

Meeting No. 1,055

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

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February 4-5, 2010

Dallas, Texas

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MEETING NO. 1,055

THURSDAY, FEBRUARY 4, 2010.--The members of the Board of Regents of The University of Texas System convened at 11:30 a.m. on Thursday, February 4, 2010, in the Board Room on the Fourteenth Floor of the T. Boone Pickens Biomedical Building, The University of Texas Southwestern Medical Center at Dallas, 6001 Forest Park Road, Dallas, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Huffines  
Vice Chairman McHugh  
Vice Chairman Foster  
Regent Dannenbaum  
Regent Gary  
Regent Hicks  
Regent Longoria  
Regent Powell  
Regent Stillwell  
Regent Meijer, Student Regent, nonvoting

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

RECESS TO EXECUTIVE SESSION.--At 11:31 a.m., Chairman Huffines announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 2:55 p.m., the Board reconvened in open session for the following actions taken on matters discussed in Executive Session.

1a. U. T. Arlington: Approval of a proposed negotiated gift with a potential naming feature

Regent Gary moved that the Board of Regents authorize President Spaniolo and Vice Chancellor Safady to conclude negotiations necessary to finalize and accept a gift to benefit The University of Texas at Arlington with a potential naming feature consistent with the terms outlined in Executive Session.

The motion was seconded by Regent Stillwell and carried unanimously.

- 1b. U. T. M. D. Anderson Cancer Center: Approval of a negotiated gift with a potential naming feature involving one or more buildings

Vice Chairman McHugh moved that the Board of Regents authorize President Mendelsohn and Vice Chancellor Safady to conclude negotiations necessary to finalize and accept a gift to benefit The University of Texas M. D. Anderson Cancer Center with a potential naming feature involving one or more buildings consistent with the terms outlined in Executive Session.

The motion was seconded by Regent Longoria and carried unanimously.

- 2a. U. T. Dallas: Authorization regarding negotiations to enter into a memorandum of understanding with the City of Richardson leading to the ground lease to the City of approximately 13.8 acres at the east corner of Synergy Park Boulevard and North Floyd Road and the extension of an existing ground lease to the City of approximately 4.9 acres at the east corner of Synergy Park Boulevard and the right-of-way of the Atchison, Topeka and Santa Fe Railroad, both in Richardson, Collin County, Texas, for a park and general municipal uses and the granting of easements to the City for the construction of a municipal water tower, loop road, and trail network on the U. T. Dallas campus, Richardson, Collin County, Texas, in exchange for the City's construction of the loop road and trail network that will serve the U. T. Dallas campus

Regent Longoria moved that the Board take the following actions on behalf of The University of Texas at Dallas:

- a. enter into a memorandum of understanding with the City of Richardson leading to the ground lease to the City of approximately 13.8 acres at the east corner of Synergy Park Boulevard and North Floyd Road and the extension of an existing ground lease to the City of approximately 4.9 acres at the east corner of Synergy Park Boulevard and the right-of-way of the Atchison, Topeka and Santa Fe Railroad, both in Richardson, Collin County, Texas, for a park and general municipal uses and the granting of easements to the City for the construction of a municipal water tower, loop road, and trail network on the U. T. Dallas campus, Richardson, Collin County, Texas, in exchange for the City's construction of the loop road and trail network that will serve the U. T. Dallas campus; and
- b. authorize the Executive Director of Real Estate to execute the memorandum of understanding together with all easements, leases, and other documents, instruments, and agreements, subject to approval of all such documents as to legal form by the Office of

General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing actions within the parameters outlined in Executive Session.

The motion was seconded by Vice Chairman McHugh and carried unanimously.

- 2b. U. T. System Board of Regents: Discussion and appropriate action regarding issues related to the real property lease for the U. T. Brownsville/Texas Southmost College Educational Partnership Agreement

No action was taken on this item.

- 3a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

- 3b. U. T. System Board of Regents: Discussion with Counsel on legal issues related to pending tax and audit matters

No action was taken on this item.

- 3c. U. T. Medical Branch – Galveston (UTMB): Discussion of legal issues related to correctional managed care at UTMB

No action was taken on this item.

- 3d. U. T. System Board of Regents: Discussion of legal issues related to the U. T. Brownsville/Texas Southmost College Educational Partnership Agreement

No action was taken on this item.

- 4a. U. T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U. T. System and institutional employees

No action was taken on this item.

- 4b. 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.

- 4c. U. T. Medical Branch – Galveston (UTMB): Discussion and appropriate action regarding individual personnel issues related to correctional managed care at UTMB

No action was taken on this item.

- 4d. U. T. System Board of Regents: Discussion and appropriate action regarding individual personnel issues related to the U. T. Brownsville/Texas Southmost College Educational Partnership Agreement

No action was taken on this item.

RECESS.--At 3:00 p.m., Chairman Huffines announced the Board would recess for meetings of the standing committees and would reconvene on the morning of February 5. He also announced that due to time constraints, the Health Affairs Committee, scheduled for 2:00 p.m. on February 4, would be combined with the Special Health Affairs Committee meeting scheduled to begin at 8:30 a.m. on February 5.

FRIDAY, FEBRUARY 5, 2010.--The members of the Board of Regents of The University of Texas System reconvened at 10:43 a.m. on Friday, February 5, 2010, in the Board Room on the Fourteenth Floor of the T. Boone Pickens Biomedical Building, The University of Texas Southwestern Medical Center at Dallas, 6001 Forest Park Road, Dallas, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Huffines  
Vice Chairman McHugh  
Vice Chairman Foster  
Regent Dannenbaum  
Regent Gary  
Regent Hicks  
Regent Longoria  
Regent Powell  
Regent Stillwell  
Regent Meijer, Student Regent, nonvoting

Chairman Huffines announced a quorum present and called the meeting to order.

WELCOME TO PRESIDENT ROBERT S. NELSEN, U. T. PAN AMERICAN.--

Chairman Huffines welcomed Dr. Robert S. Nelsen, President of The University of Texas – Pan American, to his first meeting as President of the institution.

CONGRATULATIONS TO PRESIDENT JULIET V. GARCÍA, U. T. BROWNSVILLE.--

Chairman Huffines congratulated University of Texas at Brownsville President Juliet V. García for being named one of *Time Magazine's* 10 best college presidents of 2009.

U. T. SYSTEM BOARD OF REGENTS: APPROVAL OF MINUTES.--

The Minutes of the regular meetings of the Board of Regents of The University of Texas System held on November 11-12, 2009, and December 9-10, 2009, in Austin, Texas, were approved as prepared by the Secretary to the Board of Regents. The official copy is recorded in the *Permanent Minutes*, Volume LVII, Pages 23 - 165.

The Minutes of the special meeting of the Board of Regents of the U. T. System held on December 22, 2009, in Austin, Texas, were also approved as prepared by the Secretary to the Board of Regents. The official copy is recorded in the *Permanent Minutes*, Volume LVII, Pages 166 - 168.

## AGENDA ITEMS

1. U. T. System Board of Regents: Remarks from Dr. Raymund Paredes, Commissioner of Higher Education, concerning initiatives and legislative priorities of the Texas Higher Education Coordinating Board, including strategic planning, formula funding, and cost efficiencies

Dr. Raymund Paredes, Commissioner of Higher Education, provided the following remarks concerning initiatives and legislative priorities of the Texas Higher Education Coordinating Board, including strategic planning, formula funding, and cost efficiencies.

Commissioner Paredes spoke about the Texas Higher Education Coordinating Board Initiative, *Closing the Gaps*, that was adopted in 2000 with a closing date of 2015. He reviewed the four goals of the initiative and said that over the past nine years, the Coordinating Board has been focused primarily on two goals that seem more vital to the well-being of Texas and to the Texas economy.

The first goal, which he said is on target to be reached, is to increase participation of Texas youngsters in public higher education in the state by 630,000 from 2000 to 2015 (the goal was originally 500,000 more students but was adjusted because Texas is growing so fast). This goal was set simply to bring Texas to parity with college participation rates around the country. He said the key to achieving any of the goals is to enroll more Hispanic students in higher education, which also has been successful as shown by an increase in enrollment of Hispanics in Texas universities, community colleges, and technical schools. He noted the reasons for the enrollment increase include efforts in the K-12 sector to create college-going cultures, outreach efforts by universities and community colleges, and \$1 billion in the past eight years from the Legislature for financial aid.

Dr. Paredes said the second goal is to improve student success as measured by completion of number of degrees and certificates. The goal is to graduate 200,000 more students by 2015, and he noted the goal is on track to be achieved.

Dr. Paredes mentioned the goal of improving excellence of the institutions, and he noted House Bill 51 emphasizes creation of more national research universities.

He said the fourth goal is to improve the research profile particularly in terms of federal expenditures. Noting that goals set in 2000 were probably not sufficiently ambitious, Dr. Paredes said the state is fifth in overall federal research expenditures but he feels it should rank at least second. He spoke

of a need to close the gap by 2015 with California, which has a population about 50% larger than Texas but receives approximately 250% more federal research than Texas.

Dr. Paredes mentioned more effort is needed to produce graduates in science, technology, engineering, and mathematics (STEM) fields, and he doubts the goal will be reached by 2015. He noted this as largely a K-12 issue of preparing students for the rigorous work in STEM fields, but said retention of students who indicate STEM is their preferred major is important.

Dr. Paredes spoke about an accelerated plan to expand college readiness. According to the American College Testing Service, 22% of Texas high school graduates are college-ready across all major disciplines. He said the Coordinating Board's highest priority in higher education over the next five years and into the future will be to place emphasis on student success by improving retention, persistence, and completion of actual degrees. He said the six-year graduation rates for the state are at 56-57%.

Dr. Paredes noted that work has begun on a post *Closing the Gaps* strategic plan. He expects the goals will be consistent with the report of the Select Commission on Higher Education and Global Competitiveness, which indicated that Texas needs to establish itself as a national and international leader in public higher education.

Dr. Paredes also spoke about the legislative agenda. In the last Legislative Session, the Coordinating Board recommended a change in the formula funding process. Instead of funding the formula on the basis of enrollments on the 12th class day, the Coordinating Board recommended that universities and community colleges be funded based on enrollments on the last class day of the targeted semester. He said Texas needs to produce more college graduates who are prepared to go on either to professional graduate schools or into the workforce, and he noted that improved orientation programs, academic counseling, and having students draw up an academic plan when they first enter a university are ways to increase retention.

He said he hopes the Board of Regents will consider and support this recommendation in the next Legislative Session. He noted that out of concern for improving retention rates over the past four years, amounts of money spent in universities on uncompleted courses has decreased from \$300 million annually to \$175 million; an extraordinary accomplishment, he said, that demonstrates achievement when emphasis is placed on student retention and success.

Dr. Paredes said the second recommendation that will be reintroduced to the Legislature next year is to change the Texas (Toward Excellence, Access & Success) Grant Program from a program that is essentially need-based to one that contains a merit component that can be used to establish priorities;

students who meet the merit criteria would be placed at the front of the line. He emphasized that need-based criteria are not being changed and no money is being given to students who only meet the merit criteria but do not have need; rather this involves students who are both needy and have achieved well academically. He said the four merit criteria being proposed to the Legislature are as follows and students only have to meet two of the four criteria:

- stand in the top third of their high school graduation class
- achieve a B average of 3.0 on a 4.0 scale
- take a distinguished program such as Advanced Placement (AP) or dual credit courses instead of the recommended high school program
- achieve a college readiness score on either the American College Testing (ACT) or Scholastic Assessment Test (SAT) as determined by the state.

The state standard for college readiness on the ACT is a 23 composite and about 1575 for the SAT, which translates into about a 1060 or 1075 on the old SAT metric. Data suggests that students who meet two of the four merit criteria graduate in over twice the level of students who do not meet the criteria. Furthermore, 70% of Texas Grant recipients would meet two of the four merit criteria. Dr. Paredes said the proposal states that students who meet these criteria be placed at the front of the line at individual campuses.

Funds for campuses will not be reduced, and funds left over can be given to students strictly on a need basis. Commissioner Paredes said it is important to send a message to students that they are expected to work hard, and hard work and academic achievement are rewarded. He said currently, campuses frequently fund poorer students first and continue to go up the estimated family contribution ladder until funds run out without regard for academic performance. With this proposal, Dr. Paredes said more graduates will be produced, and there will be more African-American and Latino students who graduate under this policy. Dr. Paredes said data for institutional profiles is available upon request for more complete consideration, and he offered to be available to discuss the policy change. He clarified that students will compete against their peers, and the only criterion that is not school-based is the score on either the ACT or SAT.

Dr. Paredes said the Coordinating Board is proceeding to work on the executive order issued by Governor Perry to review cost efficiencies in higher education. He said a 20-member advisory board is considering a range of issues, and he speculated that one of the conclusions likely to be reached is that the most significant activity that can be undertaken that would lead to significant cost efficiency in higher education is to work more closely with the K-12 sector.



Chairman Huffines thanked Commissioner Paredes for sharing those views, saying they were enlightening, insightful, and important topics for higher education. He also thanked the Commissioner for meeting recently with The University of Texas System Faculty Advisory Council. He said these are challenging times and the U. T. System and the Coordinating Board share a focus on the most effective uses of available resources in providing higher education and opportunities to all people of Texas. Chairman Huffines then asked members of the Board if they had any questions for Commissioner Paredes.

Vice Chairman McHugh asked if there is a role for community colleges to assist in student retention in STEM fields, and Dr. Paredes responded that preliminary data is not definitive and suggested the K-12 sector may be key.

Vice Chairman Foster asked if the 300,000 student increase in enrollment is in community colleges, and Commissioner Paredes answered affirmatively. Vice Chairman Foster said he was under the impression that to be counted as a graduate, a student had to start and finish at the same institution, but Dr. Paredes explained that graduation rates are calculated based on the number of first-time, full-time students who graduate from wherever they graduate.

Dr. Paredes continued to say that there is concern about what the six-year graduation rate means, and national data show that first-time, full-time students graduate at the highest rates. He said drop-in drop-out students and part-time students do not graduate at the same rate so that institutions individually will get the highest graduation rate if the focus is on first-time, full-time students.

Chairman Huffines asked if the merit-based proposal of the Texas Grant program is only for public universities, and Commissioner Paredes responded affirmatively, adding that community colleges are also included. Chairman Huffines asked if that will also be recommended for the money the Coordinating Board oversees for private universities, and Dr. Paredes said the Coordinating Board is gathering data for private institutions, but he noted that private institutions do not have to report data to the Coordinating Board, and that issue should be addressed. Chairman Huffines asked about the size of the grant program for private institutions, and Dr. Paredes replied that essentially the same proportion of needy students is funded at the public institutions under the Texas Grant Program.

Executive Vice Chancellor Prior said the National Governors Association reported that nationally there is misunderstanding about what is meant by graduation rates, and the Association is recommending that the number of degrees awarded at a particular institution be used as a measure of the success of an institution. Commissioner Paredes responded that a more comprehensive picture of student success institution-by-institution is needed,

including graduation rates, the overall number of graduates an institution produces, the number of at-risk students, and the number of Pell Grant recipients so that those who shape policy for higher education have access to comprehensive data about what constitutes student success.

Executive Vice Chancellor Shine asked Commissioner Paredes for his view on how and in what way the U. T. System should be thinking about higher education in the next Legislative Session with respect to the need for budget reductions and if it is appropriate that the most recent directives indicate that higher education is being treated like a State agency. Dr. Paredes said he thinks it is appropriate comprehensively, but he believes there are certain characteristics of higher education that need to be taken into account, such as adopting more policies to lead to higher levels of cost efficiency in Texas. He expressed reservation in the ability to fund enrollment growth in a tough budgetary environment, but he believes public higher education will need to be reinvented, such as looking at moving from 12 semester credit hours as a full course load to 30 hours a year, which may encourage students to take 15 hours a semester and an online course during the summer. He noted work needs to be done in redesigning courses and making sure courses are efficient as well as pedagogically as successful as possible.

Regent Dannenbaum asked if the shift to course completion is weakening learning standards, and Dr. Paredes said data on grades is collected, and the average grade point average at different institutions is known. He said grades will continue to be tracked and any anomalies or changes will be reported to the institution(s) with a request that they explain what they think is happening. Dr. Paredes applauded the efforts of the U. T. System and other institutions in Texas to figure ways to measure learning outcomes as critical to maintain a rigorous and high quality education. He noted that is a difficult task and progress is slower than members of the Legislature and the Governor would like; he said it would probably be figured out in the next three to five years.

Regent Dannenbaum suggested reviewing the actual hours required for STEM courses as distinguished from credit hours because of the time involved for laboratories and other adjunct efforts over and above just the classroom hours spent in a typical academic course. Commissioner Paredes responded he is aware of that issue.

In closing, Chairman Huffines asked Dr. Paredes to convey to the members of the Coordinating Board that the Board of Regents fully embraces their commitment to improving graduation rates. He noted that about four years ago, this Board of Regents recognized the graduation rate problem and elevated it to one of its highest priorities. Each president has established aggressive, ambitious graduation rate goals and they report to the Board on a quarterly or semiannual basis. He said he believes many creative, successful programs are in place, so this Board fully embraces the Coordinating Board's efforts to improve graduation rates and STEM rates.

He said he looks forward to reviewing the data obtained by the Coordinating Board to see how it impacts each U. T. System institution and he said he looks forward to discussions with Commissioner Paredes, the Coordinating Board, and Chancellor Cigarroa as the U. T. System moves forward into the next Legislative Session.

2. U. T. Southwestern Medical Center – Dallas: Overview of the institution

President Podolsky presented an overview of The University of Texas Southwestern Medical Center at Dallas.

3. U. T. System: Report on development performance for the U. T. System institutions

Vice Chancellor Safady reported on development performance of The University of Texas System institutions. As a reflection of the tough economic climate, 13 of 15 institutions reported declines in giving over the past year. There was an increase in the number of donors, a positive sign that donors remain committed to the University. Chairman Huffines commented that over last two years, the U. T. System raised \$1.5 billion in cash in the middle of a tough recession; a tribute to the generosity of Texans. (A revised [PowerPoint](#) presentation is on file in the Office of the Board of Regents.)

4. U. T. System Board of Regents: Amendment of Regents' Rules and Regulations, Rule 10501 (Delegation to Act on Behalf of the Board) to add new Section 3.3, regarding contracts involving certain uses of institution names, trademarks, or logos

Regents' *Rules and Regulations*, Rule 10501, regarding delegation to act on behalf of the Board, was amended to read as set forth below to add new Section 3.3, concerning contracts involving certain uses of institution names, trademarks, or logos. Current Subsections 3.3 through 3.5 were renumbered accordingly.

Sec. 3 Contracts or Agreements Requiring Board Approval. The following contracts or agreements, including purchase orders or vouchers and binding letters of intent or memorandums of understanding, must be submitted to the Board for approval or authorization.

...

3.3 Contracts Involving Certain Uses of Institution Names, Trademarks, or Logos. Except as specifically allowed under existing contracts entered into between the Board of Regents and nonprofit entities supporting a U. T. System institution,

agreements regardless of dollar amount that grant the right to a non-U. T. entity to use the institutional name or related trademarks or logos in association with the provision of a material service or in association with physical improvements located on property not owned or leased by the contracting U. T. System institution.

....

Section 3 of Regents' Rule 10501 requires certain contracts or agreements to be approved by the Board except for specific exceptions listed in the Rule.

Addition of a new Section 3.3 requires certain agreements that grant the right to an outside entity to use the institutional name, trademark, or logo of a University of Texas System institution, regardless of dollar amount, to be approved by the Board.

5. U. T. System Board of Regents: Amendment of Regents' Rules and Regulations, Rule 80307 (Naming Policy) to revise Section 1.2, regarding the time limitation for execution of a negotiated gift agreement involving a naming

Regents' *Rules and Regulations*, Rule 80307, regarding namings of facilities and programs, was amended to revise Section 1.2, regarding the time limitation for execution of a negotiated gift agreement involving a naming, to allow the Chancellor to approve a one-time extension of 90 days for a Board-approved naming that has gone beyond the 180-day approval period. The amendment is set forth below.

Sec. 1 General. Before proceeding with any naming, institutions must carefully consider all circumstances surrounding the naming, including the overall benefit to the institution and whether displaying the name is and will continue to be a positive reflection on the institution.

...

1.2 Time Limitation for Approval. Naming approvals granted under this rule are valid for a period not to exceed 180 days from the date of approval. After approval of a naming, the negotiated gift agreement must be executed within 180 days of that approval. If that does not occur, the naming must be resubmitted for approval to the Vice Chancellor for External Relations unless the Chancellor approves a one-time, 90-day extension of the naming approval, consistent with the requirements of Section 2 below.

....

6. U. T. Brownsville: Discussion and appropriate action concerning status of proposed restructuring of the U. T. Brownsville/Texas Southmost College educational partnership and the U. T. System mission in South Texas (Deferred)

The item concerning the status of proposed restructuring of The University of Texas at Brownsville/Texas Southmost College educational partnership and The University of Texas System mission in South Texas was deferred for consideration at the March 3, 2010 meeting.

STANDING COMMITTEE REPORTS TO THE BOARD.--At 12:12 p.m., Chairman Huffines announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 14 - 41.

REPORT AND RECOMMENDATION OF THE AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE (Pages 14 - 16).--Committee Chairman Hicks reported the Audit, Compliance, and Management Review Committee met in open session to consider a matter on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the action set forth in the Minute Order that follows was recommended by the Audit, Compliance, and Management Review Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Report on the Fiscal Year 2009 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit

This item was for consideration only by the Committee (see Committee Minutes for the Joint Meeting with the Finance and Planning Committee).

2. U. T. System Board of Regents: Approval to renew the contract with Deloitte & Touche, LLP, as the external auditor for the Fiscal Year 2010 audit of funds managed by The University of Texas Investment Management Company (UTIMCO)

The Board granted approval to renew the auditing services contract with Deloitte & Touche, LLP, to perform audits of the financial statements and audit the performance statistics for Fiscal Year 2010 for the funds managed by The University of Texas Investment Management Company (UTIMCO) as listed below:

- a. Permanent University Fund (PUF)
- b. The University of Texas System General Endowment Fund (GEF)
- c. Permanent Health Fund (PHF)
- d. The University of Texas System Long Term Fund (LTF)
- e. The University of Texas System Intermediate Term Fund (ITF)

The Deloitte fees for the FY 2010 audit of funds managed by UTIMCO, including the performance statistics audit, are included on the next page with a comparison to the fees of the prior year's audit. In addition, out-of-pocket expense reimbursements in connection with the audit are not to exceed \$65,000.

Deloitte Fees  
 UTIMCO Funds - year ended August 30, 2010

<u>Entity</u>	<u>2009 Fees</u>	<u>2010 Fees</u>	<u>Dollar Decrease</u>	<u>Percentage Decrease</u>
Permanent University Fund	223,000	213,000	10,000	(4.48%)
General Endowment Fund	175,000	170,000	5,000	(2.86%)
Permanent Health Fund	23,000	23,000	0	0
Long Term Fund	23,000	23,000	0	0
Intermediate Term Fund	133,000	130,000	3,000	(2.26%)
Performance Statistics	23,000	23,000	0	0
Total	600,000	582,000	18,000	(3.00%)

Fiduciary responsibility for the PUF, GEF, PHF, LTF, and ITF rests with the U. T. System Board of Regents. *Texas Education Code* Section 66.08(f) requires that the U. T. System provide for an annual financial audit of the PUF if the PUF is within the scope of funds managed by an external management corporation.

On July 11, 2007, the Board of Regents authorized U. T. System staff to negotiate and enter into an auditing services contract with Deloitte for one year with a right to renew in one-year increments for four additional years. The contract was renewed by the Board of Regents on February 7, 2008, and February 11, 2009. The original auditing services contract includes an option to audit and report on management's assessment of the internal controls over financial reporting.

3. U. T. System: Report on the Systemwide internal audit activities, including performance metrics used to evaluate the audit departments and the status of audits of financial controls at the institutional police departments; and Internal Audit Department report for U. T. Permian Basin

This item was for consideration only by the Committee (see Committee Minutes).

4. U. T. System: Report on the institutional compliance work plan for Fiscal Year 2010 at U. T. Southwestern Medical Center – Dallas

This item was for consideration only by the Committee (see Committee Minutes).

5. U. T. System: Report on the Systemwide Information Security Program Index (Deferred)

This item was for consideration only by the Committee and was deferred due to time constraints (see Committee Minutes).



REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 17 - 27).--Committee Chairman Foster reported that the Finance and Planning Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Finance and Planning Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. System: Approval of Docket No. 141

The Board approved *Docket No. 141* in the form distributed by the Secretary to the Board of Regents. It is attached following Page 42 in the official copy of the *Minutes* and is made a part of the record of this meeting.

It was expressly authorized that any contracts or other documents or instruments approved therein may be executed by the appropriate officials of the respective University of Texas System institution involved.

A correction was made on Docket Page 7 to the amount of funds coming in to The University of Texas at Arlington from a contract with the City of Arlington for the Special Events Center Parking Garage and Residence Hall project. The correct amount is \$18 million.

The Docket item on Docket Page 23 related to the employment agreement with Robert S. Nelsen, Ph.D., President of The University of Texas – Pan American was approved, was found to be in the best interest of the institution and the U. T. System as required by *Texas Education Code* Section 51.948, and timely notice of this Docket action was provided to the Legislative Budget Board.

2. U. T. System: Approval of the Fiscal Year 2011 Budget Preparation Policies and Calendar

In consultation with Vice Chairman Foster and Regent Hicks pursuant to the December 9, 2009 directive by Chairman Huffines to work with the Chancellor on reviewing The University of Texas System Administration budget, the Budget Preparation Policies as set out below and the Calendar that follows were approved for use in preparing the Fiscal Year 2011 Operating Budget.

U. T. System Fiscal Year 2011 Budget Preparation Policies

General Guidelines - The regulations and directives included in the General Appropriations Act enacted by the 81st Texas Legislature serve as the basis for these guidelines and policies. In preparing the draft of the FY 2011

Operating Budget, the president of each institution should adhere to guidelines and policies as detailed below and as included in the General Appropriations Act. The Chancellor will issue detailed instructions regarding the implementation of those regulations and directives into the institutional budget process.

The president of each institution should examine the resources used at the institution and, where possible, redirect resources toward high priority mission activities, strategic competitive investments, and reserves in preparation for potential future financial shortfalls.

Overall budget totals, including reasonable reserves, must be limited to the funds available for the year from General Revenue Appropriations, Estimates of Educational and General Income, and limited use of institutional unappropriated balances.

Maintenance of Operating Margin and Use of Prior Year Balances - Institutions should make all reasonable efforts to maintain a favorable operating margin within the FY 2011 Operating Budget. Use of prior year balances should be limited to critical items, unique opportunities, or projects funded from prior year income committed for that purpose. Generally, balance usage should be reserved for nonrecurring activities. For FY 2011, no balance usage can be recommended to the U. T. System Board of Regents for approval without the consent of the Chancellor, the appropriate Executive Vice Chancellor, and the Associate Vice Chancellor - Controller and Chief Budget Officer.

Salary Guidelines - Recommendations regarding salary policy are subject to the following directives:

1. Salaries Proportional by Fund - Unless otherwise restricted, payment for salaries, wages, and benefits paid from appropriated funds, including local funds and educational and general funds as defined in *Texas Education Code* Section 51.009 (a) and (c), shall be proportional to the source of funds.
2. Merit Increases and Promotions - Subject to available resources and resolution of any major salary inequities, institutions should give priority to implementing merit salary increases for faculty and staff.

Merit increases or advances in rank for faculty are to be on the basis of teaching effectiveness, research, and public service.

Merit increases or promotions for administrative and professional staff and classified staff are to be based on evaluation of performance in areas appropriate to work assignments.

To be eligible for a merit increase on September 1, 2010, administrative and professional staff and classified staff must have been employed by the institution for at least six consecutive months ending August 31, 2010, and at least six months must have elapsed since the employee's last merit salary increase.

3. Other Increases - Equity adjustments, competitive offers, and increases to accomplish contractual commitments should also consider merit where appropriate, subject to available resources. Subject to guidance issued by the Chancellor, such increases should be noted and explained in the supplemental data accompanying the budget.
4. New Positions - Subject to available resources, new administrative and professional staff, classified staff, and faculty positions are to be requested only when justified by workloads or to meet needs for developing new programs.
5. Reporting - The Chancellor will issue guidance on reporting of salary changes and amounts. It is expected that required reports will encompass high-ranking staff covered by Regents' *Rules and Regulations*, Rules 20203 and 20204 along with those staff receiving significant changes in compensation.

Staff Benefits Guidelines - Recommendations regarding the State contribution for employee staff benefits such as group insurance premiums, teacher retirement, and optional retirement are subject to legislative determination via the General Appropriations Act. The Chancellor will issue instructions regarding the implementation of the benefits into the budget process.

Other Employee Benefits - Employer contributions to the self-insured Unemployment Compensation Fund are based on an actuarial study. Workers' Compensation Insurance rates are experience-rated for each institution. Appropriate instructions will be issued regarding the implementation of Unemployment Compensation Fund and Workers' Compensation Insurance Benefits.

Other Operating Expenses Guidelines - Increases in Maintenance, Operation, Equipment, and Travel are to be justified by expanded workloads, for developing new programs, or for correcting past deferrals or deficiencies.



**THE UNIVERSITY OF TEXAS SYSTEM  
FY 2011 OPERATING BUDGET CALENDAR**

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February 5, 2010	U. T. System Board of Regents takes appropriate action on budget preparation policies
March 31 - April 9, 2010	Major goals, priorities, and resource allocation hearings with U. T. System Administration
May 10, 2010	Draft budget documents due to U. T. System
May 12 - 18, 2010	Technical budget review with U. T. System
June 1, 2010	Final budget documents due to U. T. System
June 28, 2010	High-ranking staff covered by Regents' Rules 20203 and 20204 and Top Ten salary reports due to U. T. System
July 14 - 15, 2010	U. T. System Board of Regents' Special Compensation Committee to review Presidents and Executive Officers compensation
July 23, 2010	Operating Budget Summaries mailed to the U. T. System Board of Regents
August 12, 2010	U. T. System Board of Regents takes appropriate action on Operating Budget and Presidents and Executive Officers compensation
August 13, 2010	Salary change report due to U. T. System

3. U. T. System: Key Financial Indicators Report and Monthly Financial Report

This item was for consideration only by the Committee (see Committee Minutes).

4. U. T. System Board of Regents: The University of Texas Investment Management Company (UTIMCO) Performance Summary Report and Investment Reports for the quarter ended November 30, 2009

The University of Texas Investment Management Company (UTIMCO) November 30, 2009 Performance Summary Report is attached on Page 22.

The Investment Reports for the quarter ended November 30, 2009, are set forth on Pages 23 - 26.

Item I on Page 23 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the quarter was 7.57% versus its composite benchmark return of 5.62%. The PUF's net asset value increased by \$667 million since the beginning of the quarter to \$10,341 million. This change in net asset value includes contributions from PUF Land receipts, increases due to net investment return, and the first payment of the annual distribution to the Available University Fund (AUF) of \$129 million.

Item II on Page 24 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the quarter was 7.52% versus its composite benchmark return of 5.62%. The GEF's net asset value increased during the quarter to \$5,726 million.

Item III on Page 25 reports activity for the Intermediate Term Fund (ITF). The ITF's net investment return for the quarter was 6.90% versus its composite benchmark return of 5.66%. The net asset value increased during the quarter to \$3,928 million due to net investment return of \$251 million and net distributions of \$28 million. The increase in net asset value also included \$133 million net contributions.

For all funds, all exposures were within their asset class and investment type ranges and liquidity was within policy.

Item IV on Page 26 presents book and market values of cash, debt, equity, and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of institutional operating funds held in the Dreyfus money market fund, decreased by \$167 million to \$1,681 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$24 million versus \$25 million at the beginning of the period; equities: \$44 million versus \$38 million at the beginning of the period; and other investments: \$.2 million versus \$4 million at the beginning of the period.

## UTIMCO Performance Summary

November 30, 2009

	Net Asset Value 11/30/2009 (in Millions)	Periods Ended November 30, 2009 (Returns for Periods Longer Than One Year are Annualized)							
		Short Term		Year to Date		Historic Returns			
		1 Mo	3 Mos	Fiscal	Calendar	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>ENDOWMENT FUNDS</b>									
Permanent University Fund	\$ 10,341	3.03%	7.57%	7.57%	19.72%	21.04%	(0.02%)	5.15%	5.35%
General Endowment Fund		2.99	7.52	7.52	19.57	20.88	0.09	5.20	N/A
Permanent Health Fund	895	3.08	7.53	7.53	19.48	20.74	0.00	5.12	N/A
Long Term Fund	4,833	3.08	7.53	7.53	19.47	20.74	0.00	5.13	5.57
Separately Invested Funds	111	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Endowment Funds</b>	<b>16,180</b>								
<b>OPERATING FUNDS</b>									
Short Term Fund	1,639	0.02	0.06	0.06	0.51	0.64	3.08	3.44	3.25
Intermediate Term Fund	3,928	2.86	6.90	6.90	22.84	26.85	1.44	N/A	N/A
<b>Total Operating Funds</b>	<b>5,567</b>								
<b>Total Investments</b>	<b>\$ 21,747</b>								
<b>VALUE ADDED (Percent)</b>									
Permanent University Fund		0.78%	1.95%	1.95%	4.35%	3.93%	2.99%	1.83%	1.41%
General Endowment Fund		0.74	1.90	1.90	4.20	3.77	3.10	1.88	N/A
Short Term Fund		0.01	-	-	0.31	0.44	0.53	0.38	0.22
Intermediate Term Fund		0.39	1.24	1.24	1.61	1.30	2.52	N/A	N/A
<b>VALUE ADDED (\$ IN MILLIONS)</b>									
Permanent University Fund		\$ 77	\$ 187	\$ 187	\$ 378	\$ 337	\$ 916	\$ 886	\$ 1,340
General Endowment Fund		41	103	103	205	181	529	506	N/A
Intermediate Term Fund		15	45	45	51	40	273	N/A	N/A
<b>Total Value Added</b>		<b>\$ 133</b>	<b>\$ 335</b>	<b>\$ 335</b>	<b>\$ 634</b>	<b>\$ 558</b>	<b>\$ 1,718</b>	<b>\$ 1,392</b>	<b>\$ 1,340</b>

Footnotes available upon request.

# I. PERMANENT UNIVERSITY FUND

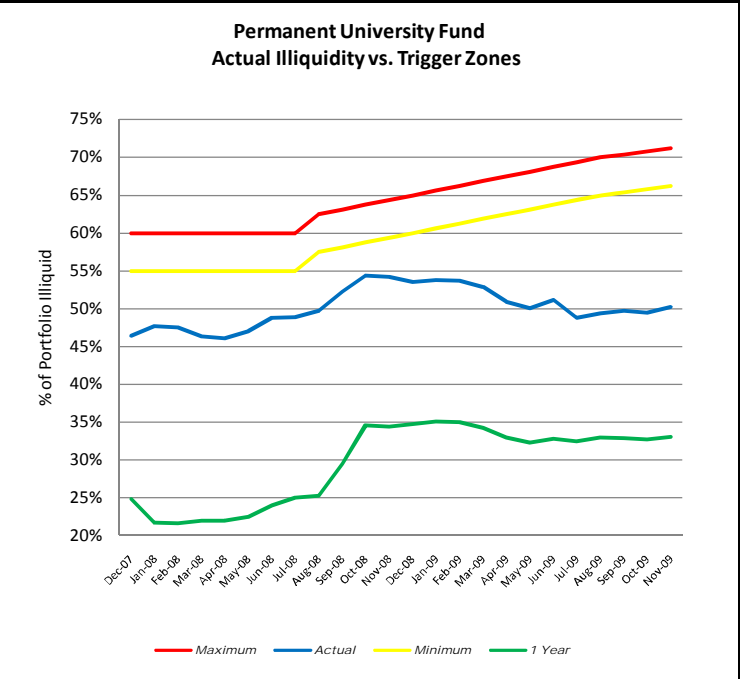
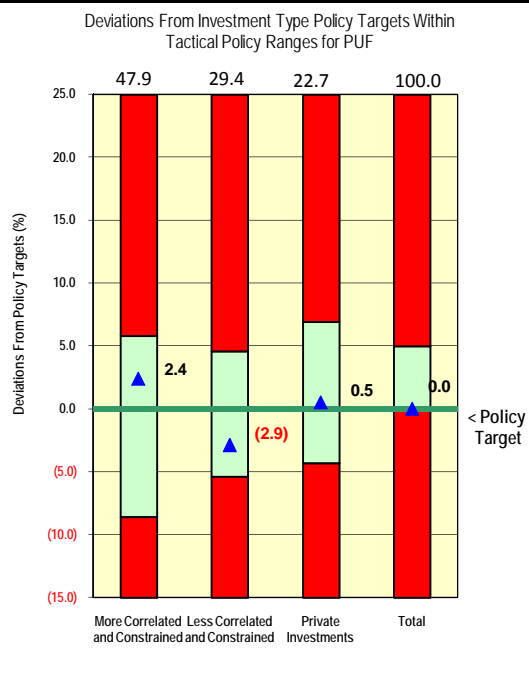
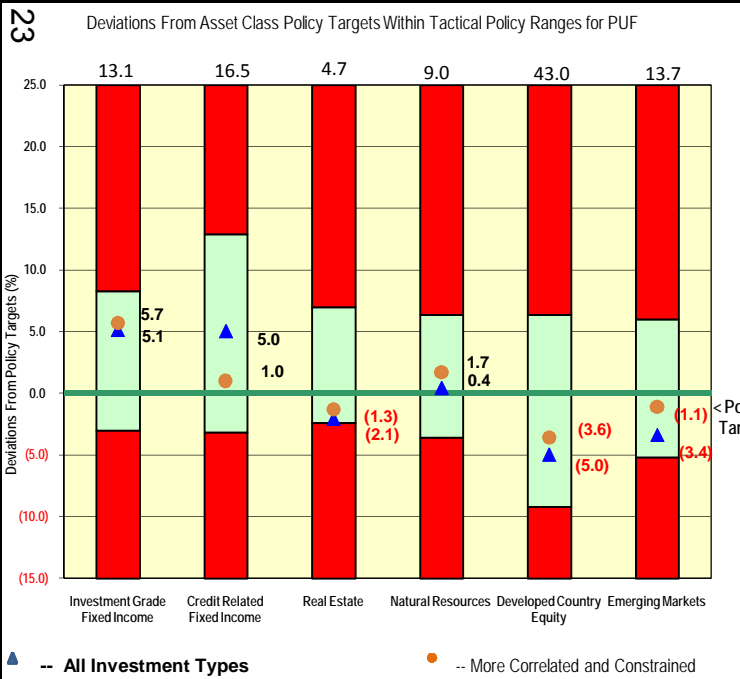
## Investment Reports for Periods Ended November 30, 2009

Prepared in accordance with Texas Education Code Sec. 51.0032

### Summary of Capital Flows

(\$ millions)	Fiscal Year Ended August 31, 2009	Quarter Ended November 30, 2009	Fiscal Year to Date November 30, 2009
Beginning Net Assets	\$ 11,360	\$ 9,674	\$ 9,674
PUF Lands Receipts	340	73	73
Investment Return (Net of Expenses)	(1,495)	723	723
Distributions to AUF	(531)	(129)	(129)
Ending Net Assets	<u>\$ 9,674</u>	<u>\$ 10,341</u>	<u>\$ 10,341</u>

	Fiscal Year to Date				
	Returns		Value Added		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	4.71%	5.23%	-0.05%	-0.02%	-0.07%
Credit-Related	12.50%	9.45%	0.10%	0.02%	0.12%
Real Estate	6.79%	6.42%	-0.01%	0.02%	0.01%
Natural Resources	13.82%	10.52%	0.09%	0.19%	0.28%
Developed Country	6.33%	6.31%	-0.04%	0.03%	-0.01%
Emerging Markets	13.09%	13.90%	-0.06%	-0.09%	-0.15%
<b>Total More Correlated and Constrained</b>	<b>8.68%</b>	<b>8.55%</b>	<b>0.03%</b>	<b>0.15%</b>	<b>0.18%</b>
<b>Less Correlated and Constrained</b>	<b>6.00%</b>	<b>2.61%</b>	<b>-0.07%</b>	<b>1.15%</b>	<b>1.08%</b>
<b>Private Investments</b>	<b>7.41%</b>	<b>4.17%</b>	<b>0.14%</b>	<b>0.55%</b>	<b>0.69%</b>
<b>Total</b>	<b>7.57%</b>	<b>5.62%</b>	<b>0.10%</b>	<b>1.85%</b>	<b>1.95%</b>



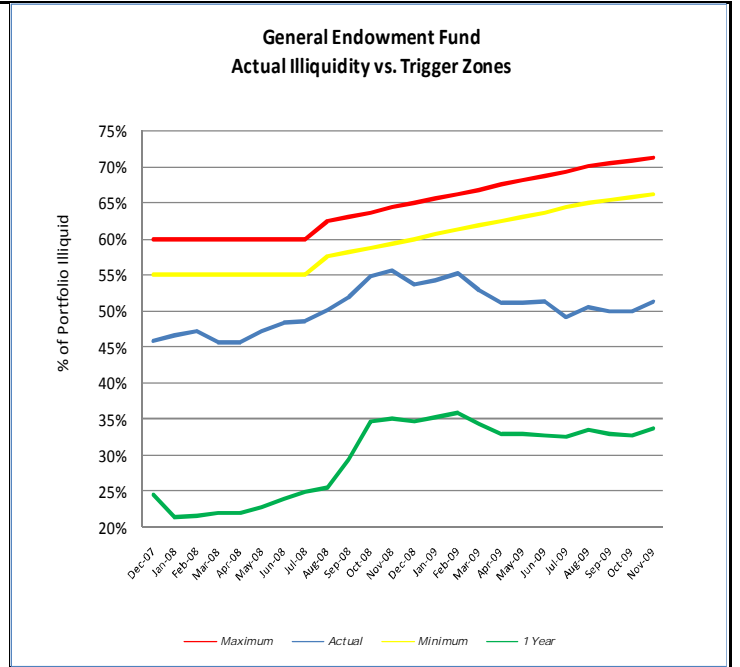
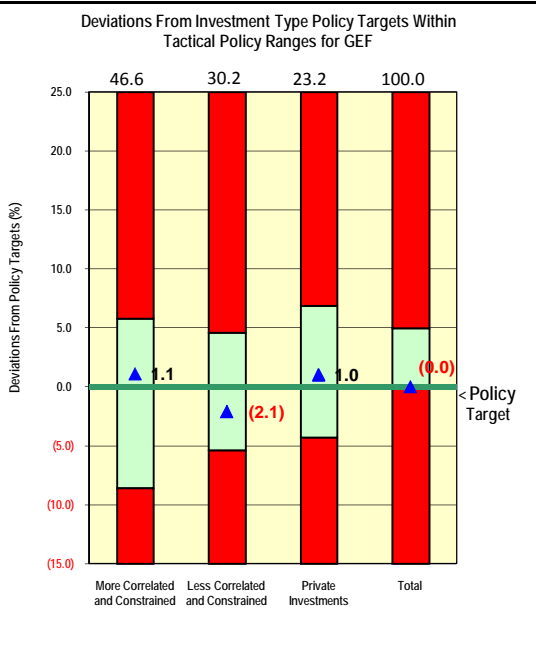
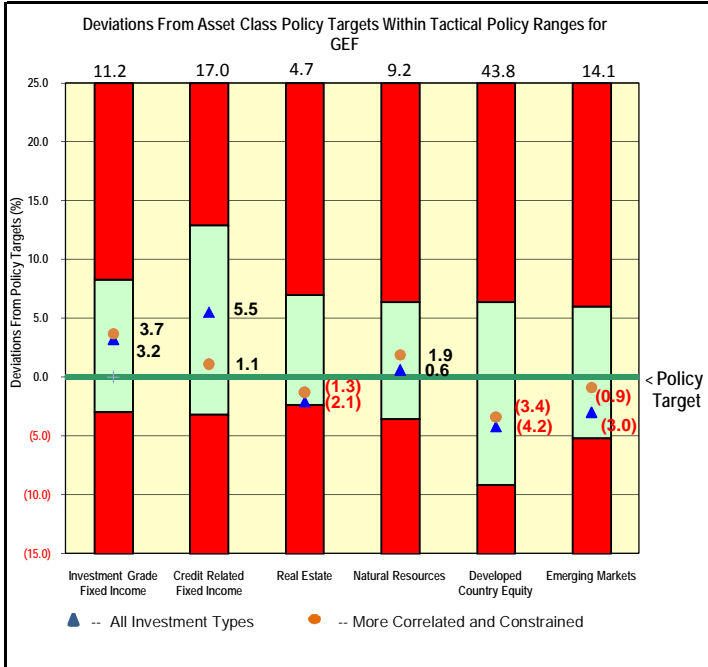
## II. GENERAL ENDOWMENT FUND Investment Reports for Periods Ended November 30, 2009

Prepared in accordance with *Texas Education Code Sec. 51.0032*

<b>Summary of Capital Flows</b>			
(\$ millions)	Fiscal Year Ended		
	August 31, 2009	Quarter Ended November 30, 2009	Fiscal Year to Date November 30, 2009
Beginning Net Assets	\$ 6,310	\$ 5,359	\$ 5,359
Contributions	185	34	34
Withdrawals	(11)	-	-
Distributions	(279)	(73)	(73)
Investment Return (Net of Expenses)	(846)	406	406
Ending Net Assets	<u>\$ 5,359</u>	<u>\$ 5,726</u>	<u>\$ 5,726</u>

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Value Added Total
<b>More Correlated and Constrained:</b>					
Investment Grade	4.50%	5.23%	-0.05%	-0.03%	-0.08%
Credit-Related	12.49%	9.45%	0.10%	0.02%	0.12%
Real Estate	6.80%	6.42%	-0.01%	0.02%	0.01%
Natural Resources	13.77%	10.52%	0.08%	0.17%	0.25%
Developed Country	6.30%	6.31%	-0.04%	0.01%	-0.03%
Emerging Markets	12.89%	13.90%	-0.07%	-0.10%	-0.17%
<b>Total More Correlated and Constrained</b>	<b>8.59%</b>	<b>8.55%</b>	<b>0.01%</b>	<b>0.09%</b>	<b>0.10%</b>
<b>Less Correlated and Constrained</b>	<b>6.00%</b>	<b>2.61%</b>	<b>-0.05%</b>	<b>1.17%</b>	<b>1.12%</b>
<b>Private Investments</b>	<b>7.41%</b>	<b>4.17%</b>	<b>0.13%</b>	<b>0.55%</b>	<b>0.68%</b>
<b>Total</b>	<b>7.52%</b>	<b>5.62%</b>	<b>0.09%</b>	<b>1.81%</b>	<b>1.90%</b>

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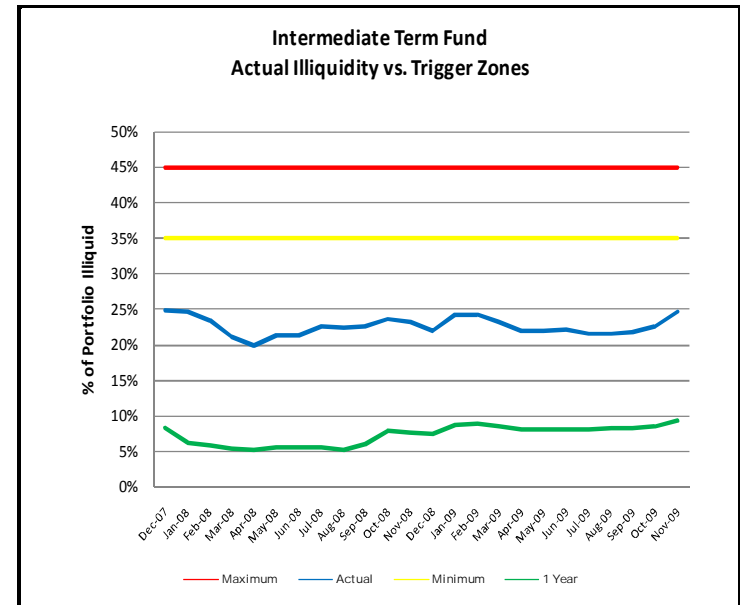
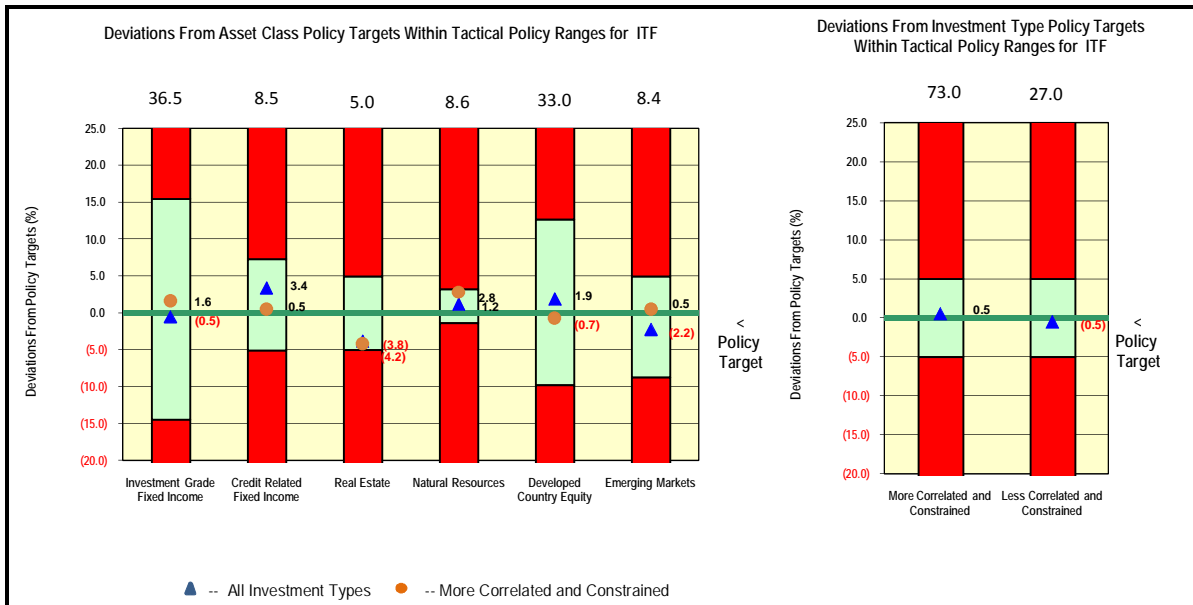


### III. INTERMEDIATE TERM FUND Investment Reports for Periods Ended November 30, 2009

Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2009	Quarter Ended November 30, 2009	Fiscal Year to Date November 30, 2009
Beginning Net Assets	\$ 3,875	\$ 3,572	\$ 3,572
Contributions	251	168	168
Withdrawals	(178)	(35)	(35)
Distributions	(98)	(28)	(28)
Investment Return (Net of Expenses)	(278)	251	251
Ending Net Assets	\$ 3,572	\$ 3,928	3,928

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	4.88%	5.23%	-0.04%	-0.11%	-0.15%
Credit-Related	13.02%	9.45%	0.07%	0.07%	0.14%
Real Estate	7.13%	6.42%	-0.06%	0.06%	0.00%
Natural Resources	13.14%	10.52%	0.18%	0.15%	0.33%
Developed Country	6.58%	6.31%	-0.03%	0.04%	0.01%
Emerging Markets	13.21%	13.90%	0.05%	-0.04%	0.01%
<b>Total More Correlated and Constrained</b>	<b>7.19%</b>	<b>6.80%</b>	<b>0.17%</b>	<b>0.17%</b>	<b>0.34%</b>
<b>Less Correlated and Constrained</b>	<b>6.00%</b>	<b>2.61%</b>	<b>-0.24%</b>	<b>1.14%</b>	<b>0.90%</b>
<b>Private Investments</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total</b>	<b>6.90%</b>	<b>5.66%</b>	<b>-0.07%</b>	<b>1.31%</b>	<b>1.24%</b>



**IV. SEPARATELY INVESTED ASSETS**  
**Summary Investment Report at November 30, 2009**  
 Report prepared in accordance with *Texas Education Code Sec. 51.0032*

ASSET TYPES	(\$ thousands)															
	FUND TYPE															
	CURRENT PURPOSE DESIGNATED		RESTRICTED		ENDOWMENT & SIMILAR FUNDS		ANNUITY & LIFE INCOME FUNDS		AGENCY FUNDS		TOTAL EXCLUDING OPERATING FUNDS		OPERATING FUNDS (SHORT TERM FUND)		TOTAL	
	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
<b>Cash &amp; Equivalents:</b>																
Beginning value 08/31/09	-	-	10,695	10,695	46,827	46,827	1,161	1,161	2,008	2,008	60,691	60,691	1,787,407	1,787,407	1,848,098	1,848,098
Increase/(Decrease)	-	-	(8,703)	(8,703)	(13,109)	(13,109)	(86)	(86)	3,062	3,062	(18,836)	(18,836)	(147,964)	(147,964)	(166,800)	(166,800)
Ending value 11/30/09	-	-	1,992	1,992	33,718	33,718	1,075	1,075	5,070	5,070	41,855	41,855	1,639,443	1,639,443	1,681,298	1,681,298
<b>Debt Securities:</b>																
Beginning value 08/31/09	-	-	265	262	12,483	13,562	10,827	11,018	-	-	23,575	24,842	-	-	23,575	24,842
Increase/(Decrease)	-	-	-	2	(765)	(667)	(100)	221	-	-	(865)	(444)	-	-	(865)	(444)
Ending value 11/30/09	-	-	265	264	11,718	12,895	10,727	11,239	-	-	22,710	24,398	-	-	22,710	24,398
<b>Equity Securities:</b>																
Beginning value 08/31/09	17	1,743	333	301	27,352	24,703	13,867	11,323	-	-	41,569	38,070	-	-	41,569	38,070
Increase/(Decrease)	-	2,151	217	216	884	2,704	-	958	-	-	1,101	6,029	-	-	1,101	6,029
Ending value 11/30/09	17	3,894	550	517	28,236	27,407	13,867	12,281	-	-	42,670	44,099	-	-	42,670	44,099
<b>Other:</b>																
Beginning value 08/31/09	-	-	3,213	3,213	5	5	353	134	1,126	1,126	4,697	4,478	-	-	4,697	4,478
Increase/(Decrease)	-	-	(3,105)	(3,105)	(4)	(4)	12	-	(1,126)	(1,126)	(4,223)	(4,235)	-	-	(4,223)	(4,235)
Ending value 11/30/09	-	-	108	108	1	1	365	134	-	-	474	243	-	-	474	243
<b>Total Assets:</b>																
Beginning value 08/31/09	17	1,743	14,506	14,471	86,667	85,097	26,208	23,636	3,134	3,134	130,532	128,081	1,787,407	1,787,407	1,917,939	1,915,488
Increase/(Decrease)	-	2,151	(11,591)	(11,590)	(12,994)	(11,076)	(174)	1,093	1,936	1,936	(22,823)	(17,486)	(147,964)	(147,964)	(170,787)	(165,450)
Ending value 11/30/09	17	3,894	2,915	2,881	73,673	74,021	26,034	24,729	5,070	5,070	107,709	110,595	1,639,443	1,639,443	1,747,152	1,750,038

Details of individual assets by account furnished upon request.

5. U. T. System: Report on the Analysis of Financial Condition for Fiscal Year 2009

This item was for consideration only by the Committee and the following Minute Order is repeated both in the Board and in the Committee Minutes for historical documentation and ease of retrieval of information (see also Committee Minutes).

Committee Chairman Foster called on Executive Vice Chancellor Kelley for comments on budget cuts. Dr. Kelley reported that a letter from the State leadership has asked for a 5% reduction in appropriations for the next biennium, representing an approximately \$175 million cut for the campuses. To mitigate this, he noted at least a one-time access to the Tuition Revenue Bond (TRB) appropriation. He said TRBs are approved by the Legislature and an amount is appropriated for debt service each year that can only be used to pay the TRBs. The amount funded for debt service is based on a 6% interest rate over a 20-year period. The University of Texas System is able to find a financing rate significantly below that. Each year, there is an excess appropriation for the TRB debt; more than required to pay in debt service. This is used to pay down the principle, saving the State money and lowering the time to completion for full payment of bonds.

This year, however, there is \$41 million that is anticipated to be used to mitigate and offset a portion of the cuts. Instead of \$175 million to be distributed among the campuses for the biennium, there is approximately \$134 million or about 3.7% reduction in costs that allows the institutions time to adjust to the changes and to move forward. If this is not reset in the future, campuses will need to come up with the additional amount. Chancellor Cigarroa noted this strategy was used in 2003 and in response to a question from Committee Chairman Foster about recurring costs, Dr. Kelley indicated the appropriations vary and would not necessarily be used to cover budget reductions in the future.

Secretary's Note: Following the meeting, the Chancellor advised that the Legislative Budget Board did not accept the U. T. System proposal as an acceptable mitigation strategy. As a result, each institution was instructed to submit a plan that accommodates the full 5% reduction to their General Revenue State Budget.

6. U. T. System: Report on the Fiscal Year 2009 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit

This item was for consideration only by the Committee (see Committee Minutes for the Joint Meeting with the Audit, Compliance, and Management Review Committee).

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 28 - 30).--Committee Chairman Longoria reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Academic Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. El Paso: Authorization to establish a Doctor of Physical Therapy degree

Pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, the Board granted approval to

- a. establish a Doctor of Physical Therapy degree program at The University of Texas at El Paso; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

U. T. El Paso is among the eight Texas public institutions with physical therapy programs and will transition from the Master of Physical Therapy degree (M.P.T.) to the Doctor of Physical Therapy (D.P.T.) degree.

This is an eight semester, 31-month, year-round program consisting of 99 semester credit hours. The eight semesters will include all didactic work as well as 36 weeks of full-time and two weeks of part-time, guided clinical practice. This curriculum is comparable to existing D.P.T. programs nationally.

Within the first five years of the program, 146 students are expected to be admitted to the program and 70 D.P.T. students are expected to graduate by the end of the program's fifth year.

Seven faculty members in the College of Health Science are members of the graduate faculty and will teach and supervise students in the program. All faculty members have advanced degrees, have a breadth of experience, and are well qualified to implement the D.P.T. program. The program will also have faculty support from other U. T. El Paso departments and from the Paul L. Foster School of Medicine at the Texas Tech University Health Sciences Center at El Paso.

Three additional faculty members will be hired by 2012. The new faculty hires will be expected to have a doctoral degree in Physical Therapy or a related field and be eligible for licensure in physical therapy in Texas. It is anticipated that the new hires will bring additional expertise in the areas of neurological disorders and integumentary system disorders.

Estimated expenditures for the first five years of the program are \$3,581,201, including \$591,047 in new faculty hires, \$2,141,588 in reallocated faculty salaries, and \$848,566 in administrative costs.

2. U. T. System: Delegation of authority to the Executive Vice Chancellor for Academic Affairs to approve academic institutional agreements for dual credit

The Board delegated authority to the Executive Vice Chancellor for Academic Affairs to approve academic institutional agreements for dual credit.

According to *Texas Administrative Code*, Part 1, Section 4.83, dual credit is a process by which a high school student enrolls in a college course and receives simultaneous academic credit for both college and high school courses. Dual credit is also referred to as concurrent course credit; the terms are equivalent. *Texas Administrative Code*, Part 1, Section 4.84 requires the approval of any dual credit partnership between a secondary school and a public college by the governing board or designated authority of both the public school district or private secondary school and the public college prior to the offering of such courses.

Rule 10501 of the Regents' *Rules and Regulations* was amended accordingly with the addition of new Subsection 5.8, which reads as follows:

Sec. 5.8 Institutional Agreements for Dual Credit. The Board of Regents delegates the authority to approve and execute dual credit partnership agreements for the academic institutions to the Executive Vice Chancellor for Academic Affairs.

3. U. T. Austin: Report on the Cockrell School of Engineering Strategic Master Plan

This item was for consideration only by the Committee (see Committee Minutes).

4. U. T. System: Discussions on academic leadership matters related to cost containment strategies

This item was for consideration only by the Committee (see Committee Minutes).

5. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Rule 40601, Section 1.3, concerning U. T. Arlington School of Nursing name change to College of Nursing

An additional item was posted with the Secretary of State concerning a name change for the School of Nursing at The University of Texas at Arlington. The item was before the Board on yellow paper.

The Regents' *Rules and Regulations*, Rule 40601, Section 1.3, regarding institutions comprising The University of Texas System, was amended to read as set forth below:

Sec. 1 Official Titles. The U. T. System is composed of the institutions and entities set forth below. To ensure uniformity and consistence of usage throughout the U. T. System, the institutions and their respective entities shall be listed in the following order and the following titles (short form of title follows) shall be used:

...  
1.3 The University of Texas at Arlington (U. T. Arlington)

...

(h) The University of Texas at Arlington College of Nursing

....

This amendment to the Regents' *Rules* reflects the official name change of the U. T. Arlington School of Nursing to the U. T. Arlington College of Nursing. The Texas Higher Education Coordinating Board approved the name change on January 13, 2010, in conformance with Coordinating Board regulations concerning the use of "college" and "school" relative to the size of student enrollment.

*Texas Education Code* Section 65.11 authorizes the Board of Regents to provide for the "names of the institutions and entities in The University of Texas System in such a way as will achieve the maximum operating efficiency of such institutions and entities . . . ."

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 31 - 34).--Committee Chairman McHugh reported that the Health Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Health Affairs Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. Medical Branch – Galveston: Authorization to ground lease approximately 4.0 acres located on the U. T. Medical Branch – Galveston Victory Lakes campus, League City, Galveston County, Texas, to Gulf Coast Center, a community center established pursuant to Chapter 534 of the *Texas Health and Safety Code*, for a term of 30 years, plus a period for design, permitting, and construction, for the construction and operation of a transit terminal with surface parking in exchange for the construction of infrastructure that will serve the Victory Lakes campus

On behalf of The University of Texas Medical Branch at Galveston, approval was granted to

- a. ground lease approximately 4.0 acres located on the U. T. Medical Branch – Galveston Victory Lakes campus, League City, Galveston County, Texas, to Gulf Coast Center (Center), a community center established pursuant to Chapter 534 of the *Texas Health and Safety Code*, for a term of 30 years, plus a period for design, permitting, and construction, for the construction and operation of a transit terminal with surface parking in exchange for the construction of infrastructure that will serve the Victory Lakes campus; and
- b. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The transit terminal, which will be located in the northwest portion of U. T. Medical Branch – Galveston's Victory Lakes campus, will consist of a bus terminal and surface parking for approximately 450 vehicles to provide park-and-ride bus service to Galveston. The land is currently vacant and is within walking distance of the U. T. Medical Branch – Galveston Specialty Care Center under construction at the Victory Lakes campus. The transit terminal site was selected to simplify the planned phased development of the campus and is expected to improve bus service to the Victory Lakes campus, as well as to the main Medical Branch campus in Galveston.

The institution will ground lease the property to the Center for a term of 30 years, plus a 36-month period for design, permitting, and construction. The appraised value of the ground lease is \$1,590,000.

In consideration for the ground lease, the Center will construct a two-lane road along the north edge of the campus to link Interstate Highway 45 to Walker Street, the primary north-south campus drive extending from the north road to the planned central roundabout, and related infrastructure. The institution will pay only the difference in the cost of infrastructure sized for its campus compared with the cost of the infrastructure sized for the transit facility. Infrastructure design and construction costs to be borne by the Center are estimated at \$1,770,000.

The roads and infrastructure will serve the transit facility but are also necessary for the development of the Victory Lakes campus; if they are not built by the Center, they would eventually be built by U. T. Medical Branch – Galveston. The institution will also benefit from the enhanced connectivity to its main campus in Galveston that a public transit terminal can provide.

The Center will construct the facilities at its own expense, using a combination of grants from the Federal Transit Administration and local transit funds. The Center will operate the park-and-ride facility at all times and at its own expense and will pay all taxes. The lease will give the institution the right to approve the plans and specifications of the proposed improvements and will limit the use of the property to a transit terminal. The federal grants similarly limit the use of the property. U. T. Medical Branch – Galveston will also reserve the right to relocate the facility to another location on its Victory Lakes campus. The ground lease will also contain provisions in which the tenant, to the extent allowed by the laws and Constitution of the State of Texas, indemnifies the landlord for all matters arising from the tenant's use or occupancy of, or activities on, the premises.

2. U. T. Health Science Center – San Antonio: Authorization to name the campus extension in Laredo, Texas, as The University of Texas Health Science Center Regional Campus

Approval was granted to The University of Texas Health Science Center at San Antonio to name its campus extension in Laredo, Texas, as The University of Texas Health Science Center Regional Campus.

The new name of the Laredo campus will elevate the perceived prominence of the campus, more accurately describe the regional focus of the campus, and more closely align the name of the Laredo campus with the name of the Regional Academic Health Center (RAHC) campus in Harlingen. The signage at the Laredo campus will include use of the U. T. Health Science Center – San Antonio logo.



3. U. T. Health Science Center – Houston: Approval of new "doing business as" (dba) name, logo, and brand identity

The Board approved the new "doing business as" (dba) name, logo, and brand identity for The University of Texas Health Science Center at Houston as set forth below. The dba name is "UTHealth," used with the descriptor "academic health center at Houston," as set forth in the new logo below:



In his presentation to the Health Affairs Committee earlier on February 5, 2010, President Kaiser said the institution's name, The University of Texas Health Science Center at Houston, is too long, too complicated, and too hard to remember or explain and gets lost in the clutter of the other institutions represented in the world's largest medical center, the Texas Medical Center. Results of surveys showed that the name of the institution is difficult for people to remember, is misunderstood, and is shortened in inconsistent ways within the institution and by people in the community and the media. Dr. Kaiser said "UTHealth" will be a shorter name to use and easier to recall. He said the full name of the University remains the same as do the official names of the schools.

Also at the Committee meeting, President Kaiser said the six threads in the tapestry of the logo represent six principles (collaborative, caring, innovative, cutting-edge, bold, and stronger together) and represent that the whole is stronger than the sum of its parts. He cited the new brand promise as follows, upon which the institution is building a new identity:

Because we are many diverse components woven into one university, the exceptional people of this institution deliver innovative solutions that create the best hope for a healthier future.

The new identity system will be phased in and will be used prominently and consistently in all forms of communication representing the University -- publications, letterhead, signage, business cards, Web, advertising, and more, in an effort to create a uniform communication standard and to enhance a better public understanding of the institution's role as a comprehensive health science university.

4. U. T. Southwestern Medical Center – Dallas: Authorization to negotiate and execute an agreement to host the Disney Institute's "The Disney Keys to Quality Service" program event that allows U. T. Southwestern Medical Center – Dallas to jointly sponsor the program event as an exception to Regents' Rules and Regulations, Rule 80106 to allow the Disney Institute to retain a portion of revenues, upon review and approval by the U. T. System Office of Health Affairs and the U. T. System Office of General Counsel (Withdrawn)

The item regarding an agreement between The University of Texas Southwestern Medical Center at Dallas and the Disney Institute was withdrawn at the request of the institution.

5. U. T. System: Report and recommendations of the U. T. System Revenue Cycle Task Force

This item was for consideration only by the Committee (see Committee Minutes).

6. U. T. System: Quarterly report on health matters, including the impact of proposed health care legislation on U. T. System institutions and next steps in health information technology for the State of Texas

This item was for consideration only by the Committee (see Committee Minutes).

7. U. T. System: Funding streams for health institutions -- opportunities and challenges (Deferred)

This item was for consideration only by the Committee and was deferred due to time constraints (see Minutes of the Special Health Affairs Committee meeting).

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 35 - 41).--Committee Chairman Gary reported that the Facilities Planning and Construction Committee met in open session to consider those matters on its agenda and to formulate recommendations for The University of Texas System Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended by the Facilities Planning and Construction Committee and approved in open session by the U. T. System Board of Regents.

1. U. T. Austin: Engineering Education and Research Building - Amendment of the Fiscal Year 2010-2015 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2010-2015 Capital Improvement Program (CIP) to include the Engineering Education and Research Building (EERB) project at The University of Texas at Austin as follows:

Project No.:	102-556	
Project Delivery Method:	Construction Manager at Risk	
Substantial Completion Date:	June 2015	
Total Project Cost:	Source	Current
	Gifts	\$100,000,000
	Revenue Financing System Bond Proceeds	\$185,000,000
	Unexpended Plant Funds	\$ 5,000,000
		\$290,000,000

- Investment Metrics: By 2013
- Enable top-10 ranked Department of Electrical and Computer Engineering (ECE) to expand from 65 faculty to 74 faculty and from 300 Ph.D. students to 480 Ph.D. students thereby doubling the current level of \$14M of annual research expenditure in ECE
  - Interdisciplinary research space will allow adding 24 new faculty and 192 Ph.D. students in priority areas of the research programs with an estimated annual increase of \$14M in research expenditures
  - New teaching labs will allow innovations in curriculum, improve ability to attract top undergraduate students, increase graduation rates, and improve student learning outcomes
  - Centralize student facilities and learning space to improve the student experience, leading to greater student success, and enable opportunities to collaborate in programmed space

The EERB is the first and highest priority project in the Strategic Master Plan for the Cockrell School of Engineering, which was presented to the Academic Affairs Committee on February 4, 2010 (see Item 3 on Page 29 and related Committee Minutes). The building is central to achieving the School's vision to become a global center for technology innovation, engineering education, and

entrepreneurship. Through modular laboratories and integration of undergraduate education, interdisciplinary graduate research, and the Department of Electrical and Computer Engineering, the EERB will bring a new paradigm for engineering education and research to U. T. Austin.

The building will provide approximately 421,500 gross square feet of critically needed education and research space. It will replace the Engineering Sciences Building, which is functionally obsolete and has significant deferred maintenance, and two temporary buildings, the Computer Science Annex and the Academic Annex.

This project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

2. U. T. Austin: Texas Union Building Renovation - Amendment of the Fiscal Year 2010-2015 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and resolution regarding parity debt (Final Board approval)

The Board amended the Fiscal Year 2010-2015 Capital Improvement Program (CIP) to include the Texas Union Building Renovation project at The University of Texas at Austin as follows:

Project No.:	102-569	
Project Delivery Method:	Construction Manager at Risk	
Substantial Completion Date:	December 2013	
Total Project Cost:	Source	Current
	Revenue Financing System Bond Proceeds	\$11,000,000

- a. approve a total project cost of \$11,000,000 with funding from Revenue Financing System Bond Proceeds;
- b. appropriate funds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
  - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
  - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service

Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and

- U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$11,000,000.

#### Debt Service

The \$11,000,000 in Revenue Financing System debt will be repaid from auxiliary enterprise revenues. Annual debt service on the \$11,000,000 Revenue Financing System debt is expected to be \$799,138. The institution's debt service coverage is expected to be at least 1.8 times and average 2.0 times over FY 2010-2015. Approximately \$500,000 of the aggregate \$11,000,000 Revenue Financing System debt proceeds is anticipated to be used for interest expense during construction.

#### Project Description

The project involves fire sprinkler system installation, mechanical system replacement and maintenance, along with other interior and exterior building renovations. The upgrade will extend the useful life of the building and address Texas Union infrastructure concerns including Ballroom humidity, kitchen, sewer, and heating, ventilation, and air conditioning (HVAC) zoning issues, electrical power availability, life safety and building code compliance, and waterproofing issues.

This repair and rehabilitation project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the Chancellor at a later date.

3. U. T. San Antonio: East Parking Garage - Amendment of the Fiscal Year 2010-2015 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2010-2015 Capital Improvement Program (CIP) to include the East Parking Garage project at The University of Texas at San Antonio as follows on the next page.

Project No.:	401-568	
Project Delivery Method:	Design Build	
Substantial Completion Date:	June 2012	
Total Project Cost:	Source	Current
	Revenue Financing System Bond Proceeds	\$22,000,000
	Auxiliary Enterprise Balances	\$ 8,000,000
		\$30,000,000

Investment Metrics: By 2012

- Increase number of parking spaces on the Main Campus by a net of approximately 800 spaces
- Increase number of parking spaces without a net increase in the land area consumed by parking, leaving land available for other uses

The parking garage will consist of a new multistory facility containing approximately 1,200 parking spaces to be located on an existing parking lot. The garage will increase the number of parking spaces to meet the demands of growth in enrollment without a net increase in the land area consumed by parking, leaving land available for other uses including future buildings. Funding for the project will be contingent upon approval of the parking permit rate increase at the March 2010 Board meeting.

This project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the Board for approval at a later date.

4. U. T. Southwestern Medical Center – Dallas: Children's Medical Center Pediatric Research Institute - Amendment of the Fiscal Year 2010-2015 Capital Improvement Program to include project; approval of total project cost; authorization of institutional management; appropriation of funds; and resolution regarding parity debt (Final Board approval)

The Board amended the Fiscal Year 2010-2015 Capital Improvement Program (CIP) to include the Children's Medical Center Pediatric Research Institute project at The University of Texas Southwestern Medical Center at Dallas as follows:

Project No.:	303-567	
Institutionally Managed:	Yes	No
Project Delivery Method:	Construction Manager at Risk	
Substantial Completion Date:	January 2012	
Total Project Cost:	Source	Current
	Revenue Financing System Bond Proceeds	\$15,400,000

- a. approve a total project cost of \$15,400,000 with funding from Revenue Financing System Bond Proceeds;
- b. authorize U. T. Southwestern Medical Center – Dallas to manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts;
- c. appropriate funds; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that
  - parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt;
  - sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. System Board of Regents relating to the Financing System; and
  - U. T. Southwestern Medical Center – Dallas, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$15,400,000.

#### Debt Service

The \$15,400,000 in Revenue Financing System debt will be repaid from rental payments from the Children's Medical Center. Annual debt service on the \$15,400,000 Revenue Financing System debt is expected to be \$1,235,735. The institution's debt service coverage is expected to be at least 1.6 times and average 2.2 times over FY 2010-2015.

#### Project Description

The project for the construction of a Children's Medical Center Pediatric Research Institute involves finish-out of interior space located on Levels 11 and 12 of the North Campus Phase 5 Building, which is under construction. The total area of the Pediatric Research Institute is 55,832 gross square feet. The shell-out space has not previously been assigned and is not included in

the current funding for the Phase 5 project. The purpose of the Institute is to provide funding for U. T. Southwestern Medical Center – Dallas faculty to conduct basic research in childhood diseases.

The Institute will be operated as a joint venture between U. T. Southwestern Medical Center – Dallas and Children's Medical Center of Dallas.

This repair and rehabilitation project has been approved by University of Texas System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be approved by the President at a later date. It has been determined that this project would best be managed by the U. T. Southwestern Medical Center – Dallas Facility Management personnel who have the experience and capability to manage all aspects of the work.

5. U. T. San Antonio: Multifunction Office Buildings 1 and 2 - Amendment of the Fiscal Year 2010-2015 Capital Improvement Program to redesignate the project as the Multifunction Office Building; approval of design development; appropriation of funds and authorization of expenditure; and approval of evaluation of alternative energy economic feasibility (Final Board approval)

The Board approved the recommendations for the Multifunction Office Buildings 1 and 2 project at The University of Texas at San Antonio as follows:

Project No.:	401-502	
Project Delivery Method:	Construction Manager at Risk	
Substantial Completion Date:	April 2011	
Total Project Cost:	Source	Current
	Designated Funds	\$15,250,000
Investment Metrics:	By 2011	
	<ul style="list-style-type: none"><li>• Add 49,000 net assignable square feet to make more educational and general space available in core campus buildings</li><li>• Reduce overall campus educational and general space deficit</li></ul>	

- a. amend the Fiscal Year 2010-2015 Capital Improvement Program (CIP) to redesignate the project as the Multifunction Office Building;
- b. approve design development plans;
- c. appropriate funds and authorize expenditure of funds; and
- d. approve the evaluation of alternative energy economic feasibility.



### Previous Board Actions

On February 12, 2009, the project was included in the CIP with a total project cost of \$4,750,000 with funding from Designated Funds and was approved for institutional management. On August 20, 2009, the Board approved the increase to the total project cost to \$15,250,000 with funding from Designated Funds and authorized Office of Facilities Planning and Construction management.

### Project Description

The project will house additional office and administrative space by providing a two-story, 75,326 gross square foot structure with a first floor breezeway. The building's configuration will create an exterior courtyard, identifying the main entry feature and a common space consistent with the Campus Master Plan. The building will be located on the 1604 Campus between the Humanities and Social Sciences Building and the North Parking Garage. Moving administrative functions to the new building will free up classroom space in core academic buildings to support the increased student population.

*Texas Government Code* Section 2166.403 requires the governing body of a State agency to verify in an open meeting the economic feasibility of incorporating alternative energy devices into a new State building or an addition to an existing building. Therefore, the Project Architect prepared a renewable energy evaluation for this project in accordance with the Energy Conservation Design Standards for New State Buildings. This evaluation determined that alternative energy devices such as solar, wind, biomass, or photovoltaic energy are not economically feasible for the project.

#### 6. U. T. Medical Branch – Galveston: Campus Master Plan update

This item was for consideration only by the Committee (see Committee Minutes).

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS.--At 12:16 p.m., the Board voted and approved the Standing Committee recommendations.

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on May 12-13, 2010, in Austin, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 12:20 p.m.

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

March 23, 2010

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION  
DOCKET NO. 141**

January 21, 2010

The Docket for The University of Texas System Administration and the Dockets recommended by the respective presidents and prepared by the institutions listed below are submitted for discussion and appropriate action regarding approval of the Docket at the meeting of the U. T. System Board of Regents on February 5, 2010. The Chancellor, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Health Affairs, and the Vice Chancellor and General Counsel concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	Docket 1 - 6
The University of Texas at Arlington	Docket 7
The University of Texas at Austin	Docket 8 - 14
The University of Texas at Brownsville	Docket 15 - 16
The University of Texas at Dallas	Docket 17
The University of Texas at El Paso	Docket 18 - 22
The University of Texas – Pan American	Docket 23
The University of Texas at San Antonio	Docket 24 - 25
The University of Texas at Tyler	Docket 26
The University of Texas Southwestern Medical Center at Dallas	Docket 27
The University of Texas Medical Branch at Galveston	Docket 28 - 31
The University of Texas Health Science Center at Houston	Docket 32 - 34
The University of Texas Health Science Center at San Antonio	Docket 35
The University of Texas M. D. Anderson Cancer Center	Docket 36 - 46

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## U. T. SYSTEM ADMINISTRATION

### CONTRACTS

The following contracts have been administratively approved by the Executive Vice Chancellor for Business Affairs and are recommended for approval by the U. T. System Board of Regents:

#### GENERAL CONTRACTS

##### FUNDS GOING OUT

1. Agency: Marcis and Associates, Inc.  
Funds: Potential to exceed \$1,000,000 annually based on services provided but will not exceed \$1,307,704  
Period: September 1, 2009 through August 31, 2011 with the possibility of three 1-year extensions  
Description: Provide custodial services on an exclusive basis for the five downtown U. T. System Administration buildings and the Police Training Academy in Austin, Texas.
2. Agency: Carter & Burgess, Inc.  
Funds: Contracting expenditures are anticipated to exceed \$1,000,000 per year for each year of the contract  
Period: February 10, 2010 through February 11, 2011  
Description: The firm agrees to perform miscellaneous technical commissioning services for U. T. System on a job order basis.
3. Agency: Willis of Texas, Inc.  
Funds: \$3,444,692 estimate based on services utilized  
Period: December 31, 2003 through December 31, 2010  
Description: Willis of Texas, Inc. agrees to manage the Rolling Owner Controlled Insurance Program (ROCIP) and other related necessary and appropriate services. The ROCIP provides Workers' Compensation and General Liability insurance coverage for all contractors working on designated U. T. System construction projects. Benefits include lower insurance premiums due to bulk purchasing, consistency of insurance provided on each project, enhanced safety and loss control, and cost savings. Willis of Texas, Inc. provides administrator and broker services on ROCIP Phase IV.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT (CONTINUED)

4. Agency: Willis of Texas, Inc.  
Funds: \$1,640,000 estimate based on services utilized  
Period: August 1, 2008 through August 31, 2012  
Description: Willis of Texas, Inc. agrees to provide for the implementation of insurance programs and other related necessary and appropriate services as defined by the scope of work. The U. T. System Office of Risk Management uses a pool of pre-qualified brokers for the procurement of insurance and related services. Willis of Texas, Inc. is the broker used for U. T. System's property insurance program and related services including marketing, policyholder services, claims, and property conservation engineering.
5. Agency: UniMed Direct, LLC.  
Funds: \$2,250,000 Estimate based on services utilized  
Period: September 1, 2009 through August 31, 2012  
Description: UniMed Direct, LLC. will audit workers' compensation medical bills and provide medical claims management services for hospital, physician, prescription drug, and other ancillary medical services provided to U. T. System employees who have incurred on-the-job injuries or illnesses. UniMed Direct, LLC. provides medical expertise and ensures that charges on medical bills and medical services are in compliance with reimbursement and treatment schedules promulgated by the Texas Department of Insurance, Division of Workers' Compensation.

## AMENDMENTS TO THE 2009-10 BUDGET

### TRANSFERS OF FUNDS

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

Description	\$ Amount	RBC #
<b>DESIGNATED FUNDS</b>		
1. Amount of Transfer:	1,000,000	141
From: Workers' Compensation Insurance Self-insured Fund		
To: Unemployment Compensation Insurance (UCI) Self-insured Fund		
Temporary loan to maintain positive fund balance as a result of unanticipated unemployment compensation claims expenses arising from the 2008 reduction in force at U. T. Medical Branch – Galveston and larger than expected claims expenses Systemwide. The UCI Fund will repay these funds as soon as possible and the UCI Fund will be replenished over the next three years.		
2. Amount of Transfer:	2,163,379	142
From: Business Interruption Fund		
To:	968	
U. T. Arlington	10,219	
U. T. Austin	1,030	
U. T. San Antonio	1,088,739	
U. T. Southwestern Medical Center – Dallas	993,979	
U. T. Health Science Center – San Antonio	68,444	
U. T. Health Science Center – Tyler		
Transfer to liquidate Business Interruption (BI) Fund. The BI fund was established in 2006 from the Medical Professional Liability Fund (MPLI) for BI losses not otherwise covered by commercial or self-insurance programs. The Fund was depleted after payments to U. T. Medical Branch – Galveston, U. T. Health Science Center – Houston, and U. T. M. D. Anderson Cancer Center for \$ 3,319,901 for BI losses incurred due to Hurricane Ike. The remaining balance in the Fund including interest is distributed to the institutions above based on the percentage paid into the MPLI plan in Fiscal Year 2006.		



**AMENDMENTS TO THE 2009-10 BUDGET (CONTINUED)**

**TRANSFERS OF FUNDS (CONTINUED)**

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
DESIGNATED FUNDS (Continued)		
3. Amount of Transfer:	3,355,055	143
From: Rolling Owner Controlled Insurance Program (ROCIP)		
To: U. T. Arlington	34,814	
U. T. Austin	710,311	
U. T. Brownsville	61,993	
U. T. Dallas	119,349	
U. T. El Paso	15,631	
U. T. Pan American	56,583	
U. T. San Antonio	180,170	
U. T. Permian Basin	37,966	
U. T. Tyler	7,281	
U. T. Southwestern Medical Center – Dallas	564,254	
U. T. Medical Branch – Galveston	42,825	
U. T. Health Science Center – Houston	111,975	
U. T. Health Science Center – San Antonio	201,837	
U. T. M. D. Anderson Cancer Center	1,210,066	

Transfer to rebate surplus premium contributions to institutions paid in Phases I-III of ROCIP in proportion to premiums paid into the fund. The surplus amount was actuarially determined and reflected better than expected claim experience in ROCIP.

## OTHER MATTERS

### APPROVAL OF NEWLY COMMISSIONED U. T. SYSTEM PEACE OFFICERS

In accordance with Chapter 51.203 of the *Texas Education Code*, the U. T. System Board of Regents is requested to approve the commissioning of the individuals listed below as peace officers effective December 11, 2009. The following officers have completed a course of training that included mandated Texas Commission on Law Enforcement Officer Standards and Education courses at The University of Texas System Police Training Academy and have successfully passed the State of Texas Peace Officer Licensing Examination.

<u>Name</u>	<u>Institution</u>
Jennifer D. Boland	U. T. Austin
Kristina L. Bryant	U. T. Dallas
Jennifer Paige Butler	U. T. Austin
Joseph B. Cadwell	U. T. Austin
Jerry W. Chessher, Jr.	U. T. San Antonio
Cleburn R. Eardley	U. T. Dallas
Jay M. Grisham, Jr.	U. T. Arlington
Megan Renee Lopez	U. T. Permian Basin
Gina M. Monte	U. T. Austin
Matthew S. Patchin, Jr.	U. T. Dallas
Stacey R. Rotunno	U. T. Dallas

## REAL ESTATE REPORT

### THE UNIVERSITY OF TEXAS SYSTEM SEPARATELY INVESTED ASSETS Managed by U. T. System

Summary Report at November 30, 2009

	FUND TYPE							
	Current Purpose Restricted		Endowment & Similar Funds		Annuity & Life Income Funds		TOTAL	
	Book	Market	Book	Market	Book	Market	Book	Market
<b>Land &amp; Buildings:</b>								
Ending Value 8/31/09	\$ 3,783,238	\$ 29,301,964	\$ 103,988,396	\$ 282,957,261	\$ 1,843,260	\$ 3,984,785	\$ 109,614,894	\$ 316,244,010
Increase or Decrease	(1)	(1)	(156,715)	(6,331,972)	-	-	(156,716)	(6,331,973)
Ending Value 11/30/09	\$ 3,783,237	\$ 29,301,963	\$ 103,831,681	\$ 276,625,289	\$ 1,843,260	\$ 3,984,785	\$ 109,458,178	\$ 309,912,037
<b>Other Real Estate:</b>								
Ending Value 08/31/09	\$ 72,446	\$ 72,446	\$ 153,828	\$ 153,828	\$ -	\$ -	\$ 226,274	\$ 226,274
Increase or Decrease	(1,415)	(1,415)	(2,330)	(2330)	-	-	(3,745)	(3,745)
Ending Value 11/30/09	\$ 71,031	\$ 71,031	\$ 151,498	\$ 151,498	\$ -	\$ -	\$ 222,529	\$ 222,529

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

Details of individual assets by account furnished on request.

Note: Surface estates are managed by the U. T. System Real Estate Office. Mineral estates are managed by U. T. System University Lands – West Texas Operations. The royalty interests received from the Estate of John A. Jackson for the John A. and Katherine G. Jackson Endowed Fund in Geosciences are managed by the U. T. Austin Geology Foundation, with the assistance of the Bureau of Economic Geology.

## **U. T. ARLINGTON**

### **CONTRACTS**

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

#### **GENERAL CONTRACTS**

##### **FUNDS COMING IN**

1. Agency: The City of Arlington, Texas  
Funds: \$18,000,000  
Period: August 2010 through August 2040  
Description: Contract with the City of Arlington concerning the Special Events Center Parking Garage and Residence Hall Project. The City has agreed to fund one-half of the cost to construct the parking garage with annual payments not to exceed \$600,000 per year. Payments will be made on February 1<sup>st</sup> and August 1<sup>st</sup> of each year after the construction of the parking garage has commenced in August 2010.

## U. T. AUSTIN

### CONTRACTS

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

#### GENERAL CONTRACTS

##### FUNDS COMING IN

1. Agency: The University of Trinidad and Tobago  
Funds: \$3,000,000  
Period: September 1, 2009 through August 31, 2012  
Description: First amendment and extension of the collaboration agreement wherein U. T. Austin will assist the University of Trinidad and Tobago with its undergraduate and graduate degree programs in Petroleum Engineering; the development of a strong research capability; the organization and management of the Natural Gas Institute of the Americas; preparation for formal accreditation proceedings; and plans for a vocational center designed to train drilling crews. The extension increases the total contract amount from \$5,000,000 to \$8,000,000 and revises other provisions.
  
2. Agency: NIKE USA, Inc.  
Funds: \$2,100,000  
Period: December 1, 2009 through June 30, 2016  
Description: Third amendment and extension of the current agreement for NIKE USA, Inc. to be the exclusive provider of athletic footwear, apparel, and accessory products for the Departments of Intercollegiate Athletics for Men and Intercollegiate Athletics for Women. The extension increases the amount of NIKE products to the Intercollegiate Athletics programs and extends the agreement one year from 2015 to 2016.

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS COMING IN (CONTINUED)**

3. Agency: ARAMARK Educational Services of Texas, LLC  
Funds: \$500,000 (estimated additional revenue)  
Period: January 1, 2010 through May 31, 2021  
Description: Third amendment to the food services agreement between U. T. Austin and ARAMARK Educational Services of Texas, LLC to add services at the new Student Activity Center (due to be completed on or about June 2011), extend the term of the agreement an additional six years beyond the existing contract end date, and revise or add other provisions, including a \$2,000,000 capital investment by ARAMARK to build out the food services area in the Student Activity Center.
4. Agency: The U.S. National Archives and Records Administration  
Funds: \$12,000,000 (including renewals)  
Period: March 1, 2010 through February 28, 2011 with four one-year renewal options  
Description: Agreement between the U.S. National Archives and Records Administration and U. T. Austin Facilities Services to provide facilities management services including custodial, security, and building maintenance at the Lyndon Baines Johnson Library and Museum.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT

5. Agency: Interfacing Company of Texas, Inc.  
Funds: \$1,979,000  
Period: October 1, 2009 through September 30, 2029  
Description: Dark fiber indefeasible right to use agreement between U. T. Austin on behalf of the U. T. System Office of Telecommunication Services and Interfacing Company of Texas, Inc. to install, maintain, and provide dark fiber services for and between University of Houston – Main Campus, U. T. Medical Branch – Galveston – Victory Lakes Campus in League City, U. T. Medical Branch – Galveston, U. T. Health Science Center – Houston, and Houston Regional Data Center at U. T. M. D. Anderson Cancer Center. Dark fiber is optical fiber that is currently in place, but is not being used. An indefeasible right to use agreement is one whereby a party obtains the right to use specifically identified strands of dark fiber from another party. Under this agreement, U. T. Austin is obtaining the right from Interfacing Company of Texas, Inc. to use specifically identified strands of dark fiber for 20 years. At the end of the agreement, as long as U. T. Austin maintains the strands of fiber, Interfacing Company of Texas, Inc. will convey the fiber to U. T. Austin.

**AMENDMENTS TO THE 2009-10 BUDGET**

**TENURE APPOINTMENTS**

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS**

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
<b>COLLEGE OF ENGINEERING</b>					
Mechanical Engineering Professor and Director Energy Institute					
1. Raymond L. Orbach (T)	9/1-5/31	0	09	225,000	3299
	9/1-8/31	100	12	300,000	
Associate Professor					
2. Wei Li (T)	1/16-5/31	100	09	110,000	3366
<b>COLLEGE OF LIBERAL ARTS</b>					
English Professor					
3. Elizabeth McCracken (T)	1/16-5/31	100	09	105,000	3367
Government Associate Professor					
4. Lorraine S. Pangle (T)	9/1-5/31	100	09	94,500	3300
Psychology and Neurobiology Professor and Director Imaging Research Center					
5. Russell A. Poldrack (T)	9/1-5/31	75	09	170,000	3301
	9/1-8/31	25	12	226,667	
Sociology					
6. Gideon A. Sjoberg					3302
From: Professor (T)		100	09	80,000	
To: Professor Emeritus	9/1-5/31				0



**AMENDMENTS TO THE 2009-10 BUDGET (CONTINUED)**

**TENURE APPOINTMENTS (CONTINUED)**

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF PHARMACY					
Pharmacy					
Associate Professor					
7. Zhengrong Cui (T)	1/1-5/31	100	09	90,000	3358

**TRANSFERS OF FUNDS**

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
DESIGNATED FUNDS		
School of Nursing		
8. Amount of Transfer:	1,009,256	3331
From: Central Texas Community Health Centers – Operating Income	1,009,256	
To: Administrative and Professional Salaries	188,052	
Classified Salaries	513,193	
Fringe Benefits	240,256	
Wages	20,000	
Maintenance and Operation	47,755	

Distribution of the allocation from the Central Texas Community Health Centers to set up a budget for Fiscal Year 2010.

**PLANT FUNDS**

Project Management and Construction Services

9. Amount of Transfer:	1,200,000	3355
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From: Designated Funds – Sematech Sublease  
Operating Income

To: WWH – Renovation of First and Second Floors  
All Expenses

Funding for renovation of the first and second floors in Walter Webb Hall for the Office of Public Affairs and the Visitors Center.

**AMENDMENTS TO THE 2009-10 BUDGET (CONTINUED)**

**TRANSFERS OF FUNDS (CONTINUED)**

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
PLANT FUNDS (Continued)		
Project Management and Construction Services		
10. Amount of Transfer:	1,000,000	3354
From: Housing and Food Service – General Repair and Replacement Reserve		
To: JCD – Jester West Lobby Renovation All Expenses		
Funding for renovation of the Jester West Entry Lobby and 24-hour desk in the Beauford H. Jester Center Dormitory.		
11. Amount of Transfer:	620,000	3353
From: Gift Funds – Geological Sciences New Faculty Renovation Costs Climate Isotope Laboratory		
To: JGB – Jackson Geological Sciences Building Lab Renovation 5 <sup>th</sup> Floor All Expenses		
Supplemental funding for research laboratory renovations in the Jackson Geological Sciences Building.		
12. Amount of Transfer:	539,000	3352
From: Designated Funds – Natural Sciences Flat Rate Tuition Operating Income		
To: WEL – Robert A. Welch Hall North Plaza Improvements – All Expenses		
Funding for development of student study spaces in the Robert A. Welch Hall North Plaza courtyard.		

**AMENDMENTS TO THE 2009-10 BUDGET (CONTINUED)**

**TRANSFERS OF FUNDS (CONTINUED)**

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION ALLOCATION (LERR) College of Fine Arts		
13. Amount of Transfer:	1,100,000	3385
From: Library, Equipment, Repair and Rehabilitation project for Engineering Science Building	340,000	
Library, Equipment, Repair and Rehabilitation project for Engineering Teaching Center	420,000	
Library, Equipment, Repair and Rehabilitation project for Ernest Cockrell Jr., Hall	340,000	
To: The F. Loren Winship Drama Building	1,100,000	

Transfer funds from previously approved LERR projects for the Engineering Science Building, Engineering Teaching Center, and Ernest Cockrell Jr., Hall to a new project to address a high-priority fire and safety renovation at The F. Loren Winship Drama Building. Subject to completion of a project planning form, the Winship Fire and Life Safety project will automatically be added to the Capital Improvement Program and will be subject to procedures for construction projects established by the U. T. System Board of Regents.

## U. T. BROWNSVILLE

### CONTRACTS

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

#### GENERAL CONTRACTS

##### FUNDS COMING IN

1. Agency: CV Services  
Funds: \$21,000  
Period: September 1, 2009 through August 31, 2012  
Description: CV Services agrees to furnish and service food and beverage vending machines on the U. T. Brownsville campus. *Texas Government Code* Section 2203.005(a) requires all vending machine agreements to be approved by the Board.

**AMENDMENTS TO THE 2009-10 BUDGET**

**TENURE APPOINTMENTS**

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS**

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
<b>SCHOOL OF HEALTH SCIENCES</b>					
Vocational Nursing					
Assistant Master Technical Instructor					
1. Norma Loya (T)	9/1-8/31	100	12	60,036	3271
Technical Instructor					
2. Ofelia Hess					3282
From: Technical Instructor		100	09	53,001	
To: Assistant Master Technical Instructor (T)	9/1-5/31	100	09	58,032	

U. T. DALLAS

AMENDMENTS TO THE 2009-10 BUDGET

TENURE APPOINTMENTS

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
ERIK JONSSON SCHOOL OF ENGINEERING AND COMPUTER SCIENCE					
Professor, Texas Instruments Distinguished Chair in Analog Circuits and Systems, and Director of the Center for Analog Systems					
1. Kenneth K. O (T)	9/1-5/31	100	09	180,000	3314
	9/1-8/31	SUPPL	12	12,000	
	9/1-8/31	SUPPL	12	24,000	
Professor and Cecil and Ida Green Systems Biology Chair #2					
2. Mathukumalli Vldyasaga (T)	9/1-5/31	100	09	162,000	3316
	9/1-5/31	SUPPL	09	18,000	

## U. T. EL PASO

### CONTRACTS

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

#### GENERAL CONTRACTS

##### FUNDS COMING IN

- Agency: Dallas MTA, LP d/b/a Verizon Wireless

Funds: Anticipated to exceed \$1,000,000 during the second option period

Period: Initial period is 10 years from the commencement date with two five-year options to extend. Effective date of the contract will be February 12, 2010 at which time the 270 day inspection period will begin. Commencement of the contract will begin on or before the expiration of the inspection period as more specifically defined in the contract.

Description: Verizon Wireless agrees to enter into a ground lease and build a telecommunications tower on University property. The tower will house the Verizon Wireless antenna. Additionally, they will negotiate and collocate three additional wireless carriers on the tower.

**AMENDMENTS TO THE 2009-10 BUDGET**

**TENURE APPOINTMENTS**

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS**

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate \$</u>	<u>RBC #</u>
<b>COLLEGE OF HEALTH SCIENCES</b>					
Health Promotions					
1. Brenda A. Smith					3378
From: Associate Professor (T)		100	09	61,565	
To: Associate Professor Emeritus	9/1-5/31			0	
Dr. Smith retired August 31, 2009. Request Associate Professor Emeritus status effective September 1, 2009.					

<b>COLLEGE OF LIBERAL ARTS</b>					
Languages and Linguistics					
2. Richard V. Teschner					3376
From: Professor (T)		100	09	80,523	
To: Professor Emeritus	9/1-5/31			0	
Approval of the title change is being requested now to allow President Natalicio the opportunity to announce the award of the honorary title at the spring commencement. The honorary title designation will not take effect until September 1, 2010.					



**AMENDMENTS TO THE 2009-10 BUDGET (CONTINUED)**

**TENURE APPOINTMENTS (CONTINUED)**

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF LIBERAL ARTS (Continued)					
Sociology and Anthropology					
3. Cheryl A. Howard					3377
From: Associate Professor (T)		100	09	68,295	
To: Associate Professor Emeritus	9/1-5/31			0	

Approval of the title change is being requested now to allow President Natalicio the opportunity to announce the award of the honorary title at the spring commencement. The honorary title designation will not take effect until September 1, 2010.

COLLEGE OF SCIENCE

Chemistry

4. Michael P. Eastman					3375
From: Professor (T)		100	09	118,545	
To: Professor Emeritus	9/1-5/31			0	

Approval of the title change is being requested now to allow President Natalicio the opportunity to announce the award of the honorary title at the spring commencement. The honorary title designation will not take effect until September 1, 2010.

SCHOOL OF NURSING

Associate Professor

5. Leslie K. Robbins (T)	9/1-5/31	100	09	80,000	3374
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**AMENDMENTS TO THE 2009-10 BUDGET (CONTINUED)**

**TRANSFERS OF FUNDS**

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
Higher Education Incentive fund		
6. Amount of Transfer:	683,759	3380

From: Texas Higher Education Coordinating Board – Higher Education Incentive Fund

To: Education and General Funds: Higher Education Incentive Funds

To record an additional allocation of Higher Education Incentive funding as per the Texas Higher Education Coordinating Board.

**AMENDMENTS TO THE 2008-09 BUDGET**

**TENURE APPOINTMENTS**

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
SCHOOL OF NURSING					
7. Robert L. Anders					3379
From: Professor (T)		100	09	118,583	
To: Professor Emeritus	8/14-8/31			0	

## **OTHER FISCAL ITEMS**

### **PURCHASE ORDERS – MORE THAN \$1,000,000**

The following purchase order has been administratively approved by the President and is recommended for approval by the U. T. System Board of Regents:

#### **FUNDS GOING OUT**

1. Agency: JEOL USA, Inc.  
Funds: \$1,799,999  
Title/Description: Purchase order for a Field Emission Electron Microscope and all related attachments and accessories to be utilized by the Department of Chemistry at U. T. El Paso.

## U. T. PAN AMERICAN

### OTHER FISCAL ITEMS

#### EMPLOYMENT AGREEMENTS

The following agreement has been awarded, has been approved by the Chancellor, and is recommended for approval by the U. T. System Board of Regents. Such employment under this agreement is subject to the Regents' *Rules and Regulations*, Rules 10501 and 20201 and *Texas Education Code*, Section 51.948.

1. Item: President  
Funds: \$300,000 annually  
Period: Beginning January 1, 2010  
Description: Agreement for employment of Robert S. Nelsen, Ph.D. as President of The University of Texas – Pan American. The President reports to the Chancellor and the Executive Vice Chancellor for Academic Affairs and shall hold office without fixed term subject to the pleasure of the Chancellor. U. T. Pan American will reimburse club and professional memberships as approved by the Executive Vice Chancellor for Academic Affairs, continuing education expenses, and reasonable travel expenses. Additionally, U. T. Pan American will make direct payment for the actual costs of reasonable expenses related to moving household, personal, and professional possessions as well as temporary housing costs prior to acquisition of a permanent place of residence for up to one year. Dean Dahlia Guerra has proposed a tenure appointment for Dr. Nelsen as Professor, without salary during his term as President, in the College of Arts and Humanities at U. T. Pan American.

**U. T. SAN ANTONIO**  
**AMENDMENTS TO THE 2009-10 BUDGET**

**TRANSFER OF FUNDS**

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

<u>Description</u>	<u>\$ Amount</u>	<u>RBC #</u>
Facilities and Administrative Cost Recovery		
1. Amount of Transfer:	1,350,000	3356

From: F&A Cost Recovery

To: Facilities and Administrative Distribution (VP Research); Facilities and Administrative Distribution (VP Academic Affairs); Facilities and Administrative Cost Recovery

Increase original budget as a result of higher than expected Facilities and Administrative Cost Recovery revenues and allocate spending authority. The original budget was \$6,150,000 and is being revised to \$7,500,000.

## OTHER FISCAL ITEMS

### EMPLOYMENT AGREEMENTS

The following agreement has been executed, has been approved by the Executive Vice Chancellor for Academic Affairs, and is recommended for approval by the U. T. System Board of Regents. Such employment under this agreement is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at San Antonio is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at San Antonio. The violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay or dismissal.

1. Item: Head Football Coach

Funds: April 1, 2009 – August 31, 2009 \$ 83,333  
September 1, 2009 – August 31, 2010 \$200,000  
September 1, 2010 – August 31, 2011 \$210,000  
September 1, 2011 – August 31, 2012 \$220,000  
September 1, 2012 – August 31, 2013 \$232,000  
September 1, 2013 – August 31, 2014 \$244,000  
September 1, 2014 – August 31, 2015 \$256,000  
September 1, 2015 – December 31, 2015 \$ 90,333

Period: April 1, 2009 through December 31, 2015

Description: Initial agreement for employment of Head Football Coach, Larry Coker, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

U. T. TYLER

AMENDMENTS TO THE 2009-10 BUDGET

TENURE APPOINTMENTS

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
COLLEGE OF ARTS AND SCIENCES Communication Professor					
1. Dennis Cali (T)	9/1-5/31	100	09	71,250	3363

## U. T. SOUTHWESTERN MEDICAL CENTER – DALLAS

### CONTRACTS

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

#### GENERAL CONTRACTS

##### FUNDS COMING IN

1. Agency: Dallas County Hospital District dba Parkland Health and Hospital System  
Funds: \$1,949,867  
Period: October 1, 2009 through September 30, 2010  
Description: U. T. Southwestern will provide surgical intensive care unit staffing and on-call physician services to Dallas County Hospital District.

##### FUNDS GOING OUT

2. Agency: Krause Advertising, Inc.  
Funds: \$3,378,800  
Period: October 15, 2009 through August 31, 2010  
Description: Krause Advertising will provide multi-media brand image campaign services.



## U. T MEDICAL BRANCH – GALVESTON

### CONTRACTS

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

#### GENERAL CONTRACTS

##### FUNDS COMING IN

1. Agency: Executive Vending Services  
Funds: \$160,000  
Period: September 20, 2009 through August 31, 2012  
Description: Executive Vending Services agrees to furnish and service food and beverage vending machines on the campus. *Texas Government Code*, Section 2203.005(a) requires all vending machine agreements to be approved by the Board of Regents.
2. Agency: Texas Youth Commission (TYC)  
Funds: \$17,374,679  
Period: October 1, 2009 through August 31, 2010  
Description: U. T. Medical Branch – Galveston will continue to provide comprehensive health care services to all youth incarcerated at TYC facilities.
3. Agency: Texas Tech University Health Sciences Center (TTUHSC)  
Funds: \$12,000,000  
Period: September 1, 2009 through August 31, 2011  
Description: U. T. Medical Branch – Galveston will provide pharmaceutical and dispensing services for TTUHSC at the Texas Department of Criminal Justice facilities for which TTUHSC is responsible.
4. Agency: Texas Department of State Health Services (DSHS)  
Funds: \$5,228,171  
Period: October 1, 2009 through September 30, 2010  
Description: U. T. Medical Branch – Galveston will continue to administer the DSHS Special Supplemental Nutrition Program for women, infants, and children.

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS COMING IN (CONTINUED)**

5. Agency: Texas Department of State Health Services  
Funds: \$393,365  
Period: September 15, 2009 through July 31, 2010  
Description: U. T. Medical Branch – Galveston provides comprehensive public health and emergency response services in urban and rural areas.
6. Agency: Texas Department of State Health Services  
Funds: \$866,738  
Period: September 15, 2009 through July 31, 2010  
Description: U. T. Medical Branch – Galveston will provide additional H1N1 vaccinations under the public health and emergency response services contract.
7. Agency: Texas Department of State Health Services  
Funds: \$1,089,606  
Period: November 1, 2009 through August 31, 2010  
Description: U. T. Medical Branch – Galveston will continue to provide comprehensive family planning services, which include medical, counseling, client education, referral, community education, and outreach services to Title X eligible individuals.
8. Agency: Texas Department of State Health Services  
Funds: \$1,412,512  
Period: November 1, 2009 through August 31, 2010  
Description: U. T. Medical Branch – Galveston will continue to provide family planning services to Title XX eligible individuals.

**AMENDMENTS TO THE 2009-10 BUDGET**

**TENURE APPOINTMENTS**

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS**

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
<b>ACADEMIC ENTERPRISE</b>					
Institute for the Medical Humanities PMCH Administration					
1. Harold Y. Vanderpool					3342
From: Professor (T)		100	12	126,862	
To: Professor Emeritus	1/1-8/31			0	
Internal Medicine – Geriatrics Professor					
2. Karl Eschbach (T)	1/1-8/31	100	12	145,000	3350
Obstetrics and Gynecology Health Services Research School of Nursing Faculty Salaries					
3. Martha Hargraves					3327
From: Associate Professor (T) Adjunct Associate Professor		100	12	127,346	
To: Associate Professor Emeritus	9/1-8/31			0	
Pathology Faculty					
4. Daniel F. Cowan					3297
From: Professor (T)		100	12	232,007	
To: Professor Emeritus	9/1-8/31			0	

## OTHER MATTERS

### APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' *Rules and Regulations*, Rule 30103 and is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this office or position is of benefit to the State of Texas and The University of Texas and there is no conflict between holding this position and the appointment of Dr. Raimer with The University of Texas Medical Branch at Galveston. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

- |               |   |
|---------------|---|
| Name:         | Ben Raimer, M.D.  |
| Title:        | Senior Vice President, Health Policy and Regulative Affairs   |
| Position:     | Chair, Health Disparities Task Force  |
| Period:       | November 24, 2009 through February 1, 2011  |
| Compensation: | Per diem expenses only  |
| Description:  | Governor Perry appointed Dr. Ben Raimer to chair the Health Disparities Task Force. Dr. Raimer will lead the task force in efforts to close the gap in access to health care among special or underserved populations across Texas. |

**U. T. HEALTH SCIENCE CENTER – HOUSTON**

**AMENDMENTS TO THE 2009-10 BUDGET**

**TENURE APPOINTMENTS**

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS**

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

<u>Description</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate \$</u>	
<b>INSTITUTE OF MOLECULAR MEDICINE</b>					
Institute of Molecular Medicine					
1. Irma Gigli					3368
From: Professor and Hans Muller-Eberhard Chair (T)		35	12	103,572	
To: Professor Emeritus in Immunology	1/1-8/31			0	
<b>SCHOOL OF HEALTH INFORMATION SCIENCES</b>					
Health Informatics					
Professor					
2. Vimla L. Patel (T)	11/1-8/31	100	12	264,000	3365
	11/1-8/31	SUPLT	12	31,800	
<b>SCHOOL OF PUBLIC HEALTH</b>					
Epidemiology and Disease Control					
Professor					
3. Laura E. Mitchell (T)	9/1-8/31	100	12	217,000	3335

## OTHER MATTERS

### THE UNIVERSITY OF TEXAS SYSTEM MEDICAL FOUNDATION, INC.

In accordance with the Articles of Incorporation, approval by the U. T. System Board of Regents is recommended for the following individuals to the Board of Directors of The University of Texas System Medical Foundation, Inc.

#### Appointment Effective January 1, 2010

<u>Name and Title</u>	<u>Address</u>	<u>Term Expires</u>
Brent King, M.D. Professor and Chairman, Department of Emergency Medicine and Executive Vice Dean for Clinical Affairs at the Medical School	1133 John Freeman Blvd., Houston, Texas 77030	December 31, 2010
Keely G. Smith, M.D. Assistant Professor, Pediatrics-Clinical, at the Medical School	6431 Fannin Houston, Texas 77030	December 31, 2010
Patricia M. Butler, M.D. Associate Dean for Educational Programs at the Medical School	1133 John Freeman Blvd., Houston, Texas 77030	December 31, 2010

The University of Texas System Medical Foundation, Inc. is a nonprofit corporation organized strictly for educational and scientific purposes. The Foundation functions within the framework of The University of Texas Health Science Center at Houston for the purpose of training graduate medical students, referred to as house staff or residents. As part of their training, house staff are contracted with and paid a stipend plus fringe benefits for their services by local hospitals participating in the Affiliated Hospitals Residency Training Program at Houston.

The Bylaws and Articles of Incorporation of The University of Texas System Medical Foundation, Inc. provide that directors succeeding the initial directors shall be appointed by the U. T. System Board of Regents for terms of one year and provide that each director shall hold office until a successor has been appointed and qualified. Dr. Butler is recommended for reappointment and will serve as Vice President, a position previously held by Dr. Bungo. Dr. Smith is recommended for an appointment as Secretary/Treasurer, a position previously held by Dr. Butler. Dr. King is recommended for an appointment as President, a position previously held by Dr. Buja.

## OTHER MATTERS (CONTINUED)

### APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

The following item has been approved by the Executive Vice Chancellor for Health Affairs in accordance with the Regents' *Rules and Regulations*, Rule 30103 and is submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of this office or position is of benefit to the State of Texas and The University of Texas and there is no conflict between holding this position and the appointment of Dr. Gasko with The University of Texas Health Science Center at Houston. By approval of this item, the Board is also asked to find that holding this position is of benefit to the State of Texas and The University of Texas and there is no conflict between the position and the University.

- |               |   |
|---------------|---|
| Name:         | John Gasko, Ph.D.   |
| Title:        | Director, Children's Learning Institute State Initiatives   |
| Position:     | Chair, State Advisory Council on Early Childhood Education and Care   |
| Period:       | October 19, 2009 for term to expire at the pleasure of the Governor   |
| Compensation: | None; travel and related expenses will be reimbursed  |
| Description:  | Governor Perry has appointed Dr. Gasko to chair the State Advisory Council on Early Childhood Education and Care. The council will assess early childhood education and care programs across the state, and develop opportunities for collaboration and coordination among entities carrying out state and federally funded child development, child care, and early education programs in an effort to increase the number of children who have access to high quality programs. |

## U. T. HEALTH SCIENCE CENTER – SAN ANTONIO

### CONTRACTS

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

#### GENERAL CONTRACTS

##### FUNDS COMING IN

1. Agency: CV Services  
Funds: \$15,000  
Period: March 1, 2010 through August 31, 2013  
Description: CV Services agrees to furnish and service beverage vending machines at the Harlingen Regional Academic Health Center, and the Edinburg Regional Academic Health Center campus buildings. *Texas Government Code* Section 2203.005(a) requires all vending machine agreements to be approved by the Board.



## U. T. M. D. ANDERSON CANCER CENTER

### CONTRACTS

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

#### GENERAL CONTRACTS

##### FUNDS GOING OUT

- Agency: Alpha Building Corporation

Funds: Costs for projects selected for this vendor are based on the pricing information in the RS Means Building Construction Cost Data Book adjusted with a negotiated, local coefficient. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.

Period: Initial term is June 1, 2008 through May 31, 2010. Agreement may be renewed for two additional 2-year periods.

Description: A job order contracting agreement. Vendor will act as a general contractor to provide general and specific construction services for renovation projects on a per project basis. Vendor will provide all material, labor, equipment, and services necessary for completion of the project. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT (CONTINUED)

2. Agency: Brandes Brothers Constructors, Inc.  
Funds: Costs for projects selected for this vendor are based on the prepricing information in the RS Means Building Construction Cost Data Book adjusted with a negotiated, local coefficient. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term is July 1, 2008 through June 30, 2010. Agreement may be renewed for two additional 2-year periods.
- Description: A job order contracting agreement. Vendor will act as a general contractor to provide general and specific construction services for renovation projects on a per project basis. Vendor will provide all material, labor, equipment, and services necessary for completion of the project. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
3. Agency: Perkins & Will  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was January 1, 2007 through December 31, 2007. Three additional 12-month renewals have been utilized, and the current renewal period ends December 31, 2010. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide architectural and technical support services for renovations, repair, and minor construction projects of limited scope for health care facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT (CONTINUED)

4. Agency: Perkins & Will  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was January 1, 2007 through December 31, 2007. Three additional 12-month renewals have been utilized, and the current renewal period ends December 31, 2010. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide architectural and technical support services for renovations, repair, and minor construction projects of limited scope for research facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
5. Agency: Burns, DeLatte & McCoy, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for health care facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT (CONTINUED)**

6. Agency: Burns, DeLatte & McCoy, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for research facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
7. Agency: Ambrose, McEnany and House Architects  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was January 1, 2007 through December 31, 2007. Three additional 12-month renewals have been utilized, and the current renewal period ends December 31, 2010. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide architectural and technical support services for renovations, repair, and minor construction projects of limited scope for research facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT (CONTINUED)

8. Agency: Courtney Harper & Partners Architects  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was January 1, 2007 through December 31, 2007. Three additional 12-month renewals have been utilized, and the current renewal period ends December 31, 2010. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide architectural and technical support services for renovations, repair, and minor construction projects of limited scope for healthcare facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
9. Agency: Curry Boudreaux Architects, L.L.P.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was January 1, 2007 through December 31, 2007. Three additional 12-month renewals have been utilized, and the current renewal period ends December 31, 2010. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide architectural and technical support services for renovations, repair, and minor construction projects of limited scope for healthcare facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT (CONTINUED)

10. Agency: E&C Engineers & Consultants, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was January 1, 2007 through December 31, 2007. Three additional 12-month renewals have been utilized, and the current renewal period ends December 31, 2010. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for healthcare facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
11. Agency: E&C Engineers & Consultants, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for research facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

## CONTRACTS (CONTINUED)

### GENERAL CONTRACTS (CONTINUED)

#### FUNDS GOING OUT (CONTINUED)

12. Agency: FKP Architects, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was January 1, 2007 through December 31, 2007. Three additional 12-month renewals have been utilized, and the current renewal period ends December 31, 2010. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide architectural and technical support services for renovations, repair, and minor construction projects of limited scope for healthcare facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
13. Agency: Shah Smith & Associates, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for healthcare facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT (CONTINUED)**

14. Agency: Shah Smith & Associates, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.  
Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.  
Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for research facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
15. Agency: Tom Green and Company Engineers, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.  
Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.  
Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for research facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.



**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT (CONTINUED)**

16. Agency: Wiss, Janney, Elstner Associates, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for building envelope systems on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
17. Agency: Andrew Lonnie Sikes, Inc.  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term contract was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide land surveying and technical support services for projects of limited scope on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT (CONTINUED)**

18. Agency: Texas Energy Engineers, Inc., CCRD Partners  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for healthcare facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.
19. Agency: Texas Energy Engineers, Inc., CCRD Partners  
Funds: Costs for projects selected for this vendor are based on negotiated hourly labor rates for various skill levels. It is now anticipated that total costs under the agreement will exceed \$2,500,000, although the maximum amount is indeterminable at this time.
- Period: Initial term was February 1, 2007 through January 31, 2008. Three additional 12-month renewals have been utilized, and the current renewal period ends January 31, 2011. Agreement may be renewed for one additional 12-month period.
- Description: Vendor will provide engineering and technical support services for renovations, repair, and minor construction projects of limited scope for research facilities on a per-project basis. Services are on a non-exclusive, indefinite quantity basis, and there is no minimum amount of work required.

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT (CONTINUED)**

20. Agency: WGH Plaza del Oro, LLC  
Funds: Approximately \$1,364,160 in base rent plus a proportionate share of increases in operating expenses over the amount of operating expenses incurred during the base year (2010).  
Period: May 1, 2010 through August 31, 2015  
Description: A space lease amendment agreement for U. T. M. D. Anderson Cancer Center to lease approximately 17,371 square feet of additional office space located at 8060 El Rio, Houston, Texas. Total rentable space under the lease and all amendments will now be approximately 48,083 square feet. As required by UTS126 Policy - Processing of Space Lease Agreements, this space lease agreement has been reviewed by the U. T. System Real Estate Office and the Office of General Counsel.