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FOR
VOLUME 2
November 12-13, 2008

The University of Texas at El Paso
A University on the Move
Building a National Reputation
By Successfully Serving its Region

November 2008

The University of Texas at El Paso

- Founded in 1914 as the Texas State School of Mines and Metallurgy, Texas' mining school

- Joined The University of Texas System in 1919 as its third member institution, after U.T. Austin and U.T. Medical Branch in Galveston

- Became the Texas Western College in 1949

- Name changed to The University of Texas at El Paso in 1967

The University of Texas at El Paso

Access and Excellence

Located in El Paso-Juárez, a binational metropolitan area of two million people, UTEP enrolls more than 20,000 students, 90% of whom are from this U.S.-Mexico border region, and who reflect this region's demographic profile. The University has rejected the assumption that there must be a trade-off between promoting higher education <u>access</u> to a traditionally underrepresented student population and achieving <u>excellence</u> in research and teaching. UTEP's success in attaining both these goals has become a national model for higher education in the 21st century.

UTEP's Mission

As the leading U.S. doctoral/research university serving a majority Mexican-American student population, The University of Texas at El Paso:

- Creates a broad range of educational opportunities at all levels for residents of the U.S.-Mexico border region
- Prepares a competitive workforce for the region, state and nation
- Engages in nationally competitive research, scholarship and creative activity
- Contributes to our community's economic development and quality of life

UTEP Enrollment Trends
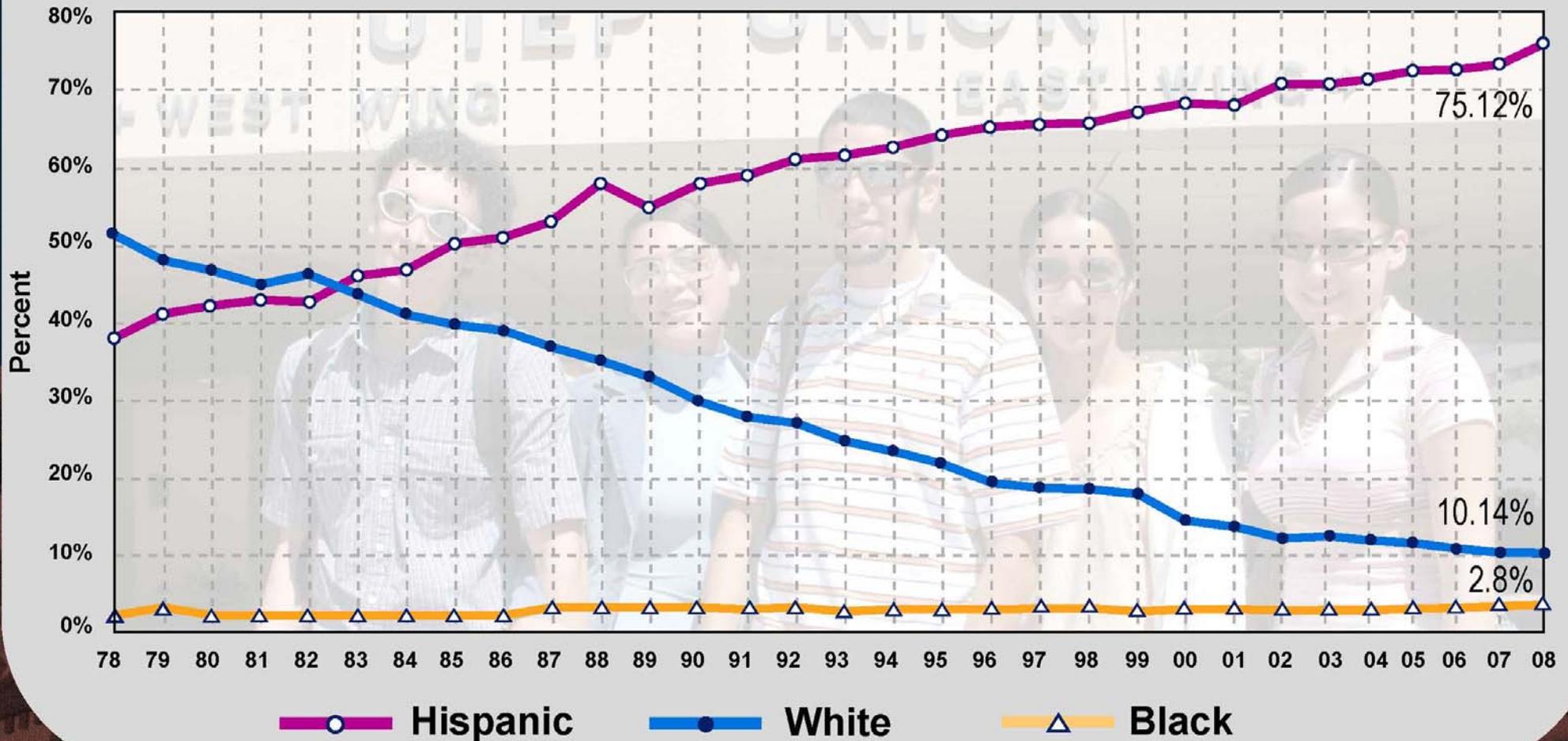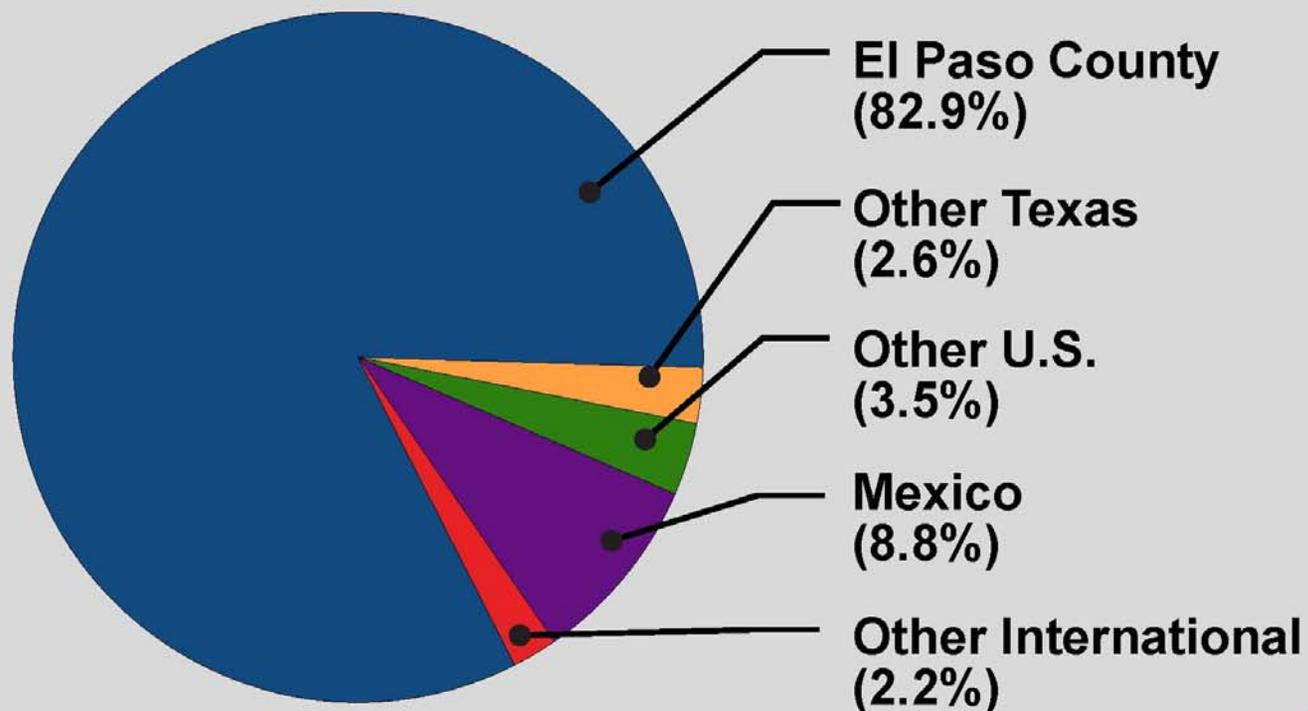
Source: UTEP Center for Institutional Evaluation, Research and Planning

Top 10% Enrollment at UTEP
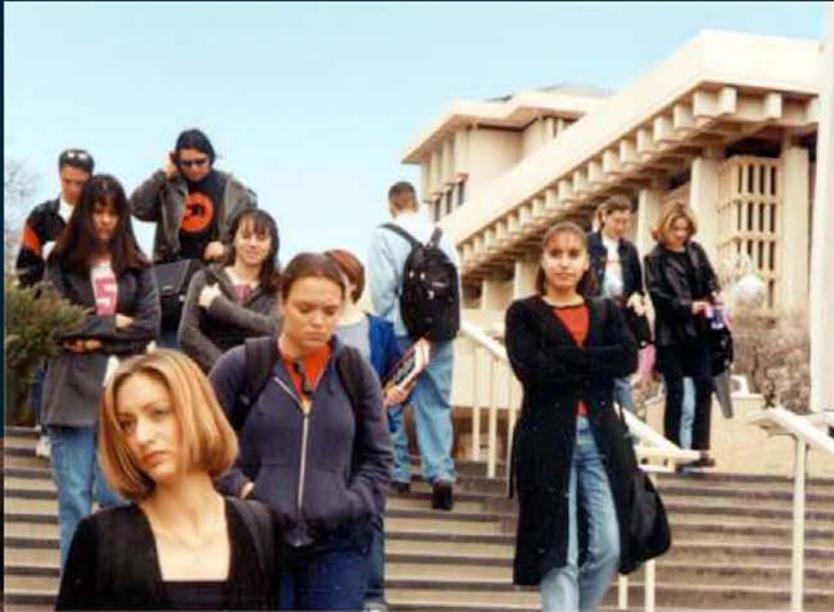
Texas Public University Enrollment

Top 10% High School Graduates from El Paso County, Fall 2007

UTEP 61.0%

All Others 6.4%

Texas A&M 4.9%

UT-Austin 23.5%

Texas Tech 4.2%
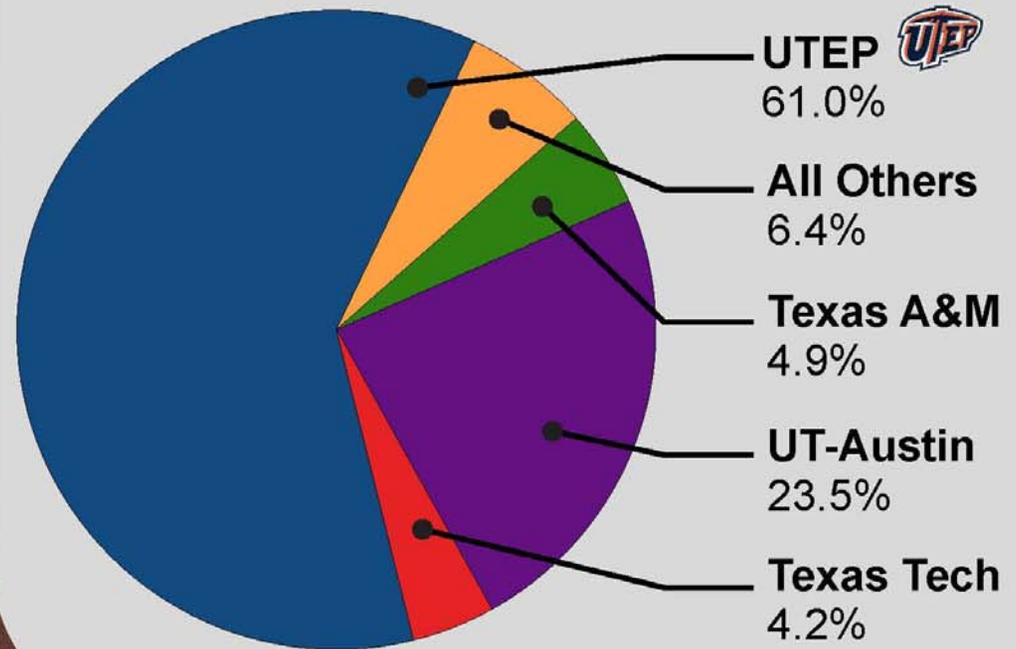
Source: Texas Higher Education Coordinating Board
Query of all top 10% in Fall 2007 from El Paso County who enrolled in any Texas Public University or 4-year college

Financial Aid
2006-2007

- **Number of UTEP students who applied for financial aid:**   **15,269**

- **Average family income of financial aid applicants:**   **$30,856**

- **Percent of financial aid applicants with family income of $20,000 or less:**   **44%**

- **Percent of UTEP students with reported family income of $20,000 or less:**   **34%**

Percent of students with family income of less than $20,000 at large public research (doctoral) universities: 10%. Percent of students with family income of less than $20,000 at small and mid-size private colleges and universities: 12% (Council of Independent Colleges: http://www.cic.edu/makingthecase/data/access/income/index.asp)

Percent of students with family income of less than $20,000 at community colleges: 29% (Lumina Foundation Focus, Fall 2005, P. 5)

Source: UTEP's Office of Financial Aid

Total Scholarships Awarded
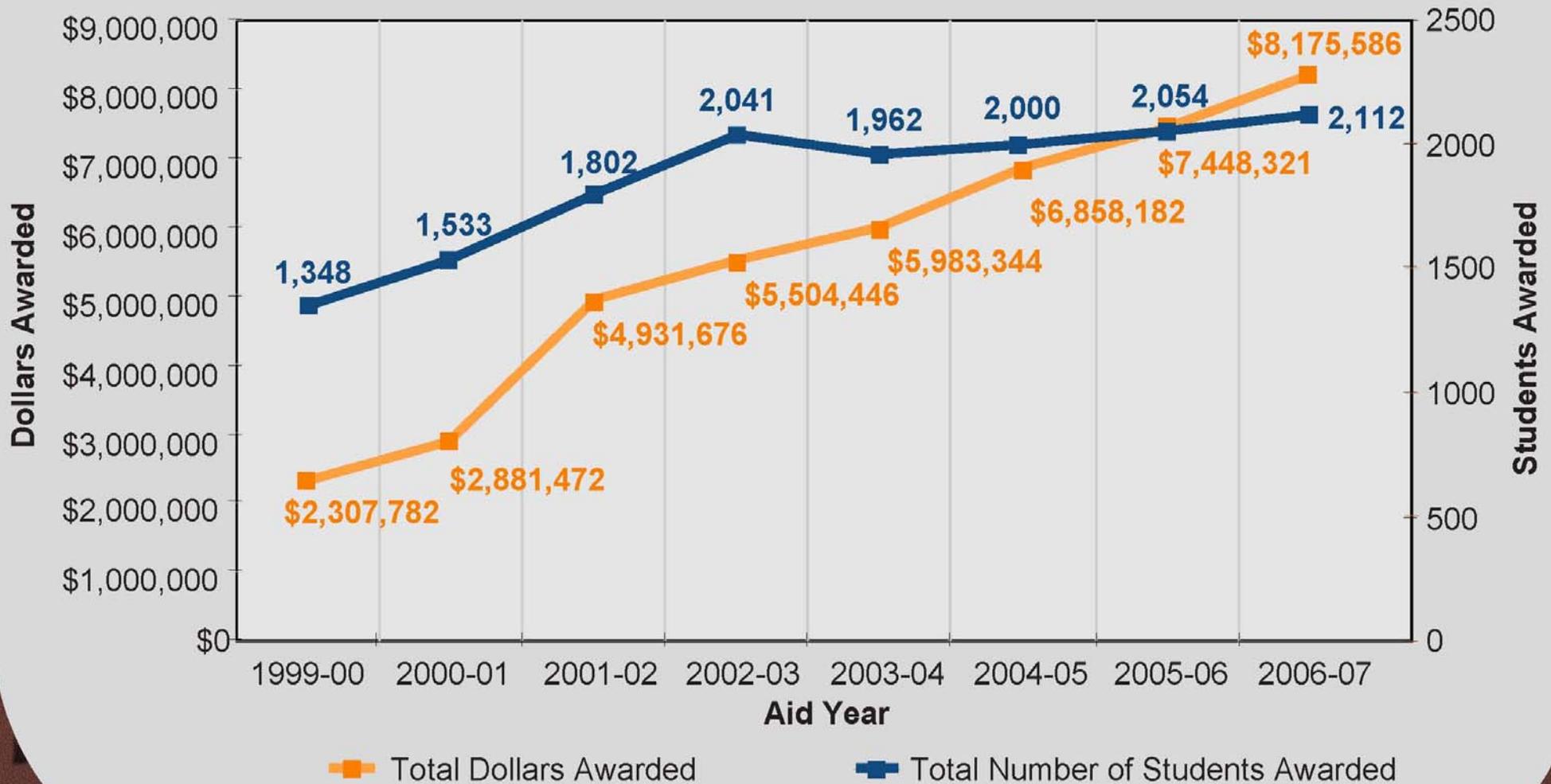
Total Degrees Awarded
1985-2007
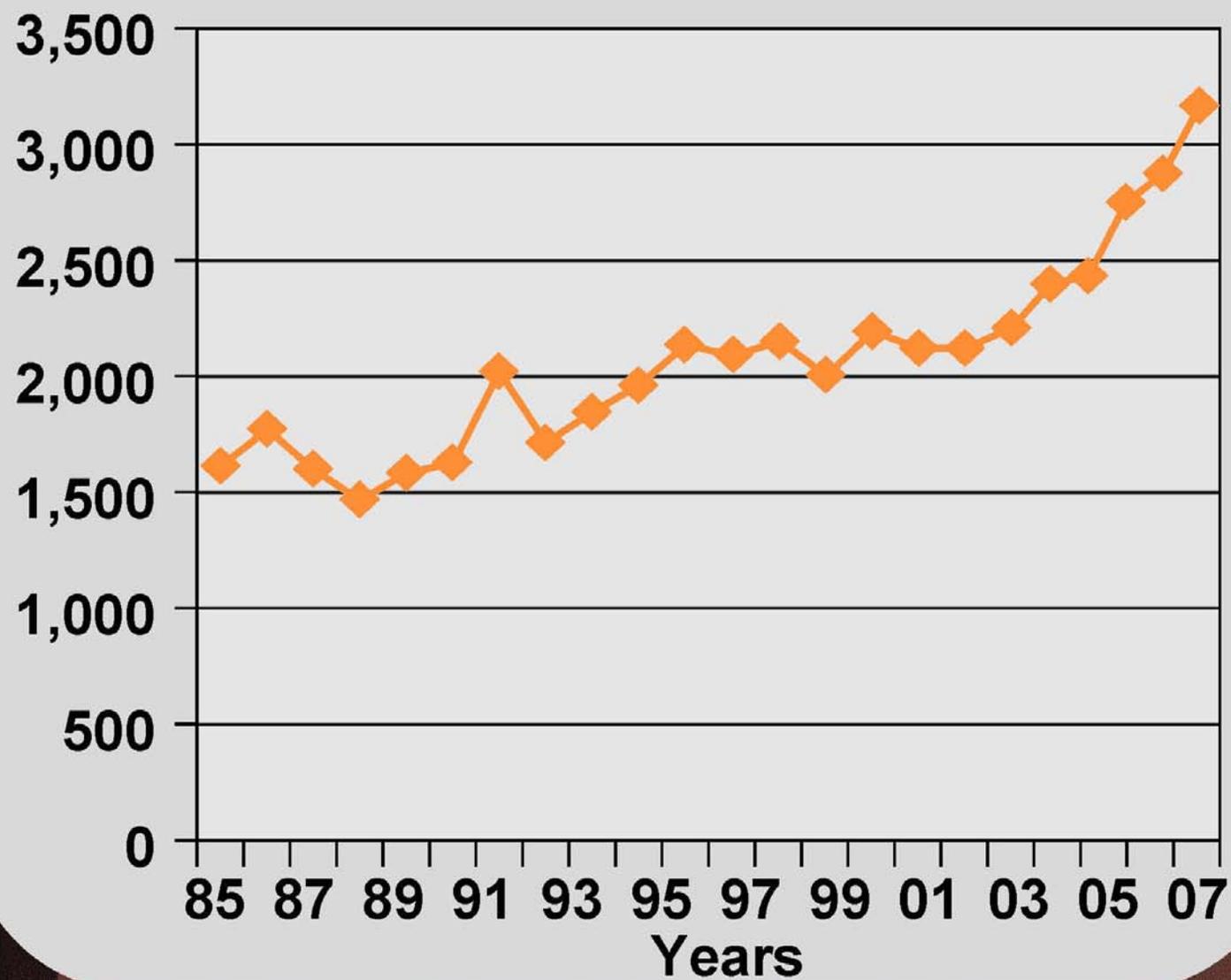
UTEP Awarded 3,171 Degrees in 2006-07
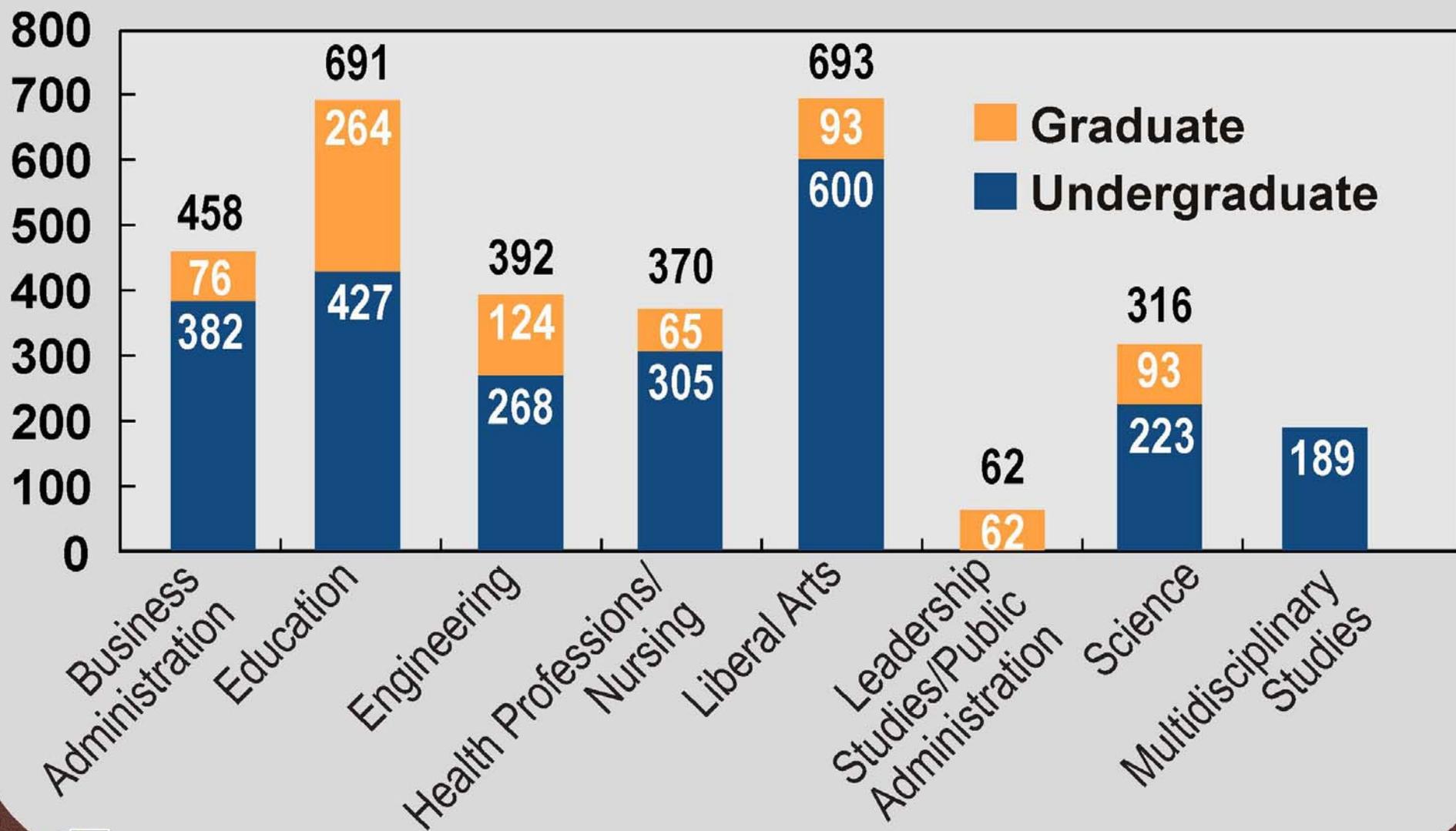
UTEP on the Road to Tier One: Investments

- UTEP's School of Mines origins and changing student demographics set strategic direction in 1988

- The 2004 Washington Advisory Group (WAG) report endorses strategy

- The U.T. System and Texas Legislature invest in facilities
  - Bioscience Research Building
  - Chemistry & Computer Science Building
  - Engineering/Science Facilities Renovation and Upgrades
  - College of Health Sciences/School of Nursing Building

- The U.T. System invests in research faculty
  - STARS support for faculty recruitment and retention
  - Research Superiority matching funds for State ETF support

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Washington Advisory Group Report to the U.T. System (2004)*

"Given the increasingly recognized importance of engaging the Hispanic population in higher education in general and in science and engineering in particular, UTEP's mission—to provide both access and excellence—is of national, as well as regional, importance. UTEP can be the model for a university that has a positive impact on the economic and social environment of a region that is challenged by increasing cultural and economic changes."

"UTEP's vision is nontraditional but exciting, with the twin goals of providing high quality education in a socially responsible way, and at the same time achieving national research prominence. If excellence is measured both by a university's research prominence and education programs, and also by its impact on the intellectual, social and economic well-being of a community, then UTEP clearly has great potential."

"….We believe that UTEP can become a Carnegie Doctoral Research Extensive university, and receive national recognition as a research capable, urban university in this decade. If it can secure the resources for the new faculty positions,…and for the facilities they will require, UTEP should be able to reach Tier 1 status in 15 years or so."

*Report of The Washington Advisory Group, LLC on Research Capability Expansion for The University of Texas System. Revised May 7, 2004

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PUF Funded Construction/Renovation Projects Historical Analysis

	Fiscal Year	PUF	Tuition Revenue TRB	RFS	Gift/Grant	Total
Biosciences Facility	2001-2002	6,500,000	12,750,000	5,750,000		25,000,000
Engineering Annex	2002-2003	6,000,000		1,000,000		7,000,000
Biosciences Facility	2002-2003	2,000,000				2,000,000
Biosciences Facility	2004-2005				3,500,000	3,500,000
Biosciences Facility	2006-2007	11,000,000				11,000,000
Science and Engineering Core Facilities Upgrade	2006-2007	24,100,000		3,900,000		28,000,000
Physical Sciences/Engineering Building	2006-2007	8,500,000	76,500,000			85,000,000
College of Health Sciences	2007-2008	50,000,000			10,000,000	60,000,000
		$108,100,000	**$89,250,000**	**$10,650,000**	**$13,500,000**	**$221,500,000**

UTEP on the Road to Tier One: Return on Strategic Investments

- UTEP's externally funded research has grown from $3 million per year in 1987 to nearly $50 million in 2008.

- UTEP ranks 4th among all Texas public universities in annual federal research expenditures.

- Since 1987, UTEP's single doctoral program in Geology has grown to 16 programs across all colleges, and doctoral enrollments have increased from 20 to 421 students.

UTEP Doctoral Enrollment Growth
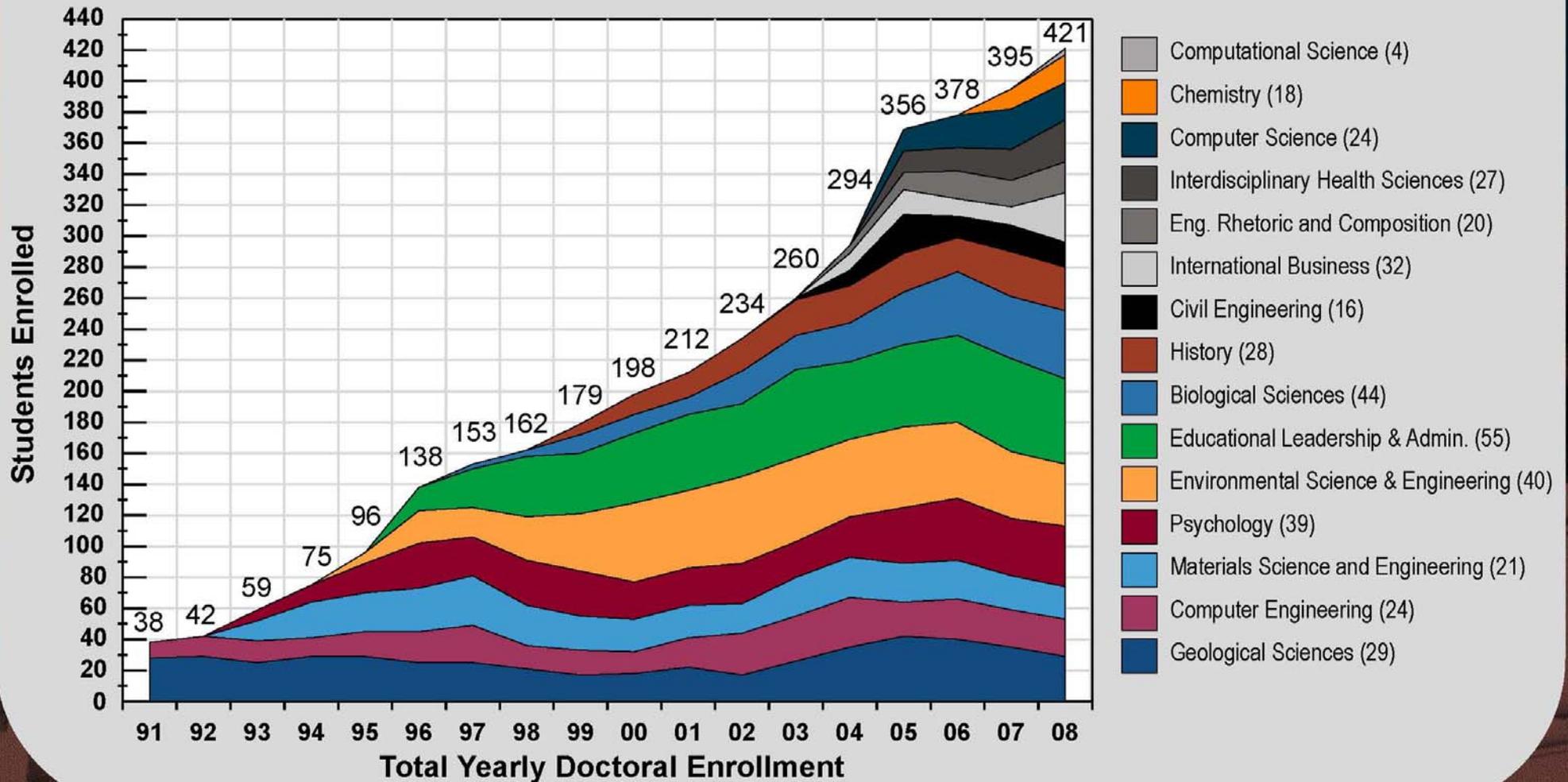
Source: UTEP Center for Institutional Evaluation, Research and Planning

Growth in Total Research Expenditures
Fiscal Years 1991-2007
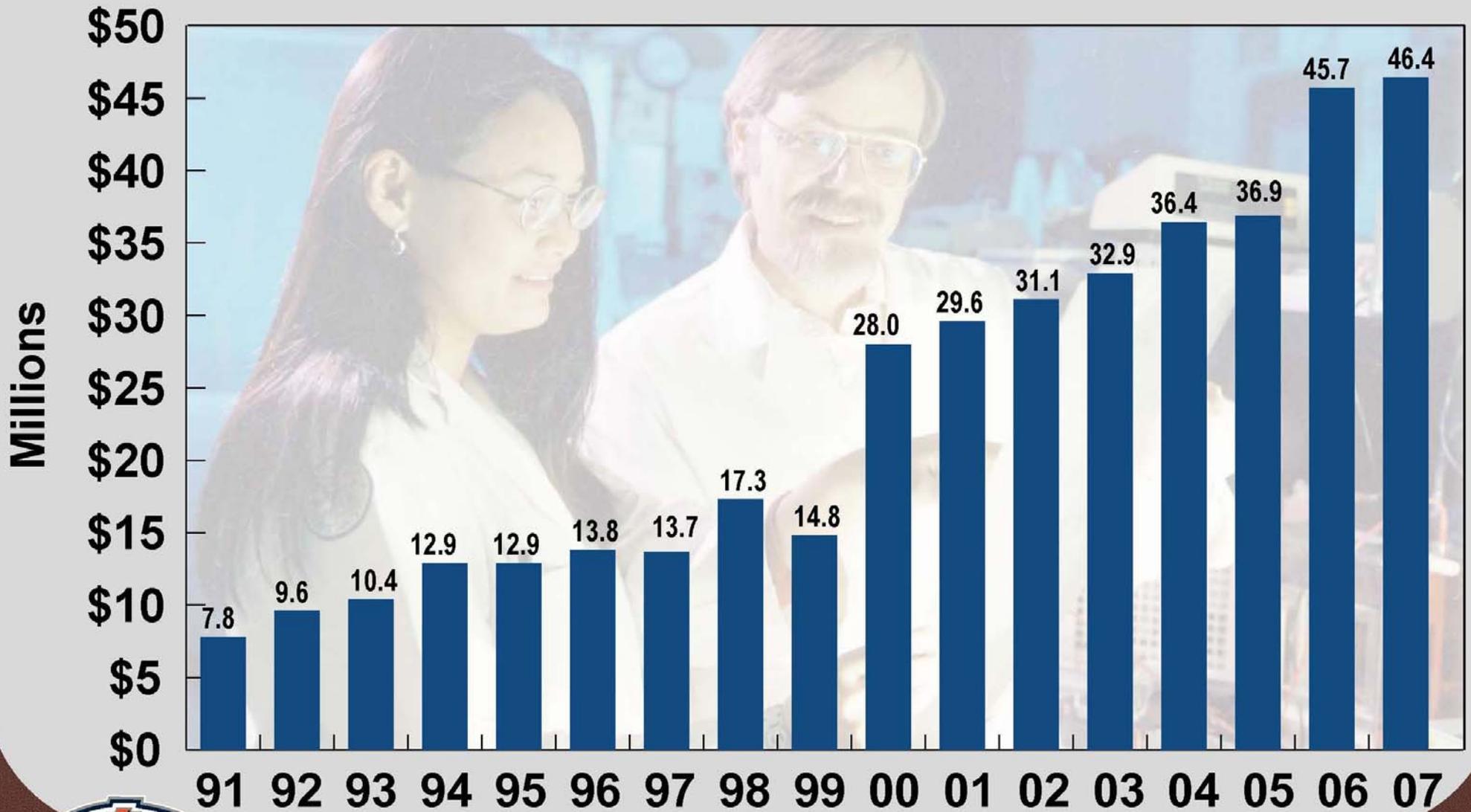
Source: Office of Research and Sponsored Projects, Jan. 2008

Ratio of Total Federal Research Expenditures/ Total State Revenue FY 2006

Institution	Percent	Rank
The University of Texas at Austin	84.89%	1
Texas A&M University	65.95%	2
The University of Texas at El Paso	**29.50%**	**3**
The University of Texas at Dallas	22.55%	4
University of Houston	21.51%	5
Texas A&M University at Galveston	20.71%	6
The University of Texas at San Antonio	19.86%	7
The University of Texas at Arlington	17.55%	8
The University of Texas at Brownsville	16.82%	9
Texas Tech University	14.33%	10

Source: Texas Higher Education Coordinating Board

Total Federal Funds Expenditures for Research and Other Research-Related Sponsored Programs

Top 10 Texas Public Institutions of Higher Education: FY 2007

	Total Expenditures in Millions	State Rank
U.T. Austin	$314.1	1
Texas A&M and Services	$232.6	2
University of Houston	$40.6	3
U.T. El Paso	$27.1	4
Texas Tech	$24.4	5
U.T. San Antonio	$21.7	6
U.T. Arlington	$20.6	7
U.T. Dallas	$17.8	8
Prairie View A&M	$9.1	9
University of North Texas	$7.8	10

Source: THECB Research Expenditures Report

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UTEP: Creating a New National Model for the 21st Century Research University

- UTEP's 75% Mexican-American student population

  +

- Growth in UTEP's doctoral programs from 1 to 16

  +

- Exponential growth in UTEP's externally funded research portfolio to nearly $50 million in annual expenditures

  =

Momentum toward becoming the 1st NATIONAL RESEARCH UNIVERSITY with a 21st century student demographic.

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3. **U. T. System: Approval to establish a major Systemwide new initiative in Innovations in Undergraduate Education**

Transforming Undergraduate Education

A Proposal

Rationale

Currently there are three significant issues affecting higher education in the state and across the nation. (1) Increasing access and student success; (2) reducing costs while maintaining quality; and (3) a new generation of students that have been raised using multiple technologies simultaneously.

Increased access and student success, and control or reduction of rising costs, continue to challenge our institutions of higher education. These issues are interrelated. As tuition costs continue to rise, access for some students is diminished.

Contributing to the complexity of higher education is a new generation of students who have a different set of skills, expectations, and technology experiences.

The baby boomer generation received their education at a time when technology was at a certain level. There was media in the schools (filmstrips, record players, card catalogues, typewriters, and phones with rotary dials, and gasoline cost 35 cents per gallon!).

The new generation known as "millenniums" are students born in the late 1980's to the present. These students grew up using Google ^{TM} and have been using a mouse and looking at a computer screen since they were three years old. These students are intense multitaskers, they are visual learners, and use the internet archive to check historical facts instead of checking out a book.

The solutions to these issues are also interrelated. Improving quality education, increasing access and success and educating a new generation of students demand new approaches to higher education. The UT System must find ways to resolve the familiar trade-off between quality and cost. We need to improve student learning and increase access to many more undergraduate students, at the same time, we need to be as cost-efficient as possible.

This calls for a significant effort and innovation in undergraduate education. We need new paradigms for undergraduate education as a complement to the lecture format. Therefore, this initiative on transforming undergraduate education is being submitted for approval by the UT System Board of Regents. An allocation of $2 million from Intermediate Term Fund (ITF) and $500,000 from Available University Fund (AUF) is requested to begin funding innovative proposals on a competitive basis for a limited time. A central aspect to these initiatives will be the development of methodology to evaluate their effectiveness, principally by measurements of student success.

Program Strategy

The purpose of the "Transforming Undergraduate Education" program (TUE) is to stimulate creative approaches to instruction that increase student access and success while being cost-efficient or reducing instructional costs. As we pursue this mission, UT System will hope to widen the projects to all academic institutions committed to transforming undergraduate education.

Goals and Objectives

- To inspire, by promulgating a vision for transforming undergraduate education that leads to greater student success.
- To enable, by creating constructive ways for collaboration among those with common interests in improving student success while reducing instructional costs.
- To leverage a significant return on this investment in instructional innovations.
- To inform, by showcasing innovative projects that transform undergraduate education.
- To influence, by advocating constructive ways to address student achievement and affordability strategically.
- To evaluate, by measuring some meaningful evidence for student success and performance of the instructional model.

Areas of Work

- Pedagogy
- Learning materials
- Technologies
- Learning space

Pedagogy – strategies that will promote proven pedagogical techniques that result in the most effective student learning (e.g., increase success rates , course completion rates, greater retention rates, increased responsiveness to diverse learning styles).

Learning Materials – strategies to stimulate development of high quality learning tools that address new learning styles (e.g., virtual laboratories for science courses, serious gaming activities that engage undergraduates within and outside the classroom).

Technologies – strategies that will stimulate new technological applications, reduce instructional costs, and increase student learning and successes. For example, the studio teaching model has been adopted by several prominent institutions.

Learning Spaces – strategies that will explore redesign of campus facilities and alternatives to reduce costs in building new facilities. The use of web-based classrooms, chat rooms, and virtual laboratories are examples of new learning spaces.

Any other transformational activities leading to substantial changes in instructional practices that are replicable and scalable that will help institutions learn from the successes of those who have done it. An example of innovation includes large lecture halls/theatres such as those at the University of Kansas.

3. U. T. System: Approval to establish a major Systemwide new initiative in
   Innovations in Undergraduate Education (cont.)

Criteria

- Be an innovative and transformative new program, not simply a confirmation of an existing program
- Not duplicative of programs existing at the applicant campus or other UT campuses
- Have the potential for wide adaptability throughout the UT System
- Be based on sound educational and evaluation principles
- The principal investigator (P.I.) should be a full time or part time faculty member at a UT System academic institution
- Inter-campus and intra-campus collaboration, including health-related institutions.

Specifics

1. Expect to award grants of $100,000 - $250,000
2. Deliverables
   a) Yearly work in progress
   b) Annual documented outcomes
   c) Spring investigators meeting with Executive Vice Chancellor
   d) Detailed evaluation at end of project
3. Institutional support for the time paid for by the grant
4. Salary and proportional fringe benefits included but no other indirect costs
5. P.I.'s may be full time or part time faculty at UT System academic institutions
6. Appropriate letters supporting implementation of the innovation as described in the proposal
7. P.I.'s time must be included in budget
8. Institutional match if available

Process

Pre-proposal letter of intent should be submitted electronically in PDF format and must include:

A. Background with statement of need and significance
B. Project description
C. Methodology = objectives
D. Outcome measures
E. Estimated total budget – no detail
F. Up to 5 pages

Time Line

January 15, 2009	Request for Letters of Intent
April 15, 2009	Letter of intent due
May 15, 2009	Invitations for full proposals
August 15, 2009	Full proposals due
September 15, 2009	Awards announced

4. U. T. System: Approval of program details for the Regents' Outstanding Teachers
    Awards and the Center for Technology Commercialization

Regents' Outstanding Teachers Awards

The University of Texas at Austin

- The Regents of The University of Texas System place the highest priority on undergraduate teaching at System universities. They wish to encourage teaching excellence by recognizing those faculty who deliver the highest quality of undergraduate instruction, demonstrate their commitment to teaching, and have a history and promising future of sustained excellence with undergraduate teaching in the classroom, in the laboratory, in the field, or online.

- The Regents introduced the Regents' Outstanding Teachers Awards program for the nine academic institutions that will be a symbol of the importance they place on the provision of teaching and learning of the highest order, in recognition of those who serve our students in an exemplary manner and as an incentive for others who aspire to such service. These teaching awards will complement existing ways in which faculty excellence is recognized and incentivized.

- The Regents have allocated $1 million per annum for five years, beginning FY09, for these teaching awards to be available to faculty at UT Austin. The awards will involve one-time payments to individual faculty ranging from 20 awards of $30,000 for tenured faculty, 9 awards of $25,000 for tenure-track faculty upon receiving tenure, and 9 awards of $15,000 for contingent faculty (including adjuncts, lecturers, and instructional assistants).   It is intended that no fewer than 30 total awards will be made each year.

- The process of selecting candidates will be a rigorous campus-based process, relying heavily on student and peer faculty evaluations within academic departments and progress through various stages of evaluation up through the university, resulting in a recommendation from the campus president. It is intended that no more than 76 candidates be recommended each year. The Office of Academic Affairs (OAA) will administer the program on behalf of the UT System Board of Regents. All recommendations shall be directed to the Executive Vice Chancellor for Academic Affairs and submitted by the last Friday in March of each year. OAA staff will review all recommendations and will forward those candidates meeting the criteria specified below to the selection committee for consideration.

- The composition of the selection committee will be as follows:
    - Chair – a Regent, Chair of the Academic Affairs Committee
    - UT System Executive Vice Chancellor for Academic Affairs
    - The President or representative of the TAMEST (The Academy of Medicine, Engineering, and Science of Texas)
    - The Executive Director or representative of Humanities Texas
    - A student representative from the UT System Student Advisory Council

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Office of Academic Affairs
October 2008

- o   A faculty representative from the UT System Faculty Advisory Council
- o   A senior executive from NASULGC (National Association State Universities and Land Grant Colleges)
- o   Three distinguished alumni representatives of the different UT System institutions
- o   An external teaching expert – consultant from the Carnegie Foundation for the Advancement of Teaching (Carnegie Academy for the Scholarship of Teaching and Learning)

An allowance of $40,000 each year shall be available to secure participation on the committee by the designated outside members.

- •   The successful candidates must have clearly demonstrated their commitment to teaching, and a sustained capability to deliver excellence to the undergraduate learning experience, through **all** of the following principal criteria:
  - o   Sustained high performance in student exit (end-of-course) evaluations for more than one undergraduate degree course, at any undergraduate level; evidence to include high evaluation scores and trends, absence of grade inflation patterns, and positive written comments
  - o   Peer review evaluation of curriculum quality, classroom expertise, and demonstrated focus on learning outcomes and assessment of those outcomes
  - o   Demonstrated ability to link faculty scholarship with innovative course development, content, and intellectual challenges that together will inspire students' curiosity and creativity, and promote student engagement in the learning process
  - o   Additional extraordinary commitment to teaching can be demonstrated in a variety of ways including mentor students, service learning, engagement, advising, being available to students, and undergraduate thesis advising

- •   The successful candidates may also exhibit **some or all** of the following:
  - o   Sustained quality of teaching from more than one annual evaluation at the departmental level
  - o   Evidence of continuous improvement and innovation in the preparation of course materials
  - o   Commitment to high quality undergraduate education from participation in, and experience from, teacher training and/or academic teaching conferences
  - o   Appropriate use of technology in the classroom (integrated into the curriculum)
  - o   Evidence of teaching awards already gained at department, college or university levels or elsewhere (professional discipline associations)
  - o   Evidence of discipline-related interaction with students beyond the classroom, such as sponsorship of student organizations, sponsorship of scholastic fraternities, field experiences, and undergraduate research

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Office of Academic Affairs
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4. U. T. System: Approval of program details for the Regents' Outstanding Teachers Awards and the Center for Technology Commercialization (cont.)

- Appropriate documentation of candidate cases for consideration should include:
  - A teaching portfolio prepared by each candidate, with examples of course materials, examples of assessments used to ascertain student attainment of learning outcomes, examples of student engagement in learning (such as active learning strategies, field experiences, service learning, learning communities, and/or undergraduate research), continuous improvement of course materials, student feedback, scholarship links to pedagogy, teacher training experience, and a statement of teaching philosophy, objectives, and commitment
  - Record of student evaluations for a minimum of two years
  - Letter(s) of support from students (limit 3)
  - Letter(s) of support from peer faculty (limit 3)
  - Letter of support from chair of department
  - Letter of support from dean of the college
  - Syllabus of recent favorite course
  - Curriculum vitae

- The evaluation of candidates will occur each April, with awards announced at the May Board of Regents' meeting. Recognition events are left to the discretion of each campus. Regent participation in events should be coordinated through the Board Office.

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October 2008

Regents' Outstanding Teachers Awards

UT Arlington, UT Brownsville, UT Dallas, UT El Paso, UT Pan American,

UT Permian Basin, UT San Antonio and UT Tyler

- The Regents of The University of Texas System place the highest priority on undergraduate teaching at System universities. They wish to encourage teaching excellence by recognizing those faculty who deliver the highest quality of undergraduate instruction, demonstrate their commitment to teaching, and have a history and promising future of sustained excellence with undergraduate teaching in the classroom, in the laboratory, in the field, or online.

- The Regents introduced the Regents' Outstanding Teachers Awards for the nine academic institutions that will be a symbol of the importance they place on the provision of teaching and learning of the highest order, in recognition of those who serve our students in an exemplary manner and as an incentive for others who aspire to such service. These teaching awards will complement existing ways in which faculty excellence is recognized and incentivized.

- The Regents have allocated $1 million per annum for five years, beginning FY 2009, for these teaching awards to be available to faculty at UT Arlington, UT Brownsville, UT Dallas, UT El Paso, UT Pan American, UT Permian Basin, UT San Antonio and UT Tyler. The awards will involve one-time payments to individual faculty ranging from 20 awards of $30,000 for tenured faculty, 9 awards of $25,000 for tenure-track faculty upon receiving tenure, and 9 awards of $15,000 for contingent faculty (including adjuncts, lecturers, and instructional assistants).   It is intended that no fewer than 30 total awards will be made each year.

- The process of selecting candidates will be a rigorous campus-based process, relying heavily on student and peer faculty evaluations within academic departments and progress through various stages of evaluation up through the university, resulting in a recommendation from the campus president. Each campus president may nominate no more than the number of faculty in each classification as indicated in Appendix "A" (proportional distribution of faculty per campus in each category). The Office of Academic Affairs (OAA) will administer the program on behalf of the UT System Board of Regents. All recommendations shall be directed to the Executive Vice Chancellor for Academic Affairs and submitted by the last Friday in March of each year. OAA staff will review all recommendations and will forward those candidates meeting the criteria specified below to the selection committee for consideration. Actual awards will be made on the strength of individual faculty, not proportionally by campus.

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Office of Academic Affairs
October 2008

4. U. T. System: Approval of program details for the Regents' Outstanding Teachers Awards and the Center for Technology Commercialization (cont.)

- The composition of the selection committee will be as follows:
  - Chair – a Regent, Chair of the Academic Affairs Committee
  - UT System Executive Vice Chancellor for Academic Affairs
  - The President or representative of TAMEST (The Academy of Medicine, Engineering and Science of Texas)
  - The Executive Director or representative of Humanities Texas
  - A student representative from the UT System Student Advisory Council
  - A faculty representative from the UT System Faculty Advisory Council
  - A senior executive from NASULGC (National Association State Universities and Land Grant Colleges)
  - Three distinguished alumni representatives of the different UT System institutions
  - An external teaching expert – consultant from the Carnegie Foundation for the Advancement of Teaching (Carnegie Academy for the Scholarship of Teaching and Learning)

  An allowance of $40,000 each year shall be available to secure participation on the committee by the designated outside members.

- The successful candidates must have clearly demonstrated their commitment to teaching, and a sustained capability to deliver excellence to the undergraduate learning experience, through **all** of the following principal criteria:
  - Sustained high performance in student exit (end-of-course) evaluations for more than one undergraduate degree course, at any undergraduate level; evidence to include high evaluation scores and trends, absence of grade inflation patterns, and positive written comments
  - Peer review evaluation of curriculum quality, classroom expertise, and demonstrated focus on learning outcomes and assessment of those outcomes
  - Demonstrated ability to link faculty scholarship with innovative course development, content, and intellectual challenges that together will inspire students' curiosity and creativity, and promote student engagement in the learning process
  - Additional extraordinary commitment to teaching can be demonstrated in a variety of ways including mentor students, service learning, engagement, advising, being available to students, and undergraduate thesis advising

- The successful candidates may also exhibit **some or all** of the following:
  - Sustained quality of teaching from more than one annual evaluation at the departmental level
  - Evidence of continuous improvement and innovation in the preparation of course materials

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4. U. T. System: Approval of program details for the Regents' Outstanding Teachers Awards and the Center for Technology Commercialization (cont.)

- o Commitment to high quality undergraduate education from participation in, and experience from, teacher training and/or academic teaching conferences
- o Appropriate use of technology in the classroom (integrated into the curriculum)
- o Evidence of teaching awards already gained at department, college or university levels or elsewhere (professional discipline associations)
- o Evidence of discipline-related interaction with students beyond the classroom, such as sponsorship of student organizations, sponsorship of scholastic fraternities, field experiences, and undergraduate research

- • Appropriate documentation of candidate cases for consideration should include:
  - o A teaching portfolio prepared by each candidate, with examples of course materials, examples of assessments used to ascertain student attainment of learning outcomes, examples of student engagement in learning (such as active learning strategies, field experiences, service learning, learning communities, and/or undergraduate research), continuous improvement of course materials, student feedback, scholarship links to pedagogy, teacher training experience, and a statement of teaching philosophy, objectives, and commitment
  - o Record of student evaluations for a minimum of two years
  - o Letter(s) of support from students (limit 3)
  - o Letter (s) of support from peer faculty (limit 3)
  - o Letter of support from chair of department
  - o Letter of support from dean of the college
  - o Syllabus of recent favorite course
  - o Curriculum vitae

- • The evaluation of candidates will occur each April, with awards announced at the May Board of Regents' meeting. Recognition events are left to the discretion of each campus. Regent participation in events should be coordinated through the Board Office.

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APPENDIX "A"

Proportional Distribution of Faculty Awards by Campus

	Tenured (20 @ $30,000)				Tenure-Track (9 @ $25,000)				Contingent (9 @ $15,000)		
	Total Faculty 1946		Candidates 40		Total Faculty 1145		Candidates 18		Total Faculty 3437		Candidates 18
UTA	393	20%	8		214	19%	3		713	21%	4
UTB	165	8%	3		142	12%	2		424	12%	2
UTD	291	15%	6		105	9%	2		371	11%	2
UTEP	306	16%	6		177	15%	3		614	18%	3
UTPA	255	13%	5		209	18%	3		326	9%	2
UTPB	55	3%	1		37	3%	1		130	4%	1
UTSA	388	20%	8		198	17%	3		637	19%	3
UTT	93	5%	2		63	6%	1		222	6%	1

Center for Technology Commercialization

Executive Summary

This document proposes the establishment of the Center for Technology Commercialization (Center) that will position The University of Texas at Austin at the national forefront of technology commercialization. The Center will report to the Vice President for Research (VPR). Its purpose is to increase the effectiveness and efficiency of transferring University-based and developed technologies to the private sector. The expected outcomes resulting from the proposed Center include:

- Efficient targeting of resources at technology commercialization across a spectrum of development stages;
- Development of strategies aimed at identifying, enhancing, and nurturing promising technologies for successful commercialization;
- Effective targeting of resources to obtain external funding and leadership for university start-up companies;
- Increased awareness among potential technology creators and increased enthusiasm across the university for commercialization;
- Recognition within and outside of the university regarding a unified effort to accelerate commercialization of university technologies;
- Increased number of university start-up companies, commercialized technologies, funding for research, opportunities for students, royalty income for the university, and networking for faculty and research scientists;
- Decreased time from idea generation to final stage commercialization.

The Center will be formed by combining and enhancing the capabilities of two existing units that report to the VPR:

- The Office of Technology Commercialization (OTC), and
- The Austin Technology Incubator (ATI).

As the Center reduces the number of points of contact that faculty and external audiences require to interact with the University, it can also serve a role as both a referral and a collaborator with the university's associated units and/or programs such as the IC2 Institute, the Master in Science and Technology Commercialization (MSTC), Moot Corp and Idea to Product competitions, and other entrepreneurship initiatives and programs.

The execution of this proposal will enable UT Austin to become a national leader in both the commercialization of UT Austin inventions, and a model for commercialization "best practices." Furthermore, it will allow UT Austin to better serve the faculty, the local community, and the State of Texas.

Rationale

Over the last few years, OTC has developed a robust, systematized, and scalable technology transfer capability. More than 30 startups have been created in the last five years and the number of invention disclosures from faculty has increased by fifty percent, with over 140 disclosures expected in FY 2008. At present, OTC is looked upon as a thought leader in university commercialization. Its business practices are emulated (for example, OTC's simple-to-use agreement templates are being replicated and used by other institutions) and it enjoys other recognitions, such as hosting The Association of University Technology Managers' (AUTM) national software licensing symposium this past June.

The ATI was launched by the IC2 Institute in 1989 to provide support to early stage technology companies and to act as a unique teaching resource for the University. By many measures, ATI has been very successful. It has mentored over 200 companies that have successfully raised capital and created jobs and wealth in Central Texas. The core resources of the incubator are its in-house staff, external networks of mentors, executives, and investors, and its student internship program. The potential exists to expand ATI activities to provide its services, expertise, and experience to companies that originate both outside and inside the University. This will afford UT Austin faculty and student inventors a range of services that have not been systematically available to them in the past.

The creation of the Center will bring together the distinct and complementary capabilities and resources of OTC and ATI to bear on the overall commercialization efforts of the University. Further, the Center will operate under a coherent organizational structure and with the resources needed to accomplish its mission. In particular, the Center will provide a clearer path for both faculty and external audiences (such as entrepreneurs, investors, and established industry) to engage with UT Austin regarding commercialization activities.

The Center will provide a systematized, scalable new venture creation and acceleration process that will substantially increase the number and quality of start-ups based on UT Austin inventions, will enable UT Austin to foster long-term relationships with business partners and will better leverage UT Austin's $500 million in annual research expenditures to bring significant value to society.

Organization & Budget Considerations

Most of the resources necessary for this effort already exist and are budgeted for FY 2009. Consequently, U. T. Austin can create a Center for Technology Commercialization that will rank in the national top tier of university commercialization offices with an incremental investment of $1 million per year for 5 years (detail shown in table at end of document).

The funding will:
- Give ATI the resources to help faculty inventors and entrepreneurs incubate companies commercializing UT Austin inventions.
- Increase the patent prosecution budget so that:
  - More faculty can have their inventions patented.

- o Patents can be prosecuted and held by the University while the inventor conducts further research to demonstrate the commercial viability of the technology.
- Allow the University to expand and reorganize its approach to licensing and new venture licensing.
- Provide resources dedicated to improving communications with faculty and external audiences.

Within the proposed Center, the current technology-licensing group will be expanded and reorganized into two departments or units: "Commercialization & New Venture Creation" and "Commercialization & New Venture Transactions."

Commercialization & New Venture Creation

This unit will promote faculty inventions and coordinate the contacts with the companies, entrepreneurs, venture capitalists, and other potential investors. A director with deep experience in working with early stage technologies will be appointed to lead the unit. This unit will expand the Entrepreneur-In-Residence Program (EIR) which is currently funded through an allocation from the State of Texas Emerging Technology Fund, in which future CEOs have a formal structure to transition university research to commercial opportunities. These EIRs, along with the commercialization officers, will be at the front lines of locating and initiating start-up and licensing opportunities. These same channels will be open to others in the community who wish to find technologies to commercialize.

Commercialization & New Venture Transactions

This unit will accelerate commercialization and new venture activities by providing dedicated specialists to structure start-up ventures, negotiate licenses and other transactions relating to university inventions, assist with obtaining grant funding for start-up ventures, oversee agreement execution to ensure compliance with relevant policies and procedures, provide guidance and review of pricing and economic terms of start-up and license agreements, and guide the development and evolution of streamlined processes (such as the license templates) to reduce transaction costs and time to closure. This department is intended to increase the flow of licensing and new venture transactions and serve as a control function for new transactions.

Marketing & Communications

In forming the Center, the marketing and communications unit will receive additional resources to support improved communication with faculty and coordination with college/departmental entrepreneurial and commercialization efforts across the university (e.g., IC2 Institute, Moot Corp and Idea to Market competitions, the Master of Science and Technology Commercialization and other entrepreneurship-focused activities on campus). In addition, funds will be used for expediting technology assessments, technology marketing campaigns, and the implementation and standardization of sales processes ensuring efficiencies and economic impact.

4. U. T. System: Approval of program details for the Regents' Outstanding Teachers Awards and the Center for Technology Commercialization (cont.)

Metrics for Success

The $5 million investment in the Center will promote The University of Texas at Austin to a top three ranking among public universities in technology commercialization as measured by metrics that include start-ups (numbers created, capital raised, jobs created), licenses, and invention disclosures. In addition, the Center will be measured by customer satisfaction surveys for both internal and external customers.

4. U. T. System: Approval of program details for the Regents' Outstanding Teachers Awards and the Center for Technology Commercialization (cont.)

Budget Detail

	FY09	FY10	FY11	FY12	FY13	Total
New ATI Functionality	$250,000	$250,000	$250,000	$250,000	$250,000	**$1,250,000**
Increased Patent Budget	$250,000	$250,000	$250,000	$250,000	$250,000	**$1,250,000**
Commercialization & New Venture Creation*	$200,000	$225,000	$250,000	$275,000	$300,000	**$1,250,000**
Commercialization & New Venture Transactions	$160,000	$250,000	$275,000	$300,000	$330,000	**$1,315,000**
Marketing & Communications	$140,000	$145,000	$150,000	$155,000	$160,000	**$750,000**
Funds from Royalty Account		($120,000)	($175,000)	($230,000)	($290,000)	**($815,000)**
Center Supplementary Budget	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$5,000,000**

**$425,000 from ETF will support EIRs and research grants in FY 2009

81ˢᵗ Texas Legislature Prospective Legislative Issues

Vice Chancellor Barry McBee

THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

November 13, 2008

- ## Budget Surplus – How Much?
  - ### Early estimates: $10.7 billion to $15 billion
    - Even after shortfall in business margins tax receipts
- ## Budget Surplus Committed - How Much?
  - ### Property tax cut: $3 billion
  - ### Rainy Day Fund: $6.8 billion
- ## Budget Surplus Available – How Much?
  - ### Estimates: $2 billion to $4 billion
- ## Effect of Constitutional Spending Limit

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- How Much is Available for Higher Ed?
  - Don't know
- Unable to Determine for Several Reasons:
  - Federal entitlement programs (i.e., Medicaid)
  - Other health and human services programs
  - Public school finance
  - Transportation spending
  - Effects of Hurricane Ike
  - Further property tax relief
  - National economic conditions

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- Increased Formula Funding:
  - Coordinating Board Recommendations:
    - $687.5 million for General Academic Institutions
      - Instruction and Operations $442.9 million
      - Infrastructure $244.6 million
    - $112.4 million for Health Related Institutions
      - Instruction and Operations $22.4 million
      - Research Enhancement $17.7 million
      - Infrastructure $50.2 million
      - Mission Specific $ 5.6 million
      - Graduate Medical Education $16.5 million

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- ## Incentive Funding:

  - ### $80 million in current appropriations bill

  - ### Recommendations range from:

    - $178 million for general academic institutions (Coordinating Board's formula funding recommendation) to

    - $940 million for general academic and health-related institutions (Governor's Incentive Funding Task Force)

5. U. T. System: Preparations for the 81st Legislative Session (cont.)

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- Financial Aid:
  - Coordinating Board recommendations:
    - $367 million more for TEXAS Grants
    - $193 million more for Texas Educational Opportunity Grants for community college students
    - $5 million more for College Work-Study Program
  - Continuation of Top 10% Student Scholarship Program ($20 million in current appropriations bill)

5. U. T. System: Preparations for the 81st Legislative Session (cont.)

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- Support for Tier One Institutions
  - Increase in Competitive Knowledge Fund
  - Resources for additional Tier One institutions

- ## State Support for Employee Health Insurance Costs
  - Inequity of higher education to state agencies
    - Inequity of UT and Texas A&M to other institutions
  - $18.9 million to restore parity
  - $49.1 million for increased costs

- ## Community College Funding Needs
  - $150 million to restore vetoed health insurance funding
  - $668 million increase in formula funding
  - $100 million incentive funding

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Specific Higher Education Budget Issues

- Fund Exceptional Items:
  - Approximately $629 million for all UT System institutions (see detail in Appendix) including:
    - $301 million in Tuition Revenue Bond (TRB) debt service on 31 projects costing a total of $2.3 billion
      - o $284 million in new TRBs
      - o $17 million in "Gap Funding"
    - General Academic Institutions: $346 million with $227 million in TRB debt service
    - Health Related Institutions: $283 million with $74 million in TRB debt service
  - $946 million for all higher education institutions (excluding UT System Institutions)

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Academic Affairs Issues

- Tuition Re-regulation
  - Relationship of General Revenue and tuition
  - Importance and benefits of flexibility
    - Examples of strategic use of tuition policies
  - Efforts to control costs

- Top 10% Law
  - Current status and effects
  - Proposals for change
  - Impact of litigation on changes to law

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- Tier One Institutions
  - Impact of existing Tier One institutions on Texas economy
  - Enhanced support for existing institutions
  - Identified candidates for Tier One status
  - Legislative discussions of principles and methodology
  - Potential costs and sources of additional state support

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Academic Affairs Issues

- Community Colleges
  - Importance of community colleges to universities
  - UT System Office of Community College Partnerships
  - Efforts to motivate more transfers
    - Financial aid to students
    - Incentives to institutions
    - Removal of barriers

Academic Affairs Issues

- Formula and Incentive Funding
  - Coordinating Board recommendations for formula funding
    - Structural changes to add performance elements
      - Completed vs. attempted semester credit hours
        - Phased in over four years
        - Only if minimum level of funding provided by Legislature
      - Degrees Awarded
        - Increases in number of degrees awarded
        - At-risk students
        - Critical fields
      - Incentives for research funding

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Academic Affairs Issues

- Financial Aid
  - Efforts to reform financial aid programs in Texas
    - Legislative study by Higher Education Insight Associates
    - Commissioner's recommendations to Legislature
      - o Need-based aid vs. merit-based aid
  - Difficulty in obtaining student loans in current market
  - Distribution of funds among existing programs

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- Governor's Seven Breakthrough Solutions
  - Faculty teaching and research activities
  - Transparency and accountability
  - Legislative vs. Regental action

Health Affairs Issues

- Code Red: Task Force on Access to Health Care in Texas

- Need for Well Trained and Available Workforce
  - Medical schools and class size
  - Graduate Medical Education
  - Nursing
  - Public health
  - Joint Admission Medical Program
  - New and expanded programs in all health fields

Health Affairs Issues

- Health Care Models for Provision of Care and Funding

- Hurricane Ike Disaster Relief

- Uncompensated or Charity Care

- Cancer Prevention and Research Institute Start-up Issues
  - Commitment to fulfill vote for long-term funding
  - Organization and staffing
  - Robust and efficient peer review process

- Research
  - Clinical trials
  - Emerging technology
  - Other issues
    - Stem cell research
    - Animal research
    - Genetically altered food and animals
    - Lab safety
- Conflicts of Interest

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Business Affairs and General Issues

- Technology Commercialization
    - Support for Emerging Technology Fund
- "Green" Issues
    - Sustainability
    - Building standards
- Technology Issues
    - Identity theft
    - Digital piracy
- Investment Directives
    - Disinvestment
    - Mandated investments
- Handguns on Campuses
- Confirmation of New Regents

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Other Major State Issues

- Property Tax Relief and Reform
- Public Education
- Business Margins Tax Changes
- Transportation
- Insurance
- Criminal Justice
- Condition of State Retirement Systems
- Immigration and Border Issues

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Changes in Legislature

- House
  - Partisan balance
    - Shift of seats
    - New members
    - New committee chairs due to retirements and changes
    - Changes in Appropriations Committee membership

Changes in Legislature

- ## Senate
  - ### Partisan balance
    - Shift of seats
    - New members
    - Change in Finance Committee membership

Key Dates

- Legislative Appropriations Requests and hearings on requests have been conducted

- Prefiling of legislation begins Monday, November 10

- Legislative Budget Board meets on November 14 to adopt Constitutional spending limit

- The 81st Legislature convenes Tuesday, January 13, 2009

Key Dates

- In January
  - Governor delivers State of the State Address
  - Comptroller issues revenue estimate for 2010-2011
  - Lt. Governor and Speaker organize committees
  - Senate begins hearings on base appropriations bill

- Sine Die is Monday, June 1, 2009

- Gubernatorial Veto Period Ends on Sunday, June 21, 2009

- Filing for 2010 Election Begins December 3, 2009

Appendix

Change in State General Revenue Appropriations

	77th Legislature (2002-03)	78th Legislature (2004-05)	79th Legislature (2006-07)	80th Legislature (2008-09)
All State Government	7.26%	-1.40%	14.99%	17.91%
All Universities	6.13%	2.30%	9.25%	11.79%
UT System Universities	4.30%	2.15%	7.96%	14.13%
All Health Related Institutions	6.70%	0.80%	9.37%	13.98%
UT System Health Related Institutions	4.95%	-0.13%	8.39%	8.42%

5. U. T. System: Preparations for the 81st Legislative Session (cont.)

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General Revenue Appropriations – General Academic Institutions

2008-2009 Biennium

Research Development Fund 1.9%

Excellence 1.2%

Institutional Enhancement 7.3%

Tuition Revenue Bond Debt Service 11.3%

Special Items 4.9%

Infrastructure Formula 11.3%

Other 2.6%

Teaching Experience Supplement 1.7%

Competitive Knowledge Fund 2.1%

Formula Funding = 68.7%

Instruction & Operations Formula 55.7%

TOTAL= $4,352.4 MILLION

A-2
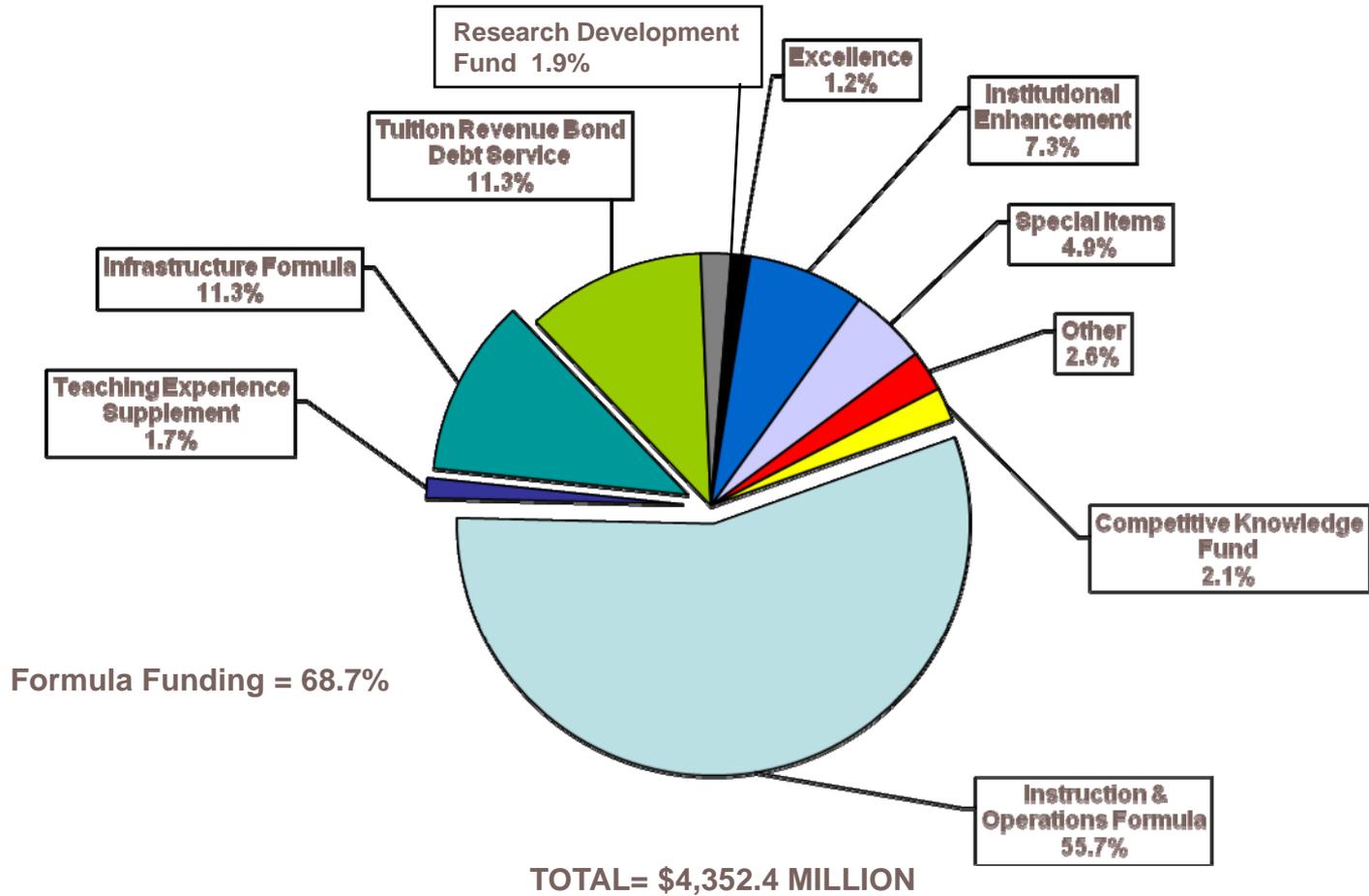
General Revenue Appropriations – Health Related Institutions

2008-2009 Biennium

Patient Care
23.0%

Tuition Revenue Bond
Debt Service
6.7%

Institutional
Enhancement
2.4%

Infrastructure Formula
10.4%

Special Items
14.0%

Research Enhancement
Formula 2.9%

Other
0.4%

Formula Funding = 51.4%

Instruction &
Operations Formula
38.1%

Graduate Medical
Education
2.1%

TOTAL= $2,288.2 MILLION
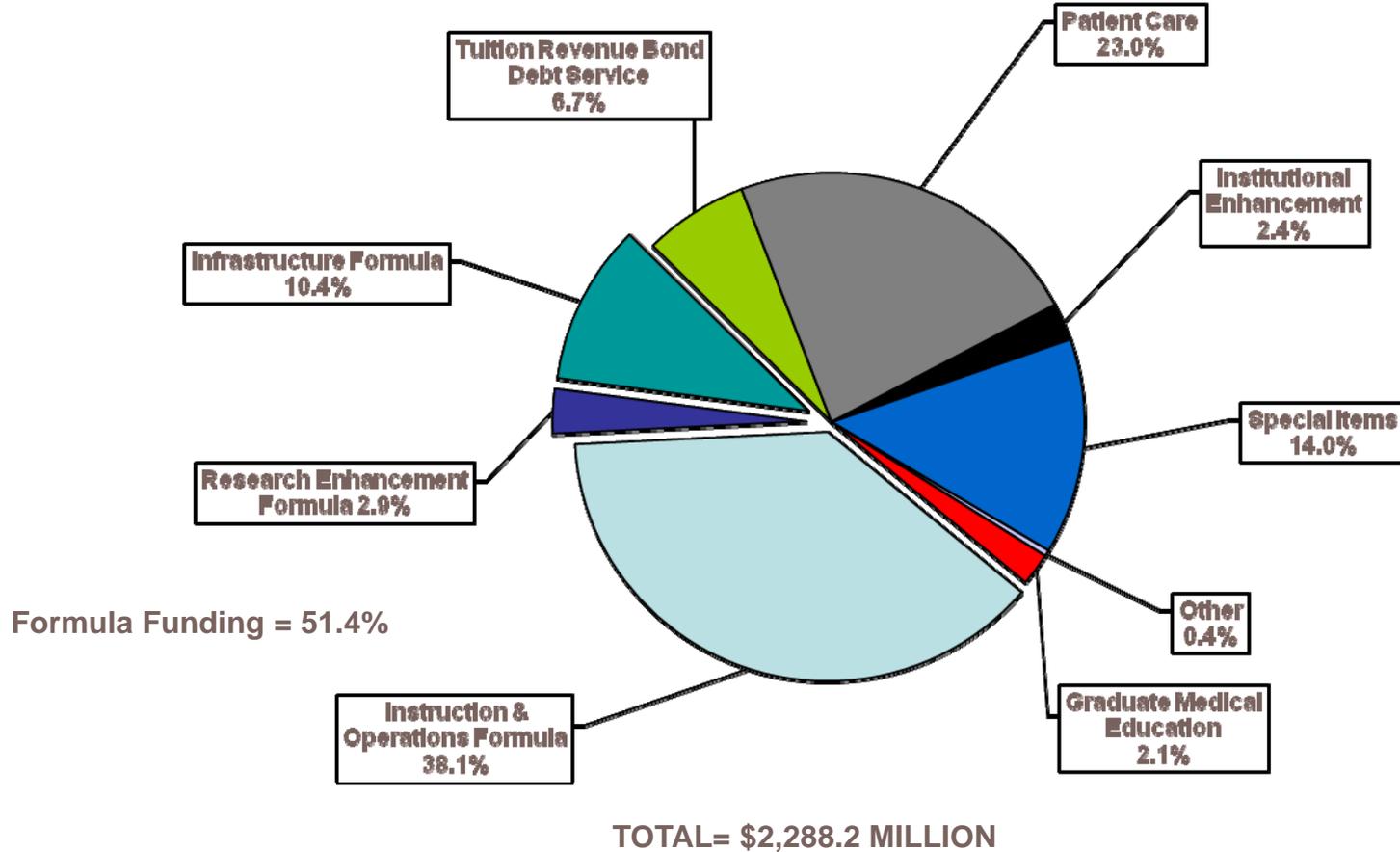
Tuition and Changes in Revenue Sources

General Academic Institutions

FY 2003 Sources
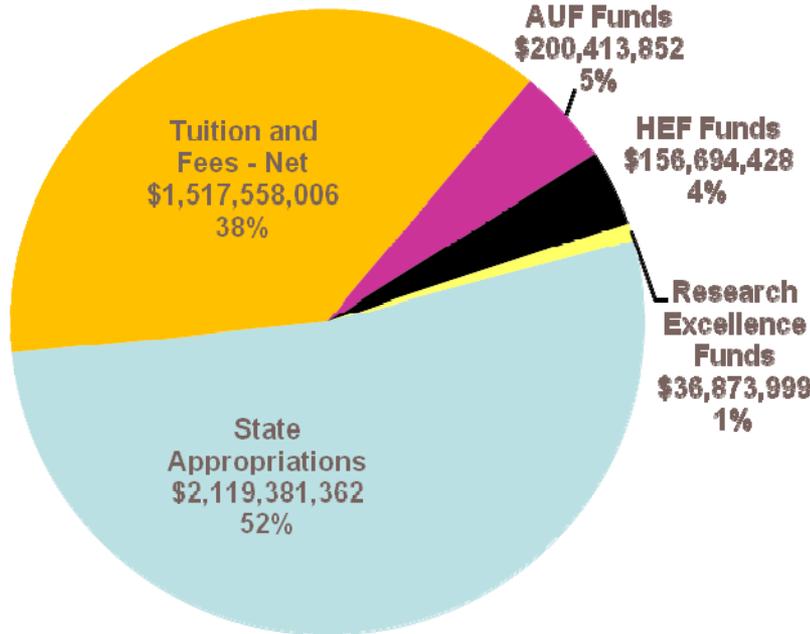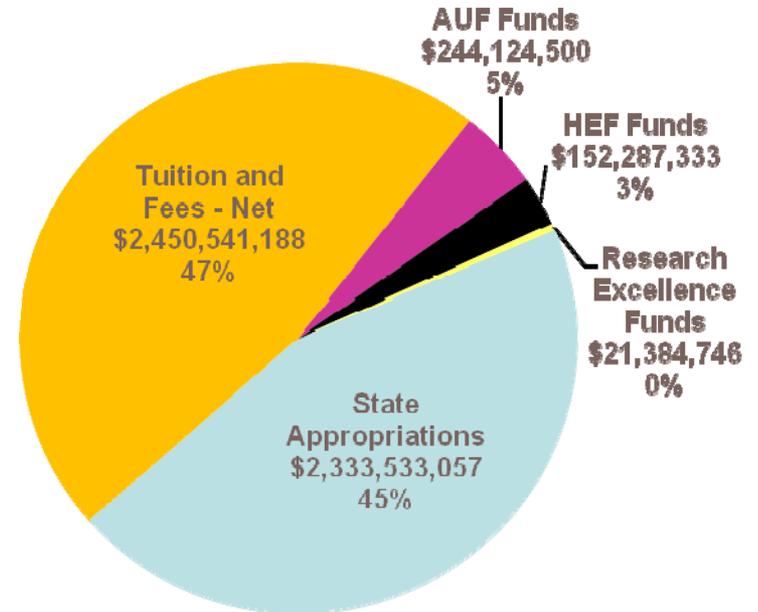
- **Tuition and Fees - Net** $1,517,558,006 38%
- **AUF Funds** $200,413,852 5%
- **HEF Funds** $156,694,428 4%
- **Research Excellence Funds** $36,873,999 1%
- **State Appropriations** $2,119,381,362 52%

FY 2007 Sources

- **Tuition and Fees - Net** $2,450,541,188 47%
- **AUF Funds** $244,124,500 5%
- **HEF Funds** $152,287,333 3%
- **Research Excellence Funds** $21,384,746 0%
- **State Appropriations** $2,333,533,057 45%

Excludes: State Grants and Contracts – Restricted; Federal Grants and Contracts – Restricted; Local Government Grants – Restricted; Private Gifts and Grants – Restricted; Endowment and Interest Income; Sales and Services; Net Auxiliary Enterprises; Other Income

Source: THECB Sources and Uses Report FY2003 vs. FY2007

Tuition and Changes in Revenue Sources

Health Related Institutions

FY 2005 Sources
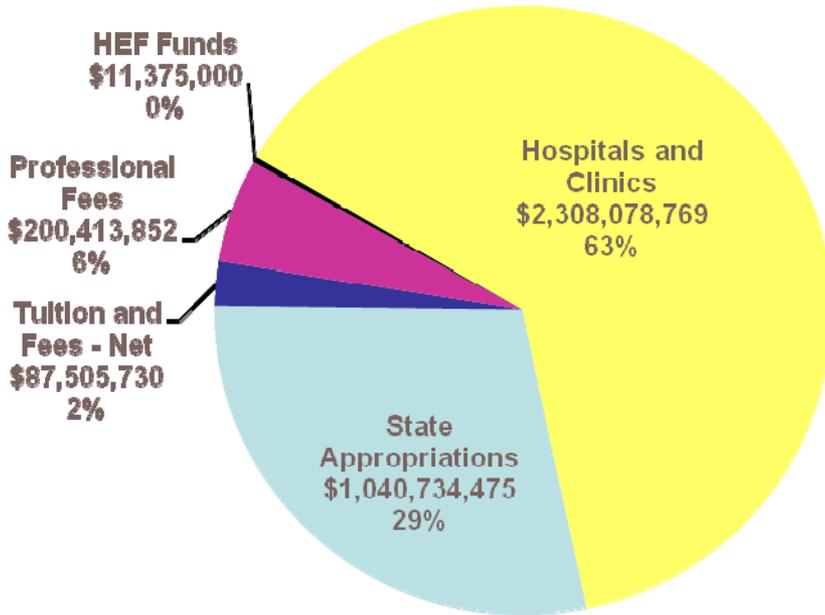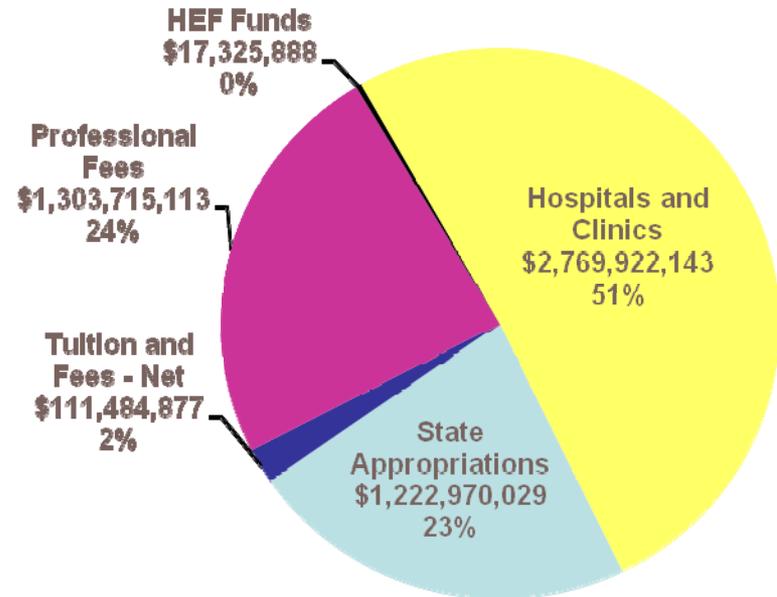
HEF Funds
$11,375,000
0%

Professional Fees
$200,413,852
6%

Tuition and Fees - Net
$87,505,730
2%

State Appropriations
$1,040,734,475
29%

Hospitals and Clinics
$2,308,078,769
63%

FY 2007 Sources

HEF Funds
$17,325,888
0%

Professional Fees
$1,303,715,113
24%

Tuition and Fees - Net
$111,484,877
2%

State Appropriations
$1,222,970,029
23%

Hospitals and Clinics
$2,769,922,143
51%

Excludes: State Grants and Contracts – Restricted; Federal Grants and Contracts – Restricted; Local Government Grants – Restricted; Private Gifts and Grants – Restricted; Endowment and Interest Income; Sales and Services; Net Auxiliary Enterprises; Other Income

Source: THECB Sources and Uses Report FY2005 vs. FY2007

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Requested TRB Debt Service General Academic Institutions

Item	2010	2011	Biennium
The University of Texas at Arlington			
Gap funding for ERC	$2,702,721	$2,702,721	$5,405,442
Nanofab Building	$5,231,073	$5,231,073	$10,462,146
The University of Texas at Austin			
Phase II Liberal Arts	$8,718,456	$8,718,456	$17,436,912
Battle Hall Complex	$6,538,842	$6,538,842	$13,077,684
Core Campus Renovation	$13,077,684	$13,077,684	$26,155,368
The University of Texas at Brownsville			
Student Success Center	$5,492,627	$5,492,627	$10,985,254
The University of Texas at Dallas			
Bioengineering and Science Building	$12,205,838	$12,205,838	$24,411,676
The University of Texas at El Paso			
Honors/Student Institute	$6,538,800	$6,538,800	$13,077,600
Fine Arts Center	$6,974,800	$6,974,800	$13,949,600
The University of Texas-Pan American			
Business School Building	$3,487,382	$3,487,382	$6,974,764
Research Facility	$4,359,228	$4,359,228	$8,718,456
Gap funding for Academic & Performing Arts Center	$867,399	$867,399	$1,734,798
Gap funding for Starr County	$130,777	$130,777	$261,554

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Item	2010	2011	Biennium
The University of Texas of the Permian Basin			
Gap funding for Science/Technology	$775,943	$775,943	$1,551,886
Gap funding for Arts/Convocation	$647,781	$647,781	$1,295,562
Engineering Building	$4,272,043	$4,272,043	$8,544,086
Campus Renovation/Repair	$1,046,215	$1,046,215	$2,092,430
The University of Texas at San Antonio			
Experimental Science Instruction Building	$11,600,000	$11,600,000	$23,200,000
Information & Innovation Library Center	$6,975,000	$6,975,000	$13,950,000
Multidimensional Visualization Center	$7,900,000	$7,900,000	$15,800,000
The University of Texas at Tyler			
Technology & Life Sciences	$4,010,490	$4,010,490	$8,020,980
Total	**$113,553,099**	**$113,533,099**	**$227,106,198**

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5. U. T. System: Preparations for the 81st Legislative Session (cont.)

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Requested TRB Debt Service
Health Related Institutions

Item	2010	2011	Biennium
The University of Texas Southwestern Medical Center			
North Campus Phase V	$5,230,000	$5,230,000	$10,460,000
South Campus Renovation	$4,360,000	$4,360,000	$8,720,000
The University of Texas Medical Branch			
Education Building	$3,487,382	$3,487,382	$6,974,764
The University of Texas Health Science Center at Houston			
Research Park Complex	$3,051,459	$3,051,459	$6,102,918
DB Replacement Building	$959,030	$959,030	$1,918,060
School of Public Health Building Expansion	$4,795,151	$4,795,151	$9,590,302
The University of Texas Health Science Center at San Antonio			
Gap funding for South Texas Research Facility	$1,719,435	$1,719,435	$3,438,870
Facilities & Technology Upgrade	$1,719,435	$1,719,435	$3,438,870
Academic Learning & Teaching Center Building	$4,298,586	$4,298,586	$8,597,172
The University of Texas M. D. Anderson Cancer Center			
Basic Sciences Research Building II	$6,500,000	$6,500,000	$13,000,000
Center for Targeted Therapy	$700,000	$700,00	$1,400,000
Total	**$36,820,478**	**$36,820,478**	**$73,640,956**

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Exceptional Item Requests Summary

General Academic Institutions

Institution:	2010-2011 Biennium
UT Arlington	$44,867,588
UT Austin	$69,179,770
UT Brownsville	$20,485,254
UT Dallas	$38,411,676
UT El Paso	$46,127,200
UT Pan American	$29,737,822
UT Permian Basin	$18,532,665
UT San Antonio	$67,563,344
UT Tyler	$11,020,980
Total	**$345,926,299**

Exceptional Item Request Detail

The University of Texas at Arlington

	FY 2010	FY 2011	Biennium
Gap funding for ERC	$2,702,721	$2,702,721	$5,405,442
Regional Nursing Education Center	$5,000,000	$5,000,000	$10,000,000
Ft Worth Higher Education Center	$2,000,000	$4,000,000	$6,000,000
Retention and Graduation Rate Enhance Initiative	$6,500,000	$6,500,000	$13,000,000
Nanofab Building	$5,231,073	$5,231,073	$10,462,146
Total	**$21,433,794**	**$23,433,794**	**$44,867,588**

Exceptional Item Request Detail

The University of Texas at Austin

	FY 2010	FY 2011	Biennium
Phase II Liberal Arts	$8,718,456	$8,718,456	$17,436,912
Battle Hall Complex	$6,538,842	$6,538,842	$13,077,684
Core Campus Renovation	$13,077,684	$13,077,684	$26,155,368
Texas Memorial Museum	$854,903	$854,903	$1,709,806
Marine Biomedical Biotechnology Center	$2,000,000	$2,000,000	$4,000,000
Bureau of Economic Geology	$1,500,000	$1,500,000	$3,000,000
Center for Space Research	$950,000	$950,000	$1,900,000
Imaging Research Center	$950,000	$950,000	$1,900,000
Total	**$34,589,885**	**$34,589,885**	**$69,179,770**

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Exceptional Item Request Detail

The University of Texas at Brownsville

	FY 2010	FY 2011	Biennium
Student Success Center	$5,492,627	$5,492,627	$10,985,254
Health Professions Shortage	$2,500,000	$2,500,000	$5,000,000
Coastal Studies Center	$750,000	$750,000	$1,500,000
Center - Public Policy/ Communication/ Law	$750,000	$750,000	$1,500,000
Research Center for Master Teaching	$750,000	$750,000	$1,500,000
Total	**$10,242,627**	**$10,242,627**	**$20,485,254**

The University of Texas at Dallas

	FY 2010	FY 2011	Biennium
Bioengineering & Science Building	$12,205,838	$12,205,838	$24,411,676
Middle School Brain Years	$4,000,000	$4,000,000	$8,000,000
Innovations in Arts and Technology	$2,000,000	$2,000,000	$4,000,000
Center for Values in Medicine and Technology	$500,000	$500,000	$1,000,000
Nanotechnology Innovations	$500,000	$500,000	$1,000,000
Total	**$19,205,838**	**$19,205,838**	**$38,411,676**

The University of Texas at El Paso

	FY 2010	FY 2011	Biennium
Honors and Student Leadership	$750,000	$750,000	$1,500,000
Water Desalination System Research Center	$1,000,000	$1,000,000	$2,000,000
Center for Biomedical Engineering	$1,500,000	$1,500,000	$3,000,000
Pharmacy Program Expansion	$750,000	$750,000	$1,500,000
Honors/Student Institute	$6,538,800	$6,538,800	$13,077,600
Biomedical Research Institute	$2,000,000	$2,000,000	$4,000,000
El Paso Regional Business Incubator	$1,000,000	$1,000,000	$2,000,000
Forensic Science Institute	$500,000	$600,000	$1,100,000
Fine Arts Center	$6,974,800	$6,974,800	$13,949,600
Student Success-Campus Employment	$1,000,000	$1,000,000	$2,000,000
Texas Border Security & Immigration Research	$1,000,000	$1,000,000	$2,000,000
Total	**$23,013,600**	**$23,113,600**	**$46,127,200**

Exceptional Item Request Detail

The University of Texas-Pan American

	FY 2010	FY 2011	Biennium
Business School Building	$3,487,382	$3,487,382	$6,974,764
Research Facility	$4,359,228	$4,359,228	$8,718,456
Gap Funding for Academic/Performing Arts Center	$867,399	$867,399	$1,734,798
Gap Funding for Starr County	$130,777	$130,777	$261,554
Institutional Enhancement	$2,025,917	$2,025,917	$4,051,834
Starr County Upper Level	$225,312	$225,312	$450,624
Health Professions Shortage	$2,500,000	$2,500,000	$5,000,000
Cooperative Pharmacy Doctorate	$750,625	$750,625	$1,501,250
Transition to College	$500,000	$500,000	$1,000,000
Small Business Development Center	$22,271	$22,271	$44,542
Total	**$14,868,911**	**$14,868,911**	**$29,737,822**

Exceptional Item Request Detail

The University of Texas of the Permian Basin

Gap Funding for Science/Technology	$775,943	$775,943	$1,551,886
Gap Debt Funding for Arts/Convocation	$647,781	$647,781	$1,295,562
School of Engineering	$1,252,156	$1,125,595	$2,377,751
School of Nursing	$963,250	$1,127,700	$2,090,950
Engineering Building	$4,272,043	$4,272,043	$8,544,086
Campus Renovation/Repair	$1,046,215	$1,046,215	$2,092,430
Performing Arts Center	$250,000	$250,000	$500,000
Small Business Development Center	$40,000	$40,000	$80,000
Total	**$9,247,388**	**$9,285,277**	**$18,532,665**

The University of Texas at San Antonio

	FY 2010	FY 2011	Biennium
Experimental Science Instruction Building	$11,600,000	$11,600,000	$23,200,000
San Antonio Life Science Institute	$4,000,000	$4,000,000	$8,000,000
Small Business Development Center Rural Initiative	$1,213,169	$1,213,169	$2,426,338
Texas Pre-Engineering Program	$1,471,000	$1,471,000	$2,942,000
Texas State Data Center	$277,855	$277,855	$555,710
Small Business Development Center	$344,648	$344,648	$689,296
Information & Innovation Library	$6,975,000	$6,975,000	$13,950,000
Multidimensional Visualation Center	$7,900,000	$7,900,000	$15,800,000
Total	**$33,781,672**	**$33,781,672**	**$67,563,344**

Exceptional Item Request Detail

The University of Texas at Tyler

	FY 2010	FY 2011	Biennium
Retention Pilot Project	$1,500,000	$1,500,000	$3,000,000
Technology and Life Sciences	$4,010,490	$4,010,490	$8,020,980
Total	**$5,510,490**	**$5,510,490**	**$11,020,980**

Exceptional Item Requests Summary

Health Related Institutions

Institution:	2010-2011 Biennium
UT Southwestern Medical Center at Dallas	$39,180,000
UT Medical Branch at Galveston	$62,274,764
UT Health Science Center at Houston	$62,118,810
UT Health Science Center at San Antonio	$48,474,912
UT MD Anderson Cancer Center	$54,400,000
UT Health Science Center at Tyler	$16,228,000
Total	**$282,676,486**

Exceptional Item Request Detail

5. U. T. System: Preparations for the 81st Legislative Session (cont.)

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UT Southwestern Medical Center at Dallas

	FY 2010	FY 2011	Biennium
Institute for Genetic and Molecular Disease	$9,000,000	$9,000,000	$18,000,000
Increased Funding for Nobel	$1,000,000	$1,000,000	$2,000,000
North Campus Phase V	$5,230,000	$5,230,000	$10,460,000
South Campus Renovation	$4,360,000	$4,360,000	$8,720,000
Total	**$19,590,000**	**$19,590,000**	**$39,180,000**

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UT Medical Branch at Galveston

	FY 2010	FY 2011	Biennium
Infectious Disease	$9,212,000	$9,588,000	$18,800,000
Burn and Trauma Care	$8,942,500	$9,307,500	$18,250,000
Institute for Brain Research	$8,942,500	$9,307,500	$18,250,000
Education Building	$3,487,382	$3,487,382	$6,974,764
Total	**$30,584,382**	**$31,690,382**	**$62,274,764**

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UT Health Science Center - Houston

	FY 2010	FY 2011	Biennium
Improving Public Health in Texas	$10,750,000	$10,750,000	$21,500,000
Deliver Research Results to Texans	$10,679,890	$10,679,890	$21,359,780
Code Red Solutions-Nursing Shortage	$507,000	$1,140,750	$1,647,750
Research Park Complex	$3,051,459	$3,051,459	$6,102,918
Gap Funding for DB Replacement Building	$959,030	$959,030	$1,918,060
School of Public Health Building Expansion	$4,795,151	$4,795,151	$9,590,302
Total	**$30,742,530**	**$31,376,280**	**$62,118,810**

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UT Health Science Center - San Antonio

	FY 2010	FY 2011	Biennium
San Antonio Life Sciences Institute	$4,000,000	$4,000,000	$8,000,000
Barshop Institute for Longevity & Aging	$3,500,000	$3,500,000	$7,000,000
Laredo Campus Extension	$4,000,000	$4,000,000	$8,000,000
Regional Academic Health Center	$5,000,000	$5,000,000	$10,000,000
Gap Funding for South Texas Research Facility	$1,719,435	$1,719,435	$3,438,870
Facilities & Technology Upgrade	$1,719,435	$1,719,435	$3,438,870
Academic Learning & Teaching Center Building	$4,298,586	$4,298,586	$8,597,172
Total	**$24,237,456**	**$24,237,456**	**$48,474,912**

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UT MD Anderson Cancer Center

	FY 2010	FY 2011	Biennium
Personalized Cancer Therapy	$20,000,000	$20,000,000	$40,000,000
Basic Sciences Research Building II	$6,500,000	$6,500,000	$13,000,000
Center for Targeted Therapy	$700,000	$700,000	$1,400,000
Total	**$27,200,000**	**$27,200,000**	**$54,400,000**

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Exceptional Item Request Detail

UT Health Science Center at Tyler

	FY 2010	FY 2011	Biennium
Interventional Pulmonology Research	$3,342,500	$2,657,500	$6,000,000
Rural Medicine Residency Expansion	$1,500,000	$2,700,000	$4,200,000
School of Health Professions	$2,095,500	$3,932,500	$6,028,000
Total	**$6,938,000**	**$9,290,000**	**$16,228,000**

1.   **Title**

Guidelines for the Santa Rita Award

2.   **Rule and Regulation**

Sec. 1   Standards. A Systemwide award that may be made annually to an individual who has made valuable contributions over an extended period to The University of Texas System in its developmental efforts. An individual is defined as a person, as opposed to a corporation, charitable trust, foundation, and like entities. The recipient may be judged on the basis of a broad list of criteria, primary among which will be a demonstrated concern for the principles of higher education generally, as well as deep commitment to the furtherance of the purposes and objectives of The University of Texas System specifically.

1.1   Participation by the recipient in the affairs of the U. T. System shall be of such character and purpose to serve as a high example of selfless and public-spirited service. Of particular interest will be the effect that such individual activity may have engendered similar motivation from other public and private areas toward the U. T. System.

Sec. 2   General Conditions. The following general conditions apply to the award:

2.1   The award, to be known as the "Santa Rita Award," will consist of a medallion to be presented no more frequently than annually.

2.2   The award shall be made on behalf of the Board of Regents of The University of Texas System.

2.3   An individual may receive the award only once.

2.4   Posthumous awards may be given.

2.5   No member of the Board of Regents shall be eligible to receive the Santa Rita Award until the termination of the member's service.

Sec. 3   Nominations for Awards. Nominations for the award shall be forwarded to the Chairman of the Board of Regents or the General Counsel to the Board (Office of the Board of Regents, The University of Texas System, 201 West Seventh Street, Suite 820, Austin, Texas 78701-2981). The nominator shall provide such supporting information and documentation as may be requested by the Chairman or the General Counsel to the Board.

Sec. 4   Selection of Awardees. Awards shall be made, upon recommendation of the Chairman of the Board following consultation with others including the Chancellor and other appropriate U. T. System officials, by a majority vote of members present at a Board of Regents' meeting at which a quorum is present.

1. U. T. System Board of Regents: Approval of the U. T. Systemwide Internal Audit Plan for Fiscal Year 2009

The University of Texas System
Systemwide Internal Audit Program
Fiscal Year 2009 Annual Audit Plan
Executive Summary

Summary

The University of Texas (UT) Systemwide fiscal year (FY) 2009 Internal Audit Plan (FY 2009 Audit Plan) is a blueprint of the internal audit activities that will be performed by the internal audit function throughout the System in FY 2009.

The process of preparing the audit plans is risk based and ensures that areas/activities specific to each institution with the greatest risk are identified to be audited. Individual annual audit plans are prepared at UT System Administration and each institution in July and August. The System Audit Office, Offices of Academic or Health Affairs, and the institution's management and Audit Committee provide input and guidance on the audit plans. Additionally, the Chief Audit Executive provides direction to the internal audit directors both prior to the preparation of the audit plans and through formal feedback through "audit hearings" with each institution.

The institutional annual audit plans were reviewed for the possibility of assurance work done by external entities during the audit year, such as the State Auditor's Office (SAO), external audit firms, federal auditors, etc. Where appropriate, other assurance work was relied upon to reduce the internal audit resources needed (e.g. campus security/emergency preparedness and student fee audits conducted by the SAO).

After the review process, each institutional Audit Committee formally approves its institution's annual audit plan. Then, at a special called meeting in October, the Audit, Compliance, and Management Review Committee will discuss and consider approval of the FY 2009 Audit Plan for presentation to the Board of Regents in November.

The efforts of the internal audit function continue to focus on adding value. Examples of value-added auditing includes: Systemwide financial audit, patient revenue and patient charge capture audits, construction audits, audits of gift administration, contracting and export controls, and consulting projects and special investigations at the request of management.

The FY 2009 Audit Plan addresses the risks of The University of Texas System by allocating the use of internal audit resources as follows:

Audit Areas	Audit Hours	% of Audit Hours
Financial	26,580	20%
Operational	39,904	29%
Compliance	20,685	15%
Information Technology	19,790	15%
Follow-up	5,386	4%
Projects	23,745	17%
TOTAL	**136,090**	**100%**

Prepared by: U. T. System Internal Audit Program
Consolidated by: U. T. System Audit Office
Date: September 2008

The University of Texas System
Systemwide Internal Audit Program
Fiscal Year 2009 Annual Audit Plan
Executive Summary

FY 2009 Audit Plan Hours by Institution:

	Financial	Operational	Compliance	Information Technology	Follow-up	Projects	Total
U. T. System Administration	6,880	4,745	2,550	1,500	800	1,730	18,205
Large Institutions:							
U. T. Austin	1,900	3,750	3,750	2,650	500	3,990	16,540
U. T. Southwestern	3,150	5,250	2,510	1,600	500	2,500	15,510
U. T. Medical Branch at Galveston	1,580	2,650	1,500	3,420	500	2,155	11,805
U. T. HSC - Houston	1,660	2,169	465	1,450	300	1,160	7,204
U. T. HSC - San Antonio	1,340	2,400	1,010	1,110	480	960	7,300
U. T. MDA Cancer Center	2,200	8,100	1,800	2,420	500	2,748	17,768
Subtotal	11,830	24,319	11,035	12,650	2,780	13,513	76,127
Mid-size Institutions:							
U. T. Arlington	1,080	1,360	1,760	540	320	1,070	6,130
U. T. Brownsville	680	1,120	650	400	200	980	4,030
U. T. Dallas	730	1,000	1,230	700	110	750	4,520
U. T. El Paso	1,730	3,080	400	1,280	450	1,816	8,756
U. T. Pan American	830	950	1,300	900	150	980	5,110
U. T. San Antonio	1,100	1,100	1,090	1,560	300	1,114	6,264
Subtotal	6,150	8,610	6,430	5,380	1,530	6,710	34,810
Small Institutions:							
U. T. Permian Basin	370	570	-	-	60	250	1,250
U. T. Tyler	750	260	420	260	56	922	2,668
U. T. HC at Tyler	600	1,400	250	-	160	620	3,030
Subtotal	1,720	2,230	670	260	276	1,792	6,948
TOTAL	**26,580**	**39,904**	**20,685**	**19,790**	**5,386**	**23,745**	**136,090**
Percentage of Total	**20%**	**29%**	**15%**	**15%**	**4%**	**17%**	**100%**

Prepared by: U. T. System Internal Audit Program
Consolidated by: U. T. System Audit Office
Date: September 2008

4. U. T. System: Report on the Systemwide internal audit activities and Internal Audit Department report for U. T. Health Science Center — Tyler

The University of Texas Health Science Center at Tyler
Office of Internal Audit

Board of Regents
Audit, Compliance, and Management Review Committee

Presenter: Mr. David Hullum, Administrative Director of Internal Audit

November 2008

Internal Audit Committee Membership

Dr. Kirk A. Calhoun, President – Committee Chair

Robert Marshall, Chief Operating Officer

Dr. Steven Idell, VP for Research

Dr. David Coultas, VP for Clinical Affairs & Physician-in-Chief

Vernon Moore, VP and Chief Business & Finance Officer

Harold Smotherman, External Member

G. David Hullum, Administrative Director of Internal Audit

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4. U. T. System: Report on the Systemwide internal audit activities and Internal Audit Department report for U. T. Health Science Center — Tyler (cont.)

Internal Audit Department Staffing

G. David Hullum, Administrative Director of Internal Audit
- B. B. A. – Accounting
- Certified Internal Auditor

B. Gail Lewis, Supervisor
- B. B. A. – Accounting
- Certified Internal Auditor
- Certified Public Accountant

Kris I. Kavasch, Senior Auditor
- B. S. – Business Administration
- Certified Public Accountant
- Certified Fraud Examiner

Combined staffing provides almost 65 years of business/accounting experience with just under 40 years of combined audit experience.

UTHSCT

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Internal Audit Reporting Structure

The Administrative Director of Internal Audit reports to the President and has unrestricted access to executive leadership. This access is demonstrated by:

- Meeting with the President on a monthly basis
- Participation as an ex officio member of:
  - The President's Administrative Council
  - Operations Council – Chief Operating Officer
- MSRDP Executive Leadership – invitee of the President

UTHSCT

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4. U. T. System: Report on the Systemwide internal audit activities and Internal Audit
    Department report for U. T. Health Science Center — Tyler (cont.)

High Risk Areas to be Audited in FY 2009

Institutional (Tier 1) High Risk Areas:

- MSRDP Patient Revenue Cycle Processes
- Contracting Cycle Processes and Contract Performance

Other (Tier 2) High Risk Areas:

- Healthcare Personnel
- Information Technology

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UTHSCT

Research Business Justification Audit

Audit Objective:
To determine if processes and controls are in place to
provide a business rationale or justification for decisions
made in support of the research enterprise.

This engagement is currently in the planning stages and
there are no findings at this time.

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UTHSCT

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External Quality Assurance Review

U. T. Health Science Center at Tyler will undergo an external quality assurance (peer) review during fiscal year 2009.

There are no open observations/recommendations from the previous peer review as all corrective actions have been implemented.

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UTHSCT

4. U. T. System: Report on the Systemwide internal audit activities and Internal Audit
    Department report for U. T. Health Science Center — Tyler

The University of Texas System
Systemwide Internal Audit Program
Annual Report Summary
Fiscal Year Ended August 31, 2008

Program Executive Summary
The University of Texas (UT) System has established Internal Audit Programs at each of the 15 institutions and UT System Administration. The Internal Auditor provides independent, objective assurance, and consulting services designed to add value and improve UT's operations. Additionally, the Internal Auditor is responsible for providing executive management with information about the adequacy and effectiveness of the institution's system of internal administrative and accounting controls and the quality of operating performance when compared with established standards.

Overall, the Internal Audit Programs accomplished the majority of their approved annual audit plans. Some of the audit hours budgeted were transferred, reallocated, cancelled or carried forward to fiscal year (FY) 2009 for various reasons, including limited resources and special management requests or investigative matters that emerged during the year. These changes were communicated to the executive management and/or the institutional internal audit committees.

During FY 2008, the Systemwide Internal Audit Program conducted the first ever internal audit of the institutional, UT System Administration, and UT System Consolidated financial statements for FY 2007. This audit provided assurance to the UT System Board of Regents that the financial statements, Systemwide, were free from any material misstatements.

Additionally during FY 2008, the Internal Audit Programs at the academic and health institutions performed audits of their student health centers, which provided valuable recommendations in the areas of medical supervision, pharmacy operations, and medical records to executive management both at the institutions and UT System Administration.

In general, the Internal Audit Programs experienced limited staff turnover during FY 2008. However, there were some changes at the director level. The Assistant Director at UT Pan American was promoted to Director of Internal Audits, and an Audit Supervisor from UT M. D. Anderson was hired as the Director of Internal Audit at UT Health Science Center at Tyler. Additionally, upon the resignation of the Director of Internal Audit at UT Health Science Center at San Antonio, the Senior Audit Manager assumed the role of Interim Director.

Among the Internal Audit Programs Systemwide, over fifty auditors (~47% of the staff) are Certified Public Accountants and over sixty auditors (~54% of the staff) have earned the Certified Internal Auditor designation. These numbers continue to increase each fiscal year.

Mr. Charles G. Chaffin, Chief Audit Executive, is responsible for apprising the Chancellor and Board of Regents of the status and activities of the institutional Internal Audit Programs.

Significant Accomplishments
During FY 2008, the Internal Audit Programs provided numerous value-added services to the institutions, managed successful collaborative activities, supplied support to external organizations, made contributions to the internal auditing profession, managed student internship opportunities, and continued to enhance the established Internal Audit Programs through Quality Assurance Reviews.

System Audit Office
October 2008

The University of Texas System
Systemwide Internal Audit Program
Annual Report Summary
Fiscal Year Ended August 31, 2008

- **Value-added Services** – The Internal Audit Programs worked to ensure audits and projects added value and addressed the needs and concerns of executive management. Audits and projects included the first ever internal audit led financial audit, audits in specialized areas, special investigations requested by executive management, reviews of information systems and security as well as other core business operations, and continued implementation of Enterprise Risk Management.

  o *Internal Audit Led Financial Statement Audit* – Coordinated and overseen by the System Audit Office, the Internal Audit Programs effectively conducted the first ever internal audit of the institutional financial statements and the UT System Consolidated Annual Financial Report for FY 2007. The auditors performed risk-based procedures on the financial statement information and tested key controls over the financial reporting process. Overall, the audit resulted in no material adjustments to the financial statements; however, recommendations were made to enhance the financial information certification process and information technology controls (e.g. improve change management process and access controls). Each institution issued an individual report to executive management with specific internal control related recommendations, as applicable.

  o *Student Health Center Audits* – Prompted by findings identified at UT Brownsville, the Internal Audit Programs at the academic and health institutions performed audits of their student health centers. These audits provided valuable recommendations in the areas of medical supervision, pharmacy operations, and medical records to executive management both at the institutions and UT System Administration.

  o *Endowment Management and Administration Fee Audits* – Several of the Internal Audit Programs performed an audit of endowment compliance related expenses to determine whether they were allowable, reasonable and supported. These audits resulted in the institutional and UT System Administration development offices being able to receive to an increased Endowment Management and Administrative Fee amount.

  o *Special Projects and Investigations* – Several of the institutional and the UT System Administration Internal Audit Programs performed complex and sensitive audits at the request of executive management to assist in fraud investigations, address media allegations, and follow up on compliance hotline calls.

- **Collaborative Activities**

  o *Exchange Program* – The Internal Audit Programs began a very successful exchange program in which staff with audit expertise in a particular area provided on-site assistance to another institution conducting an audit in that area. The first exchange involved an Audit Manager from UT Arlington consulting on and assisting in the student health center audit conducted at UT Health Science Center at San Antonio. This program will continue into FY 2009.

  o *Teambuilding* – The System Audit Office hosted the first ever Systemwide teambuilding event for all levels of audit staff from each of the institutions. The two-day event provided several teambuilding training activities as well as technical training for the

System Audit Office
October 2008

The University of Texas System
Systemwide Internal Audit Program
Annual Report Summary
Fiscal Year Ended August 31, 2008

annual financial audit. Participants enjoyed networking with other internal audit staff and built advantageous working relationships across the System.

- **External Support** – Internal Audit Programs provided audit assistance to various external organizations, including performance of audit procedures as part of the Southern Association of Colleges and Schools (SACS) accreditation process, aid to the Office of the Inspector General on various audits, support to the State Auditor's Office in conducting their OMB A-133 Single Audit and State of Texas Comprehensive Annual Financial Report Audit, and assistance to the State Comptroller of Public Accounts in conducting their post payment audits at UT institutions.

- **Professional Contributions**

  o *Professional Organizations* – Throughout the year, numerous members of the Internal Audit Programs have made presentations at national and regional conferences including those sponsored by the Association of College and University Auditors (ACUA), the Texas Association of College and University Auditors (TACUA), the Institute of Internal Auditors (IIA), and the Texas Society of Certified Public Accountants (CPAs). Many of our Internal Audit Directors have held various officer and board member positions and actively participated in professional organizations, such as ACUA, TACUA, the Texas Society of CPAs, local IIA Chapters, and IIA's International Standards Setting Board.

  o *Certifications* – The Internal Audit Programs Systemwide had several employees pass all or part of internal audit related certification exams, including Certified Internal Auditor, Certified Public Accountant, Certified Information Systems Auditor, and Certified Fraud Examiner, and Certified Government Audit Professional.

  o *Training* – Some of the Internal Audit Programs provided internal audit related training in subjects such as account reconciliations, segregation of duties, and balancing of risks and controls to institutional leadership and other groups within their institutions.

- **Internship Opportunities** – Many of the Internal Audit Programs utilized student interns from their campuses as well as local high schools to assist in conducting fieldwork on various audits to provide the students with real-world experience while also increasing their own staff supervisory and project management skills. These students have gone on to be offered positions with the UT Internal Audit Programs as well as with outside companies and government agencies.

- **Quality Assurance Reviews** – Quality Assurance Reviews (QARs) ensure the Internal Audit Programs are conducting their work in compliance with IIAs' *International Standards for the Professional Practice of Internal Auditing* (Standards). QARs are performed by audit professionals independent of the institution. QARs were completed of the Internal Audit Programs at UT Brownsville, UT El Paso, UT Health Science Center at San Antonio, and UT System Administration. Additionally, follow-up QARs were completed at UT Dallas. These Internal Audit Programs, with the exception of UT Health Science Center at San Antonio, were found to "generally conform" (the highest rating) with the Standards and have

The University of Texas System
Systemwide Internal Audit Program
Annual Report Summary
Fiscal Year Ended August 31, 2008

implemented or are in the process of implementing recommendations to improve efficiency and operations. While found to be making good faith efforts, UT Health Science Center at San Antonio was rated "partially conform" with Standards and had fallen short of achieving some major objectives. Additionally, some Internal Audit Directors participated as team members in QARs of other institutions, including the University of California System and the University of South Florida.

Audit Committee
Each institution and UT System Administration has an internal audit committee consisting of executive management, including the President. They also include at least one external member with several institutions having more than one external member. The committee meets quarterly to provide guidance and direction to the internal audit function and allow direct communication between the internal audit director and senior management.

Audit Customers
As part of the continuous internal quality assurance process, the Internal Audit Programs administer customer surveys at the conclusion of each audit project to obtain feedback on the quality of services provided. Key personnel involved in the audit are requested to complete a survey. While each Internal Audit Program distributes a unique set of questions, they are on the general topics of professionalism, performance, results and reporting, and value added with a comments section. Overall, the Internal Audit Programs received responses in the top two ratings with positive remarks.

Internal Audit Program Processes/Activities
The following summarizes the consolidated activities of the institutional and UT System Administration Internal Audit Programs compared to the approved audit plan for FY 2008:

Audit Area	Priority Budget Hours	Actual Hours	Percent Completion
UT System Requested	25,980	24,247	93%
Externally Required	15,040	14,765	98%
Risk Based	47,460	48,156	101%
Change in Management	8,760	12,997	148%
Follow-up	5,374	5,960	111%
Projects	25,102	35,199	140%
Total	127,716	141,324	111%

Overall, the Internal Audit Programs accomplished the majority of their approved annual audit plans. Some of the audit hours budgeted were transferred, reallocated, cancelled or carried forward to FY 2009 for various reasons, including limited resources and special management

The University of Texas System
Systemwide Internal Audit Program
Annual Report Summary
Fiscal Year Ended August 31, 2008

requests or investigative matters that emerged during the year. These changes were communicated to the executive management and/or the institutional internal audit committees.

See **Appendix A** for total approved priority budget hours versus actual hours by audit area and institution for FY 2008.

Systemwide Internal Audit Program Staffing Statistics:

Positions:

Total Number Budgeted:	128.6
Average Total Number Filled:	115.2
Average Years Experience:	13.4

Certifications/Training:

Number of Certified Public Accountants:	54
Number of Certified Internal Auditors:	62
Number of Certified Information Systems Auditors:	21
Other Certifications*:	31
Average Percentage of Staff with a certification:	76%
Average Annual Training Hours per Auditor:	57.6

*Other Certifications include:

Certified Fraud Examiner
Certified Government Auditing Professional
Certification in Control Self-Assessment
Certified Healthcare Financial Professional
Certified Information Security Manager
Certified Information Systems Security Professional
Certified Ethical Hacker
Certified Expert Penetration Tester

The University of Texas System
Systemwide Internal Audit Program
Annual Report Summary
Fiscal Year Ended August 31, 2008

Appendix A
FY 2008 Systemwide Audit Plan Status

	UT System Requested	Externally Required	Risk Based	Change in Management	Follow-up	Projects	Total Actual Hours (NOTE 1)	Total Priority Budget Hours (NOTE 2)	Percent Completion (NOTE 3)
U. T. System Administration	2,307	1,396	5,108	1,187	445	3,817	14,260	14,640	97%
Large Institutions:									
U. T. Austin	1,967	1,868	2,738	1,704	441	6,459	15,177	14,700	103%
U. T. Southwestern	3,325	876	6,810	1,842	752	4,392	17,996	15,040	120%
U. T. Medical Branch at Galveston	1,448	1,434	5,754	903	537	1,476	11,552	11,810	98%
U. T. HSC - Houston	2,396	1,006	2,426	2,434	321	2,397	10,979	7,712	142%
U. T. HSC - San Antonio	2,136	1,725	1,636	218	526	3,245	9,486	7,240	131%
U. T. MDA Cancer Center	1,253	960	10,236	-	833	2,241	15,523	14,375	108%
Subtotal	12,525	7,870	29,599	7,101	3,410	20,209	80,713	70,877	114%
Mid-size Institutions:									
U. T. Arlington	2,177	1,337	1,545	5	705	1,818	7,586	6,070	125%
U. T. Brownsville	993	219	1,213	458	400	1,333	4,616	4,450	104%
U. T. Dallas	897	749	2,987	474	4	782	5,892	4,670	126%
U. T. El Paso	640	1,065	3,607	963	412	2,215	8,901	8,274	108%
U. T. Pan American	836	719	975	642	36	1,574	4,782	4,780	100%
U. T. San Antonio	2,030	888	1,919	-	330	2,067	7,233	6,586	110%
Subtotal	7,572	4,976	12,245	2,542	1,886	9,787	39,008	34,830	112%
Small Institutions:									
U. T. Permian Basin	319	-	2	1,431	5	81	1,838	1,302	141%
U. T. Tyler	484	-	1,121	477	20	340	2,442	2,587	94%
U. T. HSC - Tyler	1,040	523	82	260	193	965	3,063	3,480	88%
Subtotal	1,843	523	1,205	2,168	218	1,386	7,343	7,369	100%
TOTAL	24,247	14,765	48,156	12,997	5,960	35,199	141,324	127,716	111%
Percentage of Total	17%	10%	34%	9%	5%	25%	100%		

NOTE 1:
"Total Actual Hours" reflect total actual hours spent during the 12 months of fiscal year 2008 to complete the annual audit plan.

NOTE 2:
"Total Priority Budget Hours" reflect budgeted hours approved by ACMR for priority projects, which represents approximately 85% of the total budgeted hours for the fiscal year 2008 annual audit plan.

NOTE 3:
"Percent Completion" may be greater than 100% due to "Total Actual Hours" including both priority and non-priortity project hours and/or over-estimation of vacant positions during the year.

System Audit Office
October 2008

Board of Regents' Meeting
November 2008

The University of Texas
at El Paso

Cynthia Vizcaíno Villa
Vice President for Business Affairs

Institutional Philosophy

- Access and excellence
  – Synergies
- Major aspect of Access
  – Affordability
- Conservative approach to tuition and fees

2

Lean Culture

- Creativity, work ethic and ingenuity
- Provide solutions and alternatives
- Strong budgetary controls
- Administrative Cost Measure

3

Centralized v. Decentralized Funds

- Revenue distribution to units
- Incentives based upon productivity
- Stimulation of creativity and innovation
- Decentralization affects institutional flexibility / agility
- Impact on efficiency

4

Cost Savings/Revenue Enhancement

- Strategic sourcing / negotiated contracts
- Aggressive energy management / performance contracts
- Human Resource restructuring – fewer positions, higher skill sets
- Outsourcing
- Information Technology

5

Enrollment Growth Initiative

Summer 2008

- Course breakeven tool
- 17% increase in summer SCH production
- $1.3 million return of net margin to colleges
- Faculty pay rates for summer courses

6

Balanced Scorecard

Four Perspectives

- Customer
- Internal Processes
- Learning and Growth
- Financial

UTEP Business Affairs

- Process mapping
- Surveys
- Benchmarks
- Dashboards

8

Results to Date

- Data driven decision making
- Operational improvements
- Change in division culture
- Performance evaluations
- Positive performance trends

The University of Texas
at Tyler

UT TYLER

Board of Regents' Meeting
November 2008

Gregg Lassen
Vice President for Business Affairs

Where Do the Funds Go?

Operating Expense Excluding Depreciation for FY 2007

Legend:
- ■ Salaries and Wages (includes Benefits)
- ■ Scholarship and Fellowships
- ■ Utilities, Maintenance & Repairs
- □ Other Expense

Axis labels:
$45,000,000
$40,000,000
$35,000,000
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$-

2

Employees

3
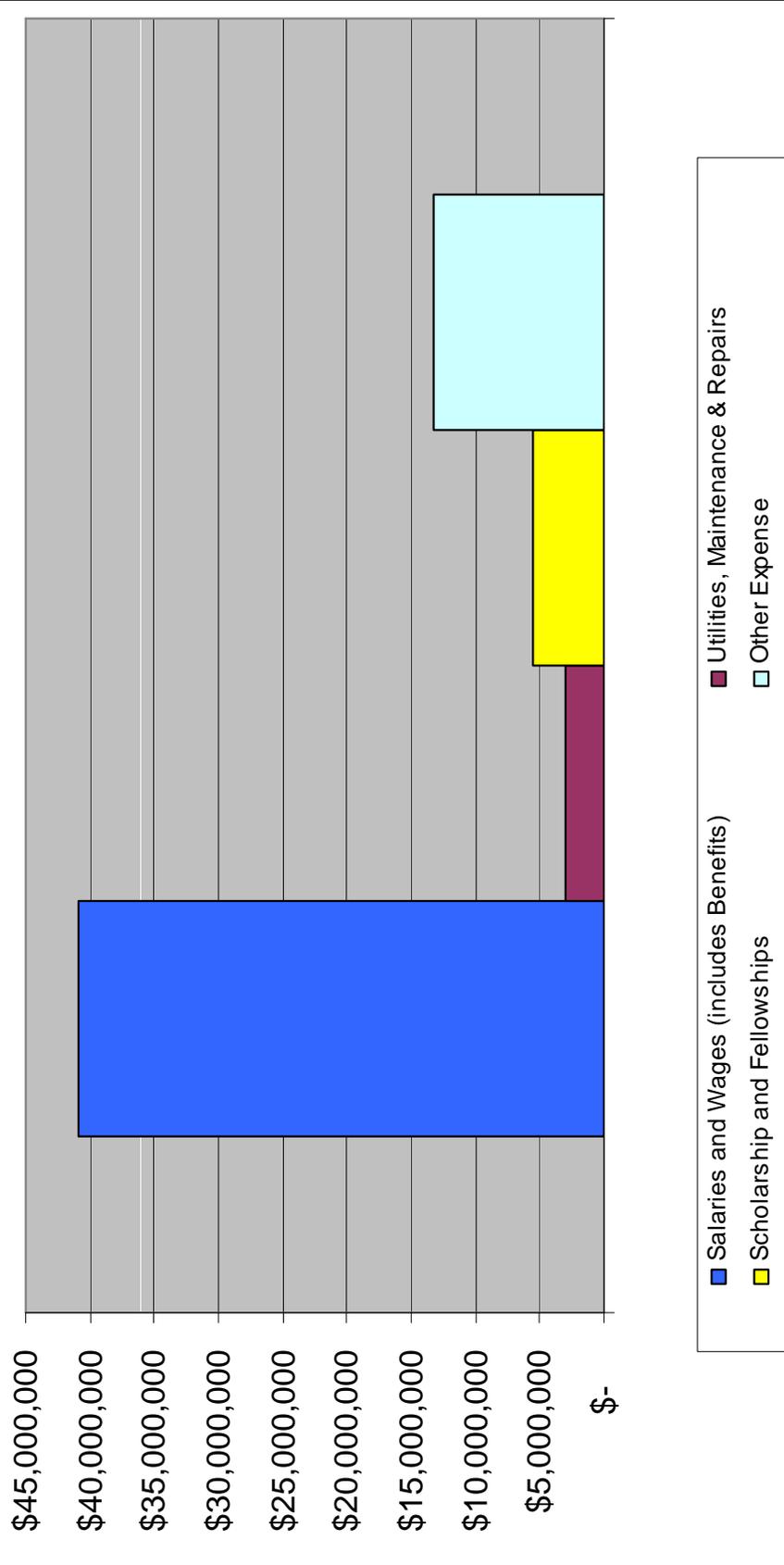
Employees excluding Academics

Athletics, 22

Student Services, 57

Advancement, 11

Physical Plant, 30

Business Affairs, 37

Police, 18

IT, 33
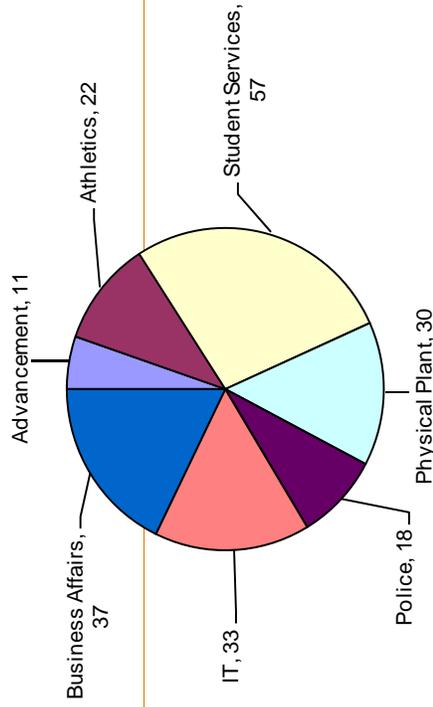
Academic Affairs Employees

Provost, 43

College of Arts & Sciences, 117

Sponsored Research, 6

College of Business & Technology, 33

Library, 20

College of Education & Psychology, 54

College of Nursing & Health Sciences, 93

College of Engineering & Computer Science, 34
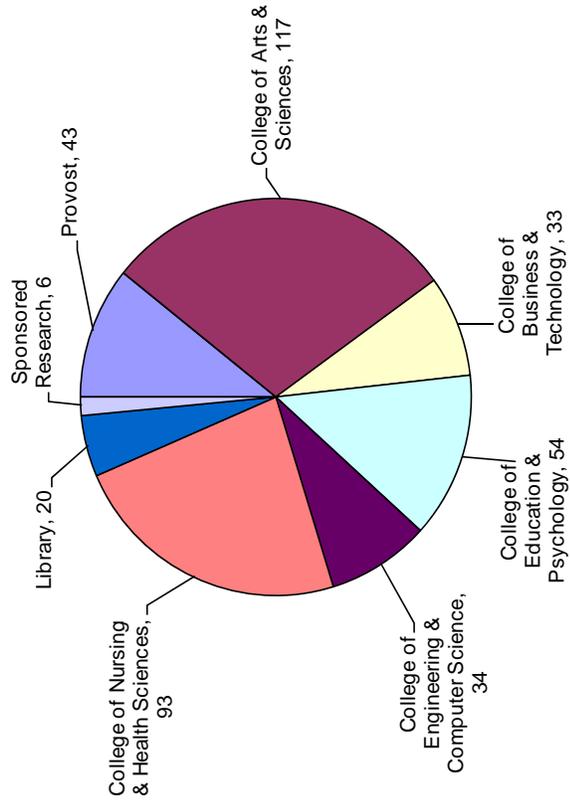
Faculty Information

Faculty Headcount by Rank
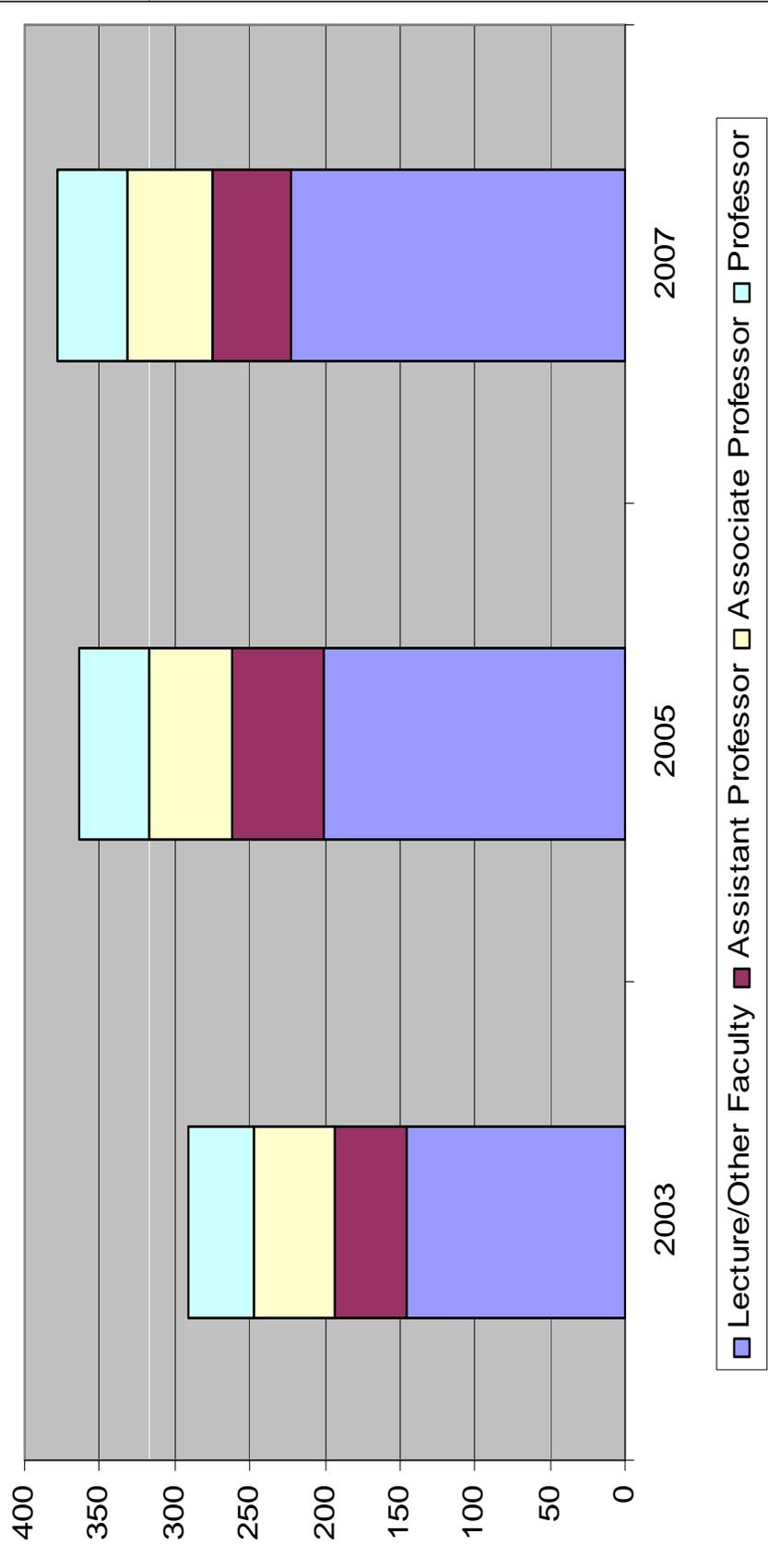
Impact

Student/Faculty Ratio

	2003	2005	2007
Ratio	15.1	16.2	16.3

Axis values: 16.4, 16.2, 16, 15.8, 15.6, 15.4, 15.2, 15, 14.8

5
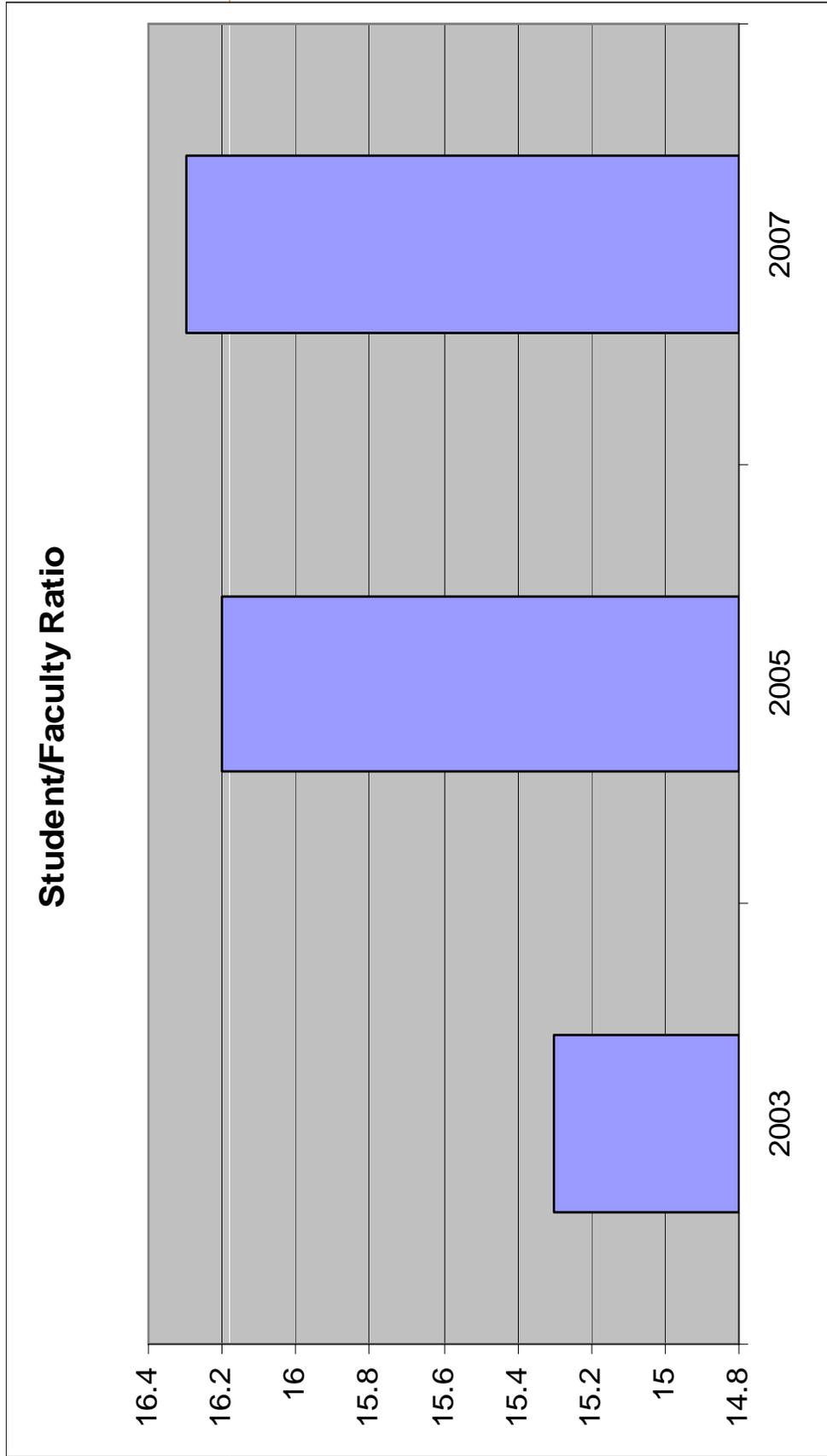
4.   U. T. System: Report on Textbook Study Group recommendations

Summary of the
Report and Recommendations
of The University of Texas System
Textbook Study Group
May 22, 2008

In the Fall of 2007, Chancellor Mark Yudof asked the Office of Academic Affairs to engage in a study on how to reduce the cost of textbooks to U. T. System students. A task force was formed made up of representatives from the Office of Academic Affairs, the Office of Governmental Relations, the Office of Finance, and the Office of General Counsel. The primary conclusion of the Task Force was in the short-term, faculty members selecting learning materials are the key to controlling and reducing the expense students face with regard to textbooks.

In order for the Task Force's recommendations to be effective, individual campus faculty senates, faculty members, and administrative officers must work together to help reduce the cost of textbooks. The University of Texas System Faculty Advisory Council was asked to review the report and the recommendations. They endorsed the report and the recommendations at their May 2008 meeting, and individual members will discuss the recommendations with the campus Faculty Senates in Fall 2008.

One of the key recommendations deals with students buying textbooks from online sources, which saves the students significant resources. The dilemma for students motivated to save money is to know which books are required for their courses. Faculty members need to make timely textbook decisions, and the information needs to be posted where students can readily access it in order to shop online (or through other sources) to acquire their textbooks prior to the beginning of classes. In order for the process to work, cooperation needs to occur amongst the faculty, the academic departments, and the class registration process or some other process that allows for the posting of required texts. Note that the recently passed Reauthorization of the Higher Education Act requires universities to develop a process of posting textbook information similar to the Task Force recommendations.

The Task Force members requested that the other recommendations in the report be discussed within the faculty senates and academic departments so there is a good understanding about the various practices that contribute to the higher costs of textbooks and ways in which learning materials can be assembled that reduce the out-of-pocket costs to students.

This topic is quite complex and there is no one single solution. Heightened awareness about how textbook and learning material costs can be reduced, or at least maintained at their current level, is a subject that merits conversation and action on the campuses.

The Office of Academic Affairs will continue to study this issue and make recommendations as appropriate.

Recommendations of the Textbook Study Group

Changing technology and changes in the delivery of knowledge on campuses across the country are reshaping the textbook industry. Eventually the industry will become a digital marketplace where printed course materials are no longer expected.

The industry is beginning to embrace these changes and together with colleges and universities are exploring models that will yield profit to the industry as well as deliver the needed course materials to students and faculty. In addition, digital textbooks would always be current and provide more equal access to learning materials.

In the short term, college administrators and faculty should do the following:

- require that textbook lists are in early enough for bookstores to take advantage of buybacks and used textbook market,
- urge faculty to consider multi-semester adoptions,
- use old editions even though the revised edition is released,
- post textbook lists and International Standard Book Numbers (ISBN) online in a timely manner so that students can shop the least expensive alternative, [1] and
- use bundled textbooks and associated materials only when materials will be actively used by the instructor.

Additionally, institutions should use their influence or contracting power to encourage publishers and bookstores to limit textbook prices and offer used books or less expensive alternatives.

Until such time as more sophisticated electronic solutions become available to reduce textbook costs, the task force committee recommends that the Faculty Advisory Council of The University of Texas System adopt these recommendations and forward them to the campus faculty governing groups and administrators for action. This recommended action is similar to action taken by the Academic Senate of the California State University System in March 2006.

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[1] The best 'timely manner' is to post the required textbook ISBN's on the university course schedule. If the required books for the courses are not known at the time when the course schedule is developed, the instructor should notify the appropriate university office as soon as the required textbooks (ISBNs) are known. Providing ISBNs on a timely basis will require cooperation amongst instructors, academic departments, college bookstores, and registrar's offices.

Office of Academic Affairs
September 2008

5. U. T. Arlington: Report on potential natural gas production and plans for investing projected revenues
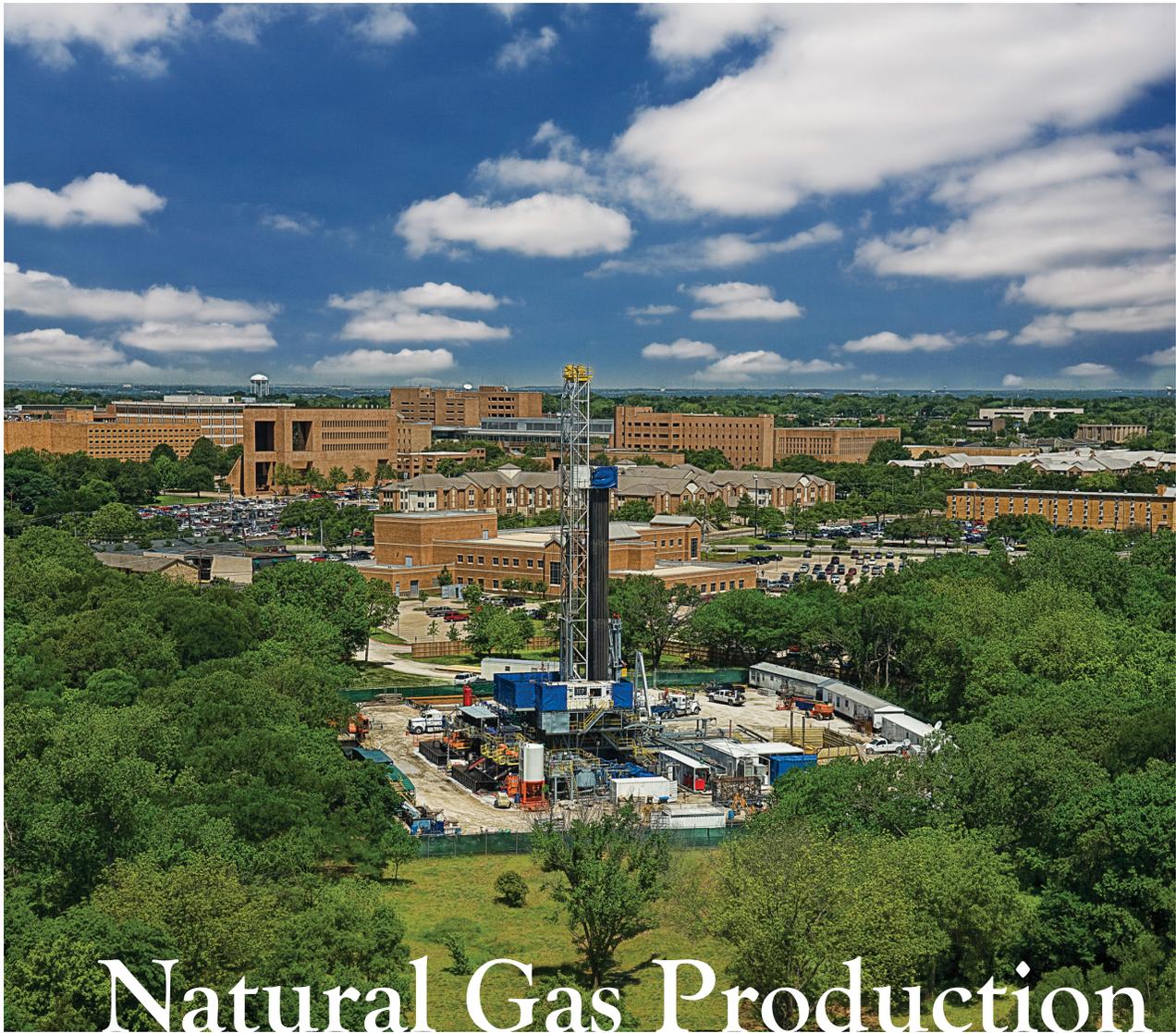
Natural Gas Production

A Report to the UT System Board of Regents

Prepared by
President James D. Spaniolo
The University of Texas at Arlington
October 23, 2008

Executive Summary

Through the confluence of geography and geology, The University of Texas at Arlington is located about a mile above what is believed to be one of the largest and most concentrated natural gas fields in the nation — the Barnett Shale. This underground formation covers approximately 5,000 square miles in at least 17 counties in North Texas.

In April 2007, the University leased its mineral rights to Houston-based Carrizo Oil & Gas, Inc., for the purpose of exploring and developing this natural gas resource. Since that time, Carrizo has been conducting exploration and development work at a site located in the southeast corner of campus.

In the coming months, it is the University's expectation that the six wells drilled in spring 2008 will begin to produce natural gas. While it is still too early to know exactly how much gas will be produced or exactly how much the University might expect in royalties, there is reason to believe that these funds could be substantial.

Carrizo has estimated the University's royalties over the next ten years to total between $50 million and $100 million. For the purposes of this report, a projected ten-year total of $75 million is assumed.

If invested strategically, this new revenue stream could become one more accelerator in the University's drive to become a major national research university. The realization of these important assets could be the defining moment, the tipping point, in UT Arlington's ascent to the next level in American higher education.

It would be tempting to view this situation as a windfall, a once-in-a-lifetime bonanza. But it is far from that. Like a philanthropist who has been cultivated for a major gift over a number of years, the Barnett Shale is about to make a significant contribution, a transformational gift, to UT Arlington.

As with any major gift, the University has the responsibility to be a good steward and to invest wisely the proceeds from such an extraordinary revenue source.

This Report to the Board of Regents provides additional background on the University's natural gas program, revenue projections based on estimated royalties, and a preliminary outline of how the funds would be invested and leveraged to further advance the mission of The University of Texas at Arlington.

Background

For more than a century, UT Arlington's campus has grown in increments from the tiny liberal arts campus it was in 1895 to its current 420 acres. With each donation or strategic purchase of land, the University's acreage increased, as did its inventory of mineral rights. As the University has grown physically, so, too, has its academic enterprise. UT Arlington has evolved and matured into one of the fastest-growing research universities in Texas and in recent years has set its sights on becoming a nationally recognized research university.

During that same 100 years of progress, the natural gas resources beneath the campus lay dormant and untapped. Thanks to extraordinary advances in drilling technology in the past few years, the natural gas contained in the Barnett Shale is now accessible and can be extracted efficiently and safely.

Like the oilfields in West Texas and the offshore platforms along the state's Gulf Coast, a significant natural resource is now benefiting North Texas — and moving our nation one step closer to achieving energy independence from foreign sources. As natural gas production gets under way, numerous North Texas universities, public school districts, municipalities, corporations, churches, and individuals will soon be realizing the financial benefits associated with the development of their mineral resources.

The University of Texas at Arlington and its partner, Carrizo Oil & Gas, have pursued an aggressive schedule to explore, assess, and develop the University's natural gas resources. The guiding principle at all times has been to develop these resources safely and responsibly — utilizing the very latest in technological advances to minimize disruption to the University community. Every precaution has been taken to limit traffic, reduce noise, ensure safety, and to mitigate the environmental impact of the operation. Both UT Arlington and Carrizo are ardently committed to a natural gas program that benefits the entire campus community — including the surrounding neighborhoods.

This project has benefited enormously during the past several years from the countless hours spent by individuals at both UT Arlington and at UT System. Staff members at UT Arlington, for instance, have devoted upwards of 5,000 hours of time for the duration of the project, to-date, including approximately half of Vice President Rusty Ward's time for the past two years.

Meanwhile, staff members at UT System have expended approximately 600 hours to make the project a success. This includes an extraordinary time commitment from Ken Polson and Steve Hartmann in the Office of University Lands, Florence Mayne and Ed Walts in the Office of Real Estate, and Mark Bentley and Jim Phillips in the Office of General Counsel.

Timeline

Throughout 2006

The University begins preparation for lease discussions with several oil and gas companies. State Senator Chris Harris and State Representative Diane Patrick provide significant support and assistance with the Railroad Commission, the City of Arlington, and other agencies and organizations.

Late 2006 - Early 2007

UT Arlington continues discussions with several oil and gas companies regarding development of its natural gas resources.

April 2007

UT Arlington agrees to lease its mineral rights to Carrizo Oil & Gas, Inc. The contract period to begin drilling is very tight — one year — and such a contract has never before been signed in North Texas.

August 2007

UT System Board of Regents approves the UT Arlington/Carrizo lease. UT Arlington and Carrizo announce five possible sites on campus for potential drilling and development.

September 2007

UT Arlington announces that Carrizo will begin development of only one site initially — the Southdale site at the southeast corner of campus. The University announces that no decisions on the other four sites will be made until the experience at the first site has been completed and thoroughly assessed.

October 2007

UT Arlington launches a comprehensive communications program designed to keep the University community, including approximately 4,000 neighbors, informed during the natural gas exploration and development process.

November 2007

Carrizo begins drilling the first of six wells at the Southdale site.

May 2008

Carrizo finishes drilling the six wells at the Southdale site.

August 2008

Carrizo begins fracture stimulating, or "fracing," the six wells at the Southdale site. The process is finished ahead of schedule in mid-September.

September 2008

Carrizo continues with the well completion phase, including flowback and flaring, to ready the wells for production.

October-December 2008 (projected)

Carrizo will complete construction of a pipeline that will transport the natural gas to market. A compressor station will be constructed that will connect the UT Arlington wells to the pipeline.

December 2008 (projected)

Carrizo will begin production of natural gas.

Natural Gas Royalties Estimated to Range from $50 Million to $100 Million

Texas has a long tradition of oil and gas production. History and experience show that there is always an element of risk in speculating or projecting revenues prior to having a product flowing to market. Therefore, any attempt to make projections should always be approached with cautious optimism.

Given the current status of the project at UT Arlington, the University is encouraged that Carrizo will begin production before the end of calendar year 2008.

Carrizo has estimated the University's royalties over the next ten years to total between $50 million and $100 million. For the purposes of this report, a projected ten-year total of $75 million is assumed. A number of factors affect this estimate, including the demand for natural gas and the fluctuating market price for natural gas, especially given the current uncertainty surrounding national and international financial markets.

Based on the production experience others have had at Barnett Shale sites, the volume of natural gas production is usually greatest in the first year or so and then begins to diminish over the next several years, though continuing at some reduced level for up to 20 years or more. Therefore, revenues are not expected to be the same every month, nor will they necessarily be consistent from year to year. Indeed, revenues would likely be highest in the first year or two, then declining steadily for about five years, and eventually flattening out after five years.
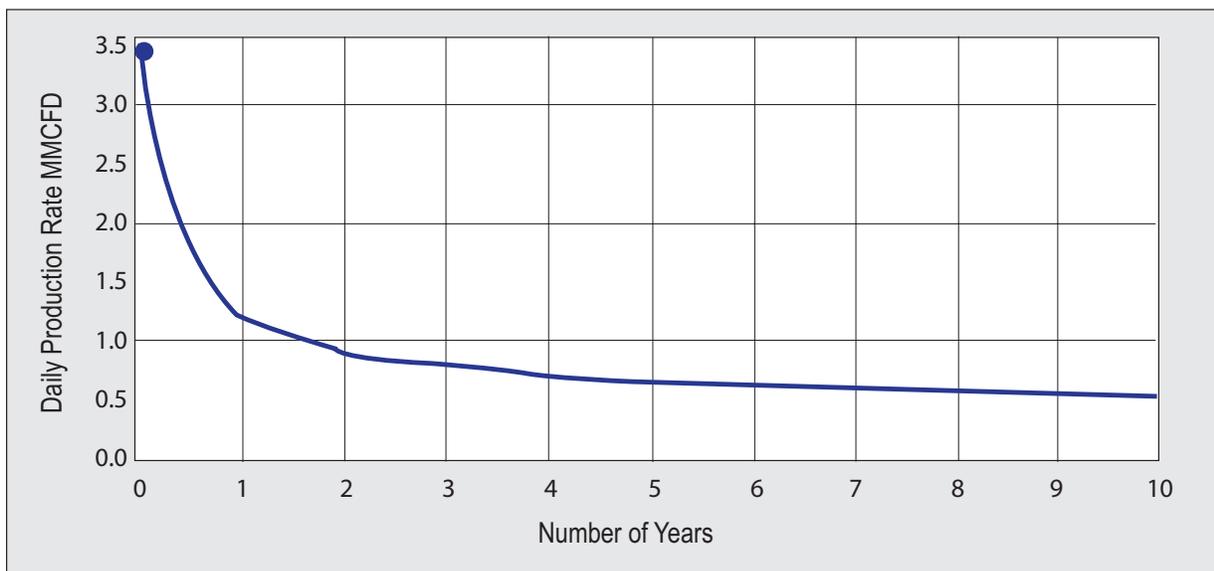
Estimated Production Rate
Million Cubic Feet Per Day Over Ten Years

Natural Gas Royalties Estimated to Range from $50 Million to $100 Million

Based on current markets and production estimates, Carrizo has developed the following projections of royalty revenues to be paid to UT Arlington:

- During the first few months of production, UT Arlington is expecting the royalty payments from the six wells to total approximately $1.4 million per month.

- Royalty payments would be expected to taper off to a total of approximately $400,000 per month by the end of the first year.

- By year four or five, royalty payments would flatten out to about $200,000 to $250,000 per month and continue at that rate for the next five years.

The University continues to assess the possibility of additional wells at the current site, as well as the possibility of developing other sites on the University's campus. Although it is still too early to develop projections for additional wells and/or additional sites, it is more likely that additional wells will be drilled on the current five-acre site before consideration is given to any other potential sites on campus.

Investing and Leveraging the Royalties from Natural Gas

There has been much curiosity and speculation as to how UT Arlington could and should spend the royalties it expects to receive from natural gas production. Now that production is about to begin, the University community should be assured that the royalties UT Arlington expects to receive from natural gas production over the next ten years will be invested and leveraged to their maximum potential. Additionally, the University must commit itself to flexibility and periodic reevaluation of its plan for investment of these important resources.

In early 2008, President Spaniolo convened an informal ad hoc committee comprising a small group of trusted and distinguished advisors to think about how best to invest the funds from this new revenue stream. The group included a former UT System Regent (Mr. Robert Estrada), a former UT Arlington president (Dr. Ryan Amacher), a former UT Arlington provost (Dr. Dana Dunn), and a former chair of the UT Arlington Faculty Senate (Dr. Daniel Formanowicz).

There was immediate and unanimous agreement within the group on two important points:

- Royalties should *not* be used to meet normal operating needs of the University or to offset state allocations, though clearly those needs are great and the temptation to do so is obvious.

- Royalties should be used over the next decade to leverage additional investments by private donors, alumni, corporations, foundations, the State of Texas, and others to speed the University's progress toward achieving its strategic goals. Leveraging natural gas royalties will help build the University's relatively low endowment by creating the ability to match private gifts and grants for scholarships, fellowships, chairs, professorships, etc.

The group made three specific recommendations for investment, with a significant percentage of revenues targeted toward endowment. In his Fall 2008 Leadership Address to the University community, President Spaniolo outlined in very broad terms the following three areas of investment.

Investment Priority: Undergraduate Scholarships and Graduate Student Fellowships
Estimated Royalties: $30 Million

Strengthening the academic quality of our under-graduate and graduate students will accelerate the University's progress toward becoming a nationally recognized research university. Therefore, investment in students is a top priority — including making a UT Arlington education more affordable.

The University expects to dedicate at least 40 percent of royalties — approximately $30 million over the next ten years — to support and enhance under-graduate merit-based scholarships, graduate student fellowships, and other forms of student financial assistance.

Investing and Leveraging the Royalties from Natural Gas

continued

In this scenario, an estimated $10 million of the $30 million total would be expended at a rate of $1 million per year to provide $500,000 for undergraduate scholarships and $500,000 for graduate research supplements. The remaining $20 million would be matched with $20 million through private gifts and other sources to create up to a $40 million endowment. When fully funded, this $40 million endowment would generate $1.5 million to $2 million a year for both merit-based and need-based scholarships. Approximately 75 percent would be directed toward merit-based scholarships, and approximately 25 percent would be directed toward need-based scholarships.[1]

Creating additional supplements/stipends for graduate students, in particular, will help attract and retain highly qualified individuals in masters and PhD programs. Although these supplements would be made available to all graduate programs, they would be concentrated in the College of Engineering and the College of Science. UT Arlington has experienced tremendous research growth in these two disciplines during the past few years, and additional investment will help continue this upward trend.

Using natural gas royalties to help fund additional support for undergraduate and graduate students helps address the University's strategic priority to increase the overall academic quality of under-graduate students. Having this additional resource available also helps the University increase its commitments to need-based programs like the very successful Maverick Promise, which was enhanced in fall 2008 to provide free tuition and fees for any student with a household income of $65,000 or less.[2]

Increasing both merit-based and need-based scholarships will allow the University to recruit more and better undergraduate students, as well as to continue to make a UT Arlington education more affordable and accessible. This will be a significant driver for enrollment growth — a critical University priority — and will further position UT Arlington as a more attractive destination for students, rather than as a default or second choice for students hoping to be accepted elsewhere.

Increasing graduate research stipends will make the University much more competitive in recruiting the best graduate students — a key ingredient in the development of a robust research university and an essential element in accelerating the University's progress toward becoming a major national research university.

[1] The University currently provides a total of 3,254 undergraduate merit-based scholarships and 7,900 need-based grants from all sources. Additionally, the University provides a total of 2,411 graduate students with merit-based and need-based support.

[2] The Maverick Promise is a comprehensive financial aid package that was established by UT Arlington in 2007 to guarantee free tuition and fees for any student with a household income of $25,000 or less. The household income threshold was subsequently raised to $40,000, and in fall 2008 was raised again to $65,000 to increase the eligibility for even more students. To qualify, students must be eligible to receive a Federal Pell Grant and must carry six or more semester credit hours. The University makes up the difference between the amount of the Pell Grant and the total cost of tuition and fees.

Investing and Leveraging the Royalties from Natural Gas

continued

Investment Priority: Recruitment and Retention of Outstanding Faculty
Estimated Royalties: $30 Million

Investment in faculty also is a top priority, as the University continues on a sharp trajectory to become one of America's national research universities. The competition to recruit and retain the best and brightest faculty has never been as fierce as it is today.

The University expects to dedicate at least 40 percent of royalties — approximately $30 million over the next ten years — to recruit and retain outstanding faculty members who will flourish and make their marks at UT Arlington.

In this scenario, an estimated $10 million of the $30 million would be expended at a rate of $1 million per year to create nationally competitive start-up packages and other support for outstanding faculty members. Combined with internal funds, STARS funding from UT System, and other sources of support, this investment could provide full funding annually for at least two or three start-up packages at $500,000 to $1 million each. The remaining $20 million would be matched with $20 million through private gifts and other sources to create up to a $40 million endowment. When fully funded, this $40 million endowment could support, for example, 20 endowed chairs at $1.5 million each and 20 endowed professorships at $500,000 each or, perhaps, 25 endowed chairs at $1 million each and 60 endowed professorships at $250,000 each. The bottom line is that this combination of cash, matching funds, and endowment will enhance the University's capacity to be much more competitive in the recruitment and retention of the best faculty members.

Creating essential start-up packages and increasing the endowment to support endowed chairs and professorships will provide enormous flexibility in recruiting and retaining faculty — especially in the critical fields of engineering, science, and nursing, which are among UT Arlington's strongest areas of excellence and for attracting external research funding.[3]

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[3] Engineering, science, and nursing represent critical fields and are among the University's biggest strengths. It is in these fields that most of the faculty recruitment has been done in recent years. Engineering and science, in particular offer significant opportunities for external research funding. Further concentration on enhancing these three disciplines will move the University closer to becoming a national research university and will benefit the entire academic enterprise. The University currently has a total of only nine endowed chairs.

Investing and Leveraging the Royalties from Natural Gas

continued

More importantly, having the ability to create 20 or more new endowed chairs over the next decade provides UT Arlington with an opportunity to structure research programs along completely new lines of interdisciplinary research — literally creating new models for conducting research. For instance, a new chair in biomaterials could encompass research areas such as materials science, biology, and biomedical engineering. A new chair in biophysics, likewise, might forge new research capabilities encompassing molecular biology, biochemistry, and physics. And a new chair in bioinformatics might capitalize on expertise in genetics, mathematics, statistics, and computer science. This interdisciplinary expansion parallels the configuration in the new Engineering Research Complex (now under construction) which includes a significant science component.

UT Arlington is making tremendous strides in its research enterprise, and additional investment will fuel more short- and long-term growth. During the last five years alone, the University has added 75 new tenure-track faculty positions. It is no coincidence that research expenditures have tripled to more than $60 million during that same time period. Continued investment in talent through the creation of endowed chairs and professorships will make a critical difference in ensuring that the University is competitive in the recruitment and retention of outstanding faculty members.

Investment Priority: Campus Master Plan
Estimated Royalties: $15 Million

Investment in the University's Campus Master Plan will help continue the physical transformation of campus that already is well underway.

The University expects to dedicate up to 20 percent of royalties — approximately $15 million over the next ten years — to accelerate, and to more fully implement, its Campus Master Plan, which was presented to the Board of Regents in May 2007. This $15 million would be leveraged wherever possible with matching funds from private gifts and would be used to cover capital costs, including debt service, as well as to create a maintenance endowment.

Continuing on the fast track to create a more vibrant and engaging campus experience will significantly strengthen the University's ability to attract students from across Texas and beyond. Aggressive development along the campus edge will help create the College Town environment that is so vital to UT Arlington's ability to provide an engaging residential campus environment and to build a more vital link to the City of Arlington.

Investing and Leveraging the Royalties from Natural Gas

continued

Among the priorities for development during the next few years are:

Special Events Center

Construction of the Special Events Center is an essential element in the University's campus master plan. This project will dramatically improve the University's ability to host major events on campus, create an appropriate venue for commencement and convocations, and provide a new home court for men's and women's basketball. Intensive planning is underway, and the University anticipates moving forward with this project in spring 2009.

Unity Plaza

Development of Unity Plaza would rejuvenate a highly visible area on the mall in front of the Library and fulfills a desire of the University's Committee on Diversity and International Understanding to create a landmark on campus that celebrates diversity.

Bell and Clock Tower

The proposed Bell and Clock Tower would add a central focal point to the University's campus and provides an iconic feature that helps promote a more traditional campus look and feel.

Center Street Green

Developing the Center Street Green would enhance the eastern edge of campus, creating much-needed green spaces along Center Street and improving the quality of the residential experience for students living in adjacent residence halls. This project would also complement and complete a greenway being created by the City of Arlington along Center Street.
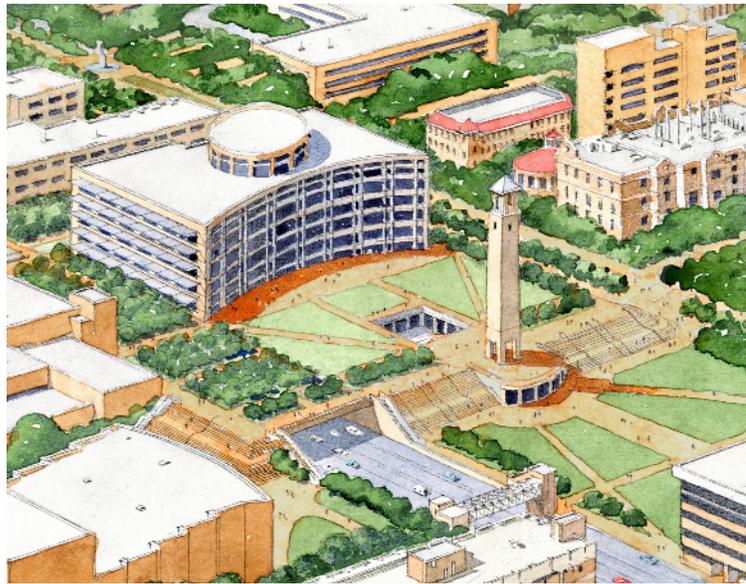
Developing and maintaining the UT Arlington campus and constantly looking for opportunities to enhance the physical environment is essential for student recruitment and retention. The University is deeply committed to providing a first-rate campus experience for its 25,000-plus students, including the 4,500 students now living in on-campus housing. Continuing to invest in the University's infrastructure will contribute to the wellbeing and success of current students, as well as that of generations of students to come.

Leveraging Natural Gas Royalties as a Catalyst for a Comprehensive Campaign

The Barnett Shale is in many ways like a generous donor to UT Arlington. After years of patience and waiting for the time to be right, a large commitment of resources is about to be made. Viewed as an unrestricted major gift to the University, the natural gas revenues should position the University favorably for its first comprehensive fundraising campaign. It is incumbent upon UT Arlington to provide the careful stewardship that is necessary to invest these resources strategically in order to realize the greatest return for the University.

UT Arlington has made remarkable gains on so many fronts in recent years; however, the University has not gained traction in developing private philanthropic support. The University recently hired a new Vice President for Development and is making significant investments in that program, thanks in part to additional seed funding from UT System. The reality is that the University is now in a position of playing catch-up with peer institutions. The accompanying chart shows the University's position within the constellation of UT System universities. UT Arlington's endowment is fifth in this group, despite having the third-largest enrollment. In comparing endowment per FTE enrollment, it is obvious that the University faces a significant challenge — yet great opportunity — in developing private gift support.

Academic Institution	Endowment* (Market Value)
UT Austin	$2,758,758,384.65
UT Dallas	$250,605,062.05
UT El Paso	$119,929,588.38
UT Tyler	$64,755,581.63
UT Arlington	**$60,955,480.07**
UT San Antonio	$54,084,216.70
UT Pan American	$31,535,158.20
UT Permian Basin	$17,848.239.10
UT Brownsville	$7,323,617.46

Academic Institution	Endowment per FTE*
UT Austin	$61,877.48
UT Dallas	$23,116.42
UT Tyler	$13,807.16
UT El Paso	$8,247.18
UT Permian Basin	$6,936.74
UT Arlington	**$3,340.76**
UT San Antonio	$2,491.21
UT Pan American	$2,362.36
UT Brownsville	$791.40

* 2007-08 Academic Year

It is the University's aim, therefore, to use royalties from natural gas production as a strategic lever to jumpstart a comprehensive fundraising campaign by encouraging gifts from alumni, corporations, foundations, and other friends of the University.

This is expected to have the same transformational effect on the University's development program as would a major gift commitment of the same size. Matching gift opportunities will be devised for both endowment and capital initiatives as an incentive to cultivate leadership gifts from major gift prospects and also to greatly broaden the University's base of support from rank-and-file alumni and other constituents. The University's ultimate goal is to *change the culture* at UT Arlington to create an environment where philanthropy is encouraged, recognized, and expected.

Securing the Future of The University of Texas at Arlington

The University of Texas at Arlington is in the midst of an extraordinary transformation – literally redefining what it is and laying the groundwork for what it will become. The excitement and enthusiasm on campus is palpable, and never before has there been such optimism for the institution's future.

By every measure, UT Arlington is making giant strides. During the past five years, the University has added more than 75 new tenure-track faculty positions and successfully recruited nationally recognized scholars and research faculty. Spectacular new facilities are being built, such as the $150 million Engineering Research Complex that is currently under construction. Enrollment is growing, topping 25,000 in fall 2008. Research expenditures have increased rapidly during the past five years and surpassed $60 million in fall 2008. A major comprehensive fundraising campaign is being planned. And today almost 4,500 students live on campus, dispelling once and for all any notion that UT Arlington is a commuter campus.

The future is bright for UT Arlington. The potential revenue from natural gas production is a critical element in the University's strategic goal to become a major research university.

With vision, determination, focus, and a commitment to strategic investment of every available resource, UT Arlington has the very real potential to become one of America's next great public universities.

Proposed Partnership: Children's Learning Institute & Knowledge Is Power Program

Board of Regents' Meeting
Health Affairs Committee
November 12, 2008

THE UNIVERSITY *of* TEXAS

HEALTH SCIENCE CENTER
AT HOUSTON

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- ## Children's Learning Institute (CLI)
  - Formed in 2003
  - Led by Dr. Susan Landry
  - Focused on a quality learning environment for all children
  - Recognized for its scope of research – infancy through young adulthood

- ## Knowledge Is Power Program (KIPP)
  - Founded in Houston in 1994 as a charter middle school
  - Expanded nationally
  - Proven track record of preparing students in underserved communities
  - Recently completed development campaign to expand Houston presence

THE UNIVERSITY *of* TEXAS
HEALTH SCIENCE CENTER
AT HOUSTON

- **Match the nation's leading charter school system with the Texas State Center for Early Childhood Development**
- **Create an all-encompassing CLI campus**
  - Facilitate collaboration between and among teachers, researchers, and clinicians
  - Lab school incorporating:
    - Model classrooms serving as observatories
    - Assessment and clinical rooms to treat and serve students

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3
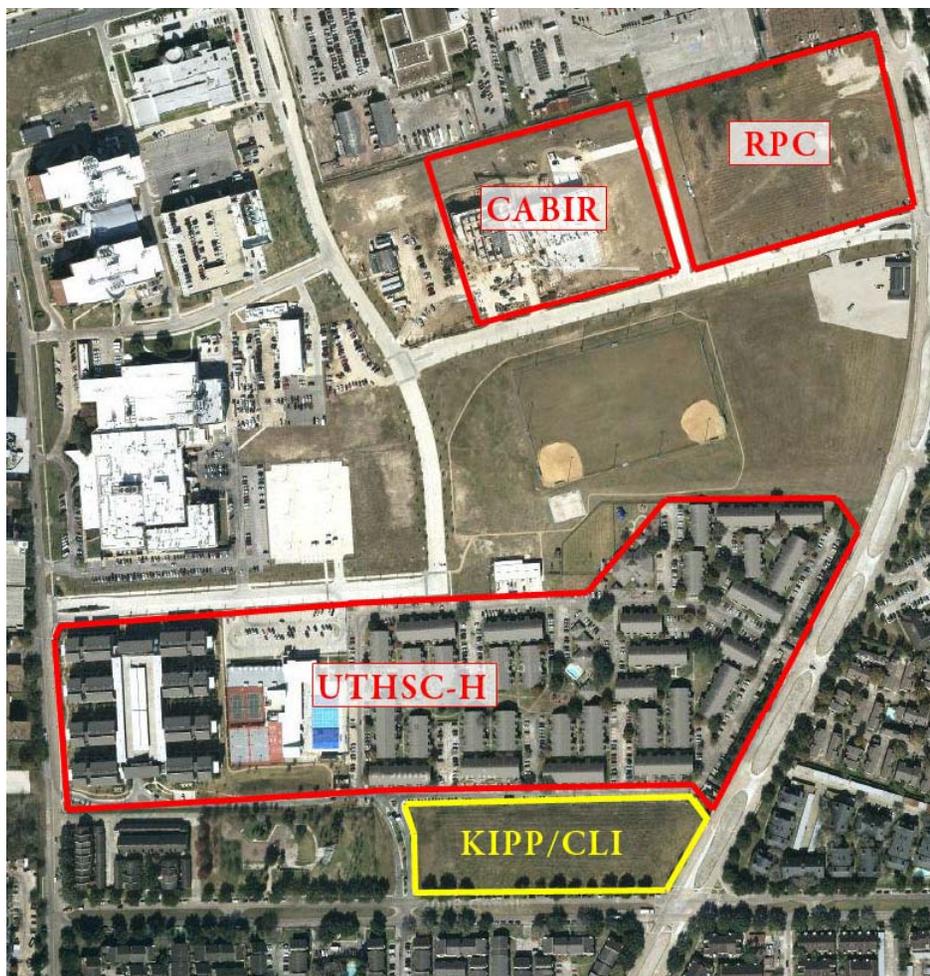
- Construct a new CLI: 68,000 gross square feet on 2.2 acres

- Lease to KIPP: 2.9 acres to construct an early childhood to fourth grade school

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4

THE UNIVERSITY *of* TEXAS
HEALTH SCIENCE CENTER
AT HOUSTON

- Receive advice and comment from this committee

- Completion of project business plan

- Initiate fundraising effort

- Design CLI facility

- Construct appropriate ground lease

- Develop CLI/KIPP operating agreement

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THE UNIVERSITY *of* TEXAS SYSTEM

SUPPLY CHAIN ALLIANCE

Strategic Plan

Fiscal Years 2009—2011

Creating Demonstrative Value

Introduction

The University of Texas System Supply Chain Alliance ("Alliance") was created to leverage the aggregated buying power of The University of Texas System ("UT System") health institutions. This initiative is an attempt to counterbalance emerging challenges in the control of expenditures for equipment, supplies, and services, while ensuring quality in the deliverance of education, research, and healthcare.

This strategic plan is a blueprint for the Alliance as it seeks to create demonstrative value for UT System. The Plan was developed through a collaborative process involving the governance structure of the Alliance.

Over the next three years, the strategic objectives detailed herein will determine and measure our impact upon UT System remaining one of the very best public higher education systems in the nation.

Please join us in our journey to become the premier leader in supply chain excellence by leveraging the robust purchasing power of UT System.
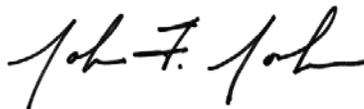
John F. Joshua
Director of the Alliance

VISION

The vision of the Supply Chain Alliance is to be a leader in the delivery of world-class supply chain services within the healthcare industry.

MISSION

The mission of the Supply Chain Alliance is to provide reliable, sustainable solutions for the purchase and delivery of equipment, services, and supplies to support the core missions of education, patient care, and research at the UT System health institutions. Through collaborative and shared efforts and adoption of best practices, we will improve customer satisfaction, reduce cost, and create value.

Who We Are

In October, 2006, the presidents of the six health institutions of the UT System gave life to the Alliance. The Alliance was created to expand use of joint purchasing and explore new opportunities to leverage the collective size and strength of UT System health institutions (Alliance Institutions) through cooperative purchasing agreements.

In September, 2007, the Strategic Sourcing Team was recruited to manage this new initiative full-time. The Strategic Sourcing Team is a dedicated staff of experienced supply chain professionals headquartered at the UT M. D. Anderson Cancer Center in Houston, Texas.

The process by which the Alliance practices joint purchasing is known as strategic sourcing. Strategic sourcing is a disciplined, systematic process for reducing the cost of equipment, supplies, and services, while maintaining or improving levels of quality, service and

How We Are Governed

Executive Committee - Comprised of presidential appointed administrative business officers of the Alliance Institutions and chaired by the Executive Vice Chancellor for Business Affairs for UT System Administration, this body serves as the rule making and primary governance authority of the Alliance.

Steering Committee - Comprised of the chief supply chain officers of Alliance Institutions and chaired by the Associate Vice Chancellor for Health Affairs for UT System Administration, this body governs the operational activities of the Strategic Sourcing Team.

ALLIANCE INSTITUTIONS

University of Texas Southwestern Medical Center at Dallas

University of Texas Medical Branch at Galveston

University of Texas Health Science Center at Houston

University of Texas Health Science Center at San Antonio

University of Texas M. D. Anderson Cancer Center

University of Texas Health Science Center at Tyler

GUIDING PRINCIPLES

Accountability

Commitment to Success

Continuous Improvement

Historically Underutilized Businesses

Keep Whole

Opt-out

Win/Win

The Alliance Strategic Plan: *Creating Demonstrative Value*   2

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Strategic Sourcing Team - A group of experienced supply chain professionals solely dedicated to pursuing strategic sourcing activities on behalf of the Alliance Institutions.

Spend Council - A diverse group of leaders from the Alliance Institutions that oversee and manage strategic sourcing initiatives by providing technical expertise and guidance to the Strategic Sourcing Team.
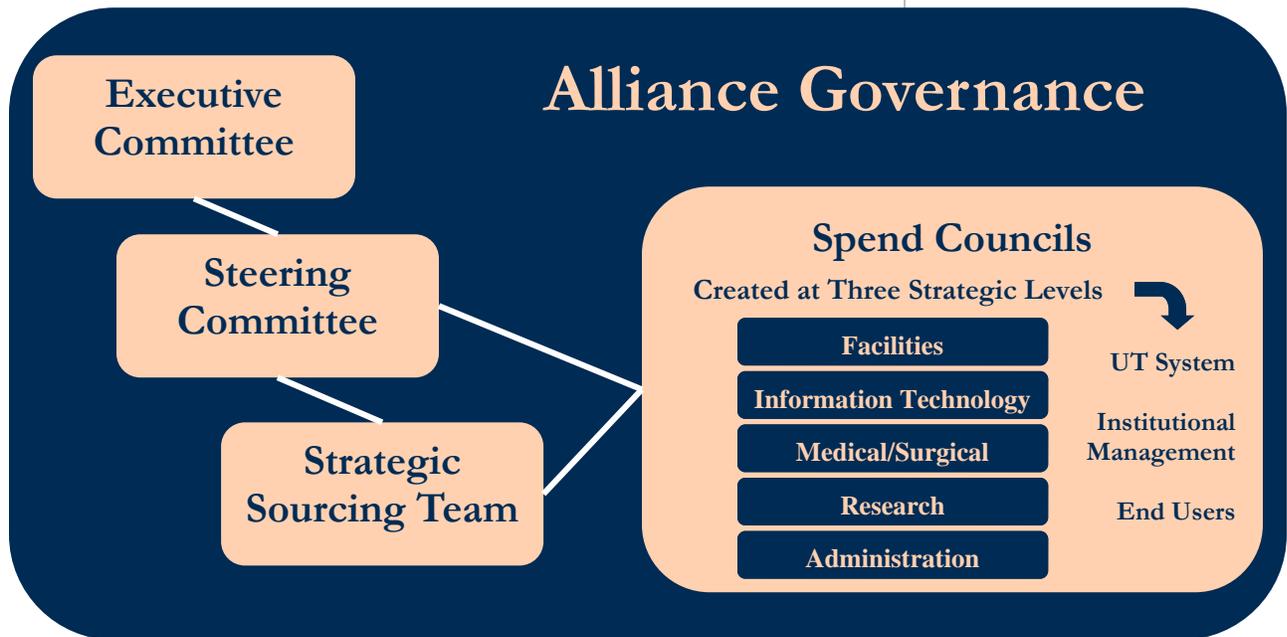
Why We Must Succeed

In the new millennium, UT System faces enormous challenges and the Alliance will play a crucial role in…

⇒ *Combating the rising cost of tuition in delivering world class education;*

⇒ *Reducing the rising cost to conduct research on solutions to diseases and conditions in Texas and worldwide; and*

⇒ *Controlling unprecedented increases in the cost to deliver superlative healthcare.*

The Alliance Strategic Plan: *Creating Demonstrative Value*   3

Strategic Objectives
SUCCESS

The Alliance will pursue five key strategic objectives, which are interrelated and will engage all the Alliance Institutions.

Alliance's Strategic Objectives

1	**Developing Spend Councils**	Enhance growth and development through outreach, education, and support.
2	**Leveraging Historically Underutilized Businesses**	Develop new business opportunities through exploration of innovative value-added services.
3	**Achieving Fiscal Sustainability**	Create internal processes that maintain transparency and financial accountability.
4	**Enhancing People, Processes & Technology**	Integrate cutting edge metrics and technology that will model best in class status.
5	**Pursuing Outreach, Collaboration & Partnerships**	Align with peer institutions, and organizations that share a common vision of creating value.

Strategic Objective One:
Developing Spend Councils

S U C C E S S

Initiative   Grow a Robust Spend Council Organization

1.1 Through use of technology, establish a routine communication methodology designed to keep Spend Councils engaged in initiatives, communicate roles and responsibilities, and leverage their influence at both the UT System and institutional levels.

1.2 Expand the Spend Council from the institutional executive level to the subject matter expert (SME) level by creating commodity groups that can serve across multiple spend and procurement categories.

1.3 Expand Spend Council leadership role at the SME level to oversee sourcing activities and harness continual support for the initiative.

Success Measures:

⇒ *By August 31, 2009, recruit, develop, and fully populate all Spend Council levels.*
⇒ *Fiscal year ("FY") 2009, conduct a minimum of two sourcing events per Spend Council annually.*
⇒ *Advance Spend Council debate and dialogue through use of technology.*

Initiative   Develop a Continuous Improvement Plan

1.4 Develop dynamic education and training curriculums that teach strategic sourcing best practices and the advantages of spend aggregation.

1.5 Leverage technology through use of webinars and effectively designed graphical presentation tools to successfully communicate core themes and ideas.

Success Measures:

⇒ *Create strategic sourcing training material for each Spend Council by August 31, 2009.*
⇒ *Achieve 50% year-over-year growth in sourcing events for each Spend Council beginning in FY 2010.*

The Alliance Strategic Plan: *Creating Demonstrative Value*   5

Strategic Objective Two:
Leveraging Historically Underutilized Businesses

| Initiative | **Enhance Awareness and Opportunity Pathways for Historically Underutilized Businesses (HUB)** |

2.1 Maintain transparency of Alliance operational activities with UT System HUB office, as well as institutional HUB directors, by providing periodic updates via the HUB Coordinator's meeting under the direction of UT System HUB Director.

2.2 Continue to find new and creative ways to incorporate true value added opportunities in the planning phase of sourcing events and in subsequent contractual relationships.

2.3 Encourage institutional HUB Directors to promote awareness of the Alliance in their educational and outreach activities.

Success Measures:

⇒ *Adhere to the Texas Government Code Chapter 2161 – Historically Underutilized Businesses and UT System's UTS137 – Historically Underutilized Business Program.*
⇒ *Engage the UT System HUB Director in the Alliance governance structure. Network with the UT System HUB Coordinators group to raise awareness of Alliance activities and programs.*
⇒ *Partake in periodic events that promote HUB participation and disseminate Alliance best practices, successes with HUBs, and our vision and mission.*

Strategic Objective Three:
Achieving Fiscal Sustainability   SUCCESS

Initiative   **Maintain Fiduciary Responsibility**

3.1 Develop sound methodology and procedures that accurately measure, track, and report value creation and savings.

3.2 Establish policies and procedures for the administration and control of operational expenses and administration fees.

3.3 Provide training, education, and awareness to all stakeholders on compliance requirements and ethics.

Success Measures:

⇒ *Creation of a balance scorecard by August 31, 2009, to measure the performance, impact, and effectiveness of the Alliance.*
⇒ *Periodic reporting on the Alliance performance to the Executive Committee.*

Initiative   **Create Long-term Value Propositions**

3.4 Develop a comprehensive and dynamic sourcing calendar built around future spend targets identified by the Spend Councils, Steering Committee, Strategic Sourcing Team and other stakeholders.

Success Measures:

⇒ *Maintaining 80% or greater opt-in participation in sourcing events and executed contracts.*
⇒ *Minimum of eight contract executions beginning in FY 2009.*
⇒ *Achieve 25% year-over-year growth in contract executions beginning in FY 2010.*

The Alliance Strategic Plan: *Creating Demonstrative Value*   7

Strategic Objective Four:
Enhancing People, Processes & Technology

| Initiative | Retain, Evaluate, and Reward the Intellect |

4.1 Develop career paths consistent with the Alliance organizational structure and create opportunity for transition into institutional or UT System positions.

4.2 Develop performance metrics and evaluation criteria which work within the existing employment framework that is based on individual and team accomplishments and are tangible, measurable, and achievement oriented; moreover, measure performance semi-annually.

4.3 Develop and deploy competency profiles for each employee and provide the tools necessary to improve upon weaknesses and maximize strengths; monitor and assist employees with their development plan to ensure fulfillment of the roles, responsibilities, activities and expectations of their job.

4.4 Establish an incentive compensation program for the Strategic Sourcing Team that is consistent with and based on value creation and exceptional performance.

Success Measures:

⇒ *Completion of competency profiling and performance evaluation criteria by December 31, 2008.*
⇒ *Completion of incentive compensation model by June 30, 2009.*

| Initiative | Enhance Stakeholder Knowledge of Strategic Sourcing Concepts |

4.5 Offer strategic sourcing education and training during institutional campus visits.

Success Measures:

⇒ *Strategic Sourcing Team to provide ten hours of continuing education workshops on strategic sourcing to the Alliance Institutions.*

The Alliance Strategic Plan: *Creating Demonstrative Value*   8

Strategic Objective Four continued:
Enhancing People, Processes & Technology

| Initiative | **Improve the Strategic Sourcing Methodology** |

4.6 Strengthen existing best practices by benchmarking against peer institutions and other organizations, individual and team experiences, and lessons learned in an effort to create supply chain excellence.

4.7 Develop a world-class supplier relationship management model by incorporating specific key performance indicators into contracts that will monitor and ensure maximum supplier performance.

4.8 Increase the value of the "Preferred Supplier" brand by driving compliance and showcasing the results of actions driven by the Alliance to support these suppliers.

Success Measures:

⇒ *Develop a framework by April 30, 2009 that would accurately begin to measure and score supplier performance.*
⇒ *Creation of a data warehouse by March 30, 2010, for accommodating best practices, individual and team experiences, supplier relationship metrics, and lessons learned.*

| Initiative | **Leverage Technology Solutions** |

4.9 Leverage e-sourcing and e-procurement technology solutions to facilitate the collection of data, enhance the administration of sourcing events, and manage supplier relationships.

4.10 Deploy a robust internet-based portal as a comprehensive tool to communicate information and to manage our business enterprise.

Success Measures:

⇒ *Conduct 100% of sourcing events entirely electronically by March 30, 2009.*
⇒ *By February 28, 2009, issue the Alliance's "Technology Roadmap," which articulates strategies for e-procurement platforms and information systems across Alliance Institutions.*

The Alliance Strategic Plan: *Creating Demonstrative Value*   9

Strategic Objective Five:
Pursuing Outreach, Collaboration & Partnerships

Initiative   **Engage UT System Academic Institutions Through Outreach**

5.1 Continue to engage academic institutions to participate in Alliance initiatives and contracts by sharing successes and educating them on the benefits of utilizing strategic sourcing to leverage UT System expenditures.

5.2 Seek champions at academic institutions who endorse our strategic vision and leverage these individuals to encourage academic participation.

Success Measures:

⇒ *Academic institutions participation in sourcing event activities as follows:*
- ⇒ *FY 2009—academic institutions participating in 25% of sourcing events.*
- ⇒ *FY 2010—academic institutions participating in 50% of sourcing events.*
- ⇒ *FY 2011—academic institutions participating in 75% of sourcing events.*

⇒ *Academic institutions participation in contracts as follows:*
- ⇒ *FY 2009—25% of academic institutions participating in contracts.*
- ⇒ *FY 2010—50% of academic institutions participating in contracts.*
- ⇒ *FY 2011—75% of academic institutions participating in contracts.*

Initiative   **Establish Cooperative Relationships with Peer Institutions and Organizations**

5.3 Establish strategic partnerships with peer institutions of higher learning and group purchasing organizations that share our vision of creating a world class supply chain organization and delivering demonstrative value to our stakeholders.

Success Measures:

⇒ *Completion of one strategic partnership (formal or informal) in each of the next three FYs.*

The Alliance Strategic Plan: *Creating Demonstrative Value*   10

Critical Success Factors

There are five critical success factors that must be realized in order for the Alliance Institutions to be successful.

Critical Success Factors

Critical Success Factor **One**	Spend Councils embracing aggregated purchasing and the change management that accompanies it.
Critical Success Factor **Two**	Continued support from the executive leadership of UT System and Alliance Institutions.
Critical Success Factor **Three**	The level of opt-in participation into sourcing events and subsequent supplier contracts.
Critical Success Factor **Four**	Obtaining the resources for people, processes, and technology necessary to accomplish our objectives.
Critical Success Factor **Five**	Open sharing of information and data for the greater benefit of all UT System institutions.

Conclusion

The strength of UT System resides within the talented and dedicated personnel who are employed across the Alliance Institutions. The Alliance must leverage this strength as it evolves over the next several years in order for it to be successful.

The strategic objectives, initiatives and critical success factors contained in this plan provide a road map and a framework for measuring our progress in addressing these and other vital challenges.

Together, we have the opportunity to create unprecedented value across the six UT System health institutions and continue to be an exemplary state resource for higher education initiatives.

The Alliance Strategic Plan: *Creating Demonstrative Value*   12

UT System Supply Chain Alliance Update

Presenter: Richard St. Onge

November 2008

THE UNIVERSITY of TEXAS SYSTEM

Nine Universities. Six Health Institutions. Unlimited Possibilities.

Board of Regents' Meeting

Health Affairs Committee

Strategic Progression

Governance Structure

Presidential Endorsement

Executive Committee

Steering Committee

Strategic Sourcing Team

Proof of Concept Core Lab

Funding Approval/Budget Service Level Agreement Guiding Principles Sourcing Methodology

Commenced Sourcing & Outreach Activities

| JAN 06 | JUL 06 | OCT 06 | MAR 07 | JUL 07 | NOV 07 | JAN 08 | MAR 08 | AUG 08 |

FY06   **FY07**   **FY08**   **FY09**

Board of Regents' Strategic Plan

Planning Retreat Work Plan Presentation to CHI

Core Lab Contracts

Recruitment of Director

Staff Recruitment

Development of Spend Councils

Facilities
IT
Research
Administration
Med/Surg

First Annual Review with Chancellor

Spend Council Sourcing Activities

Facilities

In Process

- Lighting Fixtures
- Laboratory Case Work

Planned

- Carpet
- Electrical
- HVAC
- Aggregates
- Building Controls

Information Technology

In Process

- Personal Computers
- Networking Equipment

Planned

- Multi Media Equipment
- Servers

Research

In Process

- Research Initiative

Planned

- Equipment Maintenance
- Plastics
- Chemicals

Administration

In Process

- Office Supplies
- Computer Peripherals
- Collection Agencies

Planned

- Business Equipment
- Temporary Staffing

Med/Surg

Planned

- Medical Equipment
- Equipment Maintenance

Spend Councils' Roles & Responsibilities:

Leadership

Change Management

Spend Pool Identification

Technical Expertise

Cost Savings

Active Contracts

Contract	Participating Institutions	Spend FY08	Savings FY08	Spend FY09	Savings FY09
Lab Distribution	6 – Health 5 – Academics	$19M	$2.0M	$22M	$3.2M
Core Lab Equipment	6 – Health 9 – Academics	$4.5M	$0.6M	$4M	$0.5M
Office Supplies	6 – Health TBD – Academics			$18M	$2.0M
TOTAL		**$23.5M**	**$2.6M**	**$44M**	**$5.7M**

Estimated Additional Savings for FY09

$2 - $3 million

Challenges & Critical Success Factors

1	**Commitment to Change**	*Executive leaders must support Alliance contracts which are entered into by their campus.*
2	**Spend Council Development**	*Subject matter experts must be identified, trained on strategic sourcing, and engaged throughout the entire process.*
3	**Historically Underutilized Businesses**	*The Alliance must balance its mission and vision with unique needs and opportunities of historically underutilized businesses.*
4	**Data and Technology Synergy**	*The Alliance and the health institutions must leverage information technology solutions to gain greater visibility into procurement activities.*
5	**Group Purchasing Organizations**	*The Alliance and the health institutions must ensure Alliance activities do not conflict with local group purchasing organizations' opportunities.*

3. U. T. System: Report on major investment impact metrics

The University of Texas System
Implementation of Investment Impact Metrics Process

The U. T. System has established a process to assess and communicate to the Board of Regents the specific results and impact of major capital and "talent" investments. This framework will, over time, document the results of Board investments in major capital projects and in talent through initiatives such as the new Ignition Fund, GRAD PLUS, and the new Development Fund, and the various STARS programs. Specific metrics are identified at the point of program approval, and the progress will be monitored and reported annually as the projects get underway.

- <u>Definition of metrics</u>. These metrics are proposed by a president in the capital project approval request letter to the appropriate Executive Vice Chancellor, and are customized to the specific project, in consultation with Academic or Health Affairs, and Facilities Planning and Construction. For talent investments, System executives propose metrics to the Chancellor.

- <u>In agenda materials</u>. At the Board of Regents' request, specific, operational impact metrics are supplied in agenda materials for all major new capital projects including projects that campuses will list in the next "two-year" capital planning lists (August 2009). It excludes fire/life/safety, non-programmatic repair and rehabilitation, and minor projects. Metrics are also stipulated in proposals for "talent" investment funds (Ignition Fund, Development Fund, STARS, STARS PLUS, GRAD PLUS), beginning in May 2007.

- <u>Collection of metrics</u>. Following Board action, proposed metrics are recorded in a System database. The Office of Strategic Management has created and will maintain a list of projects and metrics. Updates as projects move forward are possible, in consultation with appropriate offices.

- <u>Reporting schedule</u>. Annual impact data will be requested from campuses beginning in summer 2008-09. Since the capital investments are to build buildings, we estimate that there may be a lag of approximately 3 years from initial approval to the "substantial completion" stage, after which the campuses will begin to use the facility. OFPC will send OAA, OHA, and OSM a notice that a project has reached this status, which will be the notification to begin collecting data on the impact measures. The investment impact database includes triggers for annual collection of impact data, no earlier than one year after the scheduled completion of projects. OSM will collaborate with OAA and OHA to collect the data.

- <u>Special reports</u>. Academic and Health Affairs will continue to report annually in detail on talent investments through the STARS, and STARS-PLUS reports.

The System offices of Facilities Planning and Construction, Academic Affairs, and Health Affairs are responsible for working with campuses to identify appropriate metrics for projects. The Office of Finance is responsible for collecting the metrics at the point of project approval, and the Office of Strategic Management is responsible for updating and tracking and collecting the data on these results.

Attached is a list of the metrics identified to date, by campus and project. This list will be updated as projects are approved by the Board.

Investment Impact Metrics

CAPITAL INVESTMENTS

	BOR Approval	First Data
UTA		
Civil Engineering Laboratory Building	12/7/2007	2009

    Graduate student enrollment will increase from 206 to over 300 students by Year 5
    Undergraduate enrollment will grow from 280 to over 400 by Year 5
    Increased (enrollment and) graduation rates in Civil and Enviromental Engineering
    Increase research funding by $1.0 million annually by Year 5
    Increase research funding by $2.0 million annually by Year 10
    Increase research funding by $3.0 million annually thereafter (Year 11+)

	BOR Approval	First Data
UT Austin		
Dell Computer Science Hall	5/11/2006	2013

    Will enhance Computer Sciences (CS) retention and recruitment efforts by 2012
    Will provide needed research labs, offices, classrooms, lecture halls, social meeting/study spaces by 2012
    Will facilitate efforts to enhance the stature of the CS department by 2012

	BOR Approval	First Data
E. P. Schoch Building Renovation	11/9/2007	2010

    Will enhance retention and recruitment effort by 2009/10
    Will provide needed space for research labs, faculty offices, and classrooms by 2009/10
    Will facilitate efforts to enhance the stature of the Jackson School of Geosciences by 2009/10

	BOR Approval	First Data
Houston Research Center Warehouse Addition	11/9/2007	2009

    House 200,000 additional geological research drilling core storage boxes by 2008/09
    Increased research resource by 2008/09

	BOR Approval	First Data
Library and Artifact High-Density Repository	11/9/2007	2010

    Utilization/Assignable square footage (ASF)
    Will facilitate vacating +60,000 square feet at the Collection Deposit Library
    Provide long-term storage and preservation for approximately 1.6 million print volumes by 2009/10

	BOR Approval	First Data
Student Activity Center	11/9/2007	2011

    Add 40,000 square feet for a Liberal Arts component that will vacate a nearby building for other uses by 2010
    Add much needed meeting rooms of various sizes primarily reserved for student groups
    Increase study/lounge space for students in the core of campus, some of which will be open very late by 2010

	BOR Approval	First Data
The Dell Pediatric Research Institute	8/23/2007	2009

    TBD

	BOR Approval	First Data
UT Dallas		
Student Housing Living/Learning Center	11/9/2007	2010

    Economic impact of the project
    On-campus housing and food service for 400 students

	BOR Approval	First Data
UT El Paso		
The Paul Foster and Jeff Stevens Basketball Complex	5/10/2007	2008

    Days of utilization/calendar year

	BOR Approval	First Data
University Bookstore	8/23/2007	2010

    Utilization/Gross square feet (GSF)
    Economic Impact of the project
    Will facilitate efforts to enhance the stature of the Jackson School of Geosciences by 2009/10

	BOR Approval	First Data
UT Permian Basin		
Science and Technology Complex	8/23/2007	2011

    Utilization/GSF
    Semester classroom hours delivered/gross square feet (GSF)

	BOR Approval	First Data
Student Multipurpose Center	5/10/2007	2011

    Utilization/Assignable square footage (ASF)

Investment Impact Metrics

	BOR Approval	First Data
UT Southwestern		
Biotechnology Development Complex - Phase I Finish	11/9/2007	2011
Occupy/lease 1/3 of the space by 2010		
Occupy/lease 2/3 of the space by 2012		
Occupy/lease all space by 2014		
At least 1 biotech tenant by 2010		
At least 2 biotech tenants by 2012 (1/3 space)		
At least 4 biotech tenants by 2014 (2/3 space)		
North Campus Phase 5	8/23/2007	2011
director		
Increase in size of NIH grants		
Increase in number of NIH grants		
Growth in research funding/Assignable square footage research space		
Increase in number of faculty		
UTHSCH		
Center for Clinical and Translational Science	11/9/2007	2009
Predoctoral - 15-20 per year		
Annual growth rate in total sponsored research funding for clinical and translational research - 5% per year		
Postdoctoral and junior faculty - 12-14 per year by 4th quarter 2008		
2009		
Number of clinical researchers (faculty, staff and trainees housed) within the CCTS - 40 by 4th quarter 2008		
UT Research Park Complex	8/23/2007	2011
Semester classroom hours delivered/assignable square footage (ASF) classroom and class lab ASF		
Research expenditures/ASF research space		
Economic Impact of the project		
UTHSCSA		
South Texas Research Facility	8/23/2007	2011
New potential research expenditure based on added space for investigators		
Wet lab space/percent of assignable square footage (ASF)		
Economic Impact of the project		
Number of principle investigators (PIs) to be recruited based on new available space		
Percent efficiency of the building		
UTMDA		
Alkek Expansion	8/23/2007	2014
Admissions		
Patient days		
Economic Impact of the project		
Number of inpatient beds in operation		
Center for Targeted Therapy Research Building	11/9/2007	2011
45% growth in graduate students by 2015		
50% growth in new extramural research funding by 2015		
House 50 principle investigators by 2011		
Establish RNAi Molecular Biology Screening Program by 2011		

Investment Impact Metrics

	BOR Approval	First Data

TALENT INVESTMENTS

Ignition Fund

Amount of external funding received

Extramural research grant awards

Angel investments

Venture capital investments

Protection of intellectual property

Patent applications

Patents issued

Copyright applications

Copyright registrations

Commercialization activities

Number of licenses executed

Number of startup companies formed

Income generated from royalties, milestones, upfront payments, equity, and other instruments

Development Fund

Number of planned gift expectancies

Number of prospects available in the database for cultivation and solicitation

STARS

Research/grants received ($) sponsored funding, proviate donors, corporate support

Patents issued and pending

Graduate and post-doctoral students sponsored

Professional recognition (publication, national awards, external collaborations, national scholarly boards, national academies)

STARS PLUS

GRAD PLUS

U. T. System Capital Investments Assessing Impact

Dr. Geri H. Malandra

THE UNIVERSITY of TEXAS SYSTEM
Nine Universities. Six Health Institutions. Unlimited Possibilities.

Facilities Planning and Construction Committee

November 13, 2008

U. T. System Capital Investments: Assessing Impact

Purpose:

- Communicate to Board the specific results and impact of major capital and "talent" investments
- Provide information to help frame investment decisions

Method:

- Campuses to define specific impact indicators in agenda materials for all major new capital projects
- Customize metrics to type of project
- Data organized on a timeline for collection once completed projects go "on line"

U. T. System Capital Investments: Assessing Impact

Examples

	BOR Approval	First Report
UTA		
Civil Engineering Laboratory Building	12/7/2007	2009

Graduate student enrollment will increase from 206 to over 300 students by Year 5

Undergraduate enrollment will grow from 280 to over 400 by Year 5

Increased (enrollment and) graduation rates in Civil and Environmental Engineering

Increase research funding by $1.0 million annually by Year 5

Increase research funding by $2.0 million annually by Year 10

Increase research funding by $3.0 million annually thereafter (Year 11+)

	BOR Approval	First Report
UT Southwestern Medical Center		
Biotechnology Development Complex - Phase I Finish Out	11/9/2007	2011

Occupy/lease 1/3 of the space by 2010

Occupy/lease 2/3 of the space by 2012

Occupy/lease all space by 2014

At least 1 biotech tenant by 2010

At least 2 biotech tenants by 2012 (1/3 space)

At least 4 biotech tenants by 2014 (2/3 space)

3

U. T. System Capital Investments: Assessing Impact

Campus perspective:

- Correlation between capital investments, growth in faculty, and research productivity increases

System context:

- Office of Finance comprehensive investment tracking project

- In-depth reporting on major initiatives, e.g., STARS

- Accountability indicator

UT HEALTH INSTITUTIONS
Growth in Faculty, Space, Research and State Support
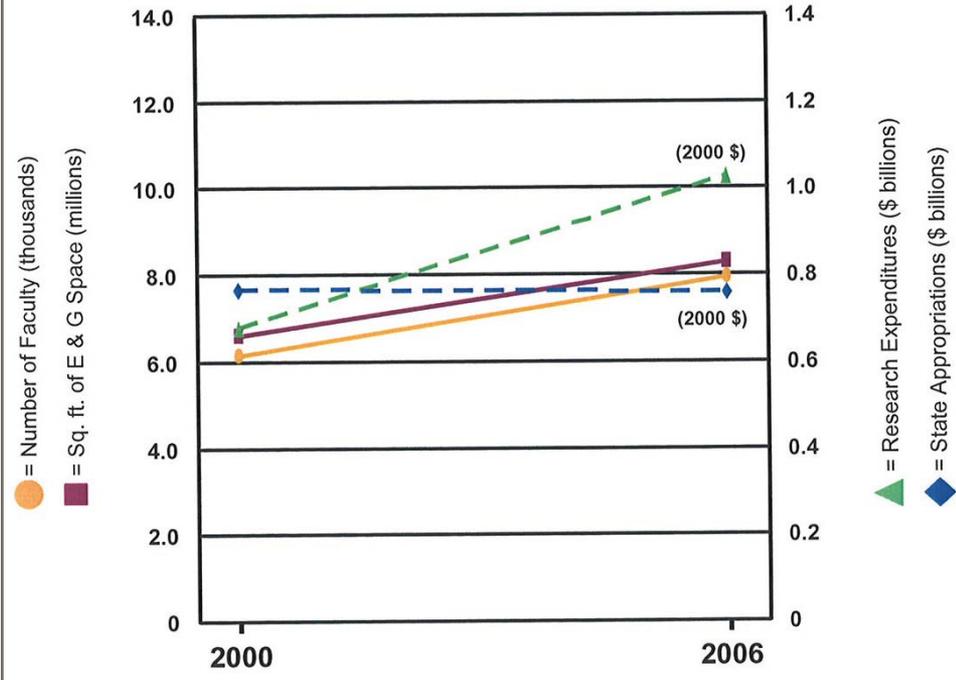
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4

U. T. System Capital Investments: Assessing Impact

RESEARCH SPACE

	FY 07		FY 03	
	Research E&G Sq. Ft.	Research expenditures per research E&G Sq. Ft.	Research E&G Sq. Ft.	Research expenditures per research E&G Sq. Ft.
Academic				
UTA	225,174	$176	239,321	$97
Austin	1,519,016	$314	1,416,298	$266
UTB	8,145	$664	N/A	N/A
UTD	180,015	$258	143,340	$227
UTEP	164,856	$255	152,739	$182
UTPA	54,225	$133	32,683	$98
UTPB	11,392	$145	7,956	$141
UTSA	184,595	$175	86,438	$168
UTT	6,137	$235	4,029	$102
Health				
UTSWMC	690,800	$494	629,103	$442
UTMB	478,404	$326	445,878	$291
UTHSCH	404,398	$474	368,535	$413
UTHSCSA	523,151	$280	399,232	$299
UTMDA	741,242	$600	485,193	$582
UTHSCT	52,812	$257	39,612	$233

From *The University of Texas System Accountability and Performance Report 2007-08*

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Employee Advisory Council Recommendations
Cumulative List/Update

Subject	Recommendation	System Administration Response
EAC Website **February 13, 2002 Board Meeting** Recommendation #1	Recommended the implementation of a website for the EAC, so staff may have access to the recommendations and discussions occurring in the EAC.	The EAC website is in place for access by any staff member. U. T. System provides necessary support to keep it up-to-date and functional.
Employee Educational Benefits **February 13, 2002 Board Meeting** Recommendation #2	Encourage individual institutions to review and implement employee educational benefits. The EAC recommended a Systemwide review of eligibility, fee/tuition waivers, and/or assistance.	The Executive Vice Chancellors distributed a letter to the Presidents of each institution encouraging review of the employee educational benefits. The EAC formed a committee in 2006-2007 to review educational benefits at each institution and similar institutions outside of UT System. The committee has put together a recommendation that has been sent to the Chancellor. Acknowledged and ongoing.
Parking Benefits **February 13, 2002 Board Meeting** Recommendation #3	Review current parking at individual campuses and review for possible collaboration between the institutions.	The EAC is no longer reviewing this recommendation and does not require a response from U. T. System.
Best Practices Document – Nonmonetary Compensation **February 12, 2003 Board Meeting** Recommendation #1	Compile all nonmonetary compensation programs from each institution, making it available to all employees through the EAC Web site. This document was completed and placed on the web site, making it available for all institutions to share. The document is a "living" document to be updated by EAC members periodically.	System Administration has supported the use of the document and the web support to keep it a functioning document.

Prepared by: The Office of Employee Benefits
Date: 9/30/08

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Wellness Program **February 3, 2004 Board Meeting** Recommendation #1	EAC recommended compiling all the wellness programs available at various institutions to be shared between institutions.	U. T. System Employee Benefits Office has placed this information on their web site for easy access for all faculty and staff.
Diversity Awareness **November 9, 2005 Board Meeting** Recommendation #1	Promote greater staff involvement in the diversity initiatives set forth by U. T. System. Staff represent the most diverse groups on campuses and their input will be critical to the overall success of these initiatives.	U. T. System and the Board of Regents were very responsive to including the staff in diversity initiatives and recognize the importance of staff involvement.
Staff Councils **November 9, 2005 Board Meeting** Recommendation #2	Establish Staff Advisory Councils at each institution. Currently, three institutions do not have Staff Councils. The EAC believes Staff Councils encourage involvement and ownership in decisions impacting employees and the institutions as a whole.	The Board of Regents agreed with this recommendation and encouraged participation from the Executive Vice Chancellors of Academic and Health Affairs to facilitate the development of these Councils. U .T. M. D. Anderson Cancer Center, U. T. Medical Branch – Galveston, and U. T. Southwestern Medical Center - Dallas are in the process of developing their own councils.
Improved functionality of the EAC **November 15, 2006 Board Meeting** Recommendation #1	The EAC spent the 2006-2007 year evaluating the mission and bylaws established 5 years earlier. As a group, the EAC decided that structurally some changes needed to occur to make the group more effective in the upcoming years. 1. To minimize the change to the group each year, terms were increased from 2 to 3 years. This minimizes the turnover of representatives from 50% each year to 33%, providing a greater continuity in planning. 2. The four standing committees were removed from the bylaws. Outlining the committees in the bylaws was restrictive and limited the scope of the EAC. The group believed it was important for the EAC to have the ability to address current issues facing the staff outside of the scope of these committees. All committees are now designed as ad	Acknowledged and ongoing.

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	hoc committees with the EAC chair solely responsible for appointing the chair of each ad hoc committee. 3. Establish a new SharePoint site making communication more effective within the group.	
The University of Texas System Strategic Plan **November 8, 2007 Board Meeting** Recommendation #1	1. The EAC supports the efforts of the Strategic Plan. 2. The EAC suggested that an effort be made to better include the views of staff members in the future.	Acknowledged.
Grievance Policies **November 8, 2007 Board Meeting** Recommendation #2	1. Reviewed the grievance polices of all institutions. 2. The EAC would like to see better communication of grievance policies to employees.	Acknowledged.
Education Benefit **November 8, 2007 Board Meeting** Recommendation #3	Provide a base level of tuition for employees at each institution. Review of plans already offered at some of the institutions is underway.	Proposal sent to Chancellor's Office.
Emphasize the importance of communication resources **November 12, 2008 Board Meeting** Recommendation #1	Prepare a "Best Practices" document based on the results of campus interviews. Document was presented at the October 2008 EAC Meeting.	Under review.
Investigate the use of iTunes U **November 12, 2008 Board Meeting** Recommendation #2	EAC encourages the U. T. System to proceed with allowing all institutions to participate in the use of iTunes U.	Under review.
Investigate avenues for encouraging employee wellness **November 12, 2008 Board Meeting** Recommendation #3	EAC encourages all institutions to utilize the wellness programs at System Administration and come up with best practices that work for their institution as well.	Under review.

Prepared by: The Office of Employee Benefits
Date: 9/30/08

Compensatory Time **November 12, 2008 Board Meeting** Recommendation #4	EAC expresses their concern at the inequity in how compensatory time is handled across the U. T. System. Best practices are needed to assure equitable workloads.	Under review.
Career ladders, leadership development and management development **November 12, 2008 Board Meeting** Recommendation #5	Committee is continuing their work on this topic.	Under review.

Prepared by: The Office of Employee Benefits
Date: 9/30/08

U. T. System Leadership Development Initiative

Dr. Geri H. Malandra

THE UNIVERSITY *of* TEXAS SYSTEM

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Meeting of the Campus Life Committee

November 12, 2008

U. T. System Leadership Development Initiative

From the Board of Regents' Strategic Plan 2006-2015:

People are our most important resource … "To support and drive the long-term growth and vision for each institution requires identification and support for strong administrative and faculty leadership.

Some campuses are addressing this significant need, and the UT System can build on these efforts and provide value-added assistance through the initiation of a plan to develop and implement a System-wide leadership initiative.

This might include development of programs such as a Leadership Academy for department heads and deans…"

Implementation Strategy

Recruit talent: Institute Director

Engage all institutions and customize programs to needs

- Extensive survey of needs
- System-wide advisory group
- Over first five years, serve as many as 750-800 fellows

Define expected outcomes

Complement existing campus-based activities

Leverage institutional experience and expertise

Sustain leadership enhancement for fellows and campuses

Goals and Outcomes

For fellows:

- Personal development as leaders
- Translate experience to home institution as role models and mentors for future leaders

For campus operations:

- Identify potential leaders – better succession planning
- Better retention of chairs and deans
- Smoother-running operations
- Better risk avoidance and problem solving – fewer emergencies and problems
- More depth/redundancy for decision making
- Cost savings in reduced legal matters, and cost savings from reduced staff turnover

For the U. T. System:

- Create cohorts of leaders with a shared, System-wide and System-level development experience
- Recognition as model for institutional leadership excellence

Fall-Spring pilot program: <u>Leadership Dimensions I</u>

- Serve 3 fellows from each campus for pilot – 45 total

- For newer leaders (department chairs/heads, center directors, deans)

- Core program topics include: Leading self; leading others; leading the institution

- Focus on leading change:
  - How the System Works
  - State of Texas Context
  - Leadership and Fundraising
  - Legal Issues
  - Conflict Management and Mediation
  - Ethical Dimensions of Leadership

- Plus: personal development plans and 360-feedback; case study exercises, executive coaching

- Evaluate results

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2. U. T. System: Update on U. T. System Leadership and Global Initiatives (cont.)

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Fall-Spring program: Repeat <u>Leadership Dimensions I</u>

- Refine and repeat core program for additional cohorts of newer leaders
- Expand to 3 or 4 regional locations (UT institutions as hosts) in West Texas, South Texas, Metroplex, Austin and/or Houston
- Expand total participation to as many as 150
- Develop customizable modules
- Train regional trainers

Second Program Pilot: <u>Leadership Dimensions II</u>

- Serve 3 fellows from each campus – 45 total
- For more seasoned and more skilled department heads/chairs, center directors, deans from each institution
- Focus on implementing change includes:
  - Crucial conversations/confrontations
  - Emotional intelligence
  - Collaboration/consensus building within teams and cross-functionally
  - Power and influence

Beyond 2010

➤ Continue Leadership Dimensions I and II for new fellows

➤ Evaluate program delivery options, quality, and results

➤ Build out curriculum for 2011, 2012, 2013 – new programs for additional audiences:

- Alumni program

- Emerging leaders (e.g., future faculty leaders, doctoral students)

- Programs for executives (e.g., vice presidents, presidents)

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Evaluating Results

➢Build evaluation into program design and use assessment to improve future programs

➢Evaluate transformation over time on three levels:

- Individual
  - Case study exercises and decision tree "pre- and post-" tests
  - Mini 360 assessment
  - Development plan
  - Retentions and promotions

- Organization
  - Track milestones (recruitment and retention of leaders, succession planning, problem solving, cost-savings in legal matters and reduced turnover, etc.)
  - Organizational climate survey

- Community
  - Fellows' external engagement and leadership roles
  - Indicators of U. T. System as leadership model
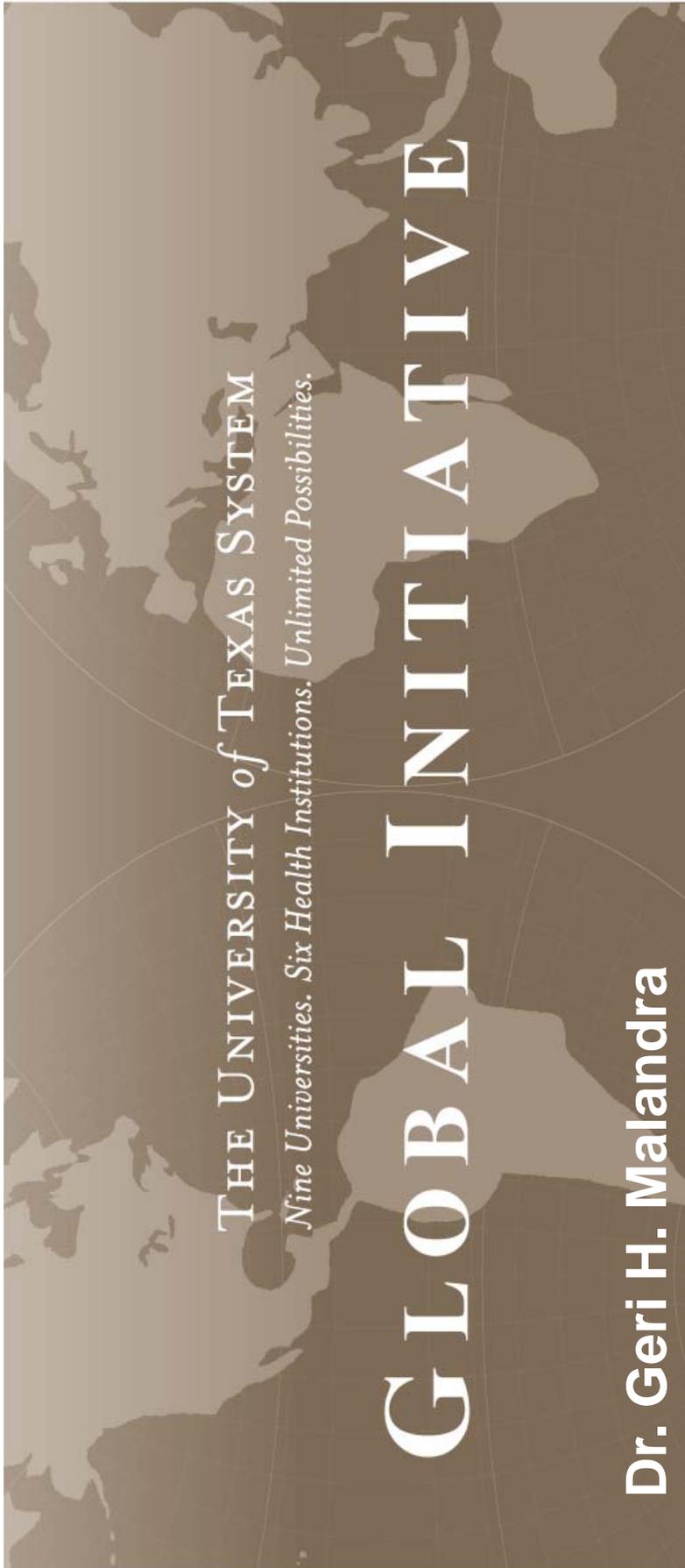
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GLOBAL INITIATIVE

Dr. Geri H. Malandra

Meeting of the
Campus Life
Committee
November 12, 2008

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GLOBAL INITIATIVE

FROM THE BOARD'S STRATEGIC PLAN

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From the Board of Regents' Strategic Plan 2006-2015:

- Increase the number of education- and work-abroad opportunities for students

- Extend the global reach of faculty research and clinical activities

- Enhance the international reputation and standing of the institutions and the System as a whole

- Help expand Texas's global competitiveness

GLOBAL INITIATIVE

INITIATIVE GOALS

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Add value to institutional activities, by helping to:

- Increase students' exposure to global issues and preparation to compete in global workplace

- Expand global opportunities for faculty and increase involvement in campus internationalization

- Create and enhance legal, policy, and administrative infrastructure to support expanded global activities

- Expand U. T. System and institution presence at overseas locations

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GLOBAL INITIATIVE

ADDING VALUE FOR STUDENTS

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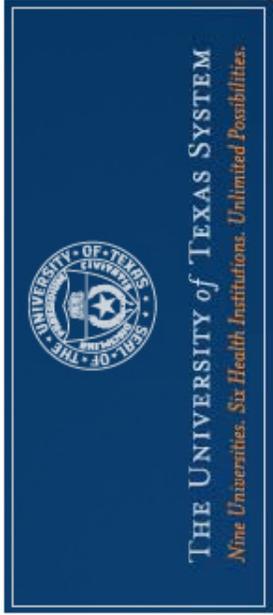
Leveraging resources:

- New financial models for study-abroad workshop

- "Education Abroad" opportunities for U. T. System students

  - 400 student study abroad programs enroll 2,731 students

  - 13% open to students from more than one campus – goal is to increase cross-participation to 100% over five years

  - Web clearinghouse of international opportunities

  - Streamline application process

UNIVERSITY OF TEXAS
Study Abroad Programs

Studying is more fun in another country...
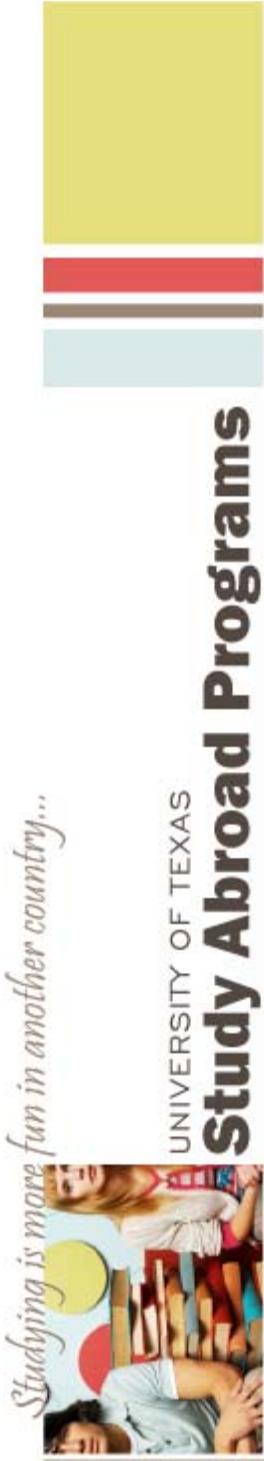
Region ▲▼	Country ▲▼	City ▲▼	Campus ▲▼	Open to other campuses? ▲▼	Program Name	Program Type ▲▼	Program Length	Language of instruction
Latin America	Argentina	Cordoba	UT Austin	Yes	University of Cordoba	Exchange	Fall, Spring, Academic Year	Spanish
Europe	Denmark	Copenhagen	UT Austin	Yes	University of Copenhagen	Exchange	Fall, Spring, Academic Year	English, Danish
Europe	Spain	Barcelona	UT Arlington	Yes	Universidad Politecnica de Cataluna, Architecture	Exchange	Fall, Spring	Spanish
Africa	Ghana	n/a	UT Arlington	Yes	The Africa Program: Music	Faculty Led	First Summer Session	n/a
Latin America	Mexico	Cuernavaca	UT Arlington	Yes	Cultural Variation in Nursing Practice	Faculty Led	Summer	English
Asia	China	Shanghai	UT San Antonio	Yes	Tongji University, Business Administration, undergraduate	Exchange	Fall, Spring	English, Chinese
Latin America	Peru	Ayacucho	UT Brownsville	Yes	UB Study Abroad Program	Exchange	Second Summer Session	n/a

GLOBAL INITIATIVE

ADDING VALUE FOR FACULTY

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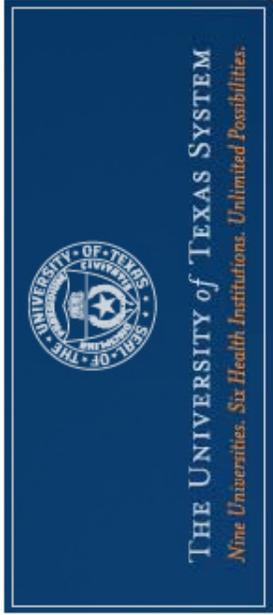
Instructional innovations:

- Seminars on development of faculty-led study abroad programs
- Use technology to increase international perspectives in courses
- Symposia on integrating international experience into the curriculum

Expand international research partnerships and exchanges:

- Seminars for faculty on international research topics

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GLOBAL INITIATIVE

ADDING VALUE FOR INSTITUTIONS

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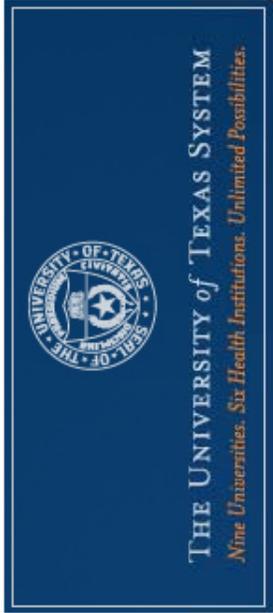
Supporting innovation and expansion:

- Good practices for international exchange programs
  - Legal foundations, risk management (health, safety, insurance), standard templates, best practices
- Good practices in operating overseas bases
  - Legal foundations, appropriate working groups, business assessment process
 - Expert advice
- Outcomes assessment

GLOBAL INITIATIVE

ADDING VALUE FOR U. T. SYSTEM

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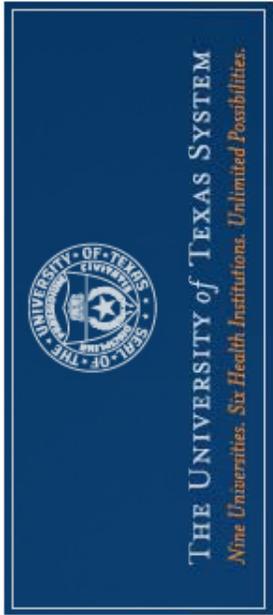
Creating a longer-term strategy:

- Define desired long-term impact

- International presence on U. T. campuses (students, faculty, curriculum)

- Coordinated establishment of U. T. System presence at overseas location(s)

- Expanded strategic partnerships (significant programs; increase capacity; leverage resources)

- National recognition for internationalization accomplishments and impact

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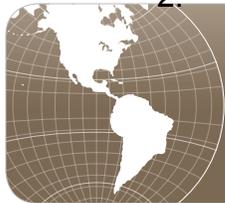
GLOBAL INITIATIVE

WHERE IN THE WORLD IS THE UT SYSTEM?

UT System campuses engage in activities that reach around the world: study- and work-abroad opportunities for students; research, teaching, and clinical services opportunities abroad for faculty; and recruitment and hosting of international students, scholars, and visitors on campus.

Preparing Graduates to Thrive in a Global World

Study-abroad opportunities promote the development of important crosscultural skills by exposing students firsthand to varying cultural attitudes, beliefs, and perceptions.

- UT System campuses offer more than 1,000 study-abroad opportunities.

- Nearly 3,800 students participated in study-abroad programs in AY 2006—2007.

- 58 percent of study-abroad participants take part in programs led by UT faculty.

- Study-abroad participation is most heavily concentrated in Western Europe and Latin America; program options in Asia and the Middle East are being expanded.

- UT Austin ranks third nationally in the number of students who study abroad each year.

Work-abroad programs prepare students for globally-oriented careers. Employers are demanding a high degree of cultural competence from their employees. UT System campuses have responded by developing programs to help prepare students and help industry recruit graduates for globally-oriented employment opportunities.

- Seven academic campuses and four health institutions offer overseas internships or work-abroad programs.

- More than 25 internship and work-abroad programs exist System-wide.

- UT Austin's London Internship Program places students in Fortune 100 companies and both Houses of the British Parliament.

Globalizing themes in the on-campus curricula prepare all graduates to function effectively in a more global world. The on-campus curricula must include a focus on international themes and perspectives.

- All nine of the academic campuses include a global perspective in their on-campus curricula.

- Four of the health campuses offer global health tracks in certain programs or elective courses related to global health.

Global Engagement of UT System Faculty

Research, teaching, and clinical services abroad are vital to maintaining and enhancing the international reputation of our institutions and our ability to compete internationally for the best students and researchers.

- Faculty at 13 campuses are engaged in individual research abroad.

- Faculty at 12 campuses have entered into formal research partnerships with colleagues at foreign institutions.

- Faculty at 11 campuses are engaged in individual teaching abroad.

- Faculty at four health institutions provide clinical services abroad.

- Faculty global activities are most heavily concentrated in Western Europe, Latin America, and Asia.

International Students, Scholars, and Visitors on Campus

Welcoming international students, scholars, and visitors from around the world enriches our campuses and classrooms by bringing different viewpoints, perspectives, and approaches to issues and problems.

- All UT System campuses maintain a designated office for international students and scholars.

- 13 campuses have established programs for hosting international visitors.

- 13 campuses actively recruit international students.

- Mexico is the most heavily targeted country for the recruitment of international students, but students come from more than 120 different countries.

- 20 percent of graduate and professional students on the academic campuses are international students.

- 12 percent of students on the health campuses are international students.

Where Will the UT System Be?

To foster greater global engagement, UT System institutions have set specific priorities to expand existing global activities, including increasing the number of study-abroad and work-abroad programs and the number of students participating in these programs; enhancing foreign language instruction; expanding faculty exchanges and research partnerships, particularly in Latin America and Asia; and increasing the number of foreign faculty and students who come to study and teach at UT System institutions.

Adding Value to the Campuses' Global Activities

A fundamental goal of the UT System Global Initiative is to identify and evaluate specific opportunities for the System to add value to campus global activities. From leveraging resources to researching best practices, the System can play a useful role in enhancing the global efforts of the campuses, and the campuses themselves have highlighted key areas for System assistance:

· Identifying funding sources and strategies for expanding study- and work-abroad opportunities.

· Developing a System-wide clearinghouse of information and program contacts to share campus resources and facilitate cross-institution participation in study abroad and other international activities.

· Initiating and implementing System-wide forums and activities on key topics, including building institutional support for international activities; increasing flexible, affordable study-abroad opportunities; globalization of the curriculum; reformulating foreign language study; and the recruitment of international students.

· Assisting with the identification of potential international partners and negotiating alliances.

Our Goals

Within ten years, the UT System will offer incentives and programs to make certain that any undergraduate, graduate, or professional student at a UT System institution who wishes will have an international study experience. Study- and work-abroad opportunities will be enhanced. There will be substantial increases in collaborative efforts and in the number of foreign faculty and students who come to study and teach at UT System institutions. Curricula and research will be strengthened with additional focus on international issues and perspectives.

These efforts will help ensure the UT System:

· Meets the future needs of Texas's and America's global economic competitiveness and national security.

· Produces more interculturally competent graduates.

· Continues to compete at the highest levels internationally for the best students, researchers, and faculty.

Ensuring Success in the 21st Century

International knowledge and skills are imperative for America's future competitiveness. Universities must respond to this reality by better equipping students to live and work in the interconnected world into which they will graduate.

The UT System Strategic Plan 2006—2015 laid the groundwork for a System-wide initiative designed to expand Texas's global competitiveness, extend the global reach of the research and clinical activities of our faculty, increase the number of education- and work-abroad opportunities for our students, and enhance the international reputation and standing of our institutions.

The University *of* Texas System

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