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Committee Meeting: 8/11/2004

Board Meeting: 8/12/2004
U. T. M. D. Anderson Cancer Center

Woody L. Hunt, *Chairman*
John W. Barnhill, Jr.
H. Scott Caven, Jr.
Cyndi Taylor Krier
Robert B. Rowling

	Committee Meeting	Board Meeting	Page
Convene	2:45 p.m. <i>Chairman Hunt</i>		
1. U. T. System: Approval of <u>Docket No. 118</u>	Not on Agenda	Action	26
2. U. T. System: Monthly Financial Report	2:45 p.m. Report <i>Mr. Wallace</i>	Not on Agenda	26
3. U. T. System: Approval to exceed the full-time equivalent limitation on employees paid from appropriated funds	2:55 p.m. Action <i>Mr. Wallace</i>	Action	27
4. U. T. Board of Regents: Report on Investments for quarter ended May 31, 2004, and Performance Report by Ennis Knupp + Associates	3:05 p.m. Report <i>Mr. Boldt</i> <i>Mr. Voss</i> <i>Mr. Sebastian</i>	Report	29
5. U. T. System: Permanent University Fund quarterly update	3:15 p.m. Report <i>Mr. Aldridge</i>	Not on Agenda	30
6. U. T. Board of Regents: Adoption of Fourteenth Supplemental Resolution; authorization to complete all related transactions; and resolution of parity debt	3:25 p.m. Action <i>Mr. Aldridge</i>	Action	31
7. U. T. System: Approval of aggregate amount of equipment financing for Fiscal Year 2005 and resolution of parity debt	3:35 p.m. Action <i>Mr. Aldridge</i>	Action	33
8. U. T. System: Approval of Optional Retirement Program employer contribution rates for Fiscal Year 2005	3:40 p.m. Action <i>Mr. Stewart</i>	Action	36
9. U. T. System: Authorization to establish a deferred compensation plan under <u>Internal Revenue Code</u> Section 457(b), to delegate authority to administer the plan, and to authorize conforming changes to Part Two, Chapter VI, Section 9 (Deferred Compensation Plan) of the Regents' <u>Rules and Regulations</u>	3:45 p.m. Action <i>Mr. Stewart</i>	Action	37
Adjourn	4:00 p.m.		

1. **U. T. System: Approval of Docket No. 118**

RECOMMENDATION

It is recommended that Docket No. 118, printed on green paper at the back of the Agenda Book beginning on Page Docket - 1, be approved.

It is also recommended that the Board confirm that authority to execute contracts, documents, or instruments approved therein has been delegated to appropriate officials of the respective institution involved.

2. **U. T. System: Monthly Financial Report**

The Monthly Financial Report has been prepared since 1990 to track the financial results of the U. T. System institutions. The June Monthly Financial Report representing the operating results of the U. T. System institutions follows on Pages 26.1 - 26.25.

REPORT

The Monthly Financial Report compares the results of operations between the current year-to-date cumulative amounts and the prior year-to-date cumulative amounts. Explanations are provided for institutions having the largest variances in Adjusted Income (Loss) year-to-date as compared to the prior year both in terms of dollars and percentages.

Monthly Financial Report

System Office:

*The University of Texas System
Administration*

Academic Components:

*The University of Texas
at Arlington*

*The University of Texas
at Austin*

*The University of Texas
at Brownsville*

*The University of Texas
at Dallas*

*The University of Texas
at El Paso*

*The University of Texas --
Pan American*

*The University of Texas
of the Permian Basin*

*The University of Texas
at San Antonio*

*The University of Texas
at Tyler*

Health Components:

*The University of Texas
Southwestern Medical Center
at Dallas*

*The University of Texas Medical
Branch at Galveston*

*The University of Texas Health
Science Center at Houston*

*The University of Texas Health
Science Center at San Antonio*

*The University of Texas
M.D. Anderson Cancer Center*

*The University of Texas Health
Center at Tyler*

(Unaudited)

June 2004

THE UNIVERSITY OF TEXAS SYSTEM
MONTHLY FINANCIAL REPORT
(Unaudited)
FOR THE TEN MONTHS ENDING
JUNE 30, 2004

**The University of Texas System
Monthly Financial Report**

Foreword

The Monthly Financial Report (MFR) for 2004 compares the results of operations between the current year-to-date cumulative amounts and the prior year-to-date cumulative amounts. Explanations are provided for institutions having the largest variances in Adjusted Income (Loss) year-to-date as compared to the prior year, both in terms of dollars and percentages. In addition, although no significant variance may exist, institutions with losses may be discussed.

The data is reported in three sections: (1) Operating Revenues, (2) Operating Expenses and (3) Other Nonoperating Adjustments. Presentation of state appropriation revenues are required under GASB 35 to be reflected as nonoperating revenues, so all institutions will report an Operating Loss prior to this adjustment. The MFR provides an Adjusted Income (Loss), which takes into account the nonoperating adjustments associated with core operating activities. An Adjusted Margin (as a percentage of operating and nonoperating revenue adjustments) is calculated for each period and is intended to reflect relative operating contributions to financial health.

UNAUDITED
The University of Texas System
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date FY 2004	June Year-to-Date FY 2003 (Restated)	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$736,007,726	\$648,442,984	\$87,564,742	13.5%
Sponsored Programs	1,585,734,323	1,491,377,179	94,357,144	6.3%
Net Sales and Services of Educational Activities	126,443,680	123,127,383	3,316,297	2.7%
Net Sales and Services of Hospitals	1,528,971,158	1,369,724,802	159,246,356	11.6%
Net Professional Fees	593,540,399	546,307,814	47,232,585	8.6%
Net Auxiliary Enterprises	219,444,542	203,556,563	15,887,979	7.8%
Other Operating Revenues	153,967,983	175,198,323	(21,230,340)	-12.1%
Total Operating Revenues	4,944,109,811	4,557,735,048	386,374,763	8.5%
Operating Expenses				
Salaries and Wages	3,220,363,959	3,049,105,957	171,258,002	5.6%
Payroll Related Costs	784,588,073	805,284,523	(20,696,450)	-2.6%
Professional Fees and Contracted Services	142,385,455	140,474,398	1,911,057	1.4%
Other Contracted Services	248,619,586	238,016,996	10,602,590	4.5%
Scholarships and Fellowships	362,816,521	322,115,666	40,700,855	12.6%
Travel	67,656,836	63,350,596	4,306,240	6.8%
Materials and Supplies	661,815,671	622,409,076	39,406,595	6.3%
Utilities	134,710,037	130,781,404	3,928,633	3.0%
Telecommunications	48,880,939	50,256,731	(1,375,792)	-2.7%
Repairs and Maintenance	93,269,174	84,509,715	8,759,459	10.4%
Rentals and Leases	64,231,686	59,174,499	5,057,187	8.5%
Printing and Reproduction	27,143,600	28,935,322	(1,791,722)	-6.2%
Bad Debt Expense	17,434	8,517	8,917	104.7%
Claims and Losses	4,861,878	1,377,345	3,484,533	253.0%
Federal Sponsored Programs Pass-Throughs	21,769,686	19,295,549	2,474,137	12.8%
Depreciation and Amortization	290,949,883	273,175,495	17,774,388	6.5%
Other Operating Expenses	350,972,367	342,096,223	8,876,144	2.6%
Total Operating Expenses	6,525,052,785	6,230,368,012	294,684,773	4.7%
Operating Loss	(1,580,942,974)	(1,672,632,964)	91,689,990	5.5%
Other Nonoperating Adjustments				
State Appropriations	1,339,141,493	1,355,634,659	(16,493,166)	-1.2%
Gift Contributions for Operations	156,997,125	161,436,375	(4,439,250)	-2.7%
Net Investment Income	271,587,215	312,710,626	(41,123,411)	-13.2%
Long Term Fund Distribution	135,087,213	45,057,868	90,029,345	199.8%
Interest Expense on Capital Asset Financings	(77,150,098)	(72,000,691)	(5,149,407)	-7.2%
Net Other Nonoperating Adjustments	1,825,662,948	1,802,838,837	22,824,111	1.3%
Adjusted Income (Loss)	244,719,974	130,205,873	114,514,101	87.9%
Adjusted Margin (as a percentage)	3.6%	2.0%		
Available University Fund Transfer	0	0	0	0.0%
Investment Gains (Losses)	1,497,703,520	610,681,818	887,021,702	145.3%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$1,742,423,494	\$740,887,691	\$1,001,535,803	135.2%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	20.9%	10.5%		

The University of Texas System
Comparison of Year-to-Date FY 2004 Adjusted Income (Loss)
to Year-to-Date FY 2003 Adjusted Income (Loss)
For the Ten Months Ending June 30, 2004

	Year-to-Date FY2004 Adjusted Income (Loss)	Year-to-Date FY2003 Adjusted Income (Loss) (Restated)	Variance	Fluctuation Percentage	
U. T. System Administration	134,072,191	117,049,689	17,022,502	14.5%	(1)
U. T. Arlington	16,562,888	14,599,957	1,962,931	13.4%	
U. T. Austin	90,608,862	61,713,190	28,895,672	46.8%	(2)
U. T. Brownsville	4,705,820	2,811,827	1,893,993	67.4%	
U. T. Dallas	(1,471,951)	3,065,187	(4,537,138)	-148.0%	
U. T. El Paso	3,755,834	3,317,082	438,752	13.2%	
U. T. Pan American	5,798,805	1,166,807	4,631,998	397.0%	(4)
U. T. Permian Basin	(711,920)	(569,422)	(142,498)	-25.0%	
U. T. San Antonio	8,696,186	4,849,487	3,846,699	79.3%	(6)
U. T. Tyler	339,633	367,948	(28,315)	-7.7%	
U. T. Southwestern Medical Center - Dallas	18,181,275	3,515,764	14,665,511	417.1%	(7)
U. T. Medical Branch - Galveston	(15,498,032)	(25,766,242)	10,268,210	39.9%	(8)
U. T. Health Science Center - Houston	10,963,458	(11,529,467)	22,492,925	195.1%	(9)
U. T. Health Science Center - San Antonio	11,499,808	2,550,940	8,948,868	350.8%	(10)
U. T. M. D. Anderson Cancer Center	44,193,976	50,408,630	(6,214,654)	-12.3%	
U. T. Health Center - Tyler	4,156,474	(335,336)	4,491,810	1,339.5%	(11)
Elimination of AUF Transfer	(91,133,333)	(97,010,168)	5,876,835	6.1%	
Total Adjusted Income (Loss)	244,719,974	130,205,873	114,514,101	87.9%	
Investment Gains (Losses)	1,497,703,520	610,681,818	887,021,702	145.3%	(12)
Total Adjusted Income (Loss) with AUF Transfer and Investment Gains (Losses)	\$1,742,423,494	\$740,887,691	\$1,001,535,803	135.2%	

THE UNIVERSITY OF TEXAS SYSTEM
EXPLANATION OF VARIANCES ON THE MONTHLY FINANCIAL REPORT
For the Ten Months Ending June 30, 2004

Explanations are provided for institutions having the largest variances in adjusted income (loss) year-to-date as compared to the prior year, both in terms of dollars and percentages. Explanations are also provided for institutions with a current year-to-date adjusted loss.

- (1) U. T. System Administration – The \$17 million (14.5%) increase in adjusted income over the same period last year was primarily due to mineral rights lease sale. Due to the elevated price of oil, the semi-annual lease sale netted a higher than normal sale bonus.
- (2) U. T. Austin – The \$28.9 million (46.8%) increase in adjusted income over the same period last year was primarily due to an increase of approximately \$29.5 million in fall and spring tuition rates and fees.
- (3) U. T. Dallas – The \$1.5 million year-to-date net loss was primarily due to decreased state appropriations and increased depreciation expense. Two new buildings were placed into service in 2003, the Callier Center North building and the School of Management building. U. T. Dallas is anticipating ending the year with a \$2 million negative margin, due to the increased depreciation expense and decreased state appropriations.
- (4) U. T. Pan-American - The \$4.6 million (397%) increase in adjusted income over the same period last year was primarily due to additional revenues resulting from a 9% increase in both headcount and semester credit hours for the fall and spring semesters, as well as an increase in statutory designated tuition rates.
- (5) U. T. Permian Basin – The \$712,000 year-to-date net loss was primarily due to the university's previously planned goal of reducing net asset reserves by making campus capacity improvements. These investments are necessary to accommodate future planned growth including increased financial aid and staff and faculty additions. These strategies will stimulate continued enrollment and growth. U. T. Permian Basin is projecting a negative margin of approximately \$850,000.
- (6) U. T. San Antonio - The \$3.8 million (79.3%) increase in adjusted income over the same period last year was primarily due to additional revenues resulting from a 12.7% increase in enrollment, as well as an increase in tuition and fees of 10.4%.
- (7) U. T. Southwestern Medical Center – Dallas – The \$14.7 million (417.1%) increase in adjusted income over the same period last year was primarily due to increased gift contributions of \$10.6 million from prior year levels and increased state appropriations of \$4.7 million. The largest gifts were for the Clinical Transformation Initiative program, the Continuing Education program, and the Alliance for Cellular Signaling program.
- (8) U. T. Medical Branch – Galveston – The \$10.3 million (39.9%) improvement in adjusted loss over the same period last year was primarily due to revenue enhancements and expense reductions implemented in 2004. Expenses have increased \$5.2 million; however, after adjusting for patient care volume increases (8%) and the impact of inflation, expenses have actually been reduced in 2004 through a combination of efficiency gains, reductions in discretionary spending, and process and other improvements. Revenue has increased \$16.1 million due to patient care volume increases, patient care revenue improvement initiatives, and growth in research and other revenues. Revenue has increased between years despite an \$11.5 million reduction in state appropriations and a \$7.5 million reduction in the Indigent Care Fund.

UTMB Galveston's management is projecting a negative margin of \$23.6 million for 2004. This projected loss includes \$47 million in noncash depreciation expense; therefore, cash flow from operations is projected to be a positive \$23.4 million. Additionally, the \$23.6 million loss does not include nonoperating revenue for capital gifts from the Sealy Smith Foundation of \$9 million. *UTMB Galveston* is the sole beneficiary of the Sealy Smith Foundation, and Foundation gifts are integral to *UTMB Galveston's* financial success. The positive results of *UTMB Galveston's* revenue improvement and cost reduction plans implemented to offset the financial challenges discussed above have not fully taken effect. *UTMB Galveston* will continue to have narrow margins as over 80% of clinical revenues are generated from government payors whose rate increases are not keeping pace with inflation. *UTMB Galveston* will continue to modify revenue enhancement and cost reduction plans as necessary to achieve financial goals for 2004.

- (9) U. T. Health Science Center – Houston – The \$22.5 million (195.1%) increase in adjusted income over the same period last year was primarily due to decreased expenses in other contracted services of \$9.2 million and salaries and benefits of \$8.4 million. These expenses decreased as a result of expense controls in place to limit spending as part of the cost-cutting plan. Additionally, there was an increase in net professional fees of \$8 million attributable to an increase in the fee schedule and improved collection efforts.
- (10) U. T. Health Science Center – San Antonio – The \$8.9 million (350.8%) increase in adjusted income over the same period last year was primarily due to a \$5.8 million increase in contractual revenues resulting from new contracts with the Veterans' Administration Hospital and a new contract and capitation revenues with the University Hospital System. Additionally, other operating revenues increased \$2.8 million due to increases in Continuing Education fees and grant related income.
- (11) U. T. Health Center – Tyler – The \$4.5 million (1,339.5%) increase in adjusted income over the same period last year was primarily due to increased state appropriations of \$4 million due to North East Texas Initiative (NETI) funding being available for current operations, rather than capital expenditures. NETI is the collaborative effort of 15 higher education institutions to bring distance learning instruction to 50 rural Northeast Texas counties. The NETI network was brought on-line in 2003. Additionally, gift contributions increased \$1.7 million primarily due to a large gift from the Emaline Chamblee estate.
- (12) Investment Gains (Losses) – The \$887 million (145.3%) improvement in investment gains over the same period last year was due to improved financial market conditions. The majority of the year-to-date gains relate to the Permanent University Fund (PUF) for \$967.5 million, the Long Term Fund (LTF) for \$406.6 million and the Permanent Health Fund (PHF) for \$101 million.

GLOSSARY OF TERMS

OPERATING REVENUES:

STUDENT TUITION AND FEES – All student tuition and fee revenues earned at the U.T. component institution for educational purposes.

SPONSORED PROGRAMS – Funding received from local, state and federal governments or private agencies, organizations or individuals. Includes amounts received for services performed on grants, contracts, and agreements from these entities for current operations. This also includes indirect cost recoveries and pass-through federal and state grants.

NET SALES AND SERVICES OF EDUCATIONAL ACTIVITIES – Revenues that are related to the conduct of instruction, research, and public service and revenues from activities that exist to provide an instructional and laboratory experience for students that create goods and services that may be sold.

NET SALES AND SERVICES OF HOSPITALS – Revenues (net of discounts, allowances, and bad debt expense) generated from U.T. health institution's daily patient care, special or other services, as well as revenues from health clinics that are part of a hospital.

NET PROFESSIONAL FEES – Revenues (net of discounts, allowances, and bad debt expense) derived from the fees charged by the professional staffs at U.T. health institutions as part of the Medical Practice Plans. These revenues are also identified as Practice Plan income. Examples of such fees include doctor's fees for clinic visits, medical and dental procedures, professional opinions, and anatomical procedures, such as analysis of specimens after a surgical procedure, etc.

NET AUXILIARY ENTERPRISES – Revenues derived from a service to students, faculty, or staff in which a fee is charged that is directly related to, although not necessarily equal to the cost of the service (e.g., bookstores, dormitories, dining halls, snack bars, inter-collegiate athletic programs, etc.).

OTHER OPERATING REVENUES – Other revenues generated from sales or services provided to meet current fiscal year operating expenses, which are not included in the preceding categories (e.g., certified non profit healthcare company revenues, donated drugs, interest on student loans, etc.)

TOTAL OPERATING REVENUES – U.T. component institutionally generated funding needed to meet current fiscal year operating expenses.

OPERATING EXPENSES:

SALARIES AND WAGES – Expenses for all salaries and wages of individuals employed by the institution including full-time, part-time, longevity, hourly, seasonal, etc.

PAYROLL RELATED COSTS – Expenses for all employee benefits paid by the institution or paid by the state on behalf of the institution.

PROFESSIONAL FEES AND CONTRACTED SERVICES – Payments for services rendered on a fee, contract, or other basis by a person, firm, corporation, or company recognized as possessing a high degree of learning and responsibility. Includes such items as services of a consultant, legal counsel, financial or audit fees, medical contracted services, guest lecturers (not employees) and expert witnesses.

OTHER CONTRACTED SERVICES – Payments for services rendered on a contractual basis by a person, firm, corporation or company that possess a lesser degree of learning and responsibility than that required for Professional Fees and Contracted Services. Includes such items as temporary employment expenses, fully insured medical plans expenses, janitorial services, dry cleaning services, etc.

SCHOLARSHIPS AND FELLOWSHIPS – Payments made for scholarship grants to students authorized by law.

TRAVEL – Payments for travel costs incurred during travel by employees, board or commission members and elected/appointed officials on state business.

MATERIALS AND SUPPLIES – Payments for consumable items. Includes, but is not limited to: computer consumables, office supplies, paper products, soap, lights, plants, fuels and lubricants, chemicals and gasses, medical supplies and copier supplies. Also includes postal services, and subscriptions and other publications not for permanent retention.

UTILITIES – Payments for the purchase of electricity, natural gas, water, thermal energy and waste disposal.

TELECOMMUNICATIONS - Electronically transmitted communications services (telephone, internet, computation center services, etc.).

REPAIRS AND MAINTENANCE – Payments for the maintenance and repair of equipment, furnishings, motor vehicles, buildings and other plant facilities. Includes, but is not limited to repair and maintenance to copy machines, furnishings, equipment – including medical and laboratory equipment, office equipment and aircraft.

RENTALS AND LEASES – Payments for rentals or leases of furnishings and equipment, vehicles, land and office buildings (all rental of space).

PRINTING AND REPRODUCTION – Printing and reproduction costs associated with the printing/copying of the institution's documents and publications.

BAD DEBT EXPENSE – Expenses incurred by the university related to nonrevenue receivables such as non-payment of student loans.

CLAIMS AND LOSSES – Payments for claims from self-insurance programs. Other claims for settlements and judgments are considered nonoperating expenses.

FEDERAL SPONSORED PROGRAMS PASS-THROUGHS – Pass-throughs to other Texas state agencies, including other universities, of federal grants and contracts.

STATE SPONSORED PROGRAMS PASS-THROUGHS – Pass-throughs to other Texas state agencies, including Texas universities.

DEPRECIATION AND AMORTIZATION – Estimated depreciation and amortization expense.

OTHER OPERATING EXPENSES – Other operating expenses not identified in other line items above (e.g., certified non profit healthcare company expenses, property taxes, insurance premiums, credit card fees, hazardous waste disposal expenses, meetings and conferences, etc.).

TOTAL OPERATING EXPENSES – Total operating expenses for U.T. System component institution.

OPERATING LOSS – Total operating revenues less total operating expenses before other nonoperating adjustments like state appropriations.

OTHER NONOPERATING ADJUSTMENTS:

STATE APPROPRIATIONS – Appropriations from the State General Revenue fund, which supplement the U.T. component institutional revenue in meeting operating expenses, such as faculty salaries, utilities, and institutional support. Also includes Higher Education Assistance Funds (HEAF), which is a source of state appropriated general revenue to U.T. Brownsville and U.T. Pan American. HEAF funds are appropriated for construction, library and equipment expenses for Texas public universities that do not benefit from the Permanent University Fund (PUF) bond proceeds.

GIFT CONTRIBUTIONS FOR OPERATIONS – Consist of public and private gifts used in current operations, excluding gifts for capital acquisition and endowment gifts.

NET INVESTMENT INCOME – Interest and dividend income, Permanent Health Fund distributions and patent and royalty income.

LONG TERM FUND DISTRIBUTION – At the institutional level, includes Long Term Fund fixed payouts approved by the Board of Regents. On the MFR, investment income for System Administration has been reduced for the amount of any transfers so as not to overstate investment income.

INTEREST EXPENSE ON CAPITAL ASSET FINANCINGS – Interest expenses associated with bond and note borrowings utilized to finance capital improvement projects by an institution. This consists of the interest portion of mandatory debt service transfers under the Revenue Financing System, Tuition Revenue bond and Permanent University Fund (PUF) bond programs. PUF interest expense is reported on System Administration as the debt legally belongs to the Board of Regents.

NET OTHER NONOPERATING ADJUSTMENTS – Sum of the other nonoperating adjustments.

ADJUSTED INCOME (LOSS) – Total operating revenues less total operating expenses plus net other nonoperating adjustments.

ADJUSTED MARGIN (as a percentage) – Percentage of Adjusted Income (Loss) divided by Total Operating Revenues plus Net Nonoperating Adjustments less Interest Expense on Capital Asset Financings.

AVAILABLE UNIVERSITY FUND TRANSFER – Includes Available University Fund (AUF) transfer to System Administration for Educational and General operations and to U.T. Austin for Excellence Funding. These transfers are funded by investment earnings from the Permanent University Fund (PUF), which are required by law to be reported in the PUF at System Administration. On the MFR, investment income for System Administration has been reduced for the amount of the System Administration transfer so as not to overstate investment income for System Administration. The AUF transfers are eliminated at the consolidated level to avoid overstating System-wide revenues, as the amounts will be reflected as transfers at year-end.

INVESTMENT GAINS (LOSSES) – Realized and unrealized gains and losses on investments.

TOTAL ADJUSTED INCOME (LOSS) WITH AUF TRANSFER AND INVESTMENT GAINS (LOSSES) – Total Adjusted Income including the AUF Transfer and Investment Gains (Losses).

UNAUDITED
The University of Texas System Administration
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Sponsored Programs	\$7,054,632	\$1,812,000	\$5,242,632	289.3%
Net Sales and Services of Educational Activities	8,894,321	13,347,543	(4,453,222)	-33.4%
Other Operating Revenues	22,267,467	51,773,191	(29,505,724)	-57.0%
Total Operating Revenues	<u>38,216,420</u>	<u>66,932,734</u>	<u>(28,716,314)</u>	<u>-42.9%</u>
Operating Expenses				
Salaries and Wages	18,219,692	17,492,651	727,041	4.2%
Employee Benefits and Related Costs	3,711,319	3,649,046	62,273	1.7%
Professional Fees and Contracted Services	4,742,407	4,449,367	293,040	6.6%
Other Contracted Services	7,610,110	4,255,440	3,354,670	78.8%
Scholarships and Fellowships	63,000	0	63,000	100.0%
Travel	737,966	571,897	166,069	29.0%
Materials and Supplies	2,891,243	2,627,453	263,790	10.0%
Utilities	22,507	21,193	1,314	6.2%
Telecommunications	1,868,637	1,374,546	494,091	35.9%
Repairs and Maintenance	653,190	481,930	171,260	35.5%
Rentals and Leases	360,014	426,390	(66,376)	-15.6%
Printing and Reproduction	132,423	143,791	(11,368)	-7.9%
Claims and Losses	4,861,878	1,377,345	3,484,533	253.0%
Depreciation and Amortization	1,250,291	1,322,830	(72,539)	-5.5%
Other Operating Expenses	5,592,551	9,795,914	(4,203,363)	-42.9%
Total Operating Expenses	<u>52,717,228</u>	<u>47,989,793</u>	<u>4,727,435</u>	<u>9.9%</u>
Operating Loss	<u>(14,500,808)</u>	<u>18,942,941</u>	<u>(33,443,749)</u>	<u>-176.5%</u>
Other Nonoperating Adjustments				
State Appropriations	832,488	763,643	68,845	9.0%
Gift Contributions for Operations	466,065	1,027,777	(561,712)	-54.7%
Net Investment Income	141,262,457	169,462,697	(28,200,240)	-16.6%
Long Term Fund Distribution	7,280,758	(69,047,723)	76,328,481	110.5%
Interest Expense on Capital Asset Financings	(24,532,701)	(26,008,004)	1,475,303	5.7%
Net Other Nonoperating Adjustments	<u>125,309,067</u>	<u>76,198,390</u>	<u>49,110,677</u>	<u>64.5%</u>
Adjusted Income (Loss)	110,808,259	95,141,331	15,666,928	16.5%
Adjusted Margin (as a percentage)	58.9%	56.3%		
Available University Fund Transfer	23,263,932	21,908,358	1,355,574	6.2%
Adjusted Income (Loss) with AUF Transfer	134,072,191	117,049,689	17,022,502	14.5%
Adjusted Margin % with AUF Transfer	63.4%	61.3%		
Investment Gains (Losses)	1,479,791,327	605,155,102	874,636,225	144.5%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$1,613,863,518	\$722,204,791	\$891,658,727	123.5%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	96.8%	93.3%		

UNAUDITED
The University of Texas at Arlington
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$94,720,293	\$82,693,064	\$12,027,229	14.5%
Sponsored Programs	34,687,023	32,970,453	1,716,570	5.2%
Net Sales and Services of Educational Activities	4,622,583	4,677,506	(54,923)	-1.2%
Net Auxiliary Enterprises	15,993,597	14,150,252	1,843,345	13.0%
Other Operating Revenues	3,560,937	3,886,929	(325,992)	-8.4%
Total Operating Revenues	<u>153,584,433</u>	<u>138,378,204</u>	<u>15,206,229</u>	<u>11.0%</u>
Operating Expenses				
Salaries and Wages	110,766,957	107,845,167	2,921,790	2.7%
Employee Benefits and Related Costs	24,541,640	27,542,949	(3,001,309)	-10.9%
Professional Fees and Contracted Services	1,865,999	1,736,720	129,279	7.4%
Other Contracted Services	4,361,678	4,190,232	171,446	4.1%
Scholarships and Fellowships	30,513,299	27,680,204	2,833,095	10.2%
Travel	2,660,857	2,553,915	106,942	4.2%
Materials and Supplies	13,518,167	11,525,780	1,992,387	17.3%
Utilities	5,508,115	5,243,884	264,231	5.0%
Telecommunications	1,923,023	1,718,849	204,174	11.9%
Repairs and Maintenance	5,618,762	5,454,408	164,354	3.0%
Rentals and Leases	1,529,605	1,438,659	90,946	6.3%
Printing and Reproduction	1,886,534	1,970,408	(83,874)	-4.3%
Depreciation and Amortization	8,424,764	7,181,298	1,243,466	17.3%
Other Operating Expenses	4,552,580	4,072,904	479,676	11.8%
Total Operating Expenses	<u>217,688,444</u>	<u>210,211,437</u>	<u>7,477,007</u>	<u>3.6%</u>
Operating Loss	<u>(64,104,011)</u>	<u>(71,833,233)</u>	<u>7,729,222</u>	<u>10.8%</u>
Other Nonoperating Adjustments				
State Appropriations	80,602,412	85,846,457	(5,244,045)	-6.1%
Gift Contributions for Operations	1,552,860	1,072,988	479,872	44.7%
Net Investment Income	1,133,364	1,271,326	(137,962)	-10.9%
Long Term Fund Distribution	1,530,373	1,302,927	227,446	17.5%
Interest Expense on Capital Asset Financings	(4,152,110)	(3,060,508)	(1,091,602)	-35.7%
Net Other Nonoperating Adjustments	<u>80,666,899</u>	<u>86,433,190</u>	<u>(5,766,291)</u>	<u>-6.7%</u>
Adjusted Income (Loss)	16,562,888	14,599,957	1,962,931	13.4%
Adjusted Margin (as a percentage)	6.9%	6.4%		
Investment Gains (Losses)	(88,295)	(146,533)	58,238	39.7%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$16,474,593	\$14,453,424	\$2,021,169	14.0%
Adj. Margin % with Investment Gains (Losses)	6.9%	6.3%		

UNAUDITED
The University of Texas at Austin
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$320,087,753	\$290,551,109	\$29,536,644	10.2%
Sponsored Programs	307,007,659	299,235,619	7,772,040	2.6%
Net Sales and Services of Educational Activities	65,772,368	61,744,052	4,028,316	6.5%
Net Auxiliary Enterprises	128,772,753	116,377,228	12,395,525	10.7%
Other Operating Revenues	3,912,700	3,658,950	253,750	6.9%
Total Operating Revenues	<u>825,553,233</u>	<u>771,566,958</u>	<u>53,986,275</u>	<u>7.0%</u>
Operating Expenses				
Salaries and Wages	608,261,577	602,176,211	6,085,366	1.0%
Employee Benefits and Related Costs	138,384,466	147,044,493	(8,660,027)	-5.9%
Professional Fees and Contracted Services	24,007,868	22,507,544	1,500,324	6.7%
Other Contracted Services	37,262,262	33,106,431	4,155,831	12.6%
Scholarships and Fellowships	115,498,985	103,385,478	12,113,507	11.7%
Travel	21,915,939	20,077,133	1,838,806	9.2%
Materials and Supplies	70,891,328	73,110,325	(2,218,997)	-3.0%
Utilities	37,618,890	35,478,662	2,140,228	6.0%
Telecommunications	10,511,594	10,858,083	(346,489)	-3.2%
Repairs and Maintenance	16,972,155	19,699,517	(2,727,362)	-13.8%
Rentals and Leases	10,592,457	9,932,378	660,079	6.6%
Printing and Reproduction	7,472,312	8,533,566	(1,061,254)	-12.4%
Federal Sponsored Programs Pass-Thrus	1,613,596	1,921,266	(307,670)	-16.0%
Depreciation and Amortization	66,202,909	66,639,611	(436,702)	-0.7%
Other Operating Expenses	38,964,385	37,633,334	1,331,051	3.5%
Total Operating Expenses	<u>1,206,170,723</u>	<u>1,192,104,032</u>	<u>14,066,691</u>	<u>1.2%</u>
Operating Loss	<u>(380,617,490)</u>	<u>(420,537,074)</u>	<u>39,919,584</u>	<u>9.5%</u>
Other Nonoperating Adjustments				
State Appropriations	259,199,732	254,660,230	4,539,502	1.8%
Gift Contributions for Operations	53,135,598	64,375,606	(11,240,008)	-17.5%
Net Investment Income	11,216,853	17,946,614	(6,729,761)	-37.5%
Long Term Fund Distribution	70,100,704	60,456,282	9,644,422	16.0%
Interest Expense on Capital Asset Financings	(13,559,868)	(12,198,636)	(1,361,232)	-11.2%
Net Other Nonoperating Adjustments	<u>380,093,019</u>	<u>385,240,096</u>	<u>(5,147,077)</u>	<u>-1.3%</u>
Adjusted Income (Loss)	(524,471)	(35,296,978)	34,772,507	98.5%
Adjusted Margin (as a percentage)	-0.0%	-3.0%		
Available University Fund Transfer	91,133,333	97,010,168	(5,876,835)	-6.1%
Adjusted Income (Loss) with AUF Transfer	90,608,862	61,713,190	\$28,895,672	46.8%
Adjusted Margin % with AUF Transfer	6.9%	4.9%		
Investment Gains (Losses)	(224,297)	10,263,352	(10,487,649)	-102.2%
Adj. Inc. (Loss) with AUF Transfer & Invest. Gains (Losses)	\$90,384,565	\$71,976,542	\$18,408,023	25.6%
Adj. Margin % with AUF Transfer & Invest. Gains (Losses)	7.4%	6.1%		

UNAUDITED
The University of Texas at Brownsville
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$7,188,682	\$7,079,020	\$109,662	1.5%
Sponsored Programs	76,103,510	67,066,655	9,036,855	13.5%
Net Sales and Services of Educational Activities	1,684,451	4,363,060	(2,678,609)	-61.4%
Net Auxiliary Enterprises	662,257	363,337	298,920	82.3%
Other Operating Revenues	8,616	10,526	(1,910)	-18.1%
Total Operating Revenues	<u>85,647,516</u>	<u>78,882,598</u>	<u>6,764,918</u>	<u>8.6%</u>
Operating Expenses				
Salaries and Wages	34,665,109	34,096,855	568,254	1.7%
Employee Benefits and Related Costs	6,717,876	6,898,887	(181,011)	-2.6%
Professional Fees and Contracted Services	1,369,830	1,636,953	(267,123)	-16.3%
Scholarships and Fellowships	39,667,031	34,733,170	4,933,861	14.2%
Travel	565,853	576,728	(10,875)	-1.9%
Materials and Supplies	2,528,494	2,621,556	(93,062)	-3.5%
Utilities	1,820,552	1,634,040	186,512	11.4%
Telecommunications	882,554	830,233	52,321	6.3%
Repairs and Maintenance	503,902	529,543	(25,641)	-4.8%
Rentals and Leases	1,620,601	2,012,741	(392,140)	-19.5%
Printing and Reproduction	308,754	316,451	(7,697)	-2.4%
Depreciation and Amortization	2,403,921	2,534,770	(130,849)	-5.2%
Other Operating Expenses	6,213,860	6,149,499	64,361	1.0%
Total Operating Expenses	<u>99,268,337</u>	<u>94,590,960</u>	<u>4,677,377</u>	<u>4.9%</u>
Operating Loss	<u>(13,620,821)</u>	<u>(15,708,362)</u>	<u>2,087,541</u>	<u>13.3%</u>
Other Nonoperating Adjustments				
State Appropriations	18,515,105	18,963,867	(448,762)	-2.4%
Gift Contributions for Operations	285,214	147,626	137,588	93.2%
Net Investment Income	259,644	280,842	(21,198)	-7.5%
Long Term Fund Distribution	182,661	138,420	44,241	32.0%
Interest Expense on Capital Asset Financings	(915,983)	(1,010,566)	94,583	9.4%
Net Other Nonoperating Adjustments	<u>18,326,641</u>	<u>18,520,189</u>	<u>(193,548)</u>	<u>-1.0%</u>
Adjusted Income (Loss)	4,705,820	2,811,827	1,893,993	67.4%
Adjusted Margin (as a percentage)	4.5%	2.9%		
Investment Gains (Losses)	106,008	(11,282)	117,290	1,039.6%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$4,811,828	\$2,800,545	\$2,011,283	71.8%
Adj. Margin % with Investment Gains (Losses)	4.6%	2.8%		

UNAUDITED
The University of Texas at Dallas
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$70,612,915	\$61,115,655	\$9,497,260	15.5%
Sponsored Programs	24,596,520	23,202,019	1,394,501	6.0%
Net Sales and Services of Educational Activities	3,882,481	3,732,447	150,034	4.0%
Net Auxiliary Enterprises	4,154,491	3,750,037	404,454	10.8%
Other Operating Revenues	3,085,107	2,290,191	794,916	34.7%
Total Operating Revenues	<u>106,331,514</u>	<u>94,090,349</u>	<u>12,241,165</u>	<u>13.0%</u>
Operating Expenses				
Salaries and Wages	84,870,517	80,858,466	4,012,051	5.0%
Employee Benefits and Related Costs	16,642,038	19,064,028	(2,421,990)	-12.7%
Professional Fees and Contracted Services	1,768,381	1,532,750	235,631	15.4%
Other Contracted Services	4,221,365	4,025,347	196,018	4.9%
Scholarships and Fellowships	27,356,616	20,996,043	6,360,573	30.3%
Travel	2,215,068	1,714,521	500,547	29.2%
Materials and Supplies	9,373,897	9,109,786	264,111	2.9%
Utilities	4,810,879	4,477,193	333,686	7.5%
Telecommunications	1,149,393	1,116,253	33,140	3.0%
Repairs and Maintenance	2,834,964	2,236,793	598,171	26.7%
Rentals and Leases	538,871	865,824	(326,953)	-37.8%
Printing and Reproduction	806,677	714,357	92,320	12.9%
Federal Sponsored Programs Pass-Thrus	183,789	323,626	(139,837)	-43.2%
Depreciation and Amortization	9,359,729	7,915,110	1,444,619	18.3%
Other Operating Expenses	4,091,316	3,922,614	168,702	4.3%
Total Operating Expenses	<u>170,223,500</u>	<u>158,872,711</u>	<u>11,350,789</u>	<u>7.1%</u>
Operating Loss	<u>(63,891,986)</u>	<u>(64,782,362)</u>	<u>890,376</u>	<u>1.4%</u>
Other Nonoperating Adjustments				
State Appropriations	54,214,659	58,868,502	(4,653,843)	-7.9%
Gift Contributions for Operations	3,939,689	4,242,173	(302,484)	-7.1%
Net Investment Income	1,499,799	1,923,499	(423,700)	-22.0%
Long Term Fund Distribution	5,347,678	5,061,782	285,896	5.6%
Interest Expense on Capital Asset Financings	(2,581,790)	(2,248,407)	(333,383)	-14.8%
Net Other Nonoperating Adjustments	<u>62,420,035</u>	<u>67,847,549</u>	<u>(5,427,514)</u>	<u>-8.0%</u>
Adjusted Income (Loss)	(1,471,951)	3,065,187	(4,537,138)	-148.0%
Adjusted Margin (as a percentage)	-0.9%	1.9%		
Investment Gains (Losses)	(378,422)	(488,751)	110,329	22.6%
Adj. Inc. (Loss) with Investment Gains (Losses)	(\$1,850,373)	\$2,576,436	(\$4,426,809)	-171.8%
Adj. Margin % with Investment Gains (Losses)	-1.1%	1.6%		

UNAUDITED
The University of Texas at El Paso
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$51,152,930	\$45,636,364	\$5,516,566	12.1%
Sponsored Programs	62,546,046	59,965,489	2,580,557	4.3%
Net Sales and Services of Educational Activities	3,028,265	3,043,346	(15,081)	-0.5%
Net Auxiliary Enterprises	16,020,305	18,231,819	(2,211,514)	-12.1%
Other Operating Revenues	105,434	88,786	16,648	18.8%
Total Operating Revenues	<u>132,852,980</u>	<u>126,965,804</u>	<u>5,887,176</u>	<u>4.6%</u>
Operating Expenses				
Salaries and Wages	85,482,363	87,610,321	(2,127,958)	-2.4%
Employee Benefits and Related Costs	19,068,099	22,568,654	(3,500,555)	-15.5%
Professional Fees and Contracted Services	3,687,807	6,208,685	(2,520,878)	-40.6%
Other Contracted Services	9,025,288	7,698,482	1,326,806	17.2%
Scholarships and Fellowships	40,368,549	37,312,327	3,056,222	8.2%
Travel	3,784,612	3,536,523	248,089	7.0%
Materials and Supplies	12,820,067	12,948,952	(128,885)	-1.0%
Utilities	4,486,025	4,491,180	(5,155)	-0.1%
Telecommunications	739,054	868,476	(129,422)	-14.9%
Repairs and Maintenance	2,226,154	2,364,959	(138,805)	-5.9%
Rentals and Leases	1,031,708	1,011,791	19,917	2.0%
Printing and Reproduction	615,244	638,381	(23,137)	-3.6%
Federal Sponsored Programs Pass-Thrus	364,151	577,504	(213,353)	-36.9%
Depreciation and Amortization	7,739,168	6,917,511	821,657	11.9%
Other Operating Expenses	4,178,838	2,790,252	1,388,586	49.8%
Total Operating Expenses	<u>195,617,127</u>	<u>197,543,998</u>	<u>(1,926,871)</u>	<u>-1.0%</u>
Operating Loss	<u>(62,764,147)</u>	<u>(70,578,194)</u>	<u>7,814,047</u>	<u>11.1%</u>
Other Nonoperating Adjustments				
State Appropriations	60,202,455	66,786,892	(6,584,437)	-9.9%
Gift Contributions for Operations	4,218,350	4,510,449	(292,099)	-6.5%
Net Investment Income	1,917,333	2,029,319	(111,986)	-5.5%
Long Term Fund Distribution	3,352,627	3,201,266	151,361	4.7%
Interest Expense on Capital Asset Financings	(3,170,784)	(2,632,650)	(538,134)	-20.4%
Net Other Nonoperating Adjustments	<u>66,519,981</u>	<u>73,895,276</u>	<u>(7,375,295)</u>	<u>-10.0%</u>
Adjusted Income (Loss)	3,755,834	3,317,082	438,752	13.2%
Adjusted Margin (as a percentage)	1.9%	1.6%		
Investment Gains (Losses)	(117,997)	(124,303)	6,306	5.1%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$3,637,837	\$3,192,779	\$445,058	13.9%
Adj. Margin % with Investment Gains (Losses)	1.8%	1.6%		

UNAUDITED
The University of Texas-Pan American
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date FY 2004	June Year-to-Date FY 2003	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$40,516,345	\$34,829,220	\$5,687,125	16.3%
Sponsored Programs	51,549,328	49,979,451	1,569,877	3.1%
Net Sales and Services of Educational Activities	4,460,140	4,925,937	(465,797)	-9.5%
Net Auxiliary Enterprises	6,262,160	5,434,380	827,780	15.2%
Other Operating Revenues	1,294,778	767,048	527,730	68.8%
Total Operating Revenues	104,082,751	95,936,036	8,146,715	8.5%
Operating Expenses				
Salaries and Wages	60,453,031	57,101,155	3,351,876	5.9%
Employee Benefits and Related Costs	13,875,964	14,280,762	(404,798)	-2.8%
Professional Fees and Contracted Services	523,147	562,740	(39,593)	-7.0%
Other Contracted Services	3,853,825	3,672,009	181,816	5.0%
Scholarships and Fellowships	42,254,772	40,963,522	1,291,250	3.2%
Travel	2,191,466	2,106,285	85,181	4.0%
Materials and Supplies	8,857,615	8,323,255	534,360	6.4%
Utilities	3,931,249	3,349,288	581,961	17.4%
Telecommunications	675,936	851,346	(175,410)	-20.6%
Repairs and Maintenance	983,733	1,128,649	(144,916)	-12.8%
Rentals and Leases	390,415	336,737	53,678	15.9%
Printing and Reproduction	636,324	624,750	11,574	1.9%
Depreciation and Amortization	5,562,233	6,156,125	(593,892)	-9.6%
Other Operating Expenses	2,674,583	3,364,331	(689,748)	-20.5%
Total Operating Expenses	146,924,439	142,834,800	4,089,639	2.9%
Operating Loss	(42,841,688)	(46,898,764)	4,057,076	8.7%
Other Nonoperating Adjustments				
State Appropriations	47,872,367	47,324,288	548,079	1.2%
Gift Contributions for Operations	1,195,950	766,298	429,652	56.1%
Net Investment Income	1,208,794	1,534,838	(326,044)	-21.2%
Long Term Fund Distribution	796,362	738,989	57,373	7.8%
Interest Expense on Capital Asset Financings	(2,432,980)	(2,298,842)	(134,138)	-5.8%
Net Other Nonoperating Adjustments	48,640,493	48,065,571	574,922	1.2%
Adjusted Income (Loss)	5,798,805	1,166,807	4,631,998	397.0%
Adjusted Margin (as a percentage)	3.7%	0.8%		
Investment Gains (Losses)	57,982	(313,994)	371,976	118.5%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$5,856,787	\$852,813	\$5,003,974	586.8%
Adj. Margin % with Investment Gains (Losses)	3.8%	0.6%		

UNAUDITED
The University of Texas of the Permian Basin
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date FY 2004	June Year-to-Date FY 2003	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$8,165,060	\$7,272,140	\$892,920	12.3%
Sponsored Programs	4,261,589	3,836,965	424,624	11.1%
Net Sales and Services of Educational Activities	183,208	185,802	(2,594)	-1.4%
Net Auxiliary Enterprises	750,948	507,729	243,219	47.9%
Other Operating Revenues	187,917	96,988	90,929	93.8%
Total Operating Revenues	13,548,722	11,899,624	1,649,098	13.9%
Operating Expenses				
Salaries and Wages	11,260,526	10,428,229	832,297	8.0%
Employee Benefits and Related Costs	2,420,036	2,510,469	(90,433)	-3.6%
Professional Fees and Contracted Services	718,414	792,265	(73,851)	-9.3%
Other Contracted Services	804,584	694,761	109,823	15.8%
Scholarships and Fellowships	5,799,050	4,733,231	1,065,819	22.5%
Travel	616,006	376,644	239,362	63.6%
Materials and Supplies	1,844,880	1,732,847	112,033	6.5%
Utilities	1,324,794	1,274,941	49,853	3.9%
Telecommunications	373,435	288,091	85,344	29.6%
Repairs and Maintenance	270,805	342,816	(72,011)	-21.0%
Rentals and Leases	273,196	151,285	121,911	80.6%
Printing and Reproduction	279,637	181,073	98,564	54.4%
Depreciation and Amortization	1,822,050	1,730,330	91,720	5.3%
Other Operating Expenses	696,996	464,933	232,063	49.9%
Total Operating Expenses	28,504,409	25,701,915	2,802,494	10.9%
Operating Loss	(14,955,687)	(13,802,291)	(1,153,396)	-8.4%
Other Nonoperating Adjustments				
State Appropriations	13,713,110	12,813,440	899,670	7.0%
Gift Contributions for Operations	964,996	519,415	445,581	85.8%
Net Investment Income	65,801	107,300	(41,499)	-38.7%
Long Term Fund Distribution	467,850	446,435	21,415	4.8%
Interest Expense on Capital Asset Financings	(967,990)	(653,721)	(314,269)	-48.1%
Net Other Nonoperating Adjustments	14,243,767	13,232,869	1,010,898	7.6%
Adjusted Income (Loss)	(711,920)	(569,422)	(142,498)	-25.0%
Adjusted Margin (as a percentage)	-2.5%	-2.2%		
Investment Gains (Losses)	50,722	18,215	32,507	178.5%
Adj. Inc. (Loss) with Investment Gains (Losses)	(\$661,198)	(\$551,207)	(\$109,991)	-20.0%
Adj. Margin % with Investment Gains (Losses)	-2.3%	-2.1%		

UNAUDITED
The University of Texas at San Antonio
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	<u>June</u> <u>Year-to-Date</u> <u>FY 2004</u>	<u>June</u> <u>Year-to-Date</u> <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$84,795,741	\$67,000,000	\$17,795,741	26.6%
Sponsored Programs	49,547,165	45,141,078	4,406,087	9.8%
Net Sales and Services of Educational Activities	4,694,254	3,849,213	845,041	22.0%
Net Auxiliary Enterprises	4,091,482	3,700,854	390,628	10.6%
Other Operating Revenues	752,173	444,152	308,021	69.4%
Total Operating Revenues	143,880,815	120,135,297	23,745,518	19.8%
Operating Expenses				
Salaries and Wages	95,389,520	86,445,535	8,943,985	10.3%
Employee Benefits and Related Costs	21,476,634	21,315,851	160,783	0.8%
Professional Fees and Contracted Services	2,081,807	2,148,412	(66,605)	-3.1%
Other Contracted Services	1,836,764	2,238,744	(401,980)	-18.0%
Scholarships and Fellowships	41,113,969	33,495,158	7,618,811	22.7%
Travel	2,700,395	2,645,923	54,472	2.1%
Materials and Supplies	10,658,393	10,646,217	12,176	0.1%
Utilities	4,766,667	4,083,333	683,334	16.7%
Telecommunications	1,581,250	1,725,234	(143,984)	-8.3%
Repairs and Maintenance	3,520,494	3,571,057	(50,563)	-1.4%
Rentals and Leases	1,869,336	1,185,634	683,702	57.7%
Printing and Reproduction	1,099,409	1,149,978	(50,569)	-4.4%
Federal Sponsored Programs Pass-Thrus	2,896,624	2,985,649	(89,025)	-3.0%
Depreciation and Amortization	9,492,302	8,731,727	760,575	8.7%
Other Operating Expenses	3,282,881	3,222,869	60,012	1.9%
Total Operating Expenses	203,766,445	185,591,321	18,175,124	9.8%
Operating Loss	(59,885,630)	(65,456,024)	5,570,394	8.5%
Other Nonoperating Adjustments				
State Appropriations	68,508,378	68,716,650	(208,272)	-0.3%
Gift Contributions for Operations	1,870,383	2,561,130	(690,747)	-27.0%
Net Investment Income	1,376,344	1,832,518	(456,174)	-24.9%
Long Term Fund Distribution	1,129,771	1,020,358	109,413	10.7%
Interest Expense on Capital Asset Financings	(4,303,060)	(3,825,145)	(477,915)	-12.5%
Net Other Nonoperating Adjustments	68,581,816	70,305,511	(1,723,695)	-2.5%
Adjusted Income (Loss)	8,696,186	4,849,487	3,846,699	79.3%
Adjusted Margin (as a percentage)	4.0%	2.5%		
Investment Gains (Losses)	(217,517)	(442,636)	225,119	50.9%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$8,478,669	\$4,406,851	\$4,071,818	92.4%
Adj. Margin % with Investment Gains (Losses)	3.9%	2.3%		

UNAUDITED
The University of Texas at Tyler
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date FY 2004	June Year-to-Date FY 2003	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$12,601,931	\$9,677,276	\$2,924,655	30.2%
Sponsored Programs	6,399,932	4,839,300	1,560,632	32.2%
Net Sales and Services of Educational Activities	339,693	259,029	80,664	31.1%
Net Auxiliary Enterprises	952,763	801,035	151,728	18.9%
Other Operating Revenues	416,318	504,423	(88,105)	-17.5%
Total Operating Revenues	20,710,637	16,081,063	4,629,574	28.8%
Operating Expenses				
Salaries and Wages	18,797,198	18,443,362	353,836	1.9%
Employee Benefits and Related Costs	4,423,536	4,612,739	(189,203)	-4.1%
Professional Fees and Contracted Services	929,636	758,607	171,029	22.5%
Other Contracted Services	1,815,369	1,496,302	319,067	21.3%
Scholarships and Fellowships	7,358,813	6,224,342	1,134,471	18.2%
Travel	697,243	479,859	217,384	45.3%
Materials and Supplies	3,277,012	1,772,664	1,504,348	84.9%
Utilities	779,476	760,034	19,442	2.6%
Telecommunications	318,972	298,251	20,721	6.9%
Repairs and Maintenance	1,245,683	578,116	667,567	115.5%
Rentals and Leases	103,730	100,423	3,307	3.3%
Printing and Reproduction	429,403	468,957	(39,554)	-8.4%
Bad Debt Expense	9	2,717	(2,708)	-99.7%
Depreciation and Amortization	3,250,000	2,275,000	975,000	42.9%
Other Operating Expenses	729,385	700,450	28,935	4.1%
Total Operating Expenses	44,155,465	38,971,823	5,183,642	13.3%
Operating Loss	(23,444,828)	(22,890,760)	(554,068)	-2.4%
Other Nonoperating Adjustments				
State Appropriations	21,718,839	21,237,491	481,348	2.3%
Gift Contributions for Operations	850,740	603,119	247,621	41.1%
Net Investment Income	307,057	276,479	30,578	11.1%
Long Term Fund Distribution	1,765,176	1,706,850	58,326	3.4%
Interest Expense on Capital Asset Financings	(857,351)	(565,231)	(292,120)	-51.7%
Net Other Nonoperating Adjustments	23,784,461	23,258,708	525,753	2.3%
Adjusted Income (Loss)	339,633	367,948	(28,315)	-7.7%
Adjusted Margin (as a percentage)	0.7%	0.9%		
Investment Gains (Losses)	(1,982)	(4,096)	2,114	51.6%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$337,651	\$363,852	(\$26,201)	-7.2%
Adj. Margin % with Investment Gains (Losses)	0.7%	0.9%		

UNAUDITED
The University of Texas Southwestern Medical Center at Dallas
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$12,414,359	\$11,049,429	\$1,364,930	12.4%
Sponsored Programs	307,211,952	277,056,435	30,155,517	10.9%
Net Sales and Services of Educational Activities	17,282,214	10,590,159	6,692,055	63.2%
Net Professional Fees	170,238,616	156,537,507	13,701,109	8.8%
Net Auxiliary Enterprises	9,890,938	9,467,314	423,624	4.5%
Other Operating Revenues	8,718,283	8,768,641	(50,358)	-0.6%
Total Operating Revenues	<u>525,756,362</u>	<u>473,469,485</u>	<u>52,286,877</u>	<u>11.0%</u>
Operating Expenses				
Salaries and Wages	343,941,479	321,965,319	21,976,160	6.8%
Employee Benefits and Related Costs	96,128,964	92,661,409	3,467,555	3.7%
Professional Fees and Contracted Services	11,662,402	10,208,873	1,453,529	14.2%
Other Contracted Services	48,887,598	39,070,376	9,817,222	25.1%
Scholarships and Fellowships	5,043,036	4,844,386	198,650	4.1%
Travel	6,268,167	6,003,244	264,923	4.4%
Materials and Supplies	71,804,175	68,133,068	3,671,107	5.4%
Utilities	15,445,483	16,178,005	(732,522)	-4.5%
Telecommunications	5,273,778	4,707,777	566,001	12.0%
Repairs and Maintenance	6,637,455	5,313,529	1,323,926	24.9%
Rentals and Leases	5,000,927	4,534,376	466,551	10.3%
Printing and Reproduction	1,998,500	1,914,162	84,338	4.4%
Federal Sponsored Programs Pass-Thrus	1,397,343	309,893	1,087,450	350.9%
Depreciation and Amortization	27,736,523	24,409,997	3,326,526	13.6%
Other Operating Expenses	22,956,244	20,862,668	2,093,576	10.0%
Total Operating Expenses	<u>670,182,074</u>	<u>621,117,082</u>	<u>49,064,992</u>	<u>7.9%</u>
Operating Loss	<u>(144,425,712)</u>	<u>(147,647,597)</u>	<u>3,221,885</u>	<u>2.2%</u>
Other Nonoperating Adjustments				
State Appropriations	96,808,298	92,064,767	4,743,531	5.2%
Gift Contributions for Operations	28,336,741	17,728,971	10,607,770	59.8%
Net Investment Income	24,884,585	30,029,522	(5,144,937)	-17.1%
Long Term Fund Distribution	19,071,566	18,140,567	930,999	5.1%
Interest Expense on Capital Asset Financings	(6,494,203)	(6,800,466)	306,263	4.5%
Net Other Nonoperating Adjustments	<u>162,606,987</u>	<u>151,163,361</u>	<u>11,443,626</u>	<u>7.6%</u>
Adjusted Income (Loss)	18,181,275	3,515,764	14,665,511	417.1%
Adjusted Margin (as a percentage)	2.6%	0.6%		
Investment Gains (Losses)	6,228,843	734,040	5,494,803	748.6%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$24,410,118	\$4,249,804	\$20,160,314	474.4%
Adj. Margin % with Investment Gains (Losses)	3.5%	0.7%		

UNAUDITED
The University of Texas Medical Branch at Galveston
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	<u>June</u> <u>Year-to-Date</u> <u>FY 2004</u>	<u>June</u> <u>Year-to-Date</u> <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$9,487,852	\$7,900,223	\$1,587,629	20.1%
Sponsored Programs	146,517,948	150,693,338	(4,175,390)	-2.8%
Net Sales and Services of Hospitals	556,316,369	531,829,079	24,487,290	4.6%
Net Professional Fees	81,656,079	79,029,965	2,626,114	3.3%
Net Auxiliary Enterprises	6,149,008	5,998,391	150,617	2.5%
Other Operating Revenues	20,613,539	17,629,764	2,983,775	16.9%
Total Operating Revenues	<u>820,740,795</u>	<u>793,080,760</u>	<u>27,660,035</u>	<u>3.5%</u>
Operating Expenses				
Salaries and Wages	553,351,728	540,120,397	13,231,331	2.4%
Employee Benefits and Related Costs	136,750,637	141,382,160	(4,631,523)	-3.3%
Professional Fees and Contracted Services	13,063,749	11,538,429	1,525,320	13.2%
Other Contracted Services	50,467,171	57,161,477	(6,694,306)	-11.7%
Scholarships and Fellowships	3,528,390	2,946,779	581,611	19.7%
Travel	4,517,731	5,215,398	(697,667)	-13.4%
Materials and Supplies	126,897,054	124,918,170	1,978,884	1.6%
Utilities	17,674,143	18,494,856	(820,713)	-4.4%
Telecommunications	8,130,180	8,303,439	(173,259)	-2.1%
Repairs and Maintenance	21,341,664	22,305,750	(964,086)	-4.3%
Rentals and Leases	8,696,984	8,683,779	13,205	0.2%
Printing and Reproduction	1,757,496	1,738,992	18,504	1.1%
Federal Sponsored Programs Pass-Thrus	1,850,134	1,144,333	705,801	61.7%
Depreciation and Amortization	39,273,297	40,453,515	(1,180,218)	-2.9%
Other Operating Expenses	98,314,780	96,004,934	2,309,846	2.4%
Total Operating Expenses	<u>1,085,615,138</u>	<u>1,080,412,408</u>	<u>5,202,730</u>	<u>0.5%</u>
Operating Loss	<u>(264,874,343)</u>	<u>(287,331,648)</u>	<u>22,457,305</u>	<u>7.8%</u>
Other Nonoperating Adjustments				
State Appropriations	228,373,902	239,857,768	(11,483,866)	-4.8%
Gift Contributions for Operations	3,848,948	2,939,483	909,465	30.9%
Net Investment Income	9,738,593	11,752,875	(2,014,282)	-17.1%
Long Term Fund Distribution	9,601,140	8,577,911	1,023,229	11.9%
Interest Expense on Capital Asset Financings	(2,186,272)	(1,562,631)	(623,641)	-39.9%
Net Other Nonoperating Adjustments	<u>249,376,311</u>	<u>261,565,406</u>	<u>(12,189,095)</u>	<u>-4.7%</u>
Adjusted Income (Loss)	(15,498,032)	(25,766,242)	10,268,210	39.9%
Adjusted Margin (as a percentage)	-1.4%	-2.4%		
Investment Gains (Losses)	(329,036)	(817,861)	488,825	59.8%
Adj. Inc. (Loss) with Investment Gains (Losses)	(15,827,068)	(26,584,103)	\$10,757,035	40.5%
Adj. Margin % with Investment Gains (Losses)	-1.5%	-2.5%		

UNAUDITED
The University of Texas Health Science Center at Houston
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	<u>June</u> <u>Year-to-Date</u> <u>FY 2004</u>	<u>June</u> <u>Year-to-Date</u> <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$11,712,244	\$12,108,359	(\$396,115)	-3.3%
Sponsored Programs	193,297,945	187,101,031	6,196,914	3.3%
Net Sales and Services of Educational Activities	7,476,357	7,580,615	(104,258)	-1.4%
Net Sales and Services of Hospitals	25,488,406	27,768,335	(2,279,929)	-8.2%
Net Professional Fees	85,153,862	77,132,837	8,021,025	10.4%
Net Auxiliary Enterprises	10,189,670	10,405,391	(215,721)	-2.1%
Other Operating Revenues	27,421,727	28,007,123	(585,396)	-2.1%
Total Operating Revenues	<u>360,740,211</u>	<u>350,103,691</u>	<u>10,636,520</u>	<u>3.0%</u>
Operating Expenses				
Salaries and Wages	253,241,047	257,264,720	(4,023,673)	-1.6%
Employee Benefits and Related Costs	54,722,306	59,128,459	(4,406,153)	-7.5%
Professional Fees and Contracted Services	43,652,720	44,637,535	(984,815)	-2.2%
Other Contracted Services	16,551,770	25,801,487	(9,249,717)	-35.8%
Scholarships and Fellowships	1,668,312	2,443,882	(775,570)	-31.7%
Travel	3,877,415	3,599,684	277,731	7.7%
Materials and Supplies	20,808,694	22,114,559	(1,305,865)	-5.9%
Utilities	5,986,563	5,612,559	374,004	6.7%
Telecommunications	2,459,452	2,631,221	(171,769)	-6.5%
Repairs and Maintenance	2,577,341	3,327,712	(750,371)	-22.5%
Rentals and Leases	8,751,123	6,708,191	2,042,932	30.5%
Printing and Reproduction	3,533,249	4,285,502	(752,253)	-17.6%
Bad Debt Expense	17,425	5,800	11,625	200.4%
Federal Sponsored Programs Pass-Thrus	10,657,574	9,221,336	1,436,238	15.6%
Depreciation and Amortization	12,421,678	14,774,567	(2,352,889)	-15.9%
Other Operating Expenses	38,531,136	36,001,753	2,529,383	7.0%
Total Operating Expenses	<u>479,457,805</u>	<u>497,558,967</u>	<u>(18,101,162)</u>	<u>-3.6%</u>
Operating Loss	<u>(118,717,594)</u>	<u>(147,455,276)</u>	<u>28,737,682</u>	<u>19.5%</u>
Other Nonoperating Adjustments				
State Appropriations	114,794,617	120,886,435	(6,091,818)	-5.0%
Gift Contributions for Operations	5,846,119	5,028,346	817,773	16.3%
Net Investment Income	9,170,583	10,770,616	(1,600,033)	-14.9%
Long Term Fund Distribution	2,875,098	2,641,057	234,041	8.9%
Interest Expense on Capital Asset Financings	(3,005,365)	(3,400,645)	395,280	11.6%
Net Other Nonoperating Adjustments	<u>129,681,052</u>	<u>135,925,809</u>	<u>(6,244,757)</u>	<u>-4.6%</u>
Adjusted Income (Loss)	10,963,458	(11,529,467)	22,492,925	195.1%
Adjusted Margin (as a percentage)	2.2%	-2.4%		
Investment Gains (Losses)	(627,662)	1,211,817	(1,839,479)	-151.8%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$10,335,796	(\$10,317,650)	\$20,653,446	200.2%
Adj. Margin % with Investment Gains (Losses)	2.1%	-2.1%		

UNAUDITED
The University of Texas Health Science Center at San Antonio
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date FY 2004	June Year-to-Date FY 2003	Variance	Fluctuation Percentage
Operating Revenues				
Student Tuition and Fees	\$12,358,333	\$11,376,667	\$981,666	8.6%
Sponsored Programs	149,203,538	141,819,297	7,384,241	5.2%
Net Sales and Services of Educational Activities	2,198,336	2,165,884	32,452	1.5%
Net Professional Fees	66,624,793	65,345,448	1,279,345	2.0%
Net Auxiliary Enterprises	1,745,770	1,482,964	262,806	17.7%
Other Operating Revenues	42,617,510	39,817,330	2,800,180	7.0%
Total Operating Revenues	274,748,280	262,007,590	12,740,690	4.9%
Operating Expenses				
Salaries and Wages	198,100,055	190,864,915	7,235,140	3.8%
Employee Benefits and Related Costs	50,600,417	50,767,976	(167,559)	-0.3%
Professional Fees and Contracted Services	10,625,310	11,429,132	(803,822)	-7.0%
Other Contracted Services	11,709,960	11,182,390	527,570	4.7%
Scholarships and Fellowships	2,582,699	2,357,144	225,555	9.6%
Travel	3,405,244	3,527,266	(122,022)	-3.5%
Materials and Supplies	19,649,100	19,283,012	366,088	1.9%
Utilities	5,150,441	5,578,035	(427,594)	-7.7%
Telecommunications	7,213,260	7,604,696	(391,436)	-5.1%
Repairs and Maintenance	1,058,343	834,299	224,044	26.9%
Rentals and Leases	1,725,142	1,514,504	210,638	13.9%
Printing and Reproduction	1,403,248	1,501,070	(97,822)	-6.5%
Federal Sponsored Programs Pass-Thrus	636,439	825,416	(188,977)	-22.9%
Depreciation and Amortization	15,833,333	15,363,355	469,978	3.1%
Other Operating Expenses	81,306,152	82,654,706	(1,348,554)	-1.6%
Total Operating Expenses	410,999,143	405,287,916	5,711,227	1.4%
Operating Loss	(136,250,863)	(143,280,326)	7,029,463	4.9%
Other Nonoperating Adjustments				
State Appropriations	118,586,389	117,609,269	977,120	0.8%
Gift Contributions for Operations	12,086,745	11,043,396	1,043,349	9.4%
Net Investment Income	16,007,658	16,121,524	(113,866)	-0.7%
Long Term Fund Distribution	2,834,083	2,604,444	229,639	8.8%
Interest Expense on Capital Asset Financings	(1,764,204)	(1,547,367)	(216,837)	-14.0%
Net Other Nonoperating Adjustments	147,750,671	145,831,266	1,919,405	1.3%
Adjusted Income (Loss)	11,499,808	2,550,940	8,948,868	350.8%
Adjusted Margin (as a percentage)	2.7%	0.6%		
Investment Gains (Losses)	32,504	(1,021,916)	1,054,420	103.2%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$11,532,312	\$1,529,024	\$10,003,288	654.2%
Adj. Margin % with Investment Gains (Losses)	2.7%	0.4%		

UNAUDITED
The University of Texas M. D. Anderson Cancer Center
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	<u>June</u> <u>Year-to-Date</u> <u>FY 2004</u>	<u>June</u> <u>Year-to-Date</u> <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation</u> <u>Percentage</u>
Operating Revenues				
Student Tuition and Fees	\$193,288	\$154,458	\$38,830	25.1%
Sponsored Programs	159,153,353	139,955,516	19,197,837	13.7%
Net Sales and Services of Educational Activities	1,087,141	1,690,572	(603,431)	-35.7%
Net Sales and Services of Hospitals	901,469,680	764,056,380	137,413,300	18.0%
Net Professional Fees	177,816,672	158,125,576	19,691,096	12.5%
Net Auxiliary Enterprises	13,027,592	12,241,889	785,703	6.4%
Other Operating Revenues	15,228,302	14,912,115	316,187	2.1%
Total Operating Revenues	<u>1,267,976,028</u>	<u>1,091,136,506</u>	<u>176,839,522</u>	<u>16.2%</u>
Operating Expenses				
Salaries and Wages	693,853,912	587,476,550	106,377,362	18.1%
Employee Benefits and Related Costs	182,050,985	178,220,098	3,830,887	2.1%
Professional Fees and Contracted Services	15,586,795	15,618,543	(31,748)	-0.2%
Other Contracted Services	45,579,378	40,119,878	5,459,500	13.6%
Travel	11,000,459	9,882,244	1,118,215	11.3%
Materials and Supplies	272,205,772	240,005,436	32,200,336	13.4%
Utilities	23,715,932	22,566,138	1,149,794	5.1%
Telecommunications	5,312,627	6,495,860	(1,183,233)	-18.2%
Repairs and Maintenance	25,333,698	14,855,777	10,477,921	70.5%
Rentals and Leases	20,298,403	18,662,745	1,635,658	8.8%
Printing and Reproduction	4,032,738	3,963,100	69,638	1.8%
Federal Sponsored Programs Pass-Thrus	1,564,314	1,702,502	(138,188)	-8.1%
Depreciation and Amortization	75,179,832	62,404,156	12,775,676	20.5%
Other Operating Expenses	36,818,660	32,234,561	4,584,099	14.2%
Total Operating Expenses	<u>1,412,533,505</u>	<u>1,234,207,588</u>	<u>178,325,917</u>	<u>14.4%</u>
Operating Loss	<u>(144,557,477)</u>	<u>(143,071,082)</u>	<u>(1,486,395)</u>	<u>-1.0%</u>
Other Nonoperating Adjustments				
State Appropriations	124,017,105	122,046,319	1,970,786	1.6%
Gift Contributions for Operations	36,521,168	44,722,132	(8,200,964)	-18.3%
Net Investment Income	25,922,230	22,979,902	2,942,328	12.8%
Long Term Fund Distribution	8,516,387	7,848,637	667,750	8.5%
Interest Expense on Capital Asset Financings	(6,225,437)	(4,117,278)	(2,108,159)	-51.2%
Net Other Nonoperating Adjustments	<u>188,751,453</u>	<u>193,479,712</u>	<u>(4,728,259)</u>	<u>-2.4%</u>
Adjusted Income (Loss)	44,193,976	50,408,630	(6,214,654)	-12.3%
Adjusted Margin (as a percentage)	3.0%	3.9%		
Investment Gains (Losses)	13,466,561	(3,263,795)	16,730,356	512.6%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$57,660,537	\$47,144,835	\$10,515,702	22.3%
Adj. Margin % with Investment Gains (Losses)	3.9%	3.7%		

UNAUDITED
The University of Texas Health Center at Tyler
Comparison of Operating Results and Margin
For the Ten Months Ending June 30, 2004

	June Year-to-Date <u>FY 2004</u>	June Year-to-Date <u>FY 2003</u>	<u>Variance</u>	<u>Fluctuation Percentage</u>
Operating Revenues				
Sponsored Programs	\$6,596,183	\$6,702,533	(106,350)	-1.6%
Net Sales and Services of Educational Activities	837,868	972,218	(134,350)	-13.8%
Net Sales and Services of Hospitals	45,696,703	46,071,008	(374,305)	-0.8%
Net Professional Fees	12,050,377	10,136,481	1,913,896	18.9%
Net Auxiliary Enterprises	780,808	643,943	136,865	21.3%
Other Operating Revenues	3,777,175	2,542,166	1,235,009	48.6%
Total Operating Revenues	<u>69,739,114</u>	<u>67,068,349</u>	<u>2,670,765</u>	<u>4.0%</u>
Operating Expenses				
Salaries and Wages	49,709,248	48,916,104	793,144	1.6%
Employee Benefits and Related Costs	13,073,156	13,636,543	(563,387)	-4.1%
Professional Fees and Contracted Services	6,099,183	4,707,843	1,391,340	29.6%
Other Contracted Services	4,632,464	3,303,640	1,328,824	40.2%
Travel	502,415	483,332	19,083	3.9%
Materials and Supplies	13,789,780	13,535,996	253,784	1.9%
Utilities	1,668,321	1,538,063	130,258	8.5%
Telecommunications	467,794	584,376	(116,582)	-19.9%
Repairs and Maintenance	1,490,831	1,484,860	5,971	0.4%
Rentals and Leases	1,449,174	1,609,042	(159,868)	-9.9%
Printing and Reproduction	751,652	790,784	(39,132)	-4.9%
Federal Sponsored Programs Pass-Thrus	529,112	194,584	334,528	171.9%
Depreciation and Amortization	4,997,853	4,365,593	632,260	14.5%
Other Operating Expenses	2,068,020	2,220,501	(152,481)	-6.9%
Total Operating Expenses	<u>101,229,003</u>	<u>97,371,261</u>	<u>3,857,742</u>	<u>4.0%</u>
Operating Loss	<u>(31,489,889)</u>	<u>(30,302,912)</u>	<u>(1,186,977)</u>	<u>-3.9%</u>
Other Nonoperating Adjustments				
State Appropriations	31,181,637	27,188,641	3,992,996	14.7%
Gift Contributions for Operations	1,877,559	147,466	1,730,093	1,173.2%
Net Investment Income	2,352,188	2,482,397	(130,209)	-5.2%
Long Term Fund Distribution	234,979	219,666	15,313	7.0%
Interest Expense on Capital Asset Financings	0	(70,594)	70,594	100.0%
Net Other Nonoperating Adjustments	<u>35,646,363</u>	<u>29,967,576</u>	<u>5,678,787</u>	<u>18.9%</u>
Adjusted Income (Loss)	4,156,474	(335,336)	4,491,810	1,339.5%
Adjusted Margin (as a percentage)	3.9%	-0.3%		
Investment Gains (Losses)	(45,219)	(65,541)	20,322	31.0%
Adj. Inc. (Loss) with Investment Gains (Losses)	\$4,111,255	(\$400,877)	\$4,512,132	1125.6%
Adj. Margin % with Investment Gains (Losses)	3.9%	-0.4%		

3. **U. T. System: Approval to exceed the full-time equivalent limitation on employees paid from appropriated funds**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the presidents of the affected U. T. System component institutions that the U. T. Board of Regents approve allowing those institutions, as set forth in the table on Page 28, to exceed the number of full-time equivalent (FTE) employees for Fiscal Year 2005 that are authorized in Article III of the General Appropriations Act. Also, as required by Article IX, Section 6.14 of the General Appropriations Act, it is recommended that the U. T. Board of Regents submit a request to the Governor's Office and the Legislative Budget Board to grant approval for these institutions to exceed the authorized number of FTE employees paid from appropriated funds.

BACKGROUND INFORMATION

The General Appropriations Act places a limit on the number of FTE employees paid from appropriated funds that an institution may employ without written approval of the Governor and the Legislative Budget Board. In order to exceed the FTE limitation, a request must be submitted by the governing board and must include the date on which the board approved the request, a statement justifying the need to exceed the limitation, the source of funds to be used to pay the salaries, and an explanation as to why the functions of the proposed additional FTEs cannot be performed within current staffing levels.

U. T. Southwestern Medical Center - Dallas plans to request approval from the Board to acquire St. Paul and Zale Lipshy University Hospitals (see Item 5 on Page 73). The FTE increase is for the employees necessary to operate these hospitals should the hospitals be acquired. Should the Board not approve this acquisition, U. T. Southwestern Medical Center - Dallas will be under the FTE limitations and will not be requesting to exceed the FTE limitation. U. T. System Administration will be under the FTE limitation and is not requesting to exceed the FTE limitation.

**The University of Texas System
REQUESTS TO EXCEED
FULL-TIME EQUIVALENT LIMITATION
Fiscal Year 2005**

Component	Requested FTE Increase*	Major Reasons for Request
U. T. Arlington	116.3	To provide faculty and staff needed to achieve goals outlined in the Texas Higher Education Coordinating Board's Closing the Gaps program
U. T. Brownsville	530.5	The FTE cap in the Appropriations Act does not include staff associated with Texas Southmost College. This request is a technical adjustment to the Appropriations Act.
U. T. Dallas	30.0	To provide faculty associated with increasing student enrollment
U. T. El Paso	180.1	To meet demand of enrollment growth
U. T. Pan American	38.2	To meet demand of enrollment growth and the expansion of academic programs
U. T. Permian Basin	22.0	To meet enrollment goals, growth, and ensure quality instruction for students
U. T. San Antonio	178.0	To meet demand of enrollment growth and continue efforts to increase total semester credit hours taught by tenured faculty
U. T. Southwestern Medical Center - Dallas	2,200.0	This represents the employees necessary to operate St. Paul and Zale Lipshy University Hospitals if approved for acquisition by the Board of Regents.
U. T. M. D. Anderson Cancer Center	882.0	To continue to provide the standard of care and services to an increasing number of patients and improve the capacity to deliver cancer care. To provide support for patient care, instruction, and research.

*Educational and General Funds are the source of funding for these increases. U. T. M. D. Anderson Cancer Center and U. T. Southwestern Medical Center - Dallas will also use Patient Income as a source of funds.

4. U. T. Board of Regents: Report on Investments for quarter ended May 31, 2004, and Performance Report by Ennis Knupp + Associates

REPORTS

Pages 29.1 - 29.7 contain the Summary Reports on Investments for the three months ended May 31, 2004.

Item I on Pages 29.1 - 29.2 reports summary activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the three months was negative 1.39%. The PUF's net investment return for the 12 months ended May 31, 2004, was 20.03%. The PUF's net asset value decreased by \$220.9 million since the beginning of the quarter to \$7,998.0 million. This change in net asset value includes an increase due to contributions from PUF land receipts, a decrease in net investment return, and a decrease for the payment of one-half of the PUF's annual distribution in the amount of \$174,016,788.

Item II on Pages 29.3 - 29.5 reports summary activity for the General Endowment Fund (GEF), the Permanent Health Fund (PHF), and the Long Term Fund (LTF). The GEF's net investment return for the three months was negative 1.37%. The GEF's net investment return for the 12 months ended May 31, 2004, was 20.24%. The GEF's net asset value decreased \$75.9 million since the beginning of the quarter to \$4,168.6 million.

Item III on Page 29.6 reports summary activity for the Short Intermediate Term Fund (SITF). Total net investment return on the SITF was negative .77% for the three months. The SITF's net asset value increased by \$83.0 million since the beginning of the quarter to \$1,189.2 million. This net increase in net asset value includes contributions from the SITF less distributions.

Item IV on Page 29.7 presents book and market value of cash, debt, equity, and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of component operating funds held in the Dreyfus money market fund, increased by \$201.2 million to \$2,476.2 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$56.0 million versus \$286.7 million at the beginning of the period; equities: \$308.8 million versus \$210.5 million at the beginning of the period; and other investments: \$2.2 million versus \$6.2 million at the beginning of the period.

An Executive Summary of the Performance Report on investments for the quarter ended May 31, 2004, as prepared by Ennis Knupp + Associates is attached on Pages 29.8 - 29.14.

I. PERMANENT UNIVERSITY FUND (1)a.) Summary Investment Report at May 31, 2004 (2)

(\$ millions)

	FY02-03	FY03-04			
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	Year-to-Date
Beginning Net Assets	6,738.3	7,244.8	7,655.1	8,218.9	7,244.8
PUF Lands Receipts (3)	102.1	27.8	23.7	67.3	118.8
Investment Return	787.6	475.9	634.3	(107.7)	1,002.5
Expenses	(20.2)	(6.4)	(7.2)	(6.5)	(20.1)
Distributions to AUF	(363.0)	(87.0)	(87.0)	(174.0)	(348.0)
Ending Net Assets	<u>7,244.8</u>	<u>7,655.1</u>	<u>8,218.9</u>	<u>7,998.0</u>	<u>7,998.0</u>
AUF Distribution:					
From PUF Investments	338.4	87.0	87.0	174.0	348.0
From Surface Income	8.1	0.8	2.3	1.2	4.3
Total	<u>346.5</u>	<u>87.8</u>	<u>89.3</u>	<u>175.2</u>	<u>352.3</u>
Total Net Investment Return	12.02%	6.60%	8.34%	-1.39%	13.88%

(1) Report prepared in accordance with Texas Education Code Sec. 51.0032.

(2) General - The Investment Summary Report excludes PUF Lands mineral and surface interests with estimated August 31, 2003 values of \$822.4 million and \$163.9 million, respectively

(3) PUF Land Receipts - As of May 31, 2004: 1,120,340 acres under lease; 516,076 producing acres; 3,123 active leases; and 2,068 producing leases

I. PERMANENT UNIVERSITY FUND (continued)

b.) Comparison of Asset Allocation Versus Endowment Neutral Policy Portfolio and Net Investment Return for the three months ended May 31, 2004

	Asset Allocation	Endowment Neutral Policy Portfolio	Actual Net Investment Return	Endowment Neutral Policy Portfolio Return (1)	Benchmark
Cash and Cash Equivalents	2.4%	0.0%	0.25%	0.25%	90 Day T-Bills Average Yield
U.S. Equities	32.9%	25.0%	-1.84%	-1.64%	Combination benchmark: 80% Russell 3000 Index plus 20% Wilshire Real Estate Securities Index
Global Equities	19.3%	17.0%	-4.93%	-2.20%	Morgan Stanley Capital International - All Country World Free ex U.S
Equity Hedge Funds	8.1%	10.0%	-0.60%	1.26%	90 Day T-Bills Average Yield plus 4%
Absolute Return Hedge Funds	12.3%	15.0%	0.89%	1.01%	90 Day T-Bills Average Yield plus 3%
Commodities	3.3%	3.0%	5.55%	9.41%	Goldman Sachs Commodity Index minus 100 basis points
Fixed Income	11.1%	15.0%	-1.56%	-2.03%	Combination benchmark: 66.7% Lehman Brothers Aggregate Bond Index plus 33.3% Lehman Brothers US Index Treasury Inflation Protected Securities
Total Marketable Securities	89.4%	85.0%	-1.85%	-0.62%	
Private Capital	10.6%	15.0%	2.54%	8.30%	Venture Economics' Periodic IRR Index
Total	100.0%	100.0%	-1.39%	0.69%	

(1) The benchmark return for the endowment neutral policy portfolio is calculated by summing the neutrally weighted index return (% weight for the asset class multiplied by the benchmark return for the asset class) for the various asset classes in the endowment portfolio for the period reported.

II. GENERAL ENDOWMENT FUND (1) (2)a.) Summary Investment Report at May 31, 2004

(\$ millions)

	FY02-03		FY03-04							
	Full Year		1st Qtr	2nd Qtr	3rd Qtr	Year-to-Date				
Beginning Net Assets	3,293.2		3,584.8	3,952.6	4,244.5	3,584.8				
Net Contributions	(79.0)		209.5	135.8	106.9	452.2				
Investment Return	423.5		257.5	327.1	(57.5)	527.1				
Expenses	(5.8)		(2.6)	(2.6)	(2.1)	(7.3)				
Allocations (3)	(47.1)		(96.6)	(168.4)	(123.2)	(388.2)				
Ending Net Assets	3,584.8		3,952.6	4,244.5	4,168.6	4,168.6				
Net Asset Value per Unii	102.539		109.488	118.428	116.778	116.778				
Units and Percentage Ownership (End of Period):										
PHF	7,263,383	20.8%	7,174,022	19.9%	7,091,271	19.8%	7,007,471	19.6%	7,007,471	19.6%
LTF	27,696,705	79.2%	28,926,791	80.1%	28,749,330	80.2%	28,688,862	80.4%	28,688,862	80.4%
Total	34,960,088	100.0%	36,100,813	100.0%	35,840,601	100.0%	35,696,333	100.0%	35,696,333	100.0%
Total Net Investment Return	12.81%		6.83%	8.22%	-1.37%	14.02%				

(1) Report prepared in accordance with Texas Education Code Sec. 51.0032.

(2) On March 1, 2001, the Permanent Health Fund (PHF) and Long Term Fund (LTF) purchased units in the newly created General Endowment Fund (GEF). The initial number of units was based on the PHF's and LTF's contribution of its net values as of February 28, 2001

(3) The GEF allocates its net investment income and realized gain (loss) to its unit holders based on the ownership of GEF units at month end. The allocated amounts are reinvested as GEF contributions. The allocation is proportional to the percentage of ownership by the unit holders, and therefore no additional units are purchased.

II. GENERAL ENDOWMENT FUND (continued)

b.) Unit Holders' Summary Investment Report at May 31, 2004 (1)

(\$ millions)

	FY02-03	FY03-04			Year-to-Date
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	
<u>PERMANENT HEALTH FUND</u>					
Beginning Net Assets	698.2	745.0	785.6	840.0	745.0
Investment Return	86.0	50.4	64.2	(11.7)	102.9
Expenses	(0.7)	(0.2)	(0.1)	(0.2)	(0.5)
Distributions (Payout)	(38.5)	(9.6)	(9.7)	(9.6)	(28.9)
Ending Net Assets	745.0	785.6	840.0	818.5	818.5
Net Asset Value per Unit (2)	0.908489	0.958104	1.024378	0.998166	0.998166
No. of Units (End of Period)	820,000,000	820,000,000	820,000,000	820,000,000	820,000,000
Distribution Rate per Uni	0.04700	0.01175	0.01175	0.01175	0.035250
Total Net Investment Return	12.67%	6.76%	8.15%	-1.41%	13.82%
<u>LONG TERM FUND</u>					
Beginning Net Assets	2,595.1	2,839.8	3,167.0	3,404.6	2,839.8
Net Contributions	59.6	165.1	17.2	33.8	216.1
Investment Return	332.1	204.4	260.5	(47.8)	417.1
Expenses	(3.1)	(3.3)	(0.9)	(1.0)	(5.2)
Distributions (Payout)	(143.9)	(39.0)	(39.2)	(39.5)	(117.7)
Ending Net Assets	2,839.8	3,167.0	3,404.6	3,350.1	3,350.1
Net Asset Value per Unit (2)	5.114	5.388	5.761	5.613	5.613
No. of Units (End of Period)	555,329,487	587,747,101	591,003,265	596,861,244	596,861,244
Distribution Rate per Uni	0.25800	0.066125	0.066125	0.066125	0.198375
Total Net Investment Return	12.78%	6.76%	8.14%	-1.41%	13.82%

(1) The Permanent Health Fund (PHF) and Long Term Fund (LTF) are internal mutual funds for the pooled investment endowment funds. The PHF is comprised of endowments for health-related institutions of higher education and the LTF comprised of privately raised endowments and other long-term funds of U.T. System component

(2) The asset allocation of the PHF and LTF is representative of the asset allocation for the GE
A nominal amount of cash is held in PHF and LTF to pay expenses incurred separately by these funds

II. GENERAL ENDOWMENT FUND (continued)

c.) Comparison of Asset Allocation Versus Endowment Neutral Policy Portfolio and Net Investment Return for the three months ended May 31, 2004

	Asset Allocation	Endowment Neutral Policy Portfolio	Actual Net Investment Return	Endowment Neutral Policy Portfolio Return (1)	Benchmark
Cash and Cash Equivalents	2.5%	0.0%	0.25%	0.25%	90 Day T-Bills Average Yield
U.S. Equities	31.6%	25.0%	-1.95%	-1.64%	Combination benchmark: 80% Russell 3000 Index plus 20% Wilshire Real Estate Securities Index
Global Equities	19.7%	17.0%	-4.99%	-2.20%	Morgan Stanley Capital International - All Country World Free ex U.S
Equity Hedge Funds	8.3%	10.0%	-0.53%	1.26%	90 Day T-Bills Average Yield plus 4%
Absolute Return Hedge Funds	12.8%	15.0%	0.91%	1.01%	90 Day T-Bills Average Yield plus 3%
Commodities	3.4%	3.0%	5.65%	9.41%	Goldman Sachs Commodity Index minus 100 basis points
Fixed Income	11.4%	15.0%	-1.43%	-2.03%	Combination benchmark: 66.7% Lehman Brothers Aggregate Bond Index plus 33.3% Lehman Brothers US Index Treasury Inflation Protected Securities
Total Marketable Securities	89.7%	85.0%	-1.87%	-0.62%	
Private Capital	10.3%	15.0%	3.16%	8.30%	Venture Economics' Periodic IRR Index
Total	100.0%	100.0%	-1.37%	0.69%	

(1) The benchmark return for the endowment neutral policy portfolio is calculated by summing the neutrally weighted index return (% weight for the asset class multiplied by the benchmark return for the asset class) for the various asset classes in the endowment portfolio for the period reported

III. SHORT INTERMEDIATE TERM FUND (1)Summary Investment Report at May 31, 2004

(\$ millions)

	FY02-03	FY03-04			
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	Year-to-Date
Beginning Net Assets	1,435.9	1,435.3	1,366.5	1,106.2	1,435.3
Net Contributions (Withdrawals)	26.6	(73.4)	(267.4)	98.4	(242.4)
Investment Return	25.8	12.9	14.6	(8.5)	19.0
Expenses	(0.7)	(0.2)	(0.1)	(0.2)	(0.5)
Distributions of Income	(52.3)	(8.1)	(7.4)	(6.7)	(22.2)
Ending Net Assets	1,435.3	1,366.5	1,106.2	1,189.2	1,189.2
Net Asset Value per Unit	9.917	9.947	10.000	9.863	9.863
No. of Units (End of Period)	144,736,640	137,378,810	110,618,420	120,565,911	120,565,911
Total Net Investment Return	1.64%	0.88%	1.20%	-0.77%	1.30%

(1) Report prepared in accordance with Texas Education Code Sec. 51.0032.

IV. SEPARATELY INVESTED ASSETS

Summary Investment Report at May 31, 2004

(\$ thousands)

	FUND TYPE													
	CURRENT PURPOSE DESIGNATED		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		OPERATING FUNDS		TOTAL	
<u>ASSET TYPES</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>
Cash & Equivalents:														
Beginning value 02/29/04	2,950	2,950	1,703	1,703	38,342	38,342	482	482	99	99	2,231,342	2,231,342	2,274,918	2,274,918
Increase/(Decrease)	89	89	676	676	38,263	38,263	195	195	(97)	(97)	162,123	162,123	201,249	201,249
Ending value 05/31/04	3,039	3,039	2,379	2,379	76,605	76,605	677	677	2	2	2,393,465	2,393,465	2,476,167	2,476,167
Debt Securities:														
Beginning value 02/29/04	-	-	263	205	38,098	40,103	14,614	15,368	-	-	230,100	231,047	283,075	286,723
Increase/(Decrease)	-	-	-	(8)	1,446	215	573	142	-	-	(230,100)	(231,047)	(228,081)	(230,698)
Ending value 05/31/04	-	-	263	197	39,544	40,318	15,187	15,510	-	-	-	-	54,994	56,025
Equity Securities:														
Beginning value 02/29/04	40	11,849	1,920	1,323	38,849	43,400	22,007	22,878	-	-	157,962	131,053	220,778	210,503
Increase/(Decrease)	-	(1,719)	3,994	4,005	10	(1,298)	(1,120)	(1,751)	-	-	100,076	99,097	102,960	98,334
Ending value 05/31/04	40	10,130	5,914	5,328	38,859	42,102	20,887	21,127	-	-	258,038	230,150	323,738	308,837
Other:														
Beginning value 02/29/04	6,100	6,100	(1)	(1)	2	2	174	63	-	-	-	-	6,275	6,164
Increase/(Decrease)	(6,100)	(6,100)	2,110	2,110	3	3	11	-	-	-	-	-	(3,976)	(3,987)
Ending value 05/31/04	-	-	2,109	2,109	5	5	185	63	-	-	-	-	2,299	2,177

Report prepared in accordance with Texas Education Code Sec. 51.0032.
Details of individual assets by account furnished upon request.

U.T. System Board of Regents
Report on Investments

Fiscal Quarter Ending
May 31, 2004

As of May 31, 2004

CHANGE IN MARKET VALUE

(\$ in millions)

	PUF	GEF	Total Endowments (PUF + GEF)	Operating Funds	Total
Beginning Market Value (2/29/04)	\$8,219	\$4,245	\$12,464	\$3,700	\$16,164
Changes due to Transfers:					
Contributions	-114	-16	-130	+123	-7
Distributions & Withdrawals	+67	+35	+102	+382	+484
Changes from Investment Activities:					
Income	-181	-51	-232	-259	-491
Appreciation/Depreciation	-107	-60	-167	-10	-177
Ending Market Value (5/31/04)	+58	+33	+91	+10	+101
	-165	-93	-258	-20	-278
Change in Market Value	\$7,998	\$4,169	\$12,167	\$3,813	\$15,980
	-\$221	-\$76	-\$297	\$113	-\$184

- As illustrated above, the PUF (-\$221 million) and GEF (-\$76 million) both saw declines in market value during the fiscal third quarter, while the Operating Funds experienced a \$113 million increase.

RETURN SUMMARY

ENDING 5/31/04¹

	Quarter Ending 5/31/2004	1 Year Ending 5/31/2004	3 Years Ending 5/31/2004	5 Years Ending 5/31/2004
Permanent University Fund	-1.4%	20.0%	4.7%	4.9%
Endowment Performance Benchmark ²	0.7	19.2	4.8	4.8
Long Term Fund	-1.4	20.0	5.1	6.3
Endowment Performance Benchmark ²	0.7	19.2	4.8	4.8
Permanent Health Fund	-1.4	20.0	5.0	--
Endowment Performance Benchmark ²	0.7	19.2	4.8	--
Short Term Fund	0.2	1.0	1.8	3.4
ML 90-day T-Bill	0.3	1.1	1.8	3.4
Short Intermediate Term Fund	-0.8	1.0	2.8	4.4
Composite Index	-0.9	0.4	4.1	5.2
BGI U.S. Debt Index Fund	-2.3	-0.4	6.4	6.8
LB Aggregate Bond Index	-2.3	-0.4	6.3	6.8
BGI Equity Index Fund	-1.7	18.3	-2.1	-1.5
S&P 500 Index	-1.7	18.3	-2.1	-1.5

- The Permanent University Fund, Long Term Fund, and Permanent Health Fund all underperformed the Endowment Performance Benchmark during the fiscal quarter. Longer term performance was generally more positive.

¹ Rates of return greater than one year are annualized. All UTIMCO performance data is net of management fees.

² Reflects the U.T. System Board of Regents approved asset allocation policy targets and benchmarks beginning January 1, 2004. Performance prior to January 1, 2004, represents historical endowment policy portfolio data provided by UTIMCO.

As of May 31, 2004

PUF POLICY COMPLIANCE
ASSET ALLOCATION AS OF 5/31/04
(\$ in millions)

	Total	Percent Of Total	Policy	Policy Ranges	In Compliance?
U.S. Equity	\$2,634	32.9%	25%	15-45%	Yes
Non-U.S. Developed Equity	\$1,214	15.2%	10%	5-15%	No
Emerging Markets Equity	328	4.1	7%	0-10	Yes
Global ex-U.S. Equity	\$1,542	19.3%	17%	5-25%	Yes
Total Traditional Equity	\$4,176	52.2%	42%	20-60%	Yes
Equity Hedge Funds	\$644	8.1%	10%	5-15%	Yes
Absolute Return Hedge Funds	982	12.3	15%	10-20	Yes
Total Hedge Funds	\$1,626	20.3%	25%	5-25%	Yes
Private Equity	\$730	9.1%	9%	0-10%	Yes
Venture Capital	119	1.5	6%	5-15	No
Total Private Capital	\$849	10.6%	15%	5-15%	Yes
Commodities	\$264	3.3%	3%	0-5%	Yes
Fixed Income	889	11.1	15%	10-30	Yes
Cash	183	2.3	--	0-5	Yes
Total Permanent University Fund	\$7,998	100.0%	100%		
Liquidity Requirement					Yes

- The allocation to Absolute Return Hedge Funds was increased by 2.7% during the quarter and brought into compliance with the policy guidelines. The allocation to venture capital remained below the allowable minimum, and the allocation to non-U.S. developed equity exceeded the allowable maximum.

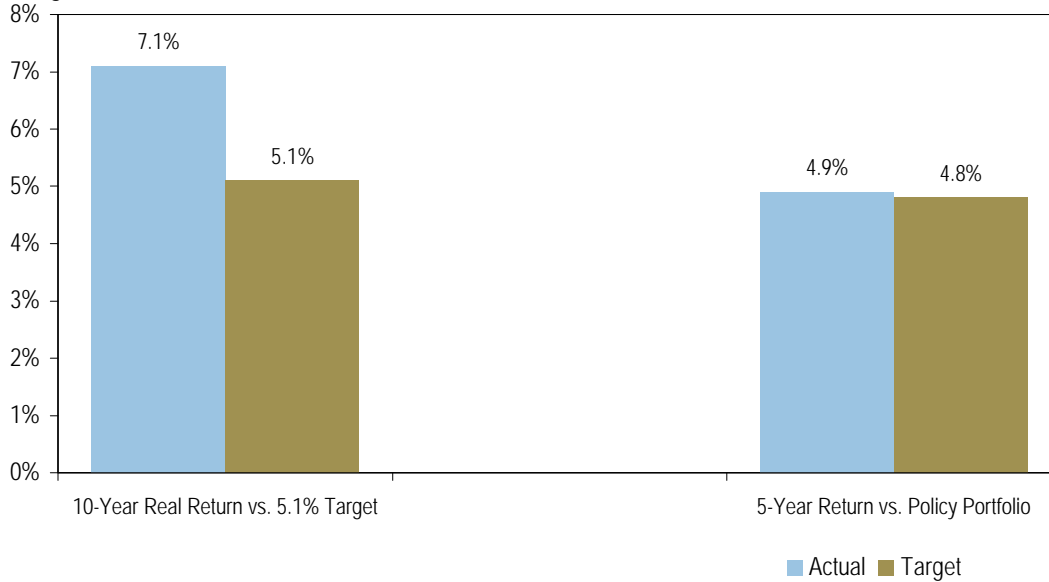
GEF POLICY COMPLIANCE
ASSET ALLOCATION AS OF 5/31/04
(\$ in millions)

	Total	Percent Of Total	Policy	Policy Ranges	In Compliance?
U.S. Equity	\$1,318	31.6%	25%	15-45%	Yes
Non-U.S. Developed Equity	\$632	15.2%	10%	5-15%	No
Emerging Markets Equity	191	4.6	7%	0-10	Yes
Global ex-U.S. Equity	\$823	19.7%	17%	5-25%	Yes
Total Traditional Equity	\$2,141	51.4%	42%	20-60%	Yes
Equity Hedge Funds	\$347	8.3%	10%	5-15%	Yes
Absolute Return Hedge Funds	533	12.8	15%	10-20	Yes
Total Hedge Funds	\$880	21.1%	25%	15-25%	Yes
Private Equity	\$357	8.6%	9%	0-10%	Yes
Venture Capital	73	1.8	6%	5-15	No
Total Private Capital	\$430	10.3%	15%	5-15%	Yes
Commodities	\$141	3.4%	3%	0-5%	Yes
Fixed Income	477	11.4	15%	10-30	Yes
Cash	94	2.3	--	0-5	Yes
Total General Endowment Fund	\$4,169	100.0%	100%		
Liquidity Requirement					Yes

- The allocation to venture capital remained below the allowable minimum, and the allocation to non-U.S. developed equity exceeded the allowable maximum.

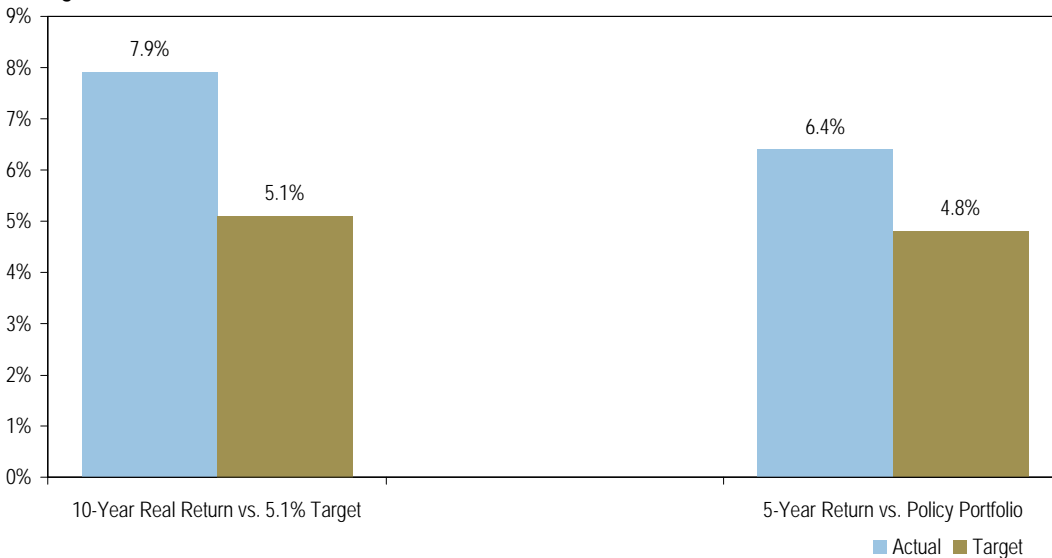
As of May 31, 2004

**Permanent University Fund
Analysis of Investment Objectives
Ending 5/31/04**



- The primary investment objective of the PUF and GEF is to preserve the purchasing power of their respective assets and annual distributions by earning an average annual real return of 5.1% over rolling ten-year periods or longer. The secondary fund objective is to generate a fund return in excess of the Policy Portfolio benchmark over rolling five-year periods or longer. These objectives have been met over the periods analyzed.

**General Endowment Fund
Analysis of Investment Objectives
Ending 5/31/04**



- An additional objective of the GEF is to outperform the median fund in a universe of similar endowments. The LTF and the PHF (the two components of the GEF) have both produced returns above the median of a Cambridge universe of endowments over the three-year period ending March 31, 2004. Over the 5- and 10- year periods, the LTF has also achieved this goal.

As of May 31, 2004

Permanent University Fund**RETURN SUMMARY**

ENDING 5/31/04

	Quarter Ending 5/31/2004	1 Year Ending 5/31/2004	3 Years Ending 5/31/2004	5 Years Ending 5/31/2004	Since Inception	Inception Date
Permanent University Fund	-1.4%	20.0%	4.7%	4.9%	9.5%	8/31/1991
Endowment Performance Benchmark ¹	0.7	19.2	4.8	4.8	11.0	
U.S. Equity	-1.8	20.3	1.0	2.4	10.7	8/31/1991
U.S. Equity Performance Benchmark	-1.8	20.2	-0.6	-0.5	10.6	
Global Ex U.S. Equity	-4.9	33.2	3.7	0.1	6.0	3/31/1993
MSCI AC World Ex-U.S. Free Index	-2.2	33.3	3.1	1.4	6.1	
Equity Hedge Funds	-0.6	--	--	--	3.6	12/31/2003
90-Day T-Bill + 4%	1.3	--	--	--	2.1	
Absolute Return Hedge Funds	0.9	17.2	10.3	--	12.7	2/29/2000
Absolute Return Benchmark	1.0	4.7	5.8	--	7.1	
Private Capital²	2.5	15.0	-5.4	4.1	9.8	1/31/1989
Private Capital Benchmark	8.3	33.2	5.7	4.9	16.2	
Commodities	5.6	--	--	--	14.2	12/31/2003
Goldman Sachs Commodity Index - 1%	9.4	--	--	--	17.8	
Total Fixed Income	-1.6	3.4	8.0	6.9	9.0	8/31/1985
LB Aggregate Bond Index	-2.3	-0.4	6.3	6.8	8.5	

- The Permanent University Fund underperformed the Endowment Performance Benchmark by 2.1 percentage points in the fiscal quarter ending May 31, 2004. Each asset class underperformed its respective benchmark, with the exception of U.S. equities, which matched its benchmark return, and fixed income, which outperformed.
- One-year performance exceeded the benchmark despite the significant underperformance produced by the private capital component. This underperformance was offset by the positive effects produced by the absolute return hedge fund and fixed income components.

¹ Reflects the U.T. System Board of Regents approved asset allocation policy targets and benchmarks beginning January 1, 2004. Performance prior to January 1, 2004, represents historical endowment policy portfolio data provided by UTIMCO.

² Actual returns for the private capital component are presented on a time-weighted basis. The Private Capital benchmark represents the Venture Economics Private Capital Benchmark beginning January 1, 2004; returns December 31, 2003 represent the Wilshire 5000 +4%.

As of May 31, 2004

General Endowment Fund**RETURN SUMMARY**

ENDING 5/31/04

	Quarter Ending 5/31/2004	1 Year Ending 5/31/2004	3 Years Ending 5/31/2004	5 Years Ending 5/31/2004	Since Inception	Inception Date
General Endowment Fund	-1.4%	20.3%	5.2%	6.4%	10.1%	8/31/1991
Endowment Performance Benchmark ¹	0.7	19.2	4.8	4.8	11.0	
U.S. Equity	-2.0	20.0	1.2	3.2	10.7	8/31/1991
U.S. Equity Performance Benchmark	-1.8	20.2	-0.6	-0.5	10.6	
Global Ex U.S. Equity	-5.0	33.4	3.8	0.9	5.4	3/31/1993
MSCI AC World Ex-U.S. Free Index	-2.2	33.3	3.1	1.4	6.1	
Equity Hedge Funds	-0.6	--	--	--	3.7	12/31/2003
90-Day T-Bill + 4%	1.3	--	--	--	2.1	
Absolute Return Hedge Funds	0.9	17.1	10.3	13.0	11.1	7/31/1998
Absolute Return Benchmark	1.0	4.7	5.8	7.5	7.7	
Private Capital²	3.2	13.4	-5.4	3.6	9.8	11/30/1986
Private Capital Benchmark	8.3	33.2	5.7	4.9	16.2	
Commodities	5.6	--	--	--	14.3	12/31/2003
Goldman Sachs Commodity Index - 1%	9.4	--	--	--	17.8	
Total Fixed Income	-1.4	3.5	8.1	7.4	11.1	8/31/1981
LB Aggregate Bond Index	-2.3	-0.4	6.3	6.8	10.4	

- The General Endowment Fund underperformed the Endowment Performance Benchmark by 2.1 percentage points in the fiscal quarter ending May 31, 2004. Each asset class underperformed its respective benchmark, with the exception of fixed income, which outperformed.
- One-year performance exceeded the benchmark despite the significant underperformance produced by the private capital component. This underperformance was offset by the positive effects produced by the absolute return hedge funds and fixed income components.

¹ Reflects the U.T. System Board of Regents approved asset allocation policy targets and benchmarks beginning January 1, 2004. Performance prior to January 1, 2004, represents historical endowment policy portfolio data provided by UTIMCO.

² Actual returns for the private capital component are presented on a time-weighted basis. The Private Capital benchmark represents the Venture Economics Private Capital Benchmark beginning January 1, 2004; returns December 31, 2003 represent the Wilshire 5000 +4%.

As of May 31, 2004

Operating Funds

RETURN SUMMARY

ENDING 5/31/04

	Quarter Ending 5/31/2004	1 Year Ending 5/31/2004	3 Years Ending 5/31/2004	5 Years Ending 5/31/2004	Since Inception	Inception Date
Short Term Fund	0.2%	1.0%	1.8%	3.4%	4.3%	8/31/1992
ML 90-day T-Bill	0.3	1.1	1.8	3.4	4.2	
Short Intermediate Term Fund	-0.8	1.0	2.8	4.4	5.1	2/28/1993
Composite Index	-0.9	0.4	4.1	5.2	5.4	
BGI U.S. Debt Index Fund	-2.3	-0.4	6.4	6.8	6.8	5/31/1999
LB Aggregate Bond Index	-2.3	-0.4	6.3	6.8	6.8	
BGI Equity Index Fund	-1.7	18.3	-2.1	-1.5	-1.5	5/31/1999
S&P 500 Index	-1.7	18.3	-2.1	-1.5	-1.5	

- The Short Term Fund approximated the performance of the benchmark during the periods shown above.
- The Short Intermediate Term Fund approximated the return of the Index during the fiscal quarter, and outperformed over the trailing one-year period. Longer term performance is below-benchmark.
- The BGI U.S. Debt Index approximated the performance of the benchmark during the periods shown above. Participants investing in the BGI U.S. Debt Index liquidated their positions during April of 2004.
- The BGI Equity Index Fund approximated the performance of its benchmark during the periods shown above.

5. U. T. System: Permanent University Fund quarterly update

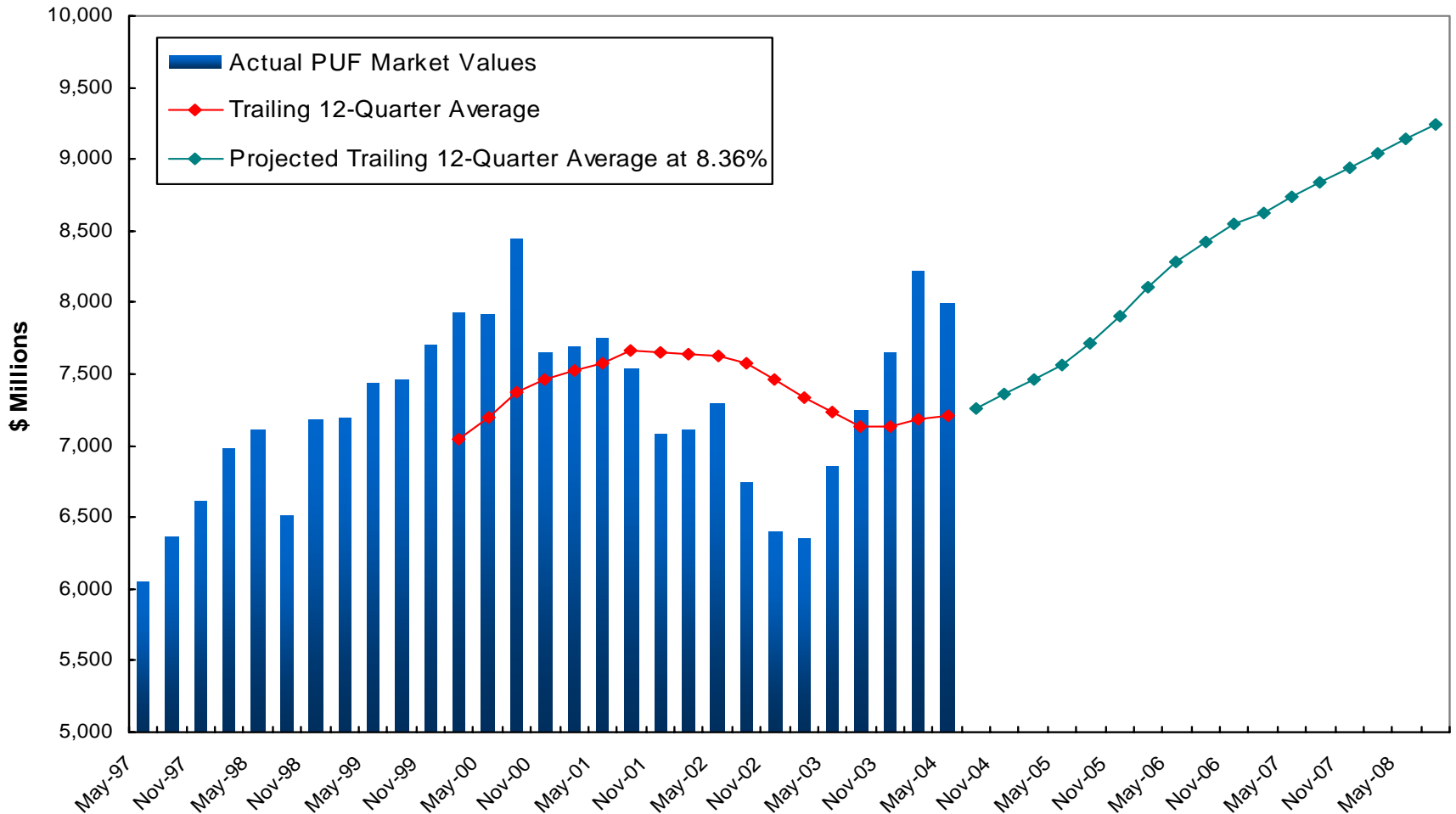
Mr. Philip R. Aldridge, Associate Vice Chancellor for Finance, will update the Committee on changes in the forecasted distributions from the Permanent University Fund (PUF) to the Available University Fund (AUF) and the resulting impacts on remaining PUF debt capacity, U. T. Austin Excellence Funds, and the AUF balance.

REPORT

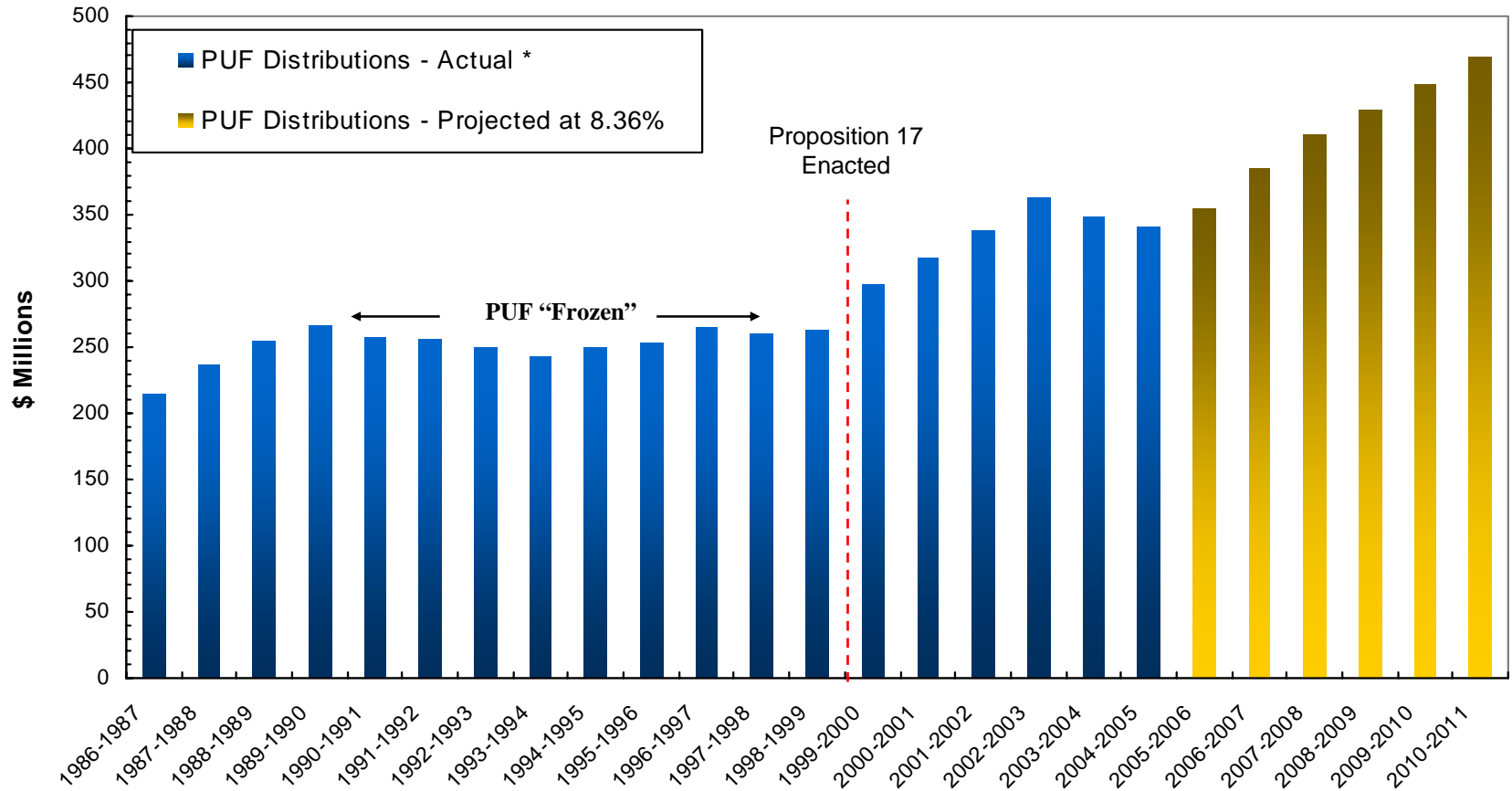
As of May 31, 2004, the market value of the PUF was \$8.0 billion compared to \$8.2 billion as of February 29, 2004 (Figure A on Page 30.1). During Fiscal Year 2005, \$341.2 million will be distributed to the AUF, compared to \$348 million in Fiscal Year 2004 (Figure B on Page 30.2). PUF distributions to the AUF are projected to steadily increase beginning in Fiscal Year 2006 and are not projected to be capped due to constitutional purchasing power restrictions.

Incorporating both the updated PUF distribution forecast and the new debt structure as a result of the PUF Bonds, Series 2004A&B transaction, there is an estimated \$308 million of additional debt capacity through Fiscal Year 2010 beyond the PUF projects currently approved, assuming a 8.36% investment return (Figure C on Page 30.3). This PUF debt capacity incorporates the impacts of the proposed \$100 million Library, Equipment, Repair and Rehabilitation (LERR) appropriation for Fiscal Year 2005 and using up to \$60 million of AUF balances to cash defease outstanding PUF debt, similar to cash defeasance transactions previously approved by the Board. (See Item 4 on Page 4.) PUF debt capacity is affected by various factors, some of which are determined by the Board while others are dependent on future market conditions (Figure D on Page 30.4).

Projected Trailing 12-Quarter PUF Market Value Average



Permanent University Fund Distributions



* Effective September 1, 1997, a statutory amendment changed the distribution of income from cash to an accrual basis, resulting in a one-time distribution adjustment to the AUF of \$47.3 million, which is not reflected.

PUF Debt Capacity-Base Case at 8.36%

Additional PUF Debt Capacity (\$307.8 Million)	\$112.4	\$0.0	\$29.6	\$71.1	\$50.2	\$44.5
Cumulative Additional PUF Debt Capacity	\$112.4	\$112.4	\$142.0	\$213.1	\$263.3	\$307.8

Available University Fund Operating Statement Forecast Data (\$ Millions)	Actual	Projected						
	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FYE 10
PUF Distribution Amount	\$363.0	\$348.0	\$341.2	\$354.4	\$385.2	\$409.7	\$429.5	\$449.2
Surface & Other Income	6.5	6.8	6.4	6.4	6.7	6.7	6.7	6.7
Divisible Income	369.6	354.8	347.6	360.8	391.9	416.4	436.2	455.9
UT System Share (2/3)	246.4	236.5	231.7	240.6	261.2	277.6	290.8	303.9
AUF Interest Income	5.1	2.8	2.2	3.6	4.3	4.9	5.4	5.7
Income Available to U.T.	251.5	239.3	233.9	244.2	265.6	282.5	296.1	309.7
TRANSFERS:								
UT Austin Excellence Funds (45%)	(114.8)	(108.3)	(105.3)	(109.9)	(119.5)	(127.1)	(133.3)	(139.4)
PUF Debt Service on Approved Projects	(69.7)	(72.1)	(83.5)	(103.0)	(104.1)	(106.7)	(109.1)	(111.9)
PUF Cash Defeasance	-	(60.0)	-	-	-	-	-	-
PUF Debt Service on Add. Debt Capacity	-	-	(9.1)	(9.1)	(11.6)	(17.6)	(21.9)	(25.8)
System Administration	(29.1)	(27.9)	(27.8)	(28.5)	(29.2)	(30.0)	(30.7)	(31.5)
Other	(1.6)	(4.4)	(1.1)	(1.1)	(1.1)	(1.1)	(1.2)	(1.2)
Debt Service (Bldg Rev)	(3.4)	(3.4)	-	-	-	-	-	-
Net Surplus/(Deficit)	32.8	(36.8)	7.2	(7.4)	0.0	0.0	0.0	0.0
Ending AUF Balance - System	82.0	45.2	52.4	45.0	45.0	45.0	45.0	45.0
PUF Debt Service Coverage	3.61:1	3.32:1	2.53:1	2.18:1	2.29:1	2.27:1	2.26:1	2.25:1

PUF Debt Capacity Sensitivities at 8.36%

30.4

	Board-Determined	Board-Determined	Board-Determined	Market-Dependent	Market-Dependent	Additional Debt Capacity (\$ Millions)						TOTAL	Projected PUF Market Value in FY 2030
	Annual LERR	U.T. Austin Excellence	PUF Distribution Rate	PUF Investment Return	Change in Tax-Exempt Rates	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY 2005-FY 2010	
	\$30 Million	45.0%	4.75%	8.36%	NA	112.4	0.0	29.6	71.1	50.2	44.5	307.8	22,668,683,686
	\$30 Million	45.0%	4.75%	8.36%	NA	112.4	0.0	29.6	71.1	50.2	44.5	307.8	22,668,683,686
	\$20 Million	45.0%	4.75%	8.36%	NA	122.4	10.0	39.6	81.1	60.2	54.5	367.8	22,668,683,686
	\$10 Million	45.0%	4.75%	8.36%	NA	132.4	20.0	49.6	91.1	70.2	64.5	427.8	22,668,683,686
	None	45.0%	4.75%	8.36%	NA	142.4	30.0	59.6	101.1	80.2	74.5	487.8	22,668,683,686
	\$30 Million	40.0%	4.75%	8.36%	NA	260.1	0.0	45.3	81.1	58.2	52.3	496.9	22,668,683,686
	\$30 Million	45.0%	4.75%	8.36%	NA	112.4	0.0	29.6	71.1	50.2	44.5	307.8	22,668,683,686
	\$30 Million	50.0%	4.75%	8.36%	NA	0.0	0.0	0.0	0.0	31.8	87.3	119.1	22,668,683,686
	\$30 Million	45.0%	4.50%	8.36%	NA	29.3	0.0	22.0	68.1	49.7	44.6	213.7	24,071,833,807
	\$30 Million	45.0%	4.75%	8.36%	NA	112.4	0.0	29.6	71.1	50.2	44.5	307.8	22,668,683,686
	\$30 Million	45.0%	5.00%	8.36%	NA	195.5	0.0	36.9	73.5	50.0	43.7	399.6	21,259,841,648
	\$30 Million	45.0%	4.75%	7.36%	NA	111.9	0.0	22.7	58.4	32.0	24.3	249.3	17,650,473,417
	\$30 Million	45.0%	4.75%	8.36%	NA	112.4	0.0	29.6	71.1	50.2	44.5	307.8	22,668,683,686
	\$30 Million	45.0%	4.75%	9.36%	NA	112.9	0.0	36.4	83.7	68.8	65.2	367.0	29,020,835,150
	\$30 Million	45.0%	4.75%	8.36%	+ 50 bps	101.7	0.0	23.3	67.0	47.0	41.8	280.8	22,668,683,686
	\$30 Million	45.0%	4.75%	8.36%	NA	112.4	0.0	29.6	71.1	50.2	44.5	307.8	22,668,683,686
	\$30 Million	45.0%	4.75%	8.36%	-50 bps	129.2	0.0	41.2	79.4	57.7	51.6	359.1	22,668,683,686

6. **U. T. Board of Regents: Adoption of Fourteenth Supplemental Resolution; authorization to complete all related transactions; and resolution of parity debt**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. Board of Regents:

- a. adopt the Fourteenth Supplemental Resolution to the Master Resolution, substantially in the standard form approved by the Board of Regents on November 13, 2003, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System Bonds in one or more installments in an aggregate principal amount not to exceed \$650,000,000 with a final maturity not to exceed the Year 2035 for the purpose of advance refunding certain outstanding Revenue Financing System Bonds to produce present value debt service savings; to refund a portion of the outstanding Revenue Financing System Commercial Paper Notes, Series A; to provide new money to fund construction and acquisition costs of projects in the Capital Improvement Program; and to pay the costs of issuance and any original issue discount;
- b. authorize issuance of the Bonds with natural or synthetic fixed interest rates and the execution of interest rate swap transactions to convert variable interest rates on the bonds into fixed rate obligations if the Bonds are issued with variable interest rates; and
- c. authorize appropriate officers and employees of the U. T. System as set forth in the Fourteenth Supplemental Resolution to take any and all actions necessary to carry out the intentions of the U. T. Board of Regents, within the limitations and procedures specified therein, make certain covenants and agreements in connection therewith; and resolve other matters incident and related to the issuance, sale, security, and delivery of such Bonds.

The Chancellor also concurs with the recommendation of the Executive Vice Chancellor for Business Affairs that, in compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System adopted by the U. T. Board of Regents on February 14, 1991, amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as required by Section 5 of the Master Resolution, the U. T. Board of Regents resolve that:

- a. sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the

Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the Board relating to the Financing System; and

- b. the component institutions, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt.

BACKGROUND INFORMATION

On February 14, 1991, the Board adopted a Master Resolution establishing the Revenue Financing System (RFS) to create a cost-effective, System-wide financing structure for component institutions of the U. T. System. Since that time, the Board has adopted 13 supplemental resolutions to provide debt financing for projects that have received the requisite U. T. System Board of Regents and Texas Higher Education Coordinating Board approvals.

Adoption of the Fourteenth Supplemental Resolution (Resolution) would authorize the advance refunding of certain outstanding RFS Bonds provided the refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds in advance of the call date. Refunding bonds are issued at lower interest rates thereby producing debt service savings. The Resolution provides flexibility to execute the transaction using either natural or synthetic fixed rate debt. Natural fixed rate debt involves issuing fixed rate bonds. Synthetic fixed rate debt involves issuing variable rate bonds and executing a corresponding floating-to-fixed interest rate swap agreement to effectively convert the interest rate on the bonds to a fixed interest rate. The determination to issue either natural or synthetic fixed rate debt will be made based on market conditions at the time of pricing. The use of any interest rate swap agreements will be in accordance with the U. T. System Interest Rate Swap Policy approved by the Board in February 2003 using standard International Swaps and Derivatives Association, Inc. (ISDA) documentation. The Chairman of the Board of Regents and the Chairman of the Finance and Planning Committee will be informed of any proposed transactions to be undertaken pursuant to the Resolution.

In addition, the Resolution authorizes remarketing, tender, auction and broker-dealer agreements customarily utilized in connection with the types of variable rate instruments authorized.

The Resolution also authorizes the refunding of a portion of the outstanding Revenue Financing System Commercial Paper Notes, Series A, and to provide new money to fund construction and acquisition costs of projects in the Capital Improvement Program. Generally, commercial paper debt is issued to fund projects during the construction phase and the debt is not amortized. Once construction is complete, the commercial

paper is refunded with bonds. Depending on the level of interest rates at the time of pricing, outstanding commercial paper and new money for construction may be financed with long-term debt.

As provided in the Resolution, the potential bonds to be refunded include up to:

- \$3,605,000 of the RFS Bonds, Series 1998A maturing 2014-2018
- \$56,185,000 of RFS Bonds, Series 1998B maturing 2008 and 2012-2018
- \$3,365,000 of the RFS Bonds, Series 1998C maturing 2019
- \$39,725,000 of RFS Bonds, Series 2001B maturing 2020-2022
- \$18,770,000 of RFS Bonds, Series 2001C maturing 2020-2022.

Adoption of this Resolution will provide the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing provided the refunding achieves the minimum 3% savings target.

The proposed Fourteenth Supplemental Resolution has been reviewed by outside bond counsel and the U. T. System Office of General Counsel.

Note: The Fourteenth Supplemental Resolution and forms of auction agreement and broker-dealer agreement are in substantially the same form as the Thirteenth Supplemental Resolution and forms of auction agreement and broker-dealer agreement approved by the Board on November 13, 2003, for use as standard agreements. These documents have not been included as part of the agenda materials, but are available upon request.

7. U. T. System: Approval of aggregate amount of equipment financing for Fiscal Year 2005 and resolution of parity debt

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that the U. T. Board of Regents:

- a. approve an aggregate amount of \$86,360,000 of Revenue Financing System Equipment Financing as allocated to those U. T. System component institutions set out on Page 35;
- b. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:
 - parity debt shall be issued to pay the cost of equipment including costs incurred prior to the issuance of such parity debt;

- sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System;
- the component institutions and U. T. System Administration, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt parity debt in the aggregate amount of \$86,360,000 for the purchase of equipment; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the Code of Federal Regulations, that evidences the Board's intention to reimburse project expenditures with bond proceeds.

BACKGROUND INFORMATION

At the April 14, 1994 meeting, the U. T. Board of Regents approved the use of Revenue Financing System debt for equipment purchases in accordance with the Guidelines Governing Administration of the Revenue Financing System. The guidelines specify that the equipment to be financed must have a useful life of at least three years. The debt is amortized twice a year with full amortization not to exceed 10 years.

This agenda item requests approval of an aggregate amount of \$86,360,000 for equipment financing. Of this amount, \$85,850,000 represents equipment financing for Fiscal Year 2005. The remaining \$510,000 represents equipment financing expected to occur during Fiscal Year 2004.

The Board approved \$80,929,000 of equipment financing in Fiscal Year 2004, of which \$41,892,000 has been issued through June 30, 2004.

Further details on the equipment to be financed and debt coverage ratios for individual components can be found on Page 35.

APPROVAL OF U. T. SYSTEM EQUIPMENT FINANCING
FY 2005

Component	\$ Amount of Request	Description of Equipment Purchases	DSC*	
			Min	Max
U. T. Arlington	\$4,164,000	Student information system computer, elevator modernization HVAC equipment replacement, lighting upgrades, utility infrastructure	1.60	1.71
U. T. Austin	2,000,000	IT hardware, research and athletic equipment	1.94	2.89
U. T. Brownsville	225,000	Stadium lighting	1.52	1.57
U. T. El Paso	1,421,000	Network system upgrades, instructional technology, elevator upgrades, vehicle replacement	1.51	2.78
U. T. San Antonio	6,000,000	Computer equipment & software, scientific & lab equipment	1.26	2.62
U. T. Southwestern Medical Center - Dallas	9,000,000	Clinical equipment, information resources projects, phone system replacement	1.54	2.10
U. T. Medical Branch - Galveston	10,000,000	Clinical & information technology equipment	2.54	3.46
U. T. M. D. Anderson Cancer Center	50,000,000	Diagnostic imaging, radiation and research equipment, information services equipment	3.06	4.63
U. T. Health Science Center-San Antonio **	510,000	Telephone switch	3.34	3.70
U. T. Health Center - Tyler	3,040,000	Network upgrade, radiology equipment, scanner, anesthesia machines, and ambulatory call center system	1.60	3.95

Total	\$86,360,000
--------------	---------------------

* Debt Service Coverage ("DSC") is net revenue divided by debt service.

** The \$510,000 telephone switch is proposed to be purchased and financed during FY 2004.

U. T. System Office of Finance, June 21, 2004

8. U. T. System: Approval of Optional Retirement Program employer contribution rates for Fiscal Year 2005

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor for Administration that the U. T. Board of Regents approve the Optional Retirement Program (ORP) employer contribution rates for Fiscal Year 2005, as recommended by each institution as follows:

For all component institutions and System Administration with respect to employees who participated in the ORP prior to September 1, 1995, an employer contribution rate of 8.5%.

For all other employees, an employer contribution rate as set forth by institution below:

<u>Component Institution</u>	<u>Employer Contribution Rate</u>
The University of Texas at Arlington	6.0 percent
The University of Texas at Austin	6.0 percent
The University of Texas at Brownsville	6.0 percent
The University of Texas at Dallas	6.0 percent
The University of Texas at El Paso	6.0 percent
The University of Texas - Pan American	6.0 percent
The University of Texas of the Permian Basin	8.5 percent
The University of Texas at San Antonio	8.5 percent
The University of Texas at Tyler	6.0 percent
The University of Texas Southwestern Medical Center at Dallas	6.0 percent
The University of Texas Medical Branch at Galveston	8.5 percent
The University of Texas Health Science Center at Houston	6.0 percent
The University of Texas Health Science Center at San Antonio	6.0 percent
The University of Texas M. D. Anderson Cancer Center	8.5 percent
The University of Texas Health Center at Tyler	8.5 percent
The University of Texas System Administration	8.5 percent

BACKGROUND INFORMATION

Prior to September 1, 1995, the ORP employer contribution rate was 8.5% for all ORP participants. An enactment by the 74th Texas Legislature reduced ORP employer contributions to participants from 8.5% to 6.0%, effective September 1, 1995. However, U. T. System was permitted to "grandfather" those employees participating in the

ORP during the 1994-95 biennium. This resulted in a two-tiered ORP employer contribution rate for U. T. System employees: those who participated in ORP during the 1994-95 biennium continued to receive 8.5%, while those who did not participate during the 1994-95 biennium received 6.0%.

The 78th Texas Legislature enacted Texas Government Code Section 830.2015, which expanded the definition of a grandfathered employee from one who had participated during the 1994-95 biennium to one who had participated in ORP prior to September 1, 1995. The legislation also granted permissive authority for institutions of higher education to set the ORP employer contribution rate for grandfathered and nongrandfathered participants at any percentage level between 6.0% and 8.5%. It is not required that the rate be the same for grandfathered employees, nor that the rate be the same for all U. T. component institutions.

Given the diversity of the U. T. System component institutions, and the differential budget impact for each institution, it was determined that each component institution should propose its own ORP employer contribution rates for grandfathered and nongrandfathered participants. For grandfathered employees hired prior to September 1, 1995, all U. T. System component institutions elected to continue the current 8.5% employer contribution rate. For nongrandfathered participants hired after September 1, 1995, six component institutions (including U. T. System Administration) elected to increase the ORP employer contribution rate from 6.0% to 8.5%, while the remaining ten campuses elected to continue the 6% employer contribution rate.

The governing board of an institution of higher education has the authority to set the ORP employer contribution rates in accordance with rules issued by the Texas Higher Education Coordinating Board. Under those rules, the governing board is to determine the employer contribution rates once per fiscal year, to be effective for the entire fiscal year.

9. **U. T. System: Authorization to establish a deferred compensation plan under Internal Revenue Code Section 457(b), to delegate authority to administer the plan, and to authorize conforming changes to Part Two, Chapter VI, Section 9 (Deferred Compensation Plan) of the Regents' Rules and Regulations**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor for Administration that the Board of Regents authorize the establishment of a voluntary deferred compensation plan pursuant to Internal Revenue Code Section 457(b) for all employees of the U. T. System Administration and U. T. institutions, to be known as UTSaver.

It is further recommended that the Board delegate to the Vice Chancellor for Administration the authority for the administration of UTSaver and the power to take all action and to make all decisions and interpretations that may be necessary or appropriate to administer and maintain the plan, consistent with State and federal law.

Further, it is recommended that the Counsel and Secretary to the Board be authorized to make conforming changes to the Regents' Rules and Regulations to reference the plan and the delegation to the Vice Chancellor for Administration.

BACKGROUND INFORMATION

This agenda item was deferred from the May 2004 Finance and Planning Committee meeting of the Board of Regents. Additional information regarding UTSaver was distributed to members of the Finance and Planning Committee via a memorandum dated June 18, 2004, for their consideration and comment.

In 2003, the 78th Texas Legislature, Regular Session, enacted Senate Bill 1652, codified as Texas Government Code Section 609.701 et seq. One provision of Chapter 609 authorizes an institution of higher education to establish a deferred compensation plan for its employees pursuant to Internal Revenue Code Section 457(b).

The State legislation followed the enactment of federal legislation known as the Economic Growth and Tax Relief Reconciliation Act (EGTRRA) in 2001, which changed existing law and created an additional retirement savings opportunity for public employees. Prior to the enactment of EGTRRA, contributions to a voluntary 403(b) tax-sheltered annuity program and a voluntary 457(b) deferred compensation retirement savings program were subject to coordinated limits. This resulted in one contribution limit for both programs. EGTRRA repealed the coordinated limits for 403(b) and 457(b) programs thereby providing a separate contribution limit for each program for years beginning after December 31, 2001.

Prior to the enactment of Senate Bill 1652, the only 457(b) plan option available to U. T. System employees was the deferred compensation plan provided by the Employees Retirement System of Texas known as TexaSaver. Senate Bill 1652 authorizes U. T. System to establish its own deferred compensation plan for employees.

A U. T. System 457(b) plan offers greater convenience to participants through benefits consolidation, while utilizing a proven business model that offers a number of vendors with a variety of investment products meeting cost and quality standards. Offering accessible, well-designed, cost-effective retirement savings plans enables U. T. employees to plan for their future welfare and serves as a recruitment and retention tool for U. T. institutions in today's competitive market. The proposed name for the plan is UTSaver.

The purpose of the UTSaver deferred compensation plan is to provide employees who elect to participate in the plan the option to defer taxation on compensation subject to federal contribution limits. Employees may elect to contribute up to the maximum amount that may be deferred under the plan for the taxable year. The plan will be established pursuant to Texas Government Code Section 609.701 et seq. and is intended to constitute an "eligible deferred compensation plan" within the meaning of Section 457 of the Internal Revenue Code. All contributions to the plan will be employee contributions.

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
DOCKET NO. 118**

July 19, 2004

TO MEMBERS OF THE FINANCE AND PLANNING COMMITTEE:

Woody L. Hunt, Chairman
John W. Barnhill, Jr.
H. Scott Caven, Jr.
Cyndi Taylor Krier
Robert B. Rowling

The Docket for The University of Texas System Administration and the Dockets recommended by the Presidents concerned and prepared by the institutions listed below are submitted for approval as appropriate at the meeting of the U. T. Board of Regents on August 12, 2004. The Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor and General Counsel, and I concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	Docket 1 - 4
The University of Texas at Arlington	Docket 5 - 15
The University of Texas at Austin	Docket 16 - 37
The University of Texas at Brownsville	Docket 38 - 43
The University of Texas at Dallas	Docket 44 - 52
The University of Texas at El Paso	Docket 53 - 58
The University of Texas - Pan American	Docket 59 - 65
The University of Texas of the Permian Basin	Docket 66 - 71
The University of Texas at San Antonio	Docket 72 - 78
The University of Texas at Tyler	Docket 79 - 83
The University of Texas Southwestern Medical Center at Dallas	Docket 84 - 93
The University of Texas Medical Branch at Galveston	Docket 94 -102
The University of Texas Health Science Center at Houston	Docket 103-113
The University of Texas Health Science Center at San Antonio	Docket 114-122
The University of Texas M. D. Anderson Cancer Center	Docket 123-133
The University of Texas Health Center at Tyler	Docket 134-135

Mark G. Yudof
Chancellor

xc: Other Members of
the Board

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**U. T. SYSTEM ADMINISTRATION
AMENDMENTS TO THE 2003-04 BUDGET**

TRANSFERS OF FUNDS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and the Chancellor and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
LIBRARY SPECIAL COLLECTIONS RESERVE		
1. Amount of Transfer:	60,000	3
From: U. T. System Administration – Library Special Collection Reserve		
To: U. T. Arlington		
<p>Transfer funds from the Library Special Collection Reserve to U. T. Arlington for the purchase of 116.5 linear feet of personal papers, manuscripts, and correspondence of Texas writer, A. C. Greene, and add these materials to the Special Collections Division of the U. T. Arlington Libraries. Mr. Greene played a pivotal role in focusing attention and debate on Texas letters and authors, and because of the importance of his own creative workings in the literary history of Texas, U. T. Arlington has worked many years to complete this acquisition. The papers have a market value of \$120,000 and the estate has agreed to donate half of their value to U. T. Arlington; therefore, half of the appraised valued is requested for the purchase.</p>		
2. Amount of Transfer:	125,000	4
From: U. T. System Administration – Library Special Collection Reserve		
To: U. T. Austin		
<p>Transfer funds from the Library Special Collection Reserve to U. T. Austin for purchase of the Forzinetti Archive by the Harry Ransom Humanities Research Center. The Forzinetti Archive contains seminal materials pertaining to the infamous Dreyfus Affair that took place in France in the 1890s. It also contains materials valuable for research in French literature and culture as well as Jewish and Holocaust studies. This archive would be an extremely important addition to the holdings of the Harry Ransom Center and a resource for scholars. U. T. Austin will fund the remaining \$225,000 needed for the purchase.</p>		

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Chancellor, and is recommended for approval by the U. T. Board of Regents:

- Item: Executive Vice Chancellor for Business Affairs

Funds: \$250,000 annually

Period: Beginning July 19, 2004

Description: Agreement for employment of Executive Vice Chancellor for Business Affairs, Dr. Scott C. Kelley. The Executive Vice Chancellor for Business Affairs reports to and is responsible to the Chancellor and shall hold office without fixed term, subject to the pleasure of the Chancellor. Compensation also includes \$8,400 annual automobile allowance to be paid monthly. System Administration will reimburse some club and professional memberships and continuing education expenses. Additionally, System Administration will either make payment for or reimburse the actual costs for expenses related to preparation and moving of household, personal, and professional possessions and will be responsible for the tax consequences, if any, of the moving expenses.

OTHER MATTERS

APPROVAL OF NEWLY COMMISSIONED U. T. SYSTEM PEACE OFFICERS

In accordance with Chapter 51.203 of the Texas Education Code, the U. T. Board of Regents is requested to approve the commissioning of the individuals listed below as peace officers effective June 11, 2004. The following officers have completed a course of training that included mandated Texas Commission on Law Enforcement Officer Standards and Education courses at The University of Texas System Police Training Academy and have successfully passed the State of Texas Peace Officer Licensing Examination.

<u>Name</u>	<u>Component Institution</u>
Michelle Luci Avila	U. T. San Antonio
Tracy Mae Buck	U. T. Southwestern Medical Center - Dallas
Michelle D'Alesandro	U. T. Medical Branch - Galveston
Tyrone T. Davis	U. T. Health Science Center - Houston
Joel Benjamin Lee Dobbins	U. T. Southwestern Medical Center - Dallas
Ryan D. Erwin	U. T. Medical Branch - Galveston
Tony M. Esprit	U. T. Health Science Center - Houston
Travis John Houston Gates	U. T. Health Science Center - Houston
Reginald R. Larson	U. T. San Antonio
Ernest Edward Natal	U. T. San Antonio
Nancy A. Olguin	U. T. Austin
Brodie E. Riner, III	U. T. Health Science Center - Houston
Kelly D. Ross	U. T. Austin
Stephen R. Schlather	U. T. Austin
Adrian L. Slaymaker	U. T. Austin
Janna M. Swain	U. T. Austin
Darryl D. Tidwell	U. T. Austin
Angelica M. Uvalle	U. T. Health Science Center – Houston

REAL ESTATE REPORT

THE UNIVERSITY OF TEXAS SYSTEM REAL ESTATE ASSETS

Managed by U. T. System Real Estate Office

Summary Report at May 31, 2004

		FUND TYPE							
		Current Purpose Restricted		Endowment & Similar Funds		Annuity & Life Income Funds		TOTAL	
		Book	Market	Book	Market	Book	Market	Book	Market
Land & Buildings:									
Ending Value	2/29/04	\$ 5,355,012	\$ 23,188,537	\$ 25,062,921	\$ 202,993,074	\$ 1,249,644	\$ 858,515	\$ 31,667,577	\$ 227,040,126
Increase or Decrease		1	1	(318,000)	(49,978)	-	-	(317,999)	(49,977)
Ending Value	3/31/04	\$ 5,355,013	\$ 23,188,538	\$ 24,744,921	\$ 202,943,096	\$ 1,249,644	\$ 858,515	\$ 31,349,578	\$ 226,990,149
Other Real Estate:									
Ending Value	2/29/04	\$ 133,098	\$ 133,098	\$ 356,886	\$ 356,886	\$ 0	\$ 0	\$ 489,984	\$ 489,984
Increase or Decrease		(1,221)	(1,221)	(16,871)	(16,871)	0	0	(18,092)	(18,092)
Ending Value	5/31/04	\$ 131,877	\$ 131,877	\$ 340,015	\$ 340,015	\$ 0	\$ 0	\$ 471,892	\$ 471,892

Report prepared in accordance with Sec. 51.0032 of the Texas Education Code.

Details of individual assets by account furnished on request.

U. T. ARLINGTON

CHANGES TO ADMISSION CRITERIA

The following listing summarizes the changes proposed to admission criteria to be included in the Catalog of The University of Texas at Arlington. The changes have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. Board of Regents:

Summary of Changes to Transfer Admission Criteria

Addition: Admission Policy in compliance with Texas Education Code Section 51.808. This policy describes the requirements for entrance and selection factors used in the selection of students at The University of Texas at Arlington.

U. T. Arlington recommends the following two-part change to transfer admission requirements:

1. Advance the transfer application deadline 30 days to May 1 and November 1 for the fall and spring terms respectively, and April 1 for the summer.
2. Increase the minimum grade point average for acceptance from 2.0 to 2.25.

Justification for Changes

As part of the ongoing University effort to improve incoming classes of students, to ensure the academic success of students, to better match resources with enrollment, to protect the quality of the classroom experience, and to strengthen the public perception of the University, we recommend an increase in transfer admissions requirements for Fall 2005 as well as an earlier transfer application deadline.

A modest increase in admission requirements signals that the University values academic strength. Higher expectations for student performance prior to transfer are consistent with the higher performance expectations for first time freshmen and admission to academic majors.

An earlier application deadline requires students to act sooner thus providing more time for the delivery of important services such as course evaluation, academic advising, financial aid, and orientation; in effect, more time for the things that support student success. Furthermore, a revised deadline signals that attending the University cannot be considered a last minute plan.

AMENDMENTS TO THE 2003-04 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary</u>		<u>RBC #</u>
				<u>Rate \$</u>		
OFFICE OF THE PRESIDENT						
President						
College of Liberal Arts						
Communication						
School of Urban and Public Affairs						
1. James D. Spaniolo (T)						73
From: President		100	12	65,945		
and		R	12	173,655		
Professor of		SUPLT	12	35,400		
Communication		0	09	90,000		
To: President	3/28-8/31	100	12	65,945		
and Professor of	3/28-8/31	R	12	173,655		
Communication and	3/28-8/31	SUPLT	12	35,400		
Professor of Urban	3/28-5/31	0	09	90,000		
and Public Affairs	3/28-5/31	0	09	90,000		

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
OFFICE OF THE PROVOST AND VICE PRESIDENT FOR ACADEMIC AFFAIRS					
Provost and Vice President for Academic Affairs					
College of Liberal Arts					
Sociology					
2. Dana Dunn (T)					44
From: Interim Provost and Vice President for Academic Affairs and Associate Professor		100 SUPLT 0	12 12 09	158,067 40,000 86,692	
To: Provost and Vice President for Academic Affairs and Associate Professor	3/1-8/31 3/1-5/31	100 0	12 09	198,067 86,692	
OFFICE OF THE PROVOST					
Office of the Vice President for Academic Affairs					
College of Liberal Arts					
Political Science					
3. Michael Moore (T)					66
From: Associate Professor and Associate Vice President for Academic Affairs		0 SUPLT 100	09 4.5 12	54,986 5,368 89,049	
To: Associate Professor and Associate Provost	3/1-5/31 3/1-5/31 3/1-8/31	0 SUPLT 100	09 4.5 12	54,986 5,368 114,049	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF ENGINEERING					
Electrical Engineering					
4. Raymond R. Shoults (T)					78
From: Professor and Acting Chair		100 SUPLT	09 09	94,800 7,500	
To: Professor and Chair	6/1-5/31 6/1-8/31	100 SUPLT	09 09	94,800 7,500	
COLLEGE OF LIBERAL ARTS					
English					
5. Wendy B. Faris (T)					72
From: Professor		100 SUPLT	09 09	65,606 6,000	
To: Professor and Chair	6/1-5/31 6/1-8/31	100 SUPLT	09 09	65,606 6,000	
COLLEGE OF SCIENCE					
Office of the Dean Psychology					
6. Paul B. Paulus (T)					77
From: Professor and Chair		100 SUPLT	09 09	87,450 7,000	
To: Professor and Interim Dean	5/1-5/31 5/1-8/31	0 100	09 12	87,450 140,000	

PARKING AND TRAFFIC REGULATIONS

The following listing summarizes the substantive changes proposed to Parking and Traffic Regulations of The University of Texas at Arlington. They have been approved by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel and are incorporated in model regulations approved by the U. T. Board of Regents. These regulations supersede all prior Parking and Traffic Regulations and continue in effect until modified.

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Change</u>
6	Section I. O. Visitors parking passes rate increase from \$1.00 to \$2.00 weekly and from \$5.00 to \$6.00 monthly.
12	Section III. Add statement regarding towing of unauthorized vehicles at the discretion of the reserve space owner.
17	Section V. Rate increase from \$25.00 to \$50.00 for employees who accumulate more than three unpaid traffic violations.
18	Section V. B.6. Add statement that a vehicle shall not block traffic in a university owned lot unless a vehicle occupying a space is in the process of vacating the space.
18	Section V. B.7. Add statement that a vehicle shall not block a gated access portion of a lot at any time.
21	Section VI. K.3. A rate increase from \$1.00 to \$5.00 per week for each additional hangtag after two have been issued during any one session.
23	Section VI. M. Add statement that a two week pass can be issued per doctor's letter for disabled parking until the county disabled placard can be obtained; the University recognizes vehicle parking in disabled parking displaying the Texas Department of Transportation disabled placard as legally parked in lieu of a University permit.

PARKING AND TRAFFIC REGULATIONS (CONTINUED)

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Change</u>
24	Section VI. N.2. Revised to allow visitors and temporary workers to obtain temporary hang tags.
25	Section VII. Delete "Backing unsafely"; add "Obstruction of driveway, aisle or gate"; delete "Parking in driveways".

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
PROPOSED REAPPOINTMENT	RELATIVE
1. Office of the President President James D. Spaniolo	Office of the President Special Assistant Sally Spaniolo (spouse)*
2. College of Business Administration Office of the Dean Dean Daniel D. Himarios	College of Business Administration Economics Department Senior Lecturer Jane S. Himarios (spouse)
3. Campus Printing Service Director Steven M. Burdette	Campus Printing Service Assistant Director Mary K. Ruesing (spouse)

*Mrs. Spaniolo is not listed in the budget as she is appointed without compensation.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Business		
Administration		
Information Systems and Operations Management Mahapatra, Radha	Assistant Professor (NT)	Associate Professor (T)
College of Engineering		
Computer Science Engineering		
Lawrence B. Holder	Associate Professor (T)	Professor (T)
Farhad A. Kamangar	Associate Professor (T)	Professor (T)
Electrical Engineering Meng Tao	Assistant Professor (NT)	Associate Professor (T)
College of Liberal Arts		
Art and Art History		
Andrew Ortiz	Assistant Professor (NT)	Associate Professor (T)
Barton C. Weiss	Assistant Professor (NT)	Associate Professor (T)
Communication Alisa R. White	Assistant Professor (NT)	Associate Professor (T)
Criminology and Criminal Justice O. Elmer Polk	Assistant Professor (NT)	Associate Professor (T)
History Gerald D. Saxon	New	Associate Professor (T)
Political Science Mark A. Cichock	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts (Continued)		
Sociology and Anthropology		
Karl M. Petruso	Associate Professor (T)	Professor (T)
Theatre Arts		
Andrew C. Gaupp	Associate Professor (T)	Professor (T)
College of Science		
Chemistry		
Rasika Dias	Associate Professor (T)	Professor (T)
Dmitry Rudkevich	Assistant Professor (NT)	Associate Professor (T)
Geology		
John M. Holbrook	New	Professor (T)
Mathematics		
Barbara A. Shipman	Assistant Professor (NT)	Associate Professor (T)
Michaela Vancliff	Assistant Professor (NT)	Associate Professor (T)
Psychology		
Charles J. Brainerd	New	Professor (T)
Robert J. Gatchel	New	Professor (T)
School of Nursing		
Mary L. Bond	New	George W. & Hazel M. Jay Professorship (T)
Barbara M. Raudonis	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	22	12	34	17
b. To keep proper sequence	5	3	8	47
c. New program	15	12	27	7
d. Cross listed	6	3	9	7
e. First time offered	1	2	3	1
f. Accreditation or licensing standard	3	1	4	0
g. Limited facilities	6	1	7	18
Subtotal	58	34	92	97
h. Voluntarily offered	5	26	31	20
Total	63	60	123	117

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	2	1	3	10
b. To keep proper sequence	0	2	2	0
c. New program	1	5	6	2
d. Cross listed	5	13	18	5
e. First time offered	0	0	0	1
f. Accreditation or licensing standard	1	1	2	0
g. Limited facilities	0	0	0	0
Subtotal	9	22	31	18
h. Voluntarily offered	1	6	7	3
Total	10	28	38	21

U. T. AUSTIN

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate, and is recommended for approval by the U. T. Board of Regents:

1. Donor Name: ConocoPhillips Company
College/School/ Department: Various colleges, sections, and units
Purpose: Benefiting a variety of programs
Asset Type: Cash
Value: \$1,000,000

CONTRACTS

The following contract has been administratively approved by the President or his delegate and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Ludwig-Maximilians-Universität München
Funds: \$240,471
Period: May 1, 2004-August 31, 2012
Description: Agreement between the McDonald Observatory and Ludwig-Maximilians-Universität München (LMU), wherein LMU will provide prepayment for LMU's use of the Hobby-Eberly Telescope (HET). LMU is currently using the HET under a separate agreement.

2. Agency: University of Trinidad and Tobago
Funds: \$5,000,000
Period: August 1, 2004-July 31, 2009
Description: Collaboration Agreement wherein U. T. Austin will assist the University of Trinidad and Tobago in establishing its B.S. and M.S. degree programs in Petroleum Engineering, and a Center for Energy Studies at the University of Trinidad and Tobago, Department of Petroleum Engineering.

AMENDMENTS TO THE 2003-04 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate \$</u>	<u>RBC #</u>
COLLEGE OF COMMUNICATION					
Communication Studies					
1. Roderick P. Hart (T)					117
From: Allan Shivers Centennial Chair in Communication and Professor Chair Supplement		100 SUPLT	09 09	117,493 30,000	
To: Interim Dean and Walter Cronkite Regents Chair In Communication Dean's Chair Supplement	7/1-8/31 7/1-8/31	100 SUPLT	12 12	165,500 20,000	

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
SERVICE DEPARTMENTS FUNDS		
Information Technology Services		
2. Amount of Transfer:	863,300	101

From: Information Technology Services Administration Store Operating Income

To: Information Technology Services Services – Maintenance, Operation, Equipment

Transfer from I.T.S. Store income account to Services expense account to provide funding for maintenance/repair of computer equipment and software; rental of computer software; computer equipment; consumable office computer supplies; telecommunications rental; and computer software expenses.

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
DESIGNATED FUNDS		
Dean of Liberal Arts		
3. Amount of Transfer:	649,550	102
From: Placement Fee – Operating Income		
To: Placement Fee – Other Expenses		
Transfer placement fee income to expense account to provide funding for renovation of the Liberal Arts Career Services Office in Flawn Academic Center. (Reference RBC #104 transferring Liberal Arts' Designated Funds to Plant Funds).		
PLANT FUNDS		
Information Technology Services – U.T.X. Equipment		
4. Amount of Transfer:	1,500,000	103
From: Service Department Funds – I.T.S. Telecommunications Network – U.T.X. Telephone Systems Operating Income		
To: U.T.X. Equipment Replacement Allocation Account		
Balance forward income transferred to the equipment replacement account to fund line equipment hardware/software upgrades and internal system purchases.		
Physical Plant – Flawn Academic Center		
5. Amount of Transfer:	780,000	104
From: Designated Funds – Liberal Arts Placement Fee Operating Income		
To: Flawn Academic Center Career Services Renovation All Expenses Account		
Supplemental funding for the Liberal Arts Career Services renovation in Rooms 20, 28, and 34 of the Flawn Academic Center.		

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

TRANSFERS OF FUNDS (CONTINUED)

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS (Continued)		
Physical Plant – Kinsolving Dormitory		
6. Amount of Transfer:	1,800,000	105
From: Auxiliary Enterprise Funds – Housing and Food Services – Division Office Other Expenses		
To: Kinsolving – Fire Protection and Renovation All Expenses		
Supplemental funding for fire protection and renovation in the food service area and lobby of Kinsolving Dormitory.		
Physical Plant – Kinsolving Dormitory		
7. Amount of Transfer:	700,000	106
From: Housing and Food Services General Repair and Replacement Allocation Account		
To: Kinsolving – Electrical Distribution Upgrades All Expenses Account		
Funding for an electrical distribution upgrade in Kinsolving Dormitory.		

PARKING AND TRAFFIC REGULATIONS

The following listing summarizes the substantive changes proposed to Parking and Traffic Regulations of The University of Texas at Austin. They have been approved by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel and are incorporated in model regulations approved by the U. T. Board of Regents. These regulations supersede all prior Parking and Traffic Regulations and continue in effect until modified.

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Change</u>
3	Definition of visitors to include "event" parkers.
4	Parking citation debts will be invoiced to the permit holder.
6	Penalty for blocking spaces for those with disabilities.
6	Garage access will be denied for overdue charges.
7	Upon receipt of a motor vehicle transfer notification (form VTR-346) from the Department of Motor Vehicle Records, the owner will be relieved of any liability for citations issued after that date.
8	Habitation in vehicles parked on U. T. Austin campus is prohibited.
9, 20-21	Addresses the use of and regulations for Electronic Personal Assistive Mobility Devices (EPAMD) on U. T. Austin campus.
10	New definition of "park" (attended or unattended).
13	Clarification of penalties for possession or use of a lost, stolen, forged, or altered parking permit.
13-14	Extended parking (over 72 hours) must be coordinated with Parking and Transportation Services.
15	Employees who fail to abide by the parking regulations may be referred to their Dean or Director for further action and may have their parking privileges suspended with no refund.
16-17	Event signage outlining all parking restrictions and reserved parking areas will be put into place at least 72 hours before any University sponsored event. Any event which impacts parking on the University campus must be coordinated with Parking and Transportation Services.
17	Extended hours of meter to "24 hours a day" with a 30 minute limit.

PARKING AND TRAFFIC REGULATIONS (CONTINUED)

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Change</u>
18	Penalties for improper exit or misuse of garage access cards.
20, 50	Added penalty of immobilization by booting of bicycles or EPAMDs that are not parked according to these regulations.
20	Added "Low-Powered Electrical Bicycles" in the description for bicycles.
20	Added "Department Chair" as an authority who may give permission to store bicycles in buildings.
21	Bicycles or EPAMDs stored for more than five days after University housing closes will be considered abandoned and shall be deemed University property for disposal.
24, 33	Night Horn permit described.
25	Added penalty of citation for failure to display a permit.
30	Eliminated salary criteria for Class "F" permit applications.
32	Added clarification as to who is responsible for the purchase of a Class "AN" (Shift Worker) permit.
32	Surface parking overnight by students extended to 4:00 a.m. in lots west of the Interstate Highway.
34	Class "M" (Motorcycle) permits are no longer available at no cost to Class "R" (Resident) permit holders.
37	U. T. Share Garage Pass allows any faculty/staff member an opportunity to purchase a University debit card for use in garages on a space available basis.
40	Class "VN" (Vendor) permit fee must be paid by either the vendor or the coordinating University department.
51	Impoundment procedure for customer returning prior to the actual impound.
51	Boot procedure for customer returning prior to the installation of the boot.

FEES AND MISCELLANEOUS CHARGES

PARKING PERMIT FEES

Approval is recommended for the following parking permit fees to be effective beginning with the Fall Semester 2003. The Student Fees Advisory Committee, as required under Section 54.514 of the Texas Education Code, has approved the fees. The fees have also been administratively approved by the Executive Vice Chancellor for Academic Affairs.

Following Regental approval, the appropriate catalog will be amended to reflect these new fees.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>Academic Year:</u>			
<u>Student (Garage)</u>			
Permit "R"	616	648	5.19%
Permit "S"	510	540	5.88%
<u>Student (Surface)</u>			
Permit "C"	89	100	12.36%
Permit "C+"	139	160	15.11%
Permit "DC"	89	100	12.36%
<u>Employee/Student</u>			
Permit "E"	50	60	20.00%
Permit "M"	50	60	20.00%
Permit "N"	50	60	20.00%
<u>Annual Fee:</u>			
<u>Employee</u>			
Permit "A"	108	120	11.11%
Permit "AN"	n/a	30	n/a
Permit "D"	108	120	11.11%
Permit "F"	381	420	10.24%
Permit "FDP"	381	420	10.24%
Permit "F21"	600	672	12.00%
Permit "F99"	600	672	12.00%
Permit "O"	600	672	12.00%
Permit "VN"	381	420	10.24%

FEEES AND MISCELLANEOUS CHARGES (CONTINUED)

PARKING PERMIT FEES (CONTINUED)

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<u>Single Semester Fee: Student (Garage)</u>			
Permit "R"	336	360	7.14%
Permit "S"	240	256	6.67%
<u>Single Semester Fee: Employee/Student</u>			
Permit "N"	35	44	25.71%
<u>Summer Semester Fee: Employee/Student</u>			
Permit "N"	25	30	20.00%

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

PARKING ENFORCEMENT FEES

Approval is recommended for the following parking enforcement fees to be effective beginning with the Fall Semester 2004. The fees have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

Following Regental approval, the appropriate catalog will be amended to reflect these new fees.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
Inhabiting a vehicle of any kind on U. T. Austin property without authorization	n/a	50	n/a
Improper exit from a U. T. Austin parking garage (plus maximum daily fee due)	n/a	25	n/a

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
PROPOSED REAPPOINTMENT	RELATIVE
1. Office of the President President Larry R. Faulkner	Office of the President Special Assistant Mary Ann Faulkner (spouse)*
2. Red McCombs School of Business Accounting Professor Rowland Atiase	Red McCombs School of Business Accounting Lecturer Florence Atiase (spouse)
3. College of Education Educational Administration Sid W. Richardson Regents Chair in Community College Leadership John E. Roueche, Jr.	College of Education Educational Administration Senior Lecturer and Editor Suanne Roueche (spouse)
4. College of Engineering Biomedical Engineering Fletcher Stuckey Pratt Chair in Engineering Nicholas Peppas	College of Engineering Biomedical Engineering Research Professor Lisa Peppas (spouse)
5. College of Fine Arts Theatre and Dance Joanne Sharp Crosby Regents Chair in Design Technology Richard M. Isackes	College of Fine Arts Theatre and Dance Associate Professor Sharon Grady (spouse)
6. College of Liberal Arts Classics Raymond Dickson Centennial Professor Thomas Palaima	College of Liberal Arts Classics Senior Program Coordinator Carolyn Palaima (spouse)

*Mrs. Faulkner is not listed in the budget as she is appointed without compensation.

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES (CONTINUED)**

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
PROPOSED APPOINTMENT (Continued)	RELATIVE
7. College of Natural Sciences Section of Integrative Biology Professor and Dean of College of Natural Sciences Mary Ann Rankin	College of Natural Sciences Section of Neurobiology Professor Wesley Thompson (spouse)
8. College of Natural Sciences Cellular and Molecular Biology Mr. and Mrs. Frank A. Smith, Jr. Regents Chair in Molecular Biology Alan Lambowitz	College of Natural Sciences Cellular and Molecular Biology Assistant Professor Ellen Gottlieb (spouse)
9. College of Pharmacy Clinical Assistant Professor Jon T. Albrecht	College of Pharmacy Clinical Instructor Linda S. Albrecht (spouse)
10. College of Pharmacy Clinical Associate Professor Yui-Wing Lam	College of Pharmacy Clinical Assistant Professor Chi –Yim Chan-Lam (spouse)
11. College of Pharmacy George H. Hitchings Chair in Drug Design Hung-Wen Liu	College of Pharmacy Research Associate Yung-Nan Liu (spouse)
12. College of Pharmacy Associate Professor Richard A. Morrisett	College of Pharmacy Research Associate Regina E. Maldve (spouse)
13. College of Pharmacy Alcon Centennial Professor in Chemistry Salomon Stavchansky	College of Pharmacy Teaching Assistant Marcus Stavchansky (son)
14. College of Pharmacy Johnson & Johnson Centennial Fellow in Pharmacy Robert O. Williams III	College of Pharmacy Director of Continuing Education Jill L. Williams (spouse)

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES (CONTINUED)**

College, Department, Title, Name

College, Department, Title, Name

**PROPOSED APPOINTMENT
(Continued)**

RELATIVE

15. Marine Science Institute
Research Professor
Lee A. Fuiman

Marine Science Institute
Senior Office Assistant
Linda T. Fuiman (spouse)

16. Bureau of Business Research
Associate Director
J. Bruce Kellison

Bureau of Business Research
Editor II
Sally J. Furgeson (spouse)

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Architecture		
Architecture and Planning		
Michael Oden	Assistant Professor (NT)	Associate Professor (T)
Vincent L. Snyder	Assistant Professor (NT)	Associate Professor (T)
Nichole Wiedemann	Assistant Professor (NT)	Associate Professor (T)
College of Business		
Administration		
Accounting		
Michael B. Clement	Assistant Professor (NT)	Associate Professor (T)
Finance		
Zhenyu Wang	New	Associate Professor (T)
Management		
Edward G. Anderson, Jr.	Assistant Professor (NT)	Associate Professor (T)
Alison Davis-Blake	Professor (T)	Eddy Clark Scurlock Centennial Professor in Management (T)
Management Science and Information Systems		
Paul Damien	New	B.M. (Mack) Rankin, Jr. Professor in Business Administration (T)
Jonathan J. Koehler	Associate Professor (T)	Distinguished Teaching Professor (T)
Prabhudev C. Konana	Associate Professor (T)	Distinguished Teaching Professor (T)
Marketing Administration		
Susan M. Broniarczyk	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Communication		
Advertising		
Geraldine R. Henderson	New	Associate Professor (T)
Deborah K. Morrison	Associate Professor (T)	William David Blunk Memorial Professor (T)
Radio-Television-Film		
Andrew S. Garrison	Assistant Professor (NT)	Associate Professor (T)
School of Journalism		
Maggie R. Rodriguez	Assistant Professor (NT)	Associate Professor (T)
College of Education		
Curriculum and Instruction		
Susan B. Empson	Assistant Professor (NT)	Associate Professor (T)
Special Education		
Diane P. Bryant	Associate Professor (T)	Professor (T)
College of Engineering		
Aerospace Engineering and Engineering Mechanics		
Jeffrey K. Bennighof	Associate Professor (T)	Professor (T)
Glenn Lightsey	Assistant Professor (NT)	Associate Professor (T)
Civil Engineering		
Carl T. Haas	Professor (T)	Clyde E. Lee Endowed Professor in Transportation Engineering (T)
Spyridon A. Kinnas	Associate Professor (T)	Professor (T)
Kara Kockelman	Assistant Professor (NT)	Associate Professor (T)
Ellen M. Rathje	Assistant Professor (NT)	Associate Professor (T)
Danny D. Reible	New	Bettie Margaret Smith Chair in Environmental Health Engineering (T)
Eric B. Williamson	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Engineering (Continued)		
Electrical and Computer Engineering Dennis G. Deppe	Professor (T)	Cullen Trust for Higher Education Endowed Professor in Engineering #5 (T)
Mechanical Engineering Steven P. Nichols	Associate Professor (T)	Clint W. Murchison, Sr. Fellow of Free Enterprise (T)
Elmira Popova	Assistant Professor (NT)	Associate Professor (T)
Petroleum & Geosystems Engineering Carlos Torres-Verdin	Assistant Professor (NT)	Associate Professor (T)
College of Fine Arts		
Art and Art History Troy D. Brauntuch	Assistant Professor (NT)	Associate Professor (T)
Glenn A. Peers	Assistant Professor (NT)	Associate Professor (T)
Music Jeffrey L. Hellmer	Professor (T)	E.W. Doty Professor in Fine Arts (T)
Theatre and Dance James J. Glavan	Professor (T)	David Bruton, Jr. Regents Professor in Fine Arts (T)
Lynn C. Miller	Associate Professor (T)	Professor (T)
College of Liberal Arts		
American Studies Janet M. Davis	Assistant Professor (NT)	Associate Professor (T)
Asian Studies Sung-Sheng Chang	Associate Professor (T)	Professor (T)
Patricia Maclachlan	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts (Continued)		
English		
Douglas S. Bruster	Assistant Professor (NT)	Associate Professor (T)
Ann Cvetkovich	Associate Professor (T)	Professor (T)
Jose E. Limon	Professor (T)	Mody C. Boatright Regents Professor in American and English Literature (T)
Adam Z. Newton	Professor (T)	Jane and Roland Blumberg Centennial Professor in English (No. 2) (T)
Roger D. Renwick	Associate Professor (T)	Professor (T)
Geography		
Paul F. Hudson	Assistant Professor (T)	Associate Professor (T)
Germanic Studies		
Sabine Hake	New	Texas Chair of German Literature and Culture (T)
Government		
Gary J. Jacobson	New	Patterson-Bannister Chair And H. Malcolm Macdonald Chair in Constitutional and Comparative Law (T)
Thomas L. Pangle	New	Joe R. Long Endowed Chair in Democratic Studies (T)
Kurt G. Weyland	Associate Professor (T)	Professor (T)
History		
Alison K. Frazier	Assistant Professor (T)	Associate Professor (T)
Seth W. Garfield	Assistant Professor (T)	Associate Professor (T)
Linguistics		
Samuel K. Walters	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Liberal Arts (Continued)		
Rhetoric and Composition		
Joan M. Mullin	New	Professor (T)
Patricia Roberts-Miller	Assistant Professor (NT)	Associate Professor (T)
Jeffrey Walker	New	Professor (T)
Sociology		
Robert A. Hummer	Associate Professor (T)	Professor (T)
Marc A. Musick	Assistant Professor (NT)	Associate Professor (T)
College of Natural Sciences		
Astronomy		
Karl Gebhart	Assistant Professor (NT)	Associate Professor (T)
Chemistry and Biochemistry		
Eric V. Anslyn	Professor (T)	Norman Hackerman Professor in Chemistry and Distinguished Teaching Professor (T)
Brent L. Iverson	Professor (T)	Warren J. and Viola Mae Raymer Professor and Distinguished Teaching Professor (T)
Michael J. Krische	Assistant Professor (NT)	Professor (T)
John F. Stanton	Professor (T)	George W. Watt Centennial Professor (T)
Computer Sciences		
Douglas C. Burger	Assistant Professor (NT)	Associate Professor (T)
Anna Gal	Assistant Professor (NT)	Associate Professor (T)
Stephen W. Keckler	Assistant Professor (NT)	Associate Professor (T)
Harrick M. Vin	Associate Professor (T)	Professor (T)
Human Ecology		
Deborah B. Jacobvitz	Associate Professor (T)	Professor (T)
Bugao Xu	Associate Professor (T)	Professor (T)
Mathematics		
Sean M. Keel	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Natural Sciences (Continued)		
Physics		
Fred C. Moore	Professor (T)	Marian Harris Thornberry Centennial Professor Mathematics or Physics (T)
Section of Integrative Biology		
David M. Parichy	Assistant Professor (NT)	Associate Professor (T)
College of Pharmacy		
Pharmacy		
Jamie C. Barner	Assistant Professor (NT)	Associate Professor (T)
Christine L. Duvauchelle	Assistant Professor (NT)	Associate Professor (T)
Robert O. Williams III	Associate Professor (T)	Johnson & Johnson Centennial Fellow in Pharmacy (T)
Lyndon B. Johnson School of Public Affairs		
LBJ School of Public Affairs		
William G. Spellman	Associate Professor (T)	Professor (T)
School of Social Work		
Social Work		
King E. Davis	Professor (T)	Hogg Professor in Sociology (T)

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Academic Affairs in accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13 and is submitted for approval by the U. T. Board of Regents. It has been determined that the holding of this office or position is of benefit to the State of Texas and The University of Texas and there is no conflict between holding the position and the appointment of Dr. Flamm with The University of Texas at Austin.

By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University appointment.

- | | |
|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name: | Dr. Kenneth S. Flamm |
| Title: | Professor, LBJ School of Public Affairs |
| Position: | Member of the Board on Science, Technology, and Economic Policy of The National Academies |
| Period: | October 1, 2003 through October 31, 2006 |
| Compensation: | None |
| Description: | Dr. Richard E. Bissell, Executive Director of the Policy and Global Affairs Division of The National Academies appointed Dr. Flamm to serve as a member of the Board on Science, Technology, and Economic Policy. This Board makes the initial review of research projects and follows up with recommendations to the Policy and Global Affairs Division as to which projects should be funded. |

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	58	33	91	93
b. To keep proper sequence	75	112	187	155
c. New program	0	0	0	0
d. Cross listed	28	26	54	37
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	7	12	19	8
g. Limited facilities	0	0	0	0
Subtotal	168	183	351	293
h. Voluntarily offered	23	8	31	24
Total	191	191	382	317

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	10	11	21	44
b. To keep proper sequence	36	45	81	38
c. New program	0	0	0	0
d. Cross listed	45	56	101	100
e. First time offered	4	0	4	0
f. Accreditation or licensing standard	9	7	16	22
g. Limited facilities	0	0	0	0
Subtotal	104	119	223	204
h. Voluntarily offered	0	0	0	0
Total	104	119	223	204

U. T. BROWNSVILLE
AMENDMENTS TO THE 2003-04 BUDGET

TRANSFERS OF FUNDS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
Education and General Fund		
1. Amount of Transfer:	3,040,000	28
From: Fund Balance		
To: Life Health Sciences II Education and Business Complex Maintenance and Operations		

This transfer is needed to fund building and/or equipment needs for the new Education and Business Complex. Construction is ongoing and funds will be used to continue construction and ordering of essential equipment.

2. Amount of Transfer:	800,000	29
From: Fund Balance		
To: Higher Education Assistance Fund (HEAF) – Academic Affairs Non-Capitalized Equipment and HEAF – Academic Affairs Capitalized Equipment		

To set up HEAF Budget for Academic Affairs to purchase equipment needed for research, update old computers and lab equipment.

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel action involving the appointment, reappointment, or promotion of relatives has been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel action is consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED REAPPOINTMENT

RELATIVE

1. **College of Liberal Arts**

Fine Arts

Chairperson/Assoc. Professor

Sue Zanne Urbis

Fine Arts

Associate Professor

Richard J. Urbis (spouse)

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Business		
Business Technology Irma Jones	Associate Professor (T)	Professor (T)
Business Administration Rafael Otero	Assistant Professor (NT)	Associate Professor (T)
School of Health Sciences		
Allied Health Shamina Davis	Associate Master Technical Instructor (T)	Master Technical Instructor (T)
Ana Linville	Technical Instructor (NT)	Assistant Master Technical Instructor (T)
Nursing Suzanne Dougherty Nancy Tang Elizabeth Freeth	Instructor (NT) Instructor (NT) Associate Master Technical Instructor (NT)	Assistant Professor (NT) Assistant Professor (NT) Associate Master Technical Instructor (T)
Vocational Nursing Virginia M. Maxwell	Assistant Master Technical Instructor (NT)	Associate Master Technical Instructor (T)
Norma Lee Loya	Assistant Master Technical Instructor (NT)	Assistant Master Technical Instructor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Science		
Mathematics and Technology		
Biological Sciences		
Luis V. Colom	Associate Professor (NT)	Professor (T)
Larry L�f	Assistant Professor (NT)	Assistant Professor (T)
Mathematics		
Raymond Simonsen	Assistant Professor (T)	Associate Master Technical Instructor (T)
Jorge Navarro	Associate Professor (NT)	Associate Professor (T)
Physics and Astronomy		
Natalia Guevara	Assistant Professor (NT)	Associate Professor (NT)
Computer Sciences		
Mahmoud Quweider	Assistant Professor (NT)	Associate Professor (T)
College of Liberal Arts		
English and Speech		
William H. Harris	Associate Master Technical Instructor (T)	Master Technical Instructor (T)
Mohammed N. Islam	Assistant Professor (NT)	Associate Professor (T)
Julie Larson	Associate Master Technical Instructor (T)	Master Technical Instructor (T)
Behavioral Sciences		
Virginia Wood	Associate Professor (T)	Professor (T)
Social Sciences		
Charles Chapman	Associate Professor (NT)	Associate Professor (T)
Fine Arts		
George Lorio	Associate Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	11	17	28	38
b. To keep proper sequence	23	23	46	17
c. New program	5	5	10	10
d. Cross listed	19	19	38	23
e. First time offered	1	0	1	9
f. Accreditation or licensing standard	1	0	1	0
g. Limited facilities	1	0	1	0
Subtotal	61	64	125	97
h. Voluntarily offered	0	2	2	5
Total	61	66	127	102

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	7	10	17	4
b. To keep proper sequence	0	0	0	1
c. New program	3	1	4	5
d. Cross listed	2	3	5	2
e. First time offered	0	1	1	4
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	12	15	27	16
h. Voluntarily offered	1	2	3	6
Total	13	17	30	22

U. T. DALLAS

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate and is recommended for approval by the U. T. Board of Regents:

1. Donor Name: Ms. Nancy B. Hamon
College/School/ Department: School of Arts and Humanities
Purpose: To establish the Margaret M. McDermott Distinguished Chair of Art and Aesthetic Studies
Asset Type: Cash
Value: \$1,000,000

AMENDMENTS TO THE 2003-04 BUDGET

The following Request for Budget Change (RBC) has been administratively approved by the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. Board of Regents:

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
Erik Jonsson School of Engineering and Computer Science		
1. Amount of Transfer:	21,500,000	14
From: Texas Enterprise Fund		
To: U. T. Dallas – 529900 – TEF-Project Emmitt		

This adjustment is needed to establish budgets for Texas Enterprise Fund accounts.

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Executive Vice Chancellor for Academic Affairs, and is recommended for approval by the U. T. Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Dallas is a member, and the Rules and Regulations of the Board of Regents of The University of Texas System and the policies of The University of Texas at Dallas. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

1. Item: Head Volleyball Coach
Funds: \$38,000 annually
Period: January 12, 2004 through August 31, 2004
Description: Agreement for employment of Head Volleyball Coach, Marci Sanders, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

FEEES AND MISCELLANEOUS CHARGES

PARKING PERMIT FEES

Approval is recommended for the following parking permit fee to be effective beginning with the Fall Semester 2004. The fee has been administratively approved by the Executive Vice Chancellor for Academic Affairs.

Following Regental approval, the appropriate component catalog will be amended to reflect this new fee.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
Annual fees: <u>Student Permit Classifications</u>			
Evening Orange	n/a	\$160.00	n/a

NOTE: Evening Orange permits are issued for 12 months and allow evening students the opportunity to park in premium spaces previously vacant. Annual parking permit fees may be prorated for permits purchased for spring semester/summer session or for summer session only and at the discretion of the institution, refunds may be made for fall semester enrollment/employment only.

FEES AND MISCELLANEOUS CHARGES (CONTINUED)

PARKING AND TRAFFIC ENFORCEMENT FEES

Approval is recommended for the following parking enforcement fees to be effective beginning with the Fall Semester 2004. The fees have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

Following Regental approval, the appropriate component catalog will be amended to reflect these new fees.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
CLASS A			
Parking without a permit	20	40	100.00
Parking on campus with Waterview permit or parking at Waterview without Waterview permit	30	40	33.33
Parking Two Permit Levels Up	20	25	25.00
Parking Three Permit Levels Up	30	35	16.67
CLASS C – Moving Violations	50	60	20.00
Driving on sidewalks, walkways or curbs			
Exceeding posted speed limit			
Failure to stop			
Failure to yield right-of-way to pedestrians			
Illegal turn			
Leaving the scene of an accident			
Operating or parking a barred vehicle			
Parking behind barricades			
CLASS C – Non-moving Violations	35	40	14.29
Displaying expired license plates			
No inspection sticker/expired inspection			
Failure to show proof of liability insurance			
CLASS E			
Parking in a disabled space without authorization	100	120	20.00
Parking in loading zone without authorization or exceeding time limit	25	30	20.00
Parking in fire lane	50	60	20.00

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel action involving the appointment, reappointment, or promotion of relatives has been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel action is consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED APPOINTMENT

1. Office of the President
President
Franklyn G. Jenifer

RELATIVE

Office of the President
Special Assistant to the President
Alfleda Jenifer (spouse)*

*Mrs. Jenifer is not listed in the budget as she is appointed without compensation.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Arts and Humanities		
Film Studies		
Adrienne McLean	Assistant Professor (NT)	Associate Professor (T)
School of Behavioral and Brain Sciences		
Communication Sciences		
Peter Assman	Associate Professor (T)	Professor (T)
Richard Golden	Associate Professor (T)	Professor (T)
Neuroscience		
Michael Kilgard	Assistant Professor (NT)	Associate Professor (T)
Stephen Lomber	Assistant Professor (NT)	Associate Professor (T)
School of Engineering and Computer Science		
Computer Science		
Jason Jue	Assistant Professor (NT)	Associate Professor (T)
Balakrishnan Prabhakaran	Assistant Professor (NT)	Associate Professor (T)
Electrical Engineering		
Mehrdad Nourani	Assistant Professor (NT)	Associate Professor (T)
Philipos Loizou	Associate Professor (T)	Professor (T)
School of Management		
Accounting		
Surya Janakiraman	Assistant Professor (NT)	Associate Professor (T)
Ramachandran Natarajan	Assistant Professor (NT)	Associate Professor (T)
School of Natural Sciences and Mathematics		
Geosciences		
Janok Bhattacharya	Associate Professor (T)	Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	8	10	18	39
b. To keep proper sequence	16	22	38	44
c. New program	0	0	0	0
d. Cross listed	49	51	100	147
e. First time offered	0	0	0	12
g. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	73	83	156	242
h. Voluntarily offered	14	3	17	4
Total	87	86	173	246

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	5	2	7	9
b. To keep proper sequence	6	9	15	12
c. New program	0	0	0	0
d. Cross listed	17	23	40	36
e. First time offered	0	3	3	3
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	28	37	65	60
h. Voluntarily offered	4	8	12	8
Total	32	45	77	68

U. T. EL PASO

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at El Paso is a member, and the Rules and Regulations of the Board of Regents of The University of Texas System and the policies of The University of Texas at El Paso. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

1. Item: Head Football Coach
Funds: \$225,000 annually
Period: December 21, 2003 through August 31, 2009
Description: Agreement for employment of Head Football Coach, Michael Bruce Price, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Head Basketball Coach
Funds: \$180,000 annually
Period: March 29, 2004 through March 31, 2009
Description: Agreement for employment of Head Basketball Coach, Kenneth Lee Sadler, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED APPOINTMENT

RELATIVE

1. Intercollegiate Athletics
Head Football Coach
Michael Price (father)

Intercollegiate Athletics
Assistant Head Football Coach
Aaron Price

2. Intercollegiate Athletics
Head Football Coach
Michael Price (father)

Intercollegiate Athletics
Assistant Head Football Coach
Eric Price

PROPOSED REAPPOINTMENT

RELATIVE

3. College of Business Administration
Institute for Policy and Economic
Development
Director
Dennis Soden (husband)

College of Business Administration
Institute for Policy and Economic
Development
Coordinator
Janet Conary

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Business		
Administration		
Marketing & Management		
Richard Posthuma	Assistant Professor (NT)	Associate Professor (T)
College of Education		
Teacher Education		
Judith Munter	Assistant Professor (NT)	Associate Professor (T)
College of Engineering		
Mechanical Engineering		
Rafael Gutierrez	Assistant Professor (NT)	Associate Professor (T)
College of Health Sciences		
Health Sciences		
Meg Weigel	Associate Professor (NT)	Professor (T)
College of Liberal Arts		
Communication		
Larry Erbert	Associate Professor (NT)	Associate Professor (T)
English		
Kate Mangelsdorf	Associate Professor (T)	Professor (T)
Evelyn Posey	Associate Professor (T)	Professor (T)
Political Science		
Irasema Coronado	Assistant Professor (NT)	Associate Professor (T)
Theatre Arts		
Cynthia Haines	Assistant Professor (NT)	Associate Professor (T)
Greg Taylor	Assistant Professor (NT)	Associate Professor (T)
Psychology		
John Wiebe	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Science		
Biological Science		
Carl Lieb	Associate Professor (T)	Professor (T)
Geological Science		
Elizabeth Anthony	Associate Professor (T)	Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	5	13	18	17
b. To keep proper sequence	9	10	19	7
c. New program	2	5	7	5
d. Cross listed	111	86	197	154
e. First time offered	4	1	5	1
f. Accreditation or licensing standard	0	0	0	1
g. Limited facilities	0	4	4	2
Subtotal	131	119	250	187
h. Voluntarily offered	9	6	15	15
Total	140	125	265	202

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	1	0	1	10
b. To keep proper sequence	3	0	3	3
c. New program	3	1	4	2
d. Cross listed	16	19	35	37
e. First time offered	0	1	1	1
f. Accreditation or licensing standard	0	1	1	0
g. Limited facilities	1	0	1	0
Subtotal	24	22	46	53
h. Voluntarily offered	2	1	3	5
Total	26	23	49	58

U. T. PAN AMERICAN

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Chancellor, and is recommended for approval by the U. T. Board of Regents. Such employment under these agreements is subject to the Rules and Regulations of the Board of Regents of The University of Texas System and the policies of The University of Texas - Pan American.

1. Item: President
Funds: \$235,000 annually
Period: Beginning August 23, 2004
Description: Agreement for employment of Dr. Blandina Cardenas as President of The University of Texas – Pan American. The President reports to the Chancellor and the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Chancellor. Dr. Cardenas will receive \$45,600 as a salary supplement in lieu of a housing allowance pursuant to approved policy. All reasonable moving expenses from San Antonio to Arlington, Texas will be reimbursed. Dr. Cardenas is also appointed as a Professor, with tenure, in the College of Education, with an initial academic rate of \$90,000 per year. During her presidency, Dr. Cardenas will not be paid a salary as Professor.

OTHER FISCAL ITEMS (CONTINUED)

EMPLOYMENT AGREEMENTS (CONTINUED)

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas – Pan American is a member, and the Rules and Regulations of the Board of Regents of The University of Texas System and the policies of The University of Texas – Pan American. The violation of the provisions of such constitution, bylaws, rules or regulations shall be grounds for suspension without pay or dismissal.

2. Item: Head Women's Basketball Coach
Funds: \$65,000 annually
Period: April 1, 2004 through March 31, 2005
Description: Agreement for employment of Head Women's Basketball Coach, DeAnn Croft, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

3. Item: Head Men's Basketball Coach
Funds: \$80,083 annually
Period: June 7, 2004 through August 31, 2005
Description: Agreement for employment of Head Men's Basketball Coach, Robert Davenport, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel action involving the appointment, reappointment, or promotion of relatives has been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel action is consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED REAPPOINTMENT

RELATIVE

1. College of Education
Office of the Dean
Dean
Hilda Medrano

College of Education
Educational Psychology
Professor
Ralph Carlson (spouse)

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Arts and Humanities		
Modern Languages & Literature Jose Maria Martinez	Assistant Professor (NT)	Associate Professor (T)
College of Business Administration		
Accounting and Business Law Raymond Landry	Associate Professor (NT)	Associate Professor (T)
Economics, Finance & General Business Cynthia Ann Brown	Assistant Professor (NT)	Associate Professor (T)
Management, Marketing & International Business Angela Hausman	Assistant Professor (NT)	Associate Professor (T)
College of Education		
Curriculum and Instruction Veronica L. Estrada	Assistant Professor (NT)	Associate Professor (T)
Educational Psychology Terry Patrice Overton	Associate Professor (NT)	Professor (T)
College of Science and Engineering		
Electrical Engineering Mounir Ben Ghalia	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Science and Engineering (Continued)		
Mechanical Engineering		
Karen Lozano	Assistant Professor (NT)	Associate Professor (T)
Ala Rafat Quabbaj	Assistant Professor (NT)	Associate Professor (T)
College of Health Sciences and Human Services		
Communication Sciences & Disorders		
Nola Radford	Associate Professor (T)	Professor (T)
Rehabilitation Services		
Charles Robert Reid	Assistant Professor (NT)	Associate Professor (T)
Occupational Therapy		
Angela Scoggin	Associate Professor (NT)	Associate Professor (T)
Pharmacy Program		
Mark C. Granberry	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	1	3	4	2
b. To keep proper sequence	3	7	10	12
c. New program	0	1	1	1
d. Cross listed	35	33	68	67
e. First time offered	1	4	5	0
f. Accreditation or licensing standard	0	0	0	6
g. Faculty limited	9	5	14	15
Subtotal	49	53	102	103
h. Voluntarily offered	30	26	56	186
i. Administrative	9	2	11	9
Total	88	81	169	298

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	0	1	1	2
b. To keep proper sequence	0	4	4	5
c. New program	0	0	0	1
d. Cross listed	6	8	14	14
e. First time offered	1	0	1	1
f. Accreditation or licensing standard	0	0	0	0
g. Faculty limited	11	8	19	16
Subtotal	18	21	39	39
h. Voluntarily offered	1	4	5	63
i. Administrative	0	0	0	1
Total	19	25	44	103

U. T. PERMIAN BASIN

AMENDMENTS TO THE 2003-04 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
BEHAVIORAL SCIENCE					
1. Robert L. Perry (T)					2
From: Associate Professor		100	09	47,195	
To: Associate Professor and Department Chair	11/1-08/31	75 25	09 12	35,396 16,500	
2. Lois S. Hale (T)					3
From: Professor and Department Chair		75 25	09 12	48,002 20,219	
To: Professor and Assistant Dean	2/1-08/31	75 25	09 12	48,002 21,334	
HUMANITIES AND FINE ARTS					
3. Christopher J. Stanley (T)					4
From: Associate Professor		100	09	48,580	
To: Associate Professor and Department Chair	11/1-8/31	75 25	09 12	36,435 16,500	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate \$</u>	<u>RBC #</u>
SCHOOL OF EDUCATION					
4. Rebecca S. Oekerman (T)					5
From: Associate Professor		100	09	47,126	
To: Associate Professor and Assistant Dean	3/1-8/31	75 25	09 12	35,345 15,708	
BEHAVIORAL SCIENCE					
Sociology					
Professor Emeritus					
5. Robert C. Rhodes (T)	9/31-8/31				6

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
Center for Energy and Economic Development		
6. Amount of Transfer :	110,000	7
From: LERR - Equipment (501-100) FY 02/03		
To: LERR - Critical Water Systems Problems		

Transfer funds to project for resolving critical water systems problems for the Center for Energy and Economic Development.

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5, Subsection 5.

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
PROPOSED REAPPOINTMENT	RELATIVE
1. Office of the President President W. David Watts	Office of the President Associate to the Chief Administrative Officer Denise Watts (spouse)*
2. Learning Resource Center Director Charlene Shults	Learning Resource Center Professional Librarian Terrance Shults (spouse)
3. Information Resources Division Assistant Vice President/Director J. Keith Yarbrough	Information Resources Division System Analyst II Mary Yarbrough (spouse)

*Mrs. Watts is not listed in the budget as she is appointed without compensation.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School Business		
Economics Scott Carson	Assistant Professor (NT)	Associate Professor (T)
Accountancy Wilma Dye	Assistant Professor (NT)	Associate Professor (T)
Management Lloyd J. Taylor III	Assistant Professor (NT)	Associate Professor (T)
Humanities and Fine Arts		
History Roland Spickermann	Assistant Professor (NT)	Associate Professor (T)
Humanities and Fine Arts		
English Sophia Andres	Associate Professor (T)	Professor (T)
Spanish Ana Leon	Associate Professor (T)	Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	26	40	66	49
b. To keep proper sequence	4	6	10	40
c. New program	0	2	2	0
d. Cross listed	22	39	61	53
e. First time offered	0	0	0	7
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	52	87	139	149
h. Voluntarily offered	2	1	3	9
Total	54	88	142	158

SMALL CLASS REPORT, FALL 2002 AND SPRING 2003 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	2	3	5	0
b. To keep proper sequence	0	0	0	6
c. New program	0	0	0	0
d. Cross listed	4	2	6	9
e. First time offered	0	0	0	1
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	6	5	11	16
h. Voluntarily offered	0	0	0	4
Total	6	5	11	20

U. T. SAN ANTONIO

CONTRACTS

The following contract has been administratively approved by the President or his delegate and the Executive Vice Chancellor for Academic Affairs, and is recommended for approval by the U. T. Board of Regents:

GENERAL CONTRACTS

FUNDS COMING IN

1. Agency: Time Warner Cable, Inc.
Funds: \$2,339,752
Period: August 1, 2004 through July 31, 2009 with the option to renew for five additional one-year periods.
Description: Time Warner Cable, Inc. agrees to provide internet, cable television, and telephone services for new student housing. U. T. San Antonio receives a 10% commission on any additional internet, telephone, and cable TV services a student purchases from the Contractor that are not included within the scope of work of this Agreement. Time Warner Cable was selected from three bidders: Time Warner Cable, Inc. from San Antonio, Texas; Grande Communications, Inc. from San Marcos, Texas; and Southwestern Bell Telephone, L.P. from San Antonio, Texas, following a competitive bid process. Although the Agreement does not specifically address exclusivity, prudent business practices dictate that one vendor provide the services.

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
PROPOSED REAPPOINTMENT	
1. Office of the President	RELATIVE
President	College of Liberal and Fine Arts
Ricardo Romo	Sociology
	Associate Professor
	Harriett D. Romo (spouse)
2. Office of Provost and Executive Vice President for Academic Affairs	College of Liberal and Fine Arts
Provost and Executive Vice President for Academic Affairs	English, Classics and Philosophy
Guy Bailey	Associate Professor
	Janevlyn Tillery (spouse)
3. College of Business Management	College of Business Management
Department Chair	Professor
Dennis Duchon	Donde Plowman (spouse)
4. College of Sciences	College of Sciences
Biology	Biology
Associate Professor	Technical Staff Assistant II
Matthew J. Gdovin	Ralph Gdovin (brother)
5. College of Sciences	College of Sciences
Biology	Biology
Assistant Professor	Research Science Associate I
Garry Sunter	Janet Sunter (daughter)

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Business		
Economics Su Zhou	Associate Professor (T)	Professor (T)
Finance Yiuman Tse	Associate Professor (T)	Professor (T)
Management Science and Statistics Nandini Kannan Mark Leung	Associate Professor (T) Assistant Professor (NT)	Professor (T) Associate Professor (T)
College of Education and Human Development		
Counseling, Educational Psychology, Adult & Higher Education Michael Karcher Carolyn Orange	Assistant Professor (NT) Associate Professor (T)	Associate Professor (T) Professor (T)
Bicultural-Bilingual Studies Thomas Ricento	Associate Professor (T)	Professor (T)
Health & Kinesiology Wan Yao John Zhang	Assistant Professor (NT) Assistant Professor (NT)	Associate Professor (T) Associate Professor (T)
Interdisciplinary Studies and Curriculum and Instruction Maria Cortez Belinda Flores Susan Keehn	Assistant Professor (NT) Assistant Professor (NT) Assistant Professor (NT)	Associate Professor (T) Associate Professor (T) Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Engineering		
Electrical Engineering Wei-Ming Lin	Associate Professor (T)	Professor (T)
College of Liberal and Fine Arts		
Anthropology James McDonald	Associate Professor (T)	Professor (T)
Art and Art History Neil Maurer	Associate Professor (T)	Professor (T)
English, Classics and Philosophy Michael Almeida	Associate Professor (T)	Professor (T)
Bernadette Andrea	Assistant Professor (NT)	Associate Professor (T)
Ben Olguin	Assistant Professor (NT)	Associate Professor (T)
History Patrick Kelly	Assistant Professor (NT)	Associate Professor (T)
Music James Balentine	Associate Professor (T)	Professor (T)
Deborah Schwartz-Kates	Assistant Professor (NT)	Associate Professor (T)
Kenneth Williams	Assistant Professor (NT)	Associate Professor (T)
College of Public Policy		
Criminal Justice Cynthia McCluskey	New	Associate Professor (T)
Public Administration Jerrell Coggburn	Assistant Professor (NT)	Associate Professor (T)
Ruben Martinez	New	Professor (T)
College of Sciences		
Applied Mathematics Weiming Cao	Assistant Professor (NT)	Associate Professor (T)
Fengxin Chen	Assistant Professor (NT)	Associate Professor (T)
Jose Iovino	Assistant Professor (NT)	Associate Professor (T)
Mary Lou Zeeman	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

College, Department, and Name From To

College of Sciences (Continued)

Biology

Karl Klose

New

Professor (T)

Valerie Sponsel

Associate Professor (NT)

Associate Professor (T)

Earth and Environmental

Sciences

Dibyenda Sarkar

Assistant Professor (NT)

Associate Professor (T)

School of Architecture

Mark Blizzard

Assistant Professor (NT)

Associate Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	11	5	16	33
b. To keep proper sequence	7	5	12	25
c. New program	5	3	8	7
d. Cross listed	18	17	35	31
e. First time offered	0	3	3	4
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	1	3	4	3
Subtotal	42	36	78	103
h. Voluntarily offered	8	3	11	25
Total	50	39	89	128

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	3	3	6	10
b. To keep proper sequence	1	1	2	12
c. New program	2	2	4	5
d. Cross listed	7	14	21	11
e. First time offered	0	2	2	4
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	13	22	35	42
h. Voluntarily offered	1	7	8	9
Total	14	29	43	51

U. T. TYLER

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate and is recommended for approval by the U. T. Board of Regents:

1. Donor Name: Mr. and Mrs. Robert B. Irwin
College/School/ Department: Institution
Purpose: Support of the U. T. Tyler Baseball Complex
Asset Type: Stock
Value: \$1,195,761

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel action involving the appointment, reappointment, or promotion of relatives has been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel action is consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED REAPPOINTMENT

1. Office of the President
President
Rodney H. Mabry

RELATIVE

Office of the President
Special Associate
Barbara M. Mabry (spouse)*

*Mrs. Mabry is not listed in the budget as she is appointed without compensation.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Academic Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
College of Business & Technology		
Public Administration Kenneth Wink	Assistant Professor (NT)	Associate Professor (T)
Business Administration Mary Helen Fagan	Assistant Professor (NT)	Associate Professor (T)
College of Arts & Sciences		
Political Science John LeBlanc	Assistant Professor (NT)	Associate Professor (T)
English Victor Scherb	Associate Professor (T)	Professor (T)
College of Engineering & Computer Science		
Electrical Engineering Hassan El-Kishky	Assistant Professor (NT)	Associate Professor (T)
Mechanical Engineering Robert Greendyke	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer Than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	7	13	20	38
b. To keep proper sequence	24	28	52	38
c. New program	0	0	0	18
d. Cross listed	3	5	8	12
e. First time offered	1	0	1	10
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	3	3	6	5
Subtotal	38	49	87	121
h. Voluntarily offered	7	3	10	6
i. Internet	0	17	17	18
Total	45	69	114	145

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	6	8	14	9
b. To keep proper sequence	4	5	9	6
c. New program	0	0	0	0
d. Cross listed	1	2	3	2
e. First time offered	1	0	1	6
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	5	0	5	0
Subtotal	17	15	32	23
h. Voluntarily offered	9	4	13	5
i. Internet	0	0	0	4
Total	26	19	45	32

U. T. SOUTHWESTERN MEDICAL CENTER - DALLAS

GIFTS

The following gifts have been received, have been administratively approved by the President or his delegate, and are recommended for approval by the U. T. Board of Regents:

1. Donor Name: Anonymous Donor
College/School/ Department: Psychiatry
Purpose: To support research activities under the direction of Dr. Carol A. Tamminga and Dr. Steven A. Kliwer
Asset Type: Cash
Value: \$650,000

2. Donor Name: Southwestern Medical Foundation
College/School/ Department: Institution
Purpose: The Foundation's grant to The University of Texas Southwestern Medical Center at Dallas for the 2003-04 academic year
Asset Type: Cash
Value: \$805,000 (represents the second and final payment on a \$1,610,000 commitment)

CONTRACTS

The following contracts have been administratively approved by the President or his delegate and are recommended for approval by the U. T. Board of Regents:

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: Scientific Frontiers, Inc.
Funds: \$1,252,948
Period: September 1, 2003 through August 31, 2004
Description: Scientific Frontiers, Inc. agrees to provide continued services for the Continuing Education activity entitled Rheumatoid Arthritis and Biologic DMARDs Regional Meetings held in May and June 2003 and new services for those held September through December 2003. Such services include management and organization, audience generation, field force mailing, meetings materials, postage, mailing lists, food and beverage, room rental, audiovisual equipment, travel and lodging.

2. Agency: 2110 Research Row, Ltd.
Funds: \$4,465,538
Period: September 30, 2002 through August 31, 2009
Description: Amended lease to increase to 35,063 square feet of laboratory space, to amortize tenant improvements, and to extend the lease period by two years.

AMENDMENTS TO THE 2003-04 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL					
Office of the Dean – Southwestern Medical School					
1. Dennis M. McKearin (T)					15
From: Associate Professor, Molecular Biology		100	12	82,900	
To: Associate Dean, Medical Science Training Program	4/1-8/31	100	12	110,000	
Center for Immunology					
2. Elizabeth S. Ward (T)					16
From: Professor		100	12	111,700	
To: Professor and Paul and Betty Meek - FINA Professorship in Molecular Biology	4/1-8/31	100	12	111,700	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)					
Office of the Dean – Southwestern Medical School					
3. Charles M. Ginsburg (T)					23
From: Associate Dean for Faculty Development and Marilyn R. Corrigan Distinguished Chair in Pediatric Research		100	12	270,000	
To: Associate Dean for Academic Administration and Marilyn R. Corrigan Distinguished Chair in Pediatric Research	6/1-8/31	100	12	270,000	
Biochemistry					
4. Michael G. Roth (T)					24
From: Professor and Diane and Hal Brierley Chair in Biomedical Research		100	12	115,000	
To: Professor, Associate Dean of the Southwestern Graduate School of Biomedical Sciences and the Diane and Hal Brierley Chair in Biomedical Research	6/1-8/31	100	12	115,000	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
SOUTHWESTERN MEDICAL SCHOOL		
Advanced Technology Program		
5. Amount of Transfer:	1,405,732	17
From: Allocation of General Revenue by the Coordinating Board		
To: Advanced Technology Programs for:		
Dynamic Organ Preservation: A Strategy to Expand the Donor Pool for Heart Transplantation	160,000	
Therapeutic Targets for Treatment of Cardiac Enlargement and Heart Failure	200,000	
Genetic Engineering of Human Cardiac Stem Cells	260,000	
New Mouse Models of Polycystic Kidney Disease	180,000	
Photoregulated Enzymes: A novel and general approach to control function in vitro and in vivo	220,000	
Gene Expression Signatures for Selection of Individual Cancer Patient Chemotherapy	180,000	
Genetically Engineered Transparent Biosynthetic Conduits for Directed and Enhanced Nerve Repair	205,732	

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED APPOINTMENT

RELATIVE

1. Department of Physiology
Chairman
James Stull
2. Department of Orthopaedic Surgery
Chairman
Robert Bucholz

- Department of Physiology
Associate Professor
Kristine E. Kamm (spouse)
- Department of Orthopaedic Surgery
Associate Professor
Mary Beth Ezaki (spouse)

PROPOSED REAPPOINTMENT

RELATIVE

3. Office of the President
President
C. Kern Wildenthal

- Office of the President
Special Assistant
Margaret Wildenthal (spouse)*

*Mrs. Wildenthal is not listed in the budget as she is appointed without compensation.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Southwestern Medical School		
Biochemistry		
Kevin H. Gardner	Assistant Professor (NT)	Associate Professor (T)
Nick V. Grishin	Assistant Professor (NT)	Associate Professor (T)
Dermatology		
Amit G. Pandya	Associate Professor (NT)	Professor (T)
Internal Medicine		
Daniel J. Garry	Assistant Professor (NT)	Associate Professor (T)
Robert L. Ilaria	Assistant Professor (NT)	Associate Professor (T)
Clyde W. Yancy, Jr.	Associate Professor (NT)	Professor (T)
Microbiology		
Michael J. Gale, Jr.	Assistant Professor (NT)	Associate Professor (T)
Molecular Biology		
Leon Avery	Associate Professor (T)	Professor (T)
Rueyling Lin	Assistant Professor (NT)	Associate Professor (T)
Neurology		
Michael K. Racke	Associate Professor (T)	Professor (T)
Pathology		
Richard H. Scheuermann	Associate Professor (T)	Professor (T)
Pediatrics		
Deepak Srivastava	Associate Professor (T)	Professor (T)
Pharmacology		
Dean P. Smith	Assistant Professor (NT)	Associate Professor (T)
Hongtao Yu	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

College, Department, and Name From To

Southwestern Medical School (Continued)

Physiology

Yi Liu	Assistant Professor (NT)	Associate Professor (T)
Duojia Pan	Assistant Professor (NT)	Associate Professor (T)
Philip J. Thomas	Associate Professor (T)	Professor (T)

Psychiatry

Mustafa M. Husain	Associate Professor (NT)	Professor (T)
David W. Self	Associate Professor (NT)	Associate Professor (T)
Madhukar H. Trivedi	Associate Professor (NT)	Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	12	12	24	34
b. To keep proper sequence	0	0	0	0
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	1	1	4
Subtotal	12	13	25	38
h. Voluntarily offered	1	5	6	2
Total	13	18	31	40

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for graduation	7	15	22	17
b. To keep proper sequence	2	3	5	3
c. New program	0	0	0	0
d. Cross listed	0	1	1	5
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	15	1	16	0
Subtotal	24	20	44	25
h. Voluntarily offered	0	0	0	0
Total	24	20	44	25

U. T. MEDICAL BRANCH – GALVESTON

CONTRACTS

The following contracts have been administratively approved by the President or his delegate and the Executive Vice Chancellor for Health Affairs, and are recommended for approval by the U. T. Board of Regents:

GENERAL CONTRACTS

FUNDS GOING OUT

1. Agency: OPTUS, Incorporated
Funds: \$4,209,412
Period: May 18, 2004 through May 17, 2009
Description: OPTUS, Incorporated will provide telecommunication system maintenance and move/add/change activities for the voice communication system at U. T. Medical Branch - Galveston. The vendor was selected from six bidders: OPTUS, Incorporated from Houston, Texas; NEC Business Network Solutions from Irving, Texas; Shared Technologies, Inc. from Houston, Texas; NextiraOne from Houston, Texas; Southwestern Bell (SBC) from Bellaire, Texas; and HTIS, Inc. from Houston, Texas, following a competitive bid process.

2. Agency: Sodexho Services of Texas Limited Partnership (Sodexho)
Funds: \$28,990,790
Period: May 20, 2004 through August 31, 2007
Description: Amendment to extend the contract for an additional three-year period. Sodexho provides environmental housekeeping services to U. T. Medical Branch - Galveston and maintains an adequate staff in such manner that the facilities are kept clean from both a technical and aesthetic perspective.

AMENDMENTS TO THE 2003-04 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF MEDICINE					
Internal Medicine					
Professor					
1. Joseph H. Sellin (T)	10/13-8/31	100	12	210,000	23
2. Allan R. Brasier (T)					24
From: Leon Bromberg, M.D. Professorship in Internal Medicine and Professor		100	12	167,500	
To: Leon Bromberg, M.D. Professorship in Internal Medicine and Chancellor's Health Fellow in Science and Professor	7/1-8/31	100	12	167,500	
Otolaryngology					
3. Shawn D. Newlands (T)					21
From: Associate Professor and Chair		100	12	300,000	
To: Professor and Chair	1/1-8/31	100	12	300,000	
4. Shawn D. Newlands (T)					19
From: Professor and Chair		100	12	300,000	
To: Harry Carothers Weiss Chair in Otolaryngology and Professor and Chair	2/1-8/31	100	12	300,000	

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
PROPOSED APPOINTMENT	RELATIVE
1. Catering Catering Chef Rey Lopez	Catering Cook Pedro Almazan (brother-in-law)
2. Correctional Managed Care Cluster Dental Director (Gatesville) Dr. John Stephens	Correctional Managed Care Dentist (Gatesville) Dr. Debie Stephens (spouse)
3. Information Services Manager, Information Systems David Copado	Information Services Shift Supervisor, Computer Operations Michael Rendon (brother-in-law)
4. School of Medicine Cardiology Heart Lab Chief Electrocardiograph Technician Dorothea Senegal	School of Medicine Cardiology Heart Lab Electrocardiograph Technician I Carolyn Scott (sister)
5. School of Medicine Internal Medicine Professor Dr. Michael Boyars	School of Medicine Internal Medicine Senior Research Associate Dr. Donna Wilkey (spouse)
6. School of Medicine Microbiology Associate Professor Vladimer Motin	School of Medicine Microbiology Assistant Professor Sadhana Chauhan (spouse)
7. School of Medicine Pathology Professor Robert Tesh, M.D.	School of Medicine Pathology Research Associate I Hilda Guzman (spouse)

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES (CONTINUED)**

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
8. School of Medicine (Continued) Pathology Associate Professor Charles Fulhorst, D.V.M., Dr. P.H.	School of Medicine (Continued) Pathology Research Associate I Mary Louise Milazzo (spouse)
9. School of Medicine Pathology Associate Professor Stephen Higgs, Ph.D.	School of Medicine Pathology Senior Research Associate I Dana Vanlandingham (spouse)
PROPOSED REAPPOINTMENT	RELATIVE
10. Office of the President President John D. Stobo, M.D.	Office of the President Special Assistant Mary Ann Stobo (spouse)*
11. School of Medicine Anesthesiology Professor Daniel L. Traber	School of Medicine Anesthesiology Laboratory Supervisor Lillian D. Traber (spouse)
12. School of Medicine Human Biological Chemistry and Genetics Professor David W. Bolen	School of Medicine Human Biological Chemistry and Genetics Research Technician Cassandra L. Bolen (spouse)
13. School of Medicine Human Biological Chemistry and Genetics Professor Werner Braun	School of Medicine Human Biological Chemistry and Genetics Senior Scientist Catherine H. Braun-Schein (spouse)
14. School of Medicine Human Biological Chemistry and Genetics Professor James C. Lee	School of Medicine Human Biological Chemistry and Genetics Senior Research Associate Lucy L. Lee (spouse)

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES (CONTINUED)**

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
15. School of Medicine (Continued) Human Biological Chemistry and Genetics Professor Bruce Luxon	School of Medicine (Continued) Human Biological Chemistry and Genetics Office Supervisor Jacqueline Luxon (spouse)
16. School of Medicine Human Biological Chemistry and Genetics Professor John Papaconstantinou	School of Medicine Human Biological Chemistry and Genetics Research Assistant I Eugenia T. Papaconstantinou (spouse)
17. School of Medicine Human Biological Chemistry and Genetics Professor & Chair Ad-Interim Jose R. Perez-Polo	School of Medicine Human Biological Chemistry and Genetics Research Associate II Karin Werrbach-Perez (spouse)
18. School of Medicine Ophthalmology and Visual Sciences Associate Professor Stefan D. Trocme	School of Medicine Ophthalmology and Visual Sciences Research Scientist Marie C. Trocme (spouse)
19. School of Medicine Physiology and Biophysics Associate Professor Owen Hamill	School of Medicine Physiology and Biophysics Assistant Professor Rosario Maroto (spouse)
20. School of Medicine Physiology and Biophysics Professor Simon Lewis	School of Medicine Physiology and Biophysics Research Associate I Jamie Lewis (spouse)

*Mrs. Stobo is not listed in the budget as she is appointed without compensation.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Allied Health		
Physical Therapy Caroline Jansen	Assistant Professor (NT)	Associate Professor (T)
School of Medicine		
Human Biological Chemistry And Genetics Lee-Nien Lillan Chan	Associate Professor (T)	Professor (T)
Internal Medicine Jean L. Freeman	Associate Professor (T)	Professor (T)
Joseph H. Sellin	New	Professor (T)
Sanjiv Sur	Associate Professor (T)	Professor (T)
Dennis M. Walling	Assistant Professor (NT)	Associate Professor (T)
Shu-Yuan Xiao	Associate Professor (NT)	Associate Professor (T)
Microbiology and Immunology Istvan Boldogh	Associate Professor (NT)	Associate Professor (T)
Dennis M. Walling	Assistant Professor (NT)	Associate Professor (T)
Neuroscience and Cell Biology Gregg T. Nagel	Associate Professor (T)	Professor (T)
Pathology Patrick A. Adegboyega	Associate Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Medicine (Continued)		
Pathology (Continued)		
Shu-Yuan Xiao	Associate Professor (NT)	Associate Professor (T)
Pediatrics		
Sanjiv Sur	Associate Professor (T)	Professor (T)
Pharmacology and Toxicology		
Xiaodong Cheng	Assistant Professor (NT)	Associate Professor (T)
Preventive Medicine and Community Health		
Jean L. Freeman	Associate Professor (T)	Professor (T)
Mary Kristen Peek	Assistant Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	19	19	38	26
b. To keep proper sequence	17	21	38	32
c. New program	0	0	0	3
d. Cross listed	0	0	0	9
e. First time offered	0	0	0	4
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	1
Subtotal	36	40	76	75
h. Voluntarily offered	3	1	4	1
Total	39	41	80	76

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	15	20	35	18
b. To keep proper sequence	10	11	21	33
c. New program	0	1	1	7
d. Cross listed	1	0	1	13
e. First time offered	7	7	14	6
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	13	15	28	20
Subtotal	46	54	100	97
h. Voluntarily offered	7	6	13	25
Total	53	60	113	122

U. T. HEALTH SCIENCE CENTER - HOUSTON

GIFTS

The following gift has been received, has been administratively approved by the President or his delegate, and is recommended for approval by the U. T. Board of Regents:

1. Donor Name: The Cullen Trust for Health Care
College/School/ Department: Institution
Purpose: Support the New Frontiers Campaign for the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases
Asset Type: Cash
Value: \$600,000

RETURN OF GIFT

On November 8, 2001, the Board of Regents approved the acceptance from the Estate of Eula Goss Wintermann to the U. T. Health Science Center - Houston, a parcel of real estate located in Colorado County, Texas, with improvements, furnishings, and artwork to be maintained in perpetuity. The sum of \$2,000,000 was also gifted to U. T. Health Science Center - Houston, the income from which was to pay for maintenance of the other real estate. The understanding with the Wintermann Estate mandated transfer of the real estate, personal property, and cash to another educational institution in the event that U. T. Health Science Center - Houston ever determined it could not use the Wintermann assets in the manner intended by the donor. It is the intention of U. T. Health Science Center Houston to notify the Executor of the Estate of Eula Goss Wintermann and the directors of the David and Eula Wintermann Foundation that the Wintermann assets should be transferred to a successor educational institution designated by the Estate or Foundation, as appropriate.

AMENDMENTS TO THE 2003-04 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary</u>		<u>RBC #</u>
				<u>Rate \$</u>		
HSC – GENERAL						
Administrative Support						
1. L. Maximilian Buja						38
From: Executive Vice President for Academic Affairs		100	12	314,746		
		SUPLT	12	95,000		
To: Executive Vice President for Academic Affairs	9/1-8/31	100	12	314,746		
Chancellor's Health Fellow in Medical Education	9/1-8/31 4/1/04	100	12	95,000		
MEDICAL SCHOOL						
Internal Medicine						
2. Dianna M. Milewicz (T)						34
From: Professor		100	12	160,000		
		SUPLT	12	20,000		
To: Professor and President George Bush Chair in Cardiovascular Medicine	5/16-8/31	100	12	160,000		
		SUPLT	12	20,000		

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
Radiology					
3. Susan D. John (T)					32
From: Professor and Vice Chairman		100	12	280,000	
		SUPLT	12	20,000	
To: Professor and Chairman	4/16-8/31	100	12	320,500	
		SUPLT	12	85,000	
GRADUATE SCHOOL OF BIOMEDICAL SCIENCES (GSBS)					
General Instruction - Graduate School of Biomedical Sciences					
4. Stephen P. Daiger					35
From: Professor (T)					
SCHOOL OF PUBLIC HEALTH					
Biological Sciences					
Professor (T)		100	12	113,733	
To: Professor and Thomas S. Matney, Ph.D. Endowed Professorship in Environmental and Genetics Sciences (T)	05/25/04	100	12	113,733	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF NURSING					
Center for Nursing Research					
4. Sandra K. Hanneman (T)					33
From:					
General Instruction – Nursing School Associate Professor Center for Nursing Research Administration Associate Dean for Research and Evaluation		100 SUPLT	12 12	81,800 10,000	
To:					
General Instruction – Nursing School Associate Professor and Jerold B. Katz Distinguished Professorship for Nursing Research Administration, Associate Dean for Research and Evaluation	5/1-8/31	100 SUPLT	12 12	81,800 10,000	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
U. T. HEATH SCIENCE CENTER - HOUSTON		
Repair and Rehabilitation		
4. Amount of Transfer:	10,105	37

From: Repair and Rehabilitation (701-105) FY 00/01

To: Library, Equipment, Repair and Rehabilitation – Control the Chill Water Supply

Transfer of all remaining encumbrances prior to 2003 to complete the installation of Chilled Water Control Supply Valves in the Medical School Building Laboratory Units. This project will allow operational personnel to control the chill water supply to all the laboratory air handlers in the Medical School.

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel action involving the appointment, reappointment, or promotion of relatives has been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel action is consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED REAPPOINTMENT

RELATIVE

1. School of Public Health
Epidemiology
Dean, Professor and
Director
R. Palmer Beasley

School of Public Health
Epidemiology
Associate Professor

Lu-Yu Hwang (wife)

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Medical School		
Anesthesiology		
Robert D. Warters	Associate Professor (T)	Professor (T)
Integrative Biology and Pharmacy		
Carmen W. Dessauer	Assistant Professor (NT)	Associate Professor (T)
Robert A. Kirken	Assistant Professor (NT)	Assistant Professor (T)
Internal Medicine, Infectious Diseases		
Roberto C. Arduino	Associate Professor (NT)	Associate Professor (T)
Pablo C. Okhuysen	Associate Professor (T)	Professor (T)
Internal Medicine, Renal Diseases		
Andrew M. Kahn	Associate Professor (T)	Professor (T)
Internal Medicine, Rheumatology		
Maureen D. Mayes	Professor (NT)	Professor (T)
Filemon K. Tan	Assistant Professor (NT)	Associate Professor (T)
Neurobiology and Anatomy		
Andrew Bean	Assistant Professor (NT)	Assistant Professor (T)
Ruth Heidelberger	Assistant Professor (NT)	Assistant Professor (T)
Pathology and Laboratory Medicine		
Chinnaswamy Jagannath	Associate Professor (NT)	Associate Professor (T)
Dani S. Zander	Professor (NT)	Professor (T)
Dental Branch		
Dental Public Health and Hygiene		
Donna P. Warren	Assistant Professor (NT)	Assistant Professor (T)
Department of Orthodontics		
Jeryl D. English	Associate Professor (T)	Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Dental Branch (Continued)		
Department of Prosthodontics		
Robert L. Engelmeier	Associate Professor (NT)	Associate Professor (T)
Periodontics		
Donna P. Warren	Assistant Professor (T)	Associate Professor (T)
School of Public Health		
Health Promotion and Behavioral Sciences		
Benjamin C. Amick III	Associate Professor (NT)	Associate Professor (T)
Maria E. Fernandez-Esquer	Assistant Professor (NT)	Associate Professor (T)
Brownsville Regional Campus/RAHC		
Maureen Sanderson	Associate Professor (NT)	Associate Professor (T)
School of Nursing		
Nursing Systems and Technology		
Christine A. Brosnan	Assistant Professor (NT)	Associate Professor (T)
Nursing for Target Populations		
Joan C. Engebretson	Associate Professor (T)	Professor (T)

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13 and **is** submitted for approval by the U. T. Board of Regents. It has been determined that the holding of **this** office or position is of benefit to the State of Texas and The University of Texas and there is no conflict between holding this position and the appointment of Dr. Hamilton with The University of Texas Health Science Center at Houston. By approval of this item, the Board is also asked to find that holding this position **is** of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University appointment.

- | | |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name: | Dr. Carlos R. Hamilton, Jr. |
| Title: | Executive Vice President for External Affairs |
| Position: | Appointment to the Health, Medical and Research Committee of the World Anti-Doping Agency (WADA) |
| Period: | November 19, 2003 |
| Compensation: | None |
| Description: | The Health Medical and Research Committee of WADA provides guidance for WADA's main programs. WADA is an international agency that regulates and supervises the ban on performance-enhancing drugs in athletic competition such as the Tour d'France and the Olympic Games. |

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	0	0	0	3
b. To keep proper sequence	0	0	0	1
c. New program	1	0	1	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	3	0	3	5
Subtotal	4	0	4	9
h. Voluntarily offered	0	1	1	0
Total	4	1	5	9

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	19	20	39	33
b. To keep proper sequence	46	61	107	92
c. New program	2	4	6	10
d. Cross listed	7	6	13	7
e. First time offered	4	5	9	9
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	2	1	3	0
Subtotal	80	97	177	151
h. Voluntarily offered	24	27	51	27
Total	104	124	228	178

U. T. HEALTH SCIENCE CENTER - SAN ANTONIO

AMENDMENTS TO THE 2003-2004 BUDGET

TRANSFERS OF FUNDS

The following Request for Budget Change (RBC) has been administratively approved by the Executive Vice Chancellor for Health Affairs and is recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
SPECIAL ITEMS-INSTRUCTIONS SUPPORT		
Regional Academic Health Center (RAHC)		
1. Amount of Transfer:	9,000,000	125

From: State Appropriations Income General Revenue, Article IX Enhanced Regional Academic Health Center Funding over the 2004-2005 biennium

To: Special Items-Instructions Support RAHC

Funding from appropriations made in House Bill 1, Section 11.28(c), Article IX, Chapter 1330, Acts of the 78th Legislature, Third Called Session, the amount of \$9,000,000 from the general revenue fund for fiscal year 2004 to be transferred to The University of Texas Health Science Center at San Antonio, for operating costs for the Regional Academic Health Center in Harlingen and Edinburg for the biennium ending August 31, 2005.

FEEES AND MISCELLANEOUS CHARGES

OTHER FEES AND CHARGES

The following new charge recommended for approval by the U. T. Board of Regents and inclusion in institutional catalogs has been approved by the Executive Vice Chancellor for Health Affairs. The recommended charge is consistent with applicable statutory requirements under Section 54.504 and Section 55.16 of the Texas Education Code and is proposed to effective beginning Spring 2005.

<u>Name/Description</u>	<u>\$ Amount of Fee</u>
TECHNICAL CLINICAL SKILLS FEE	
To defray the cost of consumable laboratory supplies, equipment, and other expenses associated with the Technical Clinical Skills Laboratory	
Undergraduate Nursing Students	
Semester 1	60
Semester 2	60
Semester 3	30
Semester 4	60
Graduate Nursing Students	
Semester 1	60
All other semesters	90

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, and Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Medical School		
Family and Community Medicine		
Claudia S. Miller	Associate Professor (T)	Professor (T)
Medicine		
Antonio R. Anzueto	Associate Professor (T)	Professor (T)
John M. Erikson	Assistant Professor (NT)	Associate Professor (T)
Cesar O. Freytes	Associate Professor (T)	Professor (T)
Stephanie M. Levine	Professor\Clinical (NT)	Professor (T)
Daniel J. Riley	Assistant Professor (NT)	Associate Professor (T)
Ophthalmology		
Randolph D. Glickman	Associate Professor/ Charles and Lillian Senderoff Professorship (NT)	Associate Professor/ Charles and Lillian Senderoff Professorship (T)
Jeffrey W. Kiel	Associate Professor (T)	Professor (T)
Stuart J. McKinnon	Assistant Professor (NT)	Associate Professor (T)
Otolaryngology - Head and Neck Surgery		
Frank R. Miller	Assistant Professor (NT)	Associate Professor (T)
Pediatrics		
Jacques Guy Baillargeon	Assistant Professor (NT)	Associate Professor (T)
Psychiatry		
Ming D. Li	Associate Professor/ Southwest Texas Addiction Research and Technology Center Genetic Research Professorship (NT)	Associate Professor/ Southwest Texas Addiction Research and Technology Center Genetic Research Professorship (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
Medical School (Continued)		
Psychiatry (continued)		
Donald R. Royall	Professor (NT)	Professor (T)
Peter M. Thompson	Assistant Professor (NT)	Associate Professor (T)
Dental School		
Community Dentistry		
David P. Cappelli	Assistant Professor (NT)	Associate Professor (T)
Dental Diagnostic Science		
Chih-Ko Yeh	Associate Professor (T)	Professor (T)
Endodontics		
Karl Keiser	Assistant Professor (NT)	Associate Professor (T)
Pediatric Dentistry		
Adriana Segura Donly	Associate Professor (NT)	Professor (T)
Periodontics		
Bjorn Steffensen	Associate Professor (T)	Professor (T)
Graduate School of Biomedical Sciences		
Cellular and Structural Biology		
Luzhe Sun	Associate Professor (T)	Professor (T)
Pathology		
Marilyn S. Pollack	Associate Professor (T)	Professor (T)
I-Tien Yeh	Associate Professor (T)	Professor (T)
Sherry L. Werner	Associate Professor/ Research (NT)	Associate Professor (T)
Physiology		
Glenn M. Toney	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
School of Allied Health Sciences		
Clinical Laboratory Sciences Betty Dunn	Assistant Professor (NT)	Associate Professor (T)
Occupational Therapy Alison J. Beck	Assistant Professor (NT)	Associate Professor (T)
Respiratory Care David C. Shelledy	Associate Professor and Chair (T)	Professor and Chair (T)

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following items have been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13 and are submitted for approval by the U. T. Board of Regents. It has been determined that the holding of these offices or positions is of benefit to the State of Texas and The University of Texas and there is no conflict between holding these positions and the appointments of Dr. Cigarroa and Dr. Murphy with The University of Texas Health Science Center at San Antonio. By approval of these items, the Board is also asked to find that holding these positions are of benefit to the State of Texas and The University of Texas and there is no conflict between the positions and the University appointments.

- | | |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name: | Francisco G. Cigarroa, M.D. |
| Title: | President |
| Position: | Appointment as a member of the President's Committee on the National Medal of Science |
| Period: | February 5, 2003 through December 31, 2006 |
| Compensation: | None |
| Description: | In March 2004 President George W. Bush reappointed Dr. Cigarroa as a member of the President's Committee on the National Medal of Science, for the remainder of a three-year term expiring December 31, 2006. Congress created the National Medal of Science in 1959 as a Presidential Award to be given to individuals "deserving of special recognition by reason of their outstanding contributions to knowledge in the physical, biological, mathematical or engineering sciences." In 1980 the award was expanded to include the social and behavioral sciences. The President appoints twelve of the nation's most prominent leaders in the fields of research, science, or engineering to evaluate award nominees. |

OTHER MATTERS (CONTINUED)

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT (CONTINUED)

2. Name: Sharon B. Murphy, M.D., Ph.D.
Title: Professor of Pediatrics and Director of the Children's Cancer Research Institute
Position: Appointment as a Special Government Employee or consultant to Center for Drug Evaluation and Research, Food and Drug Administration, Department of Health and Human Services
Period: Intermittently beginning May 4, 2004
Compensation: \$54.47 an hour for each assignment
Description: In May 2004, Johanna Clifford of the Food and Drug Administration, Center for Drug Evaluation and Research, Advisors and Consultants Staff, invited Dr. Murphy to serve as a Special Government Employee, or consultant, to the Division of Oncologic Drug Products, to serve ad hoc as an advisory committee member on the evaluation of oncologic drug products for the Food and Drug Administration on a case-by-case basis.

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	1	16	17	10
b. To keep proper sequence	15	14	29	33
c. New program	2	2	4	14
d. Cross listed	0	2	2	5
e. First time offered	1	2	3	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	34
Subtotal	19	36	55	96
h. Voluntarily offered	31	39	70	24
Total	50	75	125	120

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004 (CONTINUED)

**Organized Graduate Classes with
Fewer than 5 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	15	15	30	16
b. To keep proper sequence	14	12	26	32
c. New program	2	0	2	2
d. Cross listed	9	9	18	8
e. First time offered	0	0	0	0
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	4	9	13	5
Subtotal	44	45	89	63
h. Voluntarily offered	14	20	34	65
Total	58	65	123	128

U. T. M. D. ANDERSON CANCER CENTER

GIFTS

The following gifts have been received, have been administratively approved by the President or his delegate, and are recommended for approval by the U. T. System Board of Regents:

1. Donor Name: The Houston Comets
College/School/ Department: Institution
Purpose: Construction of Kim's Place/Capital Improvement Program
Asset Type: Cash
Value: \$631,482

2. Donor Name: Louis and Gloria Flanzer Charitable Trust
College/School/ Department: Surgical Oncology
Purpose: Sarcoma Research
Asset Type: Cash
Value: \$1,000,000

3. Donor Name: The Prostate Cancer Foundation
College/School/ Department: Genitourinary Medical Oncology
Purpose: Prostate Cancer Research
Asset Type: Cash
Value: \$1,000,000

4. Donor Name: Mr. Morton L. Topfer
College/School/ Department: Gastro-Intestinal Medical Oncology
Purpose: Pancreatic Cancer Research
Asset Type: Common Stock
Value: \$978,039

5. Donor Name: The Commonwealth Foundation for Cancer Research
College/School/ Department: President's Office
Purpose: Cancer Research
Asset Type: Cash
Value: \$1,250,000

AMENDMENTS TO THE 2003-04 BUDGET

APPOINTMENTS AND PROMOTIONS

The following Requests for Budget Change (RBC) have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. Board of Regents:

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
U. T. M. D. ANDERSON CANCER CENTER - MEDICAL STAFF					
Melanoma Medical Oncology					
Professor					
1. Wen-Jen Hwu (T)	6/1-8/31	100	12	210,000	32
Laboratory Medicine					
Professor					
2. Marcelo Fernandez-Vina (T)	5/1-8/31	100	12	202,000	33
Pediatrics					
Professor					
3. Nancy Ratner (T)	8/1-8/31	100	12	165,000	44
Diagnostic Radiology					
Professor					
4. Carl M. Sandler (T)	7/1-8/31	100	12	290,000	47
Diagnostic Radiology					
Professor					
5. Leena Ketonen (T)	8/23-8/31	100	12	320,000	48

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
U. T. M. D. ANDERSON CANCER CENTER - MEDICAL STAFF (Continued)					
EVP and COO-Patient Care, Imaging Physics, and Educational Programs					
6. John Hazle (T)					34
From: Chair (ad interim), Associate Professor		100 SUPLT	12177,846 12	16,000	
To: Chair, Associate Professor	3/1-8/31 3/1-8/31	100 SUPLT	12251,000 124,000		
EVP and COO-Patient Care, Lymphoma/Myeloma					
7. Maria Rodriguez (T)					35
From: Chair (ad Interim), Professor		100 SUPLT	12 199,382 12 12,000		
To: Professor	3/1-8/31 3/1-8/31	100 SUPLT	12 199,382 12 12,000		
Neurosurgery					
8. Raymond Sawaya (T)					36
From: Chair, Professor, and Mary Beth Pawelek Endowed Chair		100	12 553,816		
To: Chair, Professor and Anne C. Brooks and Anthony D. Bullock III Distinguished Chair	3/1-8/31	100	12 553,816		

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
U. T. M. D. ANDERSON CANCER CENTER - MEDICAL STAFF (Continued)					
Vice President and Chief Medical Officer					
9. Thomas Burke (T)					42
From: Vice President and Chief Medical Officer, Professor		100		12400,000	
To: Executive Vice President and Chief Operating Officer Senior Vice President and Chief Operating Officer (ad interim), Professor	5/1-8/31	100		12 400,000	
U. T. M. D. ANDERSON CANCER CENTER - RESEARCH					
Molecular Genetics					
10. Benoit deCrombrughe (T)					37
From: Chair, Professor, and Paul and Mary Haas Endowed Chair in Honor of Amanda Marie Whittle		100		12254,628	
To: Chair, Professor, and Hubert L. Olive Stringer Distinguished Chair in Basic Science	3/1-8/31	100		12 254,628	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
U. T. M. D. ANDERSON CANCER CENTER - RESEARCH (Continued)					
Molecular Genetics					
11. Richard Behringer (T)					38
From: Professor and Barnts Family Professorship in Cancer Research		100	12	162,900	
To: Professor and Ben F. Love Endowed Chair in Cancer Research	4/1-8/31	100	12	165,900	
Molecular Genetics					
12. Guillermina Lozano (T)					39
From: Professor and Anise J. Sorrell Professorship		100	12	162,682	
To: Professor and Mattie Allen Fair Research Endowed Chair	4/1-8/31	100	12	165,682	

AMENDMENTS TO THE 2003-04 BUDGET (CONTINUED)

APPOINTMENTS AND PROMOTIONS (CONTINUED)

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
U. T. M. D. ANDERSON CANCER CENTER - RESEARCH (Continued)					
Biostatistics					
13. Peter Thall (T)					41
From: Professor		100		12159,000	
To: Professor and Anise J. Sorrell Professorship	5/1-8/31	100		12162,000	
Experimental Radiation Oncology					
14. Elizabeth Travis (T)					43
From: Professor and Mattie Allen Fair Professorship in Cancer Research		100	12	167,859	
To: EVP/CAO Office, Experimental Radiation Oncology Associate Vice President for Academic Affairs, Professor and Mattie Allen Fair Professorship in Cancer Research	5/1-8/31	100	12	167,859	
	5/1-8/31	SUPLT	12	10,000	
QUALITY MANAGEMENT					
15. Sharon Martin					60
From: Vice President, Process Improvement		100	12	174,200	
		SUPLT	12	43,550	
To: Vice President, Process Improvement and Chancellor's Health Fellow in Quality of Care and Patient Safety	7/1-8/31	100	12	174,200	
		SUPLT	12	43,550	

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

<u>College, Department, Title, Name</u>	<u>College, Department, Title, Name</u>
PROPOSED REAPPOINTMENT	RELATIVE
1. Office of the President President and Professor John Mendelsohn	Office of the President Special Assistant Anne Mendelsohn (spouse)*
2. Radiation Oncology Division Head, Chair, Professor and Distinguished Chair James D. Cox	Radiation Oncology Professor Ritsuko Komaki (spouse)
3. EVP & Chief Academic Officer EVP and Chief Academic Officer and Professor Margaret L. Kripke	Cancer Biology Chair, Professor and Distinguished Chair Isaiah J. Fidler (spouse)

*Mrs. Mendelsohn is not listed in the budget as she is appointed without compensation.

NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS

The following personnel actions involving new tenure appointments and promotion within tenure ranks have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions have been included in the 2005 Annual Operating Budget of each component institution and are consistent with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Section 6.2, Subsection 6.25.

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
U. T. M. D. Anderson Cancer Center		
Epidemiology		
Xi F. Wu	Associate Professor (T)	Professor (T)
Pathology		
Gregg A. Staerke	Associate Professor (T)	Professor (T)
Savitri Krishnamurthy	Assistant Professor (NT)	Associate Professor (T)
Jinsong Liu	Assistant Professor (NT)	Associate Professor (T)
Lavinia P. Middleton	Assistant Professor (NT)	Associate Professor (T)
William F. Symmans	Associate Professor (NT)	Associate Professor (T)
Diagnostic Radiology		
Lawrence E. Ginsberg	Associate Professor (T)	Professor (T)
Radiation Oncology		
Thomas A. Bucholz	Associate Professor (T)	Professor (T)
Chul S. Ha	Associate Professor (NT)	Professor (T)
Mark S. Chambers	Associate Professor (NT)	Associate Professor (T)
Surgical Oncology		
Kelly K. Hunt	Associate Professor (T)	Professor (T)
Peter W. Pisters	Associate Professor (T)	Professor (T)
Gynecologic Oncology		
Karen H. Lu	Assistant Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
U. T. M. D. Anderson Cancer Center		
Biochemistry and Molecular Biology		
Sharon R. Dent	Associate Professor (T)	Professor (T)
Naoto T. Ueno	Associate Professor (NT)	Associate Professor (T)
Paul J. Chiao	Associate Professor (NT)	Associate Professor (T)
Head & Neck Surgery		
Franco DeMonte	Associate Professor (T)	Professor (T)
Behavioral Science		
Alexandre V. Prokhorov	Associate Professor (T)	Professor (T)
David W. Wetter	Associate Professor (T)	Professor (T)
Veterinary Sciences		
Jagannadha K. Sastry	Associate Professor (T)	Professor (T)
Clinical Cancer Prevention		
Anita Lyn Sabichi	Assistant Professor (NT)	Associate Professor (T)
Thoracic & Cardiovascular Surgery		
Ara A. Vaporciyan	Assistant Professor (NT)	Associate Professor (T)
Immunology		
Hector Martinez-Valdez	Associate Professor (NT)	Associate Professor (T)
Breast Medical Oncology		
Lajos Pusztai	Assistant Professor (NT)	Associate Professor (T)
Blood & Marrow Transplantation		
Issa F. Khouri	Associate Professor (T)	Professor (T)
Leukemia		
Jorge E. Cortes-Franco	Associate Professor (T)	Professor (T)
Infectious Diseases		
Dimitrios P. Kontoyiannis	Associate Professor (NT)	Associate Professor (T)

**NEW TENURE APPOINTMENTS AND PROMOTIONS WITHIN TENURE RANKS
(CONTINUED)**

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>
U. T. M. D. Anderson Cancer Center		
Sarcoma Medical Oncology Shreyaskumar Patel	Associate Professor (T)	Professor (T)
Neuro-Oncology Mark R. Gilbert	Associate Professor (NT)	Associate Professor (T)
Thoracic/Head & Neck Medical Oncology Jonathan M. Kurie	Associate Professor (T)	Professor (T)
Molecular Therapeutics Francois-Xavier Claret	Assistant Professor (NT)	Associate Professor (T)
Thoracic and Cardiovascular Surgery – Research Bingliang Fang	Assistant Professor (NT)	Associate Professor (T)
Plastic Surgery Charles W. Patrick, Jr.	Associate Professor (NT)	Associate Professor (T)
Radiation Physics – Pt. Care John D. Hazle	Associate Professor (T)	Professor (T)
Biostatistics Kim-Anh Do	Associate Professor (T)	Professor (T)
Linda S. Elting	Associate Professor (T)	Professor (T)
Keith A. Baggerly	Assistant Professor (NT)	Associate Professor (T)
Experimental Imaging Physics Roger E. Price	Associate Professor (T)	Professor (T)
Thoracic Head and Neck Medical Oncology – Research Li Mao	Associate Professor (T)	Professor (T)
Anesthesiology Patrick M. Dougherty	Associate Professor (NT)	Associate Professor (T)

SMALL CLASS REPORT, FALL 2003 AND SPRING 2004

Pursuant to Section 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules, a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is available in the U. T. System Office of Health Affairs and is summarized as follows:

Organized Undergraduate Classes with Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	16	19	35	38
b. To keep proper sequence	16	19	35	38
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	32	38	70	76
h. Voluntarily offered	0	0	0	0
Total	32	38	70	76

U. T. HEALTH CENTER - TYLER
AMENDMENTS TO THE 2003-04 BUDGET

TRANSFERS OF FUNDS

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
LERR EQUIPMENT PROJECT		
1. Amount of Transfer:	1,832	9
From: Library, Equipment, Repair and Rehabilitation (LERR) Centralized Call Management System		
To: LERR Emergency Room Renovation		
<p>To transfer of \$1,832.14 from approved LERR Equipment Project to a LERR Repair and Rehabilitation project. These funds are needed for an existing purchase order for a Text Telephone and Emergency Room renovation costs.</p>		

LERR EQUIPMENT PROJECT		
2. Amount of Transfer:	4,535	10
From: LERR Analytical Electron Microscope		
To: LERR Emergency Room Renovation		
<p>To transfer funds of \$4,535 from approved LERR Equipment Project to a LERR Repair and Rehabilitation project. These funds are needed for Emergency Room renovation costs.</p>		

**APPOINTMENT, REAPPOINTMENT, OR PROMOTION OF RELATIVES
AND MARRIAGE OF CERTAIN EMPLOYEES**

The following personnel actions involving the appointment, reappointment, or promotion of relatives have been administratively approved by the Executive Vice Chancellor for Health Affairs. The personnel actions are consistent with the provisions of Section 573.001 of the Texas Government Code and the Regents' Rules and Regulations, Part One, Chapter III, Section 5.

College, Department, Title, Name

College, Department, Title, Name

PROPOSED REAPPOINTMENT

RELATIVE

1. Office of the President
President
Kirk A. Calhoun

Office of the President
Special Assistant
Jeanette Deas Calhoun
(spouse)*

*Mrs. Calhoun is not listed in the budget as she is appointed without compensation.