

May 6, 2009

Renu Khator
Chancellor/President
University of Houston System

VIA ELECTRONIC MAIL

Dear Chancellor,

I am disappointed that you refused to interview with us. I noticed on your calendar that you have set aside time for other media interviews.

During our unscheduled visit this week, you suggested that I "shoot you" an email with questions. So, here it is.

1. Tell parents and their children why it is necessary to run up bar bills using student tuition money.

This is not correct. No state-appropriated funds were used.

REPORTERS NOTE: We gave the Chancellor the opportunity to answer this question again in case she did not understand the question. Our broadcasts don't accuse the University of Houston of spending state-appropriated funds. In fact, our broadcast says you can't use state funds for alcohol. The broadcast states this money is tuition money, or what UH calls local funds. We know that, and so does the University. You may observe the Chancellor had no comment on the appropriateness of administrators seeking reimbursement for their alcohol from any source.

2. Tell parents why Deans and other UH administrators can't live within the per diem rules set up by the state. For meals using college tuition money UH has tripled the per diem to 100 dollars a meal, 200 dollars if spouses go along.

You are confusing per diem travel meals with local business meals – these are two different situations. We are revising our business and travel policies to strengthen and clarify the rules.

REPORTERS NOTE: The State Comptroller sets per diem rates for travel and food. You can check it out on their website, which is available to the University.

3. Tell us what steps you personally have taken to reduce tuition costs at the University of Houston since January 1, 2008.

I have strongly supported programs to assist students with tuition. In fact, the University of Houston awards millions of dollars in loans, scholarships and work-study opportunities. The budget office estimates that 20 cents of every dollar in our budget is allocated for student scholarship/assistance.

I have personally made more than 29 trips to Austin to advocate for equitable treatment in funding formula from the Legislature. But, the reality is that state funding continues to decline, so the university offers a number of options and financial incentives to help students. These include:

- UH TierOne Scholars. Thanks to an exceedingly generous \$7 million gift from a donor who wishes to remain anonymous, we are now creating the UH TierOne Scholarship Fund. I am using this gift to issue a challenge in which new scholarship contributions (of \$25,000 or more) will be matched dollar-for-dollar by funds from this remarkable initial gift. If we are able to meet these matching goals - and I'm confident we can do this! - we will create a powerful \$14 million scholarship endowment.
 - Graduation Pledge Program, which offers students up to \$3,000 in tuition funds. Through this program, incoming, first-time-in-college students at UH who complete 30 credit hours toward a degree on campus within 12 months will be eligible for scholarships of \$500 to apply toward the next year's tuition and fees. If they complete 60 hours after two years, they will receive scholarships of \$1,000. Those completing 90 hours within three academic years will receive \$1,500.
 - Jump Program. Freshman participating in this program have an opportunity to take two summer courses for the price of one.
 - Cougar Promise. Students with family incomes at or below \$30,000 are eligible for the Cougar Promise, which guarantees free tuition and mandatory fees to new in-state freshmen.
 - Weekend U. Certain core courses offered through Weekend U are discounted by \$12 per semester credit hour.
 - Tuition Rebate. This incentive provides tuition rebates of \$1000 to undergraduate students who graduate having met the requirements for eligibility.
4. Are you going to require that Deans retroactively file documents detailing their exact itineraries for the million dollars in foreign travel at your central campus in more than a year?

Our policies will require itineraries be filed with requests for foreign travel in the future.

5. We have noticed huge bills for interior designers, graphics, printing. Why doesn't the University use its own students, especially graduate students, who are studying these subjects to do these jobs, potentially saving significant money?

First, we involve our students in many ways to enrich their learning experience. Music and dance students provide entertainment at events, hotel and restaurant management students staff our restaurant at the Hilton, and so on. Regarding your reference to interior designers, since I arrived in January 2008, we have used only UH Staff and have eliminated those expenses.

The university also maintains its own Printing and Postal Services Department to provide high quality printing and mail processes at a competitive and/or reasonable price. Inter/intra-office distribution of information among faculty and staff also is handled by this department – not an outside agency.

REPORTERS NOTE: Since the Chancellor refused our request for an on camera interview, we assume she means interior design expenses at the Wortham House. Our broadcasts will question why the University did not use its own ground crews to take care of landscaping at Wortham House. The monthly bill is \$3600.

We have also included the expenditures from the Chancellors Discretionary Account for your review. It includes the more than thirteen hundred dollars spent on Christmas gifts from the Chancellor for the Board of Regents.

6. Is it time to consider selling the Wortham House? It is real estate worth up to \$6 million, and its annual expenses are over \$200,000?

I know you discussed this with Chairman Wilson. This would be a Board decision.

REPORTERS NOTE: KTRK TV offered on camera interviews to several Deans whose receipts are featured in our continuing broadcasts and Chancellor Khator. They all refused.