

BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

CALENDAR

Date: **Wednesday, August 7, 2002**

Time: **1:00 p.m.**

Place: Grand Ballroom, Salon E, El Paso Marriott Hotel,
1600 Airway Boulevard, El Paso, Texas

Purpose: Convene in Open Session and Recess to Executive
Session

See Pages 1 - 2, Items A - B

Time: **4:30 p.m.**

Place: Grand Ballroom, Salon E, El Paso Marriott Hotel,
1600 Airway Boulevard, El Paso, Texas

Purpose: Reconvene in Open Session to Consider Action on
Executive Session Items and Recess

See Page 2, Item C

Date: **Thursday, August 8, 2002**

Time: **8:30 a.m.**

Place: Geology Reading Room (Room 310), Geological
Sciences Building, U. T. El Paso, El Paso, Texas

Purpose: Reconvene in Open Session to Continue Until
Completion of Business

See Pages 3 - 125, Items D - L

Telephone Numbers

President Natalicio's Office

(915) 747-5555

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AGENDA FOR MEETING
OF
BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

Date: **Wednesday, August 7, 2002**

Time: 1:00 p.m.

Place: Grand Ballroom, El Paso Marriott Hotel, 1600 Airway Boulevard,
El Paso, Texas

A. CALL TO ORDER

B. RECESS TO EXECUTIVE SESSION (TEXAS GOVERNMENT CODE, CHAPTER 551)

1. Consultation with Attorney Regarding Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071

a. U. T. M. D. Anderson Cancer Center: Request for Determination of Necessity and Authorization to Acquire Leasehold Interest in Suite 1180 of the Fannin Holcombe Building Located at 6900 Fannin Street, Houston, Harris County, Texas; Authorization to Take All Necessary Actions Needed to Acquire the Above Leasehold Interest Through Purchase or Eminent Domain; and Authorization to Execute All Documents Related Thereto

b. U. T. System: Consultation with Attorney Regarding Legal Issues

2. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees - Section 551.074

- a. U. T. System: Consideration of Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment and Duties of Officers or Employees
- b. U. T. System: Consideration of Personnel Aspects of the Operating Budgets for the Fiscal Year Ending August 31, 2003, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans and Authorization for the Chancellor to Make Editorial Corrections Therein
- c. U. T. System: Consideration of Personnel Matters Relating to Evaluation of Presidents and U. T. System Executive Officers

C. RECONVENE IN OPEN SESSION TO CONSIDER ACTION ON EXECUTIVE SESSION ITEMS AND RECESS

AGENDA FOR MEETING
OF
BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

Date: **Thursday, August 8, 2002**

Time: 8:30 a.m.

Place: Geology Reading Room (Room 310), Geological Sciences Building,
U. T. El Paso

D. RECONVENE IN OPEN SESSION

E. WELCOME BY PRESIDENT NATALICIO

F. APPROVAL OF MINUTES OF REGULAR MEETING HELD MAY 8-9, 2002,
AND SPECIAL MEETINGS HELD APRIL 16-17, MAY 31, JUNE 21, AND
JULY 2, 2002

G. SPECIAL REPORTS

1. U. T. Board of Regents: Presentation on Reach Out and Read Texas

REPORT

President Willerson will introduce Susan M. Cooley, M.D., Project Director for the Reach Out and Read Texas program at The University of Texas Health Science Center at Houston, for a report on the program.

2. U. T. System: Report on Selected Legislative Issues for the 78th Texas Legislative Session

REPORT

Vice Chancellor Scott will review various legislative issues of interest to the U. T. System, including regulatory issues. These issues address the various elements of a System-wide plan to increase educational attainment and research in Texas, as well as to enhance the programs of the U. T. System component institutions.

H. SPECIAL ITEMS

1. U. T. System: Proposal to Approve Results from Study to Evaluate Feasibility and Potential Benefits of Operating The University of Texas at San Antonio and The University of Texas Health Science Center at San Antonio as a Single Research University; Approve Recommendations Related to the Proposed Change in Operation; Approve Board's Report to the Texas Legislature; and Authorize Chairman to Make Editorial Changes If Needed and to Send Report to the Legislature on Behalf of the Board of Regents

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Acting Executive Vice Chancellor for Health Affairs, President Cigarroa, and President Romo that the Board of Regents approve the following results concerning the feasibility of operating U. T. San Antonio and U. T. Health Science Center - San Antonio as a single research university:

- The time for operation as a single research university is not ripe.
- A clear, compelling case for merger has not been articulated.
- The two institutions have different missions, priorities and cultures.

- Merging now could distract the two institutions from critical priorities.
- A merger would not per se produce potential benefits such as excellence; increased capacity; increased funding; or enhanced competitiveness for research grants and contracts.
- A merger is not required for collaboration, and a merger does not ensure collaboration.

It is recommended that the Board report to the Legislature that the Board recommends against the operation of The University of Texas at San Antonio and The University of Texas Health Science Center at San Antonio as a single research institution at this time and further recommends that the Legislature seek ways to promote and reward collaboration activities between the two institutions.

It is further recommended that the Board approve a written report to the Legislature in substantially the form of the draft report sent to the Board in advance of the August meeting, with the report to include the conclusions and recommendations approved by the Board.

It is also recommended that the Board authorize Chairman Charles Miller to make editorial changes to the report if needed and to send the Board's report to the Legislature on or before October 1, 2002, as required by Senate Bill 1840.

BACKGROUND INFORMATION

The 77th Legislature passed Senate Bill 1840, sponsored by Senator Van de Putte and Representative Puente, which directed The University of Texas System Board of Regents, with the assistance of the Texas Higher Education Coordinating Board, to conduct a study to evaluate the feasibility and potential benefits of operating The University of Texas at San Antonio and The University of Texas Health Center at San Antonio as a single research university.

Senate Bill 1840 requires that the Board's feasibility study specifically include:

- Consultation with students, faculty, and administrators at both institutions to obtain input regarding any concerns those persons may have regarding the proposed change in the operations of the institutions

- Identification and evaluation of the potential benefits and advantages concerning the change
- Evaluation and recommendations concerning any legal, administrative, or practical problems concerning the proposed change.

Senate Bill 1840 also requires that a report of the results of the study be provided to the Legislature on or before October 1, 2002. The report must include the Board's recommendations concerning the proposed change in the operation of the institutions and, if the Board determines it appropriate, must establish a proposed timeline for implementing the proposed change, and identify specific actions necessary to implement the proposed change.

Following discussion at the January 2002 Health Affairs Committee meeting, the Chancellor, the Executive Vice Chancellors for Academic and Health Affairs, and the Presidents of U. T. San Antonio and U. T. Health Science Center - San Antonio selected a consultant to assist the Board in its study of this issue. The University of Texas System, with the concurrence of the Presidents and the Executive Vice Chancellors for Academic and Health Affairs, contracted with Carol Aschenbrener, M.D., as the consultant. President Cigarroa and President Romo jointly developed a Project Team to assist with the consultant's report.

Over the course of four months, the consultant met with more than 80 individuals, individually or in small groups. Interviewees included legislators, civic leaders, members and staff of the Texas Higher Education Coordinating Board, members of the U. T. System Board of Regents, U. T. Austin President Larry Faulkner, and representatives from U. T. System Administration, U. T. San Antonio and U. T. Health Science Center - San Antonio. In addition, the consultant facilitated six open sessions for faculty and staff on the U. T. Health Science Center - San Antonio campus and met with three representative groups on the U. T. San Antonio campus. She met with student leaders and had an open session for students at U. T. Health Science Center - San Antonio; a meeting with the U. T. San Antonio University Assembly was also open to students.

The consultant also reviewed data resources including enrollment, program, and financial information about both institutions; exhibits on formula funding and space projection from the Texas Higher Education Coordinating Board; the October 2000 report from the ad hoc Long Range Planning Committee of the U. T. System Board of Regents; and demographic projections for the State. At the consultant's request, University personnel did comparative assessments of promotion and tenure policies and procedures; financial and administration systems; student services; and information technology and telecommunications. The consultant met monthly with the joint Project Team.

The consultant provided a draft of her findings, which was distributed to members of the Board of Regents and to the Texas Higher Education Coordinating Board Chairman Pam Willeford and Commissioner of Higher Education Don Brown in June 2002. She discussed the draft findings in a joint meeting of the Academic Affairs Committee and the Health Affairs Committee on July 2, 2002. Commissioner Brown and Coordinating Board Vice-Chair Martin Basaldua, M.D., participated in the July committee discussion. The consultant's final report was delivered on July 17, 2002.

Following the July meeting, the Offices of the Chancellor, Academic Affairs, and Health Affairs and the Office of the Board of Regents have worked to prepare a draft report for the Board of Regents to review and consider as the basis for the Board's required report to the Legislature. That draft report follows the Board's discussion and directions and incorporates most of the consultant's findings and recommendations. The draft report will be provided to members of the Board for review in advance of the Board meeting.

2. U. T. Board of Regents: Proposed Appointment of Regental Representatives to the U. T. Austin Intercollegiate Athletics Council for Men and the Intercollegiate Athletics Council for Women Effective September 1, 2002

RECOMMENDATION

Chairman Miller, with the concurrence of Chancellor Burck and President Faulkner, recommends the appointment of the following Regental representatives to the U. T. Austin Intercollegiate Athletics Council for Men and the Intercollegiate Athletics Council for Women for four-year terms beginning September 1, 2002:

- a. Mr. Jeffrey M. Heller, Dallas, Texas, to the Intercollegiate Athletics Council for Men to succeed Mr. Howard Shapiro
- b. Ms. Sylvie P. Crum, Houston, Texas, to the Intercollegiate Athletics Council for Women to succeed Mr. Michael Perrin.

BACKGROUND INFORMATION

The U. T. Austin Intercollegiate Athletics Council for Men is composed of nine voting members and one nonvoting member as follows: two students (one nonvoting), an ex-student, two Regental appointees, and five members of the University General Faculty. The Regental appointments are for four year staggered terms. Mr. Howard Shapiro was appointed to the Council on September 1, 1998 for a term expiring on August 31, 2002. Mr. Robert K. Moses, Jr., is serving a term that expires August 31, 2004.

Mr. Heller, an All-American Swimmer who is a valued benefactor of the men's athletic program, won four Southwest Conference titles on the U. T. Austin Swim Team and is an inductee into the Longhorn Hall of Honor. He received a bachelor's degree in Business Administration/Finance in 1968 from U. T. Austin.

The Intercollegiate Athletics Council for Women is composed of nine voting members and one nonvoting member as follows: two students (one nonvoting), an ex-student, two Regental appointees, and five members of the University General Faculty. The Regental appointments are for four year staggered terms. Mr. Michael W. Perrin was appointed to the Council on September 1, 1998 for a term expiring on August 31, 2002. George Willeford III, M.D., is serving a term that expires August 31, 2004.

Ms. Crum, a well-respected community leader, received a B.A. in Liberal Arts/Romance Languages in 1974 from U. T. Austin. She is an active supporter of the women's athletic program, establishing an endowed scholarship in women's volleyball.

3. U. T. System: Report of Summary of Gift Acceptance Conforming to Board Policy for March 1, 2002 Through May 31, 2002

REPORT

The Summary of Gift Acceptance for U. T. System for the period March 1, 2002 through May 31, 2002, is set forth below. The report includes 107 items conforming to Board policy including the acceptance of \$24,164,042 in gifts and other transfers of funds and Board-held matching funds totaling \$300,000. The report includes only those funds that relate to endowments, estates, and other funds managed by the U. T. System Office of Development and External Relations.

<u># ALL</u>	<u>COMPONENT INSTITUTION</u>	<u>TOTAL VALUE</u>
6	U. T. System Administration	\$ 255,000
7	U. T. Arlington	77,524
39	U. T. Austin	8,739,681 *
5	U. T. Brownsville	1,813,646
1	U. T. Dallas	250,000
3	U. T. El Paso	55,000
---	U. T. Pan American	---
---	U. T. Permian Basin	---
4	U. T. San Antonio	79,155
---	U. T. Tyler	---
9	U. T. Southwestern Medical Center - Dallas	2,074,820 *
7	U. T. Medical Branch - Galveston	1,472,303
2	U. T. Health Science Center - Houston	1,007,118
9	U. T. Health Science Center - San Antonio	707,518
14	U. T. M. D. Anderson Cancer Center	7,631,276
<u>1</u>	<u>U. T. Health Center – Tyler</u>	<u>1,000</u>
107	TOTAL	\$ 24,164,042

* Not included in total:

U. T. Austin: \$50,000 transfer of endowment funds; and

U. T. Southwestern Medical Center - Dallas: \$250,000 of Board-held matching funds.

I. RECESS FOR MEETINGS OF THE STANDING COMMITTEES AND COMMITTEE REPORTS TO THE BOARD

The Standing Committees of the Board of Regents of The University of Texas System will meet as set forth below to consider recommendations on those matters on the agenda for each Committee listed in the Agenda Book. At the conclusion of each Standing Committee meeting, the report of that Committee will be formally presented to the Board for consideration and action.

Executive Committee: Chairman Miller
Vice-Chairman Clements, Vice-Chairman Hunt, Vice-Chairman Riter
Agenda Book Page 12

Finance and Planning Committee: Chairman Hunt
Regent Estrada, Regent Krier, Regent Oxford, Regent Riter
Agenda Book Page 13

Academic Affairs Committee: Chairman Krier
Regent Estrada, Regent Hunt, Regent Oxford
Agenda Book Page 58

Health Affairs Committee: Chairman Oxford
Regent Clements, Regent Craven, Regent Sanchez
Agenda Book Page 73

Facilities Planning and Construction Committee: Chairman Clements
Regent Craven, Regent Riter, Regent Sanchez
Agenda Book Page 77