

Meeting No. 931

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

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August 9-10, 2000

Austin, Texas

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 OF
 THE UNIVERSITY OF TEXAS SYSTEM
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 AUSTIN, TEXAS

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MEETING NO. 931

WEDNESDAY, AUGUST 9, 2000.--The members of the Board of Regents of The University of Texas System convened at 1:40 p.m. on Wednesday, August 9, 2000, in the Board Room on the Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following in attendance:

ATTENDANCE.--

<u>Present</u> _____	<u>Absent</u> _____
Chairman Evans, presiding	
Vice-Chairman Loeffler	
Vice-Chairman Clements	
Regent Hunt	
Regent Miller	
Regent Oxford	
Regent Riter	
Regent Romero	
Regent Sanchez	

Executive Secretary Frederick

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

CONVENE IN OPEN SESSION TO DISCUSS PROPOSED FY 2001 OPERATING BUDGET FOR THE UNIVERSITY OF TEXAS SYSTEM.--The Board heard a presentation on the proposed FY 2001 Operating Budget for The University of Texas System by Interim Chancellor R. D. Burck, which is presented in the related item in the Business Affairs and Audit Committee on Page 27.

RECESS TO EXECUTIVE SESSION.--At 2:45 p.m., the Board recessed to convene in Executive Session pursuant to Texas Government Code Section 551.074 to consider the matter listed on the Executive Session agenda.

U. T. System: Consideration of Personnel Aspects of the Operating Budgets for the Fiscal Year Ending August 31, 2001, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans and Authorization for the Chancellor to Make Editorial Corrections Therein

Action on the item related to the personnel aspects of The University of Texas System Operating Budgets for the Fiscal Year ending August 31, 2001, was deferred for consideration with the non-personnel aspects of the Operating Budgets by the Business Affairs and Audit Committee on August 10, 2000, and was approved at that time.

See Page 27 for approval of non-personnel and personnel aspects of the Fiscal Year 2001 Operating Budgets.

RECONVENE IN OPEN SESSION AND RECESS.--At 6:15 p.m., the Board reconvened in open session and Chairman Evans announced that the Board would recess to reconvene in Executive Session on Thursday, August 10, at 8:00 a.m. in the Conference Room on the Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas.

THURSDAY, AUGUST 10, 2000.--The members of the Board of Regents of The University of Texas System reconvened at 8:00 a.m. on Thursday, August 10, 2000, in the Conference Room on the Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following in attendance:

ATTENDANCE.--

Present _____	Absent _____
Chairman Evans, presiding	*Vice-Chairman Loeffler
Vice-Chairman Clements	
Regent Hunt	
Regent Miller	
Regent Oxford	
Regent Riter	
Regent Romero	
Regent Sanchez	
Executive Secretary Frederick	

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

RECESS TO EXECUTIVE SESSION.--At 8:00 a.m., Chairman Evans announced that the Board would recess to Executive Session pursuant to Texas Government Code Sections 551.071 and 551.072 to consider those items on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 8:40 a.m., the Board reconvened in open session.

*Vice-Chairman Loeffler was excused due to a previous commitment.

EXECUTIVE SESSION OF THE BOARD OF REGENTS

Chairman Evans reported that the Board had met in Executive Session to discuss matters in accordance with Texas Government Code Sections 551.071 and 551.072. In response to an inquiry from Chairman Evans regarding the wishes of the Board, the following actions were taken:

1. U. T. Health Science Center - Houston: Settlement of Medical Liability Litigation - James W. Taylor and Altha Pearl Taylor, Individually and on Behalf of the Estate of Patricia A. Plaster

Regent Oxford moved that the Chancellor and the Office of General Counsel be authorized to settle, on behalf of The University of Texas Health Science Center at Houston physicians, the medical liability litigation brought by James W. Taylor and Altha Pearl Taylor, Individually and on behalf of the Estate of Patricia A. Plaster, in accordance with the proposal presented in Executive Session.

The motion was duly seconded and carried without objection.

2. U. T. El Paso: Authorization to Enter into an Agreement Relating to Certain Capital Improvements Consistent with the Lease Pertaining to Approximately 12.091 Acres of Land with Improvements (Locally Known as the Sun Bowl) in El Paso, El Paso County, Texas, or, in the Alternative, to Acquire the Land and Improvements

Upon motion of Regent Hunt, duly seconded, the Board authorized:

- a. The Office of the President of The University of Texas at El Paso, the Executive Director of The University of Texas System Real Estate Office, and the Office of General Counsel to execute an agreement consistent with the requirements of Section XII of that certain lease between the County of El Paso and the Board related to approximately 12.091 acres of land with improvements located thereon in the Hart Homestead Survey in El Paso, El Paso County, Texas, locally known as the Sun Bowl, according to the parameters outlined in Executive Session

- b. The Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to take all steps necessary to amend the lease and to execute all documents, instruments, and other agreements related thereto.

Further, because of the possibility that the negotiations for an agreement consistent with Section XII of the lease may not be successfully concluded in a timely manner, the U. T. Board of Regents also authorized the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to take all steps necessary to acquire the property; to execute all documents, instruments, and other agreements related to the acquisition of the property; and to take all such actions deemed necessary to carry out the purpose and intent of the foregoing actions.

U. T. BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING HELD MAY 10-11, 2000.--Upon motion of Regent Riter, seconded by Regent Miller, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held on May 10-11, 2000, in Austin, Texas, were approved as distributed by the Executive Secretary. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XLVII, Pages 578 - 975.

SPECIAL ITEMS

1. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Approval to Amend Chapter III, Section 6, Subsection 6.4 Regarding Disruption of Critical Activities

The Regents' Rules and Regulations, Part One, Chapter III, Section 6, Subsection 6.4 was amended as set forth below to update language to prohibit activities that are clearly disruptive of critical University activities. These amendments are consistent with the Regents' Rules, Part One, Chapter VI, Section 3, Subsection 3.2, Subdivision 3.25 related to the prohibition of such activities by students and are in addition to Sections 37.123 and 51.935 of the Texas Education Code which provide criminal penalties for certain disruptive activities on campus.

- 6.4 Any employee of the System or a component institution who, acting singly or in concert with others, obstructs, disrupts or interferes with any teaching, educational, research, administrative, disciplinary, public service, or other activity, meeting, or event authorized to be held or conducted on campus or on property or in a building or facility owned

or controlled by the System or component institution is subject to discipline, including dismissal. Obstruction or disruption includes but is not limited to any act that interrupts, modifies or damages utility service or equipment, communication service or equipment, university computers, computer programs, computer records or computer networks accessible through System or institutional computer resources.

2. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Authorization to Amend Chapter III to Add Section 38 (Employee Advisory Council) and Establishment of Related Budget

The Board amended the Regents' Rules and Regulations, Part One, Chapter III to add Section 38, which authorizes an Employee Advisory Council as set forth below and authorized the Chancellor to establish a budget for the Council.

Sec. 38. Employee Advisory Council.--At the discretion of the Chairman of the Board of Regents and the Chancellor, a staff employee advisory council representing component institutions in the U. T. System may be formed to facilitate the flow of ideas and information between and among the Board of Regents, the System Administration, and the component institutions. The Chairman and Chancellor will promulgate guidelines for the selection of employee advisory council representatives. Representatives of the employee advisory council may from time to time address the Board at meetings of the Board and may recommend action to the Board through the Chancellor. At least once each year, a meeting will be arranged between the employee advisory council executive committee and the Board.

The addition of language concerning an Employee Advisory Council to the Regents' Rules and Regulations, Part One, Chapter III authorizes a council for staff employees of the U. T. System. The structure and purpose of the Council will be similar to the Faculty Advisory Council (Regents' Rules, Part One, Chapter IV, Section 3) and the Student Advisory Council (Regents' Rules, Part One, Chapter VI, Section 1, Subsection 1.6), both created in 1990. Funds for the Employee Advisory Council will be budgeted similar to budgets for the Faculty Advisory Council and the Student Advisory Council.

MATTERS RELATED TO THE UNIVERSITY OF TEXAS
INVESTMENT MANAGEMENT COMPANY (UTIMCO)

1. U. T. System: Report on Investments for the Fiscal Quarter Ended May 31, 2000

Mr. Thomas G. Ricks, President and Chief Executive Officer of The University of Texas Investment Management Company (UTIMCO), summarized the Report on Investments for The University of Texas System for the fiscal quarter ended May 31, 2000, for the Permanent University Fund, Permanent Health Fund, Long Term Fund, Short Intermediate Term Fund, and Separately Invested Assets.

Report by Mr. Ricks

Mr. Chairman and members of the Board, I am pleased to summarize the investments for The University of Texas System for the fiscal quarter ended May 31, 2000.

Pages 10 - 14 contain the Summary Reports on Investments for the fiscal quarter ended May 31, 2000. During the quarter, UTIMCO continued to realign portfolio managers to create identical asset allocations and underlying portfolios across all three endowment funds.

Item a on Page 10 presents the summary report for Permanent University Fund (PUF) Investments. PUF Investments began the quarter with a market value of \$7.9 billion. During the quarter, contributions of mineral income from PUF Lands equaled \$22.6 million, up 100.0% versus receipts for the third quarter of the prior fiscal year. Total investment return was a negative \$18.0 million. The PUF distributed \$11.6 million to the Available University Fund (AUF) during the quarter.

This amount represented an additional PUF distribution to the AUF for the fiscal year ended August 31, 2000, as approved by the U. T. Board of Regents at its February 9, 2000 meeting. PUF market value ended the quarter unchanged at \$7.9 billion.

Quarter-end asset allocation was 82% broadly defined equities and 18% fixed income versus an unconstrained neutral allocation of 80% equities and 20% fixed income. Within equities, quarter-end allocation was 30% U. S. large and mid cap stocks, 9% U. S. small cap stocks, 15% non-U. S. equities, 20% alternative equities, and 8% inflation hedging assets.

Total net investment return for the quarter was a negative .24% versus the neutral policy portfolio return of .26%. The domestic and international fixed income portfolios posted a combined net total return of 1.13% for the quarter versus .98% for the Lehman Aggregate Bond Index and .01% for the Salomon non-U. S. World Government Bond Index. Equities, as an asset class, posted higher relative returns with the S&P 500 Index and Russell 3000 Index posting returns of 4.29% and 1.11%, respectively. The PUF's equity portfolios (including non-U. S. portfolios) produced a net return of a negative 2.99%. Finally, alternative equities produced a 2.37% net return for the quarter, and inflation hedging assets posted a 9.65% net return.

Item b on Page 11 reports summary activity for the Permanent Health Fund (PHF). The PHF was funded on August 30, 1999, and is only nine months old. During the quarter, an additional contribution in the amount of \$10 million was received from the University of North Texas Health Science Center at Fort Worth.

Quarter-end asset allocation was 78% broadly defined equities, 18% fixed income and 4% to money market funds. Within equities, quarter-end allocation was 27% U. S. large and mid cap stocks, 11% U. S. small cap stocks, 20% non-U. S. equities, and 8% inflation hedging assets. Alternative equities had a weighting of 12% versus a neutral weighting of 25%. The nonmarketable portion of the alternative equity asset class will take several years to become fully funded. Total net investment return for the quarter was a negative .84% versus the neutral policy portfolio return of .26%. PHF market value ended the quarter at \$956.5 million.

Item c on Page 12 reports summary activity for the Long Term Fund (LTF). During the quarter, net contributions totaled \$57.9 million representing a 122% increase over the third quarter of the prior fiscal year. Investment return was a negative \$20.9 million.

Distributions to the 5,302 endowment and other accounts underlying the LTF totaled \$30.9 million; an increase of 21% versus the third quarter of the prior year. The annual payout rate was increased by 14%, effective May 31, 2000, from \$.215 to \$.245. The Fund's market value closed the quarter at \$3.0 billion.

Asset allocation at quarter-end was 77% broadly defined equities, 18% fixed income, and 5% overweighting to money market funds. Within equities, U. S. small cap and non-U. S. equities were slightly overweighted at 9% and 16%, respectively, of total assets. U. S. large and mid cap equities were on target at 24% while alternative equities were underweighted at 20% versus a neutral weighting of 25%. Inflation hedging investments were on target at 8%. Total net investment return for the quarter was a negative .69% versus the neutral policy portfolio return of .26%.

Item d on Page 13 presents summary activity for the Short Intermediate Term Fund. During the quarter, the Fund had net withdrawals of \$7.5 million. It earned \$29.2 million in total return and incurred expenses of \$100 thousand. Distributions to the U. T. System component institutions equaled \$29.1 million, resulting in a quarter-end Fund value of \$1.9 billion versus \$1.9 billion at the beginning of the quarter. Total return on the Fund was 1.55% for the quarter versus the Fund's performance benchmark of 1.26%.

Item e on Page 14 presents book and market value of cash, fixed income, equity and other securities held in funds outside of internal investment pools. Total cash and equivalents, consisting primarily of component operating funds held in the Dreyfus money market fund, increased by \$89 million to \$906 million during the third quarter. Asset values for the remaining asset classes were fixed income securities: \$81 million versus \$76 million at previous quarter-end; equities: \$88 million versus \$85 million at previous quarter-end; and other investments of \$7 million versus \$8 million at previous quarter-end.

a. PERMANENT UNIVERSITY FUND

Summary Investment Report at May 31, 2000

PERMANENT UNIVERSITY FUND (1)
INVESTMENT SUMMARY REPORT
(\$ millions)

	FY98-99	FY99-00			
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	Year-to-date
Beginning Net Assets	6,517.1	7,465.6	7,697.9	7,924.8	7,465.6
PUF Lands Receipts (2)	54.3	18.6	19.0	22.6	60.2
Investment Return (3)	1,158.1	279.3	430.1	(18.0)	691.4
Expenses (3)	-	-	(1.9)	(6.9)	(8.8)
Distributions to AUF (3)	(263.9)	(65.6)	(220.3)	(11.6)	(297.5)
Ending Net Assets	<u>7,465.6</u>	<u>7,697.9</u>	<u>7,924.8</u>	<u>7,910.9</u>	<u>7,910.9</u>
AUF Distribution:					
From PUF Investments (3)	263.9	65.6	220.3	11.6	297.5
From Surface Income	9.5	1.5	2.1	0.9	4.5
Total	<u>273.4</u>	<u>67.1</u>	<u>222.4</u>	<u>12.5</u>	<u>302.0</u>

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

- (1) General - The Investment Summary Report excludes PUF Lands mineral and surface interests with estimated August 31, 1999 values of \$558.8 million and \$156.3 million, respectively.
- (2) PUF Land Receipts - As of May 31, 2000: 1,248,546 acres under lease; 515,920 producing acres; 3,313 active leases; and 2,043 producing leases.
- (3) Restatements - The Investment Summary Report was restated to a presentation which is consistent with the reporting of other endowment funds managed by UTIMCO. With the passage of the PUF's constitutional amendment, distributions to the AUF will be from the total investment return of the PUF. Total investment return includes investment income, realized and unrealized gains. The PUF's constitutional amendment also provided that expenses of managing the PUF lands and investments shall be paid by the PUF.

b. PERMANENT HEALTH FUND

Summary Investment Report at May 31, 2000

PERMANENT HEALTH FUND
SUMMARY REPORT
(\$ millions)

	FY98-99	FY99-00			
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	Year-to-date
Beginning Net Assets	-	890.3	918.2	965.3	890.3
Contributions (1)	890.0	-	10.0	10.0	20.0
Investment Return	0.3	38.5	47.9	(7.9)	78.5
Expenses	-	(0.6)	(0.7)	(0.6)	(1.9)
Distributions (Payout)	-	(10.0)	(10.1)	(10.3)	(30.4)
Ending Net Assets	890.3	918.2	965.3	956.5	956.5
Net Asset Value per Unit	1.000284	1.031672	1.072895	1.052204	
No. of Units (End of Period)	890,000,000	890,000,000	899,692,999	909,013,576	
Distribution Rate per Unit	-	0.01125	0.01125	0.01125	

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

(1) Funded 8/30/99

c. LONG TERM FUND

Summary Investment Report at May 31, 2000

LONG TERM FUND
SUMMARY REPORT
(\$ millions)

	FY98-99	FY99-00			
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	Year-To-Date
Beginning Net Assets	2,147.7	2,602.3	2,755.6	2,967.0	2,602.3
Net Contributions	85.0	23.1	27.5	57.9	108.5
Investment Return	482.5	158.2	214.1	(20.9)	351.4
Receipt of Funds from System for UTIMCO Fee	2.2	0.5	0.5	0.5	1.5
Expenses	(8.3)	(1.9)	(3.8)	(2.4)	(8.1)
Distributions (Payout)	(101.5)	(26.4)	(26.7)	(30.9)	(84.0)
Distribution of Gain on Participant Withdrawals	(5.3)	(0.2)	(0.2)	(0.2)	(0.6)
Ending Net Assets	2,602.3	2,755.6	2,967.0	2,971.0	2,971.0
Net Asset Value per Unit	5.347	5.612	5.983	5.877	
No. of Units (End of Period)	486,701,841	490,996,364	495,867,447	505,503,979	
Distribution Rate per Unit	0.210	0.05375	0.05375	0.06125	

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

d. SHORT INTERMEDIATE TERM FUND

Summary Investment Report at May 31, 2000

SHORT INTERMEDIATE TERM FUND
SUMMARY REPORT
(\$ millions)

	FY98-99	FY99-00			
	Full Year	1st Qtr	2nd Qtr	3rd Qtr	Year-to-Date
Beginning Net Assets	1,809.6	1,769.4	1,903.3	1,886.6	1,769.4
Contributions (Net of Withdrawals)	13.2	143.9	9.7	(7.5)	146.1
Investment Return	53.4	16.7	2.5	29.2	48.4
Expenses	(0.5)	(0.1)	(0.2)	(0.1)	(0.4)
Distributions of Income	(106.3)	(26.6)	(28.7)	(29.1)	(84.4)
Ending Net Assets	1,769.4	1,903.3	1,886.6	1,879.1	1,879.1
Net Asset Value per Unit	9.895	9.841	9.705	9.704	
No. of Units (End of Period)	178,813,160	193,409,210	194,396,131	193,632,061	

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

c. SEPARATELY INVESTED ASSETS

Summary Investment Report at May 31, 2000

**SEPARATELY INVESTED ASSETS
SUMMARY REPORT
(\$ thousands)**

ASSET TYPES	FUND TYPE													
	CURRENT PURPOSE				ENDOWMENT &		ANNUITY & LIFE		AGENCY FUNDS		OPERATING FUNDS		TOTAL	
	DESIGNATED		RESTRICTED		SIMILAR FUNDS		INCOME FUNDS		BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
Cash & Equivalents:	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>	<u>BOOK</u>	<u>MARKET</u>
Beginning value 3/1/00	3,832	3,832	2,614	2,614	60,297	60,297	297	297	3	3	749,204	749,204	816,247	816,247
Increase/(Decrease)	313	313	(1,307)	(1,307)	(35,855)	(35,855)	(70)	(70)	-	-	126,313	126,313	89,394	89,394
Ending value 5/31/00	4,145	4,145	1,307	1,307	24,442	24,442	227	227	3	3	875,517	875,517	905,641	905,641
Debt Securities:														
Beginning value 3/1/00	-	-	43	31	53,869	51,520	9,693	9,562	-	-	15,363	15,164	78,968	76,277
Increase/(Decrease)	-	-	(26)	(16)	(115)	(629)	(202)	(274)	-	-	5,010	5,195	4,667	4,276
Ending value 5/31/00	-	-	17	15	53,754	50,891	9,491	9,288	-	-	20,373	20,359	83,635	80,553
Equity Securities:														
Beginning value 3/1/00	42	12,865	2,500	3,278	21,254	37,490	4,724	6,343	-	-	24,178	24,624	52,698	84,600
Increase/(Decrease)	-	(5,704)	(106)	(677)	645	1,373	(101)	(456)	-	-	13,121	9,145	13,559	3,681
Ending value 5/31/00	42	7,161	2,394	2,601	21,899	38,863	4,623	5,887	-	-	37,299	33,769	66,257	88,281
Other:														
Beginning value 3/1/00	-	-	105	105	482	482	7,250	7,486	-	-	-	-	7,837	8,073
Increase/(Decrease)	-	-	(105)	(105)	(1)	(1)	61	(488)	-	-	-	-	(45)	(594)
Ending value 5/31/00	-	-	-	-	481	481	7,311	6,998	-	-	-	-	7,792	7,479

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

2. U. T. Board of Regents: Approval of the Annual Budget and Management Fee Schedule for The University of Texas Investment Management Company (UTIMCO)

Upon recommendation of the Board of Directors of The University of Texas Investment Management Company (UTIMCO), the U. T. Board of Regents approved the Annual Budget and Management Fee Schedule for UTIMCO for the fiscal year ending August 31, 2001, as set forth on Page 16.

The Investment Management Services Agreement between the U. T. Board of Regents and UTIMCO requires that UTIMCO submit its annual budget and management fee schedule to the U. T. Board of Regents for approval. The annual budget consists of UTIMCO's management fee and a budget for direct expenses of the funds managed by UTIMCO. UTIMCO's management fee for the fiscal year ending August 31, 2001, will increase 14.7% from \$5.7 million to \$6.6 million. Relocation of UTIMCO's offices represents 10.6% of the percentage increase and operating expenses (including salaries) account for 4.1% of the increase. Budgeted direct expenses will increase by 69.8% from \$14.4 million to \$24.4 million.

UTIMCO Budget (\$)
Annual Budget and Management Fee Schedule
For the fiscal year ending August 31, 2001

	The Permanent University Fund (PUF)	The Permanent Health Fund (PHF)	The University of Texas System Long Term Fund (LTF)	The University of Texas System Short Intermediate Term Fund (SITF)	Short Term Funds (STF)	Separately Invested Endowments and Charitable Trust Accounts	Total
UTIMCO Management Fee (includes all operating expenses associated with the general management of the Funds)	3,329,925	485,538	2,315,274	439,185			6,569,922
Direct Expenses of the Fund:							
External Management Fees	9,111,114	1,247,447	3,546,974		N/A (1)		13,905,535
External Management Fees - Performance	5,075,348	646,958	1,936,625				7,658,931
Other Direct Costs	1,383,460	559,938	797,292	119,637		5,000	2,865,327
Total Direct Expenses of the Fund	15,569,922	2,454,343	6,280,891	119,637		5,000	24,429,793
Total UTIMCO Budget for the fiscal year ending August 31, 2001	18,899,847	2,939,881	8,596,165	558,822	N/A (1)	5,000	30,999,715
Market Value of Funds Managed by UTIMCO as of 2/29/00 (\$ millions)	7,924.8	965.3	2,967.0	1,886.6	749.2	236.0	14,728.9
Percentage of Market Value							
UTIMCO Services	0.042%	0.050%	0.078%	0.023%	0.000%	0.000%	0.045%
Direct Expenses of the Fund	0.196%	0.254%	0.212%	0.006%	0.000%	0.002%	0.166%
TOTAL	0.238%	0.304%	0.290%	0.029%	0.000%	0.002%	0.211%

Note: Allocation Ratio: PUF-51%, Health Fund-7%, LTF-35%, SITF-7%

(1) Interest Income is net of fees and is not budgeted

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 9:12 a.m., the Board recessed for the meetings of the Standing Committees, and Chairman Evans announced that at the conclusion of each committee meeting the Board would reconvene to approve the report and recommendations of that committee.

The meetings of the Standing Committees were conducted in open session and the reports and recommendations thereof are set forth on the following pages.

REPORTS AND RECOMMENDATIONS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Page 18).--Chairman Evans reported that there were no items referred from the Executive Committee to the Board pursuant to Section 7, Subsection 7.1, Subdivision 7.14 of Chapter I of Part One of the Regents' Rules and Regulations.

REPORT AND RECOMMENDATIONS OF THE BUSINESS AFFAIRS AND AUDIT COMMITTEE (Pages 19 - 48).--Committee Chairman Riter reported that the Business Affairs and Audit Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Business Affairs and Audit Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Approval of Chancellor's Docket No. 102 (Catalog Change)

Upon recommendation of the Business Affairs and Audit Committee, the Board approved Chancellor's Docket No. 102 in the form distributed by the Executive Secretary. It is attached following Page 104 in the official copies of the Minutes and is made a part of the record of this meeting.

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

Reassignment arrangements for chancellor and president positions and interim assignments for chancellor, executive vice chancellor, and vice chancellor positions were found to be in the best interest of The University of Texas System, as required by Texas Education Code Section 51.946.

2. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Amendment to Chapter II, Section 3 to Add Subsection 3.4 (Institutional Compliance)

On January 16, 1998, U. T. Board of Regents' Chairman Donald L. Evans requested the Chancellor create an ad hoc committee to develop an action plan to assist The University of Texas System in complying with applicable laws, regulations, policies, and procedures. In addition, Chairman Evans requested that the Action Plan include an appropriate governance structure and that it designate the appropriate officer who would be responsible to the U. T. Board of Regents for System-wide compliance.

In April 1998, the U. T. System Action Plan to Ensure Institutional Compliance was developed by the Ad Hoc Committee on Institutional Compliance upon recommendation by the Chancellor and presented to the Business Affairs and Audit Committee of the U. T. Board of Regents. The Action Plan included the key elements necessary to develop and support a comprehensive institutional compliance program that meets the requirements of the United States Sentencing Commission Guidelines.

Since April 1998, compliance programs have been established at each of the U. T. System component institutions and at U. T. System Administration under the direction of the Chairman and with the full support of members of the U. T. Board of Regents.

In order to formally document approval for the institutional compliance program for U. T. System, the Board amended the Regents' Rules and Regulations, Part One, Chapter II, Section 3 to add a new Subsection 3.4 as set forth below:

Sec. 3. Chancellor.

...

3.4 Institutional Compliance.

The Chancellor, as chief executive officer of the System, is responsible for ensuring the implementation of an institutional compliance program for the System. Accordingly, the System-wide Compliance Officer prepares an executive summary of all institutional compliance activity of the components and System Administration.

3.41 System-wide Compliance Officer.

The System-wide Compliance Officer is responsible, and will be held accountable for, apprising the Chancellor and the Board of Regents of the institutional compliance functions and activities at System Administration and at each of the component institutions as set out in Subparagraph 3.412 of this Section. The System-wide Compliance Officer provides institutional compliance assistance to the Chancellor, the Executive Vice Chancellors and the Vice Chancellors in the exercise of their responsibilities.

- 3.411 Appointments and Tenure.
The System-wide Compliance Officer shall be appointed by the Chancellor. The System-wide Compliance Officer shall hold office without fixed term, subject to the pleasure of the Chancellor.
- 3.412 Duties and Responsibilities.
The primary responsibilities of the System-wide Compliance Officer include:
 - 3.4121 Developing an infrastructure for the effective operation of The University of Texas System Institutional Compliance Program.
 - 3.4122 Chairing the System-wide Compliance Committee and the Compliance Officers Council.
 - 3.4123 Prescribing the format for the annual risk based compliance plan and the quarterly compliance status reports to be submitted by each component institution and System Administration.
- 3.42 The System-wide Compliance Officer is the senior compliance official of The University of Texas System and provides assistance and advice covering all component and System Administration compliance programs.

3. U. T. Board of Regents - Regents' Rules and Regulations: Approval to Amend Part Two, Chapter VII, Section 4 (Insurance for U. T. System), Section 8 (Disposal of Property of the System), and Addition of a New Section 11 (Sale of Artwork or Duplicate Volumes)

The Board amended the Regents' Rules and Regulations, Part Two, Chapter VII as set forth below:

- a. Section 4, relating to insurance for The University of Texas System, was amended to read as follows:

Sec. 4. Insurance for U. T. System.

- 4.1 Insurance is one of the methods used to finance the U. T. System's property, fidelity and liability risks. The U. T. System will purchase and maintain insurance coverage when deemed necessary to protect its interests.
- 4.2 The terms of any policies shall be negotiated by the Director of Business and Administrative Services. The purchase or renewal of policies with premiums in excess of \$100,000 shall be approved by the Executive Vice Chancellor for Business Affairs.
- 4.3 At the time a loss occurs applicable to either System-wide or individual insurance policies, the Director of Business and Administrative Services shall be notified by the chief business officer of the component institution. For all claims in which the University is a claimant or when University approval is required or solicited from the insurance carrier, the Director of Business and Administrative Services shall approve all loss claims and settlements under \$50,000. Any settlement over \$50,000 and under \$500,000 shall be approved by the Executive Vice Chancellor for Business Affairs. Notification of the settlement will be given to the Board at the discretion of the Executive Vice Chancellor for Business Affairs. Settlements over \$500,000 and less than \$1,000,000 shall be approved by the Executive Vice Chancellor for

Business Affairs and shall be reported to the Board for ratification. Settlements in excess of \$1,000,000 must have the approval of the Board.

4.4 The Director of Business and Administrative Services will provide a summary report of insurance purchases and claim settlements to the Executive Vice Chancellor for Business Affairs on a semiannual basis.

b. Section 8, relating to disposal of property of the System, was amended to read as follows:

Sec. 8. Disposal of Property of the System.--The process outlined in this Section governs the sale and disposal of property, with the exception of sale of artwork or duplicate volumes which is covered by Section 11 of this Chapter.

8.1 Whenever any item of equipment becomes obsolete or useless for the needs and purposes of the department concerned, a written report of such fact shall be made to the chief business officer to determine whether or not such item of equipment is needed by any other department and, if so, to transfer and assign the equipment to such department.

8.2 If the chief business officer shall determine that the equipment is not needed for any department and that it is not practicable to store the equipment for possible future use, he or she shall proceed to sell the item concerned. If the equipment can be used for instructional purposes, it shall be made available to a public school or school district before disposing of the property in another manner.

8.3 For items of little value or limited use where sale on competitive bids is not practicable, the chief business officer shall have the authority to dispose of the property on the basis of negotiated bids or surplus auction in amounts under \$50,000.

8.4 Sale of property estimated to bring \$50,000 or more shall be made on a basis of competitive bids.

8.5 A sale in the amount of \$100,000 or more shall be approved in advance by the Chancellor and ratified by the Board through the institutional docket.

8.6 Sales to employees are governed by the provisions of Part Two, Chapter IV, Section 5 of these Rules.

c. A new Section 11, relating to the sale of artwork or duplicate volumes, was added as follows:

Sec. 11. Sale of Artwork or Duplicate Volumes.--When the president or his or her delegate determines that a work of art or a duplicate of a valuable, rare, or significant volume is no longer of significant use for the purposes of teaching or research, the item is subject to sale following the procedure outlined in this Section. The disposability and current fair market value of the item shall be certified by a three-member panel (including either an art historian or a bibliographer) and the director of the collection disposing of the property. U. T. System institutions shall be given first choice in acquiring the item before it is offered for sale. Proceeds from the sale shall be used for purchases to improve the collection from which the item was drawn or to select items more appropriate to the institution's collection areas.

Sale is subject to the approval of the president or his or her delegate and must be for the fair market value of the item. A permanent record shall be made of the disposition and future location of the item.

The amendments to the Regents' Rules and Regulations, Part Two, Chapter VII, Section 4 will provide sufficient oversight of insurance purchases and claim settlements by the Executive Vice Chancellor for Business Affairs and by the U. T. Board of Regents in cases of significant financial impact. The changes will also result in more efficient University of Texas System business and administrative procedures by:

a. Delegating authority for certain insurance purchases and claim settlements to the Director of Business and Administrative Services

- b. Increasing the dollar thresholds for Board ratification and/or approval of claim settlements
- c. Requiring the Director of Business and Administrative Services to provide a semiannual report of insurance purchases and claim settlements made within his or her authority.

The revisions to Part Two, Chapter VII, Section 8 related to disposal of property of the U. T. System will:

- a. Streamline language in Subsection 8.1
- b. Encourage the transfer of certain surplus property to public schools and school districts in accordance with Texas Government Code Section 2175.304
- c. Add language for clarification purposes
- d. Increase the dollar threshold in Subsections 8.3 through 8.5 to give component institutions more flexibility in the disposal of surplus property as recommended by the U. T. System Property Managers Council.

The addition of Section 11 to Part Two, Chapter VII of the Regents' Rules and Regulations updates and includes the existing Regental Policy on "Sale of Artwork or Duplicate Rare Volumes", approved by the U. T. Board of Regents in April 1994 and amended in May 1996, as Section 11 of this Chapter. Inclusion of this policy in the Regents' Rules groups related policies for clarity and is the result of an ongoing review of U. T. System and Regental policies.

4. U. T. Board of Regents: Approval to Defeasance Certain Permanent University Fund Refunding Bonds, Series 1992A; Appropriation of Funds and Authorization of Expenditure of Available University Fund Balances; Appointment of Vinson & Elkins, L.L.P., Austin, Texas, as Bond Counsel, Chase Bank of Texas, N. A., Austin, Texas, as Escrow Agent, and Causey Demgen & Moore Inc., Denver, Colorado, as Escrow Verification Agent; and Authorization of Officers of the U. T. System to Complete All Transactions

Upon recommendation of the Business Affairs and Audit Committee, the Board:

- a. Approved the defeasance of certain Board of Regents of The University of Texas System Permanent University Fund Refunding Bonds, Series 1992A, in the amount of \$58,325,000 to either maturity or an optional redemption date
- b. Appropriated funds and authorized expenditure of Available University Fund balances in an amount not to exceed \$60,000,000
- c. Appointed Vinson & Elkins, L.L.P., Austin, Texas, as Bond Counsel
- d. Appointed Chase Bank of Texas, N. A., Austin, Texas, as Escrow Agent
- e. Appointed Causey Demgen & Moore Inc., Denver, Colorado, as Escrow Verification Agent
- f. Authorized appropriate officers and employees of U. T. System as set forth in the related documents to take any and all actions necessary to carry out the intentions of the U. T. Board of Regents to complete the transactions, including redeeming the bonds prior to maturity, if this action is determined to be more cost effective.

In April 2000, the Business Affairs and Audit Committee of the U. T. Board of Regents reaffirmed the minimum Available University Fund (AUF) balance requirement of \$30 million. Current projections reflect an AUF balance of approximately \$105 million on August 31, 2000. The defeasance transaction will reduce the AUF balance to approximately \$45 million, or \$15 million above the minimum requirement, by cash defeasing certain high-coupon Permanent University Fund bonds.

The most cost-effective bonds to retire are the Permanent University Fund Refunding Bonds, Series 1992A, 6.25% term bonds maturing July 1, 2013. This transaction will involve cash defeasing a portion of the mandatory sinking fund redemptions of this term bond in the amount of \$58,325,000. Depending upon market conditions, it may be more cost effective to defease these bonds to an optional redemption date. Approval of this item authorizes appropriate U. T. System officials to retire the bonds in the most cost-effective manner, either to maturity or an optional redemption date.

A legal defeasance involves purchasing, through competitive bid, U. S. government securities that are irrevocably deposited into an escrow account. These securities mature in such amounts and at such times as necessary for the escrow agent to make the required debt service payments on the defeased bonds. A verification report from an independent accounting firm is required to certify that the securities purchased will be sufficient to make the required debt service payments. Bond counsel is also required to provide an opinion that all steps necessary to defease the bonds have been taken.

5. U. T. System: Approval of Non-Personnel and Personnel Aspects of the Operating Budgets for the Fiscal Year Ending August 31, 2001, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans and Authorization for the Chancellor to Make Editorial Corrections Therein; and Approval of Permanent University Fund Bond Proceeds Reserve Allocation for Library, Equipment, Repair and Rehabilitation Projects

On August 9, 2000, Interim Chancellor R. D. Burck, with the aid of a PowerPoint slide presentation, presented a comprehensive overview of the proposed Operating Budgets for The University of Texas System for the Fiscal Year ending August 31, 2001. A copy of Chancellor Burck's report entitled "[U. T. System Operating Budget Fiscal Year 2001](#)" is on file in the Office of the Board of Regents.

In response to a request by Chairman Evans for elaboration on the State scholarship/fellowship program, Executive Vice Chancellor for Academic Affairs, Dr. Edwin R. Sharpe, spoke briefly about the State scholarship Toward EXcellence, Access, and Success (TEXAS) grant program, which was implemented by the last legislature. He stated that The University of Texas - Pan American received the most funding of any campus in the State under the TEXAS program due to the impressive number of students qualified to apply for the scholarships. Dr. Sharpe introduced Dr. Miguel A. Nevárez, President of U. T. Pan American, who spotlighted advanced placement programs that motivate students and that qualified the institution for federal funding. Chairman Evans highlighted the U. T. Pan American scholarship program as a success story that focuses on a few specific programs to direct students and that promotes higher education that is affordable and accessible throughout the State. The Regents encouraged the University to not lower the bar and to expand this program to other professions such as the medical and law fields. Chairman Evans asked that the subject be raised at the next Board of Regents' meeting.

Following an additional short presentation by Mr. Burck on August 10, 2000, and upon recommendation of the Academic Affairs, Health Affairs, and Business Affairs and Audit Committees, the Board approved the non-personnel aspects of the U. T. System Operating Budgets as listed below for the Fiscal Year ending August 31, 2001, including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical and Dental Services, Research and Development Plans and authorized the Chancellor to make editorial corrections and authorized subsequent adjustments to be submitted to the U. T. Board of Regents for ratification through the institutional dockets:

- The University of Texas System Administration
(including the Available University Fund)
- The University of Texas at Arlington
- The University of Texas at Austin
- The University of Texas at Brownsville
- The University of Texas at Dallas
- The University of Texas at El Paso
- The University of Texas - Pan American
- The University of Texas of the Permian Basin
- The University of Texas at San Antonio
- The University of Texas at Tyler
- The University of Texas Southwestern Medical
Center at Dallas

The University of Texas Medical Branch
at Galveston
The University of Texas Health Science
Center at Houston
The University of Texas Health Science
Center at San Antonio
The University of Texas M. D. Anderson
Cancer Center
The University of Texas Health Center
at Tyler

These budgets are a part of the Minutes of this meeting and the official copy is in bound Volume LV entitled Annual Budget for 2000-2001.

Further, Permanent University Fund Bond Proceeds in the amount of \$30,000,000 were appropriated from reserves to fund Library, Equipment, Repair and Rehabilitation Projects for Fiscal Year 2001.

In addition, U. T. System component institutions were authorized to purchase approved equipment items and library materials and to contract for repair and rehabilitation projects following standard purchasing and contracting procedures within approved dollar limits. Substitute equipment purchases are to receive prior approval by the Chancellor and appropriate Executive Vice Chancellor and, where required, the U. T. Board of Regents. Transfers by the U. T. System Administration of allocated funds to institutional control or to vendors will coincide with vendor payment requirements. Final approval of specific repair and rehabilitation projects will be in accordance with procedures for construction projects established by the Board.

Fiscal Year 2001 funds from these reserves not expended or obligated by contract/purchase order within six months after the close of Fiscal Year 2001 are to be available for future System-wide reallocation unless specific authorization to continue obligating the funds is given by the Executive Vice Chancellor for Business Affairs on recommendation of the president of a component institution and the Executive Vice Chancellor for Health Affairs or the Executive Vice Chancellor for Academic Affairs.

Upon motion of Regent Riter, the Board also approved the personnel aspects of the Operating Budgets for the Fiscal Year ending August 31, 2001, and authorized the Chancellor to make editorial corrections and subsequent adjustments to be submitted to the U. T. Board of Regents for ratification through the institutional dockets with the specific finding that proposed initial appointments covered

by Section 51.946 of the Texas Education Code are in the best interest of the U. T. System. See Page 2 related to consideration of the personnel aspects of the Operating Budgets.

Interim Chancellor R. D. Burck, Executive Vice Chancellor Edwin R. Sharpe, and Dr. Darcy W. Hardy, Director, UT TeleCampus, alerted the Board that although budget needs for the UT TeleCampus have been anticipated to the extent possible, the volatility of this area may require a request for additional funds.

Committee Chairman Riter congratulated Chancellor Burck and his staff for yesterday's excellent presentation on the FY 2001 budget. Chairman Evans thanked him as well and emphasized that the U. T. System was making a concerted effort to provide competitive salary levels to attract and retain the best and brightest employees. To confirm their strong commitment, Chairman Evans said that Chancellor Burck and Dr. Larry R. Faulkner, President of The University of Texas at Austin, had refused a salary increase and he commended them and others who have taken the same steps.

Note: The Operating Budget for the U. T. System Administration includes a title change from Director, Office of Facilities Planning and Construction to Assistant Vice Chancellor for Facilities Planning and Construction. The U. T. Board of Regents also approved a title change for the Executive Secretary to the Board to Counsel and Secretary to the Board.

6. U. T. System: Authorization for an Aggregate Amount of Equipment Financing for Fiscal Year 2001 and Approval of Use of Revenue Financing System Parity Debt, Receipt of Certificate, and Finding of Fact with Regard to Financial Capacity

The Business Affairs and Audit Committee recommended and the Board approved an aggregate amount of \$15,530,000 under the Revenue Financing System for equipment to be purchased in Fiscal Year 2001 by University of Texas System component institutions as set forth below:

U. T. Arlington	\$2,000,000
U. T. Austin	\$4,295,000
U. T. El Paso	\$1,035,000
U. T. Southwestern Medical Center - Dallas	\$4,000,000
U. T. M. D. Anderson Cancer Center	\$4,000,000
U. T. System Administration	\$ 200,000

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution") adopted by the U. T. Board of Regents on February 14, 1991, amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 32, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs incurred, prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the Board relating to the Financing System
- c. The component institutions and U. T. System Administration, which are "Members" as such term is used in the Master Resolution, possess the financial capacity to satisfy their direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$15,530,000 for the purchase of equipment
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution") adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance equipment cost at U. T. Arlington, U. T. Austin, U. T. El Paso, U. T. Southwestern Medical Center - Dallas, U. T. M. D. Anderson Cancer Center, and U. T. System Administration, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution and Ninth Supplemental Resolution.

EXECUTED this 13th day of July, 2000

/s/ Terry Hull

Director of Finance

7. U. T. System: Approval to Exceed the Full-Time Equivalent Limitation on Employees Paid from Appropriated Funds as Required by the General Appropriations Act of the 76th Texas Legislature, Article IX, Section 9-6.15

Article IX, Section 9-6.15 of House Bill 1 (General Appropriations Act) passed by the 76th Texas Legislature, Regular Session, places a limit on the number of full-time equivalent (FTE) employees paid from Appropriated Funds that an institution may employ without written approval of the Governor and the Legislative Budget Board. In order to exceed the FTE limitation, a request must be submitted by the governing board and must include the date on which the board approved the request, a statement justifying the need to exceed the limitation, the source of funds to be used to pay the salaries, and an explanation as to why the functions of the proposed additional FTEs cannot be performed within current staffing levels.

The Board approved those institutions, as set forth in the table on Page 34, to exceed the number of FTE employees that are authorized in the General Appropriations Act. Further, as required by Article IX, Section 9-6.15 of the General Appropriations Act, the U. T. Board of Regents will submit a request to the Governor's Office and the Legislative Budget Board to grant approval for these institutions to exceed the authorized number of FTE employees paid from Appropriated Funds.

Executive Secretary's Note: On August 23, 2000, the U. T. Board of Regents submitted the [required letter and supporting materials](#) to the Governor's Office and the Legislative Budget Board and a copy is on file in the Office of the Board of Regents.

The University of Texas System
**REQUEST TO EXCEED FULL-TIME EQUIVALENT LIMITATION
 ON EMPLOYEES PAID FROM APPROPRIATED FUNDS**
 (House Bill No. 1, Article IX, Section 9-6.15)
 Fiscal Year 2001

Component	H. B. 1 FTE Limitation	Estimated Average FTE FY2001	Requested Increase in Number of FTEs
U. T. Arlington	1,828.00	1,861.50	33.50
U. T. Brownsville	294.00	724.98	430.98
U. T. Dallas	1,044.00	1,141.10	97.10
U. T. El Paso	1,419.00	1,570.72	151.72
U. T. Pan American	1,067.00	1,168.32	101.32
U. T. Permian Basin	241.00	248.50	7.50
U. T. Tyler	345.50	377.50	32.00
U. T. SWMC - Dallas	1,579.50	1,629.50	50.00
U. T. MDA Cancer Center	6,036.00	7,536.00	1,500.00

8. U. T. System: Authorization to Transfer State General Revenue Appropriations from U. T. Tyler to U. T. System Administration in Exchange for Permanent University Fund Bond Proceeds

Texas Attorney General Opinion JC-170 (2000) concluded that Article VII, Section 18 of the Texas Constitution precludes certain University of Texas System component institutions, including The University of Texas at Tyler, from spending general revenue appropriated for the construction of permanent improvements unless the appropriation falls within one of the express exceptions to the rule. U. T. Tyler had planned to use general revenue funds for several small renovation projects and parking lot improvements, but, in light of the Attorney General Opinion and the fact that U. T. Tyler's projects do not fit within one of the exceptions, the institution must use a different source of funds.

Therefore, upon recommendation of the Business Affairs and Audit Committee, the Board authorized the transfer of \$300,000 of State General Revenue appropriations from U. T. Tyler to U. T. System Administration in exchange for \$300,000 of Permanent University Fund (PUF) Bond Proceeds. This transfer will be used by U. T. System Administration to fund an equivalent amount of operating expenses that would have been paid from Available University Funds (AUF) and will allow U. T. Tyler to fund these projects without having to lapse State appropriations. This will leave a balance in AUF that at the appropriate time can be used to retire an equivalent amount of PUF notes or higher-cost PUF debt.

9. U. T. System: Authorization to Lease the Surface Only of a Portion of University Lands Located in Block 16, University Lands Survey, Pecos County, Texas, to NWP Indian Mesa Wind Farm LP, Oakland, California, to be Used for the Construction and Operation of a Wind Power Project and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of University Lands - West Texas Operations to Execute All Documents Related Thereto

Upon recommendation of the Business Affairs and Audit Committee, the Board, on behalf of University Lands - West Texas Operations:

- a. Approved a lease of the surface only of approximately 2,500 gross acres of University Lands located in the east half of Block 16, University Lands Survey, Pecos County,

Texas, to NWP Indian Mesa Wind Farm LP, Oakland, California, for the purpose of constructing and operating a wind farm to generate electrical power from wind power

- b. Authorized the Executive Vice Chancellor for Business Affairs or the Executive Director of University Lands - West Texas Operations to negotiate the surface lease and to execute all documents, instruments, and other agreements and to take all such actions deemed necessary or desirable to carry out the purpose and intent of the lease, subject to approval as to the legal form of the documents, instruments, and agreements by the Office of General Counsel.

As part of the electrical power deregulation legislation passed during the 76th Texas Legislature, power companies were required to generate a portion of their total energy output from renewable sources by the Year 2003. Wind power is currently viewed as one of the principal means of generating clean renewable electrical power in the State of Texas to meet this mandate.

The surface lease is for a term of 30 years. The University of Texas System will be compensated with an initial payment of \$68,000 at execution of the agreement and royalty payments of no less than \$82,000 per year during the first 10 years after power generation commences, no less than \$94,300 per year during the following 10 years, and no less than \$108,445 per year during the remainder of the lease.

The lease required U. T. Board of Regents' approval as income in excess of \$500,000 will be generated. Lease terms were not final in time for inclusion in the institutional Docket for this meeting.

10. U. T. System: Adoption of Resolution to Argonaut Southwest Insurance Company, Menlo Park, California, to Guarantee Payments Under Phase III of a Rolling Owner Controlled Insurance Program (ROCIP)

Upon recommendation of the Business Affairs and Audit Committee, the Board adopted the resolution to Argonaut Southwest Insurance Company, Menlo Park, California, to insure The University of Texas System under Phase III of a Rolling Owner Controlled Insurance Program (ROCIP) as set forth on Page 37.

RESOLUTION

WHEREAS, Argonaut Southwest Insurance Company (Argonaut), Menlo Park, California, will insure The University of Texas System and other persons under Phase III of a Rolling Owner Controlled Insurance Program (ROCIP) for various construction projects managed by the Office of Facilities Planning and Construction;

WHEREAS, Pursuant to this ROCIP, Argonaut will issue one or more workers' compensation insurance policies and comprehensive general liability insurance policies that contain combined \$250,000 per occurrence deductibles that include allocated costs and indemnity payments; however, such deductibles are subject to aggregate limits of \$2,853,306 for the ROCIP; and

WHEREAS, The Board of Regents of The University of Texas System understands and agrees that this large deductible ROCIP requires the prompt reimbursement of sums advanced by Argonaut to adjust or pay claims within the deductibles, and the Board desires to guaranty to Argonaut the prompt reimbursement of the deductibles for the ROCIP; now, therefore, be it

RESOLVED, That the Board hereby guarantees to Argonaut the prompt repayment of the sums advanced by Argonaut to adjust or pay claims within the deductibles for the ROCIP, subject to the aggregate deductible limits for the Program. This guaranty shall remain fully binding although Argonaut may waive one or more defaults of the insured or fail to exercise any rights against the insured or modify one or more terms of the ROCIP as required by law or with the consent of The University of Texas System; and be it further

RESOLVED, That the Board represents and warrants to Argonaut that the funds necessary to reimburse Argonaut for the aggregate deductible liability of the insured for the ROCIP are included in the appropriations for the project heretofore approved by the Board.

On February 10, 2000, the U. T. Board of Regents adopted a similar resolution to satisfy the security requirement for ROCIP Phase II. As of June 20, 2000, 22 projects totaling \$287 million in construction values have been enrolled in ROCIP Phase II. If past experience is an indicator, the University anticipates that the savings for ROCIP Phase II will be significant.

ROCIP Phase III began in July 2000. Argonaut Southwest Insurance Company was selected through a competitive process to provide the Workers' Compensation and General Liability insurance for ROCIP Phase III. It is estimated that a minimum of \$300 million in construction values will be included in ROCIP Phase III over the next four years. The aggregate deductible limits are based on estimated payrolls for \$300 million in construction values. If payrolls exceed the estimate, the aggregate deductible limits may need to be increased. The resolution provides Argonaut with assurances necessary to complete the ROCIP Phase III program.

11. U. T. Austin: Authorization to Complete Negotiation of a Management Services Agreement with Stadium Enterprises, Ltd., for Management and Operation of the Longhorns Ltd. Retail Outlets in Darrell K Royal - Texas Memorial Stadium and Other Specified Locations and Authorization for the Senior Vice President and Chief Financial Officer to Execute All Documents Related Thereto

The Board, upon recommendation of the Business Affairs and Audit Committee, authorized the Senior Vice President and Chief Financial Officer of The University of Texas at Austin or his or her delegate to complete negotiation of a management services agreement with Stadium Enterprises, Ltd., for the management and operation of the Longhorns Ltd. retail outlets in Darrell K Royal - Texas Memorial Stadium and other specified locations on the U. T. Austin campus. The Agreement will cover the sale of U. T. Austin's licensed merchandise and novelties and related merchandise and novelties at those locations and through the Internet.

Further, the Senior Vice President and Chief Financial Officer of U. T. Austin was authorized to execute all necessary documents, after approval by the Office of General Counsel, and to take all such actions deemed necessary or desirable to carry out the purpose and intent of the foregoing action.

12. U. T. El Paso: Frank B. Cotton Trust and Tropical Sportswear International Endowed Fund for Entrepreneurship - Approval to Sell Land and Improvements Located at 1500 East Third Avenue, El Paso, El Paso County, Texas, and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Execute All Documents Related Thereto

The Business Affairs and Audit Committee recommended and the Board authorized The University of Texas System Real Estate Office, on behalf of The University of Texas at El Paso, to sell the land and improvements located at 1500 East Third Avenue in El Paso, El Paso County, Texas, to Midwest Textile General, LLC, for \$642,000. Upon closing, a commission in the amount of \$35,680 will be split between the listing broker, Best/White LLC, and the broker who is representing the buyer, Wayne Moorhead. Proceeds from the sale will be distributed to the Frank B. Cotton Trust (value of the land) and the Tropical Sportswear International Endowed Fund for Entrepreneurship (value of the improvements).

Further, the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate was authorized to execute all documents, instruments, and other agreements and to take all such further actions deemed necessary, advisable, or proper to carry out the purpose and intent of the sale.

The subject land was part of a large donation of land in 1938 to the U. T. Board of Regents from the Frank B. Cotton Trust. In 1952, the subject site was leased to the Farah Manufacturing Company, Inc., which built the improvements. Throughout the lease, the improvements remained the property of the lessee. In September 1998, Tropical Sportswear International, the successor to Farah as lessee, donated the building to the U. T. Board of Regents to create the Tropical Sportswear International Endowed Fund for Entrepreneurship.

On May 13, 1999, the U. T. Board of Regents authorized the property to be marketed for its 1998 appraised value of \$1,000,000. The offer of \$642,000 from Midwest Textile General, LLC, is the only response to that marketing effort. A new roof, building obsolescence, and city code requirements for new loading docks and parking have been identified as deficiencies in the property, and the appraiser has indicated the need for an adjustment in price due to these factors and new market comparables.

The value of the land (\$204,211) less the pro rata share of the closing costs will be distributed to the U. T. El Paso Frank B. Cotton Trust. The balance of the proceeds (\$437,789) less the pro rata share of the closing costs will fund the Tropical Sportswear International Endowed Fund for Entrepreneurship.

13. U. T. El Paso: Authorization to Purchase 1.2494 Acres of Land Being a Part of Lot 1, University Center, El Paso, El Paso County, Texas, and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Execute All Documents Related Thereto

Upon recommendation of the Business Affairs and Audit Committee, the Board authorized The University of Texas System Real Estate Office, on behalf of The University of Texas at El Paso, to purchase 1.2494 acres of land out of Lot 1, University Center in El Paso, El Paso County, Texas, for \$775,000 from the North Mesa Joint Venture. U. T. El Paso will pay the cost of the title insurance policy and survey, but no brokerage commission.

Further, the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate was authorized to execute all documents, instruments, and other agreements and to take all such further actions deemed necessary or desirable to carry out the purpose and intent of the purchase.

The subject property is a vacant tract of land adjacent to the Don Haskins Special Events Center and is designated in U. T. El Paso's approved master plan as a potential acquisition. Once purchased, the property will be improved for use as a parking lot for regular campus use and events at the Don Haskins Special Events Center. U. T. El Paso wishes to purchase the land (which fronts on Mesa Avenue) before it is developed for commercial purposes.

The purchase price is within the range of two recent appraisals prepared by qualified appraisers from El Paso. Funding for the purchase will be from unallocated Designated Funds.

14. U. T. Permian Basin: Approval to Lease Campus Land to The Presidential Museum; Finding of Public Purpose; Authorization to Transfer Funds; and Authorization for the Executive Vice Chancellor for Business Affairs or His Delegate to Execute All Documents Related Thereto

The Presidential Museum was organized in 1978 "to support an educational, charitable, literary, historical, patriotic, and civic undertaking to promote, through the establishment and maintenance of a museum facility and through related nonpartisan, educational, and affirmative programs, projects and exhibitions, a better understanding, knowledge, appreciation, and respect of the Office of the President of the United States of America. . . ." (Article Four of the Articles of Incorporation of Tenant filed with the Texas Secretary of State on September 26, 1978.) The Presidential Museum currently operates a museum and library elsewhere in Odessa, Ector County, Texas, dedicated to the purpose stated in the preceding paragraph. The Presidential Museum's collections contain memorabilia, writings and papers of and about the Presidents of the United States valued at approximately \$1.25 million.

The 76th Texas Legislature appropriated \$2,500,000 in the General Appropriations Act "for the purpose of constructing a building to house the Presidential Museum on a leased portion of the University of Texas of the Permian Basin campus." Following the appropriation, it was determined that Permanent University Fund (PUF) Bond Proceeds would be used to fund the construction project. (See related item on Page 72.)

U. T. Permian Basin will be offering a Bachelor of Arts degree with a major in Multidisciplinary Studies with Leadership Studies Concentration and is the home of the John Ben Shepperd Public Leadership Institute, whose mission is to provide young Texans an education about leadership, ethics, and public service. The location of a museum on the U. T. Permian Basin campus dedicated to the Office of the President of the United States will further the educational purpose of U. T. System and U. T. Permian Basin by, among other things: the proximity of original information sources and materials for individual research by students and faculty; the synergy created with respect to public service studies and programs, including, without limitation, U. T. Permian Basin's Bachelor of Arts degree with a major in Multidisciplinary Studies with Leadership Studies Concentration and the John Ben Shepperd Public Leadership Institute; and the role of the museum and library in serving as a venue for the promotion of the study of history and leadership to public school students, in introducing those students to the campus, faculty, and students of U. T. Permian Basin, and in enhancing U. T. Permian Basin's student recruitment efforts.

The Attorney General of the State of Texas in Opinion No. MW-373 (1981) has advised that, for the use of space in university facilities without cash rental payments to comply with the Texas Constitution, three requirements must be met: (1) the use of the property must serve a public purpose, appropriate to the function of the university; (2) adequate consideration must be received by the university; and (3) the university must maintain controls over the user's activities to ensure that the public purpose is achieved.

In accordance therewith and following a presentation by President Sorber and upon recommendation of the Business Affairs and Audit Committee, the Board:

- a. Authorized U. T. Permian Basin to enter into a lease with The Presidential Museum to occupy land on the U. T. Permian Basin campus and for improvements to be constructed by U. T. Permian Basin for the purpose of housing a presidential museum and leadership library
- b. Determined that the lease of the land and improvements to The Presidential Museum for the stated reasons will serve a public purpose appropriate to the function of U. T. Permian Basin, and that the consideration to U. T. System and U. T. Permian Basin from The Presidential Museum for the lease will be adequate
- c. Authorized the U. T. System Budget Office to transfer \$1,220,000 in Fiscal Year 2000 and \$1,250,000 in Fiscal Year 2001 in General Revenue Funds from U. T. Permian Basin to the U. T. System in exchange for PUF Bond Proceeds
- d. Authorized the Executive Vice Chancellor for Business Affairs or his delegate to take all steps necessary and to execute all documents required to complete the transactions outlined above, subject to approval of all such documents as to legal form by the Office of General Counsel.

In lieu of regular installments of rental payments for the use of the land and improvements, The Presidential Museum will fully maintain the leased land and improvements, continuously operate a museum and library dedicated to the Office of the President of the United States in the leased improvements, and provide to U. T. System and U. T. Permian Basin other benefits and consideration, including permitting the faculty, staff, and students of U. T. Permian Basin free and unrestricted use of the museum and library collections for scholarly pursuits, permitting U. T. System and U. T. Permian Basin priority, free use of

certain spaces within the improvements, hosting visits of public school students, and paying U. T. System a percentage of the gross revenues derived from the use of the improvements by others. In addition, The Presidential Museum will maintain U. T. Permian Basin's microfiche collection of presidential papers which will be moved to the library to centralize that collection.

15. U. T. Health Science Center - Houston - Research Expansion Building, Phase I (Purchase of Building Floor for Institute of Molecular Medicine): Authorization to Purchase from the Texas Heart Institute or St. Luke's Hospital, Houston, Texas, a Condominium Interest in the Ninth Floor of the Denton A. Cooley Building Located at 1102 Bates Avenue in Houston, Harris County, Texas; Authorization to Submit a Request to the Coordinating Board for Approval of the Transaction; Appropriation of Funds and Authorization of Expenditure; and Authorization for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Execute All Documents Related Thereto

Upon recommendation of the Business Affairs and Audit Committee, the Board authorized:

- a. Purchase from the Texas Heart Institute or St. Luke's Hospital, Houston, Texas, a condominium interest in approximately 34,250 gross square feet of space known as the ninth floor of the Denton A. Cooley Building located at 1102 Bates Avenue, Houston, Harris County, Texas, for use by The University of Texas Health Science Center at Houston as wet labs and office space
- b. Submission of a request to the Texas Higher Education Coordinating Board for approval of the transaction
- c. Appropriation of funds and authorization of an expenditure not to exceed \$6,300,000 with funding from Permanent University Fund Bond Proceeds
- d. The University of Texas System Real Estate Office to negotiate the purchase of the condominium interest and the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to execute all documents, instruments, and other agreements and to take all such actions deemed necessary or

desirable to carry out the purpose and intent of the purchase, subject to approval as to the legal form of the documents, instruments, and agreements by the Office of General Counsel.

The Research Expansion Building, Phase I at U. T. Health Science Center - Houston is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$125,000,000, with \$75,000,000 from Gifts and Grants and \$50,000,000 from Permanent University Fund Bond Proceeds.

This project will construct new facilities of approximately 400,000 gross square feet to accommodate U. T. Health Science Center - Houston's rapidly growing research program. A portion of these new facilities will be located in the Denton A. Cooley Building to accommodate the Institute of Molecular Medicine (IMM). The larger portion of the Research Expansion Building, Phase I project will be presented to the U. T. Board of Regents for approval next calendar year.

The subject property to be purchased consists of approximately 34,250 gross square feet of space known as the ninth floor of the Denton A. Cooley Building. This floor will be used by the IMM at the U. T. Health Science Center - Houston for wet labs and offices to accommodate the growth of the IMM and research related to cardiovascular disease. At its meeting on May 11, 2000, the U. T. Board of Regents allocated \$8,500,000 for the cost of finish-out and equipping this space. An estimated additional \$6,300,000 for the condominium interest in the ninth floor shell will be paid from the Permanent University Fund Bond Proceeds allocated for the Research Expansion Building, Phase I.

The purchase of the condominium interest in the building will be portioned from the approximate 42.7% interest owned by the Texas Heart Institute or the remaining approximate 57.3% owned by St. Luke's Hospital and will be submitted to the Texas Higher Education Coordinating Board for approval.

16. U. T. Health Science Center - Houston: Approval to Negotiate a Lease with the Houston Academy of Medicine for Space in the Jesse H. Jones Library Building Located at 1133 M. D. Anderson Boulevard in Houston, Harris County, Texas, and Authorization for the Executive Vice President for Administration and Finance to Execute All Documents Related Thereto

Upon recommendation of the Business Affairs and Audit Committee, the Board authorized the Executive Vice President for Administration and Finance at The University of Texas Health Science Center at Houston, or his or her delegate, to negotiate and execute a lease with the Houston Academy of Medicine for space in the Jesse H. Jones Library Building located at 1133 M. D. Anderson Boulevard in Houston, Harris County, Texas. The lease is subject to approval by the Office of General Counsel.

17. U. T. Health Science Center - San Antonio: Authorization to Modify an Agreement with the San Antonio Medical Foundation Regarding Land Use and for the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to Execute All Documents Related Thereto

The Board, on behalf of The University of Texas Health Science Center at San Antonio and upon recommendation of the Business Affairs and Audit Committee, authorized modification of a July 22, 1961, agreement with the San Antonio Medical Foundation as follows:

- a. Release the San Antonio Medical Foundation from all restrictions as to the use of land owned by the San Antonio Medical Foundation and located outside of the boundaries of the South Texas Medical Center
- b. Give notice that the President of U. T. Health Science Center - San Antonio shall have the power and authority to bind the University in connection with all matters pertaining to compliance with that portion of the agreement which provides that no land shall be transferred to any hospital agency unless the University certifies that a satisfactory agreement has been reached with the agency to use the hospital for teaching purposes or that no teaching agreement is required.

The Board authorized the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to execute all necessary documents, instruments and agreements and to take all such actions deemed necessary or desirable to carry out the purpose and intent of the agreement modification.

18. U. T. Health Center - Tyler: Finding of Public Purpose and Authorization for the President or His Delegate to Negotiate and Execute (a) An Agreement with Southwestern Bell Telephone Company, San Antonio, Texas, for a Wireless Communications Network, (b) An Agreement with American Tower Management, Inc., Boston, Massachusetts, for the Placement and Use of Communication Towers, and (c) All Documents Related Thereto

Upon recommendation of the Business Affairs and Audit Committee, the Board:

- a. Made a determination that certain prepayments of service fees and rents under agreements related to the development of a wireless communications network will serve a public purpose
- b. On behalf of The University of Texas Health Center at Tyler, delegated authority to the President of U. T. Health Center - Tyler or his delegate to negotiate and execute, upon approval by the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, and the Vice Chancellor and General Counsel the following:
 - 1) An agreement with Southwestern Bell Telephone Company, San Antonio, Texas, for development of a wireless communications network, including digital video, audio, and data systems, interconnecting the facilities of the participants in NETnet and all related maintenance agreements and other contracts
 - 2) An agreement with American Tower Management, Inc., Boston, Massachusetts, and its affiliates, related to the placement of communication towers and the use of communication towers in support of the wireless communications network and all related leases, licenses and other agreements
 - 3) All other related agreements with other parties.

Pursuant to an Agreement of the Northeast Texas Telecommunications Network, also known as the Northeast Texas Initiative ("NETnet"), dated effective September 1, 1995, U. T. Health Center - Tyler and other higher education entities (collectively, the "Participants") agreed to work together to develop a high quality telecommunications network to interconnect the facilities of the Participants and to provide enhanced educational and instructional services to the public.

The development of the wireless communications network will further the educational purpose of The University of Texas System and U. T. Health Center - Tyler by, among other things, providing an advanced distance learning infrastructure for the nontraditional delivery of educational and health-care services to a 50-county region of Northeast Texas, a geographically dispersed region containing 46% of the State's rural population.

U. T. Health Center - Tyler was appointed to serve as the project administrator and fiscal agent of NETnet. In 1995, the Texas Higher Education Coordinating Board allocated funds to U. T. Health Center - Tyler for the establishment of an office for NETnet and since that time, U. T. Health Center - Tyler has worked with the other Participants to determine the feasibility and technical requirements for the telecommunications network. During the 76th Session of the Texas Legislature, \$10,000,000 was appropriated to U. T. Health Center - Tyler for the development and operation of an educational and instructional communications network in Northeast Texas.

Because negotiation of necessary agreements was not final in time for inclusion in the August institutional Docket, this item required consideration at the August 10, 2000 meeting of the U. T. Board of Regents.

Southwestern Bell will provide or coordinate comprehensive project management for most aspects of the network development, installation, configuration, training and ongoing support, except certain tower leases and licenses and other agreements being entered into with American Tower and other entities. The entire project, including all training and acceptance testing, is scheduled to be complete within 12 months after contract execution with Southwestern Bell. The total project cost is approximately \$8,156,045. The payment structure under certain agreements documenting the transaction contemplate payment for certain services and rents prior to the performance of the service or delivery of rental benefit. A payment made prior to receipt of services or delivery of the rented benefit may be considered an extension of the State's credit.

INFORMATIONAL REPORT

U. T. System: Presentation of the June 2000 Monthly Financial Report

Mr. Kerry Kennedy, Interim Executive Vice Chancellor for Business Affairs, reviewed the June 2000 Monthly Financial Report for The University of Texas System and emphasized that there were no variances from budget which did not have reasonable explanations.

A copy of [The University of Texas System Monthly Financial Report](#) as of June 2000 is on file in the Office of the Board of Regents.

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 49 - 53).--Committee Chairman Miller reported that the Academic Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Academic Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Arlington: Establishment of a Bachelor of Science in Software Engineering; Approval to Submit the Degree Program to the Coordinating Board for Approval (Catalog Change); and Authorization of Certification that Coordinating Board Criteria for Approval Are Met

The Board:

- a. Established a Bachelor of Science in Software Engineering at The University of Texas at Arlington
- b. Authorized submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action
- c. Authorized the Executive Vice Chancellor for Academic Affairs to certify on behalf of the U. T. Board of Regents that relevant Coordinating Board criteria for approval by the Commissioner of Higher Education have been met.

This degree program is consistent with the Table of Programs and Mission Statement of U. T. Arlington and its plans for offering quality degree programs to meet student needs.

The Department of Computer Science and Engineering (CSE), which operates within the College of Engineering at U. T. Arlington, will administer the B.S. in Software Engineering (BSSE) beginning in Fall 2001. Conservative estimates of the demand for the BSSE program project enrollment of 40 students in the first year and 179 students in year five with 107 students in the upper division. It is expected that for the first two years, some of the enrollments will come from current degree programs at U. T. Arlington such as computer science and engineering, mathematics, and information systems with the remainder being students new to the University.

The program requires 126 semester credit hours of course work plus exercise sports, marching band, or ROTC, if needed. The required courses consist of 30 semester credit hours of general education, 16 semester credit hours of mathematics, 15 semester credit hours of science, and 65 semester credit hours of computer science and engineering courses.

The cost of the program is estimated to be \$614,400 over five years with costs for the first two years covered by reallocation of open faculty positions. For the remaining three years, half of the program costs will be covered by reallocation of open faculty positions and the other half will be covered by formula income. The current 24 CSE faculty members (including 20 tenure-track faculty) are qualified to offer the program. An additional faculty member will be needed to develop the four new courses required to implement this program. Expected enrollment increases will require teaching assistants.

The Board found the program meets all applicable Coordinating Board criteria for degree programs that may be approved by the Commissioner of Higher Education on behalf of the Coordinating Board. The criterion regarding clinical or in-service placements is not applicable to this program.

Upon approval by the Coordinating Board, the next appropriate catalog published at U. T. Arlington will be amended to reflect this action.

2. U. T. Dallas: Authorization to Establish a Bachelor of Science in Software Engineering; Approval to Submit the Degree Program to the Coordinating Board for Approval (Catalog Change); and Authorization of Certification that Coordinating Board Criteria for Approval Are Met

The Board:

- a. Established a Bachelor of Science in Software Engineering at The University of Texas at Dallas
- b. Authorized submission of the proposal to the Texas Higher Education Coordinating Board for review and appropriate action
- c. Authorized the Executive Vice Chancellor for Academic Affairs to certify on behalf of the U. T. Board of Regents that relevant Coordinating Board criteria for approval by the Commissioner of Higher Education have been met.

The degree program is consistent with the Table of Programs and Mission Statement of U. T. Dallas and its plans for offering quality degree programs to meet student needs.

The Bachelor of Science degree in Software Engineering will be administered by the Department of Computer Science in the Erik Jonsson School of Engineering and Computer Science. The 120-semester credit hour program will provide a solid background in computer science as well as training in core areas of software engineering including requirements for engineering, software architecture, software verification and validation, and object-oriented design.

It is projected that the new program will have 60 majors in the first year with half of those being current computer science or electrical engineering students.

Undergraduates in software engineering will be taught by the same highly qualified faculty who teach and conduct research in the graduate computer science programs. The B.S. in Software Engineering will require no additional faculty beyond the normal increase in faculty size that is supported by growth. It is anticipated that at least 10 new tenure-track faculty positions will be added in the next two years. Eight of the existing faculty will be included in the program which builds on the software engineering faculty and technological infrastructure at the master's level.

No new technological or library resources are necessary for the program. The reallocated costs over the first five years are estimated to total \$421,500. Formula income from new students choosing the software engineering degree instead of existing degree programs is projected to total \$636,278 for years three through five. The new program will be self-supporting beginning in the third year. Increased enrollments will reduce the unit cost of offering many existing courses, and the cost of an education for some students can be reduced.

The Board found that the program meets all applicable Coordinating Board criteria for degree programs that may be approved by the Commissioner of Higher Education on behalf of the Coordinating Board. The criterion regarding clinical or in-service placements is not applicable to this program.

Upon Coordinating Board approval, the next appropriate catalog published at U. T. Dallas will be amended to reflect this action.

INFORMATIONAL REPORT

U. T. System: Presentation of a Report on Distance Education

Committee Chairman Miller began this informational report with brief remarks on the issues of accountability, deregulation and the status of the K-16 Initiative and noted that the U. T. Board of Regents' ad hoc Long-Range Planning Committee is also discussing deregulation proposals. He explained that the K-16 Initiative is addressing an attempt to align the K-12 system with higher education programs to ensure the effectiveness of testing and other programs. He noted that the Texas Higher Education Coordinating Board recently released a draft long-term planning document for higher education and that one of the primary recommendations is that the State require students to be prepared for college by taking college preparatory courses.

Committee Chairman Miller stated that the Board would hear a brief report on a graduate program in education offered by The University of Texas at Arlington through the UT TeleCampus. He noted that this was a model program, and while the program has some front-end costs, it also has some attributes which will allow it to grow fairly rapidly over a reasonable period of time and allow The University of Texas System to recover initial costs.

Dr. Edwin R. Sharpe, Executive Vice Chancellor for Academic Affairs, introduced Dr. Robert E. Witt, President of The University of Texas at Arlington, who provided a brief overview of a master's degree in education program that graduates teachers certified as reading specialists and who have English as a Second Language (ESL) endorsement. He then introduced Professor Nancy Hadaway, who thanked the Board for the opportunity to share a short demonstration of the on-line graduate program in education that is being offered in partnership with the UT TeleCampus. She explained that students read lecture information on-line, discuss the lecture via e-mail and post completed assignments on-line. Discussion between students as well as class discussion is via e-mail, which replaces the traditional interaction in the classroom and allows for strong mentoring relationships between students. Chairman Evans and Regent Miller thanked Dr. Hadaway for her presentation.

Committee Chairman Miller commented that these types of programs are market-driven and require the dedication and collaboration of administration and staff. He noted it is difficult to predict future enrollment growth in distance education degree programs and called on Dr. Darcy Hardy, Director of the UT TeleCampus, to comment on the ability of the TeleCampus to manage large enrollment growths. Dr. Hardy stated that she expects the enrollment in on-line degree programs to double over the next year, and that this growth could be handled for the short-term but additional budgetary and staff support would be needed to handle a large increase in enrollment over the longer term.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE

(Pages 54 - 55).--In the absence of Committee Chairman Loeffler, Regent Oxford reported that the Health Affairs Committee met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Health Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Health Science Center - San Antonio - Center for Longevity and Aging Studies: Approval to Amend the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to Include Project

The Board amended the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to include the Center for Longevity and Aging Studies project at The University of Texas Health Science Center at San Antonio at a preliminary project cost of \$22,000,000, with funding of \$6,000,000 from Permanent University Fund Bond Proceeds and \$16,000,000 from Gifts and Grants. Interim Chancellor Burck stated that the \$6,000,000 in Permanent University Fund Bond Proceeds will be allocated only after \$16,000,000 in Gifts and Grants has been raised.

The Center for Longevity and Aging Studies will be a unique, world-class research facility that will develop and employ state-of-the-art molecular techniques to discover genes that enhance health and longevity.

The facility will contain approximately 51,000 gross square feet of research labs, a vivarium, and administrative support areas and will be constructed at the Texas Research Park, a 1,500-acre industrial area in northwestern Bexar County dedicated to biotechnology.

2. U. T. Health Science Center - Houston and U. T. M. D. Anderson Cancer Center: Discussion and Approval of the Concept of a South Campus Biotechnology Research Park Development Plan for Approximately 67 Acres in the Southeast Quadrant of a Parcel Bordered by Fannin Street, Old Spanish Trail, and Cambridge Street in Houston, Harris County, Texas

The Board approved:

- a. An allocation of approximately 67 acres in the southeast quadrant of a parcel bordered by Fannin Street, Old Spanish Trail, and Cambridge Street in Houston, Harris County, Texas, between The University of Texas Health Science Center at Houston and The University of Texas M. D. Anderson Cancer Center as agreed to between the two institutions
- b. The U. T. M. D. Anderson Cancer Center's concept of a development plan for a South Campus Biotechnology Research Park.

Board action followed remarks by Regent Oxford who stated that the two components have shown tremendous cooperation in finalizing an agreement related to allocation of the land, which will be implemented when all necessary parcels are acquired. He noted that the University does not own all of the proposed 67 acres of land at this time and called on Mr. Leon Leach, Executive Vice President and Chief Financial Officer at U. T. M. D. Anderson Cancer Center, to explain the current ownership of the property. Mr. Leach noted that favorable discussions have been held with current landowners, the Kroger Company and the U. S. Department of Defense, who own portions of the land under discussion. Regent Oxford noted a proposed business plan for the South Campus Biotechnology Research Park would be brought before the Board at a later date.

Regent Oxford explained that U. T. Health Science Center - Houston and U. T. M. D. Anderson Cancer Center believe it is imperative to include other public and private parties such as The University of Texas Medical Branch at Galveston, Rice University, University of Houston, and Baylor University in a cooperative effort to synergize the creation of a biotechnology park which will attract venture capital to Texas.

Chairman Evans encouraged Dr. John Mendelsohn, President of U. T. M. D. Anderson Cancer Center, to work out details related to land acquisition as soon as possible.

REPORT AND RECOMMENDATIONS OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE (Pages 56 - 91).--Committee Chairman Clements 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 U. T. Board of Regents. Unless otherwise indicated, the actions set forth in the Minute Orders which follow were recommended by the Facilities Planning and Construction Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Approval of Campus Master Plans for U. T. Southwestern Medical Center - Dallas, U. T. Medical Branch - Galveston, and U. T. Health Science Center - Houston

Campus Master Plans were approved for The University of Texas Southwestern Medical Center at Dallas, The University of Texas Medical Branch at Galveston, and The University of Texas Health Science Center at Houston.

Campus Master Plans for four other component institutions were approved by the Board at the February 10, 2000 meeting and for six other component institutions at the May 11, 2000 meeting. Drafts of the final two Campus Master Plans (The University of Texas at San Antonio and The University of Texas Health Science Center at San Antonio) are expected to be submitted to the Facilities Planning and Construction Committee for review in time to bring Executive Summaries before the U. T. Board of Regents for approval at the November 2000 meeting.

2. U. T. Arlington - Educational and General Space Renovation: Authorization to Revise Total Project Cost

The Board revised the total project cost for the Educational and General Space Renovation at The University of Texas at Arlington from \$2,738,000 to \$4,350,000 to complete various renovations, capital improvements, and capital renewal work on multiple education and general buildings.

This project was originally included in the FY 1998-2003 Capital Improvement Program at a project cost of \$4,350,000, with funding from Tuition Revenue Bond Proceeds. A portion of the funding, \$1,612,000, was transferred to the Carlisle Hall Renovation - Stairwell Towers Addition project for

the FY 2000-2005 Capital Improvement Program in order to finish this code-required project. However, on February 9, 2000, the U. T. Board of Regents approved Permanent University Fund Bond Proceeds of \$1,700,000 for the Carlisle Hall Renovation - Stairwell Towers Addition project and redesignated the project as Carlisle Hall - Stairwell Towers Addition, thus allowing \$1,612,000 of Tuition Revenue Bond Proceeds to be transferred back into the Educational and General Space Renovation project.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to revise the total project cost for the Educational and General Space Renovation project at U. T. Arlington from \$2,738,000 to \$4,350,000, with funding of \$1,612,000 from Tuition Revenue Bond Proceeds, to be transferred from the Carlisle Hall - Stairwell Towers Addition project.

3. U. T. Austin - Parking Garage South (Project No. 102-015): Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Following a presentation on the Parking Garage South project at The University of Texas at Austin by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Approved design development plans for the Parking Garage South project at U. T. Austin
- b. Approved a total project cost of \$22,500,000
- c. Appropriated funds and authorized expenditure of \$22,500,000 from Revenue Financing System Bond Proceeds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and

amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 59, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System
- c. U. T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$22,500,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Parking Garage South project at U. T. Austin is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$13,500,000, with funding from Revenue Financing System Bond Proceeds.

This new multilevel parking facility was originally planned to accommodate 500-700 vehicles. The increase in the project cost is a result of an increased scope that includes optimizing the site and parking capacity to provide space for approximately 1,380 vehicles, as well as additional ADA compliant access to the Frank C. Erwin, Jr. Special Events Center. Following Campus Master Plan guidelines, Parking Garage South will be located at the southeast corner of Trinity Street and Martin Luther King, Jr. Boulevard. The Campus Master Plan advocates reducing surface parking in the central campus area, and this new parking garage will help accomplish this goal.

The background materials before the Board indicated U. T. Austin may request to expand this project to accommodate a 16-lane firing range for the ROTC programs, the U. T. Police Academy, and the U. T. Rifle Club at an estimated additional cost of \$1,500,000. Clear need or funding source for the firing range facility had not been identified; however, should this option become necessary, U. T. Austin will request additional approval and funding for this increased project scope.

The current project schedule plans for construction to commence in November 2000, with substantial completion in April 2002.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to establish the total project cost of \$22,500,000, with funding from Revenue Financing System Bond Proceeds.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Parking Garage South project at U. T. Austin, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

4. U. T. Austin - Student Housing (Project No. 102-964): Redesignation of Project as Student Residence

The Board redesignated the Student Housing project at The University of Texas at Austin as Student Residence to better reference the use of the building and the project objectives for campus living, learning, and community environments.

The Student Housing project at U. T. Austin is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a total project cost of \$52,400,000 and will be completed for student use in Fall 2001.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to redesignate the Student Housing project at U. T. Austin as Student Residence.

5. U. T. Dallas - Callier Center Satellite Facility (Project No. 302-018): Authorization to Revise Preliminary Project Cost and Source of Funds

The Board:

- a. Revised the preliminary project cost for the Callier Center Satellite Facility at The University of Texas at Dallas from \$2,600,000 to \$4,500,000, with additional funding of \$1,900,000 from Gifts and Grants
- b. Revised the source of funds of \$1,000,000 from Interest on Local Funds to Gifts and Grants.

The Callier Center Satellite Facility project at U. T. Dallas was originally included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$2,600,000, with funding of \$1,600,000 from Permanent University Fund Bond Proceeds and \$1,000,000 from Interest on Local Funds.

The Center, which was originally planned as a 15,000-17,000 gross square foot facility, is now planned to total 20,000-23,000 gross square feet and will house academic, research, and clinical activities for the School of Human Development as an extension of the Callier Center.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to increase the preliminary project cost from \$2,600,000 to \$4,500,000, with funding of \$2,900,000 from Gifts and Grants, and \$1,600,000 from Permanent University Fund Bond Proceeds.

6. U. T. Dallas - Campus Housing Phase VIII (Project No. 302-012): Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Following a presentation on the Campus Housing Phase VIII project at The University of Texas at Dallas by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Approved design development plans for the Campus Housing Phase VIII project at U. T. Dallas
- b. Approved a total project cost of \$14,000,000
- c. Appropriated funds and authorized expenditure of \$14,000,000, with funding from Revenue Financing System Bond Proceeds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 63, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the

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

- c. U. T. Dallas, which is a “Member” as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$14,000,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Campus Housing Phase VIII project at U. T. Dallas is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$14,000,000, with funding from Revenue Financing System Bond Proceeds.

The project, which will house about 500 freshman students in approximately 179,000 gross square feet, is located north of the existing seven previous phases of housing. The current housing units (2,980 beds available) have an occupancy rate of more than 98 percent, and additional housing is needed to meet enrollment growth. Construction will begin in September 2000, with the complex ready for occupancy in August 2001.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Campus Housing Phase VIII project at U. T. Dallas, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

7. U. T. Dallas - Engineering and Computer Science Complex (Project No. 302-020): Authorization of Design Development Plans; Approval of Total Project Cost; and Appropriation of Funds and Authorization of Expenditure

Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, presented the design development plans for the Engineering and Computer Science Complex project at The University of Texas at Dallas. Based on this presentation, the Board:

- a. Approved design development plans for the Engineering and Computer Science Complex project at U. T. Dallas
- b. Approved a total project cost of \$30,000,000
- c. Appropriated funds and authorized expenditure of \$30,000,000, with funding from Permanent University Fund Bond Proceeds.

The Engineering and Computer Science Complex project at U. T. Dallas is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$40,000,000, with funding of \$30,000,000 from Permanent University Fund Bond Proceeds and \$10,000,000 from Gifts and Grants. The anticipated funding from Gifts and Grants will instead be used to support activities and operations of the Erik Jonsson School of Engineering and Computer Science.

The Engineering and Computer Science Complex project at U. T. Dallas will construct a new facility of approximately 120,000 gross square feet with classrooms, faculty and staff offices, and labs, designed with a similar footprint as the existing Erik Jonsson School of Engineering and Computer Science and will be located just south of this facility. With a new complex, enrollment for the School of Engineering and Computer Science can continue to grow. Construction is scheduled to start in March 2001 and is anticipated to be completed in August 2002.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to establish the total project cost for the Engineering and Computer Science Complex at U. T. Dallas of \$30,000,000, with funding from Permanent University Fund Bond Proceeds.

8. U. T. Dallas - Student Life Annex (Project No. 302-004): Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Following a presentation on the Student Life Annex project at The University of Texas at Dallas by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Approved design development plans for the Student Life Annex project at U. T. Dallas
- b. Approved a total project cost of \$3,500,000
- c. Appropriated funds and authorized expenditure of \$2,500,000 from Revenue Financing System Bond Proceeds and \$1,000,000 from Interest on Local Funds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 67, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System

- c. U. T. Dallas, which is a “Member” as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$2,500,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Student Life Annex project at U. T. Dallas is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$3,500,000, with funding of \$2,500,000 from Revenue Financing System Bond Proceeds and \$1,000,000 from Interest on Local Funds.

This project will add 20,000 gross square feet to the west side of the existing Student Union Building and will renovate 8,000 gross square feet in the existing facility. The addition will contain private dining rooms, a coffee house, meeting rooms for students, a child care room, and student organization space. The project will also consolidate food service operations which will free up space in other academic buildings. Construction is scheduled to start in November 2000 and be completed in November 2001.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Student Life Annex project at U. T. Dallas, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

9. U. T. El Paso - Larry K. Durham Sports Center (Project No. 201-007):
Authorization of Design Development Plans; Approval of Total Project Cost;
Appropriation of Funds and Authorization of Expenditure; and Approval of Use
of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate,
and Finding of Fact with Regard to Financial Capacity

Following a presentation on the Larry K. Durham Sports Center project at The University of Texas at El Paso by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Approved design development plans for the Larry K. Durham Sports Center project at U. T. El Paso
- b. Approved a total project cost of \$8,170,000
- c. Appropriated funds and authorized expenditure of \$8,170,000 from Revenue Financing System Bond Proceeds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 70, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System

- c. U. T. El Paso, 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. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$8,170,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Larry K. Durham Sports Center project at U. T. El Paso is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$6,600,000, with funding of \$4,600,000 from Gifts and Grants and \$2,000,000 from General Revenue. The total project cost of \$8,170,000, including an increase of \$1,570,000 over the preliminary project cost, will accommodate the additional scope of the project to provide space for the instructional and research activities of the Kinesiology Sports Medicine Program and the Department of Intercollegiate Athletics. Revenue Financing System Parity Debt will initially fund the total project cost, as construction of the project will proceed at a faster pace than the collection of gifts. The debt is to be retired from the collection of gifts, including a \$5,000,000 pledge to be collected over five years, and a \$1.00 ticket surcharge on football and basketball games effective FY 2002.

This project will construct a new 67,000 gross square feet, two-story building to replace the existing Ross Moore Building and provide expanded and well-located teaching and research facilities for kinesiology, as well as meet the needs of the Department of Intercollegiate Athletics for modern treatment and training facilities. The building program consists of athletic offices, team meeting rooms, a weight/strength and training facility, a student academic study area, locker rooms for football and women’s soccer, and equipment storage areas. For the kinesiology program, the building will contain a biomechanics lab. Construction is scheduled to start in November 2000 with completion scheduled for December 2001.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to establish a total project cost of \$8,170,000, with funding from Revenue Financing System Bond Proceeds.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Larry K. Durham Sports Center project at U. T. El Paso, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

10. U. T. Pan American: Authorization to Name Buildings Being Constructed Under the General Classroom/Computer Center Building (Project No. 901-961) as the (1) Computer Center and (2) Math General Classroom Building (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1, Naming of Buildings)

In order to better distinguish the two facilities being constructed under the General Classroom/Computer Center Building project at The University of Texas - Pan American, approval was given to name the two buildings as the (1) Computer Center and (2) Math General Classroom Building.

The General Classroom/Computer Center Building project at U. T. Pan American is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a total project cost of \$17,200,000. Construction began in October 1999 and the project is scheduled for completion in January 2001.

11. U. T. Pan American - Nursing Building: Approval to Name Building as Health Sciences and Human Services East (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1, Naming of Buildings)

The Board approved naming the Nursing Building at The University of Texas - Pan American as Health Sciences and Human Services East.

Construction of the Nursing Building at U. T. Pan American was completed in 1975. In 1997, a connection between the existing Science Building and the Nursing Building was constructed, and the buildings were renovated. On August 13, 1998, the Science Complex Renovation project was redesignated as Health Sciences and Human Services West. Redesignation of the Nursing Building as Health Sciences and Human Services East will better distinguish this building as part of the College of Health Sciences and Human Services.

12. U. T. Permian Basin - The Presidential Museum (Project No. 501-005):
Authorization of Design Development Plans; Approval of Total Project
Cost; and Appropriation of Funds and Authorization of Expenditure

Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, presented the design development plans for The Presidential Museum project at The University of Texas of the Permian Basin. Based on this presentation, the Board:

- a. Approved design development plans for The Presidential Museum project at U. T. Permian Basin
- b. Approved a total project cost of \$2,470,000
- c. Appropriated funds and authorized expenditure of \$2,470,000, with funding from Permanent University Fund Bond Proceeds.

The Presidential Museum project at U. T. Permian Basin was originally included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$2,500,000, with funding from General Revenues.

Construction of the new facility of 13,100 gross square feet is scheduled to begin in January 2001, with completion in January 2002. The project, which will appropriately display memorabilia from past Presidents of the United States of America, will include exhibit space, a collections library, a multipurpose room, a conference room, and support areas. The building will have a masonry exterior, similar to the adjacent Ellen Noël Art Museum, and an open interior.

The Presidential Museum currently operates a museum and library in the downtown area of Odessa, Texas. Location of The Presidential Museum near the Noël Art Museum will unlock the Museum's potential to enhance tourism, expand its educational mission, and create a cultural cluster for the community, combining the arts, letters, and humanities. Relocation of the Museum to the campus will benefit both the citizens of the Permian Basin and the students of U. T. Permian Basin.

The 76th Texas Legislature appropriated \$2,500,000 in the General Appropriations Act "for the purpose of constructing a building to house the Presidential Museum on a leased portion of the University of Texas of the

Permian Basin campus." Following the appropriation, it was determined that Permanent University Fund Bond Proceeds would be used to fund the construction project. While the original recommendation requested funding of \$2,500,000 from Permanent University Fund Bond Proceeds, the actual amount needed is \$2,470,000 and is correctly reflected in the related item on Page 41 of the Business Affairs and Audit Committee concerning approval to lease campus land to The Presidential Museum.

13. U. T. San Antonio - Academic Building III (Project No. 401-997): Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Following a presentation on the Academic Building III project at The University of Texas at San Antonio by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, and Mr. Warren Johnson with the architectural firm of Hellmuth, Obata, and Kassabaum, Houston, Texas, the Board:

- a. Approved design development plans for the Academic Building III project at U. T. San Antonio
- b. Approved a total project cost of \$52,000,000
- c. Appropriated funds and authorized expenditure of \$52,000,000, with funding of \$37,000,000 from Permanent University Fund Bond Proceeds and \$15,000,000 from Tuition Revenue Bond Proceeds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 75, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt

- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System
- c. U. T. San Antonio, 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. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$15,000,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Academic Building III project at U. T. San Antonio is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$52,000,000, with funding of \$37,000,000 from Permanent University Fund Bond Proceeds and \$15,000,000 from Tuition Revenue Bond Proceeds.

This project, which is scheduled to commence in July 2001 and be completed in July 2003, will construct a 240,000 gross square foot building adjacent to the John Peace Library Building at U. T. San Antonio. The building program includes additional lecture halls, classrooms, teaching laboratories, and relocated division and administrative offices. Teaching laboratories and classrooms will include sophisticated technology features designed for an information-intensive environment.

In 1997, the 75th Texas Legislature authorized \$50,000,000 of tuition bonds for U. T. San Antonio. The U. T. Board of Regents approved \$30,000,000 of this amount for the Downtown Campus Building - Phase III at the Board's May 13, 1999 meeting. After the issuance of the \$15,000,000 in tuition bonds for the Academic Building III, \$5,000,000 of tuition bond authority will remain for U. T. San Antonio. (See the following Item on Page 76 related to approval of expenditure of an additional \$7,000,000 for the Downtown Campus Building - Phase III project.)

Committee Chairman Clements commended President Romo, the architects, and everyone involved in the significant accomplishment of establishing a new architectural design vision for the 1604 campus, as reflected by this project and the U. T. San Antonio Recreation/Wellness Center project (see Page 79).

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Academic Building III project at U. T. San Antonio, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

14. U. T. San Antonio - Downtown Campus Building - Phase III (Project No. 401-975): Authorization to Increase the Total Project Cost; Approval of Design Development Plans for Building Addition; Appropriation of Funds and Authorization of Expenditure; Approval to Name Building as the UTSA Downtown Campus - Durango Building (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1., Naming of Buildings); and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Following a presentation on the Downtown Campus Building - Phase III project at The University of Texas at San Antonio by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Revised the total project cost for the Downtown Campus Building - Phase III project at U. T. San Antonio from \$36,000,000 to \$43,000,000
- b. Approved the design development plans for the Downtown Campus Building - Phase III (Building Addition) at U. T. San Antonio
- c. Appropriated funds and authorized expenditure of \$7,000,000, with funding of \$5,000,000 from Tuition Revenue Bond Proceeds, \$1,750,000 from Gifts and Grants, and \$250,000 from Unexpended Plant Funds
- d. Approved naming of the Downtown Campus Building - Phase III at U. T. San Antonio as the UTSA Downtown Campus - Durango Building.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 78, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt

- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System
- c. U. T. San Antonio, 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. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$5,000,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Downtown Campus Building - Phase III project at U. T. San Antonio was originally included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a total project cost of \$36,000,000, with funding of \$30,000,000 from Tuition Revenue Bond Proceeds, \$5,000,000 from Revenue Financing System Bond Proceeds, and \$1,000,000 from Auxiliary Enterprise Balances.

The additional funding of \$7,000,000 is for construction of the Building Addition on the west side of the Downtown Campus Building - Phase III. This building addition will contribute to reducing the significant deficit of educational and general space at U. T. San Antonio identified by the Texas Higher Education Coordinating Board space model.

The naming of the Downtown Campus Building - Phase III as the UTSA Downtown Campus - Durango Building is in keeping with the theme started with naming the Downtown Campus Building - Phase I as the Frio Street Building, and Phase II as the Buena Vista Street Building.

In 1997, the 75th Texas Legislature authorized \$50,000,000 of tuition bonds for U. T. San Antonio. The U. T. Board of Regents approved \$30,000,000 of this amount for the Downtown Campus Building - Phase III at the Board's May 13, 1999 meeting. (See Item 13 on Page 73 related to approval of expenditure of \$15,000,000 for the Academic Building III project.) The remaining \$5,000,000 of tuition bond authority will be applied to this Downtown Campus Building - Phase III project.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to redesignate the project as the UTSA Downtown Campus - Durango Building and revise the total project cost from \$36,000,000 to \$43,000,000, with additional funding of \$5,000,000 from Tuition Revenue Bond Proceeds, \$1,750,000 from Gifts and Grants, and \$250,000 from Unexpended Plant Funds.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Downtown Campus Building - Phase III project at U. T. San Antonio, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

15. U. T. San Antonio - Recreation/Wellness Center (Including the Child Care Center) (Project No. 401-958): Authorization of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, with the assistance of Mr. Warren Johnson of the architectural firm of Hellmuth, Obata, and Kassabaum, Houston, Texas, presented the design development plans for the Recreation/Wellness Center (including the Child Care Center) project at The University of Texas at San Antonio. Based on this presentation, the Board:

- a. Approved design development plans for the Recreation/Wellness Center project at U. T. San Antonio
- b. Approved a total project cost of \$18,275,000
- c. Appropriated funds and authorized expenditure of \$14,375,000 from Revenue Financing System Bond Proceeds, \$2,900,000 from Auxiliary Enterprise Balances, and \$1,000,000 from Unexpended Plant Funds, transferred from Downtown Campus Building - Phase II.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 81, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System

- c. U. T. San Antonio, 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. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$14,375,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Recreation/Wellness Center project at U. T. San Antonio was originally included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$16,675,000, with funding of \$13,775,000 from Revenue Financing System Bond Proceeds and \$2,900,000 from Auxiliary Enterprise Balances. The total project cost of \$18,275,000 is an increase of \$1,600,000 over the preliminary project cost to include additional institutionally-purchased equipment, exterior material changes, and escalation in construction cost over the past year. This increase of \$1,600,000 will include funding of \$600,000 from Revenue Financing System Bond Proceeds and \$1,000,000 from Unexpended Plant Funds transferred from the remaining fund balances of the completed Downtown Campus Building - Phase II project.

This project will construct two new buildings: the Recreation/Wellness Center and the Child Care Center, totaling approximately 98,000 gross square feet.

The Recreation/Wellness Center building will contain approximately 85,000 gross square feet and will provide facilities for a variety of activities, including basketball, volleyball, aerobics, weight lifting, racquetball, wall climbing, and fitness programs. The Center will house facilities to support the coordination of the campus intramural program and the provision of health-care programs and services to U. T. San Antonio students, and as feasible, to faculty and staff.

The Child Care Center building will contain approximately 13,000 gross square feet, with an adjacent outdoor playground area, and will provide quality child care needs for U. T. San Antonio students, faculty, and staff. Alumni and members of the greater San Antonio community will be able to access the services on a fully-paid, space-available basis.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget for the Recreation/Wellness Center at U. T. San Antonio, at a total project cost of \$18,275,000, with funding of \$14,375,000 from Revenue Financing System Bond Proceeds, \$2,900,000 from Auxiliary Enterprise Balances, and \$1,000,000 from Unexpended Plant Funds for total project funding.

Committee Chairman Clements commended President Romo, the architects, and everyone involved in the significant accomplishment of establishing a new architectural design vision for the 1604 campus, as reflected by this project and the U. T. San Antonio Academic Building III project (see Page 73).

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Recreation/Wellness Center for U. T. San Antonio, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

16. U. T. Southwestern Medical Center - Dallas - Student Housing (Project No. 303-013): Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Following a presentation on the Student Housing project at The University of Texas Southwestern Medical Center at Dallas by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Approved design development plans for the Student Housing project at U. T. Southwestern Medical Center - Dallas
- b. Approved a total project cost of \$10,500,000
- c. Appropriated funds and authorized expenditure of \$10,500,000 from Revenue Financing System Bond Proceeds.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 84, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System

- c. U. T. Southwestern Medical Center - Dallas, which is a “Member” as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U. T. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$10,500,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Student Housing project at U. T. Southwestern Medical Center - Dallas is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$10,500,000, with funding from Revenue Financing System Bond Proceeds.

This project will consist of a total of 157 one and two-bedroom apartment units, totaling approximately 117,000 gross square feet, to be constructed on University property adjacent to Mockingbird Lane by a developer selected to build and manage the apartments. The complex is designed with two to three-story, low-density, garden-type apartments for use by medical and graduate students. Construction of the Student Housing project will begin in September 2000 with occupancy scheduled for August 2001.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Student Housing project at U. T. Southwestern Medical Center - Dallas, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

17. U. T. Southwestern Medical Center - Dallas - Student Services Building (Project No. 303-008): Authorization of Design Development Plans; Approval of Total Project Cost; and Appropriation of Funds and Authorization of Expenditure

Following a presentation on the Student Services Building project at The University of Texas Southwestern Medical Center at Dallas by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Approved design development plans for the Student Services Building project at U. T. Southwestern Medical Center - Dallas
- b. Approved a total project cost of \$10,920,000
- c. Appropriated funds and authorized expenditure of \$10,920,000, with funding of \$8,000,000 from Gifts and Grants and \$2,920,000 from Interest on Local Funds.

The Student Services Building project at U. T. Southwestern Medical Center - Dallas is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$10,920,000, with funding of \$8,000,000 from Gifts and Grants and \$2,920,000 from Interest on Local Funds.

This project will construct a 43,000 gross square foot facility for student recreation and health and will contain a gym, a cardiovascular exercise area, an aerobics room, racquetball courts, a jogging track, and support areas.

Construction of the Student Services Building is scheduled to commence in November 2000 and will be completed in November 2001.

18. U. T. Health Science Center - Houston - Indoor Air Quality at the Medical School (Project No. 701-946): Authorization to Revise Total Project Cost

The Board revised the total project cost for the Indoor Air Quality at the Medical School project at The University of Texas Health Science Center at Houston from \$10,000,000 to \$12,400,000, with additional funding of \$2,400,000 from Permanent University Fund Bond Proceeds transferred from the Medical School Building/Limestone Cladding Repairs project.

The Indoor Air Quality at the Medical School project at U. T. Health Science Center - Houston was originally included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a total project cost of \$10,000,000, with funding from Permanent University Fund Bond Proceeds. The increase of \$2,400,000 in the total project cost will be used to perform additional indoor air quality remediation work within the Medical School Building.

The Medical School Building/Limestone Cladding Repairs project is nearing completion, and it is anticipated that excess funds of approximately \$2,400,000 will be available for transfer to the Indoor Air Quality at the Medical School project to enhance the effectiveness of this project. The final amount expended could be slightly higher or lower. Adjustments in the final amount of up to 10% of the total project cost may be approved by the Chancellor.

Approval of this item amends the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget to revise the total project cost of the Indoor Air Quality at the Medical School project to \$12,400,000, with additional funding of \$2,400,000 from Permanent University Fund Bond Proceeds transferred from the Medical School Building/Limestone Cladding Repairs project.

19. U. T. Health Science Center - San Antonio - Core Research Facility (Project No. 402-061): Authorization of Institutional Management of Project

The Board authorized The University of Texas Health Science Center at San Antonio to institutionally manage the total project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts associated with the Core Research Facility.

The Core Research Facility project is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$9,000,000, with funding of \$7,000,000 from Permanent University Fund Bond Proceeds and \$2,000,000 from Gifts and Grants. Funding for this project was appropriated when it was added to the FY 2000-2005 Capital Improvement Program on February 9, 2000.

U. T. Health Science Center - San Antonio has reviewed the core research needs of the campus to assess and recommend a list of equipment and minor renovations needed to support the equipment installation. The purchase and installation of this equipment will occur in a number of different areas and the work will be planned, coordinated, and managed by U. T. Health Science Center - San Antonio Facilities Management staff, who are capable of handling these multiple projects.

20. U. T. Health Science Center - San Antonio - Laredo Campus Extension (Project No. 402-021): Approval of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Authorization to Name Building as the D. D. Hachar Building (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Honorific Namings)

Following a presentation on the Laredo Campus Extension project at The University of Texas Health Science Center at San Antonio by Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, the Board:

- a. Approved design development plans for the Laredo Campus Extension at U. T. Health Science Center - San Antonio
- b. Approved a total project cost of \$4,000,000
- c. Appropriated funds and authorized expenditure of \$4,000,000, with funding of \$2,000,000 from Gifts and Grants and \$2,000,000 from Interest on Local Funds
- d. Approved naming the Laredo Campus Extension as the D. D. Hachar Building.

The Laredo Campus Extension project at the U. T. Health Science Center - San Antonio is included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a total project cost of \$4,000,000, with funding of \$2,000,000 from Gifts and Grants and \$2,000,000 from Interest on Local Funds.

This project includes construction of a new facility of approximately 18,000 gross square feet in Laredo, Texas, as an extension of the U. T. Health Science Center - San Antonio.

Mr. Vidal Trevino, Director of the D. D. Hachar Foundation, thanked the Board for this building naming and presented a check in the amount of \$2,000,000 to Board Chairman Donald L. Evans as a contribution to the project.

21. U. T. M. D. Anderson Cancer Center - Basic Sciences Research Building (Project No. 703-959): Authorization of Design Development Plans; Approval of Total Project Cost; Appropriation of Funds and Authorization of Expenditure; and Approval of Use of Revenue Financing System Parity Debt, Receipt of Parity Debt Certificate, and Finding of Fact with Regard to Financial Capacity

Mr. Sidney J. Sanders, Director, Office of Facilities Planning and Construction for The University of Texas System, presented the design development plans for the Basic Sciences Research Building project at The University of Texas M. D. Anderson Cancer Center. Based on this presentation, the Board:

- a. Approved design development plans for the Basic Sciences Research Building project at U. T. M. D. Anderson Cancer Center
- b. Approved a total project cost of \$174,600,000
- c. Appropriated funds and authorized expenditure of \$32,200,000 from Revenue Financing System Bond Proceeds, \$65,000,000 from Gifts and Grants, \$30,000,000 from Permanent University Fund Bond Proceeds, and \$37,400,000 from Hospital Revenues, which, when combined with the previous appropriation

of \$10,000,000 from Gifts and Grants for Phase I - Utilities Infrastructure Prework and Excavation, equals \$174,600,000 for total project funding.

In compliance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System, adopted by the U. T. Board of Regents on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, and upon delivery of the Certificate of an Authorized Representative as set out on Page 90, the Board resolved that:

- a. Parity Debt shall be issued to pay the project's cost, including any project costs prior to the issuance of such Parity Debt
- b. Sufficient funds will be available to meet the financial obligations of the U. T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U. T. Board of Regents relating to the Financing System
- c. U. T. M. D. Anderson Cancer Center, 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. Board of Regents of tax-exempt Parity Debt in the aggregate amount of \$32,200,000
- d. This resolution satisfies the official intent requirements set forth in Section 1.150-2 of the U. S. Treasury Regulations.

The Basic Sciences Research Building project at U. T. M. D. Anderson Cancer Center was originally included in the FY 2000-2005 Capital Improvement Program and the FY 2000-2001 Capital Budget at a preliminary project cost of \$174,600,000, with funding of \$30,000,000 from Permanent University Fund Bond Proceeds, \$32,200,000 from Revenue Financing System Bond Proceeds, \$37,400,000 from Hospital Revenues, and \$75,000,000 from Gifts and Grants. On May 11, 2000, the U. T. Board of Regents approved design development plans and funding appropriations of \$10,000,000 from Gifts and Grants for the Basic Sciences Research Building, Phase I - Utilities Infrastructure Prework and Excavation, and this work is underway.

PARITY DEBT CERTIFICATE OF U. T. SYSTEM REPRESENTATIVE

I, the undersigned Director of Finance of The University of Texas System, a U. T. System Representative under the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System (the "Master Resolution"), adopted by the U. T. Board of Regents ("Board") on February 14, 1991, and amended on October 8, 1993, and August 14, 1997, do hereby execute this certificate for the benefit of the Board pursuant to Section 5(a)(ii) of the Master Resolution in connection with the authorization by the Board to issue "Parity Debt" to finance the construction cost of the Basic Sciences Research Building project at U. T. M. D. Anderson Cancer Center, and do certify that to the best of my knowledge, the Board is in compliance with and not in default of any terms, provisions, and conditions in the Master Resolution, the First Supplemental Resolution Establishing the Revenue Financing System Commercial Paper Program ("First Supplemental"), the Second Supplemental Resolution, the Third Supplemental Resolution, the Fourth Supplemental Resolution, the Fifth Supplemental Resolution, the Sixth Supplemental Resolution, the Seventh Supplemental Resolution, the Eighth Supplemental Resolution, and the Ninth Supplemental Resolution.

EXECUTED this 17th day of July, 2000

/s/ Terry Hull
Director of Finance

* * * * *

At the conclusion of the Facilities Planning and Construction Committee meeting, Committee Chairman Clements reported that, since the last regular meeting, the Chancellor had approved one (1) general construction contract totaling \$1,749,000 which included participation of 26.64% by Historically Underutilized Businesses, 3.83% by women-owned firms and 22.81% by minority-owned firms. In addition, five (5) architect/engineer contracts totaling \$2,098,265 have been awarded since the last meeting for participation of 37.80% by Historically Underutilized Businesses, 10.39% by women-owned firms and 27.41% by minority-owned firms.

RECONVENE.--At 11:05 a.m., the Board reconvened as a committee of the whole to consider those items remaining on the agenda.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

The Board for Lease of University Lands met on May 17, 2000, at the Center for Energy and Economic Diversification in Midland, Texas, for a general business meeting and to hold Regular Oil and Gas Lease Sale No. 97.

Following is a report on the result of the lease sale:

Regular Oil and Gas Lease Sale No. 97: Total bonuses received in the amount of \$1,436,281.61 for 13,329.732 acres (45 tracts) leased out of 30,637.184 acres (98 tracts) nominated for lease; single highest bid was \$99,122.50 (\$155/acre) for a 639.500-acre tract in Reagan County.

Following is a report on the general business meeting:

- a. Approval of the Minutes of the November 17, 1999, meeting of the Board for Lease of University Lands
- b. Approval of amended lease procedures and terms for Regular Oil and Gas Lease Sale No. 98 to be held on Wednesday, November 8, 2000
- c. General Land Office staff update on the General Land Office's State Power Program (which authorizes the Commissioner to convert oil and gas royalties taken in-kind from State lands into other forms of energy, including electricity, for sale to certain public retail customers)
- d. Bureau of Economic Geology staff presentation of an overview on Permanent University Fund (PUF) lands evaluation
- e. Approval of the management of the royalty in-kind programs as presented by staff
- f. Approval of amendments to the Board for Lease of University Lands rules

- g. Authorization of the forfeiture of University Lease No. 8606 (permit lease - 1924) effective May 17, 2000, for nonproduction and failure to develop. The Commissioner also endorsed this lease forfeited effective May 17, 2000.

REPORT OF SPECIAL COMMITTEES

1. U. T. Board of Regents: Report of Ad Hoc Long-Range Planning Committee

Committee Chairman Hunt reported that the ad hoc Long-Range Planning Committee of the U. T. Board of Regents met on July 11, 2000, and adopted the summary of key policy issues discussed at that meeting which was previously distributed to the members of the Board and is on file in the Office of the Board of Regents ([Attachment J](#) of the Committee Report). He reported that the Committee concluded the following four statements as preliminary guidelines for the development of a long-range plan:

- a. We should intervene as appropriate to increase access, participation and success rates in higher education in Texas.
- b. We should adopt a strategy for the development of multiple institutions of the first choice.
- c. We should use the opportunity created by the adoption of Proposition 17 to eliminate the Permanent University Fund (PUF)/Higher Education Assistance Fund (HEAF) funding disparities.
- d. We should develop an efficient resource allocation strategy consistent with the strategy defined in a - c, above.

With these actions, Regent Hunt stated the Committee has established fundamental criteria to guide the development of a long-range plan for the System and said the current tasks are focused on the development of data and subsequent analysis necessary to create a specific resource allocation strategy as defined by these affirmative conclusions. The Committee will meet in early October to review a proposed draft of the final report to the Board, which will be submitted at the November 2000 Board meeting.

Regent Sanchez commended the ad hoc Long-Range Planning Committee for the leadership shown and the tremendous job done.

2. U. T. Board of Regents: Report of Special Committee on Minorities and Women

Committee Chairman Romero distributed a report entitled "[A Time for Fulfillment: The 21st Century Commitment to Equal Opportunity in The University of Texas System](#)" which, he said, is a snapshot of where the U. T. System is today in reaffirming its commitment to the unchanging principles of equal opportunity, access, and affordability. He cited a few of the impressive statistics included in the book (which is on file in the Office of the Board of Regents) and said that although the Committee takes pride in achievements to date, there is more work to do to commit resources so that, in Texas, no one is left behind. He thanked Vice Chancellor Shirley Bird Perry; Dr. Barbara Breier, Director of Development; Dr. Homer Peña, Executive Director for South Texas Program Development; and Dr. R. Michael Kerker, Senior Research and Policy Analyst, for their hard work. Chairman Evans applauded Committee Chairman Romero for his baseline report and his leadership of this Special Committee of the Board.

ITEM FOR THE RECORD

U. T. Permian Basin: Appointment of Advisory Committee for the Selection of a President

The membership of the Advisory Committee for the Selection of a President for The University of Texas of the Permian Basin is herewith reported for the record. This committee has been constituted pursuant to the Regents' Rules and Regulations, Part One, Chapter II, Section 14.

Advisory Committee for the Selection of a President
for
The University of Texas of the Permian Basin

System Administration Representatives

Interim Chancellor R. D. Burck
Executive Vice Chancellor for Academic Affairs Edwin R. Sharpe
(Chairman)

Board of Regents

Regent Woody L. Hunt
Regent Raul R. Romero

Presidents

Dr. Franklyn G. Jenifer, President, The University of Texas at Dallas
Dr. Ricardo Romo, President, The University of Texas at San Antonio

Faculty Representatives

Dr. Emilio Mutis-Duplat, Professor of Geology
Dr. Corbett Gaulden, Associate Professor of Marketing
Dr. Al Milliren, Associate Professor of Counseling

Dean

Dr. Geralyn M. Franklin, Dean, School of Business

Student Representatives

Mr. Charles Testement, Graduate Student in English
Ms. Laurie Bruner, Sophomore Student

Alumni Association Representative

Ms. Letha Reynolds, Immediate Past President of the Alumni Association

Nonfaculty Employees

Ms. Vickie Gomez, Director of Admissions
Ms. Teri Brooks, Development Officer

Community/External Representatives

Mr. Frank Deaderick
Mr. Grant Billingsley
Ms. Celia Morales
Ms. Lorraine Perryman

OTHER MATTERS

1. U. T. System: Report of Summary of Gift Acceptance and Related Administrative Actions Conforming to Board Policy for March 1, 2000 Through May 31, 2000

Vice Chancellor for Development and External Relations Perry reviewed the Summary of Gift Acceptance and Related Administrative Actions Conforming to Board Policy for The University of Texas System for the period March 1, 2000 through May 31, 2000, as set forth on Pages 97 - 101.

Vice Chancellor Perry reported 144 items conforming to Board policy were approved including the acceptance of \$20,677,464 in gifts. Other matching contributions from previously accepted Board-held matching funds totaled \$125,000 and transfers of endowment funds totaled \$52,444.55.

Mrs. Perry noted that this report includes only those funds that relate to endowments, estates, and other funds managed by the U. T. System Office of Development and External Relations.

ACCEPTANCE OF GIFTS HELD BY BOARD

March 1, 2000 Through May 31, 2000

# ALL ITEMS	COMPONENT INSTITUTION	ASSET TYPES							MATCHING FUNDS	TOTAL VALUE
		CASH	SECURITIES	REAL ESTATE	PLEDGES	OTHER	TRANSFERS			
4	U. T. Arlington	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
39	U. T. Austin	\$ 4,803,126	\$ 833,015	\$ -	\$ 1,365,098	\$ 1,500,000	\$ 446,416	\$ -	\$ -	\$ 8,917,822 *
1	U. T. Dallas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	U. T. El Paso	\$ 332,450	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 342,450
38	U. T. Pan American	\$ 10,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500
4	U. T. Permian Basin	\$ 62,000	\$ -	\$ -	\$ 43,000	\$ -	\$ -	\$ -	\$ -	\$ 105,000
13	U. T. San Antonio	\$ 99,516	\$ 10,679	\$ -	\$ 7,500	\$ -	\$ 50,000	\$ -	\$ -	\$ 167,695
2	U. T. Tyler	\$ 515,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 515,000
8	U. T. SWMC-Dallas	\$ 466,565	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ 466,595 *
4	U. T. M.B.-Galveston	\$ 40,000	\$ -	\$ -	\$ -	\$ 207,321	\$ 3,002,706	\$ -	\$ -	\$ 3,250,027
6	UTHSC-Houston	\$ 400,301	\$ 208,828	\$ -	\$ 791,172	\$ -	\$ 22,612	\$ -	\$ -	\$ 1,400,301 *
5	UTHSC-San Antonio	\$ 234,159	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 234,159
9	UTMDACC	\$ 5,059,915	\$ -	\$ -	\$ 30,000	\$ -	\$ 133,000	\$ -	\$ -	\$ 5,222,915
144	TOTAL	\$ 12,068,531	\$ 1,052,552	\$ -	\$ 2,246,770	\$ 1,707,321	\$ 3,654,734	\$ 125,000	\$ -	\$ 20,677,464

* Not included in total: U. T. Austin - \$29,832.55 transfer of endowment funds;
 U. T. SWMC-Dallas - \$125,000 of Board-held matching funds;
 U. T. Health Science Center-Houston - \$22,612 transfer of endowment funds.

NOTE: Compiled by Office of Development and External Relations

CLASSIFICATION OF GIFTS AND OTHER ACTIONS

March 1, 2000 Through May 31, 2000

<u>COMPONENT INSTITUTION</u>	<u>ENDOWMENTS</u>	<u>CHARITABLE REMAINDER TRUSTS</u>	<u>POOLED INCOME FUND</u>	<u>REMAINDER INTERESTS</u>	<u>HELD IN TRUST BY OTHERS</u>	<u>CURRENT PURPOSE</u>	<u>OTHER</u>
U. T. Arlington	3	---	---	---	1	---	---
U. T. Austin	37	1	---	---	---	1	---
U. T. Dallas	1	---	---	---	---	---	---
U. T. El Paso	11	---	---	---	---	---	---
U. T. Pan American	3	---	---	---	35	---	---
U. T. Permian Basin	4	---	---	---	---	---	---
U. T. San Antonio	13	---	---	---	---	---	---
U. T. Tyler	2	---	---	---	---	---	---
U. T. SWMC-Dallas	1	---	---	---	6	2	---
U. T. M.B.-Galveston	3	---	---	---	1	---	---
UTHSC-Houston	6	---	---	---	---	---	---
UTHSC-San Antonio	5	---	---	---	---	---	---
UTMDACC	4	---	---	---	---	5	---
TOTAL	93	1	0	0	43	8	0

PURPOSES OF GIFTS HELD BY BOARD AND OTHERS
March 1, 2000 Through May 31, 2000

COMPONENT INSTITUTION	ENDOWMENT								CURRENT PURPOSE	OTHER PURPOSE
	DIST. CHAIR	CHAIR	DIST. PROF'SHIP	PROF'SHIP	FACULTY FELLOWSHIP	GRADUATE FELLOWSHIP	SCHOLARSHIP	OTHER		
U. T. Arlington	---	---	---	---	---	---	3	1	---	---
U. T. Austin	---	1	---	---	---	2	10	15	1	1
U. T. Dallas	---	---	---	---	---	---	---	---	---	---
U. T. El Paso	---	---	---	---	---	---	5	5	---	---
U. T. Pan American	---	1	---	---	---	---	19	1	---	---
U. T. Permian Basin	---	---	---	---	---	---	4	---	---	---
U. T. San Antonio	---	---	---	---	---	---	9	---	---	---
U. T. Tyler	---	1	---	---	---	---	1	---	---	---
U. T. SWMC-Dallas	---	1	---	1	---	1	1	2	2	---
U. T. M.B.-Galveston	---	---	---	---	---	---	---	2	---	1
UTHSC-Houston	---	1	---	---	---	---	---	1	---	---
UTHSC-San Antonio	---	1	---	---	---	---	1	1	---	---
UTMDACC	---	---	---	---	1	---	---	3	5	---
TOTAL	0	6	0	1	1	3	53	31	8	2

Total purposes may not equal the total number of items because some items pertain to multiple purposes.

OTHER ADMINISTRATIVE ACTIONS
March 1, 2000 Through May 31, 2000

<u>COMPONENT INSTITUTION</u>	<u>ESTABLISH ENDOWMENT</u>	<u>REDESIGNATE ENDOWMENT LEVEL</u>	<u>OTHER REDESIGNATION</u>	<u>DISSOLVE ENDOWMENT</u>	<u>APPROVE/ALLOCATE MATCHING</u>	<u>ACCEPT TRUSTEESHIP</u>	<u>OTHER</u>
U. T. Arlington	4	---	---	---	---	---	---
U. T. Austin	27	---	10	---	---	1	---
U. T. Dallas	---	---	1	---	---	---	---
U. T. El Paso	10	1	1	---	---	---	---
U. T. Pan American	21	---	15	2	---	---	---
U. T. Permian Basin	4	---	---	---	---	---	---
U. T. San Antonio	9	---	4	---	---	---	---
U. T. Tyler	2	---	---	---	---	---	---
U. T. SWMC-Dallas	6	---	---	---	1	---	---
U. T. M.B.-Galveston	2	---	1	---	---	---	---
UTHSC-Houston	1	2	1	1	---	---	---
UTHSC-San Antonio	1	1	2	---	---	---	---
UTMDACC	4	---	---	---	---	---	---
TOTAL	91	4	35	3	1	1	0

COMPARATIVE SUMMARY OF GIFTS ACCEPTED VIA THE OFFICIAL ADMINISTRATIVE PROCESS
March 1, 2000 Through May 31, 2000

COMPONENT INSTITUTION	FY 1999 FULL YEAR	FISCAL YEAR 2000			FULL YEAR
		9/1/99 - 11/30/99	12/1/99 - 2/29/00	3/1/00 - 5/31/00	
U. T. System	\$ 95,000	\$ -	\$ -	\$ -	\$ -
U. T. Arlington	\$ 612,441	\$ 22,916	\$ 48,000	\$ 45,000	\$ -
U. T. Austin	\$ 17,668,529	\$ 5,153,374	\$ 15,972,956	\$ 8,917,822	\$ -
U. T. Dallas	\$ 1,060,674	\$ 1,320,979	\$ 10,106	\$ -	\$ -
U. T. El Paso	\$ 3,180,702	\$ 239,960	\$ 287,415	\$ 342,450	\$ -
U. T. Pan American	\$ 60,674	\$ -	\$ 499,718	\$ 10,500	\$ -
U. T. Brownsville	\$ 110,674	\$ -	\$ 135,000	\$ -	\$ -
U. T. Permian Basin	\$ 210,674	\$ -	\$ -	\$ 105,000	\$ -
U. T. San Antonio	\$ 680,768	\$ 171,056	\$ 16,220	\$ 167,695	\$ -
U. T. Tyler	\$ 260,749	\$ -	\$ 1,335,884	\$ 515,000	\$ -
U. T. SWMC-Dallas	\$ 7,802,087	\$ 1,158,831	\$ 4,274,233	\$ 466,595	\$ -
U. T. M.B.-Galveston	\$ 7,563,732	\$ 1,298,292	\$ 457,439	\$ 3,250,027	\$ -
UTHSC-Houston	\$ 2,987,214	\$ 20,000	\$ 1,204,017	\$ 1,400,301	\$ -
UTHSC-San Antonio	\$ 1,375,242	\$ 376,216	\$ 473,800	\$ 234,159	\$ -
UTMDACC	\$ 7,330,854	\$ 632,484	\$ 1,776,400	\$ 5,222,915	\$ -
UTHC-Tyler	\$ 1,294,378	\$ -	\$ -	\$ -	\$ -
Multi-Component	\$ 170,000	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 52,464,391	\$ 10,394,108	\$ 26,491,189	\$ 20,677,464	\$ -

2. U. T. System: Report on Establishment of a Tracking Mechanism for Federal Research and Development Funding

Mr. Mark A. Franz, Vice Chancellor for Federal Relations, reported on the establishment of a tracking mechanism for Federal Research and Development funding received by The University of Texas System institutions. He stated that an independent database program used to track federal funding nationwide has been identified and that he is looking into pooling resources with other state agencies to contract for the establishment of a baseline for federal research and development funding.

3. U. T. Board of Regents: Presentation of Certificate of Appreciation to Mr. Michael D. Millsap, Vice Chancellor for Governmental Relations

Chairman Evans noted that Mr. Michael D. Millsap, Vice Chancellor for Governmental Relations for The University of Texas System, would retire from his administrative position effective August 31, 2000. He commended Vice Chancellor Millsap for his service to the State of Texas and the U. T. System, noting the great strides in several legislative sessions under Mr. Millsap's leadership. Chairman Evans then presented the following certificate of appreciation to Mr. Millsap:

CERTIFICATE OF APPRECIATION

The Board of Regents

Expresses to

THE HONORABLE MICHAEL D. MILLSAP, B.A.

Its Sincere Appreciation for His
Distinguished Service and Outstanding Contributions

to

The University of Texas System

as

Vice Chancellor for Governmental Relations

1992 - 2000

Adopted by unanimous vote this 10th day of August 2000

(signed by all members of the Board)

Following a round of applause, Vice Chancellor Millsap graciously accepted the accolade and expressed his sincere appreciation to the Board for the opportunity to serve the U. T. System.

4. U. T. Board of Regents: Presentation of Santa Rita Award to Dr. Peter T. Flawn, President Emeritus, The University of Texas at Austin

Chairman Evans presented the following recommendation on the Santa Rita Award:

Recommendation by Chairman Donald L. Evans

I am pleased to recommend for your consideration a recipient for the Santa Rita Award.

At the outset of this recommendation, may I remind the Board that this award is the highest honor that is bestowed by the Board of Regents. It is presented on an occasional rather than a regular basis, and it is subject to very specific criteria and guidelines.

Since the first Santa Rita Award was made in 1968, only fifteen individuals have been identified for this exceptional recognition. The most recent award was presented in 1996 to the late Lieutenant Governor Bob Bullock.

The criteria for selection include such factors as:

- A demonstrated concern for the principles of higher education.
- A deep commitment to the furtherance of the purposes and objectives of The University of Texas System.
- A record of commitment to securing appropriate financial support for the System from both the public and private sectors.
- A demonstrated record of participation in the affairs of the System which serves as a high example of selfless and public-spirited service.

I believe that the distinguished record of service to Texas higher education and to the component institutions of the U. T. System by Dr. Peter T. Flawn more than meets the criteria for this recognition, and I am pleased to recommend that Dr. Flawn be recognized as the recipient of the Santa Rita Award. As you know, Dr. Flawn has served with great distinction as President of The University of Texas at San Antonio and as President and President ad interim at The University of Texas at Austin.

I recommend also that the award be bestowed upon President Emeritus Flawn at an appropriate ceremony to be held this fall, at which we may acknowledge the scope and depth of his contributions to many, many aspects of the growth and development of the U. T. System and higher education throughout Texas.

Without objection, the Board unanimously endorsed Chairman Evans' recommendation that Dr. Peter T. Flawn receive the Santa Rita Award.

SCHEDULED MEETING.--Chairman Evans announced that the next scheduled meeting of the U. T. Board of Regents would be held on November 15-16, 2000, at The University of Texas Health Center at Tyler.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 11:25 a.m.

/s/Francie A. Frederick
Counsel and Secretary to the Board

October 18, 2000

**THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
CHANCELLOR'S DOCKET NO. 102**


July 14, 2000

TO MEMBERS OF THE BUSINESS AFFAIRS AND AUDIT COMMITTEE:

A. W. "Dub" Riter, Jr., Chairman
Woody L. Hunt
Patrick C. Oxford

The Docket for The University of Texas System Administration and the Dockets recommended by the Presidents concerned and prepared by the component institutions listed below are submitted for approval as appropriate at the meeting of the U. T. System Board of Regents on August 10, 2000. The Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Business Affairs, the Executive Vice Chancellor for Academic Affairs and I concur in these recommendations.

<u>Institutions</u>	<u>Pages</u>
The University of Texas System Administration	C - 1 through C - 34
The University of Texas at Arlington	AR - 1 through AR - 11
The University of Texas at Austin	A - 1 through A - 32
The University of Texas at Brownsville	B - 1 through B - 3
The University of Texas at Dallas	D - 1 through D - 7
The University of Texas at El Paso	EP - 1 through EP - 7
The University of Texas – Pan American	PA - 1 through PA - 11
The University of Texas of the Permian Basin	PB - 1 through PB - 3
The University of Texas at San Antonio	SA - 1 through SA - 7
The University of Texas at Tyler	TA - 1 through TA - 5
The University of Texas Southwestern Medical Center at Dallas	HD - 1 through HD - 21
The University of Texas Medical Branch at Galveston	G - 1 through G - 8
The University of Texas Health Science Center at Houston	HH - 1 through HH - 5
The University of Texas Health Science Center at San Antonio	HS - 1 through HS - 13
The University of Texas M. D. Anderson Cancer Center	CC - 1 through CC - 14


R. D. Burck
Interim Chancellor

xc: Other Members of
the Board

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

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THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

**SYSTEM-WIDE CLASSIFIED PERSONNEL PAY PLAN RECOMMENDATIONS
FY 2000-2001**

This is to request approval from the U. T. System Board of Regents of the System-wide classified pay plan for the fiscal year 2000-2001.

There was not a legislatively mandated pay increase for the 2000-01 fiscal year, but several of the U. T. components implemented adjustments in the pay range minimums and maximums. For market reasons, U. T. Austin and U. T. System Administration adjusted all titles by 4% and U. T. Pan American adjusted all titles by \$600 for the year. Several other components made adjustments on certain pay plan titles to maintain or improve their market positions.

A copy of the 2000-2001 System-wide Classified Pay Plan has been filed with the Office of the Board of Regents.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS

The following contract has been awarded, has been administratively approved by the Chancellor (or his delegate) and is recommended for approval by the U. T. Board of Regents.

**GENERAL CONTRACTS
(FUNDS GOING OUT)**

1. Agency: Deloitte & Touche LLP
Funds: not to exceed \$2.6 million
Period: Effective August 10, 2000
Description: Deloitte & Touche LLP will prepare a request for Private Letter Ruling from the Internal Revenue Service regarding the FICA tax treatment of mandatory employee contributions to the Texas Optional Retirement Program and prepare protective claims for the 1997 employment tax year. Upon receipt of a favorable Private Letter Ruling, Deloitte & Touche LLP will perform the necessary work to perfect previously filed protective claims and to request refunds for all open tax years through 2000

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC) have been administratively approved as required by the appropriate Executive Vice Chancellor and by the Chancellor and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
APPOINTMENTS AND PROMOTIONS					
SYSTEM ADMINISTRATION					
Office of the Chancellor					
1. Robert D. Burck					14
From: Executive Vice Chancellor for Business Affairs		100	12	304,184	
To: Chancellor ad interim	6/1	100	12	304,184	
		SUPLT	12	50,816	
Source of Funds:					
\$ 70,231	- Office of the Chancellor				
<u>284,769</u>	- Chancellor's Council				
<u>\$ 355,000</u>	- Total Compensation				
Special Administrative Assignment					
2. William H. Cunningham					15
From: Chancellor		100	12	374,500	
To: Advisor to the Chancellor	6/1	100	12	374,500	

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
SYSTEM ADMINISTRATION (Continued)					
Special Administrative Assignment					
3. Mario J. Gonzalez					31
From: Vice Chancellor for Information Technology and Distance Education		100 SUPLT	12 12	163,000 8,000	
To: Special Administrative Assignment	6/1 6/1	100 SUPLT	12 12	163,000 8,000	
Office of the Executive Vice Chancellor for Business Affairs					
4. Kerry L. Kennedy					16
From: Assistant Vice Chancellor and Controller		100	12	136,050	
To: Executive Vice Chancellor for Business Affairs ad interim	6/1 6/1	100 SUPLT	12 12	136,050 53,950	
Office of the Vice Chancellor for Governmental Relations					
5. Thomas A. Scott					17
From: Assistant Vice Chancellor for Governmental Relations and Planning		100	12	122,872	
To: Vice Chancellor for Governmental Relations ad interim	6/1 6/1	100 SUPLT	12 12	122,872 17,128	
6. Michael D. Millsap					30
From: Vice Chancellor for Governmental Relations		100	12	190,500	
To: Assistant to the Chancellor	6/1	100	12	190,500	

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective</u> <u>Date</u>	<u>%</u> <u>Time</u>	<u>No.</u> <u>Mos.</u>	<u>Full-time</u> <u>Salary</u> <u>Rate</u>	<u>RBC #</u>
SYSTEM ADMINISTRATION (Continued)					
Office of the Controller					
7. Randall F. Wallace					18
From: Director of Budget		100	12	96,940	
To: Assistant Vice Chancellor and Controller ad interim	6/1 6/1	100 SUPLT	12 12	96,940 39,308	

TRANSFER OF FUNDS

RBC #

Service Departments (Revolving Funds)

8.	Amount of New Budgets:		D19 – D29
To:	PUF Management Expenses	\$537,179.92	
	University Lands – Administration	87,474.93	
	University Lands – Accounting Office	115,063.56	
	University Lands – Oil, Gas & Mineral Interests	43,556.92	
	University Lands – Surface Interests, Leasing & Agricultural Interests	50,763.89	
	University Lands – Livestock Census	20,000.00	
	University Lands – Advanced Recovery Initiative	88,198.69	
	Auditing – West Texas Lands	11,969.60	
	Office of General Counsel	29,472.98	
	Board for Lease – University Lands	3,477.75	
	Staff Benefits	42,615.38	

To record addition to service department budgets for the payment of Permanent University Fund (PUF) Management expenses for the month of December 1999. Original budgets were set up as of 1/1/2000 as a result of the approval of Proposition #17. Expenses for the management of the PUF during December 1999 are now being added to the original budget.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

**RETURN OF U.T. SYSTEM PROFESSIONAL MEDICAL LIABILITY
BENEFIT PLAN PREMIUMS**

During the July 10, 2000 briefing of the Health Affairs Committee of The U. T. System Board of Regents, the Chancellor, Executive Vice Chancellor for Health Affairs, and the Vice Chancellor and General Counsel and Medical Professional Liability Benefit Plan Administrator discussed with the Health Affairs Committee an actuarially determined return of U. T. System Professional Medical Liability Benefit Plan premiums to participating U. T. System components as directed by the Executive Vice Chancellor for Health Affairs. This action is submitted for approval by the U. T. Board of Regents.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS (Continued)
U. T. SYSTEM RATE AND DAMAGE SCHEDULE

The following U. T. System Rate and Damage Schedule, effective September 1, 2000, has been administratively approved by the Executive Vice Chancellor for Business Affairs and is recommended for approval by the U. T. Board of Regents.



RATE AND DAMAGE SCHEDULE

THE UNIVERSITY OF TEXAS SYSTEM
UNIVERSITY LANDS
WEST TEXAS OPERATIONS
P O. BOX 553
MIDLAND, TEXAS 79702-0553

I.	Well Locations	Page	C - 9
II.	Material Source	Page	C - 9
III.	Roads	Page	C -10
IV.	Geophysical/Near Surface/Surface Exploration Operations	Page	C -11
V.	Assignments	Page	C -11
VI.	Surface Leases	Page	C -11
VII.	Pipeline Easements	Page	C -12
VIII.	Utility Line Easements	Page	C -13
IX.	University Lands Representatives	Page	C -14

EFFECTIVE September 1, 2000
This schedule supersedes all previous Rate and Damage Schedules

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

OTHER FISCAL ITEMS
U. T. SYSTEM RATE AND DAMAGE SCHEDULE (Continued)

Effective September 1, 2000

I. WELL LOCATIONS (due before any construction begins)

A. New Location

	Damages*
1. Less than 7,000 feet Permit Depth	\$3,000.00
2. 7,000 feet to 13,000 feet Permit Depth	\$4,000.00
3. Greater than 13,000 feet Permit Depth	\$6,000.00

B. Re-Entry

	Damages*
1. Less than 7,000 feet Permit Depth	\$1,500.00
2. 7,000 feet to 13,000 feet Permit Depth	\$2,000.00
3. Greater than 13,000 feet Permit Depth	\$3,000.00

***INCLUDES CALICHE FOR A DRILLING LOCATION FROM AN EXISTING PIT**

II. MATERIAL SOURCE (due before any excavation begins or by due date established by agreement)

	Damages**
1. Caliche for Drilling Location on University Lands	Included in Location Fee
2. Caliche, Sand, Limestone & Dirt	Negotiable
3. Other Material	Negotiable
4. Opening of New Pit (In addition to any fees in II. 1, II. 2. & II. 3)	Negotiable Minimum \$2,500.00

****MINIMUM \$500.00**

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

OTHER FISCAL ITEMS
U. T. SYSTEM RATE AND DAMAGE SCHEDULE (Continued)

III. ROADS (due before any construction begins or by due date established by agreement)

A. New Road Construction

	Damages**
New Road Construction	Negotiable Minimum \$8.00/rod

****MINIMUM \$500.00**

Roads must be constructed in accordance with specifications determined by a University Lands Field Representative.

B. Existing Oil Field Road

1. Prior to drilling well, road must be repaired by the oil and gas lessee in accordance with specifications determined by a University Lands Field Representative.
2. Annual road maintenance by the oil and gas lessee is required.
3. University Lands may assess a penalty for improper road maintenance.
4. University Lands may impose a road use fee at its discretion.

C. Existing Ranch Road

1. Road must be upgraded to accommodate additional traffic in accordance with specifications determined by a University Lands Field Representative.
2. Annual road maintenance by the oil and gas lessee is required.
3. University Lands may assess a penalty for improper road maintenance.
4. University Lands may impose a road use fee at its discretion.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

OTHER FISCAL ITEMS
U. T. SYSTEM RATE AND DAMAGE SCHEDULE (Continued)

IV. GEOPHYSICAL/NEAR SURFACE/SURFACE EXPLORATION OPERATIONS

	Consideration*	Damages*
A. 2-D	\$500.00	\$1,500.00/mile
B. 3-D	\$500.00	Negotiable Minimum \$7.50/acre
C. Gravity & Magnetometer	\$500.00	Negotiable
D. Geochemical	\$500.00	Negotiable
E. Experimental or New Type of Survey	\$500.00	Negotiable
F. Brush Removal (By special permission only)	None	\$200.00/mile

* **NON-REFUNDABLE CONSIDERATION DUE WHEN PERMIT IS ISSUED AND DAMAGES DUE UPON DATE ESTABLISHED BY AGREEMENT.**

V. ASSIGNMENTS (due before assignment occurs or by due date established by agreement)

	Consideration
Each Easement, Surface Lease, Salt Water Disposal Contract or Water Contract	\$500.00

VI. SURFACE LEASES (due date established by agreement)

	Consideration
1. Commercial Surface Lease (Non-Grazing)	Negotiable Minimum \$500.00/year
2. Tower Site	Negotiable Minimum \$1,500.00/year
3. Other	Negotiable

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

OTHER FISCAL ITEMS
U. T. SYSTEM RATE AND DAMAGE SCHEDULE (Continued)

VII. PIPELINE EASEMENTS (due date established by agreement)

A. New Pipeline Easement – Maximum 10-year lease term

(Two separate checks required)

	Consideration*	Damages
1. Up to 4" Inside Diameter (ID)	Negotiable Minimum \$8.00/rod	\$4.00/rod
2. Greater than 4" ID & Less than 12" ID	Negotiable Minimum \$14.00/rod	\$4.00/rod
3. 12" to 24" ID	Negotiable Minimum \$25.00/rod	\$6.00/rod
4. Over 24" ID	Negotiable Minimum \$40.00/rod	\$9.00/rod
5. Temporary Line	Negotiable	\$3.00/rod
6. Other	Negotiable	Negotiable

B. Renewal of Pipeline Easement – Maximum 10-year lease term

	Consideration*	Damages
1. Up to 4" Inside Diameter (ID)	Negotiable Minimum \$8.00/rod	None
2. Greater than 4" ID & Less than 12" ID	Negotiable Minimum \$14.00/rod	None
3. 12" to 24" ID	Negotiable Minimum \$25.00/rod	None
4. Over 24" ID	Negotiable Minimum \$40.00/rod	None
5. Repair or Replacement of Pipeline	None	\$4.00/rod
6. Abandonment of Pipeline (Must be Removed)	None	Negotiable Minimum \$1.00/rod

***MINIMUM CONSIDERATION IS \$500.00 PER EASEMENT**

C. Cathodic Protection

	Consideration	Damages
1. Within Easement	None	None
2. Outside of Easement	Negotiable	Negotiable Minimum \$500.00

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

OTHER FISCAL ITEMS
U. T. SYSTEM RATE AND DAMAGE SCHEDULE (Continued)

VIII. UTILITY LINE EASEMENTS (due date established by agreement)

A. New Utility Line Easement – Maximum 10-year lease term

(Two separate checks required)	Consideration*	Damages
1. 0 – 50 foot width Right of Way	Negotiable Minimum \$10.00/rod	\$2.00/rod
2. 51 – 100 foot width Right of Way	Negotiable Minimum \$20.00/rod	\$5.00/rod
3. Over 100 foot width Right of Way	Negotiable Minimum \$30.00/rod	\$8.00/rod
4. Buried Cable	Negotiable	Negotiable
5. Fiber Optic Line	Negotiable	Negotiable
6. Other	Negotiable	Negotiable

B. Renewal of Utility Easement – Maximum 10-year lease term

	Consideration*	Damages
1. 0 – 50 foot width Right of Way	Negotiable Minimum \$10.00/rod	None
2. 51 – 100 foot width Right of Way	Negotiable Minimum \$20.00/rod	None
3. Over 100 foot width Right of Way	Negotiable Minimum \$30.00/rod	None
4. Buried Cable	Negotiable	None
5. Fiber Optic Line	Negotiable	None
6. Abandonment of Buried Cable (Must be Removed)	None	Negotiable Minimum \$1.00/rod
7. Replacement of Overhead Line	None	Negotiable Minimum \$4.00/rod
8. Abandonment of Pole, Line or Cable (Must be Removed)	None	Negotiable Minimum \$1.00/rod
9. Other	Negotiable	None

***MINIMUM CONSIDERATION IS \$500.00 PER EASEMENT**

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

OTHER FISCAL ITEMS
U. T. SYSTEM RATE AND DAMAGE SCHEDULE (Continued)

IX. UNIVERSITY LANDS REPRESENTATIVES
 P.O. Box 553, Midland, Texas 79702-0553

Oil Field Representatives	Cellular Telephone	Office & Fax
Jim Evans Andrews, Culberson, Dawson, El Paso, Gaines, Hudspeth & Martin Counties	915-557-6309	915-550-0287
Doug Damron Crane, Ector, Loving, Pecos, Ward & Winkler Counties	915-557-5690	915-558-2453
Tommy Gray Crockett, Irion, Reagan, Schleicher, Terrell & Upton Counties	915-557-3790	915-392-3640
Range/Wildlife Representatives	Cellular Telephone	Office & Fax
Don Cox	915-557-3789	915-524-6200
Ken Moore	915-557-3787	915-884-3609
Midland Office Representative	Midland Office	Midland Fax
Rick Doehne	915-684-4404	915-682-7456

Note: Staff will update Section IX of the Rate and Damage Schedule as necessary to keep information accurate.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER MATTERS

The University of Texas System Board of Regents
Ratification of
Newly Commissioned University of Texas System Peace Officers

In accordance with Chapter 51.203 of the Texas Education Code, the Board of Regents is requested to ratify the commissioning of the below listed individuals as peace officers effective June 15, 2000. The following officers have completed a course of training that included mandated Texas Commission on Law Enforcement Officer Standards and Education courses at the University of Texas System Police Training Academy and have successfully passed the State of Texas Peace Officer Licensing Examination.

<u>Name</u>	<u>Component Institution</u>
Robert W. Berwick	U T. San Antonio
Michael S. Bleier	U T. Health Science Center - San Antonio
Omero T. Carrasco	U T. Permian Basin
Elizabeth Carter	U T. San Antonio
Richard D. Castillo, Jr.	U T. Health Science Center - Houston
Tom Y. Change	U T. Health Science Center - Houston
Justin E. Cline	U T. Southwestern Medical Center - Dallas
Antonio Garcia	U T. Brownsville
Garner W. Lambert	U T. Medical Branch - Galveston
Cynthia Loreda	U T. Arlington
Deronda M. Louis	U T. Medical Branch - Galveston
Hubert C. McClamrock, Jr.	U T. Health Science Center - Houston
Samantha R. Moats	U T. Health Science Center - Houston
Eduardo Rodriguez, Jr.	U T. Health Science Center - Houston
Santiago Sanchez	U T. Arlington
Ricky D. Simpson	U T. San Antonio
Erik S. Summers	U T. Southwestern Medical Center - Dallas
Victor R. Watson	U T. San Antonio

**THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS' MEETING
August 10, 2000
REAL ESTATE ASSETS**

Managed by U.T. System Real Estate Office

Summary Report at May 31, 2000

		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 02/29/00	4,510,570	18,803,941	21,958,119	97,174,572	1,213,970	858,247	27,682,659	116,836,760
	Increase or Decrease	393,243	43,513	(486,001)	4,666,401	0	0	(92,758)	4,709,914
	Ending Value 05/31/00	4,903,813	18,847,454	21,472,118	101,840,973	1,213,970	858,247	27,589,901	121,546,674
Other Real Estate:	Ending Value 02/29/00	130,422	130,422	357,442	357,442			487,864	487,864
	Increase or Decrease	90,400	90,400	(2,288)	(2,288)	0	0	88,112	88,112
	Ending Value 05/31/00	220,822	220,822	355,154	355,154			575,976	575,976

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

The University of Texas System

PHYSICIAN/DENTAL PRACTICE PLANS

Quarterly Financial Report

(Unaudited)

For the Nine Months Ending May 31, 2000

**The University of Texas System
Comparison of Projected Year-to-Date Margins
to Actual Year-to-Date Margins
For the Nine Months Ending May 31, 2000**

	<u>Projected Year-to-Date Operating Margin</u>	<u>Actual Year-to-Date Operating Margin</u>	<u>Variance</u>
U.T.S.M.C. at Dallas	\$ (4,561,102)	3,282,226	7,843,328 (1)
U.T.M.B. at Galveston	1,069,512	(375,045)	(1,444,557)
U.T.H.S.C. at Houston	(12,961,155)	1,888,655	14,849,810 (2)
U.T.H.S.C. at San Antonio - MSRDP	2,976,171	(5,019,964)	(7,996,135) (3)
U.T.H.S.C. at San Antonio - DSRDP	(1,284,883)	926,663	2,211,546
U.T.M.D. Anderson Cancer Center	(3,477,237)	1,178,690	4,655,927 (4)
U.T.H.C. at Tyler	<u>(31,652)</u>	<u>666,342</u>	<u>697,994</u>
Combined Operating Margins	<u>\$ (18,270,346)</u>	<u>2,547,567</u>	<u>20,817,913</u>

(1) U.T.S.M.C. at Dallas - Gross physician charges and Other Income are a combined \$11 million higher than originally budgeted.

(2) U.T.H.S.C. at Houston - Contractual revenues are \$12.1 million over the projected allocation through May. Faculty Salaries and Maintenance and Operations are a combined \$3.5 million under the projected allocation through May due to a lack of funds.

(3) U.T. H. S. C. at San Antonio - MSRDP recently changed the method of payment from University Hospital. In September 1999 receipts from University Hospital changed from contractual monthly payments to payment for services. This change has caused a \$3.2 million margin deficit since the revenue for these payments are recorded when received, or on a cash basis. This deficit should decrease at year end when accruals related to this revenue are recorded.

The remainder of the negative margin is the result of deficit spending patterns in various MSRDP departments. The university is in the process of analyzing Plan operations and closely reviewing clinical departments' spending patterns to ensure they fit within revenue flows.

(4) U.T.M.D. Anderson Cancer Center's gross physician charges are \$3.4 million higher than originally budgeted. The remainder of the variance is attributable to lower salaries expenditures due to vacant positions.

The University of Texas System
MSRDP/DSRDP/PRS Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000

	For the Year Ended August 31, 2000			
	Total	Budget	Cumulative	Variance
	Budget	Allocation	Year-to-Date	Over (Under)
	Year-to-Date	Year-to-Date	Actual	
Beginning Fund Balance, September 1, 1999	\$ 354,187,241	354,187,241	354,187,241	-
Restatements	-	-	(3,805,229)	(3,805,229) (1)
Restated Beginning Fund Balance, September 1, 1999	<u>354,187,241</u>	<u>354,187,241</u>	<u>350,382,012</u>	<u>(3,805,229)</u>
Revenues				
Medicare	-	-	40,573,849	-
Medicaid	-	-	31,883,112	-
Commercial Insurance	-	-	118,487,937	-
Contractual Income	-	-	199,277,583	-
Private Pay	-	-	41,744,736	-
Other	-	-	28,559,957	-
Interest Income	-	-	6,168,773	-
Other Income	-	-	37,857,965	-
Total Revenues - per Monthly Financial Report	<u>638,448,420</u>	<u>461,411,803</u>	<u>504,553,913</u>	<u>43,142,110</u>
Expenditures				
Faculty Salaries	241,707,523	184,194,459	191,582,866	7,388,408
Other Salaries	119,345,330	89,444,233	90,994,447	1,550,213
Fringe Benefits	116,350,588	88,234,465	92,341,668	4,307,203
Maintenance and Operations	119,510,567	83,716,305	90,997,417	7,281,112
Professional Liability Insurance	23,896,948	18,213,855	16,387,471	(1,826,384) (2)
Capital Outlay	10,184,299	7,300,069	9,943,723	2,643,654 (3)
Other (Travel, Official Functions)	10,090,612	7,589,784	8,590,791	1,001,007 (4)
Total Expenditures - per Monthly Financial Report	<u>641,085,867</u>	<u>478,693,170</u>	<u>501,038,383</u>	<u>22,345,213</u>
Debt Service	3,141,515	988,979	967,962	(21,017)
Total Expenditures and Debt Service	<u>644,227,382</u>	<u>479,682,149</u>	<u>502,006,345</u>	<u>22,324,196</u>
Year-to-Date Operating Margin	<u>(5,778,962)</u>	<u>(18,270,346)</u>	<u>2,547,567</u>	<u>20,817,913</u>
Other Additions/Deductions				
Other Additions	-	-	1,415,062	1,415,062 (5)
Other Deductions	(6,083,735)	(4,882,477)	(10,061,572)	(5,179,095) (6)
	<u>(6,083,735)</u>	<u>(4,882,477)</u>	<u>(8,646,510)</u>	<u>(3,764,033)</u>
Net Increase/(Decrease) in Fund Balance	<u>(11,862,697)</u>	<u>(23,152,823)</u>	<u>(6,098,943)</u>	<u>17,053,880</u>
Ending Fund Balance, May 31, 2000	<u>\$ 342,324,544</u>	<u>331,034,418</u>	<u>344,283,070</u>	<u>13,248,652</u>

THE UNIVERSITY OF TEXAS SYSTEM
Explanations of Variances to Practice Plans
Summary of Operations
For the Nine Months Ending May 31, 2000

Explanations are provided for variances equal to or greater than 10% of the year-to-date allocated budget and greater than \$500,000.

Restatements to Beginning Fund Balance

- (1) The restatement to beginning fund balance for *U.T.H.S.C. Houston* relates to refunds of revenue collected in prior periods. *U.T.H.S.C. San Antonio's* restatement for MSRDP is due to payments to, and receipts from, University Health Systems related to last year. *U.T.H.S.C. San Antonio's* restatement for DSRDP and *U.T. Health Center at Tyler's* restatement both relate to prior period adjustments to accounts receivables.

Expenditures

- (2) Professional Liability Insurance – The \$1.8 million (10%) deficit of expenditures under budget is primarily due to *U.T.S.M.C. Dallas* (\$1.9 million) and *U.T.H.S.C. San Antonio* (\$729,000). These deficit expenditures were offset by an excess of expenditures over budget at *U.T.M.B. Galveston* of \$1.6 million. The remainder of the variance is attributable to variances at several other institutions, none of which exceeded \$500,000.

U.T.S.M.C. Dallas' premium rates for Professional Liability were reduced after the budget was finalized.

U.T.H.S.C. San Antonio received reimbursement from University Hospital for the portion of Professional Liability Insurance attributable to services performed by their doctors for University Hospital. This reimbursement was recorded as a negative expenditure since *U.T.H.S.C. San Antonio* paid the entire amount of the Professional Liability premiums.

U.T.M.B. Galveston's variance is the result of a mandatory payment of approximately \$500,000 a quarter for resident malpractice premiums. Prior to September 1, 1999, the residents were not enrolled in the program. The decision to enroll the residents was made after the 2000 budget was finalized. Therefore, the malpractice premiums for the residents were not included in the budget.

- (3) Capital Outlay – The \$2.6 million (36.2%) variance over budget is primarily attributable to *U.T.S.M.C. Dallas* (\$1.8 million) and *U.T.H.S.C. Houston* (\$1.5 million). These variances over budget are offset by a variance under budget for *U.T.H.S.C. San Antonio's* DSRDP of \$1.7 million.

U.T.S.M.C. Dallas' variance is due to the unbudgeted purchase of radiological equipment from Zale Lipshy University Hospital and the unbudgeted purchases of Cancer Center equipment.

U.T.H.S.C. Houston's Medical School expended unbudgeted funds to renovate labs, to construct a new executive conference center and to purchase various pieces of capital equipment. Additionally, the Pathology department renovated and equipped three laboratories for spinal cord injury research.

U.T.H.S.C. San Antonio's capital outlay in DSRDP is for the remodeling of the dental clinic. This was budgeted to occur in May; however, the funds are expected to be expended in July.

- (4) Other (Travel, Official Functions) – The \$1 million (13.2%) excess of expenditures over budget is attributable to *U.T.M.D. Anderson*. *U.T.M.D. Anderson* budgets discretionary funds for departments based on spending patterns of the previous year. However, more funds are being expended for *Other* and less for *Maintenance and Operations* compared to last year.

Other Additions/Deductions

- (5) Other Additions – The \$1.4 million variance is primarily attributable to *U.T.S.M.C. Dallas* (\$650,000) and *U.T.H.S.C. San Antonio MSRDP* (\$480,000).

U.T.S.M.C. Dallas' variance is due to an unbudgeted transfer from Plant Funds for the Radiation Oncology Center.

U.T.H.S.C. San Antonio's variance is due to loan payments from the 5.01(a) corporation to MSRDP and transfers between MSRDP and DSRDP.

- (6) Other Deductions – The \$5.2 million (106.1%) variance over budget is largely attributable to *U.T.S.M.C. Dallas* (\$2.4 million) and *U.T.H.S.C. San Antonio MSRDP* (\$1.3 million). The remainder of the variance is attributable to variances at a number of institutions, none of which exceeds \$500,000.

U.T.S.M.C. Dallas' variance is due to unbudgeted transfers to establish endowments and fund debt service.

U.T.H.S.C. San Antonio's variance is primarily the result of a transfer from the president's account in MSRDP to the medical dean in Other Designated, a transfer to Restricted to establish a new endowment for the medical dean, and transfers between MSRDP and DSRDP.

GLOSSARY OF TERMS

CAPITAL OUTLAY -- *Cost of capital acquisitions funded from plan resources not reported in "Debt Service" below.*

COMMERCIAL INSURANCE -- *Income received from insurance agencies.*

CONTRACTUAL INCOME -- *Income received for contractual physician services to affiliated hospitals and contractual physician services to the Texas Department of Criminal Justice at U.T. Medical Branch at Galveston.*

DEBT SERVICE -- *Principal and interest paid on any debt, i.e., building construction, renovation, lease-purchase agreements, etc.*

FACULTY SALARIES -- *All faculty salary payments including salary augmentation.*

FRINGE BENEFITS -- *Group insurance premiums (net of premium sharing) paid by the plan, supplemental retirement annuities, parking, and mandatory state benefits (retirement, OASI, WCI, premium sharing, etc.).*

INTEREST INCOME -- *Income earned from investments.*

MAINTENANCE AND OPERATIONS -- *All expenditures not classified elsewhere, i.e., utilities, supplies, repairs and maintenance, shipping and postage, etc.*

MEDICAID -- *Income received from the State of Texas for the care of certain indigent patients.*

MEDICARE -- *Income received from the Federal government for the care of certain indigent patients.*

MSRDP/DSRDP/PRS -- *Medical Services Research and Development Plan/Dental Services Research and Development Plan/Physicians' Referral Service. These plans are trust funds established by the U.T. Board of Regents that operate under approved bylaws, authorizing the specific types of expenditures that can be made. The expenditures in these plans come from the services provided by physicians' services to patients and include outlays for supplies, equipment, salaries, and staff benefits.*

OTHER ADDITIONS -- *Transfers from non-practice plan funds, which are not budgeted.*

OTHER DEDUCTIONS -- *Annual change in Accrued Compensable Absences payable and transfers to non-practice plan funds for the establishment of quasi-endowments, to provide funding for new programs outside the plan, to provide reimbursement for services rendered, and to provide salary and program enhancement supplements.*

OTHER EXPENDITURES:

TRAVEL -- *All costs associated with travel.*

OFFICIAL FUNCTIONS -- *Business related events, which are of documented benefit to the institution*

OTHER -- *Other revenue items not identified elsewhere, and net change in Accounts Receivable.*

OTHER INCOME -- *Income not related to patient care.*

OTHER SALARIES:

RESIDENT SALARIES -- *Salaries paid to resident physicians.*

STAFF SALARIES -- *All non-faculty salary payments, excluding resident salaries.*

PRIVATE PAY -- *Income received from individuals.*

PROFESSIONAL LIABILITY INSURANCE -- *Professional liability insurance premiums paid by the institution on behalf of plan members.*

The University of Texas Southwestern Medical Center at Dallas
MSRDP/DSRDP/PRS Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000

	For the Year Ended August 31, 2000			
	Total Budget	Budget Allocation Year-to-Date	Cumulative Year-to-Date Actual	Variance Over (Under)
Beginning Fund Balance, September 1, 1999	\$ 146,050,572	146,050,572	146,050,572	-
Revenues				
Medicare	-	-	12,262,313	-
Medicaid	-	-	14,303,360	-
Commercial Insurance	-	-	54,841,426	-
Contractual Income	-	-	48,699,309	-
Private Pay	-	-	9,689,182	-
Other	-	-	14,340,349	-
Interest Income	-	-	1,373,173	-
Other Income	-	-	885,087	-
Total Revenues - per Monthly Financial Report	<u>196,611,600</u>	<u>145,440,140</u>	<u>156,394,199</u>	<u>10,954,059</u>
Expenditures				
Faculty Salaries	71,963,981	57,261,740	58,643,452	1,381,712
Other Salaries	33,757,891	25,504,087	26,851,021	1,346,934
Fringe Benefits	25,683,392	21,199,072	20,997,470	(201,602)
Maintenance and Operations	48,096,747	34,162,014	35,228,421	1,066,407
Professional Liability Insurance	7,824,815	5,888,956	3,994,236	(1,894,720)
Capital Outlay	4,738,748	3,094,402	4,877,442	1,783,040
Other (Travel, Official Functions)	2,591,909	1,924,492	1,551,969	(372,523)
Total Expenditures - per Monthly Financial Report	<u>194,657,483</u>	<u>149,034,763</u>	<u>152,144,011</u>	<u>3,109,248</u>
Debt Service	3,111,515	966,479	967,962	1,483
Total Expenditures and Debt Service	<u>197,768,998</u>	<u>150,001,242</u>	<u>153,111,973</u>	<u>3,110,731</u>
Year-to-Date Operating Margin	<u>(1,157,398)</u>	<u>(4,561,102)</u>	<u>3,282,226</u>	<u>7,843,328</u>
Other Additions/Deductions				
Other Additions	-	-	650,000	650,000
Other Deductions	(1,461,702)	(1,415,952)	(3,793,579)	(2,377,627)
	<u>(1,461,702)</u>	<u>(1,415,952)</u>	<u>(3,143,579)</u>	<u>(1,727,627)</u>
Net Increase/(Decrease) in Fund Balance	<u>(2,619,100)</u>	<u>(5,977,054)</u>	<u>138,647</u>	<u>6,115,701</u>
Ending Fund Balance, May 31, 2000	<u>\$ 143,431,472</u>	<u>140,073,518</u>	<u>146,189,219</u>	<u>6,115,701</u>

**The University of Texas Medical Branch at Galveston
MSRDP/DSRDP/PRS Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000**

	For the Year Ended August 31, 2000			
	Total Budget	Budget Allocation Year-to-Date	Cumulative Year-to-Date Actual	Variance Over (Under)
Beginning Fund Balance, September 1, 1999	\$ 37,960,849	37,960,849	37,960,849	-
Revenues				
Medicare	-	-	6,845,275	-
Medicaid	-	-	10,271,961	-
Commercial Insurance	-	-	3,227,430	-
Contractual Income	-	-	15,154,680	-
Private Pay	-	-	14,411,130	-
Other	-	-	11,657,836	-
Interest Income	-	-	892,966	-
Other Income	-	-	25,865,652	-
Total Revenues - per Monthly Financial Report	<u>118,646,677</u>	<u>88,985,010</u>	<u>88,326,930</u>	<u>(658,080)</u>
Expenditures				
Faculty Salaries	46,407,264	34,355,448	31,852,387	(2,503,061)
Other Salaries	32,055,666	24,004,251	24,985,599	981,348
Fringe Benefits	16,328,208	11,673,656	14,058,060	2,384,404
Maintenance and Operations	16,885,383	12,664,038	10,662,389	(2,001,649)
Professional Liability Insurance	4,285,217	3,213,912	4,800,947	1,587,035
Capital Outlay	711,539	533,655	902,300	368,645
Other (Travel, Official Functions)	1,927,384	1,470,538	1,440,293	(30,245)
Total Expenditures - per Monthly Financial Report	<u>118,600,661</u>	<u>87,915,498</u>	<u>88,701,975</u>	<u>786,477</u>
Debt Service	-	-	-	-
Total Expenditures and Debt Service	<u>118,600,661</u>	<u>87,915,498</u>	<u>88,701,975</u>	<u>786,477</u>
Year-to-Date Operating Margin	<u>46,016</u>	<u>1,069,512</u>	<u>(375,045)</u>	<u>(1,444,557)</u>
Other Additions/Deductions				
Other Additions	-	-	61,393	61,393
Other Deductions	-	-	(406,844)	(406,844)
	-	-	(345,451)	(345,451)
Net Increase/(Decrease) in Fund Balance	<u>46,016</u>	<u>1,069,512</u>	<u>(720,496)</u>	<u>(1,790,008)</u>
Ending Fund Balance, May 31, 2000	<u>\$ 38,006,865</u>	<u>39,030,361</u>	<u>37,240,353</u>	<u>(1,790,008)</u>

The University of Texas Health Science Center at Houston
MSRDP/DSRDP/PRS Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000

	For the Year Ended August 31, 2000			
	Total Budget	Budget Allocation Year-to-Date	Cumulative Year-to-Date Actual	Variance Over (Under)
Beginning Fund Balance, September 1, 1999	\$ 41,653,442	41,653,442	41,653,442	-
Restatements			(2,189,421)	(2,189,421)
Restated Beginning Fund Balance, September 1, 1999	<u>41,653,442</u>	<u>41,653,442</u>	<u>39,464,021</u>	<u>(2,189,421)</u>
Revenues				
Medicare	-	-	-	-
Medicaid	-	-	-	-
Commercial Insurance	-	-	247,971	-
Contractual Income	-	-	82,469,002	-
Private Pay	-	-	-	-
Other	-	-	-	-
Interest Income	-	-	647,096	-
Other Income	-	-	2,058,480	-
Total Revenues - per Monthly Financial Report	<u>111,707,937</u>	<u>72,822,258</u>	<u>85,422,549</u>	<u>12,600,291</u>
Expenditures				
Faculty Salaries	48,559,724	36,401,628	34,875,262	(1,526,366)
Other Salaries	23,028,533	16,685,688	16,318,834	(366,854)
Fringe Benefits	16,481,659	12,623,318	12,793,552	170,234
Maintenance and Operations	24,383,459	15,989,873	14,065,267	(1,924,606)
Professional Liability Insurance	2,974,044	2,551,333	2,215,146	(336,187)
Capital Outlay	639,352	479,514	1,975,450	1,495,936
Other (Travel, Official Functions)	1,372,746	1,029,559	1,290,383	260,824
Total Expenditures - per Monthly Financial Report	<u>117,439,517</u>	<u>85,760,913</u>	<u>83,533,894</u>	<u>(2,227,019)</u>
Debt Service	30,000	22,500	-	(22,500)
Total Expenditures and Debt Service	<u>117,469,517</u>	<u>85,783,413</u>	<u>83,533,894</u>	<u>(2,249,519)</u>
Year-to-Date Operating Margin	<u>(5,761,580)</u>	<u>(12,961,155)</u>	<u>1,888,655</u>	<u>14,849,810</u>
Other Additions/Deductions				
Other Additions	-	-	-	-
Other Deductions	(4,622,033)	(3,466,525)	(3,935,303)	(468,778)
	<u>(4,622,033)</u>	<u>(3,466,525)</u>	<u>(3,935,303)</u>	<u>(468,778)</u>
Net Increase/(Decrease) in Fund Balance	<u>(10,383,613)</u>	<u>(16,427,680)</u>	<u>(2,046,648)</u>	<u>14,381,032</u>
Ending Fund Balance, May 31, 2000	<u>\$ 31,269,829</u>	<u>25,225,762</u>	<u>37,417,373</u>	<u>12,191,611</u>

The University of Texas Health Science Center at San Antonio
MSRDP/PRS Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000

	For the Year Ended August 31, 2000			
	Total Budget	Budget Allocation Year-to-Date	Cumulative Year-to-Date Actual	Variance Over (Under)
Beginning Fund Balance, September 1, 1999	\$ 30,144,183	30,144,183	30,144,183	-
Restatements			125,891	125,891
Restated Beginning Fund Balance, September 1, 1999	<u>30,144,183</u>	<u>30,144,183</u>	<u>30,270,074</u>	<u>125,891</u>
Revenues				
Medicare	-	-	4,260,528	-
Medicaid	-	-	5,654,115	-
Commercial Insurance	-	-	33,814,898	-
Contractual Income	-	-	3,201,412	-
Private Pay	-	-	2,524,395	-
Other	-	-	-	-
Interest Income	-	-	888,819	-
Other Income	-	-	7,203,323	-
Total Revenues - per Monthly Financial Report	<u>56,782,000</u>	<u>42,186,932</u>	<u>57,547,490</u>	<u>15,360,558</u>
Expenditures				
Faculty Salaries	17,852,000	13,500,000	23,115,958	9,615,958
Other Salaries	8,323,000	6,600,000	7,591,593	991,593
Fringe Benefits	10,500,000	7,210,000	9,201,685	1,991,685
Maintenance and Operations	11,267,000	7,200,761	18,049,926	10,849,165
Professional Liability Insurance	4,600,000	3,400,000	2,670,957	(729,043)
Capital Outlay	570,000	400,000	925,668	525,668
Other (Travel, Official Functions)	1,100,000	900,000	1,011,667	111,667
Total Expenditures - per Monthly Financial Report	<u>54,212,000</u>	<u>39,210,761</u>	<u>62,567,454</u>	<u>23,356,693</u>
Debt Service	-	-	-	-
Total Expenditures and Debt Service	<u>54,212,000</u>	<u>39,210,761</u>	<u>62,567,454</u>	<u>23,356,693</u>
Year-to-Date Operating Margin	<u>2,570,000</u>	<u>2,976,171</u>	<u>(5,019,964)</u>	<u>(7,996,135)</u>
Other Additions/Deductions				
Other Additions	-	-	480,295	480,295
Other Deductions	-	-	(1,257,812)	(1,257,812)
	-	-	(777,517)	(777,517)
Net Increase/(Decrease) in Fund Balance	<u>2,570,000</u>	<u>2,976,171</u>	<u>(5,797,481)</u>	<u>(8,773,652)</u>
Ending Fund Balance, May 31, 2000	<u>\$ 32,714,183</u>	<u>33,120,354</u>	<u>24,472,593</u>	<u>(8,647,761)</u>

The University of Texas Health Science Center at San Antonio
DSRDP Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000

	For the Year Ended August 31, 2000			
	Total Budget	Budget Allocation Year-to-Date	Cumulative Year-to-Date Actual	Variance Over (Under)
Beginning Fund Balance, September 1, 1999	\$ 5,751,064	5,751,064	5,751,064	-
Restatements	-	-	(762,252)	(762,252)
Restated Beginning Fund Balance, September 1, 1999	<u>5,751,064</u>	<u>5,751,064</u>	<u>4,988,812</u>	<u>(762,252)</u>
Revenues				
Medicare	-	-	-	-
Medicaid	-	-	-	-
Commercial Insurance	-	-	558,105	-
Contractual Income	-	-	-	-
Private Pay	-	-	2,542,477	-
Other	-	-	-	-
Interest Income	-	-	111,841	-
Other Income	-	-	(44,975)	-
Total Revenues - per Monthly Financial Report	<u>3,667,000</u>	<u>2,750,117</u>	<u>3,167,449</u>	<u>417,332</u>
Expenditures				
Faculty Salaries	423,700	300,000	258,769	(41,231)
Other Salaries	933,300	715,000	757,870	42,870
Fringe Benefits	354,100	276,000	241,571	(34,429)
Maintenance and Operations	1,166,900	900,000	785,785	(114,215)
Professional Liability Insurance	-	-	-	-
Capital Outlay	2,100,000	1,724,000	50,723	(1,673,277)
Other (Travel, Official Functions)	165,000	120,000	146,067	26,067
Total Expenditures - per Monthly Financial Report	<u>5,143,000</u>	<u>4,035,000</u>	<u>2,240,785</u>	<u>(1,794,215)</u>
Debt Service	-	-	-	-
Total Expenditures and Debt Service	<u>5,143,000</u>	<u>4,035,000</u>	<u>2,240,785</u>	<u>(1,794,215)</u>
Year-to-Date Operating Margin	<u>(1,476,000)</u>	<u>(1,284,883)</u>	<u>926,663</u>	<u>2,211,546</u>
Other Additions/Deductions				
Other Additions	-	-	223,374	223,374
Other Deductions	-	-	(218,034)	(218,034)
	-	-	5,340	5,340
Net Increase/(Decrease) in Fund Balance	<u>(1,476,000)</u>	<u>(1,284,883)</u>	<u>932,003</u>	<u>2,216,886</u>
Ending Fund Balance, May 31, 2000	<u>\$ 4,275,064</u>	<u>4,466,181</u>	<u>5,920,816</u>	<u>1,454,635</u>

The University of Texas M.D. Anderson Cancer Center
MSRDP/DSRDP/PRS Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000

	<i>For the Year Ended August 31, 2000</i>			
	Total Budget	Budget Allocation Year-to-Date	Cumulative Year-to-Date Actual	Variance Over (Under)
Beginning Fund Balance, September 1, 1999	\$ 89,028,738	89,028,738	89,028,738	-
Revenues				
Medicare	-	-	13,298,238	-
Medicaid	-	-	998,595	-
Commercial Insurance	-	-	23,127,550	-
Contractual Income	-	-	49,671,764	-
Private Pay	-	-	11,468,932	-
Other	-	-	2,561,772	-
Interest Income	-	-	2,203,612	-
Other Income	-	-	1,426,928	-
Total Revenues - per Monthly Financial Report	<u>140,482,598</u>	<u>101,346,042</u>	<u>104,757,391</u>	<u>3,411,349</u>
Expenditures				
Faculty Salaries	50,266,173	37,699,632	38,050,572	350,940
Other Salaries	20,058,513	15,043,887	13,583,391	(1,460,496)
Fringe Benefits	45,695,668	34,271,748	34,236,320	(35,428)
Maintenance and Operations	16,541,514	11,922,446	11,125,621	(796,825)
Professional Liability Insurance	3,712,872	2,784,654	2,332,659	(451,995)
Capital Outlay	1,424,660	1,068,498	1,212,140	143,642
Other (Travel, Official Functions)	2,783,198	2,032,414	3,037,998	1,005,584
Total Expenditures - per Monthly Financial Report	<u>140,482,598</u>	<u>104,823,279</u>	<u>103,578,701</u>	<u>(1,244,578)</u>
Debt Service	-	-	-	-
Total Expenditures and Debt Service	<u>140,482,598</u>	<u>104,823,279</u>	<u>103,578,701</u>	<u>(1,244,578)</u>
Year-to-Date Operating Margin	<u>-</u>	<u>(3,477,237)</u>	<u>1,178,690</u>	<u>4,655,927</u>
Other Additions/Deductions				
Other Additions	-	-	-	-
Other Deductions	-	-	(450,000)	(450,000)
	-	-	(450,000)	(450,000)
Net Increase/(Decrease) in Fund Balance	<u>-</u>	<u>(3,477,237)</u>	<u>728,690</u>	<u>4,205,927</u>
Ending Fund Balance, May 31, 2000	<u>\$ 89,028,738</u>	<u>85,551,501</u>	<u>89,757,428</u>	<u>4,205,927</u>

The University of Texas Health Center at Tyler
MSRDP/DSRDP/PRS Year-to-Date Summary of Operations
For the Nine Months Ending May 31, 2000

	For the Year Ended August 31, 2000			
	Total Budget	Budget Allocation Year-to-Date	Cumulative Year-to-Date Actual	Variance Over (Under)
Beginning Fund Balance, September 1, 1999	\$ 3,598,393	3,598,393	3,598,393	-
Restatements			(979,447)	(979,447)
Restated Beginning Fund Balance, September 1, 1999	<u>3,598,393</u>	<u>3,598,393</u>	<u>2,618,946</u>	<u>(979,447)</u>
Revenues				
Medicare	-	-	3,907,495	-
Medicaid	-	-	655,081	-
Commercial Insurance	-	-	2,670,557	-
Contractual Income	-	-	81,416	-
Private Pay	-	-	1,108,620	-
Other	-	-	-	-
Interest Income	-	-	51,266	-
Other Income	-	-	463,470	-
Total Revenues - per Monthly Financial Report	<u>10,550,608</u>	<u>7,881,304</u>	<u>8,937,905</u>	<u>1,056,601</u>
Expenditures				
Faculty Salaries	6,234,681	4,676,011	4,786,466	110,455
Other Salaries	1,188,427	891,320	906,139	14,819
Fringe Benefits	1,307,561	980,671	1,013,010	32,339
Maintenance and Operations	1,169,564	877,173	1,080,008	202,835
Professional Liability Insurance	500,000	375,000	373,526	(1,474)
Capital Outlay	-	-	-	-
Other (Travel, Official Functions)	150,375	112,781	112,414	(367)
Total Expenditures - per Monthly Financial Report	<u>10,550,608</u>	<u>7,912,956</u>	<u>8,271,563</u>	<u>358,607</u>
Debt Service	-	-	-	-
Total Expenditures and Debt Service	<u>10,550,608</u>	<u>7,912,956</u>	<u>8,271,563</u>	<u>358,607</u>
Year-to-Date Operating Margin	<u>-</u>	<u>(31,652)</u>	<u>666,342</u>	<u>697,994</u>
Other Additions/Deductions				
Other Additions	-	-	-	-
Other Deductions	-	-	-	-
Net Increase/(Decrease) in Fund Balance	<u>-</u>	<u>(31,652)</u>	<u>666,342</u>	<u>697,994</u>
Ending Fund Balance, May 31, 2000	<u>\$ 3,598,393</u>	<u>3,566,741</u>	<u>3,285,288</u>	<u>(281,453)</u>

**THE UNIVERSITY OF TEXAS HEALTH COMPONENT INSTITUTIONS
MSRDP/PRS/DSRDP/AHFSP INFORMATION: MSRDP/PRS YEAR-TO-DATE
SUMMARY OF OPERATIONS - ACCRUAL BASIS OF ACCOUNTING
FOR THE QUARTER ENDING MAY 31, 2000**

	UTSWMC- DALLAS	UTMB- GALVESTON	UTHSC- HOUSTON	UTHSC- SAN ANTONIO	UTMDACC- HOUSTON	UTHC- TYLER	TOTAL
Beginning Fund Balance, 9/1/99	\$146,050,572	\$37,960,849	\$39,464,021	\$30,270,074	\$89,028,738	\$2,618,946	\$345,393,200
Gross Charges	\$350,902,383	\$179,417,914	\$168,878,503	\$131,589,892	\$210,135,080	\$19,420,940	\$1,060,344,712
Un-sponsored Charity Care	\$155,840,739	\$44,764,945	\$53,026,861	\$47,607,710	\$19,477,004	\$2,316,961	\$323,034,220
Professional Courtesy	\$70,862	\$42,008	\$0	\$0	\$1,373,421	\$0	\$1,486,291
Contractual Adjustments	\$69,624,729	\$53,844,812	\$41,275,650	\$16,652,509	\$67,689,555	\$7,222,231	\$256,309,486
Bad Debt Write-offs	\$7,752,679	\$14,111,472	\$12,202,778	\$22,928,881	\$6,555,858	\$222,839	\$63,774,507
Other Unreimbursed Medical Costs	\$7,168,497	\$5,738,486	\$732,679	\$310,922	\$4,687,736	\$390,638	\$19,028,958
Change in Accounts Receivable	\$7,569,478	(\$1,302,317)	\$8,630,072	(\$12,568,801)	\$9,224,656	\$917,266	\$12,470,354
TOTAL LESS	\$248,026,984	\$117,199,406	\$115,868,040	\$74,931,221	\$109,008,230	\$11,069,935	\$676,103,816
Net Collections	\$102,875,399	\$62,218,508	\$53,010,463	\$56,658,671	\$101,126,850	\$8,351,004	\$384,240,896
Investment Revenues	\$1,373,173	\$892,966	\$647,096	\$888,819	\$2,203,612	\$51,266	\$6,056,932
Other Additions	\$52,795,627	\$25,276,849	\$31,764,990	\$261,844	\$1,426,928	\$544,886	\$112,071,124
TOTAL REVENUES AND OTHER ADDITIONS	\$157,044,199	\$88,388,323	\$85,422,549	\$57,809,334	\$104,757,390	\$8,947,156	\$502,368,952
Expenditures and Other Deductions: Faculty Salaries	\$58,643,452	\$31,852,387	\$34,875,262	\$23,115,958	\$38,050,571	\$4,786,467	\$191,324,097
Staff Salaries	\$26,851,021	\$22,885,043	\$16,318,834	\$7,591,593	\$13,583,391	\$906,138	\$88,136,020
Resident Salaries	\$0	\$2,100,556	\$0	\$0	\$0	\$0	\$2,100,556
Fringe Benefits	\$20,997,470	\$14,058,060	\$12,793,552	\$9,201,685	\$34,236,320	\$1,013,010	\$92,300,097
Maintenance and Operations	\$35,228,421	\$10,662,389	\$14,065,267	\$18,049,926	\$11,125,621	\$1,080,008	\$90,211,632
Professional Liability Insurance	\$3,994,236	\$4,800,947	\$2,215,146	\$2,670,957	\$2,332,659	\$373,526	\$16,387,471
Debt Service	\$967,962	\$0	\$0	\$0	\$0	\$0	\$967,962
Travel	\$1,544,722	\$1,349,306	\$438,610	\$793,717	\$2,736,333	\$106,351	\$6,969,039
Capital Outlay	\$4,877,442	\$902,300	\$1,975,450	\$925,668	\$1,212,140	\$0	\$9,893,000
Official Functions	\$7,248	\$90,987	\$851,773	\$217,950	\$301,665	\$6,063	\$1,475,686
Change in Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Programs: Transfer to Endowment	\$2,019,250	\$0	\$0	\$0	\$0	\$0	\$2,019,250
Other	\$1,774,328	\$406,844	\$3,935,303	\$974,894	\$450,000	\$9,252	\$7,550,621
TOTAL NEW PROGRAMS	\$3,793,578	\$406,844	\$3,935,303	\$974,894	\$450,000	\$9,252	\$9,569,871
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	\$156,905,552	\$89,108,819	\$87,469,197	\$63,542,348	\$104,028,700	\$8,280,815	\$509,335,431
Excess of Revenues and Other Additions over Expenditures and Other Deductions	\$138,647	(\$720,496)	(\$2,046,648)	(\$5,733,014)	\$728,690	\$666,341	(\$6,966,479)
Ending Fund Balance, 5/31/00	\$146,189,219	\$37,240,353	\$37,417,373	\$24,537,060	\$89,757,428	\$3,285,287	\$338,426,721

Summary of Balances for all Institutions are outlined on the next sheet.

Prepared By: U.T. System Office of Health Affairs
Source: U.T. System Health Institutions' Submissions

**MSRDP/PRS SUMMARY OF OPERATIONS - ENDING FUND BALANCES WERE COMPOSED OF THE FOLLOWING
NOTES FOR THE QUARTER ENDING MAY 31, 2000**

U.T. SOUTHWESTERN MEDICAL CENTER AT DALLAS	
UNRESTRICTED	
RESERVED	
Orders and Contracts	\$8,433,401
Accounts Receivable	\$36,101,441
Prepaid Expenses	\$4,970
UNRESERVED	
MSRDP Operating Funds	\$83,592,012
Reserves for Reimbursement-Third Party Payor Adjustment	\$6,686,588
Retirement of Indebtedness	\$11,370,807
TOTAL:	\$146,189,219

U.T. HEALTH SCIENCE CENTER AT SAN ANTONIO	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$1,087,348
Accounts Receivable	\$14,584,531
Other Specific Projects	\$2,572
UNRESERVED	
MSRDP Operating Funds	\$8,862,609
TOTAL:	\$24,537,060

U.T. M.D. ANDERSON CANCER CENTER	
UNRESTRICTED	
RESERVED: Reimbursement for Third Party Payor Adjustments	\$3,083,277
Orders and Contracts Outstanding	\$18,472,957
Accounts Receivable	\$46,683,477
UNRESERVED	\$21,517,717
TOTAL:	\$89,757,428

U.T. MEDICAL BRANCH AT GALVESTON	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$3,240,035
Accounts Receivable	\$16,922,907
UNRESERVED	
MSRDP Operations	\$17,077,411
TOTAL:	\$37,240,353

U.T. HEALTH CENTER AT TYLER	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$1,752,549
Accounts Receivable	\$2,841,451
UNRESERVED - Allocated	
MSRDP Operating Funds	(\$1,308,713)
Equipment	\$0
TOTAL:	\$3,285,287

U.T. HEALTH SCIENCE CENTER HOUSTON	
UNRESTRICTED	
RESERVED	
Orders and Contracts Outstanding	\$24,177,211
Reserve for Accounts Receivable	\$24,066,456
Reserve for Prepaid Expenses	\$0
Reserve for Inventories	(\$1,001)
UNRESERVED - Allocated	
MSRDP Operating Funds	(\$10,825,293)
TOTAL:	\$37,417,373

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**THE UNIVERSITY OF TEXAS SYSTEM HEALTH COMPONENT INSTITUTIONS
ALLIED HEALTH FACULTY SERVICES PLAN
SOUTHWESTERN MEDICAL CENTER AT DALLAS**

**SUMMARY OF OPERATIONS
FOR THE QUARTER ENDING MAY 31, 2000**

Beginning Fund Balance, 9/1/99		\$1,915,068
Gross Charges		\$1,222,529
Less: Refunds (Patients, Insur. Co., Other)	\$13,695	
Un-sponsored Charity Care	\$12,808	
Professional Courtesy	\$6,581	
Contractual Adjustments	\$363,706	
Bad Debt Write-offs	\$28,323	
Other Unreimbursed Medical Costs	\$37,688	
Change in Accounts Receivable	\$39,992	
TOTAL LESS		\$502,793
Net Collections		\$719,736
Investment Revenues		\$11,652
Other Additions		\$241,105
TOTAL REVENUES AND OTHER ADDITIONS		\$972,493
Expenditures and Other Deductions: Faculty Salaries		\$238,082
Staff Salaries		\$270,246
Fringe Benefits		\$126,101
Maintenance and Operations		\$212,801
Travel		\$18,854
Capital Outlay		\$9,013
Official Functions		\$2,567
New Programs		(\$7,307)
TOTAL EXPENDITURES AND OTHER DEDUCTIONS		\$870,357
Excess of Revenues and Other Additions over Expenditures and Other Deductions		\$102,137
Ending Fund Balance, 5/31/00		\$2,017,205

NOTE: ENDING FUND BALANCE WAS COMPOSED OF THE FOLLOWING:

UNRESTRICTED: Reserved		
Orders and Contracts		\$38,703
Accounts Receivable		\$432,616
UNRESERVED: Allocated		
FSP Operating Funds		\$1,545,886
TOTAL		\$2,017,205

Prepared By: *U.T. System Office of Health Affairs*
Source: *U.T. Southwestern Medical Center at Dallas*

**THE UNIVERSITY OF TEXAS SYSTEM
MSRDP/PRS/DSRDP/AHFSP INFORMATION:
MSRDP/PRS ANNUAL OFFICIAL FUNCTIONS EXCEEDING \$2,500
FOR THE QUARTER ENDING MAY 31, 2000**

INSTITUTION	Cost	Attendance	Average Expense Per Person
UTSWMC-Dallas	\$7,248	200	\$36.24
UTMB-Galveston	\$52,715	1,500	\$35.14
UTHSC-Houston	\$125,406	4,908	\$25.55
UTHSC-San Antonio	\$71,500	5,962	\$11.99
UTMDACC-Houston	\$301,665	8,617	\$35.01
UTHC-Tyler	\$6,063	1,200	\$5.05
TOTAL	\$117,258	22,387	\$5.24

Prepared By: U. T. System Office of Health Affairs
Source: Health Component Institutions

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

EMPLOYMENT AGREEMENTS

The following agreements have been approved by the Chancellor and are recommended for ratification by the U. T. Board of Regents.

1. Item: Dr. John P. Howe, III

Description: Transition agreement for Dr. John P. Howe, III from President of the University of Texas Health Science Center – San Antonio for continued employment as tenured full Professor. Dr. Howe's resignation as *President will be effective at the time a successor has assumed the presidency, but not later than January 1, 2001. If a new president is appointed, Dr. Howe will be Advisor to the President until December 31, 2000. Beginning January 1, 2001 Dr. Howe will be assigned to U. T. System for one year at his present salary and benefits, excepting housing and car allowance, working on one or more projects approved by Dr. Charles B. Mullins, Executive Vice Chancellor for Health Affairs. Beginning January 1, 2002, Dr. Howe will assume teaching and service activities in health policy and cardiovascular medicine. His academic rate will be determined in the normal budget cycle and will be comparable to the salary of senior-ranking members of the Division of Cardiology in the Medical School who have similar qualifications and perform similar duties.*

2. Item: Dr. M. David Low

Description: Transition agreement for Dr. M. David Low from President of the University of Texas Health Science Center – Houston for continued employment as tenured full Professor. Dr. Low's resignation as *President will be effective at the time his successor is named. Beginning September 1, 2000, Dr. Low will be appointed as Professor and Director of the Center for Society and Population Health and Rockwell Chair in Society and Health. Dr. Low will be on special assignment for one year at his present salary and benefits, excepting housing, to work on one or more projects approved by Dr. Charles B. Mullins, Executive Vice Chancellor for Health Affairs. Beginning September 1, 2001, Dr. Low will assume teaching and service activities in health policy and neurology. His academic rate will be determined in the normal budget cycle and will be comparable to the salary of faculty members within the Medical School who have similar qualifications and perform similar duties.*

THE UNIVERSITY OF TEXAS AT ARLINGTON
U. T. BOARD OF REGENTS' MEETING
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THE UNIVERSITY OF TEXAS AT ARLINGTON
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS

The following contract has been awarded, has been administratively approved by the President (or his delegate) and is recommended for approval by the U. T. Board of Regents.

GENERAL CONTRACTS

(FUNDS COMING IN)

1. Agency: ARAMARK Educational Services of Texas, Inc.
Funds: \$1,000,000 investment over 10 year period plus commissions in accordance Article V, Fiscal Arrangements of the Food Service Agreement
Period: August 10, 2000 through June 20, 2010
Description: ARAMARK Educational Services of Texas, Inc. agrees to furnish full service food, alcoholic beverage, and non-alcoholic beverage services.

THE UNIVERSITY OF TEXAS AT ARLINGTON
 U. T. BOARD OF REGENTS' MEETING
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AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Academic Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
COLLEGE OF BUSINESS ADMINISTRATION					
Finance and Real Estate					
1. Richard J. Buttimer (T)					103
From: Associate Professor		100	09	81,846	
To: Associate Professor and Gould/Mayfield Professorship in Real Estate	9/1-5/31	100	09	90,000	
Professorship Supplement	1/16-5/31	SUPLT	09	8,000	

Source of Funds:

\$ 90,000	- Finance and Real Estate
<u>8,000</u>	- Gould/Mayfield Professorship
<u>\$ 98,000</u>	- Total Compensation

THE UNIVERSITY OF TEXAS AT ARLINGTON
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
COLLEGE OF ENGINEERING					
Electrical Engineering					
2. Theresa A. Maldonado (T)					109
From: Associate Professor		100	09	68,500	
To: Associate Professor	9/1-5/31	0	09	68,500	
and Researcher	5/1-8/31	100	12	104,664	
VICE PRESIDENT FOR RESEARCH AND DEAN OF THE GRADUATE SCHOOL					
3. Dale A. Anderson (T)					106
From: Professor Mechanical and Aerospace and Vice President for Research and Dean of the Graduate School		0	09	98,000	
		100	12	144,000	
To: Professor Mechanical and Aerospace and Vice President for Research and Dean of the Graduate School and Interim Vice President for the UTA-Fort Worth Riverbend Campus	9/1-5/31	0	09	98,000	
	9/1-8/31	100	12	144,000	
	4/1-8/31	SUPLT	12	15,000	

THE UNIVERSITY OF TEXAS AT ARLINGTON
 U. T. BOARD OF REGENTS' MEETING
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</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					
Mathematics					
4. Danny D. Dyer (T)					101
From: Professor		100	09	62,598	
To: Professor and Acting Chair	9/1-5/31 3/1-5/31	100 SUPLT	09 03	62,598 1,333	
Professor					
5. Chaoqun Liu (T)	8/1-8/31	50	09	85,000	125

TRANSFERS OF FUNDS

FINANCE AND ADMINISTRATION

6. Amount of Transfer	\$133,775	<u>RBC#</u>	104
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From: Vice President for Finance
and Administration - Designated Tuition

To: Provost - Academic Initiatives

To reimburse Provost's Office from designated tuition income for intersession instructional costs.

THE UNIVERSITY OF TEXAS AT ARLINGTON
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
<u>FINANCE AND ADMINISTRATION (continued)</u>		
7. Amount of Transfer	\$225,000	105
From: Vice President for Finance and Administration - Interest on Designated Funds		
To: Vice President for Finance and Administration - Institutional Advertising		
To provide funds from interest income on designated funds for multi-media advertising of UTA through NBC Channel 5 and other advertising projects.		
<u>FINANCE AND ADMINISTRATION</u>		
8. Amount of Transfer	\$244,612	108
From: Vice President for Finance and Administration – Institutional Unallocated - Special Reserve		
To: Engineering - Dean's Unallocated		
To provide funds for the purchase of video teleconferencing distance education equipment for the UTA - Fort Worth Riverbend campus.		

THE UNIVERSITY OF TEXAS AT ARLINGTON
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: Head Men's Basketball Coach
Funds: \$70,000 annually
Period: April 1, 2000 through March 31, 2002
Description: Agreement for employment of Head Men's Basketball Coach, Eddie McCarter, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Head Women's Basketball Coach
Funds: \$67,000 annually
Period: April 1, 2000 through March 31, 2002
Description: Agreement for employment of Head Women's Basketball Coach, Mike Dean, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT ARLINGTON
U. T. BOARD OF REGENTS' MEETING
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OTHER FISCAL ITEMS (Continued)

EMPLOYMENT AGREEMENTS

3. Item: Head Volleyball Coach
- Funds: \$52,000 annually
- Period: January 1, 2000 through December 31, 2002
- Description: Agreement for employment of Head Volleyball Coach, Janine Smith, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT ARLINGTON
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for Graduation	32	41	73	36
b. To keep proper sequence	56	27	83	39
c. New program	3	4	7	2
d. Cross listed	8	10	18	13
e. First time offered	6	5	11	5
f. Accreditation or licensing Standard	20	1	21	9
g. Limited facilities	1	3	4	3
Subtotal	126	91	217	107
h. Voluntarily offered	7	10	17	13
Total	133	101	234	120

THE UNIVERSITY OF TEXAS AT ARLINGTON
 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for Graduation	10	11	21	10
b. To keep proper sequence	11	5	16	11
c. New program	0	0	0	3
d. Cross listed	14	9	23	2
e. First time offered	1	1	2	2
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	6	1	7	0
Subtotal	42	27	69	28
h. Voluntarily offered	3	4	7	4
Total	45	31	76	32

THE UNIVERSITY OF TEXAS AT ARLINGTON
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER MATTERS

**AMENDMENTS TO PERIODIC PERFORMANCE EVALUATION OF TENURED
FACULTY POLICY**

The following proposed amendments to the Periodic Performance Evaluation of Tenured Faculty Policy have been approved by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel are recommended for ratification by the U. T. Board of Regents.

<u>Page Number(s)</u>	<u>Summary of Proposed Amendments</u>
Page 3 Page 5	Change requiring that all evaluation committee members be tenured faculty.
Page 8	Existing policy states: faculty member may choose to defer the six-year review for a period of one year from the regularly scheduled review, if certain conditions are met. The new policy explicates that the review cycle following a deferred review will be in six years.
Page 5 Page 6	Added "The chief academic officer shall inform the faculty member of the result of the review."
Page 7	In the case of joint appointments, the faculty member "shall elect the academic unit in which they will begin their sixth-year review."

THE UNIVERSITY OF TEXAS AT AUSTIN
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THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
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GIFTS

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

1. Donor Name: ENRON
 College/School/ Department: Red McCombs School of Business
 Purpose: MBA Excellence Scholarship Fund\$200,000
 Energy Finance Program\$200,000
 Center for Business Measurement and Assurance Services.....\$ 75,000
 Entrepreneurship Program\$ 75,000
 Asset Type: Cash
 Value: \$550,000 (4th payment on \$1,000,000 pledge)

2. Donor Name: The Andrew W. Mellon Foundation
 College/School/ Department: College of Liberal Arts
 Population Research Center
 Purpose: Research and training programs
 Asset Type: Cash
 Value: \$510,000

3. Donor Name: Marlene Nathan Meyerson Family Foundation
 College/School/ Department: Harry Ransom Humanities Research Center
 Purpose: Support HRHRC reconstruction projects
 Asset Type: Cash
 Value: \$874,000

4. Donor Name: Motorola Semiconductor Products Sector
 College/School/ Department: College of Engineering
 Department of Mechanical Engineering
 Purpose: Research
 Asset Type: Nikon S201A Stepper (used equipment)
 Value: \$2,650,000

5. Donor Name: Perkins-Prothro Foundation
 College/School/ Department: Harry Ransom Humanities Research Center
 Purpose: Support HRHRC reconstruction projects
 Asset Type: 12,840 shares of various common stock
 Value: \$505,749.69 (final payment on \$2,000,000 pledge)

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
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CONTRACTS

The following contracts or agreements have been awarded, have been administratively approved by the President (or his delegate) and are recommended for ratification by the U. T. Board of Regents:

**GENERAL CONTRACTS
(FUNDS COMING IN)**

1. Agency: Sodexho Marriott Services of Texas Limited Partnership
Funds: 47% of net revenue from concession services or an annual guarantee of \$900,000
Period: September 1, 2000 through August 31, 2001
Description: Extend the current concession services agreement, whereby Sodexho Marriott Services of Texas will continue to provide concession service for all University and University sponsored events open to the public at the Darrell K Royal-Texas Memorial Stadium, Disch-Falk Field, the Penick-Allison Tennis Center, the Red and Charlene McCombs Softball Field, and the Mike A. Myers Stadium and Soccer Field.
2. Agency: Texas Department of Transportation
Funds: \$629,629
Period: September 1, 1999 through September 30, 2002
Description: Implement the Longhorn Alcohol and Safety Education Program.
3. Agency: Department of Defense - Army
Funds: \$3,399,000
Period: September 30, 1993 - December 31, 2000
Description: Electromechanics Hypervelocity Physics as They Relate to Weapon Systems
4. Agency: Lab Vision, Inc.
Description: \$1,300,000
Period: February 1, 2000 – January 31, 2002
Description: Multisensor Arrays: Toward the Development of an "Electronic Tongue"

THE UNIVERSITY OF TEXAS AT AUSTIN
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**GENERAL CONTRACTS
(FUNDS COMING IN) (Continued)**

5. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$2,200,000
Period: February 25, 2000 – February 24, 2003
Description: Design, construct, document, test, and validate The Acoustic Firing System as meeting operational requirements.

6. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$1,500,000
Period: February 28, 2000 – December 27, 2002
Description: Develop a common architecture for broadband processing between submarines, weapons, and surface ships.

7. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$1,215,000
Period: March 2, 2000 – March 1, 2003
Description: Perform final integration, testing and evaluation of High Frequency sonar transducer and signal processing components for the Acoustic Rapid Commercial Off-the-Shelf Insertion system for use on the SSN 751 class submarine.

8. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$800,000
Period: March 27, 2000 – November 26, 2001
Description: Develop a software and hardware test environment for simulating and stimulating the ALE-47 electronic warfare suite.

9. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$800,000
Period: April 14, 1000 – April 13, 2002
Description: Design, construct, document, test, and validate the Hydrographic Reconnaissance Littoral mapping Device as meeting operational requirements.

THE UNIVERSITY OF TEXAS AT AUSTIN
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**GENERAL CONTRACTS
(FUNDS COMING IN) (Continued)**

10. Agency: Office of Naval Research
Naval Sea Systems Command
Funds: \$1,400,000
Period: April 1, 2000 – March 31, 2002
Description: Environmentally Adaptive Shallow Water Signal Processing
11. Agency: Wells Fargo Bank, Texas, N.A.
Funds: \$687,917
Period: March 15, 2000 through June 30, 2005
Description: Grant Wells Fargo Bank the right to display their advertising in conjunction with specific events held at the Frank C. Erwin, Jr. Special Events Center.

(FUNDS GOING OUT)

12. Agency: Mac-Gray Services Inc.,
doing business as MicroFridge
Funds: \$1,269,400
Period: August 10, 2000 through August 9, 2007
Explanation: MicroFridge agrees to lease 2,923 refrigerator/freezer/
microwave oven units for use in The University of Texas at
Austin's dormitories.
13. Agency: University Corporation for Advanced Internet Development
Funds: \$110,000, an annual connection fee
Period: Effective March 31, 2000 and remains in force for one year and
from year to year thereafter unless canceled
Description: Academic Computing and Instructional Technologies will assist
in making the services of Abilene, an experimental high-
performance backbone computer network that is part of the
Internet2 project to serve the international research and
education community with advanced network technology,
available to Abilene participants and join in the deployment of
new services.

THE UNIVERSITY OF TEXAS AT AUSTIN
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**NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS - FOREIGN
(FUNDS COMING IN)**

14. Country: Colombia
Grantor: Banco de la Republica de Colombia/
Biblioteca Luis Angel Arango
No.: None
New Funds: \$18,000
Current Period: April 5, 2000 through June 4, 2000
Title/Description: Jack S. Blanton Museum of Art has agreed to loan works of art for an exhibition entitled "Cantos Parelalos: Visual Parody in Contemporary Argentinean Art" in the Banco de la Republica in Bogotá, Colombia.
15. Country: Austria
Grantor: OMV Aktiengesellschaft
No.: UTA97-0010, Change Order No. 6
New Funds: \$14,916
Current period: May 1, 1996 – April 30, 2000
Title/Description: Matzen Project No. 6 – Production of geological and geophysical work maps, cross sections and well logs.
16. Country: Canada
Grantor: Merck Frosst & Co.
No.: UTA00-265
New Funds: None
Current period: February 16, 2000 – February 15, 2005
Title/Description: Distribution of One (1) Microgram Plasmid DNA to be used to manipulate recombinantly and to modify biologically caspase genes to encode caspase proteins that are regulated by specific proteases.

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
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**NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS - FOREIGN
(FUNDS COMING IN) (Continued)**

17. Country: France
Grantor: Université de Perpignan
No.: UTA00-382
New Funds: None
Current period: April 15, 2000 – June 15, 2000
Title/Description: Visiting Scientist – Laurent Boniface to the Department of Bureau of Economic Geology under the direction of Bruno C. Vendeville for the purpose of providing training and related intellectual development and education.
18. Country: Japan
Grantor: Japan Atomic Energy Research Institute
No.: UTA00-244
New Funds: \$35,000
Current period: December 1, 1999 – November 30, 2000
Title/Description: Theoretical and Computational Investigation of High Field Science (Applications). The fundamental process of plasma under high fields of lasers will be studied by theory and simulation.
19. Country: Japan
Grantor: University of Tokyo
No.: UTA-00-2
New Funds: None
Current period: March 1, 2000 – March 29, 2000
Title/Description: Visiting Scientist Agreement – Yasuyuki Nakamura in the Institute for Geophysics under the direction of Dr. Nathan Bangs for the purpose of providing training and related intellectual development and education.

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**NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS - FOREIGN
(FUNDS COMING IN) (Continued)**

20. Country: Japan
Grantor: University of Tokyo
No.: UTA-00-3
New Funds: None
Current period: April 6, 2000 – April 30, 2000
Title/Description: Visiting Scientist Agreement – Kimihiro Mochizuki in the Institute of Geophysics under the direction of Dr. Millard F. Coffin for the purpose of providing training and related intellectual development and education.
21. Country: Japan
Grantor: Japan National Oil Corporation
No.: UTA00-381
New Funds: \$30,000
Current period: January 1, 2000 – December 31, 2000
Title/Description: Support research by the Strategic Research Group of the Reservoir Engineering Research Program
22. Country: Japan
Grantor: Japan National Oil Corporation
No.: UTA00-359
New Funds: \$40,000
Current period: January 1, 2000 – December 31, 2000
Title/Description: Improved Well Performance
23. Country: Mexico
Grantor: Pemex Exploracion y Produccion
No.: UTA00-146
New Funds: \$40,000
Current period: January 1, 2000 – December 31, 2000
Title/Description: Improved Well Performance

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**NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS - FOREIGN
(FUNDS COMING IN) (Continued)**

24. Country: Sweden
Grantor: Coflexip Stena Offshore Limited
No.: RPA, Amd 2
New Funds: \$26,000
Current period: March 16, 2000 – March 15, 2002
Title/Description: Structural Integrity of Offshore Pipelines

(FUNDS GOING OUT)

25. Country: Australia
Business/Entity: University of Ballarat
No.: None
New Funds: \$38,000
Current Period: Effective March 20, 2000 through May 6, 2000
Title/Description: The University of Ballarat and The University of Texas at Austin's School of Business will jointly offer an Action Learning Program.

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST

The following Plans to Manage Potential Conflicts of Interest have been reviewed by the Office of General Counsel and approved by the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. Board of Regents.

1. Plan to Manage Potential Conflict of Interest for Dr. Jere Confrey

Dr. Jere Confrey, Professor, Department of Curriculum and Instruction in the College of Education at The University of Texas at Austin ("UTA"), has obtained funding from the National Science Foundation (NSF) for a research project, entitled, Promoting Understanding of Trigonometry for Technologically-Reliant Career Trajectories. An agreement and subcontract have been established between UTA and the educational software company, Quest Mathematics and Science Multimedia. Dr. Confrey and her husband, Dr. Alan Maloney, own Quest, thereby creating a potential conflict of interest.

The rationale for undertaking this type of joint research and technology design work in partnership with a commercial company is driven mainly by the need to collaborate with a software company that can stay abreast of changes to the field. Dr. Confrey's research focuses on the cognitive aspects of trigonometric thinking and on research on the effectiveness and use of the materials. The subcontract to Quest is necessary to actually build technology products, which will be linked to the existing products and libraries owned currently by Quest. As part of this arrangement, Dr. Confrey will not draw any salary from the subcontract; Dr. Maloney, Dr. Confrey's husband, will draw a salary of \$4500 over two years to administer the grant. The vast majority of the subcontract goes directly into programming the software. NSF policies on encouraging the commercialization of educational products have been well established, so this plan is consistent with these policies. With regards to educational technology, NSF is concerned that there is not enough marketing and distribution of high quality products in mathematics and science education; so they act to stimulate the market. For this reason, program officers and reviewers at NSF viewed the involvement of Quest Math and Science Multimedia as a strength of the proposal. Because they had previously supported Quest Math and Science Multimedia independently, they viewed this combined proposal from UTA and Quest as incorporating a partnership with both parties having proven records of performance.

In view of this potential conflict of interest, UTA has developed the following measures to eliminate the likelihood that actual conflicts will arise:

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

- A. As required by Texas Education Code, Section 51.912a, and the Regents' Rules and Regulations, Part Two, Chapter XII, Subsections 6.2 and 7.1, Dr. Confrey has provided UTA with a written disclosure and, should changes necessitate, will provide UTA with a revised written disclosure of all potential conflicts of interest that might emanate from the terms of the agreement with Quest. Thus, UTA stands in compliance with regulations governing the definition of potential conflicts that might arise through the conduct of research.
- B. In view of this disclosure, UTA has determined that a subcontract to a faculty-owned company is appropriate in as much as the activities of the principal investigator involve research that requires integration of software products currently owned by Quest, whereas Dr. Confrey performs research using this and software products owned by other companies unrelated to Dr. Confrey. Additionally, the activities of Quest involve applied research and the potential discovery and development of software products to enhance mathematics education in the public schools, whereas Dr. Confrey's UTA research involves basic research regarding the manner in which students learn and is not product oriented.
- C. Additionally, the College of Education has developed a management strategy to minimize the risk of a future conflict of interest under this arrangement between Dr. Confrey and the company, Quest Math and Science Multimedia. The primary mechanism for managing potential conflicts of interest in this situation involves the establishment of a College of Education Oversight Committee. The following steps will be required under the management plan, which has been reviewed and approved both by the College of Education Oversight Committee and the institutional Objectivity in Research Committee:
- 1) Dr. Jere Confrey will submit an annual disclosure report by each of the three years of the grant (2000-2002) to the College of Education Oversight Committee. In the funded proposal, there is a clear delineation of duties between the UTA employees as research staff and the employees of Quest Math and Science Multimedia as design and implementation of software staff. Dr. Confrey will report to the Oversight Committee any changes in the role of staff and the execution of assignments for all employees of UTA under the grant; provide as documentation budget reports and explanations of any changes in the budget allocations to personnel or any redistribution of their time allocations; provide documentation that all equipment purchased by UTA on the grant is inventoried as located at UTA or at the implementation school sites and explain

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

any major budget changes related to equipment; document, with an annual report on research activities, and explain any major shifts in the technical scope of work relative to its research questions, forms of data collection, data analysis, and interpretation that could be subject to conflicts of interest or perceived conflicts of interest; and present a log of the number of consulting days she worked for Quest Math and Science Multimedia. This annual report on staffing, equipment, budget, research activities, and consulting will be supplemented by any other material requested by the Oversight Committee pertaining to potential conflict of interest.

- 2) The Oversight Committee will meet annually to review the disclosure reports submitted to them by Dr. Confrey and meet with Dr. Confrey to clarify any outstanding questions or concerns. If there are further issues regarding the technical aspects of the research and the necessary expertise to resolve these questions is not available in the College of Education, the Office of the Vice President for Research will arrange a process for adjudication.
- 3) The Oversight Committee will file a report of the grant each year by June 1 to the Office of the Vice President for Research describing the results of the Committee's review of the disclosure reports and any issues that have emerged that need to be addressed.
- 4) At the completion of the grant, Dr. Confrey will submit to the Oversight Committee the final NSF report, reprints of articles, and a summary of the disclosure reports of the prior years. These reports also will be reviewed by the UTA Objectivity in Research Committee.
- 5) Should either of these committees determine that an actual conflict of interest exists at any point in this oversight process, the terms of the agreement with Quest will be modified accordingly or such other remedial action will be taken as would be in accordance with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy.

The proposed arrangement is consistent with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy. Pursuant to Part Two, Chapter XII, Subsections 6.2 and 7.1 of the Regents' Rules and Regulations, approval by The University of Texas System Board of Regents is necessary for Dr. Confrey to hold equity in and establish a research agreement with

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

Quest Mathematics and Science Multimedia. Thus, UTA has developed a diligent review procedure to prevent the development of an actual conflict of interest pertinent to the conduct of the above referenced research project and the subcontract arrangement.

2. Plan to Manage Potential Conflict of Interest for Dr. Alan Lambowitz

Dr. Alan Lambowitz, Professor, College of Natural Sciences, and Director of the The University of Texas at Austin ("UTA") Institute of Cellular & Molecular Biology, submitted a grant application to the National Institutes of Health (NIH) in 1998 for a research project entitled, Group II Intron RNA Splicing and Mobility. Dr. Lambowitz and his wife, Dr. Ellen Gottlieb, Assistant Professor of Molecular Genetics and Microbiology, held equity and served as Chairman of Managers and Manager of Genetic Integration Technologies, Ltd. (GIT), respectively, with no level of compensation. GIT was an Ohio State University spin-off company for commercial applications of Dr. Lambowitz's technology while he was a faculty member at that university. Dr. Lambowitz's relationship to GIT created a potential conflict of interest. So, on October 19, 1998, Dr. Lambowitz submitted an official Financial Disclosure and Conflict of Interest Report to the UTA Office of Sponsored Projects. At that time, UTA developed the measures described below to eliminate the likelihood that actual conflicts would arise, should the NIH proposal be funded.

In September 1999, UTA obtained funding from the NIH for this research, under the direction of Dr. Lambowitz (principal investigator). GIT will be disbanded in favor of a new limited partnership, InGex. Drs. Lambowitz and Gottlieb will hold minority interests and be members of the company. Note that this arrangement does not involve company-sponsored research, but it does involve NIH-funded research as well as UTA operating and endowment funds, from which the company will have the option to license intellectual property. This research involves a standard License Agreement between UTA and the company, InGex, and an Inter-Institutional Agreement between UTA and Ohio State University (as co-owner of the technology). As part of the process of negotiating the licensing and inter-institutional agreements, Dr. Lambowitz submitted an updated Financial Disclosure and Conflict of Interest Report dated February 29, 2000.

The provisions of the exclusive License Agreement between UTA and InGex and the Inter-institutional Agreement between UTA and Ohio State University have been reviewed pursuant to the Regents' Rules and Regulations by Paulette Braeutigam, Director, UTA Office of Technology Licensing and Intellectual Property, and BethLynn

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

Maxwell of the U. T. System Office of General Counsel. Under the license agreement, the Board of Regents ("Board") has the exclusive right to grant licenses under the joint patent rights and U. T. Patent rights to commercialize the technology. The parties to this agreement acknowledge that the joint patent rights existing as of the effective date were developed in part at Ohio State University by Dr. Lambowitz in his prior position as a staff member and researcher at that university, and also were developed in part at UTA in his current position as a staff member and researcher at UTA. Therefore, the Board of Regents and the Ohio State University Research Foundation ("OSURF"), which is a research foundation affiliated with Ohio State University and the owner of intellectual property developed at Ohio State University, both have joint ownership interest in the existing joint patent rights.

UTA has determined that a licensing agreement to an Ohio State University spin-off company for commercial applications of the research was appropriate in as much as the company-related activities of Dr. Lambowitz involve applied research and the manufacturing of group II intron technology, whereas his University laboratory performs basic research into the technology. As part of this agreement, it is anticipated that Dr. Lambowitz will receive a share of company profits (if any). Also, Dr. Lambowitz, as inventor, and two colleagues/co-inventors from his UTA laboratory, Dr. George Mohr, a Research Associate, and Mr. Huatao Guo, a graduate student, may enter into private consulting agreements with InGex, as long as such consulting agreements are entered into in accord with all UTA policies and procedures. Dr. Lambowitz' wife, Dr. Gottlieb, does not conduct research that involves group II intron technology; consequently, she will not have any consulting relationship with InGex.

As required by Texas Education Code, Section 51.912a, and the Regents' Rules and Regulations, Part Two, Chapter XII, Subsections 6.2 and 7.1, Dr. Lambowitz provided UTA with a written disclosure and, should changes necessitate, he will be required to provide UTA with a revised written disclosure of all potential conflicts of interest that might emanate from the terms of the agreement with InGex. Thus, UTA is in compliance with regulations governing the definition of potential conflicts that might arise through the conduct of research.

The UTA management strategy to minimize the risk of a future conflict of interest under this arrangement between Dr. Lambowitz and the company, InGex, is described in the attached document. The primary mechanism for managing potential conflicts of interest in this situation involve the establishment of an Oversight Committee. The following steps are required under this management plan, which was approved by the UTA

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PLANS TO MANAGE POTENTIAL CONFLICTS OF INTEREST (Continued)

Objectivity in Research Committee in November 1998 when the research proposal was submitted to NIH:

- A. Dr. Alan Lambowitz will submit to the Chair of the UTA Objectivity in Research Committee copies of: 1) annual applications to NIH for the non-competing renewal of the proposal Group II Intron RNA Splicing and Mobility; and 2) any annual report that might be submitted by InGex.
- B. Dr. Lambowitz is to notify the Objectivity in Research Committee annually of any intellectual property disclosures or patentable technologies arising from the NIH-funded research.
- C. An Oversight Committee comprised of the Associate Dean for Research in the College of Natural Sciences, Director of the School of Biological Sciences (College of Natural Sciences), and the Chair of the Objectivity in Research Committee will review reports and communicate their assessment on the objectivity of the research to the rest of the committee.
- D. Should either of these committees (Oversight Committee or Objectivity in Research Committee) determine that an actual conflict of interest exists at any point in this oversight process, terms of the agreement are to be modified accordingly or such other remedial action are to be taken as would be in accordance with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy.

The proposed arrangement is consistent with Section 51.912 of the Texas Education Code and corresponding provisions of The U. T. System Intellectual Property Policy. Pursuant to Part Two, Chapter XII, Subsections 6.2 and 7.1 of the Regents' Rules and Regulations, approval by The University of Texas System Board of Regents is necessary for Dr. Lambowitz to hold equity in and establish a licensing agreement with InGex. Thus, UTA has developed a diligent review procedure to prevent the development of an actual conflict of interest pertinent to the conduct of the above referenced research project and the relationship of Dr. Lambowitz and InGex.

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CHANGE TO ADMISSION CRITERIA

The following listing summarizes a proposed change to admission criteria in the *Graduate Catalog* of The University of Texas at Austin. The following change has been administratively approved by the Executive Vice Chancellor for Academic Affairs and is recommended for ratification by the U.T. Board of Regents.

Summary of Change to Admission Criteria

Deletion: From the *Graduate Catalog* the section entitled "Additional Degrees at the Same or a Lower Level."

Admissions decisions will be handled by graduate studies committees in the same manner as other routine decisions. No Graduate School admissions or degree requirements are waived for students seeking additional degrees at the same or lower level.

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AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Vice Chancellor for Academic Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
APPOINTMENTS AND PROMOTIONS					
INSTRUCTION					
COLLEGE OF ENGINEERING					
Aerospace Engineering					
1. Morris Stern (T)					118
From: Professor		100	09	64,369	
To: Professor Emeritus	1/16-5/31				
COLLEGE OF LIBERAL ARTS					
History, Center for Mexican American Studies					
2. Ricardo Romo (T)					137
From: Associate Professor		0	09	79,000	
To: Professor	9/1-5/31	0	09	79,000	

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
SCHOOL OF NURSING					
3. Joy Penticuff (T)					122
From: Professor		50	09	81,782	
Assistant Dean		50	12	109,043	
To: Professor	1/16-5/31	50	09	81,782	
Lee and Joseph D. Jamail Endowed Professorship in					
Nursing	1/16-5/31	0	09	81,782	
Assistant Dean	9/1-5/31	50	12	109,043	
Assistant Dean	6/1-8/31	100	12	109,043	

Source of Funds:

\$ 40,891	School of Nursing
68,152	Dean's Office, School of Nursing
<u>0</u>	Jamail Professorship
<u>\$109,043</u>	Total Compensation

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

TRANSFERS OF FUNDS

RBC#

LEGISLATIVE APPROPRIATION

4. Amount of Transfer \$ 1,359,150 128

From: Texas Grant Program -Estimated Income

To: Texas Grant Program - Scholarships and Fellowships

To record additional transfer in and budget for Texas Grant Program.

SERVICE DEPARTMENTS FUNDS (REVOLVING FUNDS)

5. Amount of Transfer: \$ 280,000 114

From: UTX Telephone System –
Operating Income

To: UTX Telephone System – Maintenance,
Operation and Equipment

Transfer of telephone service income to support purchase of central
university equipment to serve a new campus residence hall.

6. Amount of Transfer: \$ 2,095,000 147

From: Utility Plant Revolving Fund -
Operating Income

To: Utility Plant Revolving Fund -
Fuel

To adjust budget to reflect increase in income from utility billing due to
increase in fuel costs based on increase in market prices.

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
SERVICE DEPARTMENTS FUNDS (REVOLVING FUNDS, continued)		
7.	Amount of Transfer: \$ 500,000	129
From: Computation Center - Operating Income		
To: Computation Center -Maintenance, Operation, & Equipment		
Income from 1998-99 balance forward transferred to operating account to cover expenditures due to increased subscription costs for network, Internet, and telecommunications services and to cover unexpected purchases for equipment and software for the U. T. Austin Portal Project.		
8.	Amount of Transfer: \$ 613,000	133
From: Library Resource Sharing Project - Operating Income		
To: Library Resource Sharing Project - Books		
Transfer revenue collected from Library Resource Sharing income account to expense account to pay for additional electronic subscriptions.		

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
DESIGNATED FUNDS		
9. Amount of Transfer:	\$ 473,350	117
From: Mexico Executive MBA Fee -- Operating Income	333,350	
Mexico Executive MBA Fee -- Maintenance, Operation and Equipment	100,000	
Mexico Executive MBA Fee -- Travel	40,000	
To: Mexico Executive MBA Fee -- Administrative & Professional Salaries	24	
Mexico Executive MBA Fee -- Fringe Benefits	6,000	
Mexico Executive MBA Fee -- Billable Costs	217,326	
Mexico Executive MBA Fee -- Allocation for Budget Adjustment	250,000	

Income from participant fees and funds from expense accounts transferred to various accounts to cover additional expenses incurred by increased student enrollment.

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
<u>DESIGNATED FUNDS (continued)</u>		
10. Amount of Transfer:	\$ 591,600	115
From: Texas Executive MBA Dallas –		
Operating Income	591,600	
To: Texas Executive MBA Dallas –		
Administrative & Professional Salaries	47,075	
Texas Executive MBA Dallas –		
Fringe Benefits	25,000	
Texas Executive MBA Dallas –		
Classified Salaries	33,000	
Texas Executive MBA Dallas –		
Wages	3,000	
Texas Executive MBA Dallas –		
Instructional Costs	280,000	
Texas Executive MBA Dallas –		
Maintenance, Operation, and		
Equipment	20,000	
Texas Executive MBA Dallas –		
Travel	7,500	
Texas Executive MBA Dallas –		
Special Equipment	2,500	
Texas Executive MBA Dallas –		
Allocation for Budget Adjustment	173,525	

Income from participant fees transferred to expense accounts to set up new budget funding to cover remaining fiscal year expenditures.

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
<u>DESIGNATED FUNDS (continued)</u>		
11. Amount of Transfer:	\$ 200,000	116
From: Natural Sciences Instructional Technology Fee – Operating Income		
To: Natural Sciences Instructional Technology Fee – Maintenance, Operation, And Equipment		
Incidental student fees transferred to expense account for networking projects in Patterson Hall and the Molecular Biology Building.		
12. Amount of Transfer:	\$ 214,356	124
From: Executive Education Development Programs - Operating Income		
To: Executive Education Development Programs - Billable Costs		
Transfer from income account to expense account. Income received by transfer from the Mexico Executive MBA Fee operating income account to refund the Executive Development Program (EDP) account for payroll and initial start up expenses processed on the EDP account.		
13. Amount of Transfer:	\$ 450,000	125
From: Red McCombs School of Business - Multimedia Laboratory - Operating Income		
To: Red McCombs School of Business - Multimedia Laboratory - Special Equipment		
Red McCombs School of Business multi-media course fee income transferred to special equipment account for upgrade and improvement of multi-media equipment and facilities.		

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

TRANSFERS OF FUNDS

RBC#

DESIGNATED FUNDS (continued)

14. Amount of Transfer:	\$ 200,000	130
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From: Graduate Career Services -
 Operating Income

To: Graduate Career Services -
 Special Equipment

Income from career services fees transferred to special equipment account to allocate funds for a new electronic security system, computer equipment upgrades, and related support contracts.

15. Amount of Transfer:	\$ 178,000	134
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From: Library Fee - Operating Income	178,000	
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To: Library Fee - Maintenance, Operation, and Equipment	28,000	
Library Fee - Book Expenses	150,000	

Transfer income from library fee revenue account to library fee expenditure account to support the cost of UTPD security guards for the libraries and move revenue free balance into subaccount for books.

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<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
<u>DESIGNATED FUNDS (continued)</u>		
16. Amount of Transfer:	\$ 200,000	143
From: University Charter School - Operating Income		
To: University Charter School - Maintenance, Operation, & Equipment		
Income will exceed original budgeted estimate due to increased funding from the Texas Education Agency. Income transferred to expenditure account to cover textbooks, curriculum expenses, and teacher's aide's salaries at charter school sites.		
17. Amount of Transfer:	\$ 113,529	144
From: Dean of Students - Summer Orientation Program Fees - Operating Income		
To: Dean of Students - Summer Orientation Program Fees - Maintenance, Operation, and Equipment		
Transfer funds to cover housing, meals, and testing costs for summer orientation program participants. Income is higher than projected due to the large size of the Fall 2000 freshman class, as well as housing and meal cost increases which were not finalized at budget preparation time. More students are being accommodated at summer orientation than originally projected.		

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
<u>AUXILIARY ENTERPRISE FUNDS</u>		
18. Amount of Transfer:	\$ 2,000,000	135
From: Intercollegiate Athletics for Men - Operating Income	2,000,000	
To: Intercollegiate Athletics for Men - Wages	300,000	
Intercollegiate Athletics for Men - Other Expenses	1,100,000	
Intercollegiate Athletics for Men - Travel	600,000	

Budget adjustment for revenue received from Cotton Bowl and projected revenue from Big 12 and NCAA distributions over that originally projected. Funds allocated to subaccounts for Cotton Bowl expenditures - staff, travel and housing, and capital expenditures relating to the completion of stadium renovation.

19. Amount of Transfer:	\$ 1,768,000	149
From: Frank C. Erwin, Jr. Special Events Center - Operating Income		
To: Frank C. Erwin, Jr. Special Events Center - Other Expenses		

To adjust the Erwin Special Events Center income and operations budgets to reflect increased activity levels. Erwin Center scheduling of building uses, resulting in facility use charges and income reimbursements, has increased dramatically from projected budget levels. Budgeted income from these two areas of activity totals \$1.1M for FY99/00. The Erwin Center is currently expecting actual income to exceed \$2.6M.

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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
<u>PLANT FUNDS</u>		
20. Amount of Transfer:	\$ 295,000	136
From: Interest on Temporary Investments -		
Auxiliary Enterprise Funds	175,570	
Faculty Center - Reserve for Renewal		
and Replacements	119,430	
To: Walter Webb Hall -		
Refurbish Faculty Center	295,000	
To provide funding for refurbishing first and second floors of the Faculty Center, Walter Webb Hall.		
21. Amount of Transfer:	\$ 319,000	121
From: INBA – Frito Lay Student Leadership		
Center – Gifts	250,000	
Loan #8 College of Business Administration –		
Offices for Student Leadership Center	69,000	
To: College of Business Administration - Office for		
Student Leadership Center	319,000	
To provide funding for offices for a student leadership center in the College of Business Administration.		
22. Amount of Transfer:	\$ 2,000,000	126
From: Telecommunications -		
UTX Telephone System	700,000	
Telecommunications -		
Least Cost Routing Telephone System	400,000	
Telecommunications -		
Residence Halls Long Distance	900,000	
To: Campus Planning and Facilities Management -		
Replace Security System	2,000,000	
To provide funding for replacement of the campus security system.		

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<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
PLANT FUNDS (continued)		
23. Amount of Transfer:	\$ 500,000	131
From: Texas Student Publications - Reserve		
To: Texas Student Publications - Special Equipment		
To provide funding to add two units to the Texas Student Publications printing press.		
24. Amount of Transfer:	\$ 100,000	132
From: Texas Union Auxiliary Services		
To: Texas Union - Sinclair Room/Governor's Room - Furniture		
To provide supplemental funding for purchase of meeting room furniture		
25. Amount of Transfer:	\$ 199,500	145
From: Vice President for Business Affairs - Loan #9, Graduate School of Business - 5th Floor Renovation		
To: Graduate School of Business - 5th Floor Office Renovations		
To provide funding for office renovations located on the 5th floor of the Red McCombs School of Business. Project scope includes hazardous material abatement, demolition, new partitions, new interior glazing, new doors and frames, new casework, interior finishes, and modification to existing mechanical/electrical/plumbing infrastructure.		

THE UNIVERSITY OF TEXAS AT AUSTIN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>	<u>RBC#</u>
PLANT FUNDS (continued)	
26. Amount of Transfer:	\$ 100,000 146
From: Housing and Food Service - New Construction Reserve - Allocated for Budget	
To: Housing and Food Service - CO-OP Install Air Conditioning And Renovations - All Expenses	
To provide funding for installation of air conditioning and renovations of Women's Co-op 182.	
27. Amount of Transfer:	\$ 147,000 127
From: Division of Rhetoric and Composition - Information Technology Services - Maintenance, Operation, and Equipment 37,000	
Division of Rhetoric and Composition - Instructional Technology Fee - Maintenance, Operation, and Equipment 110,000	
To: Flawn Academic Center - Renovate Offices into New Computer Lab and Move Texas Commission for the Blind 147,000	
Provide funding to renovate FAC5 (Flawn Academic Center) into offices for the Texas Commission for the Blind, to move Texas Commission for the Blind from FAC7 & 7A into FAC5, and to renovate FAC6, 7, & 7A into a new computer lab.	

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

The following agreements have been awarded, have been approved by the Executive Vice Chancellor for Academic Affairs, and are recommended for ratification by the U. T. Board of Regents. Employment under these agreements is subject to the Constitution and Bylaws of the National Collegiate Athletic Association, Big XII Conference, and the Rules and Regulations of the Board of Regents of The University of Texas System and The University of Texas at Austin.

1. Item: Men's Head Track and Field Coach
 Funds: \$92,297.00 annually
 Period: September 1, 1999 through August 31, 2004
 Description: Agreement for employment of Head Track and Field Coach, Charles G. Thornton, for the above-designated period following the standard coach's employment contract prepared by the Office of the General Counsel.

2. Item: Men's Swimming Coach
 Funds: \$93,280.00 annually and \$15,000 supplement
 Period: September 1, 1999 through August 31, 2004
 Description: Agreement for employment of Head Swimming Coach, Edwin C. Reese, for the above-designated period following the standard coach's employment contract prepared by the Office of the General Counsel. Supplement to be paid from an endowment established for the benefit of The University of Texas at Austin Department of Athletics for Men.

3. Item: Athletics Director
 Funds: No change in compensation terms
 Period: Extend the term for two years, through August 2004
 Description: Agreement for employment of Athletics Director, D. DeLoss Dodds, for the above-designated period.

4. Item: Athletics Director
 Funds: No change in compensation terms
 Period: Extend the term for two years, through August 2004
 Description: Agreement for employment of Athletics Director, Jody Conradt, for the above-designated period.

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

**OTHER FISCAL ITEMS
(Continued)**

PURCHASE ORDER – MORE THAN \$500,000

The following purchase order has been administratively approved by the President (or his delegate) and is recommended for ratification by the U. T. Board of Regents:

(FUNDS GOING OUT)

- | | |
|--------------------|--|
| 1. Agency: | Furniture By Thurston |
| Funds: | \$754,532 |
| Title/Description: | Furniture By Thurston will furnish, assemble, and install residence hall room furniture in a new residence hall located on The University of Texas at Austin campus for the Division of Housing and Food Service |

THE UNIVERSITY OF TEXAS AT AUSTIN
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

SALE OF UNIVERSITY-OWNED PROPERTY

The following sale has been administratively approved by the Executive Vice Chancellor for Business Affairs and is recommended for ratification by the U. T. Board of Regents:

1. Item Sold: 2,923 units
Amount: \$379,990
Purchaser: Mac-Gray Services Inc.,
doing business as MicroFridge
Department: Division of Housing and Food Services
Explanation: This equipment inventory is being purchased by
MicroFridge as part of a buy out and rental program of
combination refrigerator/freezer/microwave oven units.

THE UNIVERSITY OF TEXAS AT BROWNSVILLE
U. T. BOARD OF REGENTS' MEETING
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THE UNIVERSITY OF TEXAS AT BROWNSVILLE
 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	55	68	123	52
b. To keep proper sequence	40	26	66	96
c. New program	9	16	25	8
d. Cross listed	11	5	16	26
e. First time offered	2	2	4	1
f. Accreditation or licensing Standard	9	17	26	105
g. Limited facilities	3	2	5	23
Subtotal	129	136	265	311
h. Voluntarily offered	8	8	16	15
Total	137	144	281	326

THE UNIVERSITY OF TEXAS AT BROWNSVILLE
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for Graduation	1	1	2	9
b. To keep proper sequence	2	3	5	3
c. New program	0	0	0	0
d. Cross listed	0	2	2	6
e. First time offered	0	0	0	0
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	3	6	9	18
h. Voluntarily offered	2	4	6	23
Total	5	10	15	41

THE UNIVERSITY OF TEXAS AT DALLAS
BOARD OF REGENTS' MEETING
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THE UNIVERSITY OF TEXAS AT DALLAS
BOARD OF REGENTS' MEETING
AUGUST 10, 2000

GIFTS

The following gift has been received, has been administratively approved by the Chief Administrative Officer and is recommended for ratification by the U. T. Board of Regents.

1. Donor Name: Texas Instruments Foundation
College/School/ Department: Erik Jonsson School of Engineering and Computer Science
Purpose: To support the expansion of the Erik Jonsson School of Engineering and Computer Science Building
Asset Type: Cash
Value: \$1,000,000

THE UNIVERSITY OF TEXAS AT DALLAS
 BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Academic Affairs and are recommended for ratification by the U. T. Board of Regents.

<u>TRANSFERS OF FUNDS</u>	<u>RBC #</u>
ADVANCED RESEARCH AND ADVANCED TECHNOLOGY PROGRAMS	
Erik Jonsson School of Engineering and Computer Science	
Computer Science	
1. Amount of Transfer	\$44,666
	16
From: TATP-Development of Second Generation Vertical Cavity Lasers	
To: The Texas Higher Education Coordinating Board	
Return funds to The Texas Higher Education Coordinating Board for Dr. Jan P. van der Ziel's TATP Account.	
 GENERAL REVENUE	
Financial Aid	
2. Amount of Transfer:	\$2,703
	18
From: TASP – Remedial Education	
To: The Texas Higher Education Coordinating Board	
This adjustment is needed to adjust revenue to the actual amount awarded from The Texas Higher Education Coordinating Board.	
3. Amount of Transfer	\$1,215
	25
From: 5 th Year Accounting Fund	
To: Fifth Year Accounting Scholarship Program	
Transfer needed to raise budget to level of adjusted funding.	

THE UNIVERSITY OF TEXAS AT DALLAS
 BOARD OF REGENTS' MEETING
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>	<u>RBC #</u>
<u>GENERAL REVENUE (Continued)</u>	
4. Amount of Transfer	26
From: E&G State Support	
To: Institutional Programs	
Appropriated funds for salary increases under Article IX were increased by \$20,360.	
 <u>EDUCATIONAL AND GENERAL</u>	
5. Amount of Transfer:	17
From: Capital Equity	
To: Designated Tuition	
This adjustment is needed to reduce E&G budget and reduce transfer from Designated Tuition (due to new ruling on Capital Equity).	
6. Amount of Transfer	21
From: Capital Equity Management – Executive Classrooms Renovations	
To: Capital Equity	
This adjustment is needed to remove funding and close account (due to new ruling on Capital Equity).	
7. Amount of Transfer	22
From: Capital Equity	
To: Library	
This adjustment is needed to add additional funding from Capital Equity.	

THE UNIVERSITY OF TEXAS AT DALLAS
BOARD OF REGENTS' MEETING
AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC #</u>
<u>EDUCATIONAL AND GENERAL (Continued)</u>		
8.	Amount of Transfer : \$400,000	29
From:	Library	
To:	Capital Equity	
	Initial allocation of \$900,000 being reduced to \$500,000 due to emergency project.	
9.	Amount of Transfer \$400,000	30
From:	Capital Equity	
To:	Engineering Classroom Space	
	Reduce the initial allocation to the Library - reduction of \$400,000 to be used for Engineering Classroom Space. This RBC reduces the transfer from Designated Tuition to E&G.	
<u>AUXILIARY</u>		
10.	Amount of Transfer: \$450,000	19
From:	Academic Excellence Scholarship	
To:	Waterview 6	
	This adjustment is needed to reduce budget to \$300,000 and return funds to source account.	

THE UNIVERSITY OF TEXAS AT DALLAS
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 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>	<u>RBC #</u>
<u>AUXILIARY (Continued)</u>	
11. Amount of Transfer: \$550,000	20
From: Academic Excellence Scholarship	
To: Waterview 5	
This adjustment is needed to reduce budget to \$300,000 and return funds to source account.	
12. Amount of Transfer: \$1,000,000	24
From: Waterview 5 \$550,000	
Waterview 6 \$450,000	
To: Student Life Annex \$1,000,000	
Transfer funds to cover Food Service Project.	
 <u>DESIGNATED FUNDS</u>	
13. Amount of Transfer: \$1,000,000	23
From: Designated Tuition	
To: Academic Excellence Scholarship (AES) - Designated	
To change source of funding for AES Scholarship.	

THE UNIVERSITY OF TEXAS AT DALLAS
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for graduation	5	17	22	30
b. To keep proper sequence	19	17	36	16
c. New program	2	0	2	0
d. Cross listed	17	22	39	46
e. First time offered	7	2	9	21
f. Accreditation or licensing standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	50	58	108	113
h. Voluntarily offered	2	0	2	3
Total	52	58	110	116

THE UNIVERSITY OF TEXAS AT EL PASO
U. T. BOARD OF REGENTS' MEETING
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THE UNIVERSITY OF TEXAS AT EL PASO
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Academic Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
<u>APPOINTMENTS AND PROMOTIONS</u>					
COLLEGE OF HEALTH SCIENCES					
School of Nursing					
Professor					
1. Maria A. Amaya					23
From: Professor (T)		100	09	60,000	
To: Betty Ruth Wakefield					
Endowed Professorship					
In Health Sciences					
Chicano Studies Program					
Professor (T)	6/1	100	09	60,000	

THE UNIVERSITY OF TEXAS AT EL PASO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC #</u>
<u>AUXILIARY ENTERPRISES</u>		
Intercollegiate Athletics		
2. Amount of Transfer	\$ 150,000	19
From: Original Budgeted Revenue and Transfers	\$7,788,985	
Original Budgeted Expenses	\$7,638,985	
To: New Budgeted Revenue And Transfers	\$7,938,985	
New Budgeted Expenses	\$7,788,985	

Budget adjustment to more accurately reflect anticipated activity, projected revenues and expenses for the fiscal year in accordance with the Intercollegiate Athletics Business Plan.

Intercollegiate Athletics Income and Expenses have increased by \$150,000 for FY 99-00.

THE UNIVERSITY OF TEXAS AT EL PASO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: Head Football Coach

Funds: \$ 76,706 (8 months – 1/1/00 to 8/31/00)
\$120,000 annually

Period: January 1, 2000 through August 31, 2000
September 1, 2000 through August 31, 2005

Description: Agreement for employment of Head Football Coach, Gary Nord, for the above designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT EL PASO
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	13	20	33	32
b. To keep proper sequence	18	17	35	12
c. New program	4	2	6	18
d. Cross listed	42	59	101	125
e. First time offered	1	1	2	5
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	1	1	10
Subtotal	78	100	178	202
h. Voluntarily offered	8	14	22	23
Total	86	114	200	225

THE UNIVERSITY OF TEXAS AT EL PASO
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	3	10	13	13
b. To keep proper sequence	4	4	8	9
c. New program	0	0	0	3
d. Cross listed	21	21	41	41
e. First time offered	0	0	0	5
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	28	35	62	71
h. Voluntarily offered	4	4	7	7
Total	32	39	69	78

THE UNIVERSITY OF TEXAS AT EL PASO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

1. Name: Dr. Maceo Dailey
 Title: Associate Professor, History Department and Director, African American Studies

 Position: Appointment to the Texas Council for the Humanities
 Period: April 2000 through termination
 Compensation: None
 Description: In April 2000 Governor George W. Bush appointed Dr. Dailey to the Texas Council for the Humanities. The Texas Senate confirmed the appointment during the 76th Regular Session of the Texas Legislature. The Texas Council for the Humanities reviews proposals for projects to be funded by the National Endowment for the Humanities, which are related to exploring the history of Texas and the many diverse cultures within it.

THE UNIVERSITY OF TEXAS – PAN AMERICAN
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THE UNIVERSITY OF TEXAS – PAN AMERICAN
U. T. BOARD OF REGENTS' MEETING
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GIFTS

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

1. Donor Name: Wal-Mart Stores and NCR Corporation
College/School/ Department: External Affairs
Purpose: Teaching tools to be used by the University.
Asset Type: Computer systems hardware, software and services.
Value: \$7 million

THE UNIVERSITY OF TEXAS – PAN AMERICAN
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: Head Men's/Women's Track and Cross Country Coach
Funds: \$38,162.55
Period: May 1, 2000 through July 31, 2001
Description: Agreement for employment of Head Men's/Women's Track and Cross Country Coach, Dana Colligan-Gutierrez, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Head Men's Golf Coach
Funds: \$18,655.05
Period: May 1, 2000 through July 31, 2001
Description: Agreement for employment of Head Men's Golf Coach, Juan Garcia, Jr., for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS – PAN AMERICAN
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS (Continued)

EMPLOYMENT AGREEMENTS (Continued)

3. Item: Head Men's/Women's Tennis Coach
- Funds: \$28,725.00
- Period: May 1, 2000 through July 31, 2001
- Description: Agreement for employment of Head Men's/Women's Tennis Coach, Jeffrey Scott Howard, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.
4. Item: Head Women's Golf Coach
- Funds: \$34,999.95
- Period: May 1, 2000 through July 31, 2001
- Description: Agreement for employment of Head Women's Golf Coach, Barbara L. Odale, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.
5. Item: Head Women's Volleyball Coach
- Funds: \$22,500
- Period: May 1, 2000 through January 31, 2001
- Description: Agreement for employment of Head Women's Volleyball Coach, David M. Thorn, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS – PAN AMERICAN
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OTHER FISCAL ITEMS (Continued)

EMPLOYMENT AGREEMENTS (Continued)

6. Item: Head Men's Baseball Coach
- Funds: \$32,882.55
- Period: May 1, 2000 through July 31, 2001
- Description: Agreement for employment of Head Men's Baseball Coach, Reggie Lee Tredaway, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS – PAN AMERICAN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

FEES AND MISCELLANEOUS CHARGES

HOUSING RATES
(including Apartments, Dormitory Rooms, Residence Halls)

Ratification is recommended for the following housing rates to be effective beginning with the Fall Semester 2000. The rates have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

<u>Troxell Residence Hall</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
<u>For each regular semester</u>			
Double Occupancy	\$770.00	\$962.50	25%
Single Occupancy	\$1,177.00	\$1,471.25	25%
Double Occupancy - South Wing	\$847.00	\$1,058.75	25%
Single Occupancy - South Wing	\$1,291.40	\$1,614.25	25%
<u>For each summer session</u>			
Double Occupancy	\$308.00	\$385.00	25%
Double Occupancy - South Wing	\$338.00	\$422.50	25%
Single Occupancy - South Wing	\$517.00	\$646.25	25%
<u>Room only per day</u>			
Double Occupancy	\$11.00	\$13.75	25%
Single Occupancy	\$16.50	\$20.60	25%
Double Occupancy - South Wing	\$15.40	\$19.25	25%
Single Occupancy - South Wing	\$22.00	\$27.50	25%
<u>Room and Board – Other Fees</u>			
Dorm Deposit	\$55.00	\$75.00	36%

THE UNIVERSITY OF TEXAS – PAN AMERICAN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

FEES AND MISCELLANEOUS CHARGES (Continued)

HOUSING RATES (Continued)
 (including Apartments, Dormitory Rooms, Residence Halls)

<u>"Bronc Village" Apartments</u>	<u>Current Rates</u>	<u>9 month Proposed Rates</u>	<u>12 month Proposed Rates</u>	<u>Percent Increase</u>
<u>Per Month</u>				
One Bedroom, One Bath				
One Person	\$0	\$500	\$480	N/A
Two Persons	\$0	\$260	\$240	N/A
Two Bedroom, One Bath				
One Person	\$0	\$560	\$540	N/A
Two Persons	\$0	\$290	\$270	N/A
Four Bedroom, Two Bath				
One Person	\$0	\$1,040	\$1,020	N/A
Two Persons	\$0	\$530	\$510	N/A
Three Persons	\$0	\$360	\$340	N/A
Four Persons	\$0	\$275	\$255	N/A
Four Bedroom, Two Bath (ADA)				
One Person	\$0	\$1,040	\$1,020	N/A
Two Persons	\$0	\$530	\$510	N/A
Three Persons	\$0	\$360	\$340	N/A
Four Persons	\$0	\$275	\$255	N/A

Apartment rates include water; the residents are responsible for the electric bills and other utilities in all units.

THE UNIVERSITY OF TEXAS – PAN AMERICAN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

FEES AND MISCELLANEOUS CHARGES (Continued)

HOUSING RATES (Continued)
(including Apartments, Dormitory Rooms, Residence Halls)

<u>"Bronc Village" Apartments</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Percent Increase</u>
<u>Room and Board – Other Fees</u>			
Damage Deposit (Per Person at Sign-On)	\$0	\$150	N/A
Late Fee	\$0	\$25 on fourth day late + \$5 extra for each additional day late	N/A
Washer/Dryer Rental (per Month)	\$0	\$25	N/A
Transfer Fee	\$0	\$100	N/A
Resident Replacement Fee	\$0	\$50 for first resident replacement with \$50 increments for each additional replacement; maximum of three resident replacements per unit	N/A

THE UNIVERSITY OF TEXAS – PAN AMERICAN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

FEES AND MISCELLANEOUS CHARGES (Continued)

HOUSING RATES (Continued)
(including Apartments, Dormitory Rooms, Residence Halls)

Ratification is recommended for the following housing rates to be effective beginning with the Spring Semester 2001. The rates have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

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

<u>Renovated Residence Hall</u>	<u>Current Rates</u>	<u>9 month Proposed Rates</u>	<u>Percent Increase</u>
<u>For each regular semester</u>			
Double Occupancy	\$962.50	\$1,203	25%
Single Occupancy	\$1,471.25	\$1,839	25%
Double Occupancy – South Wing	\$1,058.75	\$1,323	25%
Single Occupancy – South Wing	\$1,614.25	\$2,018	25%
<u>For each summer session</u>			
Double Occupancy	\$385.00	\$481	25%
Double Occupancy - South Wing	\$422.50	\$528	25%
Single Occupancy - South Wing	\$646.25	\$808	25%
<u>Room only per day</u>			
Double Occupancy	\$13.75	\$17.20	25%
Single Occupancy	\$20.60	\$25.75	25%
Double Occupancy – South Wing	\$19.25	\$24.00	25%
Single Occupancy – South Wing	\$27.50	\$34.25	25%

THE UNIVERSITY OF TEXAS – PAN AMERICAN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	10	16	26	27
b. To keep proper sequence	5	11	16	50
c. New program	2	2	4	2
d. Cross listed	36	52	88	59
e. First time offered	2	1	3	1
f. Accreditation or licensing Standard	0	0	0	2
g. Limited facilities	13	0	13	7
Subtotal	68	82	150	148
h. Voluntarily offered	52	55	107	104
i. Administrative	1	3	4	2
Total	121	140	261	254

THE UNIVERSITY OF TEXAS – PAN AMERICAN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	1	4	5	2
b. To keep proper sequence	1	0	1	8
c. New program	0	0	0	1
d. Cross listed	6	6	12	24
e. First time offered	1	0	1	0
f. Accreditation or licensing Standard	0	0	0	1
g. Limited facilities	1	0	1	0
Subtotal	10	10	20	36
h. Voluntarily offered	29	27	56	35
i. Administrative	0	1	1	0
Total	39	38	77	71

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN
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 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

<u>Primary Reasons for Teaching</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>	<u>Prior Year Total</u>
a. Required for Graduation	14	11	25	28
b. To keep proper sequence	8	1	9	14
c. New program	0	4	4	4
d. Cross listed	3	7	10	5
e. First time offered	0	1	1	1
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	0	0	5
Subtotal	25	24	49	57
h. Voluntarily offered	3	4	7	3
Total	28	28	56	60

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	1	4	5	2
b. To keep proper sequence	1	0	1	1
c. New program	0	0	0	0
d. Cross listed	2	3	5	0
e. First time offered	0	1	1	0
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	0	0	0
Subtotal	4	8	12	3
h. Voluntarily offered	3	1	4	1
Total	7	9	16	4
June 28, 2000				

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
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THE UNIVERSITY OF TEXAS AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

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

TRANSFERS OF FUNDS

GENERAL REVENUE APPROPRIATION BY COORDINATING BOARD

RBC #

124

1. Amount of Transfer \$1,200,000

From: Texas Higher Education Coordinating Board

To: Texas Grants Program

This adjustment is an increase for scholarship funding.

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS

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

1. Item: Head Basketball Coach
Funds: \$75,000 annually
Period: May 1, 2000 through April 30, 2003
Description: Agreement for employment of Head Basketball Coach, Rae Rippetoe Blair, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

2. Item: Head Volleyball Coach
Funds: \$41,407 annually
Period: April 1, 2000 through March 31, 2001
Description: Agreement for employment of Head Volleyball Coach, Katrinka Crawford, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS (continued)

3. Item: Head Track and Field Coach
Funds: \$42,738 annually
Period: June 1, 2000 through May 31, 2001
Description: Agreement for employment of Head Track and Field Coach, Que McMaster, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.
4. Item: Assistant Basketball Coach
Funds: \$40,000 annually
Period: June 1, 2000 through March 31, 2001
Description: Agreement for employment of Assistant Basketball Coach, Todd Clark, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.
5. Item: Assistant Basketball Coach
Funds: \$36,000 annually
Period: April 1, 2000 through March 31, 2001
Description: Agreement for employment of Assistant Basketball Coach, Edward Owen Miller, Jr., for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER FISCAL ITEMS

EMPLOYMENT AGREEMENTS (continued)

6. Item: Assistant Basketball Coach
- Funds: \$34,000 annually
- Period: April 1, 2000 through March 31, 2001
- Description: Agreement for employment of Assistant Basketball Coach, Roland Ware, for the above-designated period following the standard coach's employment contract prepared by the Office of General Counsel.

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	21	15	36	27
b. To keep proper sequence	23	38	61	29
c. New program	5	1	6	3
d. Cross listed	21	13	34	22
e. First time offered	2	1	3	8
f. Accreditation or licensing Standard	0	0	0	0
g. Faculty limited	3	1	4	1
Subtotal	75	69	144	90
h. Voluntarily offered	14	25	39	23
Total	89	94	183	113

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

Organized Graduate Classes with
 Fewer than 5 Enrolled Students

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	3	4	7	4
b. To keep proper sequence	5	4	9	6
c. New program	4	1	5	5
d. Cross listed	1	4	5	13
e. First time offered	1	0	1	0
f. Accreditation or licensing Standard	0	0	0	0
g. Faculty limited	0	0	0	0
Subtotal	14	13	27	28
h. Voluntarily offered	3	7	10	8
Total	17	20	37	36

THE UNIVERSITY OF TEXAS AT TYLER
U. T. BOARD OF REGENTS' MEETING
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THE UNIVERSITY OF TEXAS AT TYLER
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Academic Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
APPOINTMENTS AND PROMOTIONS					
COLLEGE OF BUSINESS					
Department of Management and Marketing					
Professor Emeritus					
1. Wendell Hewett	6/1-8/31			16	
COLLEGE OF EDUCATION AND PSYCHOLOGY					
Department of Special Services					
Professor Emeritus					
2. Robert Jones	6/1-8/31			17	
COLLEGE OF SCIENCES AND MATHEMATICS					
Department of Biology					
Professor Emeritus					
3. James Stewart	6/1-8/31			18	

THE UNIVERSITY OF TEXAS AT TYLER
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

Pursuant to Sections 51.403 of the Texas Education Code and Section 5.301 of the Texas Higher Education Coordinating Board Rules a report for the record regarding the teaching of small classes has been filed. The institution has reviewed the data in this report and, as appropriate, made administrative changes to ensure that teaching such small classes continues to be justified. The detailed listing of small classes is included in electronic file CBM 004 in the U. T. System Office of Academic Affairs and is summarized as follows:

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	22	26	48	48
b. To keep proper sequence	28	40	68	48
c. New program	25	13	38	13
d. Cross listed	11	7	18	10
e. First time offered	4	4	8	6
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	1	1	2
Subtotal	90	91	181	127
h. Voluntarily offered	1	4	5	4
i. Internet	1	1	2	0
Total	92	96	188	131

THE UNIVERSITY OF TEXAS AT TYLER
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	4	12	16	7
b. To keep proper sequence	5	3	8	6
c. New program	0	0	0	2
d. Cross listed	6	5	11	2
e. First time offered	0	0	0	0
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	0	0	3
Subtotal	15	20	25	20
h. Voluntarily offered	2	0	2	5
i. Internet	1	2	3	1
Total	18	22	40	26

THE UNIVERSITY OF TEXAS AT TYLER
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER MATTERS

STUDENT CONSTITUTION OR BYLAWS

The following proposed substantive changes to the Constitution of the Students' Association have been approved by the Executive Vice Chancellor for Academic Affairs and are recommended for ratification by the U. T. Board of Regents.

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Changes</u>
1	<p><u>Article I, Section I, Paragraph I, Student Association</u> The paragraph is replaced with the following: The name of the organization is Student Government Association and functions shall be implemented by elected officers and senators from the student body.</p> <p>Student Government Association replaces Student Association and Senator replaces representative throughout the Constitution.</p>

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
U. T. BOARD OF REGENTS' MEETING
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THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
U. T. BOARD OF REGENTS' MEETING
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GIFTS

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

1. Donor Name: Hamon Charitable Foundation
College/School/ Department: Institution
Purpose: To construct a new student center
Asset Type: Cash
Value: \$4,000,000

2. Donor Name: Roche Laboratories, Inc.
College/School/ Department: Institution
Purpose: Support for the continuing education activity entitled: "Research Rounds XV," which will be held in Whisler, British Columbia on August 17-22, 2000.
Asset Type: Cash
Value: \$924,350

3. Donor Name: Southwestern Medical Foundation *
College/School/ Department: Institution
Purpose: The Foundation's grant to The University of Texas Southwestern Medical Center at Dallas for the 1999-2000 academic year
Asset Type: Cash
Value: \$649,999.99 (represents the final payment on a commitment of \$1,300,000)

4. Donor Name: Southwestern Medical Foundation
College/School/ Department: Institution
Purpose: Support for the Mobility Foundation Center's Stroke Research and Spinal Cord Injury Programs
Asset Type: Cash
Value: \$674,163

* No letter of transmittal from the donor

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS

The following contracts or agreements have been awarded, have been administratively approved by the President (or his delegate) and are recommended for ratification by the U. T. Board of Regents.

GENERAL CONTRACTS

(FUNDS COMING IN)

1. Agency: Dallas County Hospital District
Funds: \$62,993,991
Period: October 1, 1999 through September 30, 2000
Description: To provide professional and technical support services.
2. Agency: UT Southwestern Health Systems
Funds: \$1,392,620
Period: December 1, 1999 through August 31, 2000
Description: To provide the services to assist with the operation of the Radiology Clinic at Aston Ambulatory Care Center.

**NON-INTELLECTUAL PROPERTY-RELATED
SPONSORED RESEARCH AGREEMENTS - FOREIGN**

(FUNDS COMING IN)

3. Country: Canada
Grantor: QLT PhotoTherapeutics Inc.
No.: Clinical Trial Agreement PHO BAR 01
New Funds: \$22,452.19
Current Period: Beginning June 1, 1998 and to be completed no later than three (3) to five (5) years thereafter
Title/Description: Support for the study entitled, "A Multicenter, Partially Blinded, Randomized Phase 3 Study of the Efficacy and Safety of Photodynamic Therapy (PDT) using PHOTOFRIN® (porfimer sodium) for Injection for the Ablation of High-grade Dysplasia in Barrett's Esophagus (BE)" under the direction of J. Steven Burdick, M.D., Department of Internal Medicine.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
PATENT LICENSE AGREEMENT

(FUNDS COMING IN)

4. Licensee: X-Ceptor Therapeutics, Inc.
San Diego, California
- Fee-Royalty: Licensee agrees to issue 270,000 fully paid, non-assessable shares of its common stock as set forth in the Common Stock Agreement, a running royalty equal to 1% of Net Sales for Licensed Products and a running royalty equal to 0.5% of Net Sales for Identified Products, and \$7,000 for all out-of-pocket expenses incurred by The University of Texas Southwestern Medical Center.
- Period: Effective May 25, 2000 to the full end of the term or terms for which Patent Rights have not expired, or if only Technology Rights are licensed and no Patent Rights are applicable for a period of 20 years.
- Summary of License Provisions: Board grants to Licensee a royalty-bearing, exclusive license under Patent Rights and a royalty-free exclusive license under Technology Rights to manufacture, have manufactured, use and/or Sell Licensed Products or Identified Products within the Territory.
- Description of Licensed Product(s): Board's rights to valid claims that issue in the Field from the patent application identified as UTSD:0578 entitled "Novel Oxy-Sterol Ligands for the LXR Receptor and Uses Thereof" filed September 1997 having the serial number 08/943,936, and all divisionals, continuations, reissues, reexaminations or extensions thereof, claims in continuations-in-part applications and patents directed to subject matter specifically described in the patent application identified as UTSD:0578, and all claims of all foreign patent applications, patents, and other intellectual property which are directed to subject matter specifically described in the patent application identified as UTSD:0595 entitled "LXR β Knock-Out Mice" and UTSD:1301 entitled "LXR α Knock-Out Mice" and all technical information, know-how, processes, procedures, methods, formulas, protocols, techniques, designs, drawings or data created by Inventors.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS - FOREIGN

(FUNDS COMING IN)

5. Agency: ASTA Medica AG
Germany
Funds: Material Transfer Agreement
Period: Beginning April 3, 2000
Description: Transfer of 50 mg of 4-hydroperoxycyclophosphamide and 300 mg of ifosfamide to Patrick Leavey, M.D., Department of Pediatrics, to be used as internal standards for pharmacokinetic studies of cyclophosphamide.
6. Agency: AstraZeneca UK Limited
United Kingdom
Funds: Material Transfer Agreement
Period: Beginning March 6, 2000
Description: Transfer of HMG CoA reductase inhibitor ZD4522 to Johann Deisenhofer, Ph.D., Department of Biochemistry, to determine the 3-D structure of the complex.
7. Agency: Imperial Cancer Research Fund
United Kingdom
Funds: Material Transfer Agreement
Period: Beginning March 31, 2000
Description: Transfer of MyC-XSmad4-2, Flag-XSmad4-2, MyC-XSmad4 β 1 and Flag-XSmad4 β 1 to Jon Graff, M.D., Ph.D., Center for Developmental Biology, for research relating to studies on Smad4.
8. Agency: Imperial College of Science, Technology and Medicine
United Kingdom
Funds: Material Transfer Agreement
Period: Beginning March 17, 2000
Description: Transfer of the human colon cancer cell line HCA-7 to Donald P. Lombardi, M.D., Department of Internal Medicine, to study cell adhesion molecules, such as E-cadherin.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

(FUNDS COMING IN) (Continued)

9. Agency: IntroGene B. V.
The Netherlands
Funds: Material Transfer Agreement
Period: Beginning April 21, 2000
Description: Transfer of the 911-E4 cell line to Ilya Bezprozvanny, Ph.D., Department of Physiology, to generate recombinant adenovirus causing infection of SCG and hippocampal neuronal cultures from rat and mouse, with the results providing insight into fundamental mechanisms of synaptic transmission.
10. Agency: Jewish General Hospital
Canada
Funds: Material Transfer Agreement
Period: Beginning March 20, 2000
Description: Transfer of IRF7 wt pFLAG, Rantes-CAT, ISG15-CAT, IRF3 wt pFLAG, and wt IRF3 to Michael Gale, Jr., Ph.D., Department of Microbiology, for the purpose of research characterizing the phosphorylation and activation of IRF-3 and IRF-7 in HCV infected cells.
11. Agency: Kazusa DNA Research Institute
Japan
Funds: Material Transfer Agreement
Period: Beginning May 18, 2000
Description: Transfer of KIAA 0424, 0292, 0554, 1224, 0573 and 1037 human cDNA clones to Michael J. McPhaul, M.D., Department of Internal Medicine, to perform in vitro and cell culture experiments to determine if the proteins encoded by the requested cDNA clones may be involved in effecting alterations of gene transcription.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

(FUNDS COMING IN) (Continued)

12. Agency: Merck Frosst Canada & Co.
Canada
Funds: Material Transfer Agreement
Period: Beginning April 13, 2000
Description: Transfer of 5 grams DFU compound to Carlos Becerra, M.D., Department of Internal Medicine, to explore if there is synergism between Cox 2 inhibitors and troglitazone in colon cancer cell line apoptosis.
13. Agency: The University of Queensland
Australia
Funds: Material Transfer Agreement
Period: Beginning January 18, 2000
Description: Transfer of munc18c/pMEX (pJTT11), munc18c/pGEMT, and UPS45/BSSK plasmids to Thomas Sudhof, M.D., Center for Basic Neuroscience, for research.
14. Agency: Universität zu Köln
Germany
Funds: Material Transfer Agreement
Period: Beginning March 17, 2000
Description: Transfer of CD19-deficient mice to Richard H. Scheuermann, Ph.D., Department of Pathology, for research.
15. Agency: University of Zurich
Switzerland
Funds: Material Transfer Agreement
Period: Beginning April 25, 2000
Description: Transfer of PET 19B his-wt PCNA compound to William John Feaver, Ph.D., Department of Pathology, for research.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS –
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

(FUNDS COMING IN) (Continued)

16. Agency: Vitrolife AB
Sweden
Funds: Material Transfer Agreement
Period: Beginning May 16, 2000
Description: Transfer of 3,000 ml of Perfadex® Lung Preservation Solution to Dan M. Meyer, M.D., Division of Thoracic and Cardiovascular Surgery, to compare Perfadex with modified Euro-Collins solution on substrate metabolism in stored isolated rat lung.

(FUNDS GOING OUT)

17. Agency: AstraZeneca Transgenic Center
Sweden
Funds: Material Transfer Agreement
Period: Beginning June 6, 2000
Description: Transfer of tie2-cre transgenic mice, which were developed by Masashi Yanagisawa, M.D., Ph.D., Department of Biophysics & Molecular Genetics, together with any purebred progeny and descendants thereof and any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study the effect of the inactivation or mutation (endothelial-cell specific knock-out) or the overexpression (endothelial-cell specific conditional expression of transgene) of genes of potential therapeutic interest.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS -
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

(FUNDS GOING OUT) (Continued)

18. Agency: Karlsruhe Research Center
Germany
Funds: Material Transfer Agreement
Period: Beginning February 17, 1999
Description: Transfer of XS52 and NS47 stromal cell lines, which were developed by Akira Takashima, M.D., Department of Dermatology, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study and analyze the phenotypical changes in RelB/NF-kB knockout mice.
19. Agency: Kyoto University
Japan
Funds: Material Transfer Agreement
Period: Beginning March 27, 2000
Description: Transfer of TIE2 promoter/enhancer vector plasmid, which was developed by Narutoku Sato, Ph.D., Department of Internal Medicine, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study the biological effects of endothelial cell-specific overexpression of LOX-1.
20. Agency: Kyoto University Graduate School of Medicine
Japan
Funds: Material Transfer Agreement
Period: Beginning March 21, 2000
Description: Transfer of TIE2 promoter/enhancer vector plasmid, which was developed by Narutoku Sato, Ph.D., Department of Internal Medicine, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study vascular endothelial cell-specific overexpression of GC-A and genetic rescue of hypertension in GC-A deficient mice.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS -
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

(FUNDS GOING OUT) (Continued)

21. Agency: Medvet Science Pty Ltd.
Australia
Funds: Material Transfer Agreement
Period: Beginning July 2, 1999
Description: Transfer of TIE2-GFP transgenic mice, which were developed by Narutoku Sato, Ph.D., Department of Internal Medicine, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study the role of sphingosine kinase in endothelial cells.
22. Agency: Osaka University Graduate School of Medicine
Japan
Funds: Material Transfer Agreement
Period: Beginning May 12, 2000
Description: Transfer of TIE2 promoter/enhancer vector plasmid, which was developed by Narutoku Sato, Ph.D., Department of Internal Medicine, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to make mice with vascular-endothelial-cell-specific expression of Cre.
23. Agency: Technische Universität München
Germany
Funds: Material Transfer Agreement
Period: Beginning April 5, 2000
Description: Transfer of XS52 and NS47 stromal cell lines, which were developed by Akira Takashima, M.D., Department of Dermatology, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to be used for research of the impact of environmental factors on the sensitization phase of allergies.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS -
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

(FUNDS GOING OUT) (Continued)

24. Agency: Universidade Técnica de Lisboa
Portugal
Funds: Material Transfer Agreement
Period: Beginning March 17, 2000
Description: Transfer of vascular endothelial specific promoter/
enhancer, which was developed by Narutoku Sato, Ph.D.,
Department of Internal Medicine, together with any related
biological material or associated know-how and data that
will be provided by The University of Texas Southwestern
Medical Center at Dallas to study the role of a novel mouse
delta homologue in vascular development.
25. Agency: University of Aberdeen
Scotland
Funds: Material Transfer Agreement
Period: Beginning May 4, 2000
Description: Transfer of XS106 DC cell line, which was developed by
Akira Takashima, M.D., Department of Dermatology,
together with any related biological material or associated
know-how and data that will be provided by The University
of Texas Southwestern Medical Center at Dallas to be used
to examine the endosomes in which S-antigen processing
and MHC loading occurs in DC (dendritic cells).
26. Agency: University of Alberta
Canada
Funds: Material Transfer Agreement
Period: Beginning April 20, 2000
Description: Transfer of 100 mg of anti-CD22 monoclonal antibody,
which was developed by Ellen Vitetta, Ph.D., Cancer
Immunobiology Center, together with any related biological
material or associated know-how and data that will be
provided by The University of Texas Southwestern Medical
Center at Dallas to be used in research from which results
will be compared with results from the anti-CD 19 mAb.

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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS -
MATERIAL TRANSFER AGREEMENTS – FOREIGN (Continued)

(FUNDS GOING OUT) (Continued)

27. Agency: University of Cambridge
United Kingdom
Funds: Material Transfer Agreement
Period: Beginning April 28, 2000
Description: Transfer of TIE2 promoter/enhancer vector plasmid, which was developed by Narutoku Sato, Ph.D., Department of Internal Medicine, together with any related biological material or associated know-how and data that will be provided by The University of Texas Southwestern Medical Center at Dallas to study expression of transgenes in mouse endothelial cells.
28. Agency: University of Montreal
Canada
Funds: Material Transfer Agreement
Period: Beginning March 26, 2000
Description: Transfer of 832/13 cell line, which was developed by Christopher B. Newgard, Ph.D., Department of Biochemistry, in order to perform internal insulin secretion studies.
29. Agency: Yousei University College of Medicine
Korea
Funds: Material Transfer Agreement
Period: Beginning March 29, 2000
Description: Transfer of 832/13 cell line, which was developed by Christopher B. Newgard, Ph.D., Department of Biochemistry, in order to perform internal insulin secretion studies.

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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS - GRANTS

(FUNDS COMING IN)

30. Agency: National Institutes of Health
National Institute on Aging
Funds: \$1,380,747
Period: April 1, 2000 through March 31, 2001
Description: Grant # 2 P30 AG12300-07 entitled "Neurobiology of
Alzheimer's Disease and Aging"

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Health Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
INSTITUTIONAL SUPPORT					
Office of Executive Vice President for Clinical Affairs					
1. John D. McConnell (T).					36
From: Vice President for Clinical Affairs, Professor and Chairman of Urology, and E.E. Fogelson & Greer Garson Fogelson Distinguished Chair in Urology		100	12	300,000	
To: Vice President for Clinical Affairs, Professor and Chairman of Urology, E.E. Fogelson & Greer Garson Fogelson Distinguished Chair in Urology, and S.T. Harris Family Chair in Medical Science, in Honor of John D. McConnell, M.D.	3/1	100	12	300,000	

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
INSTITUTIONAL SUPPORT (Continued)					
Source of Funds:					
\$ 52,934					
- State Funds – Urology					
31,250					
- NIH 5-U01-DK46437-08					
6,528					
- NIH 2-P50-DK47657-06					
25,725					
- NIH 2-P50-DK47657-06					
<u>150,000</u>					
- Clinical Affairs Administration					
\$266,437					
- Total Salary					
<u>33,563</u>					
- MSRDP Augmentation					
<u>\$300,000</u>					
- Total Compensation					

SOUTHWESTERN MEDICAL SCHOOL

Internal Medicine

2. William G. Reed (T) 37

From: Professor of Internal Medicine, 100 12 191,100
 Eva A. Rosenthal Professorship
 in Internal Medicine in Honor of
 Gary Reed, M.D., and S.T. Harris
 Family Chair in Internal Medicine,
 in Honor of Gary Reed, M.D.

To: Professor of Internal Medicine, 3/1 100 12 191,100
 Eva A. Rosenthal Professorship
 in Internal Medicine in Honor of
 Gary Reed, M.D., and S.T. Harris
 Family Distinguished Chair in
 Internal Medicine, in Honor of
 Gary Reed, M.D.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
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SOUTHWESTERN MEDICAL SCHOOL (Continued)

Source of Funds:

- \$ 75,491 - State Funds – Internal Medicine
- 15,000 - S.T. Harris Family
- 8,000 - Rosenthal Sr. & Jr. & J. Miller
- 18,540 - Parkland Memorial Hospital
- 40,000 - Parkland Memorial Hospital
- 3,864 - Eva A. Rosenthal Professorship in Internal Medicine–TESP Match
- 6,005 - Harris Chair in Internal Medicine in honor of Gary Reed, M.D.–TESP Match
- \$166,900 - Total Salary
- 24,200 - MSRDP Augmentation – Parkland Memorial Hospital
- \$191,100 - Total Compensation

Office of the Dean

3. Robert J. Alpern (T) 34

From: Dean, Southwestern Medical School, Professor of Internal Medicine, and Ruth W. & Milton P. Levy, Sr. Chair in Molecular Nephrology

100 12 254,000

To: Dean, Southwestern Medical School, Professor of Internal Medicine, and Ruth W. & Milton P. Levy, Sr. Chair in Molecular Nephrology, and Atticus James Gill, M.D. Chair In Medical Science

3/1 100 12 254,000

Source of Funds:

- \$221,200 - State Funds – Office of the Dean - SMS
- 32,800 - Southwestern Medical Foundation
- \$254,000- Total Salary

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
SOUTHWESTERN MEDICAL SCHOOL (Continued)					
Pathology					
Professor					
4. Frederick F. Elder (T)	3/6	100	12	120,000	38

Source of Funds:

\$ 61,122	- State Funds – Pathology
10,006	- MSRDP - Pathology
<u>24,872</u>	- Parkland Memorial Hospital
\$ 96,000	- Total Salary
<u>24,000</u>	- MSRDP Augmentation
<u>\$120,000</u>	- Total Compensation

5. Robert W. McKenna (T) 33

From: Professor of Pathology, 100
 Vice Chairman of Pathology, and 12
 Charles Cameron Sprague, M.D. 233,400
 Chair in Medical Sciences

To: Professor of Pathology, 3/1
 Vice Chairman of Pathology, and 100
 The Vernie A. Stembridge, M.D. 12
 Distinguished Chair in Pathology 233,400

Source of Funds:

\$ 60,761	- State Funds – Pathology
79,184	- State Funds – Immunology Graduate Program
<u>23,316</u>	- Childrens Medical Center
\$ 163,261	- Total Salary
<u>70,139</u>	- MSRDP – Pathology – Parkland Hospital
<u>\$233,400</u>	- Total Compensation

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Full-time Salary Rate</u>	<u>RBC #</u>
SOUTHWESTERN MEDICAL SCHOOL (Continued)					
Surgery					
Professor and Holder of Riggs Family Chair in Emergency Medicine					
6. Paul E. Pepe (T)	2/11	100	12	270,000	35, 39

Source of Funds:

<u>\$ 165,000</u>	- MSRDP - Surgery
<u>\$ 165,000</u>	- Total Salary
<u>105,000</u>	- MSRDP Augmentation
<u>\$ 270,000</u>	- Total Compensation

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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SMALL CLASS REPORT, FALL 2000 AND SPRING 2001

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

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	12	12	24	33
b. To keep proper sequence	4	1	5	8
c. New program	0	0	0	0
d. Cross listed	0	0	0	0
e. First time offered	0	0	0	0
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	1	10	11	20
Subtotal	17	23	40	61
h. Voluntarily offered	0	1	1	6
Total	17	24	41	67

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
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SMALL CLASS REPORT, FALL 2000 AND SPRING 2001 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total *
a. Required for Graduation	7	10	17	
b. To keep proper sequence	7	4	11	
c. New program	0	0	0	
d. Cross listed	1	4	5	
e. First time offered	1	7	8	
f. Accreditation or licensing Standard	0	0	0	
g. Limited facilities	0	0	0	
Subtotal	16	25	41	
h. Voluntarily offered	0	0	0	
Total	16	25	41	

*Prior Year Total not available for Graduate Classes

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

OTHER MATTERS

APPROVAL OF DUAL POSITIONS OF HONOR, TRUST, OR PROFIT

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

1. Name: James D. Griffin, M.D.
 Title: Associate Professor, Department of Anesthesiology and Pain Management
 Position: Appointment to the Texas Department of Criminal Justice (TDCJ) Managed Care Committee
 Period: April, 2000 through January, 2001
 Compensation: None
 Description: The Texas State Legislature created the Correctional Managed Health Care Advisory Committee in 1993 to oversee contracts on behalf of the Texas Department of Criminal Justice for health care services. The 76th Legislature expanded the committee's membership to provide additional expertise and achieve a broader perspective. The scope of the committee's duties include: develop contracts for health care services in consultation with TDCJ and the providers; determine a capitation rate reflecting the true cost of correctional health care; act as an independent third party in the allocation of funds for inmate health care; act as an independent third party for the purpose of dispute resolution; and enforce compliance with contract provisions

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

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THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

GIFTS

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

1. Donor Name: The Sealy & Smith Foundation
College/School/ School of Medicine
Department: Geriatric Acute Care for Elderly (ACE) Unit
Purpose: Payment on grant for the Geriatric Acute Care for the Elderly (ACE) Unit

Asset Type: Cash
Value: \$1,700,000

2. Donor Name: The Sealy & Smith Foundation
College/School/ School of Medicine
Department: Medical Records Department
Purpose: Payment on grant for the electronic medical records software system

Asset Type: Cash
Value: \$1,224,000

3. Donor Name: The Sealy & Smith Foundation
College/School/ School of Medicine
Department: Radiology Department
Purpose: Payment on grant for the Radiology Department renovation and equipment

Asset Type: Cash
Value: \$7,493,375

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS

The following contracts or agreements have been awarded, have been administratively approved by the President (or his delegate) and are recommended for ratification by the U. T. Board of Regents.

GENERAL CONTRACTS

(FUNDS GOING OUT)

1. Agency: Sodexho Marriott Services of Texas Limited Partnership
Funds: \$36,203,981.40
Period: August 10, 2000 through August 31, 2004
Description: Sodexho Marriott Services of Texas Limited Partnership will professionally and efficiently manage the environmental (housekeeping) services operations at UTMB and maintain an adequate staff in such manner that the facilities are kept clean from both a technical and aesthetic perspective.

2. Agency: University of Houston
Funds: \$724,450
Period: August 31, 1999 through March 12, 2000
Description: Amendment to extend the term of the agreement in order to work out a new agreement for services. The University of Houston College of Pharmacy will continue to provide pharmaceutical care for patients served by the University of Texas Medical Branch at Galveston, accounting and clerical support, consultant services such as continuing education for pharmacists and physicians, and staff development.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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CONTRACTS (Continued)

AFFILIATION AGREEMENTS – NON STANDARD

The following non-standard affiliation agreements have been administratively approved as to form and content by the Executive Vice Chancellor for Health Affairs and the Office of General Counsel. The University of Texas Medical Branch at Galveston and the other entities will co-sponsor exchange programs in areas of interest and benefit to both institutions to promote interest in teaching and research activities and to deepen the understanding of economic, cultural and social environments of the respective institutions.

1. Facility: R.H.S.C. El Paso, Inc., doing business as Rio Vista Physical Rehabilitation Hospital
Date: Effective April 1, 2000
Purpose: Health care educational experience program established primarily for the benefit of students in the UTMB School of Allied Health Sciences Physical Therapy Department.

AFFILIATION AGREEMENTS - FOREIGN

2. Country: Brazil
Facility: Universidade Federal do Ceará
Date: Effective March 22, 2000
Purpose: The University of Texas Medical Branch and the Universidade Federal do Ceará wish to develop cooperative relations on the basis of established contacts and mutual understandings especially to develop academic and cultural interchange in the forms of education and research.
3. Country: Qatar
Facility: American Hospital Doha (AHD)
Date: Effective March 20, 2000
Purpose: The University of Texas Medical Branch (UTMB) and the American Hospital Doha will create a program that allows AHD to participate in the TeleHealth and Distance Education Center at UTMB, to receive specialty consults from UTMB via telemedicine and to exchange information pertaining to developments in telemedicine and education by each party.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Health Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC#</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
SCHOOL OF MEDICINE					
Human Biological Chemistry and Genetics					
Professor Emeritus					
1. Viktor Holoubek	2/1-8/31			WOS	306
Physiology and Biophysics					
2. Giuseppe Sant'Ambrogio					309
From: Professor		.4750	12	93,084	
To: Professor Emeritus	5/1-8/31			WOS	

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>No. Mos.</u>	<u>Rate</u>	<u>Full-time Salary</u> <u>RBC#</u>
SCHOOL OF MEDICINE (Continued)					
Internal Medicine; Microbiology and Immunology (WOS)					
3. Rafeul Alam (T)					308
From: Professor, Internal Medicine and Microbiology and Immunology		100	12	162,678	
To: The Sealy and Smith Distinguished Chair in Internal Medicine and Professor, Internal Medicine; Professor, Microbiology and Immunology	4/1-8/31	100	12	162,678	
Initial appointment to The Sealy and Smith Distinguished Chair in Internal Medicine					

Source of Funds:

\$ 76,375	- MSRDP Grant
<u>37,500</u>	- Contracts and Grants
\$113,875	- Total Salary
<u>48,803</u>	- MSRDP Augmentation
<u>\$162,678</u>	- Total Compensation

Microbiology and Immunology (WOS);
 Pediatrics

4. Armond S. Goldman					299
From: Clinical Professor, Microbiology and Immunology and Pediatrics		.4800	12	122,754	
To: Professor Emeritus, Pediatrics	3/2-8/31				WOS

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

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

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	15	1	16	34
b. To keep proper sequence	6	0	6	71
c. New program	3	0	3	0
d. Cross listed	10	0	10	0
e. First time offered	0	0	0	0
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	25	0	25	0
Subtotal	59	1	60	105
h. Voluntarily offered	1	0	1	0
Total	60	1	61	105

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	11	9	20	50
b. To keep proper sequence	58	59	117	66
c. New program	5	0	5	0
d. Cross listed	0	13	13	8
e. First time offered	15	3	18	9
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities	0	29	29	0
Subtotal	89	113	202	133
h. Voluntarily offered	0	2	2	0
Total	89	115	204	133

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
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GIFTS

The following gift has been received, has been administratively approved by the Chief Administrative Officer, and is recommended for ratification by the U. T. Board of Regents.

1. Donor Name: Hermann Eye Fund
College/School/ Department: Department of Ophthalmology and Visual Science, Houston Medical School
Purpose: Transfer the following endowments from Hermann Eye Fund to The University of Texas Board of Regents:
- | | |
|--|------------|
| Frederick B. Asche Chair
in Ophthalmology | \$ 500,000 |
| Ernest L. Kurth Professorship
in Ophthalmology | \$ 100,000 |
| Stephen A. Lasher
Professorship in Ophthalmology | \$ 100,000 |
| Alfred W. Lasher III
Professorship in Ophthalmology | \$ 100,000 |
| Gibson and Martha Gayle
Professorship in Ophthalmology | \$ 100,000 |
| Adrien and Gladys Drouilhet
Lecture Series in Ophthalmology | \$ 100,000 |
- Asset Type: Cash
Value: \$1,000,000

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
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OTHER FISCAL ITEMS

PURCHASE ORDERS - MORE THAN \$500,000

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

(FUNDS GOING OUT)

1. Agency: Bruker Instruments, Inc.
Funds: Not to exceed \$760,800
Title/Description: Purchase a Superconducting Magnet System (NMR), a multipurpose research system for high-resolution magnetic resonance, for experiments within the department of Biochemistry and Molecular Biology

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

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

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total*
a. Required for Graduation	2	0	2	N/A
b. To keep proper sequence	0	0	0	N/A
c. New program	0	0	0	N/A
d. Cross listed	0	0	0	N/A
e. First time offered	0	0	0	N/A
f. Accreditation or licensing Standard	0	0	0	N/A
g. Limited facilities	0	0	0	N/A
Subtotal	2	0	2	N/A
h. Voluntarily offered	0	2	2	N/A
Total	2	2	4	N/A

* Prior Year Totals not available

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total*
a. Required for Graduation	20	23	43	N/A
b. To keep proper sequence	19	25	44	N/A
c. New program	1	0	1	N/A
d. Cross listed	9	9	18	N/A
e. First time offered	2	0	2	N/A
f. Accreditation or licensing Standard	0	0	0	N/A
g. Limited facilities	0	0	0	N/A
Subtotal	51	57	108	N/A
h. Voluntarily offered	10	7	17	N/A
Total	61	64	125	N/A

* Prior Year Totals not available

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS

The following contracts or agreements have been awarded, have been administratively approved by the President (or his delegate) and are recommended for ratification by the U. T. Board of Regents.

GENERAL CONTRACTS

(FUNDS COMING IN)

1. Agency: Barnes and Noble College Bookstores, Inc.
Funds: Contractor will provide Bookstore capital improvements and will pay royalty to University as follows:
 - a) Bookstore capital improvements, including point of sale system (estimated cost of \$50,000), AS 400 computer system (estimated cost of \$25,000), and other fixtures and equipment (estimated cost of \$175,000), to be amortized, using straight line method, over a period of ten (10) years;
 - b) 5% of all gross revenue up to \$2,000,000 per contract year and;
 - c) 6% of all gross revenue from \$2,000,000 to and including \$4,000,000 per contract year and;
 - d) 8% of all gross revenue over \$4,000,000 in any contract year;
 - e) 5% of all sales through Contractor's "textbooks.com" Internet site to University faculty, staff, and students
- Period: This agreement shall continue in full force and effect for a period of ten years from the date of commencement of UTHSCSA Bookstore operations by contractor with an option to renew from year to year or for a period of years (each an extension term) based on the mutual agreement of the parties.
- Description: Management agreement is made and entered into by and between The University of Texas Health Science Center at San Antonio and Barnes and Noble College Bookstores, Inc., for operation and management of the University of Texas Health Science Center at San Antonio Bookstore.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS (Continued)
NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS - FOREIGN

(FUNDS COMING IN)

2. Country: Germany, Federal Republic
Grantor: Aesculap AG & Co. KG
No. Agreement dated June 1, 1999
New Funds: \$58,274
Current Period: June 1, 1999 – August 31, 2000
Title/Description: Effect of Wear Debris Particles on Differentiation and Local Factor Production in MG63 Osteoblast-like Cell Cultures

3. Country: Barbados
Grantor: Pan American Health Organization
No. Agreement dated November 23, 1999
New Funds: \$15,000
Current Period: November 10, 1999 – January 31, 2000
Title/Description: Provide technical assistance for the planning, development and evaluation of the Study to determine urinary fluoride excretion

4. Country: Finland
Grantor: Oy Contral Pharma Ltd.
No. Agreement dated February 3, 2000
New Funds: \$433,800
Current Period: January 1, 2000 – September 15, 2001
Title/Description: CPH-101 in Heavy Alcohol Drinkers with Impaired Control. A 12+40 Week Placebo Controlled Dose Response Study

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
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CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS
PATENT LICENSE AGREEMENTS

(FUNDS COMING IN)

5. Licensee: Biogen, Inc
Cambridge, Massachusetts
- Fee-Royalty: (a) A one time only nonrefundable, noncreditable, licensing fee of \$125,000 due and payable upon execution of this Agreement; (b) Biogen shall pay Board a royalty on any Net Sales of Licensed Product(s) sold by Biogen, its Affiliates or Sublicensees in the Territory at the following rates; (a) 2% of Net sales of Licensed Product encompassed by a Valid Claim of one or more patents; or (b) 1% of Net Sales of Licensed Product embodied by Technology, but which is not encompassed by a Valid Claim of any Patent(s); (c) If Biogen is required to make royalty payments to one or more third parties in order to make, have made, use, sell, offer for sale, or import Licensed Product(s), then 50% of the cost of the royalty payable to the third party on sales in the respective countries shall be deducted from the royalty amount as an "Offset." Notwithstanding the previous sentence, in no event shall such Offset exceed 50% of the royalty owed Board; and (d) As further consideration of the rights granted to Biogen under this Agreement, Biogen shall make the following nonrefundable, noncreditable payments to Board upon the first achievement of each of the following milestones.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS
PATENT LICENSE AGREEMENTS

(FUNDS COMING IN)

	<u>MILESTONE</u>	<u>PAYMENT</u>
	Completion of Phase I Clinical Trials For a use in the Field if on or before November 1, 2005	\$100,000
	Completion of Phase II Clinical Trials For a use in the Field if on or before November 1, 2007	\$250,000
	Completion of Phase III Clinical Trials For a use in the Field if on or before November 1, 2009	\$375,000
	Approval of the first NDA for a use in the Field if on or before April 1, 2010	\$500,000
	If Biogen achieves the milestones in more than one (1) year prior to the date noted above, Biogen's nonrefundable, noncreditable payment to Board shall be decreased by twenty-five percent (25%). If Biogen achieves the milestones in more than one (1) year after the date noted above, Biogen's nonrefundable, noncreditable payment to the Board shall be increased by twenty-five percent (25%).	
Period:	The term of this agreement is from the Effective Date, March 15, 2000, until Biogen's obligation to pay royalties terminates, (for a term of 20 years).	
Summary of License Provisions:	Board grants to Biogen a Territory-wide royalty- bearing, exclusive license under Patents (including Board's undivided interest in Patent(s) jointly owned by Board and Biogen (hereinafter called Joint Patent(s), if any) and, to the extent available, under Technology to develop, manufacture, have manufactured, use, offer to sale, import and/or sell Licensed Product(s) for use within the Field.	

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS (Continued)
INTELLECTUAL PROPERTY AGREEMENTS
PATENT LICENSE AGREEMENTS

(FUNDS COMING IN)

Description of

Licensed Product(s): Any compound or composition, including, but not limited to VLA4 and/or VCAM antagonist compounds or composition(s) or any other alpha 4 integrin and/or alpha 4 integrin ligand antagonist compounds or compositions, (i) the manufacture, use, importation, offer for sale, or sale of which in the Field would, but for this license, infringe a Valid Claim of one or more Patents or (ii) which embodies any of the Technology to which system has given Biogen exclusive rights and which is necessary to practice the inventions claimed in the Patents, but not including publicly available Technology.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Health Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

Item, Department, Title, Name	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate	
<u>APPOINTMENTS AND PROMOTIONS</u>					
MEDICAL SCHOOL					
Office of the Dean					
Dean of the Medical School and Professor of Medicine					
1. Steven Allan Wartman (T)	3/27-8/31	100	12	300,000	21
Source of Funds:					
\$ 185,805 - State Funds – Dean's Office					
<u>114,195</u> - MSRDP Funds					
<u>\$ 300,000</u> - Total Compensation					
Regional Dean, Lower Rio Grande Valley – RAHC					
2. Leonel Vela (T)	3/01-8/31	100	12	220,000	23

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
 U. T. BOARD OF REGENTS' MEETING
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS (Continued)</u>					
SCHOOL OF ALLIED HEALTH SCIENCES					
Physician Assistant Studies					
Associate Professor and Chairman					
3. J. Dennis Blessing (T)	5/01-8/31	100	12	95,000	22

Source of Funds:
 \$ 76,000 - State Funds
19,000 - Grant Funds
\$ 95,000 - Total Compensation

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

PARKING AND TRAFFIC REGULATIONS

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

Parking and Traffic Regulations for 1999-00

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Changes</u>
1	Section I.1 C Add "with exception of visitors...."
1	Section I.5 Change second sentence to: "...all Zone I parking spaces will be maintained as reserved at all times".
7	Section III.7 Change reference to "...as defined in Sec. 684.001, Transportation Code"
9	Section IV.6 Add "...with the exception of visitors parked at meters or in visitor parking lots"
12	Section VI.A.3 Delete "(the higher of the two)."
17	Section VI.F Delete "(Section VI,K)."
19	Section VI.H Add to the beginning of paragraph #3: "Only one zone category change during the permit year is permitted. The fee due will be based on the rate of the new permit, with the prorated amount due at the time of the transaction. For payroll deduction participants the fee charged will be determined by the date of the monthly payroll process."
19	Section VI.H Move last paragraph dealing with temporary permits to Section VI.F as a second paragraph under "Temporary Permits: \$2.00 per day".

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
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PARKING AND TRAFFIC REGULATIONS (Continued)

Parking and Traffic Regulations for 1999-00 (Continued)

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Changes</u>
19 - 20	<p>Section VI.I Change wording as follows:</p> <p>I. REFUNDS: A request for refund will not be honored unless it is filed with the Parking Service Office during the University's fiscal year or permit year in which payment for the permit was made. A request for refund must be accompanied by the remnants of the appropriate permit or entire hanging permit. The refund will be based on the number of full months remaining in the University's permit year. Refunds will be made to students, faculty and staff upon request and under the following conditions:</p> <ol style="list-style-type: none">1. Faculty and staff refunds will be made when service is terminated by a resignation or leave of absence without pay;2. Refunds will be made, upon request, to students who withdraw from the University at the end of the fall semester, but refunds will not be made to students who withdraw from the University at the end of the spring semester;3. Refunds will be made to graduating students upon receipt of a notice of such graduation to the Parking Service Office;4. Students, faculty and staff may cancel a permit at any time by completing a declaration that they will not park on campus at any time, and that no new permit will be issued for six (6) months from the date of the declaration.
28	<p>Section IX Change to: Shuttle Bus Service operates 32 passenger ADA compliant buses between the Zone V parking lot, Allied Health Building, University Plaza Building and the main campus. These shuttles operate on a twenty-minute departure schedule, with designated shuttle pick up and delivery stops on the route.</p>

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
U. T. BOARD OF REGENTS' MEETING
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PARKING AND TRAFFIC REGULATIONS (Continued)

Parking and Traffic Regulations for 1999-00 (Continued)

<u>Page Number(s)</u>	<u>Summary of Proposed Substantive Changes</u>
28	Schedules for the Shuttle Bus Service are available at key locations throughout the campus.
28 – 30	SECTION X Reciprocal Parking Agreement Between The University of Texas Health Science Center at San Antonio and The University of Texas at San Antonio has been changed as follows: Provisions for Visitor Parking have been added.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000

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

**Organized Undergraduate Classes with
 Fewer than 10 Enrolled Students**

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	48	39	87	47
b. To keep proper sequence	21	24	45	3
c. New program	0	0	0	0
d. Cross listed	2	2	4	3
e. First time offered	0	0	0	0
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities (faculty limited)	7	7	14	72
Subtotal	78	72	150	125
h. Voluntarily offered	3	4	7	12
Total	81	76	157	137

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
 U. T. BOARD OF REGENTS' MEETING
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SMALL CLASS REPORT, FALL 1999 AND SPRING 2000 (Continued)

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

Primary Reasons for Teaching	Fall	Spring	Total	Prior Year Total
a. Required for Graduation	20	23	43	52
b. To keep proper sequence	5	2	7	20
c. New program	0	0	0	0
d. Cross listed	5	2	7	8
e. First time offered	0	0	0	6
f. Accreditation or licensing Standard	0	0	0	0
g. Limited facilities (faculty limited)	2	2	4	6
Subtotal	32	29	61	92
h. Voluntarily offered	47	41	88	44
Total	79	70	149	136

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

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THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

GIFTS

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

1. Donor Name: Wilson Hospital Foundation
College/School/
Department: Institution
Purpose: Cancer Research
Asset Type: Cash
Value: \$8,450,000

2. Donor Name: Anonymous
College/School/
Department: Thoracic/Head & Neck Medical Oncology
Purpose: Cancer Research
Asset Type: Cash
Value: \$1,500,000

*No letter of transmittal from the donor

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
AUGUST 10, 2000

CONTRACTS

The following contracts or agreements have been awarded, have been administratively approved by the President (or his delegate) and are recommended for ratification by the U. T. Board of Regents:

GENERAL CONTRACTS

(FUNDS COMING IN)

1. Agency: Magna Administrative Services, Inc.
Funds: Amount received determined by contract fee schedule
Period: May 1, 1999 for a period of 12 months
Description: Hospital Services Agreement to provide for diagnosis, care, and treatment of cancer and other neoplastic diseases
2. Agency: Magna Administrative Services, Inc.
Funds: Amount received determined by contract fee schedule
Period: May 1, 1999 for a period of 12 months
Description: Physician Services Agreement to provide for diagnosis, care, and treatment of cancer and other neoplastic diseases
3. Agency: Golden Triangle Health Care Management Corporation
Funds: Amount received determined by contract fee schedule
Period: April 1, 1999 for one year
Description: Participating Hospital Agreement to provide for diagnosis, care, and treatment of cancer and other neoplastic diseases
4. Agency: Golden Triangle Health Care Management Corporation
Funds: Amount received determined by contract fee schedule
Period: April 1, 1999 for one year
Description: Participating Physician Agreement for Hospital Physicians to provide Covered Health Services to Covered Persons in the Health Care Management Corporation Program

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
U. T. BOARD OF REGENTS' MEETING
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GENERAL CONTRACTS (Continued)

(FUNDS COMING IN)

5. Agency: Private Healthcare Systems, Inc.
Funds: Amount received determined by contract fee schedule
Period: November 1, 1998 for a period of 12 months
Description: Preferred Facility Agreement to provide cancer treatment services

6. Agency: Private Healthcare Systems, Inc.
Funds: Amount received determined by contract fee schedule
Period: November 1, 1998 – October 31, 1999 and shall terminate at the end of the day before the renewal date
Description: Preferred Physician Group Agreement to provide physicians to render quality medical and health care services to covered individuals

7. Agency: Best Doctors, Inc.
Funds: Amount received determined by contract fee schedule
Period: January 1, 2000 for twelve (12) months
Description: Hospital Services Agreement to provide for the diagnosis, care, and treatment of cancer and other neoplastic diseases

8. Agency: Best Doctors, Inc.
Funds: Amount received determined by contract fee schedule
Period: January 1, 2000 for a period of 12 months
Description: Physician Services Agreement for physicians to provide Covered Services to Participants

9. Agency: AmeriHealth HMO of Texas, Inc.
Funds: Amount received determined by contract fee schedule
Period: April 1, 1999 and shall continue in effect until April 1, 2001
Description: Participating Hospital Agreement to provide for the diagnosis, care, and treatment of cancer and other neoplastic diseases

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
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GENERAL CONTRACTS (Continued)

(FUNDS COMING IN)

10. Agency: AmeriHealth HMO of Texas, Inc. (AHT)
Funds: Amount received determined by contract fee schedule
Period: April 1, 1999 and shall continue in until until April 1, 2001
Description: Professional Group Provider Agreement to render Covered Services to Members of AHT
11. Agency: HealthPlan of Texas, Inc.
Funds: Amount received determined by contract fee schedule
Period: June 1, 1999 for twelve (12) months
Description: Hospital Services Agreement that arranges for health care or related services to be provided to persons who subscribe to its services by contracting with health care providers
12. Agency: HealthPlan of Texas, Inc.
Funds: Amount received determined by contract fee schedule
Period: June 1, 1999 for twelve (12) months
Description: Physician Services Agreement that arranges for health care or related services to be provided to persons who subscribe to its services by contracting with health care providers
13. Agency: Cigna Health Corporation
Funds: Amount received determined by contract fee schedule
Period: April 1, 1999 and shall continue from year to year thereafter
Description: Managed Care Agreement to provide, insure, arrange for or administer the provision of health care services
14. Agency: First Health Group Corp.
Funds: Amount received determined by contract fee schedule
Period: November 1, 1998 and shall continue until terminated
Description: Hospital Contract for all inpatient admissions and Outpatient Services

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
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GENERAL CONTRACTS (Continued)

(FUNDS COMING IN)

15. Agency: First Health Group Corp.
Funds: Amount received determined by contract fee schedule
Period: October 1, 1998 and shall continue until terminated
Description: Participating Provider Group Agreement with hospitals and other health care practitioners and facilities to establish Preferred Provider Panels

NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH AGREEMENTS - FOREIGN

(FUNDS COMING IN)

16. Country: China
Grantor: The Kadoorie Charitable Foundations
No: Grant Letter dated November 3, 1999
New Funds: \$1,188,600
Current Period: March 1, 2000 through March 1, 2004
Title/Description: Kadoorie Collaborative Cancer Genetics Research Programme
17. Country: Canada
Grantor: Biochem Pharma Inc.
No: None
New Funds: Amount received determined by contract fee schedule
Current Period: December 22, 1999 until completion of the study
Title/Description: A Phase I/II Multi-Center Study of Troxacitabine in Relapsed or Refractory Lymphoproliferative Neoplasms or Multiple Myeloma

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
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**NON-INTELLECTUAL PROPERTY-RELATED SPONSORED RESEARCH
AGREEMENTS - FOREIGN (Continued)**

(FUNDS COMING IN)

18. Country: Canada
Grantor: Biochem Pharma Inc.
No: None
New Funds: Amount received determined by contract fee schedule
Current Period: April 25, 2000 until completion of the study
Title/Description: A Phase I/II Randomized Study of Troxacitabine with
Topotecan, Idarubicin or Ara-C in Patients with Refractory
AML/MDS or CML Blastic Phase Disease

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET

The following Requests for Budget Changes (RBC's) have been administratively approved as required by the Executive Vice Chancellor for Health Affairs and are recommended for ratification by the U. T. Board of Regents.

The term "rate" for academic institutions is the full-time nine-month base rate and for health institutions is the full-time twelve-month base rate; for all other personnel it is the full-time rate, the appointee receiving a proportionate amount depending upon the fraction of time for which the individual is appointed and the period of appointment. Source of funds for payment of salaries, unless otherwise shown, is the departmental salaries account.

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
<u>APPOINTMENTS AND PROMOTIONS</u>					
THE TUMOR INSTITUTE – MEDICAL STAFF					
Division of Medicine/Office of Translational Research					
1. Robert C. Bast, Jr. (T)					75
From: Division Head, Chairman (ad interim), Professor & Harry C. & Olga Wiess Chair for Cancer Research		100	12	319,697	
To: Vice President for Translational Research, Professor & Harry C. & Olga Wiess Chair for Cancer Research	3/8	100	12	319,697	

Source of Funds:
 \$ 6,000 – Harry Carothers Wiess Chair
313,697 – PRS Administrative
\$319,697 – Total Compensation

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 U. T. BOARD OF REGENTS' MEETING
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
THE TUMOR INSTITUTE – MEDICAL STAFF					
Medical Specialties/Division of Internal Medicine					
2. Robert F. Gagel (T)					84
From: Chairman, Professor		100	12	257,500	
To: Division Head (ad interim), Chairman and Professor	5/1	100 SUPLT	12 12	257,500 15,000	

Source of Funds:

\$ 15,000 – EVP & COO – Patient Care
 137,825 – Medical Specialties – Patient Care
119,675 – Medicine – Endocrinology
\$272,500 – Total Compensation

Thoracic/Head & Neck Medical Oncology
 Professor

3. Merrill S. Kies (T)	3/1	100	12	225,000	72
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Source of Funds:

\$ 70,000 – Thoracic/Head & Neck Med Oncology
 70,000 – PRS – Medicine – Head/Neck/Thoracic Onc
85,000 – Tobacco Rach Fds – Lung & Oral Cnc, Proj 9
\$225,000 – Total Compensation

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
THE TUMOR INSTITUTE – MEDICAL STAFF (CONTINUED)					
Bioimmunotherapy					
4. Moshe Talpaz (T)					79
From: Chairman (ad interim), Professor & David Bruton, Jr. Chair		100	12	226,108	
To: Chairman, Professor & David Bruton, Jr. Chair	4/1	100	12	250,000	
Source of Funds:					
\$ 3,000 – David Bruton, Jr. Chair					
121,450 – Bioimmunotherapy					
<u>125,550</u> – PRS – Medicine – Bioimmunotherapy					
<u>\$250,000</u> – Total Compensation					
Division of Diagnostic Imaging/Diagnostic Radiology					
5. William A. Murphy, Jr. (T)					82
From: Division Head, Chairman, Professor & John S. Dunn, Sr. Distinguished Chair In Diagnostic Radiology		100	12	346,151	
To: Professor & John S. Dunn, Sr. Distinguished Chair in Diagnostic Radiology	4/1	100	12	346,151	
Source of Funds:					
\$ 6,000 – John S. Dunn, Sr. Distinguished Chair					
<u>340,151</u> – PRS – Division of Diagnostic Imaging					
<u>\$346,151</u> – Total Compensation					

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
THE TUMOR INSTITUTE MEDICAL STAFF (CONTINUED)					
Nuclear Medicine					
8. Donald A. Podoloff (Term)					80
From: Chairman, Professor (Term) & James E. Anderson Professorship In Nuclear Medicine		100	12	287,494	
To: Division Head (ad interim), Chairman, Professor & James E. Anderson Professorship in Nuclear Medicine	4/1 4/1	100 SUPLT	12 12	287,494 15,000	

Source of Funds:

\$ 3,000 – James E. Anderson Professorship
 15,000 – EVP & COO – Patient Care
 138,733 – Nuclear Medicine
 145,761 – PRS Diagnostic Imaging – Nuclear Medicine
\$302,494 – Total Compensation

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
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AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>Item, Department, Title, Name</u>	<u>Effective Date</u>	<u>% Time</u>	<u>Full-time Salary</u>		<u>RBC #</u>
			<u>No. Mos.</u>	<u>Rate</u>	
THE TUMOR INSTITUTE – RESEARCH					
Research, VP Office/Molecular Cell Biology					
9. Mien-Chie Hung (T)					77
From: Professor and Ruth Legett Jones Chair		100 SUPLT	12 12	148,536 10,000	
To: Chairman, Professor & Ruth Legett Jones Chair	3/1	100	12	200,000	

Source of Funds:

\$ 6,000 – Ruth Legett Jones Chair
 172,660 – Molecular Cellular Oncology
21,340 – Grant SR97-009
\$200,000 – Total Compensation

EDUCATION, GENERAL ADMINISTRATION

SVP/CAO Office and Diversity Programs

10. Harry R. Gibbs (T) 74

From: Associate Vice President for Diversity Programs and Associate Professor		100 SUPLT	12 12	200,292 20,000	
To: Vice President for Institutional Diversity and Associate Professor	3/1 3/1	100 SUPLT	12 12	220,000 20,000	

Source of Funds:

\$ 20,000 – SVP/CAO Office
 46,750 – Diversity Programs
173,250 – PRS – Administrative
\$240,000 – Total Compensation

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 U. T. BOARD OF REGENTS' MEETING
 AUGUST 10, 2000

AMENDMENTS TO THE 1999-00 BUDGET (Continued)

<u>TRANSFERS OF FUNDS</u>		<u>RBC#</u>
<u>ESTIMATED EDUCATIONAL & GENERAL INCOME</u>		
Income from Patients		
11. Amount of Transfer:	\$55,499,604	78
From: Overhead on Sponsored Projects	3,844,179	
Interest on Time Deposits	(5,549,577)	
Other Income	2,622,000	
Income from Patients	51,422,000	
ATP/ARP	2	
Medicare cost Settlement Reimb	<u>3,161,000</u>	
	<u>\$55,499,604</u>	
To: Total Budget Expenditures	47,058,588	
E& G Capital Projects	<u>8,441,016</u>	
	<u>\$55,499,604</u>	

To record an increase in expenditure budgets resulting from a projected increase in patient income in amount of \$55,499,604.