

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

Thursday, August 22, 2019 – The members of the Finance and Administration Committee of the University of Houston System convened at 1:26 p.m. on Thursday, August 22, 2019 at the Hilton University of Houston Hotel, Conrad Hilton Ballroom, Second Floor, 4450 University Drive, Houston, Texas 77201, with the following members participating:

ATTENDANCE

Members Present

Gerald W. McElvy, Chair  
Peter K. Taaffe, Vice Chair  
Doug H. Brooks, Regent  
Steve I. Chazen, Regent  
Paula M. Mendoza, Regent  
John D. Fields, Student Regent, Non-voting  
Tilman J. Fertitta, Ex Officio

Non-Members Present

Durga D. Agrawal, Regent  
Beth Madison, Regent  
Jack B. Moore, 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, Gerald W. McElvy called the meeting to order.

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AGENDA ITEMS

Action Items:

The first item requiring committee approval were the minutes from the following Finance and Administration Committee meeting:

1. May 16, 2019, Finance and Administration Committee Meeting

On motion of Regent Taaffe, seconded by Regent Mendoza, and by unanimous vote of the regents in attendance, the minutes from the Finance and Administration Committee meeting listed above was approved.

Regent McElvy stated the committee would be presented six (6) action items at this meeting, all requiring committee and board approval.

Regent McElvy moved to the first action item listed on the agenda, Item C, the Approval is requested for the UH System FY2020 Financial Plan and Budget – University of Houston System, and asked Mr. Jim McShan, Senior Vice Chancellor for Administration and Finance to introduce this item. Mr. McShan stated that a high level presentation of the materials distributed would be given by Mr. Raymond Bartlett, Senior Associate Vice Chancellor for Finance; and this would be

presented for the committee’s consideration and approval. Mr. McShan stated that throughout Mr. Bartlett’s presentation should any board member have any questions to please interrupt the presentation to address any issue(s) they may have.

Mr. Bartlett stated the FY2020 Financial Plan and Budget would be go into effect September 1, 2019 through August 31, 2020 pending final board approval.

The Legislative Funding: Instruction and Operations Formula from FY2008-FY2020 with the rate per weighted credit hour was discussed. In 2008, the weighted semester credit hour (SCR) rate was \$59.02 vs. \$55.85 for FY2020. Since 2008, on a CPI adjusted rate, that compares to approximately \$46.46, which equates to a 25% reduction in our purchasing power. Mr. Bartlett stated that over the last three (3) decades we have seen that shift in our funding from the various sources that make up our budget; and today our total funds that we have received for our operating budget, nearly 42% of it comes from tuition and fees.

**University of Houston System Accomplishments:**

- The UH System campuses had record enrollment of 73,931 students.
- There were record degrees awarded System-wide of 17,057, with 44% to minority students and 24% in STEM fields.
- The highest record of research expenditures totaled \$183 million.
- The “Here, We Go” campaign reached its goal of \$1 billion dollars 18 months ahead of schedule.
- Philanthropy reached \$144 million this past year.

**University of Houston System FY20 Budget Summary:**

- \$1.78 billion operating budget – an increase of \$106.2 million compared to FY19;
- FY20 sources of operating revenue, on a percentage basis, consistent with FY19;
- 2/3<sup>rd</sup>s of the total operating budget directly invested in student success priority;
- \$4.5 million in reductions/reallocation of resources to fund higher strategic priorities; and
- \$266.8 million capital budget – representing 29 projects.
- The UH System Operating Budget Source of Funds (\$ Millions) was addressed. Below is the summary for Current FY2019 Budget vs. Proposed FY2020 Budget

• <u>FY2019 Total Budget (\$ in Millions)</u>	<u>FY2020 Proposed Budget (\$ in Millions)</u>
Operating Budget - \$ 1,669.6	Operating Budget - \$ 1,775.8
Capital Facilities - <u>364.9</u>	Capital Facilities - <u>266.8</u>
Total - \$ 2,034.5	Total - \$ 2,042.6

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. State Appropriations	\$ 325.4 - 19%	\$ 342.4 - 19%
2. HEAF/National Research University Fund	82.2 - 5%	84.7 - 5%
3. Tuition & Fees	697.5 - 42%	736.9 - 42%
4. Other Operating	248.1 - 15%	273.0 - 15%
5. Contracts & Grants*	255.3 - 15%	269.4 - 15%
6. Endowment Income/Gifts	\$ <u>61.1</u> - 4%	\$ <u>69.4</u> - 4%
<b>TOTAL</b>	<b>\$ <u>1,669.6</u></b>	<b>\$ <u>1,775.8</u></b>

\*Includes Federal Financial Aid

**University of Houston System FY2020 Budget Summary (cont'd):**

- UH System Operating Budget Use of Funds (\$ in Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. Student Access and Success	\$ 1,098.5 - 66%	\$ 1,176.3 - 66%
2. National Competitiveness	209.2 - 13%	215.8 - 12%
3. Infrastructure and Administration	322.4 - 19%	340.2 - 19%
4. Community Advancement	39.5 - 2%	43.5 - 3%
<b>TOTAL</b>	<b><u>\$ 1,669.6</u></b>	<b><u>\$ 1,775.8</u></b>

- University of Houston System FY2020 Proposed Operating Budget (\$ in Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>Budgeted</u>	<u>Change</u>		<u>Proposed</u>
	<u>FY 2019</u>	<u>Dollars</u>	<u>Percent</u>	<u>FY2020</u>
University of Houston	\$ 1,227.6	\$ 86.5	7.0%	\$ 1,314.1
UH-Clear Lake	133.0	8.2	6.2%	141.2
UH-Downtown	183.1	12.6	6.9%	195.7
UH-Victoria	66.8	4.2	6.3%	71.0
UH-System Administration	59.1	(5.4)	-9.1%	53.7
<b>TOTAL</b>	<b><u>\$ 1,669.6</u></b>	<b><u>\$ 106.2</u></b>	<b><u>6.4%</u></b>	<b><u>\$ 1,775.8</u></b>

- University of Houston System FY2020 Proposed Capital Budget (\$ in Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>Budgeted</u>	<u>Change</u>		<u>Proposed</u>
	<u>FY 2019</u>	<u>Dollars</u>	<u>Percent</u>	<u>FY2020</u>
University of Houston	\$ 204.0	\$ (2.7)	-1.3%	\$ 201.4
UH-Clear Lake	37.4	(34.2)	-91.4%	3.2
UH-Downtown	55.7	(51.5)	-92.4%	4.3
UH-Victoria	67.7	(9.7)	-14.3%	58.0
<b>TOTAL</b>	<b><u>\$ 364.9</u></b>	<b><u>\$(98.1)</u></b>	<b><u>-26.9%</u></b>	<b><u>\$ 266.8</u></b>

Note: The year-over-year change in budgeted capital expenditures is due to various TRB projects (approved during the 2017 legislative session) coming to completion in FY2020.

- University of Houston System FY2020 Proposed Operating and Capital Budget (\$ in Millions) was addressed. Below is the summary for reference.

	<u>Budgeted</u>	<u>Change</u>		<u>Proposed</u>
	<u>FY 2019</u>	<u>Dollars</u>	<u>Percent</u>	<u>FY2020</u>
University of Houston	\$ 1,431.6	\$ 83.8	5.9%	\$ 1,515.4
UH-Clear Lake	170.4	(26.0)	-15.3%	144.4

- University of Houston System FY2020 Proposed Operating and Capital Budget (\$ in Millions) was addressed. Below is the summary for reference (cont'd)

UH-Downtown	238.8	(38.8)	-16.3%	200.0
UH-Victoria	134.5	(5.5)	-4.1%	129.0
UH-System Administration	59.1	(5.4)	-9.1%	53.7
<b>TOTAL</b>	<b><u>\$ 2,034.5</u></b>	<b><u>\$ 8.1</u></b>	<b><u>0.4%</u></b>	<b><u>\$ 2,042.6</u></b>

Note: The combined year-over-year change includes budgeted capital expenditures for various TRB projects (approved during the 2017 legislative session) which are coming to completion in FY2020.

- University of Houston System FY2020 Proposed Allocation of New Operating Funds by Priority (\$ in Millions) was addressed. Below is a summary for reference.

<b><u>From Appendix A</u></b>	<b><u>Student Success</u></b>	<b><u>Nat'l Comp.</u></b>	<b><u>Univ. Infrs. &amp; Admin</u></b>	<b><u>Community Advancement</u></b>	<b><u>Total</u></b>
University of Houston	\$ 26.1	\$ 14.2	\$ 4.0	\$ 1.3	\$ 45.6
UH-Clear Lake	5.1	1.1	1.4	0.1	7.7
UH-Downtown	3.2	0.9	3.7	0.2	8.0
UH-Victoria	2.2	0.6	1.9	0.3	5.0
UH-System Administration	--	--	(5.2)	--	(5.2)
<b>TOTAL</b>	<b><u>\$ 36.6</u></b> 60%	<b><u>\$ 16.8</u></b> 27%	<b><u>\$ 5.8</u></b> 9%	<b><u>\$ 1.9</u></b> 3%	<b><u>\$ 61.1</u></b> 100%

- University of Houston System FY2020 Proposed Allocation of New HEAF by Priority (\$ in Millions) was addressed. Below is a summary for reference.

<b><u>From Appendix B</u></b>	<b><u>Student Success</u></b>	<b><u>Nat'l Comp.</u></b>	<b><u>Univ. Infrs. &amp; Admin</u></b>	<b><u>Community Advancement</u></b>	<b><u>Total</u></b>
University of Houston	\$ 28.5	\$ 10.3	\$ 14.0	\$ --	\$ 52.8
UH-Clear Lake	3.3	1.9	2.8	--	8.0
UH-Downtown	6.9	0.2	4.7	--	11.8
UH-Victoria	1.0	--	3.3	--	4.3
UH-System Administration	--	--	--	--	--
<b>TOTAL</b>	<b><u>\$ 39.7</u></b> 52%	<b><u>\$ 12.4</u></b> 16%	<b><u>\$ 24.8</u></b> 32%	<b><u>\$</u></b> 0%	<b><u>\$ 76.9</u></b> 100%

- University of Houston System FY2020 Proposed Allocation of Incremental Operating Funds and HEAF by Priority (\$ in Millions) was addressed. Below is a summary for reference.

<b><u>From Appendix A&amp;B Combined</u></b>	<b><u>Student Success</u></b>	<b><u>Nat'l Comp.</u></b>	<b><u>Univ. Infras. &amp; Admin</u></b>	<b><u>Community Advancement</u></b>	<b><u>Total</u></b>
University of Houston	\$ 54.6	\$ 24.5	\$ 18.0	\$ 1.3	\$ 98.4
UH-Clear Lake	8.4	3.0	4.2	0.1	15.7
UH-Downtown	10.1	1.1	8.4	0.2	19.8
UH-Victoria	3.2	0.6	5.2	0.3	9.3
UH-System Administration	--	--	(5.2)	--	(5.2)
<b>TOTAL</b>	<b><u>\$ 76.3</u></b> 55%	<b><u>\$ 29.2</u></b> 21%	<b><u>\$ 30.6</u></b> 22%	<b><u>\$ 1.9</u></b> 1%	<b><u>\$ 138.0</u></b> 100%

- The use of new and reallocated funds for UH System was addressed and summarized below:

**University of Houston:**

- Additional set aside for need-based scholarships
- New faculty positions
- Additional investment in Graduate Tuition Fellowships
- Start-up funding for the College of Medicine
- Continuing to address existing graduate tuition fellowship budget needs
- Provide funds to support Academic performance funding
- Invest in faculty and staff retention via a merit pool
- Invest in technology and campus safety and security which supports students, faculty and staff
- Invest in classroom renovations & faculty start-ups
- Invest in campus infrastructure to support students, faculty and staff (including Core Renovation Projects and Life Sciences Projects and capital renewal/deferred maintenance/life safety).

**University of Houston-Clear Lake:**

- Expand tenured track faculty positions to support both new academic programs and overall undergraduate enrollment growth in support of student success
- Fund the transition of Student Affairs, as a department under Academic Affairs, to a separate division now lead by Vice President for Student Affairs to better support the unique and diverse student population at UHCL
- Increase the number of new student internships and other experiential learning opportunities for our students enabling them to apply their classroom learning to real world experiences and to solve real challenges that will better prepare them for success after they graduate from UHCL
- Hire key university leaders in innovation and technology that will support and promote UHCL and its students, thereby enhancing research excellence and national competitiveness
- Invest in faculty and staff (new positions and compensation) to support the success of both System and University initiatives following a period of three years of austerity and budget reductions
- Invest in the University's Strategic Planning process utilizing the Balanced Scorecard Institute as the basis for development and university-wide implementation, with the final plan completion due by the end of fiscal year 2020
- Invest in campus infrastructure to support students, faculty and staff.

### **University of Houston-Downtown:**

- Continue investment in instructional and scholarly capacity by adding six full-time faculty positions through both new and reallocated funds
- Enhance opportunities for student academic success as well as student life on campus through investments in scholarships, advising, orientation, and club sports – including eSports
- Provide operating funds to bring the new Science and Technology building online, including investment in support staff
- Continue strengthening UHD's operating budget by reducing reliance on one-time funds
- Isolate funds for a mid-year merit pool for faculty and staff, conditional on the achievement of enrollment goals, thus enabling the institution to maintain regional competitiveness in recruiting and retaining a well-qualified professoriate and skilled support staff
- Invest in campus infrastructure to support students, faculty and staff

### **University of Houston-Victoria:**

- Hire new faculty to support fast-growing programs
- Increase in compensation for faculty and staff due to promotions, equity adjustments, and merit compensation
- Increase the proportion of face-to-face classes and course offerings
- Expand student recruitment and retention efforts
- Continued focus on being a destination university by developing new residential campus infrastructure, expanding academic programs, and building new academic facilities
- Relocating UHV Katy operations to the UH System in Katy campus
- Invest in campus infrastructure to support students, faculty and staff.

### **University of Houston Recent Accomplishments:**

- Record student enrollment of 46,324
- 10,283 total degrees awarded during the 2018-2019 academic year
- 381 Doctorates awarded during the 2018-2019 academic year
- 4-year graduation rate of 36% (up from 33%)
- 6-year graduation rate of 59% (up from 54%)
- 72% of freshmen participating in UHin4
- The Petroleum Engineering graduate program was ranked 14<sup>th</sup> nationally by U.S. News and World Report;
- The Graduate School of Social Work moved up from #38 in 2017 to #22 in 2019 in U.S. News and World Report;
- The Law Center had three programs ranked in the top 10 by U.S. News and World Report including Health Care Law (#6), Intellectual Property Law (#7), and Part-Time Law (#9);
- The Cyvia and Melvyn Wolff Center for Entrepreneurship at the C.T. Bauer College of Business is ranked #2 in the U.S. and on the list of the top 25 Best Undergraduate Programs for Entrepreneurs in 2019 by the Princeton Review and Entrepreneur Magazine; and
- UH Library's ranking among its Association of Research Libraries (ARI) peers rose from 76<sup>th</sup> in 2013 to 62<sup>nd</sup> in 2018.

**University of Houston (UH) Budget:**

- Total FY2019 UH Operating Budget - \$1,227.6 (\$ Millions)
- Total FY2019 UH Capital Facilities Budget - \$204.0 (\$ Millions)
- Total FY2019 UH Budget - \$1,431.6 (\$ Millions)
- Current FY2019 UH Operating Budget Source of Funds was addressed and is outlined below (\$ Millions).
  - Tuition and Fees – \$507.4 - 41%
  - State Appropriations – \$195.3 - 16%
  - Contracts and Grants – \$194.6 - 16% (includes Federal Financial Aid)
  - HEAF/ Nat’l Research University Fund (NRUF) – \$58.1 - 5%
  - Endowment Income/Gifts – \$54.5 - 4%
  - Other Operating – \$217.7 - 18%
- Current UH Operating Budget Use of Funds was addressed and is outlined below (\$ Millions).
  - Student Access and Success – \$794.0 - 65%
  - Infrastructure and Administration – \$195.5 - 16%
  - National Competitiveness – \$202.1 - 16%
  - Community Advancement – \$36.1 - 3%
- Proposed FY2020 UH Operating Budget - \$1,314.1 (\$ Millions)
- Proposed FY2020 UH Capital Facilities Budget - \$201.4 (\$ Millions)
- Proposed Total FY2020 UH Budget - \$1,515.5 (\$ Millions)
- Proposed FY2020 UH Operating Budget Source of Funds was addressed and is outlined below (\$ Millions).
  - Tuition and Fees – \$529.9 - 40%
  - State Appropriations – \$212.7 - 16%
  - Contracts and Grants – \$200.6 - 15% (includes Federal Financial Aid)
  - HEAF/National Research University Fund (NRUF) – \$60.6 - 5%
  - Endowment Income/Gifts – \$62.5 - 5%
  - Other Operating – \$247.8 - 19%
- Proposed FY2020 UH Operating Budget Use of Funds was addressed and is outlined below (\$ Millions).
  - Student Access and Success – \$858.3 - 65%
  - Infrastructure and Administration – \$208.2 - 16%
  - National Competitiveness – \$207.8 - 16%
  - Community Advancement – \$39.8 - 3%
- UH Operating Budget Revenues FY2016 – FY2020 (\$ Millions) was presented. Below is the summary for the Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. State Appropriations	\$ 195.3	\$ 212.7
2. HEAF/National Research University Fund	58.1	60.6
3. Tuition & Fees	507.4	529.9
4. Other Operating	217.7	247.8
5. Contracts & Grants*	194.6	200.6
6. Endowment Income/Gifts	54.5	62.5
TOTAL	<u>\$ 1,227.6</u>	<u>\$ 1,314.1</u>

\*Includes Federal Financial Aid

- UH Operating Budget Expenditures FY2016– FY2020 (\$ Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. Student Access and Success	\$ 794.0	\$ 858.2
2. National Competitiveness	202.1	207.8
3. Infrastructure and Administration	195.5	208.2
4. Community Advancement	<u>36.1</u>	<u>39.8</u>
TOTAL	<u>\$ 1,227.6</u>	<u>\$ 1,314.1</u>

- UH Allocation of New FY2020 Resources was discussed.

- <u>Revenue Changes - Subtotals</u>	
○ Appropriations	\$ 19,942,088
○ Tuition and Fees	24,193,443
○ Other Subtotal	<u>1,423,963</u>
Total Net Revenue	<u>\$ 45,559,494</u>

- <u>Priority/Initiative Allocations - Subtotals</u>	
○ Priority 1 – Student Success	\$ 26,089,976
○ Priority 2 – National Competitiveness	14,244,547
○ Priority 3 – Univ. Infrastructure & Admin.	3,974,971
○ Priority 4 – Community Advancement	<u>1,250,000</u>
Total Priority/Initiative Allocations	<u>\$ 45,559,494</u>

- UH Allocation of FY2020 HEAF was discussed.

- <u>FY2020 Allocation</u>	
○ HEAF	\$ 52,770,054
- <u>Priority/Initiative HEAF - Subtotals</u>	
○ Priority 1 – Student Success	\$ 28,510,107
○ Priority 2 – Nat'l Competitiveness	10,284,947
○ Priority 3 – Univ. Infrastructure & Admin.	<u>13,975,000</u>
Total Priority/Initiative Allocations	<u>\$ 52,770,054</u>

- UH Capital Projects Budget Summary – FY2020 Budget

- <u>FY2020 Budget</u>	
○ New Construction	\$ 126,640,675
○ Major Repair & Rehabilitation and Projects Budgeted Annually	<u>74,745,029</u> <u>12,000,000</u>
Total Priority/Initiative Allocations	<u>\$ 201,385,704</u>

### **University of Houston-Clear Lake (UHCL) Recent Accomplishments:**

- Ranked 17<sup>th</sup> place in U.S. News & World Report's 2019 rankings for Top Public Schools Regional Universities West. Advanced 2 places following an advancement of 11 places the previous year in the overall rankings for Best Regional Universities West to 61<sup>st</sup> of 659 western colleges and universities. Ranked 15<sup>th</sup> Safest campus in the United State, the only Texas campus in the top 25.
- Assembled the final pieces of President Blake's leadership team with the additions of: Dr. Aaron Hart, Vice President of Student Affairs; Mr. Joseph Staley, Vice President of University Advancement; Dr. Miguel Gonzalez, Dean, College of Sciences and Engineering; Ms. Evelyn



### **University of Houston-Clear Lake (UHCL) Recent Accomplishments (cont'd):**

Miralles, Associate VP for Strategic Information Initiatives and Technology; Dr. Gigi Do, Assistant VP for Global Learning and Strategy & Strategic International Programs; and Dr. Vivienne McClendon, Executive Director for the Neumann Library.

- Broke historical enrollment records by exceeding 9,000 undergraduate and graduate students at 9,040 in Fall 2018, and the University is set to exceed that high mark for Fall 2019.
- Welcomed first academic cohorts to newly approved Bachelor of Science in Mechanical Engineering and a Master of Arts in Teaching. Achieving almost double projected enrollment for Mechanical Engineering at 168 students for Fall 2019.
- Opened the new Health Sciences and Classroom Building at UHCL Pearland enabling the University to meet the growing demand for nurses and other critical health care professionals. The Master's of Arts in 1/0 Psychology is relocating to Pearland in Fall 2019.
- Opening Fall 2019, Hunter Hall will serve UHCL students as the first on-campus residence hall. Hunter Hall will provide UHCL students with a quick commute to class, on-campus dining, multiple nearby student spots, and an enriched on-campus residential experience.
- Continue to expand the university's outreach to the community through addition of a satellite office of the Center for Autism and Developmental Disabilities (CADD) to Pearland; the launch of the Center for Workplace Consulting, providing students with the opportunity to engage in real-world consulting projects; and the continuation of the highly successful Low Carb Houston Conference, with the second annual conference scheduled for October 2019.

### **University of Houston-Clear Lake Budget (UHCL):**

- Total FY2019 UHCL Operating Budget was \$133.0 (\$ Millions)
- Total FY2019 UHCL Capital Facilities Budget was \$37.4 (\$ Million)
- Total FY2019 UHCL Budget was \$170.4 (\$ Millions)
- Current FY2019 UHCL Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - Tuition and Fees – \$65.5 - 49%
  - State Appropriations – \$33.5 - 25%
  - Contracts and Grants – \$16.6 - 13% (includes Federal Financial Aid)
  - HEAF – \$8.0 - 6%
  - Endowment Income/Gifts – \$1.3 - 1%
  - Other Operating – \$8.1 - 6%
- Current FY2019 UHCL Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$100.8 - 76%
  - Infrastructure and Administration – \$28.4 - 21%
  - National Competitiveness – \$3.7 - 3%
  - Community Advancement – \$0.1 - 0%
- Proposed FY2020 UHCL Operating Budget - \$141.2 (\$ Millions)
- Proposed FY2020 UHCL Capital Facilities Budget - \$3.2 (\$ Millions)
- Proposed Total FY2020 UHCL Budget - \$144.4 (\$ Millions)
- Proposed FY2020 UHCL Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - Tuition and Fees – \$73.4 - 52%
  - State Appropriations – \$36.6 - 26%
  - Contracts and Grants – \$18.1 - 13% (includes Federal Financial Aid)

- HEAF – \$8.0 - 6%
- Endowment Income/Gifts – \$1.6 - 1%
- Other Operating – \$3.5 - 2%
- Proposed FY2020 UHCL Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$107.1 - 76%
  - Infrastructure and Administration – \$30.8 - 22%
  - National Competitiveness – \$3.2 - 2%
  - Community Advancement – \$0.1 - 0%
- UHCL Operating Budget Revenues FY2016 – FY2020 (\$ Millions) was presented. Below is the summary for the Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. State Appropriations	\$ 33.5	\$ 36.6
2. HEAF/National Research University Fund	8.0	8.0
3. Tuition & Fees	65.5	73.4
4. Other Operating	8.1	3.5
5. Contracts & Grants*	16.6	18.1
6. Endowment Income/Gifts	1.3	1.6
TOTAL	<u>\$ 133.0</u>	<u>\$ 141.2</u>

\*Includes Federal Financial Aid

- UHCL Operating Budget Expenditures FY2016– FY2020 (\$ Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. Student Access and Success	\$ 100.8	\$ 107.1
2. National Competitiveness	3.7	3.2
3. Infrastructure and Administration	28.4	30.8
4. Community Advancement	0.1	0.1
TOTAL	<u>\$ 133.0</u>	<u>\$ 141.2</u>

- UHCL Allocation of New FY2020 Resources was addressed.

- <u>Revenue Changes - Subtotals</u>	
○ Appropriations	\$ 3,099,624
○ Tuition and Fees	7,879,430
○ Other Subtotal	<u>(4,661,337)</u>
Total Net Revenue	<u>\$ 6,317,717</u>
- <u>Reallocation/Reduction - Subtotal</u>	
○ Reallocation/Reduction	<u>\$ (1,421,285)</u>
- <u>Priority/Initiative Allocations - Subtotals</u>	
○ Priority 1 – Student Success	\$ 5,083,192
○ Priority 2 – National Competitiveness	1,126,357
○ Priority 3 – Univ. Infrastructure & Admin.	1,438,253
○ Priority 4 – Community Advancement	<u>91,200</u>
Total Priority/Initiative Allocations	<u>\$ 7,739,002</u>

Total Net Reallocations & Allocations	\$ <u>6,317,717</u>
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- UHCL Allocation of FY2020 HEAF was discussed.
  - FY2020 Allocation
    - HEAF \$ 8,005,116
  - Priority/Initiative HEAF - Subtotals
    - Priority 1 – Student Success \$ 3,250,232
    - Priority 2 – Nat’l Competitiveness 1,931,283
    - Priority 3 – Univ. Infrastructure & Admin. 2,823,601
    - Total Priority/Initiative HEAF \$ 8,005,116
  
- UHCL Capital Projects Budget Summary – FY2020 Budget
  - FY2020 Budget
    - New Construction \$ 1,255,000
    - Major Repair & Rehabilitation 1,916,871
    - Total \$ 3,171,871

**University of Houston-Downtown (UHD) Recent Accomplishments:**

- Grew enrollment by 2.5% over the prior year.
- Attained in 2019 a record 6-year graduation rate of 27.71%, essentially achieving the institutional goal of 28%-by-2020 one year ahead of schedule.
- Opened UHD’s \$73 million Science and Technology building.
- Exceeded 2019 fundraising goal by 9%, while exceeding UHD’s “Here, We Go” campaign target by 20%.
- Successfully transitioned student record system to align with other UHS components.
- Awarded \$1 million from Howard Hughes Medical Institute for Inclusive Excellence SynergIE program (one of 57 programs in the country, and 1 of 2 in TX).
- Received \$2.75 Title V grant for developing accelerated transfer pathways for career and academic success.
- Awarded a second Texas Higher Education Coordinating Board grant to develop a competency based concentration in Restaurant and Food Service Administration to meet 60x30 TX goals.

**University of Houston-Downtown Budget (UHD):**

- Total FY2019 UHD Operating Budget was \$183.1 (\$ Millions)
- Total FY2019 UHD Capital Facilities Budget was \$55.7 (\$ Million)
- Total FY2019 UHD Budget was \$238.8 (\$ Millions)
- Current FY2019 UHD Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - Tuition and Fees – \$95.2 - 52%
  - State Appropriations – \$31.3 - 17%
  - Contracts and Grants – \$35.3 - 19% (includes Federal Financial Aid)
  - HEAF – \$11.8 - 6%
  - Endowment Income/Gifts – \$2.8 - 2%
  - Other Operating – \$6.7 -4%

- Current FY2019 UHD Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$145.9 - 80%
  - Infrastructure and Administration – \$32.2 - 18%
  - National Competitiveness – \$2.2 - 1%
  - Community Advancement – \$2.8 - 1%
- Proposed FY2020 UHD Operating Budget - \$195.7 (\$ Millions)
- Proposed FY2020 UHD Capital Facilities Budget - \$4.3 (\$ Millions)
- Proposed Total FY2020 UHD Budget - \$200.0 (\$ Millions)
- Proposed FY2020 UHD Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - Tuition and Fees – \$102.2 - 52%
  - State Appropriations – \$32.5 - 17%
  - Contracts and Grants – \$40.6 - 21% (includes Federal Financial Aid)
  - HEAF – \$11.8 - 6%
  - Endowment Income/Gifts – \$2.8 - 1%
  - Other Operating – \$5.8 - 3%
- Proposed FY2020 UHD Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$153.4 - 78%
  - Infrastructure and Administration – \$36.4 - 19%
  - National Competitiveness – \$2.9 - 1%
  - Community Advancement – \$3.0 - 2%
- UHD Operating Budget Revenues FY2016 – FY2020 (\$ Millions) was presented. Below is the summary for the Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. State Appropriations	\$ 31.3	\$ 32.5
2. HEAF/National Research University Fund	11.8	11.8
3. Tuition & Fees	95.2	102.2
4. Other Operating	6.7	5.8
5. Contracts & Grants*	35.3	40.6
6. Endowment Income/Gifts	2.8	2.8
TOTAL	<u>\$ 183.1</u>	<u>\$ 195.7</u>

\*Includes Federal Financial Aid

- UHD Operating Budget Expenditures FY2016– FY2020 (\$ Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. Student Access and Success	\$ 145.9	\$ 153.4
2. National Competitiveness	2.2	2.9
3. Infrastructure and Administration	32.2	36.4
4. Community Advancement	2.8	3.0
TOTAL	<u>\$ 183.1</u>	<u>\$ 195.7</u>

- UHD Allocation of New FY2020 Resources was addressed.
  - Revenue Changes - Subtotals
    - General Revenue \$ 774,295
    - Tuition and Fees 4,187,329
    - Other Subtotal 1,004,092
    - Total Net Revenue \$ 5,965,716
  - Reallocations - Subtotal
    - Reallocations \$ (2,018,518)
  - Priority/Initiative Allocations - Subtotals
    - Priority 1 – Student Success \$ 3,243,501
    - Priority 2 – National Competitiveness 855,714
    - Priority 3 – Univ. Infrastructure & Admin. 3,679,319
    - Priority 4 – Community Advancement 205,700
    - Total Priority/Initiative Allocations \$ 7,984,234
  - Total Net Reallocations & Allocations \$ 5,965,716
  
- UHD Allocation of FY2020 HEAF was discussed.
  - FY2020 Allocation
    - HEAF \$ 11,752,877
  - Priority/Initiative HEAF - Subtotals
    - Priority 1 – Student Success \$ 6,891,225
    - Priority 2 – Nat'l Competitiveness 206,000
    - Priority 3 – Univ. Infrastructure & Admin. 4,655,652
    - Total Priority/Initiative HEAF \$ 11,752,877
  
- UHD Capital Projects Budget Summary – FY2020 Budget
  - FY2020 Budget
    - New Construction \$ 1,200,000
    - Major Repair & Rehabilitation 3,071,744
    - Total \$ 4,271,744

**University of Houston-Victoria (UHV) Recent Accomplishments:**

- Collaborated with Academic Partnership to improve marketing methods to recruit additional transfers from community colleges and graduate students in selected degrees.
- Submitted the following new programs to UHS for approval: Bachelor of Arts and Bachelor's of Science in University Studies, Master of Science Degree in Kinesiology with a concentration in Sport Management, Master of Accountancy and Master of Science in Criminal Justice in FY2020.
- The University ranked 34<sup>th</sup> in a Washington Monthly regional list of “Best Bang for the Buck” Colleges. Two School of Business degree programs, Human Resources Management and International Business, received national recognition based on affordability, academic quality and student success.
- Received \$1.5M from M.G. & Lillie A. Johnson Foundation to enhance health career education offerings for students.
- Sixty-two UHV athletes earned academic honor in the Red River Athletic Conference.

**University of Houston-Victoria Budget (UHV):**

- Total FY2019 UHV Operating Budget was \$66.8 (\$ Millions)
- Total FY2019 UHV Capital Facilities Budget was \$67.7 (\$ Million)
- Total FY2019 UHV Budget was \$134.5 (\$ Millions)
- Current FY2019 UHV Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - Tuition and Fees – \$29.4 - 44%
  - State Appropriations – \$17.6 - 26%
  - Contracts and Grants – \$8.8 - 13% (includes Federal Financial Aid)
  - HEAF – \$4.3 - 7%
  - Endowment Income/Gifts – \$0.4 - 1%
  - Other Operating – \$6.3 - 9%
- Current FY2019 UHV Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$56.1 - 84%
  - Infrastructure and Administration – \$10.0 - 15%
  - National Competitiveness – \$0.2 - 0%
  - Community Advancement – \$0.5 - 1%
- Proposed FY2020 UHV Operating Budget - \$71.0 (\$ Millions)
- Proposed FY2020 UHV Capital Facilities Budget - \$58.0 (\$ Millions)
- Proposed Total FY2020 UHV Budget - \$129.0 (\$ Millions)
- Proposed FY2020 UHV Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - Tuition and Fees – \$31.4 - 44%
  - State Appropriations – \$18.6 - 26%
  - Contracts and Grants – \$9.9 - 14% (includes Federal Financial Aid)
  - HEAF – \$4.3 - 6%
  - Endowment Income/Gifts – \$0.5 - 1%
  - Other Operating – \$6.3 - 9%
- Proposed FY2020 UHV Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$59.2 - 83%
  - Infrastructure and Administration – \$10.4 - 15%
  - National Competitiveness – \$0.8 - 1%
  - Community Advancement – \$0.6 - 1%
- UHV Operating Budget Revenues FY2016 – FY2020 (\$ Millions) was presented. Below is the summary for the Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. State Appropriations	\$ 17.6	\$ 18.6
2. HEAF/National Research University Fund	4.3	4.3
3. Tuition & Fees	29.4	31.4
4. Other Operating	6.3	6.3
5. Contracts & Grants*	8.8	9.9
6. Endowment Income/Gifts	0.4	0.5
TOTAL	<u>\$ 66.8</u>	<u>\$ 71.0</u>

\*Includes Federal Financial Aid

- UHV Operating Budget Expenditures FY2016– FY2020 (\$ Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. Student Access and Success	\$ 56.1	\$ 59.2
2. National Competitiveness	0.2	0.8
3. Infrastructure and Administration	10.0	10.4
4. Community Advancement	0.5	0.6
TOTAL	<u>\$ 66.8</u>	<u>\$ 71.0</u>

- UHV Allocation of New FY2020 Resources was addressed.

<u>Revenue Changes - Subtotals</u>	
○ General Revenue –Appropriations	\$ 999,589
○ Tuition and Fees	2,204,189
○ Other Subtotal	<u>779,166</u>
Total Net Revenue	<u>\$ 3,982,944</u>
 <u>Reallocations/Reductions - Subtotal</u>	
○ Reallocations/Reductions	<u>\$ (1,064,995)</u>
 <u>Priority/Initiative Allocations - Subtotals</u>	
○ Priority 1 – Student Success	\$ 2,222,672
○ Priority 2 – National Competitiveness	610,748
○ Priority 3 – Univ. Infrastructure & Admin.	1,891,210
○ Priority 4 – Community Advancement	<u>323,309</u>
Total Priority/Initiative Allocations	<u>\$ 5,047,939</u>
 Total Net Reductions & New Allocations	 <u>\$ 3,982,944</u>

- UHV Allocation of FY2020 HEAF was discussed.

<u>FY2020 Allocation</u>	
○ HEAF	\$ 4,275,861
 <u>Priority/Initiative - Subtotals</u>	
○ Priority 1 – Student Success	\$ 967,500
○ Priority 3 – Univ. Infrastructure & Admin.	<u>3,308,361</u>
Total Priority/Initiative Allocations	<u>\$ 4,275,861</u>

- UHV Capital Projects Budget Summary – FY2020 Budget

<u>FY2020 Budget</u>	
○ New Construction	\$ 48,550,000
○ Major Repair & Rehabilitation	<u>9,423,782</u>
Total	<u>\$ 57,973,782</u>

### **University of Houston System Administration Budget:**

- Total FY2019 UHS Administration Operating Budget - \$59.1 (\$ Millions)
- Total FY2019 UHS Administration Capital Facilities Budget - \$ -0- (\$ Million)
- Total FY2019 UHS Administration Budget - \$59.1 (\$ Millions)

- Current FY2019 UHS Administration Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - State Appropriations – \$47.7 - 81%
  - Endowment Income/Gifts – \$2.1 - 3%
  - Other Operating – \$9.3 - 16%
- Current FY2019 UHS Administration Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$1.8 - 3%
  - Infrastructure and Administration – \$56.3- 95%
  - National Competitiveness – \$1.0 - 2%
- Proposed FY2020 UHS Administration Operating Budget - \$53.7 (\$ Millions)
- Proposed FY2020 UHS Administration Capital Facilities Budget - \$ -0- (\$ Millions)
- Proposed Total FY2020 UHS Administration Budget - \$53.7 (\$ Millions)
- Proposed FY2020 UHS Administration Operating Budget Source of Funds was addressed and is outlined below. (\$ Millions)
  - State Appropriations – \$42.0 - 78%
  - Endowment Income/Gifts – \$2.1 - 4%
  - Other Operating – \$9.6 - 18%
- Proposed FY2020 UHS Administration System Operating Budget Use of Funds was addressed and is outlined below. (\$ Millions)
  - Student Access and Success – \$1.8 - 3%
  - Infrastructure and Administration – \$50.9 - 95%
  - National Competitiveness – \$1.0 - 2%
- UHS Administration Operating Budget Revenues FY2016 – FY2020 (\$ Millions) was presented. Below is the summary for the Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. State Appropriations*	\$ 47.7	\$ 42.0
2. Other Operating	9.3	9.6
3. Contracts & Grants	0.0	0.0
4. Endowment Income/Gifts	<u>2.1</u>	<u>2.1</u>
TOTAL	<u>\$ 59.1</u>	<u>\$ 53.7</u>

\*Includes TRB debt service

- UHS Administration Operating Budget Expenditures FY 2016– FY2020 (\$ Millions) was addressed. Below is the summary for Current FY2019 Budgeted vs. Proposed FY2020 Budget.

	<u>FY2019 Budgeted</u>	<u>FY2020 Proposed</u>
1. Student Access and Success	\$ 1.8	\$ 1.8
2. National Competitiveness	1.0	1.0
3. Infrastructure and Administration*	56.3	50.9
4. Community Advancement	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>\$ 59.2</u>	<u>\$ 53.7</u>

\*Includes TRB debt service

- The total net revenue / total priority/initiative allocations totaled \$(5,173,062).



A brief discussion followed.

On motion of Regent Brooks, seconded by Regent Chazen, and by unanimous vote of the committee members in attendance, the request for the UH System FY2020 Financial Plan and Budget – University of Houston System was approved.

Regent McElvy stated the next item to be considered by the committee was Item D, the Approval is requested for changes to a mandatory student fee at the University of Houston – University of Houston, and asked Mr. McShan to present this item to the committee.

Mr. McShan stated this fee was not an increase to any student whatsoever. Back when the UH Sugar Land campus was created, realizing that the students would not have full access to student services, full access to the Student Center and/or the Rec Center, an Extended Access Fee was created. Rather than charging them for student service fees, we charged them an access fee which was used to support the operation there. The University is eliminating the Extended Access Fee and increasing the amount of Student Service Fee so that they are paying the full amount here as they would at one of the other campuses. What is being created now is an Online Education Fee for those students who are 100% online and would not have access to some of our student services or our facilities. Due to the way the legislation works and they are behind each of the fees we charge, Board approval is required to create the Online Education Fee.

On motion of Regent Chazen, seconded by Regent Mendoza, and by unanimous vote of the committee members in attendance, the request for changes to a mandatory student fee at the University of Houston was approved.

Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts exceeding \$1 million for the purchase of goods or services, excluding construction contracts, at the University of Houston System, was the next item presented to the committee and Regent McElvy asked Mr. McShan, to present this item.

Mr. McShan stated the first item addressed under this agenda item was the Fort Bend Library Agreement. This is the fourth amendment to the agreement for the provision of library services at the Sugar Land location. The Fort Bend Library has a 50-year lease with the University for the building, and librarian costs are split between the Wharton County Junior College and the University of Houston. The original term of the agreement was eight (8) years for \$1,485,000 and the amended term will be for five (5) years for \$1,385,000. The estimated annual cost is approximately \$227,000 during the amendment to this agreement.

The second contract Mr. McShan presented was for the Project Grad Staffing Reimbursement Agreement. This is an amendment to an existing contract where Project Grad reimburses the University of Houston for an Executive Director position. The University pays for the salary and benefits of the position, which works for the College of Education on the collaboration between Project Grad and the University to support at-risk students and help ensure early identification and intervention to help ensure college enrollment and graduation. Project Grad reimburses actual costs plus a small overhead percent. The original term was for five (5) years for \$965,000 and the estimated reimbursement will be approximately \$262,000 during the amendment to this agreement.

The next item listed for consideration was for the expansion of Campus Wired Lan Wi-Fi Access Infrastructure at UH. This is an amendment to increase the amount of an existing contract by \$5.5 million for an approximate total of \$13.0 million. The original cost estimate of \$7.5 million was to be for renovation and upgrades of technology. However, the scope of work has been expanded to include equipment for new construction and renovations due to the rapid expansion of the campus. Layer 3 Communications, LLC provides equipment to maintain and expand the University of Houston's telecommunications infrastructure, including the wired network, the wireless network, and network management tools.

The next project discussed was IT Managed Services. The University is currently doing this work internally and spending approximately \$825,000 annually. Outsourcing this falls in line with the industry trend by looking for an outside service provider where we could potentially save money; in this case, approximately \$250,000 a year. A "Request for Proposal" will be issued for a vendor who would monitor the University network; connectivity to System campuses, physical and virtual servers in the University computing Center and at select secondary data centers, and critical services provided to the University community and System campuses. During the initial term of this agreement the estimated annual cost would be approximately \$600,000.

Project Management Information System was the next project addressed before the committee. Mr. McShan stated this contract would provide a Project Management Information System for the UH System. The University is trying to bring technology to our construction and renovation process. There are many individuals involved in various projects and this will aid in streamlining the execution of contracts by facilitating design reviews, managing requests for information, and providing a single source for project status to the University community and System campuses. The original term was for \$1,200,000 and the amended term will be \$300,000. This contract would include the initial install and annual maintenance and operations.

The next project addressed was the City of Houston Vision Services Agreement. This agreement is for the University's participation in community outreach programs with the City of Houston and is provided by the UH Optometry Department. It is for elderly and low income students and children for eye examinations and glasses. This is a reimbursement agreement and the estimated annual revenue from this agreement is approximately \$910,000 during the term of this agreement. Revenues will vary with the services used by the City. The current agreement expires on July 31, 2020.

Mr. McShan addressed the next two (2) items listed in this agenda: (1) National Public Radio "NPR" Programming Fees and (2) Public Broadcasting System "PBS" Programming Fees. Programming fees for NPR are needed for Houston Public Media to broadcast NPR programs on the KUHF radio stations for FY2020. There is no contract for these fees. This is for a one (1) year term in the amount of \$1,329,543. Programming fees for PBS are needed for Houston Public Media to broadcast PBS programs on the KUHT TV station for FY2020. There is no contract for these fees. This is for a one (1) year term in the amount of \$2,355,575. Neither of these programming fees is subject to HUB reporting.

Legal Services was the next project addressed. The vendor for this project has been identified as Winstead PC and they will provide legal services for FY2020 and FY2021 in the areas of tax, real estate and finance, corporate law, and intellectual property. The current contract is for \$2,000,000 for two (2) years and will expire at the end of FY2019. The vendor will self-perform all services.

Mr. McShan addressed the next project, Executive Staffing Services. Collegiate Enterprise Solutions, LLC dba The Registry for College and University Presidents would provide executive-level interim placement services to the UH System. This contract is for three (3) years and expires August 31, 2020. Based on the current spend of \$459,647 and the anticipated additional services over the next year, there is a possibility that this contract will exceed \$1.0 million during its three (3) year term. The vendor will self-perform all services.

The last project listed under this agenda item was the Small Business Development Center Space Lease. This lease expires in April 2020 and they are currently reviewing options for leases. This request is to delegate authority to the Chancellor to negotiate the lease with either the current landlord and/or the future landlord and the board was assured that it will be negotiated within the range of market rates.

On motion of Regent Brooks, seconded by Regent Taaffe, and by unanimous vote of the committee members in attendance, the request to delegate authority to the Chancellor to negotiate and execute contracts exceeding \$1 million for the purchase of goods or services, excluding construction contracts, at the University of Houston System was approved.

Regent McElvy moved to the next agenda item for the committee's consideration, Item F, the Approval is requested to delegate authority to the Chancellor to negotiate and execute construction contracts exceeding \$1 million for projects at the University of Houston System. Mr. McShan presented this item and below is a brief summary of his remarks.

Mr. McShan stated there were five (5) projects listed under this item for consideration. The first project was the Intramural Fields on the University of Houston campus. These fields were loaned to the Parking Department a few years ago and the fields were made into parking lots with the promise that they would be converted back to intramural fields once the parking situation on campus was up to speed. This request is for approval of a contract for approximately \$1.5 million and a "Request for Proposal" (RFP) will be completed for the selection of a vendor.

The next project addressed was for the Graduate College of Social Work. A donor had previously donated funds for the foyer of this building which would be located on the first floor. In March 2018, the Board had approved \$2.3 million for the renovation and addition to this building. While the building was on the schedule for deferred maintenance in the future, it was decided that we move that up and engage the contractor, Kitchell Contractors to continue their work which will save money by not having to redeploy their resources when they return. The additional scope by adding the deferred maintenance needs while the building was under construction has increased the cost to \$3.4 million requiring board approval.

The third project addressed was for the Texas Medical Center ("TMC") building renovation. The University is now ready to start rebuilding/renovation of the TMC Building located in the Texas Medical Center. The renovation of this space will be somewhat generic. It will have good office space but will not have wet labs. The Provost and the VP for Research is considering some potential programs to occupy this space; and additionally, the UH-Clear Lake campus was also looking at this space for a potential location of their Nursing program. The cost of this project will be approximately a \$2.0 million.

The next project discussed was the Exterior Wayfindings Signage at the University of Houston-Clear Lake campus. This would be a three (3) to five (5) year project and would be a phased project with multiple awards. The funding of this project will be from HEAF funds for approximately \$1.6 million.

Mr. McShan addressed the final project listed under this item, the University of Houston Recreation Center Building Envelope and Roof repairs project. This project is approximately \$9.0 million and Phase 1 of this project will address the building envelope needs.

On motion of Regent Chazen, seconded by Regent Taaffe, and by unanimous vote of the committee members in attendance, the request to delegate authority to the Chancellor to negotiate and execute construction contracts exceeding \$1 million for projects at the University of Houston System was approved.

Regent McElvy stated Item G, the Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for design and construction for the Law Center Project located in the Professional District at the University of Houston – University of Houston, was the next item listed on the agenda and he asked Mr. McShan to present this item.

Mr. McShan stated this item was to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction for the new Law Building and renovation of the existing facility. The total project cost is currently at approximately \$78.0 million. Fund raising activities are still underway. At the present time, \$6.5 million in funds will be used for the design services for the new Law Center; \$4.8 million will be used for renovation of the existing facility; and approximately \$65.2 million will be used for construction cost and includes contingencies, FF&E and AV. Construction should begin in the summer of 2020, with the anticipated completion of the project in the summer of 2022.

On motion of Regent Brooks, seconded by Regent Chazen, and by unanimous vote of the committee members in attendance, the request to delegate authority to the Chancellor to negotiate and execute contracts for design and construction for the Law Center Project located in the Professional District at the University of Houston was approved.

Regent McElvy said the last approval item for the committee's consideration would be Item H, the Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction for the Student Wellness and Success Center Building Project located at the University of Houston-Downtown, and asked Mr. McShan to present this item.

Mr. McShan said this item was seeking approval to delegate authority to the Chancellor to negotiate and execute contracts for design and construction of the Student Wellness and Success Center Building located at UH-Downtown. The total project cost will be approximately \$38.0 million. Construction for this project is scheduled to begin in January 2021, with the anticipated completion of the project in July 2022.

On motion of Regent Chazen, seconded by Regent Mendoza, and by unanimous vote of the committee members in attendance, the request to delegate authority to the Chancellor to negotiate and execute contracts for the design and construction for the Student Wellness and Success Center Building Project located at the University of Houston-Downtown was approved.

At the conclusion of the approval of the last action item, Regent McElvy called for a motion to place all action items, presented and unanimously approved by the committee, on the Board of Regents' Consent Docket Agenda for final Board approval.

On motion of Regent Taaffe, seconded by Regent Mendoza, and by unanimous vote of the committee members present, the following six (6) action items were placed on the Board of Regents' Consent Docket Agenda for final approval at the August 22, 2019, Board of Regents meeting held later in the day as follows:

1. Approval is requested for the UH System FY2020 Financial Plan and Budget – UH System;
2. Approval is requested for changes to a mandatory student fee at the University of Houston – University of Houston;
3. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts exceeding \$1 million for the purchase of goods or services, excluding construction contracts at the UH System – UH System;
4. Approval is requested to delegate authority to the Chancellor to negotiate and execute construction contracts exceeding \$1 million for projects at the UH System – UH System;
5. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for design and construction for the New Law Center Project located in the Professional District at the University of Houston – University of Houston
6. Approval is requested to delegate authority to the Chancellor to negotiate and execute contracts for design and construction for the Student Wellness and Success Center Building Project located at the University of Houston-Downtown – UH-Downtown.

Regent McElvy then moved to Section II of the agenda, the Executive Session. It was noted that an Executive Session would not be held.

There being no further business to come before the committee, the meeting adjourned at 2:23 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 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.

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Others Present:

Renu Khator  
Jim McShan  
Paula Myrick Short  
Dona Cornell

Raymond Bartlett  
Emily Messa  
Chris Pezman  
Shannon Harrison

David Oliver  
Sabrina Hassumani  
Ira Warshauser  
Raul Ramos

Others Present (cont'd)

Eloise Dunn Brice  
Amr Elnashai  
Lisa Holdeman  
Jason Smith  
Richard Walker  
Ira K. Blake  
Robert K. Glenn  
Juan Sánchez Muñoz  
Don Guyton  
Macie Kelly  
Patricia Oliver  
Russell Rau  
Steve Lawrence  
Nicholas Merry  
Gaston Reinoso  
Tyler Pigg  
Joe Brueggman  
Gerry Mathisen

Karin Livingston  
Mike Rosen  
Kevin Draper  
Lisa Gossett  
Dan Maxwell  
David Bradley  
Mark Clarke  
Eric Herrera  
Ryan Harrison  
Ed Castello  
Zagui Paredes  
Pat Pollan  
Susan Rhodes  
Suzy Harrington  
Max Trinidad  
Jon Aldrich  
Marquette Hobbs

Mike Emery  
Barbara Durante  
Mark Denney  
Wayne Beran  
Jason Trippier  
Stephen Berberich  
Eric Link  
Chris Paul  
Matthew Castillo  
Caesar Moore  
Marcus Piccolo  
Jason Whittington  
Christa Rieck  
Kim Clark  
Mark Yzaguirre  
Phil Alrich  
Brenda Robles