaled 4,491 – an increase from Fall 2012 by 156 - a 4% increase.
- Texas participation rates have improved but remain lower than other large states. Dr. Paredes stated it was important to always put Texas in the context of our national peers as Closing the Gaps was ultimately designed to improve Texas's standing with the most competitive states.
- While Texas participation rates are among the top states, we continue to lag significantly behind states such as New York, Illinois and California.
- However, it is important to note that Texas continues to beat the recent national trend in enrollment growth; and even though Texas enrollment growth trend has slowed compared to recent years, we continue to outpace national growth rates. In fact, beginning in 2011, the nation began to experience an actual decline in year-to-year enrollment growth.
- In 2012, Texas surpassed the 2015 goal for annual undergraduate credentials awarded. Texas has greatly accelerated its production of undergraduate awards; and we have well exceeded our 2015 goal by awarding 236,000 undergraduate credentials in 2012.
- The UH System institutions have significantly increased the number of annual under-graduate credentials each year compared to 2000. Below is the comparison for reference.
  - The University of Houston FY2013 total was 8,590 vs change from 2000 of 2,988 – a 53% increase.
  - The University of Houston-Clear Lake FY2013 total was 2,332 vs. change from 2000 of 515 – a 28% increase.
  - The University of Houston-Downtown FY2013 total was 2,396 vs. change from 2000 of 1,237 – a 107% increase.
  - The University of Houston-Victoria FY2013 total was 1,168 vs. change from 2000 of 817 – a 233% increase.
  - The FY2013 overall total was 14,486 vs. change from 2000 of 5,557 – a 62% increase.
- The General Revenue Appropriations by Higher Education Sector since the 2002-2003 biennium was addressed. While there were modest increases in overall appropriations at each sector, when you take into account enrollment growth, there has actually been a decline in funding.
- In the 2012-2013 biennium, the most recent comparison with enrollments on a per FTSE basis, biennium general revenue at public universities declined by 12% from about $5,300 per FTSE in 2002-2003 to $4,600 in 2012-2013.
- With only one year left for Closing the Gaps, significant work remains to ensure Texas sustains progress made and establishes a game-changing framework for the next long-range strategic plan stated Dr. Paredes.

- This will require a renewed commitment to student success and institutional excellence at all levels. It will challenge us to embrace innovation and game-changing strategies in higher education that will position us to not only be among the most competitive states, but also look at how we can ultimately compete internationally.
- HB 5 has major challenges as noted below:
  - Requires close collaboration among the THECB, Texas Workforce Commission and TEA;
  - Requires close collaboration between public school districts and local institutions of higher education;
  - Requires more effective advising and counseling; and
  - Requires rigor in the development of local college prep courses.
- Texas must implement game-changing strategies to dramatically improve student outcomes such as:
  - Outcomes-based funding;
  - Co-requisite remediation;
  - Full-time is 15 credits; and
  - Structured schedules and guided pathways.
- Other challenges the State of Texas faces:
  - Consistent and predictable infrastructure funding;
  - Alignment with workforce;
  - SB414;
  - Student learning outcomes; and
  - Faculty tenure and promotion.
- Dr. Paredes discussed developing the next higher education strategic plan. THECB is establishing a strategic planning committee consisting of former higher education leaders, P-12 officials, and business representatives. The dialogue will begin with an examination of Workforce, Alignment, Value and Excellence as possible goals.

This item was presented for information only. A complete copy of Dr. Paredes' presentation has been filed in the Board office.

AGENDA ITEMS

1. Approval of Minutes – Item C:

On motion of Regent Welder, seconded by Regent Mendoza, and by a unanimous vote of the regents in attendance, the following minutes from the meetings listed below were approved:

- August 13, 2013, Board of Regents Meeting
- October 29, 2013, Executive and Compensation Committee Meeting

Committee Reports

Chairman Hollingsworth moved to Section II on the agenda, the Committee Reports. Chairman Hollingsworth stated the Committee Reports, which lists the Consent Docket

Agenda items considered and unanimously approved at each of the Board committee meetings would be given by each chair of the committees. It should be noted that after the Board had heard all of the committee reports, any regent may have requested an item be removed from the Consent Docket Agenda and individually considered pursuant to Board Bylaw 6.9.

Chairman Hollingsworth announced that the Chair of the Academic and Student Success Committee, Regent Welcome W. Wilson, Jr., would present the first committee report.

Academic and Student Success Committee Report – February 25, 2014

Regent Wilson, Jr. said the Academic and Student Success Committee met on Tuesday, February 25, 2014, and unanimously approved the following items for submission on the Board's Consent Docket Agenda for final board approval:

1. Board of Regents Policy Statement on the Use of Race and Ethnicity in Admissions – University of Houston;

2. Approval of University of Houston Honorary Degrees – University of Houston. The two recipients who will receive the Honorary degrees were:
   - Dr. Julian Schnabel; and
   - Dr. Dinesh Singh

This concluded the Academic and Student Success Committee Report.

The following committee report was addressed by the Chair of the Facilities, Construction and Master Planning Committee, Regent Welcome W. Wilson, Jr.

Facilities, Construction and Master Planning Committee Report – February 25, 2014

Regent Wilson, Jr. stated the Facilities, Construction and Master Planning Committee met on Tuesday, February 25, 2014, and approved the following items for submission on the Board's Consent Docket Agenda for final board approval:

1. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the conveyance of a driveway access easement to the City of Sugar Land at the University of Houston-Sugar Land campus – UH System; and

2. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the conveyance of two easements and a sale of land to the Houston Parks Board at the University of Houston – University of Houston.

This concluded the Facilities, Construction and Master Planning Committee Report.

The next committee report was presented by the Chair of the Endowment Management Committee, Regent Roger F. Welder.

Endowment Management Committee Report – February 25, 2014

Regent Welder stated the Endowment Management Committee met on Tuesday, February 25, 2014 and the following action items had been unanimously approved by the committee for submission on the Board's Consent Docket Agenda for final board approval:

1. Approval is requested to modify the UH System Investment Policy for Non-Endowed Funds – UH System;

2. Approval of Fiscal Year 2014 University Advancement endowment assessment fee of 1.5% – UH System;

3. Approval is requested to liquidate four endowments from the UH System endowment fund and transfer three of the endowments to the UH Foundation and one to an operating scholarship at UH – UH System; and

4. Approval is requested to renew investment resolutions for the University of Houston System – UH System.

This concluded the Endowment Management Committee Report.

The following committee report was given by the Chair of the Audit and Compliance Committee, Regent Roger F. Welder.

Audit and Compliance Committee Report – February 25, 2014

Regent Welder stated the Audit and Compliance Committee meeting was held earlier in the day, Wednesday, February 26, 2014. The committee heard numerous reports all of which were for information only. The committee did not have any action items to forward which would require final Board approval today.

This concluded the Audit and Compliance Committee Report.

The final committee report was presented by the Chair of the Finance and Administration Committee, Regent Spencer D. Armour.

Finance and Administration Committee Report – February 26, 2014

Regent Armour stated the Finance and Administration Committee had met earlier in the day, Wednesday, February 26, 2014. There were 15 action items presented for the committee's consideration and unanimously approved by the committee. Four (4) of those items pertained to Tuition and Fees and would be addressed by the full board later in the meeting. The remaining 11 action items were placed on the Board's Consent Docket Agenda requiring final Board approval. Regent Armour stated the following nine (9) action items requested approval to delegate authority to the chancellor to negotiate and execute the following:

1. Contracts for the re-construction of Building 1A located on the University of Houston Energy Research Park Campus – University of Houston;

2. Contracts for the build-out of Building 5 located at the University of Houston Energy Research Park – University of Houston;

3. Contracts for design and construction of new Basketball Practice Facility at the University of Houston – University of Houston;

4. Contracts for the design and construction of Girard Street Parking Garage and Welcome Center at the University of Houston-Downtown – UH Downtown;

5. Contracts for the sale of the University of Houston real properties acquired through gifts and to use local brokers as needed – UH System;

6. Contracts associated with the sale of land by the University of Houston System to the Houston Parks Board – UH System;

7. Contracts for purchase of land by the University of Houston-Victoria – UH-Victoria;

8. Insurance policies for Fiscal Year 2014 – UH System; and

9. A contract for financial advisory and arbitrage rebate compliance services for the UH System – UH System.

The remaining two (2) action items approved by the committee requiring final Board approval were:

10. A request to Write-off Accounts and Notes Receivables for FY2013 – UH System; and

11. An approval to modify the banking resolutions governing the University of Houston-Downtown operating account at Bank of America – UH System.

This concluded the Finance and Administration Committee Report.

At the conclusion of this committee report, pursuant to Board Bylaw 6.9, Chairman Hollingsworth asked if any regent wished to remove any of the items from the various Committee Reports' Consent Docket Agendas for further discussion.

On motion of Regent Armour, seconded by Regent Mendoza, and by a unanimous vote of the regents in attendance, all items presented in the Board's Consent Docket Agenda, unanimously approved by the various committees, were approved by the full Board.

After the approval of the Board's Consent Docket Agenda items, Chairman Hollingsworth moved to Section III, Committee Report item(s) not addressed in the Consent Docket Agenda but requiring final Board approval.

Chairman Hollingsworth requested Dr. Carlucci, Executive Vice Chancellor for Administration and Finance present the remaining four (4) action items requiring final Board approval as follows:

1. Approval is requested to establish a 4-Year Fixed Tuition rates for FY2015 and FY2016 at the University of Houston System – UH System;

2. Approval is requested for changes to the FY2015 and FY2016 variable-rate under-graduate and graduate tuition and fee rates for the University of Houston System campuses – UH System;

3. Approval is requested for changes to the mandatory student-recommended fees for the University of Houston System campuses – UH System; and

4. Approval is requested for changes to the voluntary and optional fees and charges for Fiscal Year 2015 for the University of Houston System – UH System.

Dr. Carlucci stated these four (4) items had been presented by all four (4) campuses for local consideration and discussion. Each campus followed a similar process of presentation and consultation with ultimate approval by the president and the chancellor. Dr. Carlucci moved to the first item for consideration, the establishment of a 4-year fixed tuition rate for FY2015 and FY2016 at the UH System which is very similar to the elements in the proposed recommendations addressed by Commissioner Paredes - it basically selects the option that was offered by the Legislature, to be either mandatory or an optional program, and in our case, the UH System had selected the optional program. It would exist for 12-consecutive semesters, basically 4 years.

In the case of the University of Houston, the program was built around the University's "UH in 4" initiative which was designed to encourage students to take 15 credits a semester – 30 credits per year. The UH tuition is a flat rate of $4,750 a semester. The fixed 4-year tuition rate from the other institutions were based on a 15-credit load as follows:

(a) UH-Clear Lake's rate was $3,472;
(b) UH-Downtown's rate was $3,275; and
(c) UH-Victoria's rate was $3,283.

The 2015 cohort was the first set of rates and next year's 2016 cohort's rates would increase as follows:

(a) UH - $105 increase or 2.2%;
(b) UH-Clear Lake - $150 increase or 4.3%;
(c) UH-Downtown - $140 increase or 4.3%; and
(d) UH-Victoria - $119 increase or 3.6%.

Dr. Carlucci moved to the second item, the variable-rate undergraduate and graduate tuition and fees changes for FY2015 and FY2016. The variable rate tuition has been compared to our national peers – not as a marketing concept but rather as a comparison with our defined peers. Each campus had provided a short justification for how they would use additional tuition revenue and in most cases this was all consistent with our student success and academic development agendas.

The tuition for the University of Houston was presented to not only the Advisory Committee but a full meeting of Student Government at which we described what we were proposing; the attempt to be transparent; and create predictability. It was based on a 2.2% CPI annual increase which students embraced as a very reasonable proposal. The graduate proposal was 2.2% for a master's programs and no increase for doctoral programs with the following exceptions:

- Business Masters – FY2015 - 9.7%, FY2016 - 2.2%;
- Engineering Masters – Each Year – 3.0%;
- Law (LLM) Masters – No Increase;
- Social Work Masters – FY2015 – 5.3%, FY2016 – 1.5%
- Technology Masters – Each Year – 3.5%;
- Optometry O.D. – No Increase; and
- Pharmacy PharmD – FY2015 – 9.1%, FY2016 – 9.0% for Building Program.

For the comprehensive campuses, they all ranked in the bottom third compared to their Texas peers and UH-Victoria and UH-Downtown were in the bottom quartile. UH-Clear Lake again was focusing on student success and plans to use additional revenue for the following initiatives:

- Faculty and staff recruitment and retention;
- Additional faculty for high growth programs;
- Faculty for new program in Nursing; and
- Support four year initiative/downward expansion.

UH-Clear Lake's actual tuition and fees rates were relatively modest increases.

The UH-Downtown campus's emphasis was once again on student success with the following initiatives:

- Improve student advising;
- Support enrollment growth;
- Increase financial aid;
- Improve teaching and learning;
- Enhance student support and learning environment; and
- Strengthen online learning.

UH-Downtown's actual tuition and fees rates were also modest increases.

Lastly, the UH-Victoria campus's student success initiatives were listed as follows:

- New faculty positions to meet demands in general education and student majors;
- Expanded student scholarships;
- Support for student life, student success, facilities, and IT operations; and
- Support for growing off-campus programs in Fort Bend County and The Woodlands.

UH-Victoria's actual tuition and fees rates were modest increases as well.

Dr. Carlucci stated they were also recommending a non-resident premium tuition to be added to the tuition base. Currently the State charges $354 per credit hour for non-residents

(it was found that some of our peers actually charge $1,000 per credit hour for non-residents) but we recommended that we start with a $100 per credit hour increase at UH for non-residents and a modest increase of $70 per credit hour for non-residents at UH-Clear Lake.

The next item Dr. Carlucci addressed was the mandatory student-recommended fees in support of student services on the campuses as well as services the students have indicated that they wanted to support – Campus Recreation Center and University Center on the UH campus. The requested recommended fees would only apply to UH and UH-Victoria.

Dr. Carlucci addressed the process that was carried out at the University of Houston – the Student Service Fee recommendation process; the Student Fees Advisory Committee recommendation; and the Campus Recreation Advisory Board process. The University of Houston-Victoria also had a similar process.

The voluntary and optional fees and charges for FY2015 were addressed by Dr. Carlucci which primarily were housing and meal plans but also included academic programs such as travel abroad certificates and any other academic programs that were optional for students.

This concluded Dr. Carlucci's overview of the four items on tuition and fees. Chairman Hollingsworth stated that the Board had had a very thorough discussion of each of these four items at the Finance and Administration Committee meeting and based on the report, the constituent leaders at each of the four universities, including the students, have resoundingly recommended items that included a 4-year fixed tuition rate, variable-rate undergraduate and graduate tuition and fees, mandatory student-recommended fees, and voluntary and optional fees and charges.

Chairman Hollingsworth called for a motion to approve these four action items as presented.

On motion of Regent Taaffe, seconded by Regent Armour, and by a unanimous vote of the regents in attendance, the following four (4) action items were approved by the Board:

1. Approval is requested to establish a 4-Year Fixed Tuition rates for FY2015 and FY2016 at the University of Houston System – UH System;

2. Approval is requested for changes to the FY2015 and FY20916 variable-rate under-graduate and graduate tuition and fee rates for the University of Houston System – UH System;

3. Approval is requested for changes to the mandatory student-recommended fees for the University of Houston System campuses – UH System; and

4. Approval is requested for changes to the voluntary and optional fees and charges for Fiscal Year 2015 for the University of Houston System – UH System.

A complete copy of Dr. Carlucci's presentation was filed in the Board office.

Following Dr. Carlucci's presentations, Chairman Hollingsworth introduced the next item on the agenda for information only, Item E, a Report on Initiatives from the Faculty Senate – University of Houston. Dr. Maria Elena Soliño presented her report and below is a summary of her remarks.

- As representatives from the faculty-at-large, members of the Faculty Senate were involved in every facet of planning and program development, especially now when the University of Houston was in a state of transition as we strive to simultaneously stimulate meaningful increases in our graduation rate, and this must be done as we increase our research production, both in areas that generate research dollars, as well as in the arts and humanities stated, Dr. Soliño.
- Dr. Soliño addressed three (3) of the Senate's major initiatives aimed at helping them succeed in that difficult balancing act required of a university that offers access at the same time that we are Tier One in our research.
    1. The ideal faculty member would dedicate hours of service at their department, college, and university level and also be a brilliant teacher and researcher. As is standard in most Tier One universities, the issue with that workload in balance is that when it is time for merit reviews, and especially for promotion and tenure, all else takes a back seat to research. If the University of Houston was to maintain its Tier One status, it was crucial that research be a priority, but this year we need to start a conversation on how to more fairly recognize and reward teaching and service, especially among the tenured faculty. We also need to break the habit of speaking about teaching and research as if they were not related. While it is true that both areas require very different skills, what makes the top faculty unique in the classroom is that their teaching is informed by their research, and both need to be honored.
    2. Last year a task force within the Faculty Senate developed a White Paper on Guidelines for Non-tenure Track Faculty. The document submitted last year to the administration explored existing criteria for campus-wide evaluation and promotion guidelines for contingent faculty at similar institutions and identified additional appropriate titles for this classification. This document was meant as a rough draft, and now their goal was that working in conjunction with the administration, by the end of the present semester they would have a set of guidelines for the compensation and promotion of non-tenure track members of the faculty. Their goal was to produce a policy statement that would receive a majority vote of approval in the senate and that the administration could then also accept and implement. The one hiccup they had in an otherwise outstanding visit by the members of the PBK committee to campus was their concern over the lack of such a policy, so there is a certain urgency to this particular project if UH wants to be counted among the elite US institutions.
    3. Dr. Soliño's final announcement was that following the success of the 15th bi-annual Senate Scholarship & Community Conference entitled "Greater Houston's Health – Urban Healthcare in the 21st Century," the university has already begun planning for the 2015 event. Their working title is "Educating a Multicultural Nation." Their topics will range from early-childhood education to an examination of the barriers to attaining a college degree. As has been their practice, the conference will feature sessions that put together top experts in the field from within the UH community, with scholars from area universities and especially with leaders from the world of education in the Greater Houston area with the goal of building lasting partnerships.

This item was for information only and required no board action.

Chairman Hollingsworth introduced the next item requiring the Board's consideration and approval, Item F, University of Houston-Sugar Land Task Force Report – University of Houston. Former Chairman of the Board, Welcome W. Wilson, Sr., presented the report and below is a brief summary of his remarks.

Former Chairman Wilson, Sr. thanked everyone for the opportunity of giving the Report of the Sugar Land Task Force with recommendations for the Sugar Land campus moving forward. There were eight members on the task force as follows:

- The Honorable Roger F. Welder, from Victoria and a member of the UH System Board of Regents;
- Mr. Omar Rachid, a Victoria businessman and Chairman of the UH-Victoria's President's Regional Advisory Committee;
- Ms. Janet Leatherwood, a member of the UH-Victoria's President's Regional Advisory Board and Vice President/CNO of Sugar Land Methodist Hospital;
- Ms. Kristen Lindley, a graduate of the University of Houston-Victoria and former Regent at the University of Houston System;
- The Honorable Robert Hebert, County Judge of Fort Bend County and a UH graduate;
- The Honorable Jim Thompson, Mayor, City of Sugar Land and a UH graduate; and
- Dr. Paula Myrick Short, Senior Vice Chancellor/Senior Vice President for Academic Affairs and Provost
- Mr. Welcome W. Wilson, Sr., Task Force Chair and Former Chairman of the UH System Board of Regents.

The report had been distributed to the Board and Chair Wilson gave a few brief highlights from the report for reference as follows:

- In the Fall of 2014, the UH System should implement a multi-year plan (2-5 years) through which the University of Houston would become the exclusive provider of baccalaureate and graduate programs at the Sugar Land campus.
- In the implementation of this change, it is of great importance that no current student be left stranded, that no existing faculty contract be violated, and that the University of Houston-Victoria be furnished with adequate funds to carry out its important mission to become a destination university in the city of Victoria.
- The existing nursing program of which we are so proud at Sugar Land should be transferred from the University of Houston-Victoria to the University of Houston and made part of its newly organized UH Health Science Center.

Chairman Hollingsworth thanked former Chairman Wilson, Sr. for his report and for the work that he and the other Task Force members have done over the past several months and opened it up for any questions the Board members might have.

Regent Roger Welder stated that he wanted to first thank Chairman Wilson, Sr. for chairing the Task Force. He stated that the recommendations from the Task Force were bold and

really deferred to the administration as to how this would be accomplished. He agreed with the statements of the Chairman and the guiding principles were imperative that students and faculty members not be placed in awkward situations. There is some trepidation naturally among the individuals that are currently operating there; and it is all of their expectation that implementation on this be done in a very thoughtful and careful way.

Regent Welder also added that he would be on the Board for another four years should it not go well; but it was clear to him that the City of Sugar Land, Fort Bend County had really wanted this and they have been waiting a long time for it so he believes the timing is appropriate.

Chairman Hollingsworth also added that last year the Board had transferred the administrative functions of the University of Houston at Sugar Land to the University of Houston in anticipation of a process by which these types of recommendations would be considered; and after their work, the Task Force was recommending that that process continue.

Following Chairman Hollingsworth's remarks, he asked Chancellor Khator for her thoughts.

The Chancellor thanked former Chairman Wilson, Sr. and for the work the Task Force had accomplished. It was a complicated issue and the Chancellor very much appreciated their hard work. The Chancellor agreed with Regent Welder and would take his advice in that it must be done very methodically, very thoughtfully, and very carefully, because under no circumstances did we want to hurt the students on any of our campuses or demoralize our faculty. Chancellor Khator stated she was very conscience of it and they would do their best.

Chairman Hollingsworth called for a motion to approve and accept the recommendations from the Sugar Land Task Force. On motion of Regent Wilson, Jr., seconded by Regent Mendoza, and by a unanimous vote of the members in attendance, the University of Houston-Sugar Land Task Force Report – University of Houston was approved by the Board.

The next item on the Board's agenda, Item G. Presentation of the Fiscal Year 2013 University of Houston System Annual Financial Report Summary – University of Houston System was introduced by Dr. Carlucci.

Dr. Carlucci addressed the timeline for the submission of the Annual Financial Report (AFR) to the State Controller for inclusion in the State Financial Report. The books were closed on August 31, 2013 at the end of the State fiscal year; and after the usual cleanup period, the report is submitted to the State Comptroller.

Dr. Carlucci gave a modified summary of the UH System's formal AFR so that it could be compared with the budget. The AFR is our statement of net worth and all of our assets. The UH System's revenues were $1.3 billion and our expenses were $1.2 billion. The budget for FY2013 was $1.247 billion so we exceeded the revenue and spent less than was projected. Dr. Carlucci asked David Ellis, Executive Director for State Reporting to present the Annual Financial Report (AFR) to the Board. Below is a brief summary of his remarks.

The revenue detail for the UH System was briefly outlined as follows:

- State Appropriations – this followed the pattern that was discussed with the Commissioner. The appropriation decreased slightly as a result of the change in the Legislative calculation and their allocation to higher education.
- HEAF – It is a 5-year, continuing number.
- Tuition & Fees – grew slightly to $540.1 million as a result of enrollment growth over the actual budget of $530.5 million.
- Other Operating – is our auxiliary income, relatively flat.
- Contracts & Grants – there was growth to $278.7 million over the actual budget of $244.3 million which showed growth in research and financial aid.

The expense detail for the UH System was briefly outlined as follows:

- Student Access and Success – growth was largely due to financial aid and again this was largely due to enrollment.
- National Competitiveness – is largely research and there was growth in our research spending. Sometimes the spending lags behind the revenue grants that come in one year sometimes take multiple years to get out.
- Infrastructure & Administration – includes debt service.
- Community Advancement – is the spending by our units that are community service orientated such as our Small Business Development Center, our Radio and TV stations; Educational Learning Center and Optometry Clinic.

The UH System Combined Analysis of Asset Balances was addressed as follows:

- Assets
  - Cash, Appropriations, & Investments - FY2013 actual total - $1,258.3 Million
  - Capital Assets, Net of Depreciation – FY2013 actual total - $1,225.0 Million
  - Other Assets – FY2013 actual total - $1,129.0 Million
  - Total Assets for FY2013 - $3,612.3 Million

The UH System Combined Analysis of Liability Balances & Equity Balances was discussed as follows:

- Liabilities
  - Payables & Accrued Liabilities – FY2013 actual total - $103.3 Million
  - Bonds & Long Term Obligations – FY2013 actual total - $901.4 Million
  - Other Liabilities – FY2013 actual total - $1,072.3 Million
  - Total Liabilities – FY2013 actual total - $2,077.0 Million
  - Total Equity Balance – FY2013 actual total - $1,535.3 Million

This item was for information only and required no board action.

Chairman Hollingsworth moved to the next agenda item, Item H, Commitment to African American Success Update: Students, Faculty, Procurement; and Community Engagement – University of Houston, and asked Dr. Elwyn Lee, Vice President for Community Relations and Ms. Richie Hunter, Associate Vice Chancellor for Media Relations to present their report.

Dr. Lee stated it was an honor to give voice to the University's story with respect to its commitment to African American students, faculty, and the area of recruitment and community engagement. Dr. Lee requested Ms. Hunter present her report.

Ms. Hunter gave a brief update on African American students, faculty, procurement and the university's engagement with the surrounding community. Below is a summary of Ms. Hunter's remarks:

- The University of Houston is the second most diverse university in the nation.
- There is no single ethnic group that constitutes a majority of our students.
- The University of Houston has changed its scholarship model and it has increased the number of awards to all students. Merit-based scholarship award offers to African American students have more than doubled.
- The University of Houston's number one priority is student success and our no-excuse priority. This has results in some statistics that we are proud of. First of all, 82.4% of our first-time-in-college (FTIC) African American student retention rate is now similar to other Tier One Public Research institutions in Texas. Secondly, our 2013 Fall to Spring retention rate for African American students was 97.2%, (compared to a 96.1 overall rate).
- As the competitive landscape for top tier African American students intensifies, we expanded and transformed our recruitment efforts. Year over year, 2013 to 2014, scholarship offers have more than doubled to African Americans. Last year, $591,500 was awarded to 120 African American students for academic excellence. And thus far this year in 2014 the amount of $1,117,500 was awarded to 289 African American students.
- Additionally, over 35% more African American student applicants were eligible for Tier One scholarships.
- The University of Houston actually enrolls more African American students than the University of Texas and Texas A&M combined. This is especially notable given the fact that we are just five miles from Texas Southern University, whose primary mission is to serve African American students as an HBCU. There enrollment is over 9,500 students. UH is not only competing statewide for the top African American students and students that can succeed here but we are competing in our own neighborhood for those same students.
- Our first year persistence of African American students increased by 5.9% from 2008 to 2012, representing a stronger comparable retention rate than both University of Texas and Texas A&M. With an 82.4% first year persistence rate, UH is now retaining African American students at a rate consistent with our peers.
- The six-year graduation rate for African American students has increased by 2.5% in the past five years.
- The focus on student success has also positively impacted degree completion across all ethnic groups at UH. The number of degrees awarded to African American students has increased 30.4% from 2008 to 2012 (from 657 degrees in 2008 to 857 degrees in 2012).
- The University of Houston grants significantly more degrees to African American than our peers – nearly 1.5 times more than the University of Texas and over 2.5 times more than Texas A&M. In 2012, 10.4% of all UH degrees were granted to African Americans, versus 4.0% for University of Texas and 2.5% for Texas A&M.

- Degrees awarded to African American students have increased 16.3% in the past five years. The largest percentage increases were at the Masters (55.0%) and Doctoral levels (166.7%).
- The university's support programs cover the spectrum; it's the entire continuum of support for student success.
  - Recruitment with our focus on admissions. The African American Initiative Committee is actually putting forth several initiatives to make sure that we are looking at how we recruit so that the African American students that do attend UH can be successful. This also includes increasing the numbers and looking at an out-of-state Diversity Recruitment Program which is associated with the National Achievement Scholarship Program.
  - Enrollment: relates to the Cougar Connection Program.
  - Retention: mandatory orientation for all FTIC and transfer students to the new infusion of scholarship funds as well as the restraint on the rise in tuition.
  - Completion: UH is focused on completion and with the "UH in 4" program initiative, it is one of our important elements in terms of student success. It includes first-year course redesign, a Writing Center, revised admission standards, and proactive review and intervention for junior level students who are close to graduating on time.

Following Ms. Hunter's above remarks, Dr. Lee made several comments on the issue of recruitment as noted below:

- Even though we enroll more students than UT and A&M combined because of our strong transfer and graduate admissions, there still has been some slight drop. Dr. Walker Vice Chancellor for Student Affairs and his team and a committee has been working to strengthen the recruitment of African American students.
- To this end, new staff was hired – a multi-cultural staff person hired to work not only with African Americans but where there is a need. There have been new programs set in place. *Cougar Connection – to enhance and increase communication designed to increase yield which include calls, materials and banquets for prospective students and parents.
- With this intense recruitment, it is hoped that we would increase the yield with respect to those FTIC students.
- There is also plans to target schools outside the State and invite counselors from outside the State here so there will be a strengthened recruitment process both on the front-end and also after students are admitted.
- With respect to retention, there is the university's student success, no-excuse policy. We have mandatory orientation, we have the CASA, the Center for Academic Support and Assessment, a first-year course redesign, a Writing Center, the Office of the Provost has been extremely active with respect to this area, e.g., the "UH in 4" program, the program where they proactively intervene junior students who have completed 90 hours so they can work with them to get them over the top.
- In addition, there was a retention work group that was established in 2013 by Dr. Walker and Provost Short and they have inventoried all of the retention and student success programs as a prelude to assessing those programs to see what is effective and what is

not. The Chancellor has also assigned a Task Force of 15 individuals who will look at closing the achievement gap; and this is a System-wide task force. There is a Foundation of Excellence regarding the institute that was founded in 1999 to work on developing a way to enhance first-year retention and graduation. The university has to be invited to participate and we were honored that we were invited to participate in this two-year program which is currently underway.

Ms. Hunter continued her presentation and reiterated that it was important to note that it was not one thing but the continuum of support of student success from recruitment, to enrollment, to retention, to completion.

Ms. Hunter's presentation then focused on faculty recruitment and retention. A summary of her remarks are listed below.

- One area the university is focused on is a targeted recruitment process. Dr. Richard Baker, Assistant Vice Chancellor/Assistant Vice President of Equal Opportunity Services, is actually working on faculty recruitment and that his office had recently obtained access to a database of minority post-doctoral fellows across the country and plans to proactively share this information as a source of potential African American faculty candidates.
- Other best practices: we have recently applied for a $5M ADVANCE grant sponsored by the National Science Foundation. The goals of the program are to increase the participation and advancement of women, *particularly women of color,* in science and engineering careers, as well as selected social and behavioral sciences.
- Grass Roots Retention efforts: The Office of Community Relations and Institutional Access has proactively connected African American faculty and staff to the UH community. These connections are nurtured through receptions and workshops, which also foster a sense of community and facilitate valuable mentorship.
- In total, the University of Houston has 150 African American faculty members more than both University of Texas and Texas A&M. This number includes TAs, instructors, lecturers, adjuncts and clinical faculty.
- The university has an opportunity to improve the number of African American Tenure/Tenure Track faculty compared to our peers. As of 2012, UH had 30 African American, tenure-track faculty, but progress is being made. In the past five years, the university had increased 10 of the 33 current African American faculty who received their appointment within the last five-years.
- UH employs national best practices to recruit and retain African American ranked faculty including spousal accommodations and counter offers. A portion of our attrition is due to our faculty being pursued and successfully recruited by other universities for academic leadership administrative positions.

Dr. Lee commented that it was very significant that 10 of the 33 current, tenure/tenure track faculty have been hired over the past five years. It is very significant when you hire a tenure track faculty member but it is even more significant when you bring in a faculty member tenured. Dean Tedesco was able to hire Dr. Elebeola May, who teaches in biomedical engineering and the first African American in engineering and she came in tenured and from industry. In the College of Education, Dean McPherson was able to attract and recruit Dr. Ezemenari Obasi. He is African American, tenured, and the director of the Hwemudua

Additions and Health Disparities Laboratory (HAHDL). Dean McPherson was able to go the extra mile and hire Dr. Obasi's wife, who is a noted scholar as well.

Ms. Hunter stated that one of the reasons they wanted to provide this information was that there has been a lot of attention around our relationship with African American students, faculty, HUB procurement and the community. The information presented, hopefully, allows one to see some of the progress that is being made.

Dr. Lee outlined the HUB procurement expenditures at the University of Houston. Below is a summary of his remarks:

- The University of Houston is currently ranked #9 in HUB expenditures among all state agencies; and ranked #2 in HUB expenditures among state universities.
- Our distribution among certified HUB vendor groups mirrors our peers.
- There are policies in place to make this happen. Informal bids are received and for purchases between $5,000-$25,000, there must be three vendor bids with two of them being HUBs. For purchases over $100,000, you must have a HUB plan when you submit your bid. These techniques are being used to assure that companies that are HUBs have an equal opportunity to participate.

Dr. Lee addressed community engagement and below is a brief outline of his remarks:

- It was mentioned in an article that the University of Houston was not as engaged in community relations as it should be, but Dr. Lee stated that nothing could be further from the truth.
- In 2008, Carnegie Foundation Awarded the University of Houston award for Community Outreach and Partnerships and an award for Community Curricular Engagement.
- Other awards were listed but special mention was given to the 2013 President's Higher Education Community Service Honor Roll, with Distinction award. This is the highest honor a university can receive for its civic engagement. Only 113 universities nationally have received "Honor Roll with Distinction" and the University of Houston is the only Texas public institution to receive the accolade.
- There were 229 funded research projects with community emphasis.
- More than 300 service-learning courses; multiple colleges coordinate internships – e.g., Social Work has +140,000 internship hours annually.
- More than 150 summer campus annually.
- Research Experience for Teachers (RET), connects recognized researchers and their world-class nanotechnology labs with 1,200 middle and high school low-income students to excite them about engineering.
- UH hosts 30-40,000 walkers annually at the March of Dimes.
- Mobile Eye Clinic annually serves thousands in schools, juvenile detention facilities, shelters and other agencies.
- A Charter School where the community can come; it is not limited to the University of Houston.
- Child Care Center available to the community.
- Third Ward Engagements were highlighted as follows:

- Spearheaded Third Ward Initiative from 2009-2011 that raised student performance at former Ryan Middle School.
- Faculty in the College of Architecture who are in planning and have worked with the Greater Southeast Management district and Texas Southern University to identify economic opportunities.
- UH has developed concepts for transitional housing for Change Happens community organization.
- UH has assisted Holman Baptist Church and others with comprehensive study of the Holman Street Corridor and helped prepare the plan for that corridor.
- UH has a formal tutoring program for students from Yates High School, Peck Elementary, WALLIP charter, and other Third Ward schools.
- The Art Department at UH has helped to develop the Park at Palm Center and Emancipation Park.

Ms. Hunter thanked everyone for the opportunity presented today. The one thing Ms. Hunter wanted to note was that they specifically focused on African American students. They wanted to make sure that students, faculty, procurement, and the community; that their story, their statistics were being heard; and they wanted to start with the Board first. They clearly recognized that they needed to make others aware of the things that were being done not only for African Americans but for all students. Ms. Hunter stated that they were the reflection of the future; they were preserving that; and assuring the success across the board.

Chairman Hollingsworth thanked Ms. Hunter and Dr. Lee for their very thorough and comprehensive presentation. There has been much spoken and written recently about the University of Houston and its engagement with the community, specifically with the African American community, so it is good for the Board to understand what the facts were, what we were doing, where we were headed, and how we would continue to improve in that area.

Chancellor Khator stated that she gives much credit to Dr. Lee because he is the University's Vice President for Community Relations and Institutional Access. The Chancellor had requested Dr. Lee prepare this report, along with other individuals, and he had done an incredible job. The report presented tells our story. There is no reason for us to be defensive. We are committed 100% to student success regardless of the student who walks onto the University of Houston campus: we admit the student, commit to the student and help do whatever is necessary to get the student to walk across the college completion line, stated Chancellor Khator. There are some areas across the board where we can improve and we will continue to work on those areas, but overall the Chancellor stated she was proud of what we have.

Regent Wilson reiterated that the information was very informative and factual which was really what the Board needed to see. Regent Wilson also mentioned that something similar should be tracked for the Hispanic community so the Board could see where we were with that group as well. He also complimented Dr. Lee for his efforts on this factual presentation. A brief discussion followed.

This item was for information only and required no board action.

Chairman Hollingsworth moved to the final item listed on the Board's agenda, Item I, Election of a new Vice Chair of the Board for the Remainder of FY2013-2014 – UH System. Chairman Hollingsworth stated that our former Vice Chair, Nandita V. Berry, had resigned from the Board on December 18, 2013 and had been appointed by Governor Rick Berry to serve as the 109th Texas Secretary of State.

Chairman Hollingsworth asked Vice Chancellor for Legal Affairs and General Counsel, Dona Cornell, to proceed with the election of the new Vice Chairman of the UH System Board of Regents.

Ms. Cornell stated that the final action item for consideration was the election of a Vice Chairman of the UH System Board of Regents. In accordance with the newly revised Board Bylaw 4.2 – Election of Officers, as General Counsel, fourteen (14) days prior to the Board meeting, she received nominations in writing and/or by email for the officer position of Vice Chairman.

Ms. Cornell stated that she had received the following nomination for the position of Vice Chairman – Tilman J. Fertitta. Ms. Cornell asked if there were any additional nominations from the floor for this position. After hearing there were none, Ms. Cornell asked for a motion to close the nomination and elect a Vice Chairman.

On motion of Regent Wilson, Jr. and seconded by Regent Armour, and by a unanimous vote of the regents in attendance, the motion carried and the nomination for Vice Chairman was closed. The nominee(s) for the position of Vice Chairman was Tilman J. Fertitta.

Ms. Cornell stating that hearing only one nomination, she called for the vote for the election of Tilman J. Fertitta as Vice Chairman by acclamation. The Board unanimously approved the motion and Tilman J. Fertitta was elected as Vice Chairman of the Board.

Chairman Hollingsworth congratulated Regent Feritta on his election as the new Vice Chairman of the Board of Regents effective immediately through August 31, 2014.

Chairman Hollingsworth also announced that Governor Rick Perry had appointed Ms. Beth Madison as a new regent effective February 26, 2014 who would replace former Vice Chair Nandita V. Berry. Regent Madison's term will expire August 31, 2015.

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Chair's Report

Chairman Hollingsworth presented his follow board members with an embossed portfolio with a UHS seal and their name to use while they were on the board and as a keepsake after their time as a regent.

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Chancellor's Report:

Chancellor Renu Khator presented a UH System-wide report to the Board and below is a brief summary of Dr. Khator's remarks:

University of Houston System-wide Achievements:

- A total of 89 certificate, bachelor's degree completion, and master's degree programs were being offered online by the four (4) UH System universities. They range from a Professional Land Management Certificate offered by UH-Downtown to a BBA in Healthcare Administration offered by UH-Victoria, from a MS in Engineering Management offered by UH-Clear Lake, to a M.Ed. in Administration and Supervision in Higher Education offered by UH.
- The UH System is partnering with Coursera to offer three (3) Massive Open Online Courses (MOOCs) free of charge. Two (2) classes, in calculus and statistics, are set to start in March to help high school students as they prepare for the AP exams and enrollment for these two courses was growing by the hour 5,000 this morning, 6,000 projected by Friday, and 7,000 by next Monday. The third course, developed by UH-Victoria and designed for high school teachers and administrators who are looking to improve their classroom management skills, will launch in April. As the only participating partner from Texas, the UHS has the most upcoming courses of the 10 public universities nationwide that joined Coursera last year.
- Higher Education opportunities for students in the region continue to expand through the UHS teaching centers, in fulfillment of our mission to serve our region and our state:
  - The UH Digital Media program is the latest of eleven UH programs brought to Sugar Land over the last three (3) years, and is up and running over 250 enrollments.
  - More space, courses, and sections are being added at the Northwest Campus to accommodate increasing UH enrollments (up from 374 in Fall 2010 to 1,668 in Fall 2013). Plans call for adding graduate programs in engineering and geosciences.
  - The UH Bauer College of Business will offer its Executive MBA in Fall 2014 at the University Center in The Woodlands. UH-Downtown and UH-Victoria offer courses thee, and this marks the return of UH to The Woodlands after a four-year hiatus.
  - The UH Conrad N. Hilton College of Hotel and Restaurant Management will begin offering a complete BS degree program in hotel and restaurant management in San Antonio in Fall 2014, in partnership with St. Philip's College.

University of Houston Achievements:

- Five (5) distinguished teachers and scholars from across the nation, representing Phi Beta Kappa, concluded a three-day site visit last week to assess UH's readiness to be approved for a PBK chapter. They met with faculty and student groups to evaluate our academic programs, co-curricular opportunities, student engagement, residential life, and undergraduate research. The Chancellor thanked the Board's Chairman, Jarvis Hollingsworth, Regents Welcome W. Wilson, Jr., Regent Peter K. Taaffe, and Student Regent Benjamin P. Wells, and former Board Chairman Welcome W. Wilson, Sr., for their participation during the visit. The former Chair's participation was particularly appreciated , as it demonstrated the continuity that the Board of Regents represents in the life of the university.
- Former head coach, Guy Lewis' induction into the Naismith Memorial Basketball Hall of Fame last September fired up our sports programs across the Board. Baseball is off to a 7-0 start, including four shut-outs and a 3-0 win against No. 11 Rice two weeks ago. The men's basketball team knocked-off No. 17 Connecticut on December 31 at Hofheinz Pavilion in the

first American Athletic Conference game for both programs. The women's tennis program is off to a spectacular start at 7-1, including the defeat of its highest ranked opponent since 2008 with its win over No. 40 Washington last Sunday. The softball team is also off to a great start, 9-2, outscoring their opponents 94-31 during those 11 games. And the men's indoor track and field program was recently ranked for the first time in program history. On the academic front, student athletes set a record for cumulative GPA for the third straight semester in Fall 2013, raising the department's cumulative GPA to 2.95.

- After six years of planning and 18 months of construction, students celebrated the opening of Phase I of the new $53 million University Center last month. Phase I includes a new home for the Student Government Association, Student Senate Chamber, campus resource centers, student involvement offices, a 450-seat theater, a two-level Barnes and Noble bookstore, game room, and food court. A World Trade Center Memorial and Reflection Garden also opened. A steel beam from the fallen towers, acquired through the efforts of SGA and the Division of Student Affairs and Enrollment Services, is on permanent display on the site.
- Four (4) UH researchers have been named fellows of the National Academy of Inventors. They are:
  - VPfor Research and Technology Transfer – Rathindra N. Bose;
  - Interim Vice Provost and Den of the Graduate School – Dmitri Litvinov;
  - M.D. Anderson Chair Professor of Physics and principal investigator at TCSUH – Zhifeng Ren; and
  - M.D. Anderson Chair Professor of Mechanical Engineering and director of TCSUH's Applied Research Hub – Venkat Selvamanickam.

  In addition, Professr Ren is one of four Texas researchers honored with the Edith and Peter O'Donnell Award in Science from The Academy of Medicine, Engineering & Science of Texas.
- On February 11, Chancellor Khator participated in the official opening of a UH admissions office in McAllen which will facilitate the recruiting of students from the Rio Grande Valley. State Senators Eddie Lucio and Juan Hinojosa, State Representative Armando Martinez, Pharr Mayor Leopoldo Palacios, and McAllen Mayor Jim Darling were in attendance, as well as local business leader and UH alumnus Alonzo Cantu, who championed the opening of the office.
- The MS degree in Subsea Engineering offered by the Cullen College of Engineering is now completely online. The program focuses on the design and maintenance of the infrastructure and tolls used in offshore petroleum exploration and retrieve, and is designed for professional working engineers. The online option allows engineers throughout the nation and the world to earn a master's in the field.
- An exciting partnership between the Tony Award-winning Alley Theatre and UH was announced last month, resulting in the Alley performing its entire 2014-2015 season at UH's before thousands of first-time visitors to experience our campus, as well as valuable learning interactions between School of Theater and Dance students and Alley actors, designers and production technicians.

University of Houston-Clear Lake Achievements:

- The U.S. Department of Education awarded a $1.7 million grant to strengthen UHCL's programming initiatives for first-time students.
- Zbigniew Czajkiewica, Dean of the School of Science and Computer Engineering, an Andrew Yang, Associate Professor of Computer Science and Computer Information Systems, received

Silver Achievement Medals from NASA's Johnson Space Center in recognition of their work with area organizations and companies in establishing the UHCL Cyber Security Institute.

- More than 1,300 prospective students have applied for freshmen-level admission since UHCL began accepting applications last August. Administrators, faculty and staff look forward to welcoming the first-ever freshman class in Fall 2014 as the institution marks its 40t5h year in service to the region.

University of Houston-Downtown Achievements:

- The John N. Gardner Institute for Excellence in Undergraduate Education has selected UHD as one of 12 national founding institutions as a pilot for its Gateways to Completion™ (G2C™) process, a program that allows faculty and staff at participating institutions to analyze student and institutional performance in lower-division gateway courses (history, English, algebra an others). Lessons gleaned from the pilot will benefit students in courses across the curriculum.
- The City of Houston and UHD celebrated Citizenship Month in November. The citywide initiative is an annual volunteer-driven celebration that celebrates Houston's civic diversity and has grown from two events with 100 participants only five years ago to thousands of participants at activities and events throughout the Greater Houston area. Dr. Noël Bezette-Flores, executive director of UHD's Center for Public Service and Family Strengths, founded the initiative in 2009 and is its co-chair.
- UHD has launched the Center for Critical Race Studies, housed in the College of Humanities and Social Sciences under the leadership of Dr. DoVeanna Fulton. The goal of the Center will be to produce scholars and citizens who are equipped to critically, actively and effectively engage racial issues confronting a technologically changing world. The Center will serve UHD, its students, and the community through teaching, research, the facilitation of public discourse, and the cultivation of social empowerment.

University of Houston-Victoria Achievements:

- UHV had its best enrollment ever this academic year with Fall 2013 headcount reaching 4,491, and Spring 2014 preliminary headcount totaling 4,303 (in the past five years, spring enrollment has grown by 32%). Most of the growth can be found on the Victoria campus, where student population has nearly tripled since freshmen and sophomores were added in Fall 2010. Not only is UHV's undergraduate enrollment up 9% from Spring 2013 to Spring 2014, but 89% of this fall's freshmen were retained in the spring.
- Construction started in December on a three-story, 63,000 square foot Academic & Regional Economic Development Building. The $12.5 million project is UHV's first new academic building in more than a decade. UHV also purchased nearly five acres of land for $4.23 million across from its campus, where the university plans to construct one or two additional academic buildings on the land.
- Several national ratings organizations have recently recognized UHV for its online degree offerings. UHV's online undergraduate programs were ranked for the first time ever by U.S. News & World Report, at No. 131 in the publication's 2014 rankings of the Best Online Bachelor's Programs. This was the second highest in the state, out of nine Texas universities on the list. The Master of Business Administration program was ranked No. 161 by U.S. News among online graduate business programs, and the School of Nursing was ranked No. 295 for its Master of Science in Nursing program. GetEducated.com ranked the online Bachelor of Business Administration degree No. 1 in Texas and No 8 in the nation, and Create a Career ranked UHV No. 10 in the nation on its list of 20 Best Affordable Online BBA Degree Programs.

A copy of the Chancellor's Report has been filed in the Board office. This item was for information only and required no board action.

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At 3:46 p.m., Chairman Hollingsworth stated that pursuant to Subchapter D of Chapter 551 of the Texas Government Code, which allows governing boards to meet in closed session, Chairman Hollingsworth stated the Board would convene in Executive Session.

Executive Session Report

Chairman Hollingsworth reconvened in open session at 4:26 p.m. and the following matters were addressed in Executive Session.

A Litigation Status Report and Legal Briefing were given by the General Counsel, Dona Cornell and real estate issues were discussed. There was no action taken from Executive Session.

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Information Only

Chairman Hollingsworth stated several individuals had signed up for Open Forum and attended the meeting.

1. Mr. Daniel Arp, from UH-Downtown, addressed the board on the topic of pay gap; and
2. Ms. Vernita Harris, Chair of the Greater Houston Black Chamber.
3. Several representatives from the Third Ward Improvement Association were registered but did not appear.

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There being no further action to come before the Board the meeting adjourned at 4:28 p.m.

All documentation submitted to the Board in support of the foregoing action items, including but not limited to "Passed" agenda items and supporting documentation presented to the Board, 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.

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Others Present:

Renu Khator	Raymund Paredes	Richie Hunter
Carl Carlucci	Maria Elena Soliño	Eric Gerber
Paula Myrick Short	Mark Zyaguirre	Rami Ramashani

Other's Present (cont'd)

Dona Cornell
Elwyn Lee
Eloise Dunn Stuhr
Richard Walker
Bill Flores
Philip Castille
Bill Staples
Ed Hugetz
Tom Ehardt
Chandler Hill
Richard Baker
Dan Yakley
Wynne Chin
Phil Booth
Darrin Hall
Brian Thomas
Gerry Mathisen
Mark Clarke
Craig Ness
Dan Wells
Floyd Robinson
Don Guyton
Steve Wallace
Shannon Harris
Joe Brueggman
Javier Salazar
Carl Stockton
Dick Phillips
Lauri Ruiz
Dan Maxwell
Matthew Brawley
Oscar Gutierrez
Brenda Robles
Raymond Bartlett
Richard Bonnin
Daniel Arp
Cedric Bandoh
Vernita Harris
Willie Munson
David Ellis
Brandon Alexander
Natalie Harms
Valerie-Coleman Ferguson
Gordon Luce
Lisa Gassett
Wayne Beran
Jon Aldrich
Don Price
Marquette Hobbs