

COMMENTARY

# UH takes aim, stays on target for Tier 1 status

When I first arrived in Houston two years ago as president and chancellor of the University of Houston, I asked our community what my task should be. Your response was clear and unwavering: We must move the University of Houston toward a higher vision, one in which we would not only continue to serve as the principal educational resource for this region, but also to expand into a nationally competitive research institution with world-class aspirations.



**GUEST COMMENTARY**

**RENU KHATOR**

In other words, you asked us to transform UH into a Tier 1 university.

I'm proud to say that we have been vigorously pursuing that goal, and I am extremely pleased to announce that we are making great progress. The recent passage of Proposition 4, the constitutional amendment that approved potential funding for UH and other qualifying state institutions to reach Tier 1 status, is a gratifying indication that the people of Texas understand the importance of our efforts.

Elevating the University of Houston into a Tier 1 institution will significantly spur the city's and the state's growth in an increasingly competitive global economy. A recent economic analysis by The Perryman Group, for example, found that if UH and just one other state university achieved Tier 1 status, the total impact over the next two decades would be an additional \$80 billion in annual output and the creation of more than 300,000 permanent jobs.

Attaining Tier 1 status remains a considerable challenge, but we have been given a reliable road map.

To receive financial support from the National Research University Fund, or NRUF, created by Proposition 4, UH must meet certain benchmarks determined by the Legislature and the Texas Higher Education Coor-

inating Board. Since these benchmarks are closely aligned with criteria generally accepted as "Tier 1" qualifications, meeting these benchmarks moves UH ever closer to its Tier 1 destination.

So, what are those benchmarks, and how are we doing?

- An emerging research university like UH must have at least \$45 million in qualified research expenditures for two consecutive years. In fiscal year 2009, UH had \$50 million.

- More than 200 Ph.D.s must be awarded annually. UH is currently awarding at that level.

- An institution must have a Phi Beta Kappa chapter or membership in the Association of Research Libraries. We are an ARL member.

- An institution's endowment must exceed \$400 million. Although the stock market has something to say, we currently meet that qualification, thanks to our generous supporters.

- A freshman class of high quality.
- A faculty of high quality.
- Graduate programs of high quality.

Those last three have not been quantified yet by the Coordinating Board, so we can't measure ourselves at this point. But I can say we have been moving boldly ahead toward "high quality" in each of those areas. Student Success has been a pillar of my administration. Specifically, we are increasing the amount of financial aid available to our students, building new residences to more than double the number of students living on campus and enhancing student support services. And we are also committed to hiring additional faculty who can generate high levels of research funding, attract other premier faculty and help recruit top graduate students. In particular, we intend to acquire four more "mega-clusters" of talent in the energy and health sectors, joining the recent arrival of Dr. Jan-Ake Gustafsson, the world-renowned medical research scientist, and his team.

I'm confident that we can stay on track and meet all the NRUF benchmarks within five years.

Of course, we're not limiting ourselves to

those benchmarks, ambitious as they are. We're also in the process of tripling our alumni participation.

We currently have under construction or design new buildings that will add more than 2.6 million square feet to the campus - the equivalent of two Minute Maid Parks. And that includes our new 75-acre Energy Research Park, where the best minds in the private sector and our public university can tackle the challenges that confront us all. We have also become the newest official member of the Texas Medical Center, which will increase our opportunities to collaborate with the other institutions in this celebrated organization.

All these things - and more - are what's required to be recognized as a Tier 1 institution. So, how will we know when that has happened?

For me, I believe we will truly have achieved Tier 1 status when the University of Houston is a powerful engine of economic development for Houston and the state, when we are providing globally prepared graduates who are productive leaders in the workforce and when we are relied on as a hub of innovation for testing new ideas and creating solutions to problems society faces every day.

In short, we can have a tremendously positive impact on the quality of life and economic health of our region. That is what a Tier 1 institution does, and that is where UH is headed. ■

**RENU KHATOR** is president and chancellor of the University of Houston.

COMMENTARY

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# 'Free' health care shows symptoms of future shock

BY WANDA J. JONES  
SPECIAL TO HOUSTON BUSINESS JOURNAL

For those in business who read about a reform bill that was over 2,000 pages long, and not finished, so declined to read it, read it now. This, as Southerners say, "Is no lite courtin'."

The \$938 billion health care overhaul is much, much bigger than the 30 million or so people it purports to help. All 307 million will be affected, and those who don't believe it is about them, too, are in for many rude awakenings.

Read it for your own protection. The provisions in the law for insurance, and the collateral provisions affecting every other health care sector, will have unintended consequences for decades to come.

Never mind that the bill was passed as though it stood alone, instead of being such an increase in government entitlements,



## OPERATION HEALTH CARE

that, taken together with Medicare and Medicaid, will soon see half of our country subsidized by the other half. And then ... what? Sixty-fourty? This is a creeping sense of entitlement that will infect our private and public lives.

The parlor trick of dividing all revenue requirements into slivers conceals the effective increase in personal taxes and in insurance premiums. To many people, this bill will appear to confirm what they have wanted for a long time - that health care will be "free."

Will the staffs of the 110 new federal agencies work for free? The additional IRS agents? Will the lawyers and

elected officials at the state level who are contesting this centralization of power work for free? Will the physicians who will be paid less for more patients decide to stay in practice - for free?

Not only will the multitude of provisions

in this bill roll out over the decades, but the unprecedented negative forces will also roll out - and roll over the health system.

When one mandates freely, but caps prices, the industry implodes. We will have so-called "rights," but diminished capacity.

The private sector can either relax and just be regulated to mediocrity, or claim the right to conquer Gaul by modernizing the health system to succeed even when lawyers think they are in charge. ■

**WANDA J. JONES** is president of New Century Healthcare Institute in San Francisco. This commentary appeared in San Francisco Business Times, an affiliated publication.

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