

Meeting No. 1,081

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

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February 8-9, 2012

San Antonio, Texas

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 OF  
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MEETING NO. 1,081

WEDNESDAY, FEBRUARY 8, 2012.--The members of the Board of Regents of The University of Texas System convened at 11:13 a.m. on Wednesday, February 8, 2012, in the Regents' Room, Suite 3.106, Main Building, The University of Texas at San Antonio Main Campus, One UTSA Circle, San Antonio, Texas, with the following participation:

ATTENDANCE.--

Present

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

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

RECESS TO EXECUTIVE SESSION.--At 11:14 a.m., Chairman Powell announced the Board would recess to convene in Executive Session in the President's Conference Room, Suite 4.122Q of the Main Building 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 1:12 p.m., the Board reconvened in open session in Suite 3.106 of the Main Building.

DEMONSTRATION OF ELECTRONIC BOARD PORTAL BY DILIGENT BOARDBOOKS.--Chairman Powell said that several months ago, he had asked General Counsel to the Board Frederick to explore the possibility of moving the Board's agenda materials to a paperless alternative. He reported on the competitive process that resulted in a contract with Diligent Boardbooks to provide agenda materials in an electronic format as a pilot before moving to an electronic Board book in May 2012. Mr. Manuel Marin, a representative from Diligent Boardbooks, provided a short demonstration of access to the portal supporting the new e-agenda materials.

ACTION TAKEN ON MATTERS CONSIDERED IN EXECUTIVE SESSION

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

No action was taken on this item.

- 1b. U. T. System: Discussion and appropriate action regarding legal issues concerning impact of 1115 Medicaid waiver on health institutions

No action was taken on this item.

- 1c. U. T. Medical Branch - Galveston: Discussion and appropriate action regarding legal issues concerning the provision of correctional managed care

No action was taken on this item. (Related Item C on Page 6 was deferred.)

- 2a. U. T. Arlington: Authorization to purchase approximately 5.24 acres and improvements located at 1225 South Pecan Street, Arlington, Tarrant County, Texas, from PSSH, Ltd., a Texas limited partnership, at a price not to exceed fair market value as established by independent appraisals for campus student housing, and resolution regarding parity debt

Upon motion by Regent Hall, duly seconded, the Board took the following actions on behalf of The University of Texas at Arlington:

- a. authorized the purchase of approximately 5.24 acres and improvements located at 1225 South Pecan Street, Arlington, Tarrant County, Texas, from PSSH, Ltd., a Texas limited partnership, at a price not to exceed fair market value as established by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for campus student housing in accordance with the parameters outlined in Executive Session;
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action; and

- c. resolved in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (RFS) 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;
  - U. T. Arlington, 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 parity RFS debt in the aggregate amount not to exceed the maximum purchase price discussed in Executive Session; and
  - this action satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

Regent Gary abstained from discussion and vote because his company was involved in construction on the site. He has no ownership or financial interest in the property and legal counsel found no conflict.

The motion carried by acclamation.

- 2b. U. T. Austin: Approval to purchase approximately 0.4586 of an acre and improvements located on adjoining lots at 300 West Martin Luther King, Jr. Boulevard and 1902 Whitis Avenue, Austin, Travis County, Texas, owned by Mr. Carlos Oliveira and Mr. Edward A. Hempe, at a purchase price not to exceed fair market value as established by independent appraisals, with the property to be used for future programmed development of campus expansion or other purposes related to the institution's mission

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

- a. authorize the purchase of approximately 0.4586 of an acre of real property and improvements located on adjoining lots at 300 West Martin Luther King, Jr. Boulevard and 1902 Whitis Avenue, Austin, Travis County, Texas, owned by Mr. Carlos Oliveira and Mr. Edward A. Hempe, at a purchase price not to exceed fair market value as established by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition as deemed necessary or advisable by the Executive Director of Real Estate, for future programmed development of campus expansion or other purposes related to the institution's mission in accordance with the parameters outlined in the Executive Session; and
- b. authorize the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Vice Chairman Hicks seconded the motion, which carried unanimously.

- 2c. U. T. M. D. Anderson Cancer Center: Authorization to acquire the remaining undivided interests in Lot 3, Block 38, Institute Place, Houston, Harris County, Texas, from Ms. Denise Felchak Brown, Ms. Joan Smith, and Ms. Gladys Wood, or their heirs, beneficiaries, successors, or assigns, at a price not to exceed fair market value as established by an independent appraisal or through a judicial partition by sale proceeding to complete a land assemblage for future use as a location for buildings for campus administrative and support functions

Upon motion by Regent Stillwell, duly seconded, the Board took the following actions on behalf of The University of Texas M. D. Anderson Cancer Center:

- a. authorized the acquisition of the remaining undivided interests in Lot 3, Block 38, Institute Place, Houston, Harris County, Texas, from Ms. Denise Felchak Brown, Ms. Joan Smith, and Ms. Gladys Wood, or their heirs, beneficiaries, successors, or assigns, at a price not to exceed fair market value as established by an independent appraisal

or through a judicial partition by sale proceeding, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition as deemed necessary or advisable by the Executive Director of Real Estate, to complete a land assemblage for future use as a location for buildings for campus administrative and support functions in accordance with the parameters outlined in Executive Session; and

- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

The motion carried by acclamation.

- 3a. U. T. M. D. Anderson Cancer Center: Approval to negotiate deferred compensation agreements for Executive Vice President and Physician-in-Chief Thomas Burke, M.D.; Provost and Executive Vice President Raymond DuBois, M.D., Ph.D.; and Executive Vice President and Chief Business Officer Leon J. Leach

Vice Chairman Dannenbaum moved that the Board authorize the Executive Vice Chancellor for Health Affairs and President DePinho to negotiate, within the parameters discussed in Executive Session, deferred compensation agreements for The University of Texas M. D. Anderson Cancer Center Executive Vice President and Physician-in-Chief Thomas Burke, M.D.; Provost and Executive Vice President Raymond DuBois, M.D., Ph.D.; and Executive Vice President and Chief Business Officer Leon J. Leach.

He further moved that the Board find, as required by State law, that these changes are in the best interest of U. T. M. D. Anderson Cancer Center and The University of Texas System.

The motion was seconded by Regent Stillwell and carried unanimously.

- 3b. 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.

- 3c. 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.

- 4a. U. T. Austin: Approval of proposed negotiated gifts with potential naming features

Upon motion by Vice Chairman Dannenbaum, seconded by Vice Chairman Foster, the Board authorized the Presidents of The University of Texas at Austin and The University of Texas Medical Branch at Galveston and Vice Chancellor Safady to conclude negotiations necessary to finalize and accept gifts to benefit those institutions with potential naming features consistent with the terms outlined in Executive Session.

The motion carried unanimously. (This motion applied to Items 4a - 4b.)

- 4b. U. T. Medical Branch - Galveston: Approval of proposed negotiated gifts with potential naming features

See Item 4a for action on this item.

#### AGENDA ITEM

- C. U. T. Medical Branch - Galveston: Discussion and appropriate action concerning the provision of correctional managed care (Deferred)

The item related to the provision of correctional managed care at The University of Texas Medical Branch at Galveston was deferred. (See related Item 1c on Page 2.)

RECESS.--At 1:35 p.m., Chairman Powell announced the Board would recess for meetings of standing committees and would reconvene the morning of February 9.

THURSDAY, FEBRUARY 9, 2012.--The members of the Board of Regents of The University of Texas System convened at 11:19 a.m. on Thursday, February 9, 2012, in the Regents' Room, Suite 3.106, Main Building, The University of Texas at San Antonio Main Campus, One UTSA Circle, San Antonio, Texas, with the following participation:

ATTENDANCE.--

Present

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

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

U. T. SYSTEM BOARD OF REGENTS: APPROVAL OF MINUTES.--The Minutes of the regular meeting of the Board of Regents of The University of Texas System held on November 10, 2011, and the special called meetings held on December 5, 2011, and January 26, 2012, all in Austin, Texas, were approved as prepared by the Secretary to the Board of Regents. The official copy of these Minutes is recorded in the *Permanent Minutes*, Volume LIX, Pages 7 - 133.

AGENDA ITEMS, continued

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

Vice Chancellor Safady reported on development performance of University of Texas System institutions, and she made recommendations for advancing philanthropic support.

In 2004, Dr. Safady initiated an annual review of campus development/fundraising operations and the preparation of a report to offer each institution a customized assessment and framework for performance measurement and

continuous improvement. This service is designed to assist each institution to achieve its strategic philanthropic objective. The annual review is aligned with the U. T. System's goals of efficiency, transparency, and accountability.

Dr. Safady reported that, despite a volatile stock market in Fiscal Year 2011, giving to higher education was up more than 10% in 2011 over the previous year. She added that the aggregate numbers for the U. T. System yielded even better results, with Fiscal Year 2011 being a record year in both cash received and overall giving categories. These results mean philanthropy continues to comprise a greater amount of annual budgets and is funding more institutional priorities. In summary, she said the next year will be a year of testing new models and studying best practices.

In response to a question from Regent Hall related to how alumni who give through foundations associated with the U. T. System institutions are accounted for, Dr. Safady said those donors are included in the institutional figures.

2. U. T. System Board of Regents: Approval to establish the Regents' Outstanding Student Awards in Arts and Humanities, and performance by a U. T. San Antonio student choir

Chairman Powell presented a proposal to establish the Regents' Outstanding Student Awards in Arts and Humanities at The University of Texas System, with the first awards to be made in Spring 2012. Noting the program will acknowledge and award students in the arts and humanities, he said the program details and award criteria will be written by the Executive Vice Chancellor for Academic Affairs with prior review by the Chairman of the Board, the Chancellor, the Executive Vice Chancellor for Health Affairs, and the Chairmen of the Academic Affairs Committee and the Health Affairs Committee.

Chairman Powell said the proposal may include submission of up to three CDs or videos per campus to an independent review committee. Up to eight or nine winners would be selected, for a monetary award, with funds going to the winning student's department. Solos or duets may also be eligible for a lesser award. Students would receive recognition and might perform at Regents' functions and for the "on-hold" telephone music at U. T. System, and a Regents' annual CD might be produced and sold at bookstores at U. T. System institutions. He suggested awards for art students in the future could include participation in art shows.

Regent Rutkauskas expressed appreciation that this proposal will recognize students' performances.



The awards program will vary each year and commend outstanding students and student groups excelling in one of four areas: the musical arts, the visual arts, poetry writing, and short essays. In 2012, the U. T. System Board of Regents will recognize student performances in the musical arts in two categories. An award of \$1,500 will be made for an individual or duet performance, and an award of \$2,500 will be made for a group performance.

The awards program is designed to provide a framework that fosters excellence in student performance, rewards outstanding students, stimulates the arts and humanities, and promotes continuous quality in education at both the academic and health institutions.

President Romo then introduced a special performance by The University of Texas at San Antonio Chamber Singers, directed by John J. Silantien, D.M.A., Professor in the Music Department and Director of Choral Activities.

3. U. T. System Board of Regents: Amendment to the Regents' *Rules and Regulations*, Rule 30202 (Employee Benefits), Section 1, regarding the Optional Retirement Program (ORP)

The Board approved an amendment to Regents' *Rules and Regulations*, Rule 30202 (Employee Benefits), Section 1 to read as set forth below to clarify the original intent of the administration of and delegation of authority to amend the Optional Retirement Program (ORP).

Sec. 1 Optional Retirement Program. As authorized by *Texas Government Code*, Chapter 830, eligible employees may participate in the Optional Retirement Program (ORP) administered by the U. T. System and established pursuant to Section 403(b) of the *Internal Revenue Code*.

1.1 Delegation of Authority. The Board of Regents delegates to the Chancellor authority to approve the ORP employer contribution rates for all institutions and U. T. System Administration in accordance with rules issued by the Texas Higher Education Coordinating Board. The Board of Regents further delegates to the Executive Vice Chancellor for Business Affairs the authority to sign and amend the ORP plan documents consistent with applicable law and to take all actions and make all decisions and interpretations necessary or appropriate to administer and operate the ORP consistent with the plan documents. The Executive Vice Chancellor for Business Affairs will perform, or cause to be performed, such record keeping functions as necessary to administer and

maintain the Program in accordance with Section 403(b) of the *Internal Revenue Code*, consistent with *Texas Government Code* Section 830.001 et seq.

On November 13, 2008, Regents' *Rules and Regulations*, Rule 30202, Section 1.1 was amended to delegate authority to take all actions and make all decisions and interpretations necessary or appropriate to administer and operate the ORP consistent with the plan documents. That amendment to Section 1.1 provided consistency with other University of Texas Systemwide retirement plans, including the UTSaver Deferred Compensation Plan, the UTSaver Tax Sheltered Annuity Plan, and The University of Texas Governmental Retirement Arrangement. Section 1 was not amended at the same time.

The language in Section 1 stated that the Board of Regents shall select those companies accepted as vendors to participate in the ORP, based upon recommendation from the Chancellor. Consistent with the delegation granted in Section 1.1, the revision of Section 1 provides clarification of the original intent of the administration of and delegation of authority for the ORP.

4. U. T. System Board of Regents: Amendments to the Regents' *Rules and Regulations*, Rule 31102, Sections 4 and 5, regarding the evaluation of tenured faculty

Chairman Powell called on Chancellor Cigarroa for remarks on the proposed revisions to the Regents' *Rules and Regulations*, Rule 31102, Sections 4 and 5, regarding the evaluation of tenured faculty. Chancellor Cigarroa's remarks follow.

Remarks on the Proposed Regents' Rule Amendment  
by Chancellor Cigarroa

In August 2011, I had the privilege of presenting to the Board of Regents our Framework for Advancing Excellence Throughout the University of Texas System. In that presentation, I shared my concerns related to the current Regents' Rule regarding evaluation of tenured faculty (Rule 31102) as it lacked clarity on performance differentiation. This concern was the impetus for my recommendation to the Regents to revise Regents' Rule 31102 to allow a more accurate methodology to assess faculty performance. Furthermore, it has and continues to be my strong view that post-tenure review policies should be strengthened to allow for more robust provision of remediation plans, when necessary, to assist faculty throughout their tenure. I consider this extremely important because faculty members are among our greatest assets, and we need to provide support and guidance, to the best of our abilities, throughout their careers. This is an essential responsibility of the university and academy.

*Texas Education Code* requires a governing board to give “utmost consideration to advice and comment from the faculty on the performance evaluation of tenured faculty,” and in keeping with this sound direction, I sought input from the Faculty Advisory Council (FAC) as well at its Executive Committee, and representatives from our 15 campuses.

To this end, both the Executive Vice Chancellor for Academic Affairs and the Associate Vice Chancellor for Academic Planning and Assessment met with the FAC in February 2011 to discuss Regents’ Rule 31102 regarding evaluation of tenured faculty. The FAC expressed their willingness to work with me and Academic Affairs to study the Regents’ Rule in the context of my viewpoints and concerns.

I subsequently appointed and charged a working committee comprised of members of the Executive Committee of the FAC along with the Associate Vice Chancellor for Academic Planning and Assessment, and the Deputy General Counsel, to study Regents’ Rule 31102 and provide recommendations to me on aligning the policy to clarify the need for better performance differentiation and for providing for support and guidance through remediation plans, when necessary. This working group began meeting in June 2011.

By July 7, the group had developed the first set of recommendations, which were distributed to all of our campuses as well as the FAC, seeking their comments and input. On October 26, the FAC passed a “resolution” that was an alternate version of Regents’ Rule 31102, with nonsubstantive changes, in my opinion, from the existing Rule. The revised draft of Regents’ Rule 31102 was scheduled to be presented to the Board of Regents for their deliberation in November 2011, but was delayed to permit time for more faculty input, as a result of the FAC’s October resolution. The FAC Executive Committee and FAC members continued to work with the draft recommendations.

On January 26, the Executive Vice Chancellor for Academic Affairs ad interim and I met with the entire membership of the FAC to listen to their input and to discuss the specific points being emphasized by the proposed Regents’ Rule. I also met, on the same day, with the FAC Executive Committee to review the differences between the FAC resolution version and the working committee version. I incorporated their recommendations in the proposed Regents’ Rule, and on January 27, the FAC voted to affirm the proposed Regents’ Rule, which included the opportunity to appeal the outcome of an annual review as well as to strengthen the language on remediation. At that meeting, the October 26 resolution was also rescinded.

The proposed revisions to Rule 31102 incorporate the following:

1. The Rule has been reformatted to clarify the differences between post-tenure annual reviews and post-tenure comprehensive reviews.
2. Specific review categories have been created to clearly define performance differentiation. Those categories are: exceeds expectations, meets expectations, does not meet expectations, and unsatisfactory.
3. Post-tenure comprehensive reviews must be conducted no less than every six years and may be conducted any time an individual receives two consecutive unsatisfactory annual reviews.
4. Outcomes of post-tenure evaluation may be used for salary consideration, awards, and advancement.
5. Remediation remains a central part of the improvement process when it is clear that a faculty member would benefit from such support.
6. A faculty member failing remediation may be subject to termination procedures for incompetence, neglect of duty, or other good cause.
7. Finally, it is stated that nothing in these guidelines or the application of institutional evaluation policies shall be interpreted or applied to infringe on the tenure system, academic freedom, due process, or other protected rights nor to establish new term tenure systems or to require faculty to reestablish their credentials for tenure.

Executive Vice Chancellor ad interim Reyes then addressed how the proposed post-tenure review policy compares to other major institutional policies at the University of California System, the University of North Carolina System, the University of Wisconsin System, the State University of New York (SUNY) System, and the University of Florida System. Dr. Reyes said no other system compares to this solid policy that provides clear direction on annual comprehensive reviews, expands review categories, and provides for improvement plans.

Dr. Timothy Allen, Chair of the FAC, commented that Chancellor Cigarroa has gone above and beyond the call of duty to ensure all parties worked carefully and closely together. He said the FAC discussions have been healthy, and while the issues of peer protections are legitimate, the document provides significant and appropriate peer protections and enhances the institution's ability to offer assistance to those faculty who need assistance. He said this policy is a model for the nation.

Regent Cranberg commended Chancellor Cigarroa and the faculty for embracing this important element of the Framework for Advancing Excellence Throughout the U. T. System and for making the policy better. He noted the policy helps in the effort to recognize great performance.

The Board then approved that the Regents' *Rules and Regulations*, Rule 31102, Sections 4 and 5, regarding evaluation of tenured faculty, be amended to read as set forth on the following pages to clarify some provisions and to strengthen the comprehensive evaluation process.

**1. Title**

Evaluation of Tenured Faculty

**2. Rule and Regulation**

...

Sec. 4 Institutional Policies. Each institution of The University of Texas System shall have an institutional policy and plan consistent with the following guidelines for the periodic (annual and comprehensive) performance evaluation of tenured faculty. Institutional policies in accordance with the model policy [link to be developed] shall be developed with appropriate faculty input, including consultation with and guidance from faculty governance organizations, and shall be included in each institutional *Handbook of Operating Procedures* after review and appropriate administrative approval and submission to the Board of Regents for review and final approval. Nothing in these guidelines or the application of institutional evaluation policies shall be interpreted or applied to infringe on the tenure system, academic freedom, due process, or other protected rights nor to establish new term-tenure systems or to require faculty to reestablish their credentials for tenure.

Sec. 5 Minimum Elements. Institutional *Handbook of Operating Procedures* policies should include the following minimum elements for periodic evaluation:

5.1 Annual Reviews. Annual reviews are not the comprehensive periodic evaluations required under *Texas Education Code* Section 51.942. Annual reviews should focus on individual merit relative to assigned responsibilities in accordance with Regents' Rule 30501.

(a) Review Categories. Each faculty member being reviewed shall be placed in one of the following categories: a. exceeds expectations; b. meets expectations; c. does not meet expectations; or d. unsatisfactory. Expectations shall be set by institutional policy according to the faculty member's rank, discipline, and institution.

- (b) **Scheduled Reviews.** Evaluation of tenured faculty shall be performed annually. The evaluation may not be waived for any tenured faculty member but may be deferred in rare circumstances when the review period will coincide with approved leave, comprehensive review for promotion, or appointment to an endowed position. No deferral of review of an active faculty member may extend beyond one year from the scheduled review.
- (c) **Responsibilities Reviewed.** The evaluation shall include review of the faculty member's professional responsibilities in teaching, research, service, patient care, and administration. Institutional policies shall detail the criteria and factors to be evaluated.
- (d) **Material Submitted.** The faculty member being evaluated shall submit a curriculum vita, including a summary statement of professional accomplishments, and shall submit or arrange for the submission of teaching evaluations. The faculty member may provide copies of a statement of professional goals, a proposed professional development plan, and any other additional materials the faculty member deems appropriate.
- (e) **Review of Evaluation.** In accordance with institutional policy, initial evaluation of the faculty member's performance may be carried out by the department, department chair (or equivalent), dean, or peer review committee, but in any event must be reported to the chair (or equivalent) and dean for review. Evaluation shall include review of the current curriculum vita, student and any peer evaluations of teaching for the review period, and all materials submitted by the faculty member.
- (f) **Communication of Results.** Results of the evaluation will be communicated in writing to the faculty member, the department chair/dean, the chief academic officer, and the president for review and appropriate action.
- (g) **Uses.** Possible uses of the information contained in the report include the following:
  - (1) The evaluation may be used to determine salary recommendations, nomination for awards, or other forms of performance recognition.

- (2) For individuals whose performance indicates they would benefit from additional institutional support or a remediation plan, the evaluation shall be used to provide such support or a remediation plan (e.g., teaching effectiveness assistance, counseling, or mentoring in research issues/service expectations). Schools/colleges and/or departments, in consultation with a peer committee, shall monitor individuals receiving such support for evidence of improvement and, if there is insufficient improvement, shall take action under (4) or Section 5.3, below, if appropriate.
- (3) Individuals whose performance is unsatisfactory may be subject to further review and/or to appropriate administrative action. Institutional policies shall provide procedures for appeals.
- (4) Individuals whose performance is unsatisfactory for two consecutive annual reviews may be subject to a comprehensive review (Section 5.2, below) or action under (3) or Section 5.3 below, if appropriate.
- (5) If incompetence, neglect of duty, or other good cause is determined to be present, appropriate disciplinary action may be taken under Section 5.3 below.

5.2 Comprehensive Periodic Evaluations. Comprehensive periodic evaluations are required in compliance with *Texas Education Code* Section 51.942.

- (a) Review Categories. Each faculty member being reviewed shall be placed in one of the following categories: a. exceeds expectations; b. meets expectations; c. does not meet expectations; or d. unsatisfactory. Expectations shall be set by institutional policy according to the faculty member's rank, discipline, and institution.
- (b) Scheduled Reviews. Comprehensive periodic evaluation of tenured faculty shall be performed no less often than every six years. The evaluation may not be waived for any tenured faculty member but may be deferred in rare circumstances when the review period will coincide with approved leave, comprehensive review promotion, or appointment to an endowed position. No deferral of



review of an active faculty member may extend beyond one year from the scheduled review. Institutional policy may specify that periods when a faculty member is on leave need not be counted in calculating when the comprehensive evaluation is required.

- (c) **Responsibilities Reviewed.** The evaluation shall include review of the faculty member's professional responsibilities in teaching, research, service, patient care, and detail the criteria and factors to be evaluated.
- (d) **Notice of Evaluation.** Reasonable individual notice of at least six months of intent to review shall be provided to a faculty member.
- (e) **Material Submitted.** The faculty member being evaluated shall submit a curriculum vita, including a summary statement of professional accomplishments, and shall submit or arrange for the submission of annual reports and teaching evaluations. The faculty member may provide copies of a statement of professional goals, a proposed professional development plan, and any other additional materials the faculty member deems appropriate.
- (f) **Review of Evaluation.** In accordance with institutional policy, initial evaluation of the faculty member's performance may be carried out by the department, department chair (or equivalent), dean, or peer review committee, but in any event must be reported to the chair (or equivalent) and dean for review. Evaluation shall include review of the current curriculum vita, student and any peer evaluations of teaching for the review period, annual reports for the review period, and all materials submitted by the faculty member.
- (g) **Peer Review.** Comprehensive periodic evaluation of tenured faculty shall include peer review. The members of peer review committees shall include representatives of the college/school or department and will be appointed, on the basis of their objectivity and academic strength, by the dean or chair in consultation with the tenured faculty in the college/school or department or

pursuant to other process as defined in institutional policies. The faculty member shall be provided with an opportunity to meet with the committee or committees.

- (h) Communication of Results. Results of the evaluation will be communicated in writing to the faculty member, the department chair/dean, the chief academic officer, and the president for review and appropriate action.
- (i) Uses. Possible uses of the information contained in the report include the following:
  - (1) The evaluation may be used to determine salary recommendations, nomination for awards, or other forms of performance recognition.
  - (2) For individuals whose performance indicates they would benefit from additional institutional support or a remediation plan, the evaluation shall be used to provide such support or a remediation plan (e.g., teaching effectiveness assistance, counseling, or mentoring in research issues/service expectations). Schools/colleges and/or departments, in consultation with a peer committee, shall monitor individuals receiving such support for evidence of improvement and, if there is insufficient improvement, shall take action under (3) or Section 5.3, below, if appropriate.
  - (3) Individuals whose performance is unsatisfactory may be subject to further review and/or to appropriate administrative action. Institutional policies shall provide procedures for appeals.
  - (4) If incompetence, neglect of duty, or other good cause is determined to be present, appropriate disciplinary action may be taken under Section 5.3 below.

5.3 Termination or Other Appropriate Disciplinary Action. For tenured faculty members for whom incompetence, neglect of duty, or other good cause is found, review to determine if good cause exists for termination under the current Regents' *Rules and Regulations* shall be considered, in accordance with the due process procedures of the Regents' *Rules and Regulations*, Rule 31008. If disciplinary action other than

termination is considered appropriate, such faculty members shall have access to procedures that include notice of the specific charges and a hearing prior to the imposition of disciplinary action.

- Sec. 6 Follow-up Review. The acceptance and success of periodic evaluation for tenured faculty will be dependent upon a well-executed, critical process and an institutional commitment to assist and support faculty development. Thus, remediation and follow-up review for faculty, who would benefit from such support, as well as the designation of an academic administrator with primary responsibility for monitoring such needed follow-up activities, are essential.

5. U. T. System Board of Regents: Amendments to the Regents' Rules and Regulations, Rule 60202, regarding Endowed Academic Positions

The Board approved amendments to the definitions section of Regents' *Rules and Regulations*, Rule 60202, regarding Endowed Academic Positions, to read as set forth below to conform the Rules to current and best practices regarding eligibility to hold endowed positions and fellowships.

**3. Definitions**

Endowed Academic Position – an endowed academic position is a faculty position supported by an endowment from which distributions are dedicated to salary supplementation, research support, or other professional needs of a faculty member. The position holder will normally be a faculty member who has had a distinguished career. A holder may be named to an endowed academic position for the remainder of his or her employment, or for a term of years, and the position may be renewable or nonrenewable.

Endowed Fellowships – an endowed fellowship (or faculty fellowship) is a faculty position supported by an endowment from which distributions are dedicated to salary supplementation, research support, or other professional needs of a faculty member of any academic rank. The endowed fellowship will be awarded for a specified length of time and may or may not be renewable.

6. U. T. System Board of Regents: Report on revisions to the Systemwide policy on Criminal Background Checks for Employment (UTS124)

Chancellor Cigarroa reported as follows on revisions to The University of Texas Systemwide policy on Criminal Background Checks for Employment (UTS124).

Remarks by Chancellor Cigarroa

In previous presentations to the Board of Regents, I stated that our campuses must be safe environments where our students, faculty, and staff can learn, create new knowledge, and work. In August 2010, I made amendments to the Systemwide policy on criminal background checks (UTS124) following discussions with the presidents and the Faculty Advisory Council.

The substantive amendments to UTS124 incorporated in 2010 were the following:

1. Institutions are required to conduct a criminal background check on any applicant who is under final consideration for regular employment.
2. Institutions are required to conduct a criminal background check on all current employees for whom a criminal background check had never been obtained (“catch-up” checks).
3. Individuals for whom a report is received indicating a criminal record are to be notified and given the opportunity to provide additional information relating to the record.
4. Current employees are required to self-report criminal convictions, excluding misdemeanor offenses punishable by fine.

The impetus for the policy amendment was to ensure that all institutions would require criminal background checks on applicants for regular employment, and to obtain a criminal background check on anyone who had been employed prior to an institutional policy that required a check. In cases where a criminal background check identified a conviction, law and institutional policy require the institution to determine on a case-by-case basis whether the individual will be allowed to continue employment based on factors such as the nature and gravity of the offense, the specific duties of the position, the length of time since the offense, and the individual’s employment history.

In my directive, I asked for UTS124 to be further reviewed for any additional recommended enhancements. Following review and consultation, I approved the following additional changes to strengthen the policy:

1. Temporary employees and faculty members, without salary, who provide instruction to U. T. students will now be required to have criminal background checks.
2. Criminal background check requirements for persons volunteering in day care centers and at youth camps have been tightened to mandate that any and all persons volunteering must have a criminal background check, regardless of whether or not they are supervised and irrespective of how many hours they spend with children.

3. All volunteers working in health care facilities, and students assigned to health care facilities, must have criminal background checks.
4. U. T. System institutions must develop a process for determining when criminal background checks will be required for contractors.

Chairman Powell thanked Chancellor Cigarroa for his work and support as the risk management programs continue to be tightened and improved at the U. T. System in the interest of utmost concern at all times.

Over the course of the last year, the institutions updated their criminal background check policies and procedures to be consistent with UTS124 and performed the catch-up checks. Although many institutions had been conducting criminal background checks since at least 2001 or 2002 on most of their positions, prior to the 2010 amendments not all institutions were conducting criminal background checks on all applicants for employment.

The institutions reported that in most cases where a conviction was found, it was determined that the conviction was of a nature and age such that continued employment did not constitute a risk to the institution and the individual was cleared for employment. A common example was a conviction for driving while intoxicated that was dated or not related to the individual's job duties. The institutions also reported that additional scrutiny was given to offenses that were more serious or were applicable to the duties of the position. In some instances, after the case-by-case analysis, the individual was cleared for employment. Four employees who were subject to the catch-up check were terminated from the employing institution after the institutions determined that the individuals should not continue in the positions they held.

The newly revised policy will be distributed to the institutions for implementation.

7. U. T. System: Approval of \$10 million in additional Permanent University Fund Bond Proceeds for continued funding of the U. T. System Research Incentive Program (UTRIP)

The Board approved that an additional \$10,000,000 of Permanent University Fund (PUF) Bond Proceeds be appropriated for Fiscal Year 2012 to provide continued funding to enhance and enrich research infrastructure for The University of Texas System Research Incentive Program (UTRIP) to benefit the four U. T. System emerging research institutions designated by the Texas Higher Education Coordinating Board: The University of Texas at Arlington, The University of Texas at Dallas, The University of Texas at El Paso, and The University of Texas at San Antonio.

The Texas Legislature, during its 81st Regular Session, authorized the Texas Research Incentive Program (TRIP) to provide State matching funds for research-oriented philanthropy at the seven emerging research institutions of Texas, as designated by the Coordinating Board. Among those seven are U. T. Arlington, U. T. Dallas, U. T. El Paso, and U. T. San Antonio.

On August 20, 2009, the Board authorized Vice Chancellor Safady to act on behalf of the Board to facilitate the acceptance of gifts by U. T. System institutions that qualified for matching funds under the TRIP, as appropriate, and to work closely with U. T. System institutions to ensure compliance with requirements of the Coordinating Board related to this Program.

On October 12, 2009, the Board appropriated \$10,000,000 of PUF Bond Proceeds to provide one-time matching funds through UTRIP to assist the four U. T. System institutions, identified above, in leveraging private gifts for the enhancement of research productivity and faculty recruitment. According to the Texas Constitution, PUF Bond Proceeds may only be used to fund capital and equipment items related to the educational mission of the U. T. System and its institutions.

The gifts were to be matched using the following criteria:

- Gifts of \$500,000 to \$999,999 from a single source will be matched at 10% (creating a matching gift possibility ranging from \$50,000 to \$99,999)
- Gifts of \$1,000,000 to \$2,999,999 from a single source will be matched at 20% (creating a matching gift possibility ranging from \$200,000 to \$599,999)
- Gifts of \$3,000,000 to \$4,999,999 from a single source will be matched at 30% (creating a matching gift possibility ranging from \$900,000 to \$1,499,999)
- Gifts of \$5,000,000 or greater from a single source will be matched at 50% (with a matching cap of \$2.5 million).

On August 12, 2010, the Board allocated an additional \$10,000,000 to continue and extend UTRIP through December 31, 2011, to benefit the U. T. System's four emerging research universities subject to the matching requirements approved by the Board on October 12, 2009, with a modification to allow matches to also be made for gifts with a payment period of up to two years.

The four U. T. System institutions have greatly benefited from these programs, and the leveraging of private gifts for the enhancement of research productivity and faculty recruitment has resulted in almost \$26,000,000 secured from the TRIP. Further funding made available through UTRIP has greatly enhanced their efforts for private gifts. Since the Board approved UTRIP, over \$41,000,000 in private gifts have been submitted for matching and over \$15,000,000 in matching funds have been paid or committed.

STANDING COMMITTEE REPORTS TO THE BOARD.--At 12:21 p.m., Chairman Powell announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 25 - 57.



REPORT AND RECOMMENDATION OF THE AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE (Pages 25 - 26).-- Committee Chairman Pejovich 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 2011 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit, and audits of U. T. M. D. Anderson Cancer Center financial statements and of funds managed by The University of Texas Investment Management Company (UTIMCO)

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: Report on UTShare PeopleSoft implementation

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

3. U. T. System Board of Regents: Approval to renew the contract with Deloitte & Touche LLP to provide financial auditing services for Fiscal Years 2012 and 2013

Subject to approval by the Texas State Auditor, the Board approved extending the contract with Deloitte & Touche LLP for two additional years as authorized by the current contract to provide independent financial auditing services for the audit of The University of Texas System and The University of Texas M. D. Anderson Cancer Center financial statements for Fiscal Years 2012 and 2013, and funds managed by The University of Texas Investment Management Company (UTIMCO) for Fiscal Years 2012 and 2013.

The Board also delegated authority to oversee negotiations with Deloitte & Touche and to approve a final negotiated contract price to be funded with Available University Funds, in coordination with Chancellor Cigarroa.

On August 12, 2010, the Board of Regents authorized U. T. System staff to negotiate and enter into an auditing services contract with Deloitte & Touche LLP, to audit the U. T. System and U. T. M. D. Anderson Cancer Center financial statements for Fiscal Year 2011, and funds managed by

UTIMCO for Fiscal Year 2011. The original contract, effective February 15, 2011, was for one year with the option to renew for four additional one-year terms. The current contract will terminate on February 28, 2012.

The source of funding for this contract is Available University Funds, as approved for the prior contract.

4. U. T. System: Report on the Systemwide internal audit activities, including the results of the presidential travel, entertainment, and housing expense audits and the implementation status of significant audit recommendations

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

REPORT AND RECOMMENDATIONS OF THE FINANCE AND PLANNING COMMITTEE (Pages 27 - 37).--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 Board of Regents: Approval of *Docket No. 149*

The Board approved *Docket No. 149*, which is attached following Page 58 in the official copy of the *Minutes*. Included in that approval was a finding of fact that a lease to Mission Verde Alliance, a Texas nonprofit association, as set forth on Docket Page 32 serves a public purpose specific to the mission of The University of Texas at San Antonio. Mission Verde Alliance will provide support for fulfilling the mission of the San Antonio Clean Energy Incubator, a grant-funded program operated under U. T. San Antonio's Texas Sustainable Energy Research Institute.

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.

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

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

3. U. T. System: Report on the Analysis of Financial Condition for Fiscal Year 2011

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

4. U. T. System: Approval of the Fiscal Year 2013 Budget Preparation Policies and Calendar

In consultation with Vice Chairman Foster, Vice Chairman Hicks, and Regent Stillwell, the Board approved the Budget Preparation Policies and Calendar set forth on the following pages for use in preparing the Fiscal Year 2013 Operating Budget for The University of Texas System.

## U. T. System Fiscal Year 2013 Budget Preparation Policies

1. General Guidelines - The regulations and directives included in the General Appropriations Act enacted by the 82nd Texas Legislature serve as the basis for these guidelines and policies. In preparing the draft of the FY 2013 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 retaining reasonable reserves for potential future financial shortfall, 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.

2. 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 2013 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 2013, 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.
3. Salary Guidelines - Recommendations regarding salary policy are subject to the directives that follow.
  - A. 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.
  - B. 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, 2012, administrative and professional staff and classified staff must have been employed by the institution for at least six consecutive months ending August 31, 2012, and at least six months must have elapsed since the employee's last merit salary increase.

- C. 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.
  - D. 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.
  - E. 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.
4. 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.
  5. 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.
  6. 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 2013 OPERATING BUDGET CALENDAR**

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February 9, 2012	U. T. System Board of Regents takes appropriate action on budget preparation policies
April 2 - 11, 2012	Major goals, priorities, and resource allocation hearings with U. T. System Administration
May 11, 2012	Draft budget documents due to U. T. System
May 17 - 23, 2012	Technical budget review with U. T. System
June 1, 2012	Final budget documents due to U. T. System
June 18, 2012	Highly compensated staff covered by Regents' Rules 20203 and 20204 and Top Ten salary reports due to U. T. System
July 2, 2012	High-ranking staff salary report due to U. T. System
July 11 - 12, 2012	U. T. System Board of Regents' Special Compensation Committee to review Presidents and Executive Officers compensation
August 3, 2012	Operating Budget Summaries mailed to the U. T. System Board of Regents
August 15, 2012	Salary change report due to U. T. System
August 23, 2012	U. T. System Board of Regents takes appropriate action on Operating Budget and Presidents and Executive Officers compensation

5. 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, 2011

The University of Texas Investment Management Company (UTIMCO) Performance Summary Report is on Page 32.

The Investment Reports for the quarter ended November 30, 2011, are set forth on Pages 33 - 36.

Item I on Page 33 reports activity for the Permanent University Fund (PUF) investments. The PUF's net investment return for the quarter was negative 2.63% versus its composite benchmark return of negative 1.60%. The PUF's net asset value decreased during the quarter to \$12,390 million. The decrease was due to net investment return of negative \$342 million, less distributions to the Available University Fund (AUF) of \$400 million, plus \$444 million PUF Land receipts.

Item II on Page 34 reports activity for the General Endowment Fund (GEF) investments. The GEF's net investment return for the quarter was negative 2.66% versus its composite benchmark return of negative 1.60%. The GEF's net asset value decreased by \$242 million during the quarter to \$6,807 million.

Item III on Page 35 reports activity for the Intermediate Term Fund (ITF). The ITF's net investment return for the quarter was negative 2.40% versus its composite benchmark return of negative 3.10%. The net asset value decreased during the quarter to \$4,631 million due to net investment return of negative \$113 million, net contributions of \$117 million, less distributions of \$35 million.

All exposures were within their asset class and investment type ranges. Liquidity was within policy.

Item IV on Page 36 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, increased by \$263 million to \$1,912 million during the three months since the last reporting period. Market values for the remaining asset types were debt securities: \$74 million versus \$75 million at the beginning of the period; equities: \$47 million versus \$46 million at the beginning of the period; and other investments: \$4 million versus \$5 million at the beginning of the period.

# UTIMCO Performance Summary

November 30, 2011

	Net Asset Value 11/30/2011 (in Millions)	Periods Ended November 30, 2011 (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	\$ 12,390	(1.20%)	(2.63%)	(2.63%)	1.09%	4.51%	12.38%	3.23%	6.99%
General Endowment Fund		(1.20)	(2.66)	(2.66)	1.13	4.58	12.37	3.31	7.10
Permanent Health Fund	955	(1.22)	(2.70)	(2.70)	1.16	4.57	12.28	3.23	7.01
Long Term Fund	5,852	(1.22)	(2.70)	(2.70)	1.17	4.58	12.29	3.24	7.03
Separately Invested Funds	119	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Endowment Funds</b>	<b>19,316</b>								
<b>OPERATING FUNDS</b>									
Intermediate Term Fund	4,631	(1.01)	(2.40)	(2.40)	(0.29)	2.99	12.73	3.35	N/A
Debt Proceeds Fund	725	0.01	0.03	0.03	N/A	N/A	N/A	N/A	N/A
Short Term Fund	1,193	0.01	0.03	0.03	0.15	0.17	0.35	1.92	2.19
<b>Total Operating Funds</b>	<b>6,549</b>								
<b>Total Investments</b>	<b>\$ 25,865</b>								
<b>VALUE ADDED (Percent)</b>									
Permanent University Fund		0.29%	(1.03%)	(1.03%)	1.33%	0.49%	2.44%	2.53%	2.23%
General Endowment Fund		0.29	(1.06)	(1.06)	1.37	0.56	2.43	2.61	2.34
Intermediate Term Fund		0.96	0.70	0.70	2.25	2.01	2.71	2.82	N/A
Debt Proceeds Fund		0.01	0.03	0.03	N/A	N/A	N/A	N/A	N/A
Short Term Fund		0.01	0.03	0.03	0.05	0.05	0.20	0.35	0.22
<b>VALUE ADDED (\$ IN MILLIONS)</b>									
Permanent University Fund		\$ 37	\$ (131)	\$ (131)	\$ 160	\$ 57	\$ 777	\$ 1,433	\$ 2,422
General Endowment Fund		20	(75)	(75)	95	38	435	830	1,378
Intermediate Term Fund		45	33	33	104	90	320	567	N/A
<b>Total Value Added</b>		<b>\$ 102</b>	<b>\$ (173)</b>	<b>\$ (173)</b>	<b>\$ 359</b>	<b>\$ 185</b>	<b>\$ 1,532</b>	<b>\$ 2,830</b>	<b>\$ 3,800</b>

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Footnotes available upon request.

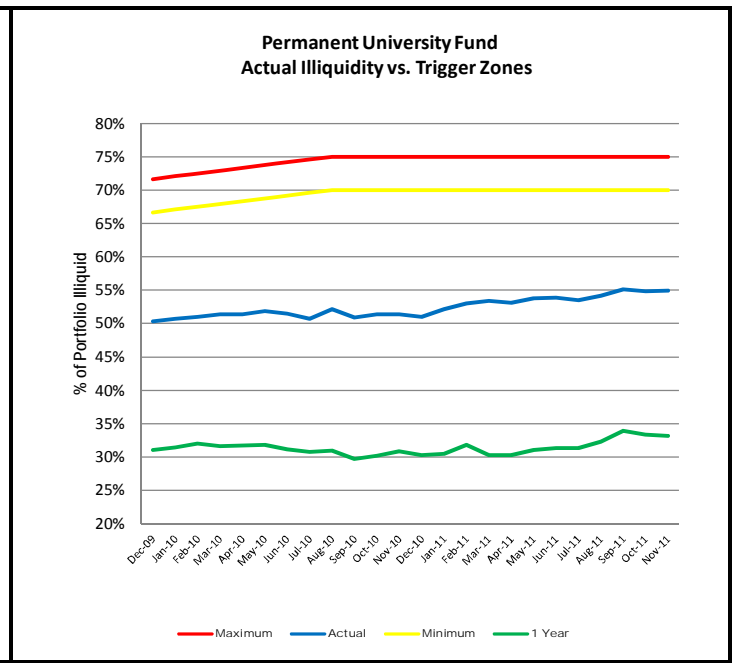
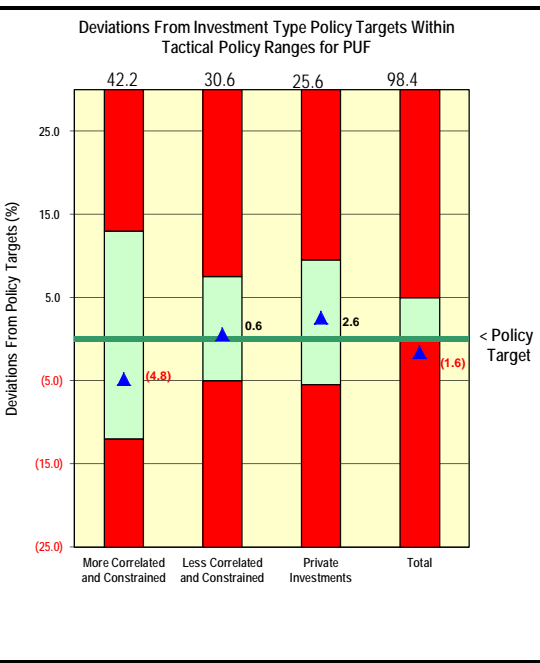
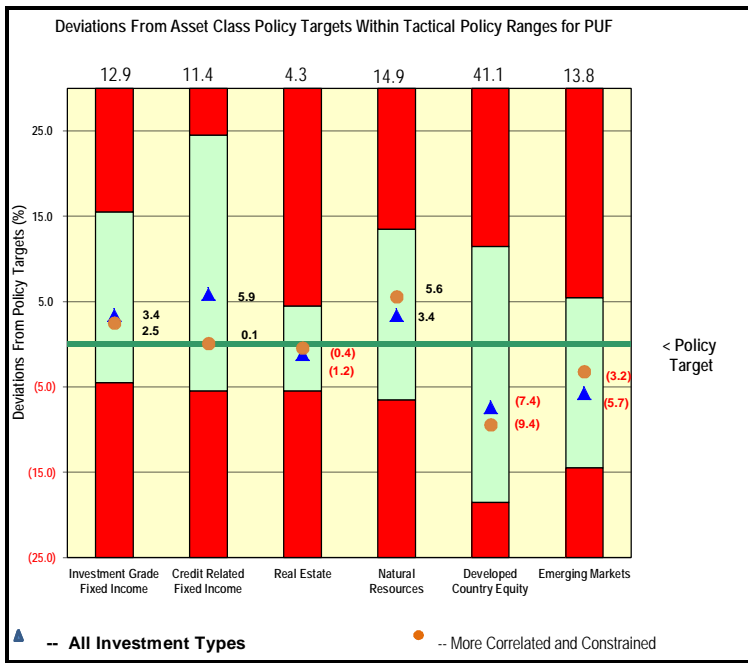


## I. PERMANENT UNIVERSITY FUND Investment Reports for Periods Ended November 30, 2011

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

<u>Summary of Capital Flows</u>				
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended November 30, 2011	Fiscal Year to Date November 30, 2011	
Beginning Net Assets	\$ 10,725	\$ 12,688	\$ 12,688	
PUF Lands Receipts	896	444	444	
Investment Return (Net of Expenses)	1,573	(342)	(342)	
Distributions to AUF	(506)	(400)	(400)	
Ending Net Assets	<u>\$ 12,688</u>	<u>\$ 12,390</u>	<u>\$ 12,390</u>	

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	-2.18%	-2.74%	0.01%	0.03%	0.04%
Credit-Related	-2.47%	-1.79%	0.00%	0.00%	0.00%
Real Estate	-6.71%	-6.97%	0.00%	0.01%	0.01%
Natural Resources	-5.65%	-6.24%	-0.23%	0.03%	-0.20%
Developed Country	-1.42%	-1.65%	-0.03%	-0.02%	-0.05%
Emerging Markets	-8.44%	-9.71%	0.19%	0.10%	0.29%
<b>Total More Correlated and Constrained</b>	<b>-4.20%</b>	<b>-4.67%</b>	<b>-0.06%</b>	<b>0.15%</b>	<b>0.09%</b>
<b>Less Correlated and Constrained</b>					
	<b>-0.60%</b>	<b>-1.83%</b>	<b>0.12%</b>	<b>0.26%</b>	<b>0.38%</b>
<b>Private Investments</b>					
	<b>-2.06%</b>	<b>4.23%</b>	<b>-0.22%</b>	<b>-1.28%</b>	<b>-1.50%</b>
<b>Total</b>	<b>-2.63%</b>	<b>-1.60%</b>	<b>-0.16%</b>	<b>-0.87%</b>	<b>-1.03%</b>

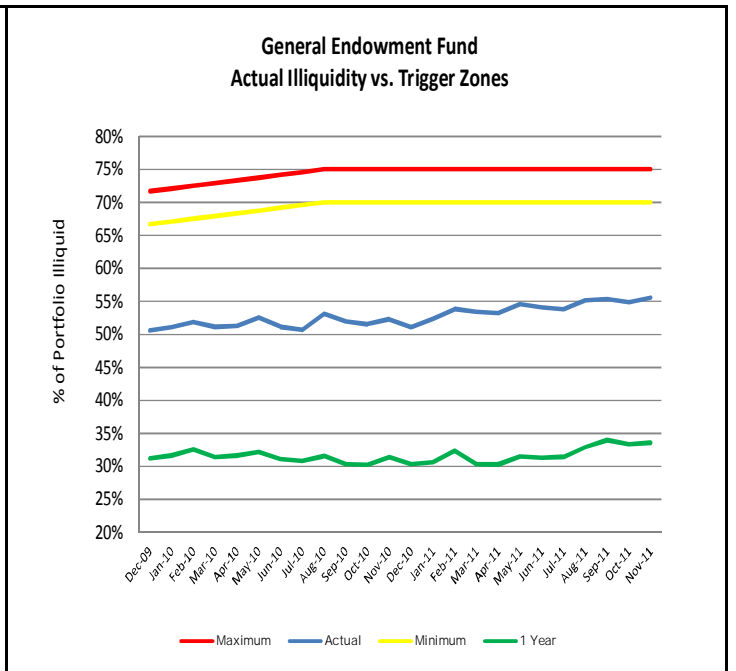
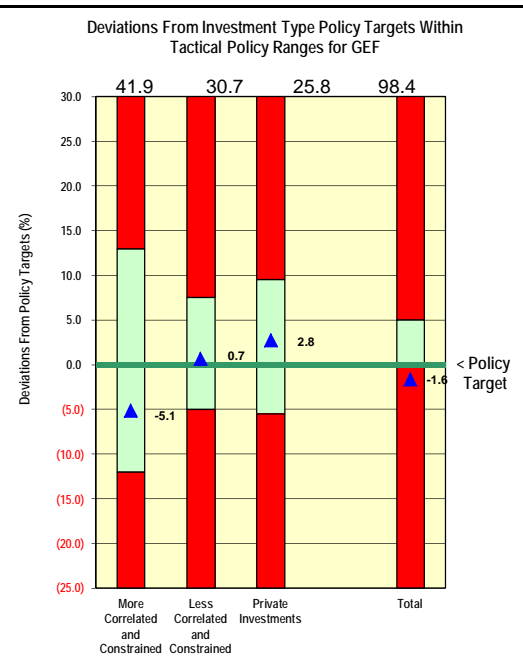
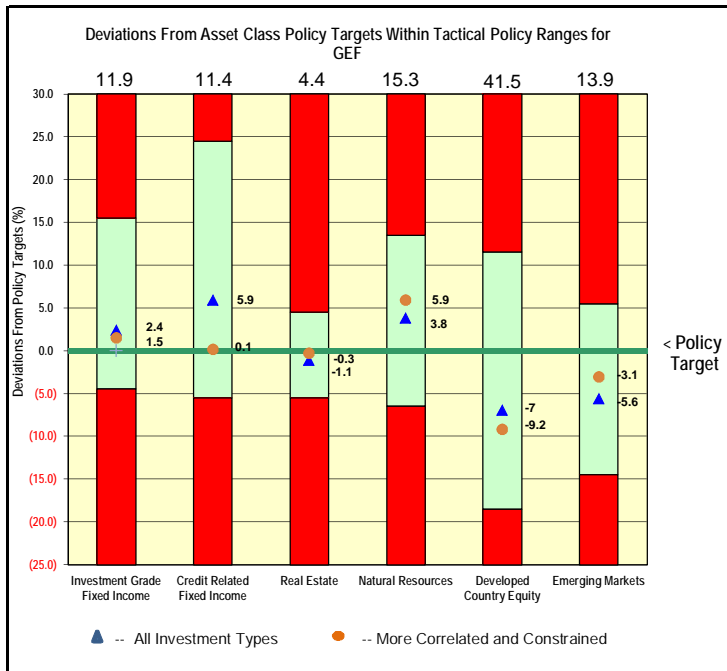


## II. GENERAL ENDOWMENT FUND Investment Reports for Periods Ended November 30, 2011

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

<b>Summary of Capital Flows</b>			
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended November 30, 2011	Fiscal Year to Date November 30, 2011
Beginning Net Assets	\$ 6,035	\$ 7,049	\$ 7,049
Contributions	432	36	36
Withdrawals	(12)	(4)	(4)
Distributions	(327)	(85)	(85)
Investment Return (Net of Expenses)	921	(189)	(189)
Ending Net Assets	<u>\$ 7,049</u>	<u>\$ 6,807</u>	<u>\$ 6,807</u>

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	-2.12%	-2.74%	0.00%	0.03%	0.03%
Credit-Related	-2.47%	-1.79%	0.00%	0.00%	0.00%
Real Estate	-6.68%	-6.97%	0.00%	0.00%	0.00%
Natural Resources	-5.69%	-6.24%	-0.24%	0.01%	-0.23%
Developed Country	-1.39%	-1.65%	-0.01%	0.00%	-0.01%
Emerging Markets	-8.46%	-9.71%	0.18%	0.12%	0.30%
<b>Total More Correlated and Constrained</b>	<b>-4.30%</b>	<b>-4.67%</b>	<b>-0.07%</b>	<b>0.16%</b>	<b>0.09%</b>
<b>Less Correlated and Constrained</b>	<b>-0.60%</b>	<b>-1.83%</b>	<b>0.10%</b>	<b>0.26%</b>	<b>0.36%</b>
<b>Private Investments</b>	<b>-2.06%</b>	<b>4.23%</b>	<b>-0.23%</b>	<b>-1.28%</b>	<b>-1.51%</b>
<b>Total</b>	<b>-2.66%</b>	<b>-1.60%</b>	<b>-0.20%</b>	<b>-0.86%</b>	<b>-1.06%</b>

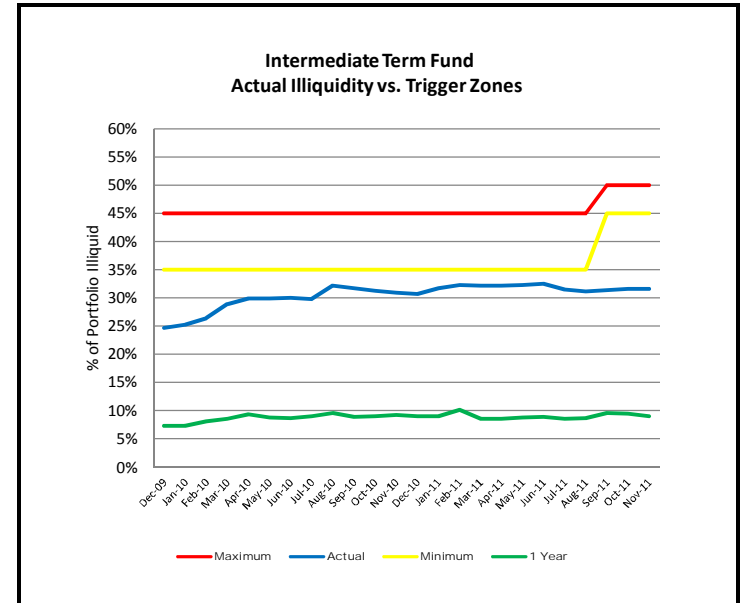
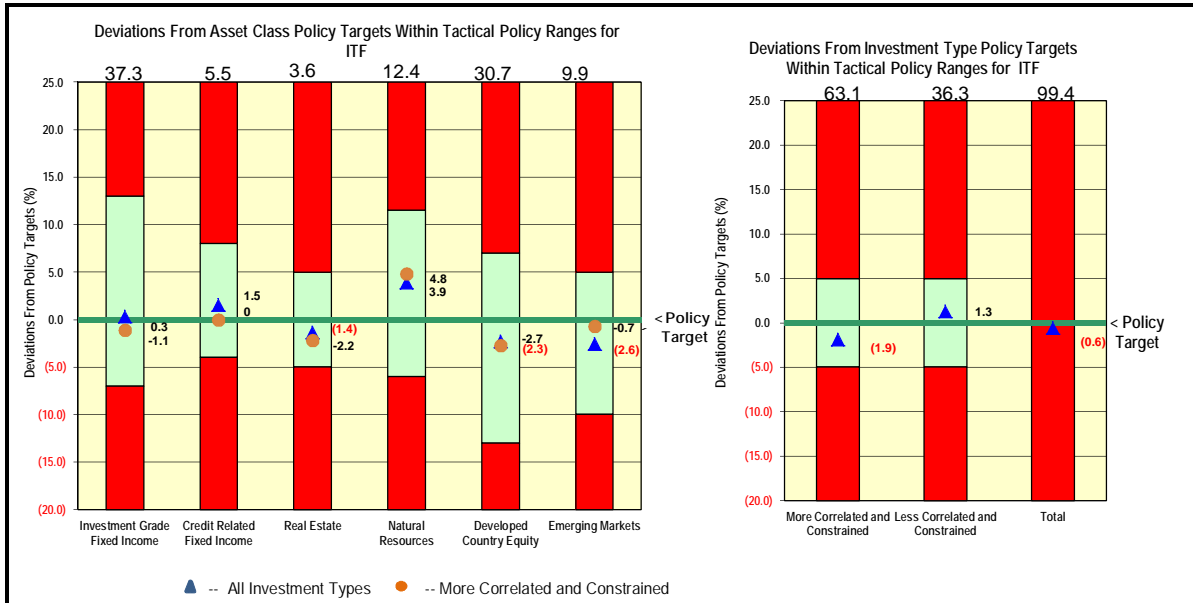


### III. INTERMEDIATE TERM FUND Investment Reports for Periods Ended November 30, 2011

Prepared in accordance with Texas Education Code Sec. 51.0032

Summary of Capital Flows			
(\$ millions)	Fiscal Year Ended August 31, 2011	Quarter Ended November 30, 2011	Fiscal Year to Date November 30, 2011
Beginning Net Assets	\$ 4,156	\$ 4,662	\$ 4,662
Contributions	328	166	166
Withdrawals	(168)	(49)	(49)
Distributions	(139)	(35)	(35)
Investment Return (Net of Expenses)	485	(113)	(113)
Ending Net Assets	\$ 4,662	\$ 4,631	\$ 4,631

	Returns		Fiscal Year to Date		
	Portfolio	Policy Benchmark	From Asset Allocation	From Security Selection	Total
<b>More Correlated and Constrained:</b>					
Investment Grade	-1.31%	-2.74%	0.00%	0.50%	0.50%
Credit-Related	0.00%	-1.79%	0.00%	0.00%	0.00%
Real Estate	-7.48%	-6.97%	0.08%	-0.04%	0.04%
Natural Resources	-6.15%	-6.24%	-0.22%	0.00%	-0.22%
Developed Country	-1.70%	-1.65%	-0.03%	-0.03%	-0.06%
Emerging Markets	-8.60%	-9.71%	0.00%	0.06%	0.06%
<b>Total More Correlated and Constrained</b>	<b>-3.33%</b>	<b>-3.85%</b>	<b>-0.17%</b>	<b>0.49%</b>	<b>0.32%</b>
<b>Less Correlated and Constrained</b>	<b>-0.58%</b>	<b>-1.83%</b>	<b>0.09%</b>	<b>0.29%</b>	<b>0.38%</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>-2.40%</b>	<b>-3.10%</b>	<b>-0.08%</b>	<b>0.78%</b>	<b>0.70%</b>



**IV. SEPARATELY INVESTED ASSETS**  
**Summary Investment Report at November 30, 2011**  
 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 (DEBT PROCEEDS AND 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 08/31/11	-	-	2,614	2,614	43,737	43,737	1,412	1,412	4,938	4,938	52,701	52,701	2,122,476	2,122,476	2,175,177	2,175,177
Increase/(Decrease)	-	-	1,744	1,744	(6,311)	(6,311)	(387)	(387)	(3,634)	(3,634)	(8,588)	(8,588)	(254,183)	(254,183)	(262,771)	(262,771)
Ending value 11/30/11	-	-	4,358	4,358	37,426	37,426	1,025	1,025	1,304	1,304	44,113	44,113	1,868,293	1,868,293	1,912,406	1,912,406
<b>Debt Securities:</b>																
Beginning value 08/31/11	-	-	101	101	11,688	12,707	11,836	12,362	-	-	23,625	25,170	49,841	49,783	73,466	74,953
Increase/(Decrease)	-	-	-	-	(270)	(377)	14	(164)	-	-	(256)	(541)	-	(79)	(256)	(620)
Ending value 11/30/11	-	-	101	101	11,418	12,330	11,850	12,198	-	-	23,369	24,629	49,841	49,704	73,210	74,333
<b>Equity Securities:</b>																
Beginning value 08/31/11	147	2,719	432	408	29,574	30,155	12,733	12,261	-	-	42,886	45,543	-	-	42,886	45,543
Increase/(Decrease)	313	22	1,185	1,198	239	831	84	(472)	-	-	1,821	1,579	-	-	1,821	1,579
Ending value 11/30/11	460	2,741	1,617	1,606	29,813	30,986	12,817	11,789	-	-	44,707	47,122	-	-	44,707	47,122
<b>Other:</b>																
Beginning value 08/31/11	-	-	3,453	3,453	11	11	419	139	1,189	1,189	5,072	4,792	-	-	5,072	4,792
Increase/(Decrease)	-	-	(3,372)	(3,372)	(4)	(4)	-	-	2,231	2,231	(1,145)	(1,145)	-	-	(1,145)	(1,145)
Ending value 11/30/11	-	-	81	81	7	7	419	139	3,420	3,420	3,927	3,647	-	-	3,927	3,647
<b>Total Assets:</b>																
Beginning value 08/31/11	147	2,719	6,600	6,576	85,010	86,610	26,400	26,174	6,127	6,127	124,284	128,206	2,172,317	2,172,259	2,296,601	2,300,465
Increase/(Decrease)	313	22	(443)	(430)	(6,346)	(5,861)	(289)	(1,023)	(1,403)	(1,403)	(8,168)	(8,695)	(254,183)	(254,262)	(262,351)	(262,957)
Ending value 11/30/11	460	2,741	6,157	6,146	78,664	80,749	26,111	25,151	4,724	4,724	116,116	119,511	1,918,134	1,917,997	2,034,250	2,037,508

Details of individual assets by account furnished upon request.

6. U. T. System: Report on the Fiscal Year 2011 Annual Financial Report, including the report on the U. T. System Annual Financial Report Audit, and audits of U. T. M. D. Anderson Cancer Center financial statements and of funds managed by The University of Texas Investment Management Company (UTIMCO)

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

7. U. T. System: Report on UTShare PeopleSoft Implementation

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 38 - 43).--Committee Chairman Hicks 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. San Antonio: Overview of the institution

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

2. U. T. Pan American: Authorization to purchase approximately 1.241 acres and improvements located at 2406 West University Drive, Edinburg, Hidalgo County, Texas, from Rio Bank, a Texas state banking corporation, at a purchase price not to exceed fair market value as determined by independent appraisals for use as administrative offices or other purposes related to the institution's mission

On behalf of The University of Texas-Pan American, the Board

- a. approved the purchase of approximately 1.241 acres and improvements located at 2406 West University Drive, Edinburg, Hidalgo County, Texas, from Rio Bank, a Texas state banking corporation, at a purchase price not to exceed fair market value as determined by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition as deemed necessary or advisable by the Executive Director of Real Estate, for use as administrative offices or other purposes related to the institution's mission; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

U. T. Pan American requested the purchase of the subject property and improvements located at 2406 West University Drive, Edinburg, Hidalgo County, Texas. The property includes a commercial office building with approximately 6,800 square feet of space on the first floor and 2,000 square feet of space in a mezzanine, a detached building with approximately 2,050 square feet of unfinished climate controlled storage space, and surface parking accommodating 59 vehicles. The improvements were built in 2002.

This property is approximately one-half mile west of the campus and is directly linked to the campus by West University Drive, the major commercial street in and out of the campus. There are few other office buildings close to U. T. Pan American's campus with adequate parking. The building is a single-tenant office building and is now vacant. The parties have negotiated a purchase price of \$1,000,000 (\$92.17 per square foot of building area). At the Academic Affairs Committee meeting held on February 9, 2012, Executive Director Mayne noted both appraisals came in at \$1,000,000.

Current strategic planning efforts have identified a space deficit of over 450,000 square feet on U. T. Pan American's campus. With a large space deficit and thus no adequate surge space, undertaking future projects to replace or renovate existing buildings on campus is difficult. This building will provide office space for administrative staff and other uses, and will free space on campus for academic uses.

U. T. Pan American will use Higher Education Assistance Fund (HEAF) allocations for the purchase.

3. U. T. El Paso: Honorific naming of the Academic Services Building as the Mike Loya Academic Services Building

In accordance with the Regents' *Rules and Regulations*, Rule 80307, the Board approved the honorific naming of the Academic Services Building at The University of Texas at El Paso as the Mike Loya Academic Services Building to recognize the significant contributions of Mr. Loya to U. T. El Paso.

The Academic Services Building, located at 601 West Schuster Avenue, is a two-story building that houses 14 key student services departments, including the Offices of Financial Aid, Registrar and Records, Scholarships, the Graduate School, and the Veterans Affairs Office. The building, completed in 2004, includes 52,604 square feet with a replacement value of \$13.9 million.

Mr. Miguel "Mike" A. Loya is president of Vitol, Inc. in Houston, the North and South American arm of the Vitol Group. Vitol, Inc. is one of the world's largest trading companies of commodities, primarily oil and energy. Mr. Loya has been with Vitol since 1992 where he worked in the company's London office until 1999, when he was brought back to Houston to head operations for North and South America. He is the oldest of seven children, graduating from El Paso's Burges High School. He earned a bachelor's degree in mechanical engineering from U. T. El Paso in 1977 and a master's degree in business administration from Harvard in 1979.

Mr. Loya has contributed \$5 million and has committed an additional \$5 million to U. T. El Paso to support scholarships, a distinguished Chair in Engineering, an Innovation Fund to support the Colleges of Engineering and

Business Administration, and support for the Graduate Fellows Program in Engineering. In 2004, Mr. Loya received the College of Engineering's Gold Nugget Award and was recognized in 2010 with U. T. El Paso's Distinguished Alumnus award, the highest honor the University bestows on its alumni.

4. U. T. San Antonio: Approval of changes to the Undergraduate Admissions Policy

The Board approved changes to the Undergraduate Admissions Policy at The University of Texas at San Antonio for first-time freshman and transfer applicants, which included a revision to the admission criterion for first-time freshmen in the minimum Scholastic Assessment Test (SAT) score for the fourth quartile from 1,000 to 1,100 at the request of the institution.

The institution will continue to participate in The University of Texas System Enrollment Management Workgroup that supports institutions in their efforts to reach targets for the size and composition of the student body. Effective enrollment management will enable U. T. San Antonio to manage growth by taking into account financial, physical, and human (faculty, student, and staff) resources and constraints.

The revised policy, which is set forth on the following pages, will be included in the Information Catalog of U. T. San Antonio.



**CHANGES TO ADMISSIONS CRITERIA**  
**Changes to First-Time Freshman Admissions Criteria**

The following table shows the minimum total scores required where applicable, based on high school rank-in-class and on either the SAT Reasoning Test of the College Board or the ACT Assessment.\*

<b>High School Rank in Class</b>	<b>Minimum Combined SAT Scores of (Math and Critical Reading)</b>	<b>Minimum Total Composite ACT Score</b>
Top 25%	Guaranteed Admission (GA)	Guaranteed Admission (GA)
Second 25%	<ul style="list-style-type: none"> <li>• SAT &gt; 1100: GA</li> <li>• Individual Review Recommended Min. = 900</li> </ul>	<ul style="list-style-type: none"> <li>• ACT &gt; 24: GA</li> <li>• Individual Review Recommended Min. = 19</li> </ul>
Third 25%	<ul style="list-style-type: none"> <li>• Individual Review Recommended Min. = 1000</li> </ul>	<ul style="list-style-type: none"> <li>• Individual Review Recommended Min. = 21</li> </ul>
Fourth 25%	<ul style="list-style-type: none"> <li>• Individual Review Recommended Min. = 1100</li> </ul>	<ul style="list-style-type: none"> <li>• Individual Review Recommended Min. = 24</li> </ul>
GED, Unaccredited High School, Home Schooled	<ul style="list-style-type: none"> <li>• Individual Review Recommended Min. = 1100</li> </ul>	<ul style="list-style-type: none"> <li>• Individual Review Recommended Min. = 24</li> </ul>
Non-Ranking Accredited High School	<ul style="list-style-type: none"> <li>• SAT &gt; 1100: GA</li> <li>• Individual Review Recommended Min. = 900</li> </ul>	<ul style="list-style-type: none"> <li>• ACT &gt; 24: GA</li> <li>• Individual Review Recommended Min. = 19</li> </ul>

\*Minimum completion of the Texas Recommended Curriculum (or its documented equivalent), or satisfaction of ACT's College Readiness Benchmarks on the ACT assessment, or earning on the SAT assessment a combined score of at least 1,500 on the Math, Critical Reading, and Writing sections is a requirement for all first-time freshman admissions.

Texas resident students who are in the top 25 percent of their high school graduating class at an accredited high school are admitted without minimum score requirements on the ACT or SAT, but their scores must be submitted to U. T. San Antonio.

Meeting the above Recommended Minimums does not guarantee admission. Students who are granted admission to the university are not guaranteed admission to a specific academic program.

## **Changes to Transfer Admissions Criteria Transfer Students**

Students should apply for admission as transfer students if they have previously completed any credit courses at the college level after high school graduation, with the exception of those who attend college during the summer immediately after high school graduation (first-time freshmen). Applicants may be attending another regionally accredited college or university and may have coursework in progress at the time of their application to UTSA.

Applicants for admission as transfer students must have at least a 2.25 (on a 4.0 scale) admission grade point average. ***When calculating the grade point average to determine eligibility for admission for transfer students, all transferable college-level courses are used in the calculation (grades are not replaced).***

For applicants with a cumulative grade point average of less than 2.5, it is possible that an admissions decision will be delayed until receipt of grades from the semester. When transfer students have met all of the admission requirements listed in this bulletin, they will be granted admission.

### **Application Procedures**

An ApplyTexas Application, nonrefundable application fee, and official college transcripts from each institution from which college-level work was ever attempted must be received by the appropriate application deadline. The transcripts are to be requested and sent officially from the colleges from which the college work was attempted/earned. For Freshmen Transfers, a final high school transcript and an official copy of the SAT or ACT score must also be provided to the Office of Undergraduate Admission by the appropriate deadline.

Admission is conditional for students who are admitted with Work in Progress from another institution. An official transcript reflecting the Work-in-Progress and any subsequent work must be submitted upon completion of the work. Financial aid can be applied toward tuition and fees upon submission of the complete college transcript(s) indicating all college coursework attempted. Registration for future semesters is also contingent upon receipt of the college transcript(s).

### **With Fewer Than 30 Semester Credit Hours**

Applicants for admission who have earned fewer than 30 semester credit hours at the time of application from accredited colleges or universities must:

- meet the guaranteed admission requirements for first-time freshmen;
- have a minimum 2.25 (on a 4.0 scale) admission grade point average on college coursework attempted; and
- be eligible to return to their most recently attended institution.

### **With 30 or More Semester Credit Hours**

Applicants for admission to UTSA who have earned 30 or more semester credit hours at the time of application from accredited colleges or universities must:

- have a minimum 2.25 (on a 4.0 scale) admission grade point average on college coursework attempted; and
- be eligible to return to their most recently attended institution.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 44 - 47).--Committee Chairman Stillwell 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. Health Science Center - San Antonio: Overview of the institution

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

2. U. T. Southwestern Medical Center: Authorization to purchase land and improvements located at 1715 Inwood Road, Dallas, Dallas County, Texas, from Cedar Properties, Inc., a Texas corporation, at a price not to exceed fair market value as established by independent appraisals for future programmed development of campus expansion or other purposes related to the institution's mission

On behalf of The University of Texas Southwestern Medical Center, the Board

- a. approved the purchase of land and improvements located at 1715 Inwood Road, Dallas, Dallas County, Texas, from Cedar Properties, Inc., a Texas corporation, for a purchase price not to exceed fair market value as determined by independent appraisals, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Director of Real Estate, for future programmed development of campus expansion or other purposes related to the institution's mission; and
- b. authorized the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Although legal counsel advised that there is no actual conflict of interest, Regent Gary abstained from discussion and vote on this item as he has a preexisting interest in real property located at 5225 Maple Street near the purchase site.

U. T. Southwestern Medical Center requested the purchase of the subject property located at 1715 Inwood Road, Dallas, Dallas County, Texas. The lot, described as Lot 1, Block 7912, Hudson Addition to the City of Dallas,

consists of 0.8581 of an acre and has a 6,630-square foot, one-story brick building used for retail purposes. The building is leased to two tenants whose leases expire March 31, 2012 and April 30, 2012, and will not be renewed.

This site lies between U. T. Southwestern's clinical west campus and an electrical substation owned by the institution. Acquisition of the site permits expansion of the electrical substation, if needed, or an additional access point to the New University Hospital that is currently under construction.

The appraised value is confidential pursuant to *Texas Education Code* Section 51.951. To fund the purchase, the institution will use Designated Funds consisting primarily of interest on time deposits.

3. U. T. M. D. Anderson Cancer Center: Authorization to lease approximately 35,075 square feet of clinic space in an office building located at 15021 Katy Freeway, Houston, Harris County, Texas, from TR Energy Crossing Corp., a Delaware corporation, for the operation of a diagnostic imaging clinic and associated medical administrative offices

On behalf of The University of Texas M. D. Anderson Cancer Center, the Board

- a. authorized the lease of approximately 35,075 square feet of clinic space in an office building located at 15021 Katy Freeway, Houston, Harris County, Texas, from TR Energy Crossing Corp., a Delaware corporation, for the operation of a diagnostic imaging clinic and associated medical administrative offices; and
- b. authorized the President of U. T. M. D. Anderson Cancer Center to execute the lease and all related documents, instruments, and other agreements on behalf of the institution, subject to approval of all such documents by the Executive Director of Real Estate, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing action.

Over the last several years, U. T. M. D. Anderson Cancer Center has engaged in an effort to expand its services offered in the community setting through the Regional Care Center (RCC) program. The core objectives of the RCC program are to offer care close to the patients' homes and to provide services in the fast-growing Houston suburbs. Additionally, two major factors have led to rapid growth of the demand for diagnostic imaging (DI) services on M. D. Anderson's main campus: (1) there has been an industry-wide expansion in DI utilization, and (2) oncology care has become increasingly reliant on DI in the diagnosis of cancer. M. D. Anderson has expanded operating hours of the outpatient DI services on the main campus, and, at present, the only immediate opportunity for further expansion of such services

is to finish and equip shell space for one MRI in the Lowry and Peggy Mays Ambulatory Clinical Building. The lack of capacity in DI services has created delays in patients' ability to obtain DI appointments, which can lead to delays in scheduling clinical appointments.

M. D. Anderson has determined that main campus outpatient capacity constraints in DI require a rapid solution and that the most logical solution is to expand main campus services into the community through the development of a freestanding, provider-based imaging center. Providing DI services in the community furthers the strategic growth plans of the institution and offers a solution to the main campus capacity constraints.

As a part of the RCC program, U. T. M. D. Anderson has sought to develop and establish a more strategic and long-term approach to its cancer treatment operations in Katy, Texas. The institution's first step was the opening, in November 2007, of a clinic and linear accelerator facility in leased space at the Christus Medical Specialty Pavilion in Katy, approved by the Board of Regents on February 9, 2006. The uses permitted under the Christus lease are radiation oncology, infusion therapy services, and services incidental thereto; the existing lease does not permit M. D. Anderson to provide DI services at that leased facility.

The institution therefore engaged a broker to locate suitable lease sites available for a DI clinic. The subject property was chosen due to its ease of access, location on the I-10 (Katy Freeway) frontage road, and the availability of sufficient space on the ground floor to accommodate the clinic. It is approximately 4.5 miles from the Christus Medical Specialty Pavilion.

The lease is for a term of 10 years anticipated to commence on June 1, 2012, plus two five-year renewal options at fair market rental. The area of the leased premises is 35,075 rentable square feet (rsf). The annual base rent for the first year is \$666,425 and increases annually by \$17,537.50 (\$0.50 per rsf). The average annual rent during the 10-year period is \$745,343.76, or \$21.25 per rsf. Rental for office space identified by the broker ranged from \$17.50 to \$24.00 per rsf. The 2011 estimated annual operating expenses payable by the institution under the lease are \$275,689.50, or \$7.86 per rsf. Additionally, M. D. Anderson will submeter and pay for its own electrical service, which will include the operation of supplemental HVAC units dedicated to its imaging equipment.

The landlord is contributing \$1,403,000 toward construction of the tenant improvements, and U. T. M. D. Anderson Cancer Center is contributing approximately \$12,500,000 toward construction of fixed tenant improvements within the leased premises. All of the tenant improvements will be constructed by the landlord. These improvements are necessary to convert the shell

space to clinic space. M. D. Anderson also plans to expend \$15,000,000 for furniture, fixtures, and major equipment, the majority of which the institution will be able to remove upon termination of the lease.

The landlord is offering building signage visible from the freeway, but is stipulating that the word "Cancer" cannot appear in such signage, inasmuch as the building was intended for general office use. The signage is anticipated to read "University of Texas M. D. Anderson Diagnostic Center."

The lease will be funded with Designated Funds from revenue from hospital operations.

4. U. T. M. D. Anderson Cancer Center: Discussion featuring research opportunities, accomplishments, and challenges

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

5. U. T. System: Quarterly report on health matters of interest to the U. T. System, including the Clinical Safety and Effectiveness Program and the impact of the 1115 Medicaid Waiver

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

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 48 - 56).--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. System: Report on progress of Space Utilization Efficiency Report

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

2. U. T. Dallas: Bioengineering and Sciences Building - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2012-2017 Capital Improvement Program (CIP) to include the Bioengineering and Sciences Building project at The University of Texas at Dallas as follows:

Project No.:	302-679	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	December 2015	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Permanent University Fund Bond Proceeds	\$72,250,000
	Revenue Financing System Bond Proceeds <sup>1</sup>	\$ 8,750,000
	Unexpended Plant Funds <sup>2</sup>	<u>\$ 4,000,000</u>
		\$85,000,000

Funding Notes: <sup>1</sup> Revenue Financing System debt will be repaid from rental income, auxiliary food service revenue, parking fees, and activity center fees  
<sup>2</sup> Unexpended Plant Funds are from balance of funds from project close-out

- Investment Metrics:
- Add 1,720 new students in science, technology, engineering, and mathematics (STEM) fields with emphasis on life sciences, neurosciences, and bioengineering
  - Accommodate 48 new tenure and tenure-track faculty members
  - Generate \$12 million per year in externally funded research support
  - Create significant new technology transfer opportunities from discoveries made and entrepreneurs trained

This project containing approximately 172,000 gross square feet will house classrooms and instructional laboratories, faculty and teaching assistant offices, computational infrastructure, and research space. Learning and work performed in the building will focus on functions of the brain, the nervous



system, the cell, the gene, and the disciplines of engineering as they relate to electronic sensing devices, as well as engineered controls to improve human function.

U. T. Dallas needs additional space to accommodate expanded student enrollment, increased degree production, improvement of graduation rates, and increased externally funded research. The Dallas/Fort Worth Metroplex has demonstrated need for the types of scientists, engineers, and health professionals who will be educated in this new building. U. T. Dallas advises that, with continued success, space is becoming a limiting factor in the University's objective to become a major, nationally competitive "Tier One" research university serving highly qualified students who may otherwise leave Texas.

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.

3. U. T. San Antonio: Administrative Office Building - Amendment of the FY 2012-2017 Capital Improvement Program to increase the total project cost; approval to revise funding sources; and approval to redesignate the project as the Academic and Administrative Office Building (Preliminary Board approval)

The Board approved the recommendations for the Administrative Office Building project at The University of Texas at San Antonio as follows:

Project No.:	401-645		
Project Delivery Method:	Construction Manager-at-Risk		
Substantial Completion Date:	August 2014		
Total Project Cost:	<u>Source</u>	<u>Former</u>	<u>Current</u>
	Designated Funds <sup>1</sup>	\$ 21,500,000	\$ 6,000,000
	Permanent University Fund Bond Proceeds	\$ 0	\$ 22,250,000
	Unexpended Plant Funds <sup>2</sup>	\$ 0	\$ 11,750,000
	Interest on Local Funds	\$ 0	\$ 10,000,000
		<u>\$ 21,500,000</u>	<u>\$ 50,000,000</u>

Funding Notes: <sup>1</sup> Designated Funds from Designated Tuition  
<sup>2</sup> Unexpended Plant Funds from Designated Tuition

- Investment Metrics: By 2014
- Realize savings of approximately \$1,600,000 per year in rent
  - Increase efficiency by eliminating time lost commuting between the main campus and off-campus leased space
  - Reduce current space deficit by adding classroom and class lab space

- a. amend the Fiscal Year 2012-2017 Capital Improvement Program (CIP) to increase the total project cost from \$21,500,000 to \$50,000,000;
- b. revise the funding sources from \$21,500,000 from Designated Funds to \$6,000,000 from Designated Funds, \$22,250,000 from Permanent University Fund (PUF) Bond Proceeds, \$11,750,000 from Unexpended Plant Funds, and \$10,000,000 from Interest on Local Funds; and
- c. redesignate the project as the Academic and Administrative Office Building.

#### Previous Board Action

On August 25, 2011, the Administrative Office Building project was included in the CIP at a total project cost of \$21,500,000 with funding from Designated Funds.

#### Project Description

This project will combine the Academic Building project with the Administrative Office Building project that is currently on the FY 2012-2017 CIP. The scope of the original Administrative Office Building project was to design and construct a five-story, approximately 90,000 gross square foot (GSF) building to house various administrative functions including Human Resources, Accounting, Audit, Legal, and Advancement offices that are currently leasing space off campus.

The increase in funding for the Academic portion of the project will provide an additional approximately 85,000 GSF for classrooms, teaching laboratories, and faculty offices for a total of 175,000 GSF. Furthermore, this area will accommodate the interdisciplinary cybersecurity program, the Center for Infrastructure Assurance and Security (CIAS), and will provide a place for related instruction for students from the Colleges of Business and Sciences.

Combining academic and administrative program areas will realize economy in construction and achieve the maximum development value. By relocating administrative functions and CIAS currently housed off campus in leased office space, the University will save approximately \$1,600,000 per year in rent. Additionally, the University will benefit from the improved efficiency resulting from eliminating time lost by administrative personnel commuting between the main campus and off-campus leased space.

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. Health Science Center - San Antonio: Center for Oral Health Care at the MARC - Amendment of the FY 2012-2017 Capital Improvement Program to include project (Preliminary Board approval)

The Board amended the Fiscal Year 2012-2017 Capital Improvement Program (CIP) to include the Center for Oral Health Care at the MARC project at The University of Texas Health Science Center at San Antonio as follows:

Project No.:	402-644	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	November 2014	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Permanent University Fund Bond Proceeds	\$63,000,000
	Revenue Financing System Bond Proceeds <sup>1</sup>	\$15,000,000
	Designated Funds <sup>2</sup>	\$15,000,000
	Gifts	<u>\$ 2,000,000</u>
		\$95,000,000

Funding Notes: <sup>1</sup> Revenue Financing System debt to be repaid from parking fees  
<sup>2</sup> Designated Funds from clinical revenue in hand

- Investment Metrics:
- Increase patient visits by 10% within two years and 15% within three years
  - Increase clinical revenue by 10% within two years and 25% within five years
  - Increase clinical research funding by 10% within two years
  - Enroll 33% of highest qualified dental school applicants based on campus applicant scoring system

This project will consist of approximately 172,000 gross square feet for a dental clinic facility to improve dental education and training and sustain the Dental School's top-tier ranking. The facility, to be located adjacent to the Medical Arts and Research Center (MARC), will include a 450-car parking garage and will be constructed using cost-effective models compatible with other commercial medical structures, including the MARC.

A new dental clinic facility will allow the campus to enhance educational and clinical interactions between clinical specialties. The proximity to the MARC outpatient medical care clinics will facilitate the referral and management of patients with oral health conditions.

The Dental School Building is almost 40 years old and is not able to address infrastructure liabilities and incorporation of current and future technologies. The U. T. Health Science Center - San Antonio Office of Environmental Health and Safety has audited the Dental School and reports that the building does not comply with the current life safety code for health care facilities. The existing building will be repurposed for non-healthcare activities in the future.

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.

5. U. T. Health Science Center - Tyler: Academic Center - Phase II - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; and appropriation of funds (Final Board approval)

The Board amended the Fiscal Year 2012-2017 Capital Improvement Program (CIP) to include the Academic Center - Phase II project at The University of Texas Health Science Center at Tyler as follows:

Project No.:	801-689	
Project Delivery Method:	Construction Manager-at-Risk	
Substantial Completion Date:	November 2012	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Permanent University Fund Bond Proceeds	\$ 21,000,000
	Designated Funds <sup>1</sup>	\$ 3,809,200
		\$ 24,809,200

Funding Note: <sup>1</sup> Designated Funds from Hospital Revenues

- a. approve a total project cost of \$24,809,200 with funding of \$21,000,000 from Permanent University Fund (PUF) Bond Proceeds and \$3,809,200 from Designated Funds; and
- b. appropriate funds.

The Academic Center, a CIP project of approximately 85,600 gross square feet that was completed on July 5, 2011, is a three-level structure with a two-level lobby pavilion. The first floor cancer research and treatment area was completed as part of the original project, with the second and third floors left as shell space. This project will complete the finish-out of the Academic Center to consist of specialty clinics on the second floor; teaching, conference, and library services on the third floor; and physical plant upgrades to accommodate the expansion and solve current energy consumption issues.

The finish-out of the second floor will house the surgery, gynecology, urology, and gastroenterology clinics as well as a women's health clinic and conference and education spaces. The surgical specialists will be relocated out of The Riter Center for Advanced Medicine (Center) building to better serve the institution's patients and provide the region's only complete destination for oncology care. The vacated Center will allow for the growth

and expansion of the Family Medicine Clinic and Family Practice Residency Program, affording more efficiently designed clinical space as well as a dedicated teaching auditorium and conference rooms.

The finish-out of the academically dedicated third floor will include the Watson W. Wise Medical Library (the region's only medical library), an advanced electronic auditorium, classrooms, conference rooms, and catering facilities. These facilities will further the University's mission of providing a comprehensive educational environment for faculty to advance the opportunity to perform evidence-based research that will translate into evidence-based practice.

The renovations and upgrades to the campus' physical plant are necessary to accommodate the expansion and solve current energy consumption issues. The current physical plant has not had significant upgrades since 1973. Renovation to the current utility systems will service the entire campus, allowing for the introduction of the latest technology in environmental and utility controls. Current projections of energy savings associated with plant upgrades show significant monthly cost savings.

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.

6. U. T. Austin: Art Building Auditorium and Building HVAC Renovation - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)

The Board amended the Fiscal Year 2012-2017 Capital Improvement Program (CIP) to include the Art Building Auditorium and Building HVAC Renovation project at The University of Texas at Austin as follows:

Project No.:	102-691	
Institutionally Managed:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Project Delivery Method:	Competitive Sealed Proposals	
Substantial Completion Date:	August 2012	
Total Project Cost:	<u>Source</u>	<u>Current</u>
	Designated Funds <sup>1</sup>	\$3,900,000
	Interest on Local Funds	\$1,850,000
	Available University Fund	<u>\$ 100,000</u>
		\$5,850,000

Funding Note: <sup>1</sup> Designated Funds from Designated Tuition

- a. approve a total project cost of \$5,850,000 with funding of \$3,900,000 from Designated Funds, \$1,850,000 from Interest on Local Funds, and \$100,000 from the Available University Fund;
- b. appropriate funds; and
- c. authorize U. T. Austin to manage the project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

This project will renovate the Art Building Auditorium including the removal and replacement of the existing ceiling, carpet, vinyl tile, and seating, and the refinishing of the wood panel walls and wood stage. The auditorium will have 271 seats in final configuration. The functional changes to the lighting include revising the lighting design to meet current codes, updating the lighting controls and providing an interface with the audiovisual system, and new projection screens. The current wireless data will be extended to include two additional wireless access points.

The renovation of the heating, ventilation, and air conditioning system (HVAC) includes replacement of three air handling units and associated controls, as well as controls for a fourth air handling unit. The project will bring the auditorium into compliance with Texas Accessibility Standards (TAS) and National Fire Protection Association (NFPA) standards. Compliance with these codes requires that the existing contour of the suspended floor slab be corrected to decrease the slope and add level landings for the mobility impaired. In addition, a second accessible exit is required, which calls for a three-stop wheelchair lift and a revised exit at the stage.

To increase contracting efficiency and lessen coordination impact on building occupants, U. T. Austin has combined the scope of work for two projects into one construction contract. Recent bid increases now exceed the major construction threshold and require inclusion in the CIP.

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 presented to the President for approval at a later date. It has been determined that this project would best be managed by U. T. Austin Facility Management personnel who have the experience and capability to manage all aspects of the work.

7. U. T. Austin: Jester West Maintenance and Interior Finishes - Amendment of the FY 2012-2017 Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and authorization of institutional management (Final Board approval)

The Board amended the Fiscal Year 2012-2017 Capital Improvement Program (CIP) to include the Jester West Maintenance and Interior Finishes project at The University of Texas at Austin as follows:

Project No.:	102-692				
Institutionally Managed:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>				
Project Delivery Method:	Construction Manager-at-Risk				
Substantial Completion Date:	August 2018				
Total Project Cost:	<table><tr><td><u>Source</u></td><td><u>Current</u></td></tr><tr><td>Auxiliary Enterprises Balances<sup>1</sup></td><td>\$36,000,000</td></tr></table>	<u>Source</u>	<u>Current</u>	Auxiliary Enterprises Balances <sup>1</sup>	\$36,000,000
<u>Source</u>	<u>Current</u>				
Auxiliary Enterprises Balances <sup>1</sup>	\$36,000,000				

Funding Note: <sup>1</sup> Auxiliary Enterprises Balances from Division of Housing and Food Services Auxiliary Balances (Reserve and Operating Account)

- a. approve a total project cost of \$36,000,000 with funding from Auxiliary Enterprises Balances;
- b. appropriate funds; and
- c. authorize U. T. Austin to manage the project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts.

The project will renovate each floor of the Jester West tower, from the ground floor through the 14th floor, phased-in over six years. The existing built-in student room furniture will be removed and replaced with new movable furniture in each student room. Finishes will be upgraded throughout and are repetitive on each floor. Additional upgrades include improvements and replacement to portions of the plumbing, electrical, and mechanical systems, and an exterior curtain wall will be added at the termination of long corridors to add more natural light on the floors in a manner similar to the successfully completed Jester East Maintenance and Interior Finishes project.

Living on campus is conducive to academic achievement and enhances the student's university experience and personal growth. These project improvements will enable U. T. Austin to provide a better living experience for the student population and are essential to address deferred maintenance issues. The renovations are also necessary for on-campus student housing assets to remain competitive with the private sector as the student floors have not had any substantial updates since the building was first occupied in 1970.

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 presented to the President for approval at a later date. It has been determined that this project would best be managed by U. T. Austin Facility Management personnel who have the experience and capability to manage all aspects of the work, especially as it is a long-term phased project and requires extensive coordination with the building occupants.



REPORT OF THE TECHNOLOGY TRANSFER AND RESEARCH COMMITTEE  
(Page 57).--Committee Chairman Dannenbaum stated there were no items from  
the Technology Transfer and Research Committee to report in open session.

1. U. T. System: Report on Chancellor's Technology Commercialization  
Advisory Council

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

2. U. T. System: Report on U. T. Horizon Fund

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

3. U. T. System: Report on Request for Proposals for novel programs in  
innovation and entrepreneurship

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

4. U. T. M. D. Anderson Cancer Center: Report on key findings from the Institute  
for Cancer Care Excellence, including use of electronic medical records

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

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS.--At 12:24 p.m., the Board voted and approved the Standing Committee recommendations.

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on May 2-3, 2012, in Austin, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 12:25 p.m.

Carol A. Felkel  
Secretary to the Board of Regents

March 22, 2012

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION  
DOCKET NO. 149**

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 9, 2012. 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. Dockets were not submitted for U. T. Brownsville, U. T. Dallas, U. T. Tyler, and U. T. Health Science Center - Tyler.

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**U. T. SYSTEM ADMINISTRATION  
FEBRUARY 8-9, 2012**

**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 COMING IN**

1. Agency: Kinder Morgan Texas Pipeline, L.P.  
Funds: Projected revenue is \$1,331,284 over the term of the contract  
Period: Commencing on the effective date and continuing for a period of 10 years after the operation commencement date, which shall not be later than February 28, 2022  
Description: Renewal of agreement with Kinder Morgan Texas Pipeline, L.P. to continue to allow 20,481.30 rods of pipe at \$65 per rod to be laid on University Lands in Crockett, Reagan, Schleicher, and Upton Counties.
2. Agency: South Texas Electric Cooperative, Inc.  
Funds: Projected revenue for life of this project is \$3,306,330 over the term of the contract  
Period: Commencing on the effective date and continuing for a period of 10 years after the operation commencement date, which shall not be later than February 28, 2022  
Description: New agreement with South Texas Electric Cooperative, Inc. to allow 12,966 rods of electric transmission power line to be constructed on University Lands in Crockett, Schleicher, and Pecos Counties.

**U. T. SYSTEM ADMINISTRATION  
FEBRUARY 8-9, 2012**

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT**

3. Agency: Fugro Consultants, Inc.  
Funds: U. T. System anticipates contracting expenditures to exceed \$1,000,000 per year of the contract  
Source of Funds: Service Department Funds  
Period: September 1, 2011 through September 19, 2017  
(contract was brought forward for Board approval once it reached the \$1,000,000 threshold where Board approval is required)  
Description: The firm agrees to perform geotechnical and materials testing services for U. T. System Office of Facilities Planning and Construction on a job order basis. Services were competitively procured.
4. Agency: Raba-Kistner Consultants, Inc.  
Funds: U. T. System anticipates contracting expenditures to exceed \$1,000,000 per year of the contract  
Source of Funds: Service Department Funds  
Period: September 1, 2011 through September 19, 2017  
(contract was brought forward for Board approval once it reached the \$1,000,000 threshold where Board approval is required)  
Description: The firm agrees to perform geotechnical and materials testing services for U. T. System Office of Facilities Planning and Construction on a job order basis. Services were competitively procured.
5. Agency: Terracon Consultants, Inc.  
Funds: U. T. System anticipates contracting expenditures to exceed \$1,000,000 per year of the contract  
Source of Funds: Service Department Funds  
Period: September 1, 2011 through September 19, 2017  
(contract was brought forward for Board approval once it reached the \$1,000,000 threshold where Board approval is required)  
Description: The firm agrees to perform geotechnical and materials testing services for U. T. System Office of Facilities Planning and Construction on a job order basis. Services were competitively procured.

**U. T. SYSTEM ADMINISTRATION  
FEBRUARY 8-9, 2012**

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT (CONTINUED)**

6. Agency: Hill International, Inc.  
Funds: U. T. System anticipates contracting expenditures to exceed \$1,000,000 per year of the contract  
Source of Funds: Service Department Funds  
Period: February 21, 2011 through February 20, 2017  
(contract was brought forward for Board approval once it reached the \$1,000,000 threshold where Board approval is required)  
Description: The firm agrees to perform project management services, such as project management, estimating, scheduling, and project analysis for U. T. System on a job order basis. Services were competitively procured.
7. Agency: Academic Partnerships, LLC  
Funds: Expected to exceed \$1,000,000 over the life of the contract including renewal options  
Source of Funds: Determined by the institution when contracting services  
Period: November 16, 2011 through November 16, 2012, with four optional one-year renewal terms  
Description: Academic Partnerships provides online educational services to academic and health U. T. institutions. Services were competitively procured.
8. Agency: Instructional Connections, Inc.  
Funds: Expected to exceed \$1,000,000 over the life of the contract including renewal options  
Source of Funds: Determined by the institution when contracting services  
Period: October 25, 2011 through October 25, 2012, with four optional one-year renewal terms  
Description: Instructional Connections provides online educational services to academic and health U. T. institutions. Services were competitively procured.



**U. T. SYSTEM ADMINISTRATION  
FEBRUARY 8-9, 2012**

**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 16, 2011. 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>
Dava Beth Barnhart	U. T. Austin
Henry A. Bebon III	U. T. Brownsville
Jacob D. Bush	U. T. Arlington
Kevin J. Carollo	U. T. Austin
Alicia D. Dockens	U. T. Health Science Center - Tyler
Erick Dominguez	U. T. Brownsville
John C. Gonzalez	U. T. Medical Branch - Galveston
Jeffrey R. Jones	U. T. Health Science Center - Tyler
James L. Lee, Jr.	U. T. San Antonio
Patarick G. Lopez, Jr.	U. T. San Antonio
Hector R. Luevano, Jr.	U. T. Austin
Miranda S. McGee	U. T. Austin
Adrian A. Passdar-Shirazi	U. T. Austin
Jonathan D. Pfaff	U. T. San Antonio
Eric M. Stedman	U. T. Arlington

**U. T. SYSTEM ADMINISTRATION  
FEBRUARY 8-9, 2012**

**REAL ESTATE REPORT**

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

Summary Report at November 30, 2011

	FUND TYPE							
	Current Purpose Restricted		Endowment & Similar Funds		Annuity & Life Income Funds		TOTAL	
	Book	Market	Book	Market	Book	Market	Book	Market
Land & Buildings:								
Ending Value 8/31/2011	\$ 2,634,778	\$ 20,233,884	\$ 106,321,203	\$ 269,586,238	\$ 1,601,467	\$ 2,973,923	\$ 110,557,448	\$ 292,794,046
Increase or Decrease	156,312	146,523	(206,995)	(433,977)	-	-	(50,683)	(287,454)
Ending Value 11/30/2011	\$ 2,791,090	\$ 20,380,407	\$ 106,114,208	\$ 269,152,262	\$ 1,601,467	\$ 2,973,923	\$ 110,506,765	\$ 292,506,592
Other Real Estate:								
Ending Value 8/31/2011	\$ 50,776	\$ 50,776	\$ 123,214	\$ 123,214	\$ -	\$ -	\$ 173,989	\$ 173,989
Increase or Decrease	(2,220)	(2,220)	(97,930)	(97,930)	-	-	(100,150)	(100,150)
Ending Value 11/30/2011	\$ 48,556	\$ 48,556	\$ 25,284	\$ 25,284	\$ -	\$ -	\$ 73,839	\$ 73,839

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. 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**  
**FEBRUARY 8-9, 2012**

**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 (NCAA), any intercollegiate athletic conference of which The University of Texas at Arlington is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Arlington. The violation of the provisions of such constitution, bylaws, rules, regulations, or policies shall be grounds for suspension without pay or dismissal.

1. Item: Athletic Director
- Funds: \$250,000 annually
- Source of Funds: Intercollegiate Athletics Fees & Revenue
- Period: February 1, 2012 through January 31, 2017
- Description: Initial agreement for employment of Athletic Director, James Baker, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentives:
- \$3,000 (with a limit of \$12,000 in any contract year) for each varsity sports team or individuals that participate in post-season NCAA competition between February 1, 2012 and February 1, 2017
  - \$10,000 in any contract year for each varsity sports team that wins an NCAA championship between February 1, 2012 and February 1, 2017
  - \$12,500 in any contract year when an overall cumulative 2.9 GPA by all varsity student athletes is achieved or the aggregate APR for all varsity teams exceeds NCAA minimum
  - Additional \$2,500 in any contract year (with a limit of \$12,500) for each varsity team with a 3.0 or above GPA
  - Total performance incentives in any contract year will not exceed a total of \$25,000

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**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 GOING OUT**

1. Agency: Sasaki Associates, Inc.  
Source of Funds: Available University Funds, Designated Funds, Designated Tuition  
Funds: \$1,380,600  
Period: October 1, 2010 through September 30, 2012  
Description: Sasaki Associates, Inc. agrees to furnish services required to create a new campus master plan for U. T. Austin. The contract includes preliminary work performed from October 1, 2010 through September 28, 2011, with charges totaling \$100,375. During that phase, Sasaki Associates, Inc. held discussions with campus leadership and stakeholders to determine the needs of the campus and to define the scope of work required to create a framework for orderly University development. The master plan will address mobility planning, sustainability planning, development of a software tool to support capital project and space management decision-making, energy use planning, and refinement of the campus design guidelines for buildings. The plan will focus on analyzing buildings over 50 years of age to make informed recommendations on preservation and suitability for adaptive reuse. The services were competitively procured. (See U. T. Austin Item 2 on Docket Page - 16)

U. T. AUSTIN  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 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:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
RED McCOMBS SCHOOL OF BUSINESS					
Finance					
1. *Robert D. Mettlen					4350
From: Lamar Savings Centennial Professorship in Finance and Professor (T)		100	09	92,500	
To: Lamar Savings Centennial Professor Emeritus in Finance	9/1-5/31			0	
*Professor Mettlen's emeritus appointment is effective at the date of retirement of September 1, 2004. Approval was intended to be effective April 26, 2004, but the title change was not submitted for Docket approval at that time. The honorary title designation is being submitted now for formal approval.					
COLLEGE OF FINE ARTS					
Art and Art History					
2. *Janet E. Kastner					4297
From: Associate Professor (T)		100	09	69,240	
To: Associate Professor Emeritus	9/1-5/31			0	
*Professor Kastner's emeritus status is effective at the date of retirement.					

U. T. AUSTIN  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS 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>	
SCHOOL OF FINE ARTS (Continued)					
Art and Art History (Continued)					
3. *William A. Lundberg					4295
From: Marlene and Morton Meyerson Centennial Professorship in Art and Art History and Professor (T) Professorship Supplement		100 SUPLT	09 09	69,000 6,400	
To: Marlene and Morton Meyerson Centennial Professor Emeritus in Art and Art History *Professor Lundberg's emeritus status is effective at the date of retirement.	9/1-5/31			0	
4. *Vincent A. Mariani					4296
From: Professor (T)		100	09	64,449	
To: Professor Emeritus *Professor Mariani's emeritus status is effective at the date of retirement.	9/1-5/31			0	
5. *Melissa W. Miller					4349
From: Associate Professor (T)		100	09	71,870	
To: Associate Professor Emeritus *Professor Miller's emeritus status is effective at the date of retirement.	9/1-5/31			0	

U. T. AUSTIN  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS APPOINTMENTS (CONTINUED)

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
COLLEGE OF LIBERAL ARTS					
English					
6. *Jeffrey Barnouw					4264
From: Professor (T)		100	09	74,996	
To: Professor Emeritus	9/1-5/31			0	
*Professor Barnouw's emeritus status is effective at the date of retirement.					
7. *Laura J. Furman					4283
From: Susan Taylor McDaniel Regents Professorship in Creative Writing #1 and Professor (T)		100	09	80,000	
To: Susan Taylor McDaniel Regents Professor Emeritus in Creative Writing #1	1/16-5/31			0	
*Professor Furman's emeritus status is effective at the date of retirement. Final campus endorsement of emeritus status was given after the November 10, 2011, Docket deadline.					
8. *Joseph E. Kruppa					4319
From: Professor (T)		100	09	66,153	
To: Professor Emeritus	1/16-5/31			0	
*Professor Kruppa's emeritus status is effective at the date of retirement. Final campus endorsement of emeritus status was given after the November 10, 2011, Docket deadline.					

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)**

**TENURE APPOINTMENTS (CONTINUED)**

**NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS 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>	
<b>COLLEGE OF LIBERAL ARTS (Continued)</b>					
English (Continued)					
9. *William J. Scheick					4284
From: J. R. Millikan Centennial Professorship in English Literature and Professor (T) Professorship Supplement		100	09 SUPLT	95,959 09	2,000
To: J. R. Millikan Centennial Professor Emeritus in English Literature	1/16-5/31			0	
*Professor Scheick's emeritus status is effective at the date of retirement. Final campus endorsement of emeritus status was given after the November 10, 2011, docket deadline.					
<b>COLLEGE OF NATURAL SCIENCES</b>					
Human Development and Family Sciences					
10. *Aletha C. Huston					4387
From: Priscilla Pond Flawn Regents Professorship in Child Development and Professor (T) Professorship Supplement		100	09 SUPLT	145,345 09	6,000
To: Priscilla Pond Flawn Regents Professor Emeritus in Child Development	9/1-5/31			0	
*Professor Huston's emeritus status is effective at the date of retirement.					



U. T. AUSTIN  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS 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>	
SCHOOL OF SOCIAL WORK					
Social Work					
Dean and Centennial Professorship in Leadership for Community, Professional, and Corporate Excellence					
11. Luis H. Zayas (T)	1/1-8/31	100	12	275,000	4250
	1/1-5/31	0	09	195,000	

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)**

**TRANSFERS OF FUNDS**

Description	\$ Amount	RBC #
<b>PLANT FUNDS</b>		
Project Management and Construction Services		
12. Amount of Transfer:	1,200,000	4338
From: Special Equipment – Academic Research - Projects and Operations		
Source of Funds: Available University Funds		
To: Campus Master Plan – All Expenses		
Transfer supplemental funding for the creation of a new campus master plan. (See the U. T. Austin Item 1 on Page Docket - 10).		
13. Amount of Transfer:	2,485,000	4339
From: Housing and Food Service General Repair and Replacement Reserve		
Source of Funds: Dormitories and Dining Hall Funds		
To: Beauford H. Jester Center Residence Hall Second Floor Cafeteria Renovation		
Transfer supplemental funding for renovation of the dish washing area in the second floor kitchen and of the north and west perimeter seating areas in Beauford H. Jester Center Residence Hall.		

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)**

**TRANSFERS OF FUNDS (CONTINUED)**

Description	\$ Amount	RBC #
PLANT FUNDS (Continued)		
Project Management and Construction Services (Continued)		
14. Amount of Transfer:	738,873	4346
From: Undergraduate Studies Learning Assistance Fund – Gifts		
Source of Funds: Gifts		
To: Beauford H. Jester Center Residence Hall Suite A332A Renovation – All Expenses		

Transfer to provide supplemental funding for the construction of a new 2,500 square foot combination tutoring center and student commons in the west atrium of the Academic Center in Beauford H. Jester Center Residence Hall. The space for the tutoring center/student commons will be created in an open-air space at the third level of the building. A staircase will be built to service the new area and a mezzanine level will be constructed to house a new air handling unit dedicated to the new tutoring center. Associated electrical, data/communication, life safety elements, and finishes will also be installed to serve the new and existing space.

The new area will provide additional space for use by the Sanger Learning and Career Center, which occupies spaces throughout Jester Center and provides academic support and career development to over 14,000 U. T. Austin students annually, seven days a week, 8:00 a.m. - 10:00 p.m. The Sanger program has continually grown over the years, and the demand for its services now exceeds its current available space. Tables have been set up in mezzanines and hallways of Jester Center to temporarily accommodate the overflow. However, this arrangement interferes with the flow of traffic in these circulation spaces and has the potential of conflicting with life safety and emergency egress regulations. The new tutoring center/student commons will help accommodate the overflow by serving an estimated 3,000 students with approximately 15,000 hours of instructional tutoring.

**U. T. AUSTIN**  
**FEBRUARY 8-9, 2012**

**OTHER FISCAL ITEMS**

**EMPLOYMENT AGREEMENTS**

The following agreements have been executed, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for approval by the U. T. System Board of Regents. Such employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. 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 Men's Baseball Coach  
From: Guaranteed compensation: \$950,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$165,000 annually  
To: Guaranteed compensation: \$950,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$165,000 annually  
  
Source of Funds: Intercollegiate Athletics  
Salary Percent Change: n/a  
Description: First amendment to the agreement for employment of Head Men's Baseball Coach August E. Garrido modifies the academic performance incentive for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.  
  
Incentive Change: The language regarding incentive for academic performance of the student athletes was modified to conform to new federal regulations. The academic incentives based on graduation and retention rates were removed and replaced with incentives based on specific yearly academic goals set for the team grade point performance and the team academic progress rate. No change was made in the total dollar amount of incentives.  
  
Period: Effective upon execution through August 31, 2013

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**OTHER FISCAL ITEMS (CONTINUED)**

**EMPLOYMENT AGREEMENTS (CONTINUED)**

2. Item: Head Men's Basketball Coach  
From: Guaranteed compensation: \$2,400,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$790,000 annually  
To: Guaranteed compensation: \$2,400,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$790,000 annually
- Source of Funds: Intercollegiate Athletics  
Salary Percent Change: n/a  
Description: Fourth amendment to the agreement for employment of Head Men's Basketball Coach Richard Dale Barnes modifies the athletic performance and academic performance incentives for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive Change: At the end of the Big 12 Conference regular season in previous years, schools were "seeded" (ranked) for the Big 12 post-season tournament based upon their divisional records. Designation as the "highest seed" (most highly ranked) for the North or South Division would have resulted from having the best won-lost record in that division. The North and South Divisions have been eliminated. Therefore, the fourth amendment to the contract of the head coach for Men's Basketball deletes the athletic performance incentive for finishing as the highest seed in the Big 12 South Division. In addition, the language regarding incentive for academic performance of the student athletes was modified to conform to new federal regulations. The academic incentives based on graduation and retention rates were removed and replaced with incentives based on specific yearly academic goals set for the team grade point performance and the team academic progress rate. No change was made in the total dollar amount of incentives.
- Period: Effective upon execution through March 31, 2017

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**OTHER FISCAL ITEMS (CONTINUED)**

**EMPLOYMENT AGREEMENTS (CONTINUED)**

3. Item: Head Women's Soccer Coach  
Funds: Guaranteed compensation: \$192,500 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$82,000 annually
- Source of Funds: Intercollegiate Athletics  
Description: Initial agreement for employment of Head Women's Soccer Coach Angela Kelly for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.  
Period: December 19, 2011 through August 31, 2017

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**OTHER FISCAL ITEMS (CONTINUED)**

**EMPLOYMENT AGREEMENTS (CONTINUED)**

4. Item: Head Men's Swimming and Diving Coach  
From: Guaranteed compensation: \$179,053 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$74,500 annually  
To: Guaranteed compensation: \$179,053 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$74,500 annually
- Source of Funds: Intercollegiate Athletics  
Salary Percent  
Change: n/a  
Description: Fourth amendment to the agreement for employment of Head Men's Swimming and Diving Coach Eddie Reese modifies the academic performance incentive for the designated period following the standard coach's employment contract prepared by the Office of General Counsel. The original agreement and the third amendment did not correctly state the title of the program and the title of the coach. Amendment No. 4 standardizes these titles to read "Men's Intercollegiate Swimming and Diving Program" and "Head Men's Swimming and Diving Coach."
- Incentive Change: The language regarding incentive for academic performance of the student athletes was modified to conform to new federal regulations. The academic incentives based on graduation and retention rates were removed and replaced with incentives based on specific yearly academic goals set for the team grade point performance and the team academic progress rate. No change was made in the total dollar amount of incentives.
- Period: Effective upon execution through August 31, 2014

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**OTHER FISCAL ITEMS (CONTINUED)**

**EMPLOYMENT AGREEMENTS (CONTINUED)**

5. Item: Head Men's Track and Field Coach  
From: Guaranteed compensation: \$200,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$74,500 annually  
To: Guaranteed compensation: \$200,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$74,500 annually
- Source of Funds: Intercollegiate Athletics  
Salary Percent Change: n/a  
Description: Fourth amendment to the agreement for employment of Head Men's Track and Field Coach Charles G. Thornton modifies the academic performance incentive for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive Change: The language regarding incentive for academic performance of the student athletes was modified to conform to new federal regulations. The academic incentives based on graduation and retention rates were removed and replaced with incentives based on specific yearly academic goals set for the team grade point performance and the team academic progress rate. No change was made in the total dollar amount of incentives.
- Period: Effective upon execution through August 31, 2012



**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**OTHER FISCAL ITEMS (CONTINUED)**

**EMPLOYMENT AGREEMENTS (CONTINUED)**

6. Item: Head Women's Track and Field Coach  
From: Guaranteed compensation: \$275,356 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$74,500 annually  
To: Guaranteed compensation: \$275,356 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$74,500 annually
- Source of Funds: Intercollegiate Athletics  
Salary Percent Change: n/a  
Description: Third amendment to the agreement for employment of Head Women's Track and Field Coach Beverly Kearney modifies the athletic performance and academic performance incentives for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.
- Incentive Change: At the end of the Big 12 Conference regular season in previous years, schools were "seeded" (ranked) for the Big 12 post-season tournament based upon their divisional records. Designation as the "highest seed" (most highly ranked) for the North or South Division would have resulted from having the best won-lost record in that division. The North and South Divisions have been eliminated. Therefore, the third amendment to the contract of the head coach for Women's Track and Field Coach deletes the athletic performance incentive for finishing as the highest seed in the Big 12 South Division. In addition, the language regarding incentive for academic performance of the student athletes was modified to conform to new federal regulations. The academic incentives based on graduation and retention rates were removed and replaced with incentives based on specific yearly academic goals set for the team grade point performance and the team academic progress rate. No change was made in the total dollar amount of incentives.
- Period: Effective upon execution through August 31, 2014

**U. T. AUSTIN  
FEBRUARY 8-9, 2012**

**OTHER FISCAL ITEMS (CONTINUED)**

**EMPLOYMENT AGREEMENTS (CONTINUED)**

7. Item: Head Women's Volleyball Coach  
From: Guaranteed compensation: \$165,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$87,000 annually  
To: Guaranteed compensation: \$165,000 annually  
Non-guaranteed compensation available through performance incentives: maximum of \$87,000 annually  
Source of Funds: Intercollegiate Athletics  
Salary Percent Change: n/a  
Description: Third amendment to the agreement for employment of Head Women's Volleyball Coach Jerritt Elliott modifies the academic performance incentive for the designated period following the standard coach's employment contract prepared by the Office of General Counsel.  
Incentive Change: The language regarding incentive for academic performance of the student athletes was modified to conform to new federal regulations. The academic incentives based on graduation and retention rates were removed and replaced with incentives based on specific yearly academic goals set for the team grade point performance and the team academic progress rate. No change was made in the total dollar amount of incentives.  
Period: Effective upon execution through August 31, 2016

**U. T. EL PASO  
FEBRUARY 8-9, 2012**

**AMENDMENTS TO THE 2011-12 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 EDUCATION</b>					
Educational Leadership and Foundations					
1. M. Susana Navarro					4363
From: Director and Associate Professor (T)		100 0	12 09	150,555 98,580	
To: Associate Professor Emeritus	9/1			0	

Dr. Navarro retired August 31, 2011. Request Associate Professor Emeritus status effective at the date of retirement.

**COLLEGE OF HEALTH SCIENCES**

Kinesiology

2. Darla R. Smith					4364
From: Professor (T)		100	09	81,507	
To: Professor Emeritus	9/1			0	

Dr. Smith retired August 31, 2011. Request Professor Emeritus status at the date of retirement.

U. T. EL PASO  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS 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 HEALTH SCIENCES (Continued)					
Physical Therapy					
3. Mary Carlson					4360
From: Associate Professor (T)		100	09	74,486	
To: Associate Professor Emeritus	9/1			0	

Dr. Carlson retired August 31, 2011. Request Associate Professor Emeritus status at the date of retirement.

COLLEGE OF LIBERAL ARTS

English

4. John Dick					4361
From: Associate Professor (T)		100	09	61,671	
To: Associate Professor Emeritus	9/1			0	

Dr. Dick retired August 31, 2011. Request Associate Professor Emeritus status effective September 1, 2011.

5. Elaine F. Fredericksen					4366
From: Associate Professor (T)		100	09	71,193	
To: Associate Professor Emeritus	9/1			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, 2012.

U. T. EL PASO  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS 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)					
English (Continued)					
6. Lawrence J. Johnson					4367
From: Associate Professor (T)		100	09	74,883	
To: Associate Professor Emeritus	9/1			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, 2012.					
History					
7. David A. Hackett					4362
From: Associate Professor (T)		50	09	65,483	
To: Associate Professor Emeritus	9/1			0	
Dr. Hackett retired August 31, 2011. Request Associate Professor Emeritus status at the date of retirement.					
COLLEGE OF SCIENCE					
Chemistry					
8. Michael I. Davis					4365
From: Professor (T)		100	09	81,286	
To: Professor Emeritus	6/1			0	

U. T. EL PASO  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 BUDGET (CONTINUED)

TENURE APPOINTMENTS (CONTINUED)

NEW APPOINTMENTS WITH TENURE, AWARD OF TENURE,  
AND EMERITUS 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 SCIENCE (Continued)					
Geological Sciences					
Professor and Lloyd A. Nelson					
Professorship in Geology					
9. Katherine A. Giles (T)	1/16-5/31	100	09	100,000	4391

**U. T. PAN AMERICAN  
FEBRUARY 8-9, 2012**

**AMENDMENTS TO THE 2010-11 BUDGET**

**TENURE APPOINTMENTS**

**NEW APPOINTMENTS WITH 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>HEALTH SCIENCES &amp; HUMAN SERVICES</b>					
1. John Ronnau (T)	02/1-5/31	100	09	90,000	4383
<b>ARTS AND HUMANITIES</b>					
Department of English					
2. James Haule					
From: Professor (TN)		100	09	81,736	
To: Emeritus Professor	9/1/12			0	4386

**U. T. PAN AMERICAN  
FEBRUARY 8-9, 2012**

**OTHER MATTERS  
APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT**

The following item has been approved by the Executive Vice Chancellor for Academic Affairs in accordance with the Regents' *Rules and Regulations*, 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. Saladin with The University of Texas-Pan American. 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:	Shawn Patrick Saladin, Ph.D.
Title:	Interim Chair, Department of Communication Sciences and Disorders
Position:	Member, Governor's Committee on People with Disabilities
Period:	October 1, 2011 through August 31, 2012
Compensation:	None
Description:	Governor Perry has appointed Dr. Saladin to the Governor's Committee on People with Disabilities



**U. T. PERMIAN BASIN  
FEBRUARY 8-9, 2012**

**CONTRACTS**

The following authorization to 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 GOING OUT**

1. Agency: SMG, a Pennsylvania general partnership  
Funds: \$1,000,000 reflecting the management fees paid  
Period: October 10, 2011 for five years  
Description: Request for authorization for U. T. Permian Basin and the Office of General Counsel to conclude negotiations and for U. T. Permian Basin to enter into a contract with SMG, a Pennsylvania general partnership. Under the proposed Management Agreement, SMG will manage the day-to-day operations of the Wagner Noël Performing Arts Center, including event booking, ticketing, concessions, supplies, advertising, sponsorships, related financial management, maintenance (including custodial services), and related services for a term of five years. The contract value will be approximately \$1,000,000 reflecting the management fees paid to SMG over the full term of the agreement.

**U. T. SAN ANTONIO  
FEBRUARY 8-9, 2012**

**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: Mission Verde Alliance, a Texas nonprofit association  
Funds: No charge to the Mission Verde Alliance in exchange for the benefits described below.  
Period: An initial term of two years commencing on or about February 10, 2012 and expiring on January 31, 2014. Upon mutual agreement, the parties may extend the term, in up to one-year increments, to expire no later than June 30, 2016.  
Description: Sublease Agreement providing for approximately 400 square feet of office space in offices leased by U. T. San Antonio's Institute for Economic Development at 215 S. San Saba, San Antonio, Texas. U. T. San Antonio will provide the space to Mission Verde Alliance rent-free during the term of the sublease. The value of the rental during the initial term is estimated to be \$12,180. The estimated value of the rent during the renewal period is \$15,735. In exchange for the value of the rent for the term, Mission Verde Alliance will provide support for fulfilling the mission of the San Antonio Clean Energy Incubator (SACEI), a grant-funded program operated under U. T. San Antonio's Texas Sustainable Energy Research Institute (TSERI). The mission of the SACEI is to develop new companies and foster new business activity related to clean technology in San Antonio. Mission Verde Alliance will support the mission of the SACEI through the following activities: (1) assisting in the development of incubator clients by providing access to capital, business development expertise, and networking support with key policy makers in government, education, and industry; (2) marketing incubation clients to the business community;

**U. T. SAN ANTONIO  
FEBRUARY 8-9, 2012**

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS COMING IN (CONTINUED)**

(3) creating and providing economic infrastructure and support for companies leaving the SACEI; and  
(4) keeping the TSERI director informed of activities and allowing the SACEI to participate in the activities to further its goals. To ensure that the public purpose is met, Mission Verde Alliance will supply information and reports on a monthly basis to the director of the TSERI.

Staff at U. T. San Antonio believe that the rent-free sublease agreement serves a public purpose specific to the mission of the institution and request that the Board make a finding of fact to that effect and authorize the U. T. San Antonio Vice President for Business Affairs to negotiate, finalize, and execute the agreement, subject to approval by the U. T. System Real Estate Office.

U. T. SAN ANTONIO  
FEBRUARY 8-9, 2012

AMENDMENTS TO THE 2011-12 BUDGET

TRANSFERS 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>
FOOTBALL		
Football		
1. Amount of Transfer:	1,075,000	4302
From: Football		
To: Football		

An adjustment to budget is requested due to higher than expected football season and gate ticket sales. Original Budget was \$750,000 compared to Actual Revenues of \$1.9 million.

**U. T. SAN ANTONIO  
FEBRUARY 8-9, 2012**

**OTHER MATTERS**

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

The following items have been approved by the Executive Vice Chancellor for Academic Affairs in accordance with the Regents' *Rules and Regulations*, Rule 30103 and are submitted for approval by the U. T. System Board of Regents. It has been determined that the holding of these offices or positions are of benefit to the State of Texas and The University of Texas and there is no conflict between holding these positions and the appointments of Drs. Chang and White with The University of Texas at San Antonio. By approval of these items, the Board is also asked to find that holding these positions is of benefit to the State of Texas and The University of Texas and there is no conflict between the positions and the University.

1.    Name:               Frederick Chang, Ph.D.  
      Title:              Professor and AT&T Distinguished Chair in Infrastructure Assurance and Security  
      Position:          Member, Texas Cybersecurity, Education, and Economic Development Council  
      Period:             September 30, 2011 through August 31, 2012  
      Compensation:      None  
      Description:       The Texas Department of Information Resources (DIR) formed a new statewide Cybersecurity, Education, and Economic Development Council enacted in the 82<sup>nd</sup> regular legislative session. Dr. Chang was appointed by Karen W. Robinson, Chief Information Officer for the State of Texas. The Council's goals are to leverage public/private partnerships to improve the infrastructure of the state's cybersecurity operations, examine strategies to accelerate the growth of cybersecurity as an industry in Texas, and to encourage the industry to call Texas "home."

U. T. SAN ANTONIO  
FEBRUARY 8-9, 2012

OTHER MATTERS (CONTINUED)

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

2. Name: Gregory White, Ph.D.  
Title: Associate Professor of Computer Science and Director of the Center for Infrastructure Assurance and Security  
Position: Member, Texas Cybersecurity, Education, and Economic Development Council  
Period: September 30, 2011 through August 31, 2012  
Compensation: None  
Description: The Texas Department of Information Resources (DIR) formed a new statewide Cybersecurity, Education, and Economic Development Council enacted in the 82<sup>nd</sup> regular legislative session. Dr. White was appointed by Karen W. Robinson, Chief Information Officer for the State of Texas. The Council's goals are to leverage public/private partnerships to improve the infrastructure of the state's cybersecurity operations, examine strategies to accelerate the growth of cybersecurity as an industry in Texas, and to encourage the industry to call Texas "home."

**U. T. SOUTHWESTERN MEDICAL CENTER  
FEBRUARY 8-9, 2012**

**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: Children's Medical Center of Dallas  
Funds: \$13,712,469  
Period: July 1, 2011 through June 30, 2012  
Description: To provide services of residents and fellows. Children's Medical Center of Dallas will reimburse U. T. Southwestern for salary/stipend, fringe benefits, malpractice costs, and accreditation fees for all rotating residents and fellows.
  
2. Agency: Crown Castle Solutions Corp., a Delaware corporation  
Funds: Total revenue is not known at this time; total revenue is based on receiving a 30% share of all monthly recurring gross receipts collected by Crown Castle Solutions Corp. from wireless carriers with whom the corporation contracts to provide communications services utilizing the distributed antenna system constructed by the corporation and receiving a license fee for use of the U. T. Southwestern fiber optic cable system at a rate of \$108 per pair per month.  
Period: Ten years from start of construction of the distributed antenna system.  
Description: Authorization to complete negotiations to grant a license to Crown Castle Solutions Corp. to install and maintain a distributed antenna system within facilities on the campus for the purpose of wireless signal coverage. U. T. Southwestern will provide the fiber network. The intent of the license is to enhance wireless communications services available to the campus through a more comprehensive solution than presently exists on the campus. Crown Castle will enter into agreements with wireless service providers to allow such providers to use its distributed antenna system in order to provide communication services within the campus area to the public.

**U. T. SOUTHWESTERN MEDICAL CENTER  
FEBRUARY 8-9, 2012**

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS COMING IN (CONTINUED)**

3. Agency: Dallas County Indigent Care  
Funds: \$159,595,043  
Period: October 1, 2011 through September 30, 2012  
Description: To provide physicians and other health care professionals to Parkland Health & Hospital System.
  
4. Agency: Lifecare Management Services, L.L.C. (LMS)  
Funds: \$1,222,784  
Period: July 1, 2012 through June 30, 2014  
Description: Since January 1, 1998, LMS has been the tenant in the building at 6161 Harry Hines Boulevard, which was acquired by U. T. Southwestern Medical Center on August 1, 2002. The building is strategically located on a portion of the site of the New University Hospital, which is currently under construction. The current lease term runs through June 30, 2014, but LMS and U. T. Southwestern propose to enter into an agreement to terminate the lease early. Under the proposed agreement, LMS will vacate the building by June 30, 2012, continue paying rent through June 30, 2013, and have no right to occupy the building after June 30, 2012. LMS's vacating the building in June 2012 will allow the underground utilities, earthwork, roads, walks, and landscaping for the New University Hospital to be installed approximately nine months earlier than initially scheduled, thus potentially accelerating the project schedule and yielding substantial savings.



**U. T. SOUTHWESTERN MEDICAL CENTER  
FEBRUARY 8-9, 2012**

**AMENDMENTS TO THE 2011-12 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>SOUTHWESTERN MEDICAL SCHOOL</b>					
Immunology					
Professor					
1. *Bruce Beutler (T)					4337
From: Adjunct Professor		25	12	350,000	
To: Regental Professor	12/1-8/31	100	12	350,000	
*Named Regental Professor by the Board of Regents in November 2011.					
Radiology					
Professor					
2. Robert Lenkinski (T)	7/15-8/31	100	12	300,000	4294
The department failed to process the form for tenure appointment and update the employee record.					
Neurology					
Professor					
3. Steven Warach (T)	12/5-8/31	100	12	380,000	15
Neurology and Neurotherapeutics					
Professor					
4. Gil Wolfe (T)					4286
From: Professor		100	12	210,000	
To: Professor	10/1-8/31	100	12	250,000	

U. T. SOUTHWESTERN MEDICAL CENTER  
FEBRUARY 8-9, 2012

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. Adams with The University of Texas Southwestern Medical Center. 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.

1. Name: Richard C. Adams, M.D.  
Title: Associate Professor, School of Nursing  
Position: Member, Early Childhood Intervention Advisory Committee  
Period: September 26, 2011 through February 1, 2017  
Compensation: None  
Description: Governor Rick Perry has reappointed Dr. Adams to the Early Childhood Intervention Advisory Committee. The committee serves Texas families who have infants and toddlers with disabilities or developmental delays.

**U. T. MEDICAL BRANCH - GALVESTON  
FEBRUARY 8-9, 2012**

**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: Texas Department of State Health Services  
Funds: \$3,147,386  
Period: October 1, 2011 through March 31, 2012  
Description: U. T. Medical Branch - Galveston will administer the Department of State Health Services Special Supplemental Nutrition Program for women, infants, and children.
  
2. Agency: Driscoll Children's Hospital, Corpus Christi, Texas  
Funds: \$44,106,271  
Period: December 1, 2011 through November 30, 2016  
Description: U. T. Medical Branch - Galveston will provide anesthesia and critical care services to Driscoll Children's Hospital.

**FUNDS GOING OUT**

3. Agency: MFR, P.C.  
Funds: Not to exceed \$20,750,000  
Source of Funds: Restricted Federal Emergency Management Agency (FEMA) and general revenue funds  
Period: October 1, 2011 through December 31, 2015  
Description: Amends 2009 agreement in which MFR, P.C. assists U. T. Medical Branch - Galveston with FEMA related accounting and project management activities for Hurricane Ike reimbursements. The amendment increases the services as well as extending the term to allow U. T. Medical Branch to meet FEMA reimbursement accounting requirements. The services provided under this contract are reimbursable by FEMA.

**U. T. MEDICAL BRANCH - GALVESTON  
FEBRUARY 8-9, 2012**

**CONTRACTS (CONTINUED)**

**GENERAL CONTRACTS (CONTINUED)**

**FUNDS GOING OUT (CONTINUED)**

5. Agency: Harbor Properties, a Texas nonprofit corporation  
Funds: \$2,930,709 in total rent plus operating expenses, both payable over a 60-month term. The lease allows for two additional five-year options to renew at a rental rate determined by the then-percentage increase over a base Consumer Price Index.
- Source of Funds: General Revenue  
Period: Commencing on January 1, 2012 and continuing for 60 months.
- Description: Lease renewal of approximately 166,000 square feet for use by U. T. Medical Branch as a primary care clinic. The property is located at 400 Harborside Drive, Galveston, Texas.

**U. T. MEDICAL BRANCH - GALVESTON  
FEBRUARY 8-9, 2012**

**AMENDMENTS TO THE 2011-12 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>					
Radiology - General Radiology					
1. Sanford Rubin					4324
From: Clinical Professor		50	12	129,000	
To: Clinical Professor Emeritus	11/1-8/31		12	0	
Biochemistry and Molecular Biology					
Pharmacology and Toxicology					
2. Bernard Pettitt (T) Professor	1/1-8/31	100	12	328,000	4358

**U. T. HEALTH SCIENCE CENTER - HOUSTON  
FEBRUARY 8-9, 2012**

**CONTRACTS**

The following contracts have been administratively approved by the President 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: Texas Department of Family and Protective Services  
Funds: Maximum of \$2,500,816  
Period: September 1, 2011 through August 31, 2012  
Description: Interagency contract to create resources that will improve access to medical professionals with expertise in the diagnosis of child abuse or neglect for Child Protective Services

**U. T. HEALTH SCIENCE CENTER - HOUSTON  
FEBRUARY 8-9, 2012**

**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 for The University of Texas System Medical Foundation, Inc.

Reappointment Commencing January 1, 2012

<u>Name and Title</u>	<u>Address</u>	<u>Term Expired</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, 2011
Keely G. Smith, M.D. Assistant Professor, Pediatrics-Clinical, at the Medical School	6431 Fannin, Houston, Texas 77030	December 31, 2011
Patricia M. Butler, M.D. Associate Dean for Educational Programs at the Medical School	1133 John Freeman Blvd., Houston, Texas 77030	December 31, 2011

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. Drs. King, Smith and Butler are being recommended for reappointment as follows: Dr. King as President, Dr. Butler as Vice President, and Dr. Smith as Secretary/Treasurer.

**U. T. HEALTH SCIENCE CENTER - SAN ANTONIO  
FEBRUARY 8-9, 2011**

**AMENDMENTS TO THE 2011-12 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 Health 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>	
SCHOOL OF MEDICINE					
Medicine					
1. Athanassios Argiris					4373
From: Visiting Professor		100	12	325,000	
To: Professor (T)	9/1-8/31	100	12	325,200	



**U. T. HEALTH SCIENCE CENTER - SAN ANTONIO  
FEBRUARY 8-9, 2011**

**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. Olvera with The University of Texas Health Science Center at San Antonio. 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.

1.     Name:                 Rene L. Olvera, M.D., M.P.H.  
       Title:                Associate Professor, Department of Psychiatry  
       Position:            Texas Juvenile Justice Board  
       Period:              December 1, 2011 through February 1, 2017  
       Compensation:       None  
       Description:         On November 8, 2011, Governor Rick Perry appointed Dr. Olvera to the Texas Juvenile Justice Board. Pursuant to Senate Bill 653 of the 82<sup>nd</sup> Legislature, the Texas Juvenile Justice Department combines the Texas Youth Commission and Texas Juvenile Probation Commission to create a unified juvenile justice agency to work in coordination with other state and county offices to produce positive outcomes for youths, their families, and communities.

**U. T. M. D. ANDERSON CANCER CENTER  
FEBRUARY 8-9, 2012**

**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**

**FOREIGN CONTRACTS**

**FUNDS COMING IN**

1. Agency: Sociedade Beneficiente Israelita Brasileira Albert Einstein (Albert Einstein-Brazil), Morumbi, Perdizes and Jardins, São Paulo, Brazil
- Funds: Agency will pay U. T. M. D. Anderson Cancer Center up to \$28,000,000 plus expenses over the term of the agreement.
- Period: The agreement will commence April 1, 2012, and will continue for a period of 10 years, unless terminated sooner in accordance with the provisions of the agreement.
- Description: Program agreement for U. T. M. D. Anderson Cancer Center to provide comprehensive advice and recommendations to Albert Einstein-Brazil for inpatient and outpatient cancer centers regarding the development, operation, and staffing of the oncology program at Albert Einstein-Brazil based on M. D. Anderson's knowledge and expertise in the delivery of multi-disciplinary cancer treatment. The U. T. M. D. Anderson Cancer Center name may not be used in accordance with this agreement.