

Meeting No. 1,093

THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

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October 22, 2012

Austin, Texas

MEETING NO. 1,093

MONDAY, OCTOBER 22, 2012.--The members of the Board of Regents of The University of Texas System convened this special called meeting via telephone conference call at 10:02 a.m. on Monday, October 22, 2012, in the Chairman's Office on the Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Powell
Vice Chairman Foster
Vice Chairman Hicks
Vice Chairman Dannenbaum
Regent Cranberg
Regent Gary
Regent Hall
Regent Pejovich
Regent Stillwell
Regent Purgason, Student Regent, nonvoting

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Powell called the meeting to order.

AGENDA ITEM

1. U. T. System Board of Regents: Allocation of \$13.575 million of Permanent University Fund Bond Proceeds for U. T. Arlington and U. T. Permian Basin (proposed allocation to U. T. Tyler was deferred)

The Board approved the allocation of \$13,575,000 of Permanent University Fund (PUF) Bond Proceeds as follows:

- a. The University of Texas at Arlington - \$7,500,000 for capital equipment and software for the Institute for Research Technologies; and
- b. The University of Texas of the Permian Basin - \$2,000,000 to replace the cooling tower; and

The requested allocation of \$4,075,000 for information technology capital infrastructure for a pilot project in hybrid (blended) courses and degree program development [Patriots Applying Technology for Success and Savings (PATSS)] at The University of Texas at Tyler was deferred.

U. T. Arlington and Shimadzu Scientific Instruments, Inc. are negotiating an \$18.5 million instrument acquisition partnership that will transform research and educational capabilities at U. T. Arlington through the creation of the Institute for Research Technologies. The \$7,500,000 PUF allocation along with \$11,000,000 from U. T. Arlington from philanthropy, license income, and indirect costs will be used to fund the acquisition of capital equipment and software for the Institute, which will contain one of the country's largest concentrations of analytical scientific instruments focused in key research areas. In response to a question from Vice Chairman Dannenbaum, President Spaniolo said the equipment would be made available to other University of Texas System institutions. President Spaniolo also addressed Regent Purgason's questions about faculty employed at the Institute and about undergraduate and graduate students' access to the research that will be conducted.

The \$2,000,000 PUF allocation for U. T. Permian Basin will be used to replace a 40-year-old cooling tower that has become a safety issue and requires immediate attention.

2. U. T. El Paso: Reauthorization to purchase land and improvements located at 3411 Sun Bowl Drive, El Paso, El Paso County, Texas, from Mr. Tracy McIntyre, Mr. Eugene McIntyre, and Ms. Shirene McIntyre for future campus expansion

On behalf of The University of Texas at El Paso, the Board

- a. reauthorized the purchase of land and improvements located at 3411 Sun Bowl Drive, El Paso, El Paso County, Texas, from Mr. Tracy McIntyre, Mr. Eugene McIntyre, and Ms. Shirene McIntyre for future campus expansion for a purchase price of \$600,000, plus all due diligence expenses, closing costs, and expenses to complete the acquisition as deemed necessary by the Executive Director of Real Estate; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, or other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

U. T. El Paso seeks reauthorization to purchase an approximately 0.61 of an acre parcel improved with a paved parking lot striped for 47 vehicles. This parcel abuts the institution's main campus, is located near existing athletic and administrative facilities, and is within the zone denoted for potential campus expansion in the institution's 2002 Campus Master Plan. The property will be used for parking initially and for future programmed campus expansion.

Acquisition of a 1.31-acre parcel that includes the subject property was approved by the Board on November 16, 2006, and on July 8, 2009, at which time Revenue Financing System debt was also approved for the acquisition. Since that approval, the various family members that own the larger parcel have divided the property among themselves. To date, only the owners of the 0.61 of an acre subject tract have indicated a willingness to sell to U. T. El Paso.

The Texas Higher Education Coordinating Board has asked for documentation that the Board's approval of acquisition of the larger parcel included acquisition of a portion of the parcel; hence, U. T. El Paso requested reauthorization to purchase the subject portion of the original parcel.

3. U. T. Health Science Center - Houston: Approval of appointment of Giuseppe N. Colasurdo, M.D., as President

Regent Stillwell moved that Giuseppe N. Colasurdo, M.D., currently Interim President at The University of Texas Health Science Center at Houston, be selected President of U. T. Health Science Center - Houston effective immediately, at a compensation commensurate with the responsibilities of the office, to be negotiated in accordance with University of Texas System policies by Executive Vice Chancellor Shine, approved by Chancellor Cigarroa, and submitted to the Board for approval via the usual budgetary procedures.

He further moved that the Minutes reflect, by approval of this motion, the Board has made a finding that, as required by State law, this appointment is in the best interest of U. T. Health Science Center - Houston.

Regent Dannenbaum seconded the motion, which carried unanimously.

President Colasurdo served as Interim President at U. T. Health Science Center - Houston from April 1, 2011 until he was appointed President at this meeting (October 22, 2012). He replaced President Larry R. Kaiser who served as President of the institution from August 1, 2008 - March 31, 2011.

RECESS TO EXECUTIVE SESSION.--At 10:22 a.m., Chairman Powell announced a quorum present and said the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.074, and 551.076 to consider the matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 11:14 a.m., the Board reconvened in open session. No action was taken on the following matters discussed in Executive Session.

1. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

- 2a. U. T. Health Science Center - Houston: Appointment of Giuseppe N. Colasurdo, M.D., as President

See Open Session Item 3 on Page 3 for action taken on this matter.

- 2b. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions), U. T. System Administration officers (Executive Vice Chancellors and Vice Chancellors), other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive), and U. T. System and institutional employees

No action was taken on this item.

3. U. T. System Board of Regents: Discussion and appropriate action regarding safety and security issues, including security audits and the deployment of security personnel and devices

No action was taken on this item.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 11:15 a.m.

/s/ Carol A. Felkel
Secretary to the Board of Regents

November 12, 2012