



Auxiliary Enterprises Working Group
Final Report

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Executive Summary

The charge of the Auxiliary Enterprises Working group is to develop a model that will provide new and improved approaches and to be innovative and creative in serving the needs of our students and community of UTRGV and the Rio Grande Valley based on the guiding principles approved by the Board of Regents. The purview of auxiliary services varies at each respective campus as does the management, with some services outsourced and others self-operated. The most common services consisted of bookstore, food services, beverage and snack vending and transportation services. Other services include print services, mail services, campus card operations, custodial services and facility rentals to outside entities.

In preparation for the launch of the UTRGV and to ensure minimal disruption of current services, the working group performed a review of existing auxiliary service contracts, prioritized them by order of contract expiration and developed a timeline with date requirements for them to be reviewed and discussed with the Office of General Counsel. This information was provided to the Start-Up Activities Working Group and is also available in the *Sharepoint* site.

In addition, new and innovative auxiliary services were identified that centered on connectivity of the multiple campuses and in offering a seamless student experience regardless of which campus the student was attending or visiting. With focus on enhancement of efficiency, effectiveness and affordability, the Auxiliary Enterprises Working Group supports the following four recommendations:

I. Recommendation – Implement E-Textbook Program

We recommend that UTRGV implement an e-textbook program to alleviate the financial burden of escalating textbook costs. Our students who live in the most impoverished region of the country are challenged with the ability to obtain affordable textbooks, often facing moral dilemmas in the process (i.e. making or purchasing illegal copies, downloading illegal copies). Students are heavily reliant on financial aid which often does not leave them with adequate resources to purchase their textbooks and as a result many struggle to be adequately prepared for first day of class. They are heavily reliant on financial assistance. The majority of students at both UTPA and UTB have access to or own technological devices such as laptops, tables, computers and smartphones yet are challenged with access to reliable internet service, such as in the colonias.

In developing an e-textbook program, we recommend that the University negotiate with publishing distributor(s) and use its bulk buying power to secure the most

affordable pricing. An academic materials fee included in the cost of tuition would make an e-textbook accessible to the student on or before the first class day. The faculty's adoption of this program is an integral component. The program would not impede their academic freedom to select academic textbooks. This program is intended to remove the obstacle of "hunting" for the cheapest books by securing a lower price point and include e-textbooks as part of the tuition cost.

II. Recommendation – Expand One Card Program

We recommend that a single card based platform system be adopted for use at the various campus location of UTRGV. The functionality will improve efficiencies and offers the potential for revenue generation. It will not only serve as an official form of identification but will be used as a tender for purchases at food venues, bookstores or vending machines. It can grant access to buildings or parking lots with card enabled readers (i.e. housing facilities, labs, parking lots, etc.). The system can be used to secure buildings which will reduce the cost of labor for Police Services. Currently such a program (CSGold) is implemented at UT-Pan American and has the infrastructure and potential for expansion at multiple campuses.

III. Recommendation – Provide Transportation

We recommend various modes of transportation for access to the campus and while on campus. A circulator route would transport students from remote parking areas to designated locations on campus to alleviate parking congestion. In addition, UTRGV would negotiate a contract to obtain discount pricing for students to access public transportation services from municipalities around the Valley. Public transit services should provide students and employees with a) commuter (non-stop) routes for those that want to get from campus to campus in the quickest possible time and b) flexible (with stops) routes that would stop in shopping areas, municipal service agencies, etc.

Other modes of transportation include a car share program that would benefit employees traveling between campuses. While on campus, a bike share program would enhance wellness, improve the campus environment, and provide UTRGV students and employees with an additional green transportation option.

These initiatives are interrelated with the recommendations set forth by the Campus Master Planning, Physical Resources and Transportation Linkages Working Group. It

is imperative that the infrastructure improvements be developed on the respective campuses in order to ensure safe and efficient modes of transportation.

IV. Recommendation – Develop a Hotel and Conference Center

We recommend that a hotel and conference center that is centrally located between the multiple campuses should be considered with the creation of an academic program in hospitality management. A hotel and conference center with outsourced management would offer opportunities for student internship programs. A contract partner specializing in property management would not only provide the on-site training and work experience but potentially offer full time employment and management positions for our students. This is a growing industry, particularly in Mexico. Given the growing Hispanic population throughout this country, graduates of this proposed hospitality program will have a comparative advantage in a bi-cultural/bilingual service industry.

The centralized conference center with an adjoining hotel will host musical performances, art exhibits, conferences and our commencement. This location would adjoin our varied campus communities to a single gathering space to enjoy cultural events, celebrations, and community engagements and enhance our academic offerings, particularly in the area of business. This is a long-term goal that warrants further consideration as the institution matures and should be considered with the development of an accredited hospitality management program.

Critical Startup Elements

Existing Business Service Contracts

A review and determination of course of action associated with existing business service contracts at our respective campuses will be required. This warrants discussion and guidance from UT System's Office of General Counsel. A prioritized schedule of the contracts, terms and recommended timeframe to address each contract was submitted to the Start Up Activities Working Group. Supporting documentation can be found in Sharepoint under *Auxiliary Enterprises Working Group/Shared Documents/Start Up Activities/Contract Listing.xls*.

Contract partners must be notified of the official name change so they can update their records accordingly and change the University name issued on royalty checks.

University issued Identification Cards

A process of re-issuance of University issued identification cards to students, faculty and staff will be required. As UTRGV launches the new Peoplesoft student information module, the ID Card Office must be kept informed of the proposed identifier to ensure that current single card system is able to capture the new string information and to prepare a transition plan and cost estimate.

Trademark Licensing Agreement

A new Trademark Licensing agreement will be required under the new University name. UT System's Office of Trademark and Licensing must be kept abreast of the latest updates to approved marks, mascots and colors selected.

Working Group Charge

The charge of the Auxiliary Enterprises Working group is to develop a model that will provide new and improved approaches and to be innovative and creative in serving the needs of our students and community of UTRGV and the Rio Grande Valley based on the guiding principles approved by the Board of Regents. The purview of auxiliary services varies at each respective campus as does the management, with some services outsourced and others self-operated. The most common services consist of bookstore, food services, beverage and snack vending and transportation services. Other services include print services, mail services, custodial services and facility rentals to outside entities.

The working group consisted of five (5) representatives from the respective campuses at The University of Texas at Brownsville and The University of Texas - Pan American. The group members are:

Committee Members

<u>UT – Brownsville</u>	<u>UT – Pan American</u>
<ul style="list-style-type: none">• Douglas Stoves* – Dean of Students• Ismael Chapa - Purchasing• Brendan O’Connor – Language, Literacy and Intercultural Studies• Marisol Sanchez – Student Government Association• Russell McAdams – Business Administration	<ul style="list-style-type: none">• Letty Benavides* - Office of Auxiliary and Print Services• Robert Cantu – Office of Auxiliary and Print Services• Edna Zambrano – Office of the Dean of Students• Mauricio Lomeli Martinez – Student Government Association• Dora Saavedra – Communication/ Faculty Senate

*indicates Working Group Designated Co-Chairs

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In addition, new and innovative auxiliary services were identified that centered on connectivity of the multiple campuses and in offering a seamless student experience regardless of which

campus the student was attending or visiting. The recommendations also focus on enhanced efficiency, effectiveness and affordability.

I. Implement E-Textbook Program

Rationale

Students are challenged with the financial burden of escalating textbook prices. The US Government Accountability Office (GAO) Report on College Textbooks cites that from 2002 to 2012, the cost of textbooks has increased by 82% while overall consumer prices have increased by 28%.¹ The GAO Report also indicates a correlation that increasing new textbook prices has to other academic materials. While there are more affordable options such as digital textbooks and textbook rentals, the “increasing prices for new, print books will likely lead to similar price increases for other related course materials”.¹ The Rio Grande Valley areas of Brownsville and McAllen have been ranked as the most impoverished area of the country according to the US Census Bureau. The challenges that our student population face are unique compared to the rest of the country. As of Fall 2011, approximately 84% of students were awarded financial assistance (i.e. financial aid, scholarships, etc).² They must then await fund disbursement before shopping their textbooks. If they purchase textbooks online, they then must await delivery. This potentially wastes precious time that can delay their learning and class participation if they are not prepared by first class day. Some students will borrow, make or purchase illegal copies or download from illegal websites in order to avoid paying the high textbook costs.

The Pew Research Center reports that young adults own a wide range of devices at high rates compared with the overall adult population (reference Table 1). The report shows that the majority of undergraduate and graduate students own a smartphone, desktop computer or laptop computer.³ It demonstrates that a majority of college students currently own a device where they can access e-textbooks. Approximately 90% of UTB and UTPA students are of the age range between 18-35 representing Generation Y (reference Table 2). This generation is amongst the most tech-savvy population in the country and is more apt to embrace e-textbook technology.

Table 1. Pew Research Center – College Students and Their Gadgets

College students and their gadgets					
<i>Percentage of all adults in each group who own different devices</i>					
	All adults	Non-students, 18-24	Undergrads	Grad students	Community College
Cell phone	82%	89%	96%	99%	94%
Desktop computer	60	58	59	73	67
Laptop computer	52	64	88	93	70
iPod or mp3 player	45	69	84	86	72
Game console	41	64	58	49	61
e-book reader	5	4	9	7	4
Tablet computer	4	4	5	5	4

Source: Pew Research Center's Internet & American Life Project 2010 tracking surveys. All include landline and cell phone interviews. N for all adults=9,769; n for 18-24 year old non-students=717; n for four-year undergrads=246, n for grad students=112, n for community college students=164.

Table 2. UTB and UTPA Enrollment Data by Age.^{5,6}

	UTB	UTPA			Grand Total		
	Fall 2012	Fall 2011					
	Total	UG	Grad	Total			
Under 18	224	316	-	316	540		
18-25	5,594	13,345	504	13,849	19,443		
26-35	1,666	2,455	1,145	3,600	5,266		
Sub-Total	7,484	16,116	1,649	17,765	25,249	90%	Gen Y
36-45	763	766	579	1,345	2,108	8%	Gen X
Over 45	365	84	108	192	557	2%	BB
Total	8,612	16,966	2,336	19,302	27,914		
Avg Age	25.4	23	33				

Best Practice Research

Currently none of the UT institutions have adopted an e-textbook program of this magnitude. Those institutions that have attempted to introduce such a program, have done so on a course by course basis. The textbook industry continues to be in a state of change and textbook distributors such as Courseload and CourseSmart are slowly gaining acceptance.

The interest in e-textbooks appears to be growing as demonstrated in the various articles and research performed on the subject:

1. Educause Learning Initiative. "[The Current State and Potential Future of E-Textbooks](#)". November 2013.
2. Inside Higher Ed. "[E-Textbooks for All](#)". October 7, 2008.

Additional Reading Material found in Sharepoint site under Auxiliary Enterprises Working Group/Shared Documents:

3. Educause. [ECAR Study of Undergraduate Students and Technology 2013](#).
4. Educause. ECAR Study of Undergraduate Students and Technology 2013 – Survey Questionnaire/RGV Results. February 2013.
5. Decision Sciences. Journal of Innovative Education. "Empirical Research: E-Textbooks and Students' Learning Experiences. January 2012.
6. Educause Center for Analysis and Research. "Understanding What Higher Education Needs from E-Textbooks. An EDUCAUSE/Internet2 Pilot."
7. Internet2 eTextbook Spring 2012 Pilot. Final Project Report. August 1, 2012.

Recommendation

The University should leverage its buying power to facilitate discounted, fixed priced e-books so that our students will be prepared by first class day. This relieves them of the pressure from price shopping or having to face moral dilemmas for sake of getting their textbooks. By removing this hurdle, we expect that this program will increase student success enabling them to be better prepared for class.

Challenges and Opportunities

This has a high potential for compromising existing exclusivity rights granted to bookstore providers therefore, it warrants communication with the UT System Office of General Counsel on what the implications and financial repercussions would be for pursuit of such a program. At best, contracted bookstore operators would act as an intermediary to source the e-books at a fixed price. The worst case scenario is that existing bookstore contracts would have to be dissolved and re-bid without granting exclusivity rights for academic materials. This may negatively impact the number of interested bidders. It will also likely impact the financial return (i.e. royalties and rent) to the institution.

The implementation and acceptance by institutions of higher education of e-textbook programs are still in the early stages. Further research is required to 1) identify other institutions that have utilized such a program and obtain success indicators as well as lessons learned; 2) garner input and participation in the selection process from faculty and students'; 3) identify vendor sources, i.e. Courseload, Course Smart and bookstore providers; 4) identification of a target market based on the number of courses that require textbooks and estimated enrollment for those courses and 5) calculate a potential academic materials fee based on the target market with growth indicators for future enrollment.

II. Expand One Card Program

Rationale

The workgroup identified a need to implement a one-card system that integrates the different auxiliary and building security services with ease throughout all UTRGV campuses for all students, faculty and staff. The system would need to provide the ability to manage point of sale for retail locations, access control, meal plans and declining balance program from a single database. Furthermore the system's declining balance program would need to have the flexibility to allow local businesses the ability to accept the University's tender (i.e. Bronc Bucks).

The system must give students, faculty and staff a convenient way to manage their identification, facility access, meal plan and declining balance needs. It is essential that the system allow parents of students to deposit funds on their cards easily with the peace of mind that funds can only be spent on campus and at authorized retail outlets. The ability to set locking schedules and remote operation of door locks are required.

Best Practice Research

There are several single card system platforms available. The most cost effective would be the utilization of UTPA's existing card system infrastructure. UTPA currently has a mature and scalable one card system (CS Gold) on campus that can expand to meet the immediate needs of the new University. The current configuration of the system will allow for additional patrons, access control points, and new meals plans. This expansion of system nodes will require additional processing and storage capacity.

Recommendation

We recommend that a single card based platform system be adopted for use at the various campus locations of UTRGV. The functionality will improve efficiencies and offers the potential for revenue generation. It will not only serve as an official form of identification but will be used as a tender for purchases at food venues, bookstores or vending machines. It can grant access to buildings or parking lots with card enabled readers (i.e. housing facilities, labs, parking lots, etc.). The system can be used to secure buildings which will reduce the cost of labor for Police Services.

Challenges and Opportunities

Planning for the expansion of a One Card Program will require identification of the most critical areas of card system deployment. It will require collaboration with the Facilities Management teams and assistance in providing system module and equipment specifications for all new building construction. The development of a detailed implementation plan will include phased deployment of modules, equipment and training. It will require additional resources such as designated personnel required to provide support services at each respective campus.

III. Provide Transportation

Rationale

The new UTRGV will span the Rio Grande Valley. Though the course offerings will be many, students need physical access to all campuses. Currently, both campuses in Brownsville and Edinburg have inter-local agreements with Valley Metro to connect students living in the outer lying communities. Such partnerships will need to be expanded to connect students between campuses and other UTRGV facilities. In addition, UTRGV should set an example through the promotion of seamless public transit between communities. UTRGV transit will offer direct and timely routes to ensure maximum time efficiency for the benefit of students.

Additional Circulator Routes will help UTRGV campuses alleviate traffic and parking congestion by connecting students with remote parking areas. UTRGV will seek to form partnerships with retail locations and municipalities to provide additional park-and-ride locations to further diminish congestion along the RGV transit corridors. Given the demographic trajectory of the region, it is necessary to invest more in ride sharing programs. The investment in natural gas/hybrid transit vehicles will demonstrate the institution's commitment to sustainability and provide long term economic benefits.

Campus bike share programs and bike infrastructure will promote green transportation options and student wellness and make on-campus travel more efficient and enjoyable. UTRGV will serve as a catalyst for further bike infrastructure integration. Given the innovative multi-campus structure and the likely migration of faculty between campuses, another concept warranting consideration is establishing car share programs such as ZipCar (ideally with electric cars) for use by UTRGV faculty.

Seamless and affordable transportation will guarantee access to RGV residents who are ready to pursue higher education, all the while helping their communities to be "green."

Best Practice Research

UT Brownsville and UT Pan American have established partnerships with local public transit providers, Valley Metro (operated by the Lower Rio Grande Development Council) and Metro Connect (operated by the cities of Brownsville and McAllen). These partnerships have afforded

our students with the opportunities of public transit amidst rising fuel costs and those challenged with reliable transportation.

Our research of alternative modes of transportation has identified vendors and/or campuses that are currently utilizing bike share and/or car share programs. These vendors should be further explored to determine viability of developing a presence in the Rio Grande Valley, specifically in support of UTRGV.

Bike Share Programs:

1. [Bike Share at UB \(University of Buffalo\)](#)
2. [On Bike Share](#)

Car Sharing Programs:

1. [ZipCar](#)
2. [UC Irvine's car-sharing program charges ahead](#)
3. [Google Green Campus Operations](#)
4. [Scion iQ EV Arrives for Campus and Urban Car-sharing Programs](#)

Recommendation

We recommend transportation services that will allow for timely and reliable access to the campus locations from areas throughout the Valley. UTRGV would negotiate a contract to obtain discount pricing for students to access public transportation services from municipalities around the Valley. Public transit services should provide students and employees with a) commuter (non-stop) routes for those that want to get from campus to campus in the quickest possible time and b) flexible (with stops) routes that would stop in shopping areas, municipal service agencies, etc. In addition, a circulator route would transport students from remote parking areas to designated locations on campus to alleviate parking congestion.

Other modes of transportation include a car share program that would benefit employees traveling between campuses. While on campus, a bike share program would enhance wellness, improve the campus environment, and provide UTRGV students and employees with an additional "green" transportation option.

These initiatives are interrelated with the recommendations set forth by the Campus Master Planning, Physical Resources and Transportation Linkages Working Group. It is imperative that the infrastructure improvements be developed on the respective campuses in order to ensure safe and efficient modes of transportation.

Challenges and Opportunities

UTRGV will need to further explore the viability of vendors willing to provide service in the Rio Grande Valley, if such a presence does not currently exist. A demand and feasibility study for such multi-modes of transportation should be commissioned and include possible grant opportunities to fund such transit initiatives and infrastructure to ensure transit efficiencies at the campus locations. Recognizing that each campus has their own unique physical landscape and infrastructure, the transportation initiatives should coordinate with the physical changes (present and future) of the campuses. Finally, public transit services should be equipped with the specifications to properly accommodate student travel (i.e. wi-fi, bicycle racks, surveillance cameras, GPS, etc.).

IV. Develop a Hotel and Conference Center

Rationale

A hotel and conference center that is centrally located between the multiple campuses should be considered with the creation of an academic program in hospitality management. According to the Bureau of Labor Statistics (BLS), by 2014, the hospitality and tourism industry in the US will employ approximately 15.1 million people, of which 2.5 million people will be employed in managerial, marketing and other professional positions within the industry. In addition, the BLS expects the employment of meeting, convention, and event planners to grow 44 percent from 2010 to 2020—much faster than the average for all occupations.³

With the emergence of the Rio Grande Valley as a destination for conventions, sports events, hunting, fishing, and world class birding, the creation of an academic hospitality management program seems to be an advantageous fit. UTRGV will be an emerging research institution with state of the art facilities to host its symposiums, conferences and conventions. The venue would also be attractive to conferences or conventions with attendees from Spanish speaking countries seeking to host in the United States. The program could be seen as a regional leader in the training of those interested in the field including Mexican nationals who want to pursue a professional career in the tourism and resort industry which has seen an upward trend in 2013 according to the Travel Market Report.⁴

A hotel/conference center with outsourced management would offer opportunities for student internship programs. A contract partner specializing in property management would not only provide the on-site training and work experience but potentially offer full time employment and management positions for our students. This is a growing industry, particularly in Mexico. Given the growing Hispanic population throughout this country, graduates of this proposed hospitality program will have a comparative advantage in a bi-cultural/bilingual service industry.

Best Practice Research

Our research identified the following universities who have developed a model for hotel and conference center management in conjunction with either hospitality management programs or operated as an extension of campus housing.

1. [University of Illinois Urbana Champaign campus – Union Hotel](#)
2. [University of Illinois Urbana Champaign campus – Hospitality Management](#)
3. Texas Tech University. [Overton Hotel and Conference Center.](#)
4. University of Wisconsin Oshkosh. [Gruenhagen Conference Center.](#)

Recommendation

We recommend that a hotel and conference center that is centrally located between the multiple campuses should be considered with the creation of an academic program in hospitality management. A hotel and conference center with outsourced management would offer opportunities for student internship programs. A contract partner specializing in property management would not only provide the on-site training and work experience but potentially offer full time employment and management positions for our students. This is a growing industry, particularly in Mexico. Given the growing Hispanic population throughout this country, graduates of this proposed hospitality program will have a comparative advantage in a bi-cultural/bilingual service industry.

The centralized conference center with an adjoining hotel will host musical performances, art exhibits, conferences and our commencement. This location would adjoin our varied campus communities to a single gathering space to enjoy cultural events, celebrations, and community engagements and enhance our academic offerings, particularly in the area of business. This is a long-term goal that warrants further consideration as the institution matures and should be considered with the development of an accredited hospitality management program.

Challenges and Opportunities

A hotel and conference center is recommended in conjunction with the establishment of an accredited hospitality management program. This will warrant the performance of a feasibility analysis including fiscal solvency and identification of a funding source. This includes consideration of a public/private venture with potential outsourcing of property management. In addition, it will be vital to obtain support from the local economic development corporations, chambers of commerce, visitor bureaus and municipalities.

References

- ¹ US Government Accountability Office. [College Textbooks: “Student Have Greater Access to Textbook Information”](#). June 2013.
- ² Collegeportraits.org, [The University of Texas – Pan American College Portrait](#). Online.
- ³ Examiner. [“15 Top Hospitality Management Program”](#). May 21, 2013.
- ⁴ Figueroa, Ana. Travel Market Report. [“Mexico Tourism on Upward Track, As Safety Concerns Wane”](#). April 25, 2013.
- ⁵ UT-Brownsville. [Fall 2013 Student Profile](#).
- ⁶ UT – Pan American. [2012 Stats at a Glance](#).